

MINUTES

SOLID WASTE AUTHORITY BOARD REGULAR MEETING

JUNE 4, 2008
9:00 A.M.

PRESENT: Commissioner Koons, Chair
Commissioner Karen Marcus, Vice Chair
Commissioner Mary McCarty
Commissioner Addie Greene
Commissioner Bob Kanjian
Commissioner Jess Santamaria

ABSENT: Commissioner Burt Aaronson, Secretary

STAFF: Mark Hammond, Executive Director
Sandra Vassalotti, Clerk to the Authority
Dan Pellowitz, Assistant to the Executive Director
Charles Maccarrone, Chief Financial Officer
Marc Bruner, Chief Administrative Officer
Mark Eyeington, Chief Operations Officer
Ray Schauer, Director of Engineering
John Archambo, Director of CIS
Maureen Cullen, General Counsel

Commissioner Koons called the regular meeting of the Solid Waste Authority Board to order at 9:05 AM in the Solid Waste Authority Auditorium, 7501 North Jog Road, West Palm Beach.

Call to Order

The Clerk verified a quorum was present.

Roll Call

Mr. Hammond provided the invocation and led the Pledge of Allegiance to the Flag.

Invocation/Pledge to the Flag

Mr. Hammond advised that there were no additions or deletions to the agenda.

Additions/Deletions to the Agenda

MOTION BY COMMISSIONER MARCUS TO APPROVE AGENDA AS PRESENTED. SECONDED BY COMMISSIONER KANJIAN AND CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

MOTION BY COMMISSIONER MARCUS TO APPROVE BOARD MEETING MINUTES FROM FEBRUARY 27, 2008 AS PRESENTED. SECONDED BY COMMISSIONER McCARTY AND CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

**MOTION:
Approve Board Minutes
from 2/27/2008 as
presented**

MOTION BY COMMISSIONER MARCUS TO RECEIVE AND FILE CITIZENS ADVISORY COMMITTEE MEETING MINUTES FROM JUNE 2, 2008 AS PRESENTED. SECONDED BY COMMISSIONER GREENE AND CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

**MOTON:
Receive and file CAC
Minutes from 2/2/08**

MOTION BY COMMISSIONER MARCUS TO APPROVE THE CONSENT AGENDA AS PRESENTED. SECONDED BY COMMISSIONER KANJIAN AND CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

MOTION:
Approve Consent Agenda as presented

- Item 5.A: CIS Department Monthly Complaint Report (Jan-April 2008)
- Item 5.B: Environmental Investigations Unit Status Report
- Item 5.C: Construction/NCRRF Status Report
- Item 5.D: Sole Source Procurements
- Item 5.E: Budget Status Report – 2007/08 Fiscal Year
- Item 5.F: Keep Palm Beach County Beautiful Agreement
- Item 5.G: Gulfstream Scale Company Services for the Provision and Installation of Unattended Scale Systems Agreement #04-252
- Item 5.H: Palm Springs ILA – Assessment Billing Agreement
- Item 5.I: Material Supply Agreement between the Solid Waste Authority and Smurfit Recycling Company – Amendment #2
- Item 5.J: Southwest County Transfer Station – Easement to Lake Worth Drainage District
- Item 5.K: Designated Facility Status for Nu-way Recycling Corp.
- Item 5.L: Designated Facility Status Renewal for Sun Recycling VIII
- Item 5.M: SWM Facility Permit: Amerigrow/Recycling—Delray, Limited Partnership
- Item 5.N: SWM Facility Permit: Atlas – Lox Road, Inc.
- Item 5.O: SWM Facility Permit: Country Mulch
- Item 5.P: SWM Facility Permit: GPRA Thoroughbred Training, Center, Inc./Palm Meadows
- Item 5.Q: Utilization of Alternate Fuels: Biodiesel and E-10 Ethanol
- Item 5.R: Status of Waste Exchange Program with Waste Management of Florida (Martin County Municipal Solid Waste)
- Item 5.S: Purchase of Additional 1500 KVA Transformer
- Item 5.T: ILA with the Town of Briny Breezes for the Delivery of Municipal Solid Waste to Designated Facilities and for a Municipal Recycling Program
- Item 5.U: ILA with the Village of North Palm Beach for the Delivery of Municipal Solid Waste to Designated Facilities and for a Municipal Recycling Program

Mr. Maccarrone informed that at this time the budget requires a significant rate increase, however, there may be an opportunity to reduce that increase by \$1 or \$2 before the budget is adopted in August. One of the main reasons for the increase is the capital projects the Authority is beginning to undertake.

He continued to say that the proposed 2008/2009 budget requires a \$38.00/year increase to single-family homes for disposal. As a result of the bid process for the franchise contracts, the collection rates will be significantly higher than previous contract rates. One-third of the \$38/year increase for disposal is the result of lower revenues and higher operating costs with the remainder being capital costs.

Revenues

- Revenues have decreased \$5M: interest income and tipping fees (tonnage)
- Electric revenues have increased (more than double what the operating fee is projected to be in 2009 at the WTE Plant.

Item: 7.1

**Public Hearing:
Proposed 2008/2009
Budget**

Disposal Budget

Budget (continued)

- Basic operating costs have increased nearly \$5M, with fuel costs being the single largest component (\$2M) and then salaries (\$1.3M).
- Plant operator fee has increased roughly \$1M
- Biosolids Pelletizer coming on line in 2008/2009 (\$742,413)

Mr. Maccarrone added that this budget precludes an employee bonus unless there are significant changes between this meeting and adoption of the budget in August.

Reserves

Staff proposes to subsidize collection rates with \$15M of the collection reserves over a 5-year period. This will leave \$10M in reserves to cover initial response in the event of an emergency.

Commissioner Marcus directed staff to scrutinize the budget further. She stated that County employees would probably be getting salary increases which are less than 5%.

Comments by the Board

Commissioner McCarty stated that unions will be getting 5%, per their contract, and the Authority's Executive Director was attempting to protect against unionizing some of the Authority's workforce.

Commissioner Kanjian urged the Authority to notify the public that their rates will be increasing for the next five (5) years as a result of the franchise collection contracts; encouraged the Board to reiterate its comments about reducing the County's budget when they sit as the Board of County Commissioners; and consider cutting collection to once-a-week pickup rather than twice.

Mr. Maccarrone stated that any savings by reducing collection to once-a-week pickup is minimal because there is still the same amount of waste to be collected, it would only be on one day rather than two.

Mr. Hammond stated that the Authority will address once-a-week pickup in the next franchise collection bidding cycle.

Commissioner McCarty suggested that the next bidding cycle also consider the pros and cons of competitive bidding versus negotiations.

MOTION BY COMMISSIONER McCARTY TO APPROVE THE PROPOSED BUDGET. SECONDED BY COMMISSIONER KANJIAN FOR DISCUSSION

MOTION:
Approve Proposed Budget. Staff to further review for savings

Commissioner Marcus requested the motion include directing staff to review the budget further to see if there were any other areas that could be reduced.

MOTION AMENDED TO INCLUDE COMMISSIONER MARCUS' DIRECTION TO STAFF TO FURTHER REVIEW THE BUDGET FOR SAVINGS. MOTION CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

MOTION CARRIED

MOTION BY COMMISSIONER McCARTY TO APPROVE THE ASSESSMENT AND TIP FEE RATES FOR PURPOSES OF THE REQUIRED NOTICE, UNDERSTANDING THAT STAFF WILL REVIEW THE PROPOSED BUDGET FURTHER TO REDUCE THE RATES. SECONDED BY COMMISSIONER KANJIAN AND CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

MOTION:
Approve Assessment And Tip Fee Rates

MOTION BY COMMISSIONER McCARTY TO CONTINUE THE PUBLIC HEARING UNTIL AUGUST 27, 2008. SECONDED BY COMMISSIONER KANJIAN AND CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

**MOTION:
Continue Public
Hearing to 8/27/08**

Mr. Pellowitz provided a brief presentation of the Request for Proposal (RFP) for Alternative Landfill Site and Support Facilities, the RFP process and each proposal received with highlights as follows:

Item: 9.A.1

**RFP for Alternative
Landfill Site and Support
Facilities**

- August 2007: Board directed staff to seek alternative landfill sites in the possession of willing sellers
- Authority was in possession of a letter from the Sierra Club outlining sites they desired staff to consider
- Staff receive eleven (11) responses to the Request for Expression of Interest which was sent to 70 property owners; ten (10) expressed an interest to sell property to the Authority; five (5) were of a size suitable to meet the Authority's needs.
- March 17, 2008: RFP issued
- April 2, 2008: Pre-proposal Conference was held
- May 1, 2008: RFP due date
- Acquisition is a 3-tier process: Tier 1, Tier 2, and Fatal Flaw Analysis
- May 14, 2008: Selection Committee met and shortlisted three proposals (Ellen Smith, Hundley Farms, and Okeelanta Corporation)

Mr. Pellowitz continued to say that pending Board action at today's meeting, the Consulting Engineer will complete the Tier 2 evaluation, then the Selection Committee will receive the report, reconvene and rank the proposals in accordance with the criteria in the RFP. The Ranking is expected to be presented to the Board at a special meeting in September. Staff will at that time present a summary of the results as well as a comparison to the existing site.

Summary of proposed sites:

Summary of Proposals

- Ellen Smith (three property owners represented by Ellen Smith)
Location: Intersection of SR80 and US98, approximately 5 miles west of 20-Mile Bend
Size: 1,600 acres
Asking price: \$62.4M if closing takes place before 12/31/08
\$72M if closing takes place after 12/31/08
- Hundley Property
Location: CR880 approximately 4.5 miles west of 20-Mile Bend
Size: 1,557 acres
Asking price: \$56M
- Okeelanta Corporation
Location: Approximately 5 miles south and 5 miles west of South Bay on CR827
Size: 1,642
Proposal: Even exchange for the Authority's existing landfill site. Okeelanta is the current lessee on the property. Most significant contingency associated with Okeelanta's proposal: Okeelanta receive approvals to locate and operate a merchant Class I landfill (receiving waste from out-of-county) on the adjacent property.

- Ellen Smith
- Hundley Property
- Okeelanta Corp

Mr. Pellowitz reviewed the Tier 1 analysis:

Tier 1 Analysis

- Location of the property outside of the restricted areas
- Sufficient size and configuration to achieve the Authority's objectives; and
- Compliance with the RFP and Chapter 62-701.300 of the F.A.C. and other prohibitions

Restricted areas included:

Restricted Areas

- Sites within a 2-mile area of the Loxahatchee National Wildlife Refuge, the L-8 Canal or Lake Okeechobee;
- Sites located within two miles of any municipal boundary;
- Sites located within 10,000 feet of an airport runway allowing turbine engine aircraft or 5,000 feet of an airport runway allowing piston engine aircraft
- Sites located within 3,000 feet of a Class 1 water body
- Other statutory restrictions

If the Board chooses to move forward with the process today, staff will begin the Tier 2 analysis, including, but not limited to:

Tier 2 Analysis

- Title search;
- Site inspection to review the property for site access, existing structures, potential hazards and environmental concerns;
- Muck probes;
- Development of a conceptual site layout to optimize the available airspace and the constructability of the site;
- Development of a preliminary cost estimate for each site, including land acquisition, site development and operating and transportation costs;
- The proximity of the sites to environmentally sensitive land, including CERP projects;
- The proximity to people; and
- Schedule impacts associated with the proposals

The Tier 2 analysis will be provided to the Selection Committee who will then be tasked with ranking the proposals in accordance with the following criteria:

Tier 2 Ranking Analysis

- Development and operating costs including the long-term operating and transportation costs associated with each proposal;
- Acquisition costs including the value of any land swaps, improvements, and other considerations;
- Terms, conditions and contingencies including lease-backs, purchase options, other contingencies, encumbrances, clean title and time constraints;
- Constructability, capacity and operability of the site which is the suitability of the site for the Authority's needs, site access, site utilities, ease of permitting and zoning compliance, etc.
- Proximity and impact to environmentally sensitive areas and CERP projects beyond the 2-mile buffer established by the Authority; and
- Proximity and impact to residents in terms of the number of households within one, five and ten miles, and other impacts.

Mr. Pellowitz stated that the intent of Tier 2 is to develop a life-cycle cost associated with each site. Staff will then bring the ranking back to the Board and provide a comparison of the existing site to the three short-listed sites. The Selection Committee's role in the process is to rank the proposals received. Staff anticipates the next Board action to take place at a special meeting in September 2008. The Board will then be asked to approve the final ranking, authorize a Fatal Flaw Analysis and negotiations with the owner of the site ranked number one (#1).

He informed the Board that staff was in receipt of two (2) additional inquiries related to selling land to the Authority after the due-date of the RFP: Starr Farms and Kay Moss.

Commissioner Greene questioned if staff or the Selection Committee met with representatives in the South Bay area.

Alternative site (con't)

Dr. Bruner stated that staff has met with representative in all three of the Glades communities to discuss the existing site and alternative sites, though not the three which were shortlisted because the Board has not directed staff to move forward with those sites as of this time.

Comments by the Board

Commissioner Greene requested a tour of the existing site as well as the three proposed alternative properties.

In response to Commissioner Marcus regarding where the Authority is in the permitting process, Dr. Bruner stated that the Authority is in the DRO process with the County and received its DRO Certification. Staff is postponing any consideration of the Zoning Application until the process is complete.

Commissioner Marcus suggested a representative from the County's Environmental Resource Management division be appointed to the Selection Committee.

Commissioner Kanjian recommended the proximity and impact to environmentally sensitive areas be given more weight than the proposed 15%. He was not supportive of removing the current site from consideration unless or until an alternative site has been selected and approved.

Consensus of the Board was to not consider any late proposals received.

Board Consensus:
Do not consider any
late proposals

Chairman Koons asked Attorney Cullen if there was a Cone of Silence for the Board with respect to this process.

Attorney Cullen stated that the Authority does not have a Cone of Silence. She reminded the Board that there are rules under the Sunshine Law that neither the Chair nor Selection Committee members are allowed to discuss the matter outside of a public meeting. People can talk to the Committee Chair and members of the Selection Committee individually.

Chairman Koons directed all Board members to keep a written record of individuals who contact them regarding this matter.

Commissioner McCarty stated that it would be advantageous for a Board or Selection Committee member who receives information (verbal or written) should make such a record and available to all Committee members for consideration. However, it was her position that while the Committee is deliberating, it is bad form for individual Committee members during the process to be lobbying or opining or sharing their thoughts or particular point of view. During the process this type of activity should be discouraged. Following the ranking and recommendations, Committee members can then make the Board aware of concerns they may continue to feel are valid. The Board should not be in a position to intervene or influence the committee process. She suggested that if a Committee member prefers to lobby, then that member should be replaced.

- Rolf Olson Arthur Marshall Loxahatchee National Wildlife Refuge Representative**
- Encouraged the existing site be removed from further consideration
 - Hundley site is the least favorable of the three alternatives; the remaining two sites are acceptable.

Public Comments

Commissioner Marcus asked Mr. Olson to share, in writing, their data with the Board regarding their concerns with the Hundley site.

Chairman Koons informed Mr. Olson that he will be engaged in the process from this point forward.

Public Comments
(continued)

Commissioner Santamaria stated that he will not consider the existing site proposed by the Authority. If none of the three (3) alternative sites meet the accepted criteria, he recommended staff continue looking for a suitable site.

Commissioner Marcus concurred with Commissioner Santamaria.

John Koch Local Sierra Club, Chair

- Commended the Board and staff for the efforts to move forward with looking at alternative sites
- Expressed concerns about the Okeelanta site since it is in the path of a proposed flow way going south from Lake Okeechobee to the Everglades, and the transportation cost for hauling waste to the Okeelanta site.

Ed Tedtmann Sierra Club Representative and Member of SWA Selection Cmte.

- Expressed concern about the voting membership/composition of the Authority Alternative Site Selection Committee. It is heavily weighted with County employees and not a balanced representation of ideas.
- Informed that US Sugar offered 1,600 acres unspecified of their 107,315 acres, and the Selection Committee opted to not explore the properties even though they met the buffer criteria.
- Authority-owned site should be considered in the analysis and it is not. The proposed site does not meet the criteria of being outside the restricted areas.
- Expressed that he, as a Selection Committee member, is being subjected to “high school prank-type manipulation”.
- Encouraged mandatory recycling.

Chairman Koons questioned if Mr. Tedtmann was interested in continuing to serve on the Alternative Site Selection Committee.

Mr. Tedtmann stated he has spent 80 hours researching properties and 150 square-miles of land to present six (6) alternative sites. Unless the proposed Authority site is subject to the same scrutiny as three alternate sites, he stated he had no interest in continuing on the Selection Committee.

Commissioner McCarty recommended Mr. Tedtmann be replaced. She clarified that the Authority is conducting an alternative site process and the current site is not an alternative site. Once the alternative sites have been reviewed using the criteria established, the Alternative Site Committee will weigh that criteria against the current site. The Authority needs to be in the best negotiating position possible, and therefore must keep the property it currently owns in play.

Mr. Tedtmann submitted his resignation to the Board at this time.

Drew Martin Sierra Club Representative

- Expressed appreciation to Mr. Tedtmann for informing the Board about his position regarding the site and the selection committee process.
- Felt the selection committee should be made up of people from all “sides”.
- Opposed the Loxahatchee site as well as any site south of the Lake that may impede a future flow-away.
- Suggested the Authority use bio-diesel fuel.

Commissioner Marcus stated that the Selection Committee meetings and process is open to public and interested parties will have an opportunity to bring forth their suggestions.

Public Comments
(continued)

Chairman Koons stated that with this process begins an outreach and data collection process that will be open and available for people to make comments.

Commissioner Kanjian strongly encouraged the Authority send representatives to community meetings in an effort to educate and inform the public about the Authority and its purpose, and to also listen to the publics' concerns.

A. Larson Expressed opposition to all alternative sites proposed

- Recommended the Authority look at alternatives to more landfills
- Trajectory of water in the four (4) aquifers is southeast.
- Throw-out the RFP and begin the process over
- Appoint other people to the Selection Committee

C. Plockelman Everglades Representative

- Not supportive of any of the alternative sites or the Authority-owned property
- Recommended the RFEI be expanded and sent out again

Stella Rossi Expressed opposition to a site near the Refuge

- Encouraged making recycling mandatory

Mr. Hammond informed that last year the Authority's curbside program generated 103,000 tons, Broward generate 56,000 tons, and Miami generated less than 40,000 tons. The Authority is continually looking at ways to improve its recycling efforts.

Rosa Durando None of the existing Board members is qualified to vote or have an opinion on where the next landfill site should be located

- Use information based on science, not emotion.
- Expressed disappointment in the Department of Interior for not being more stringent regarding the 2-mile buffer. She felt the 2-mile buffer was meaningless.
- Regarding water pollution, the mercury contamination has travelled from Lake Okeechobee through Palm Beach County and gone over the Federal limits in Florida Bay and Everglades National Park
- No data has been presented to justify any of the sites

Commissioner McCarty stated that the public comments have expressed opposition to the three alternatives sites presented. She questioned why the Authority was going through the process if none of the sites are acceptable to those who requested the Authority review alternate sites. She reminded the Board and public that when the current Authority-owned site was selected in exchange for Site 1, no one expressed opposition.

Kay Gates **Sierra Club Representative**

- Ed Tedtmann brought to the Board's attention that there are other alternative sites
- Suggested a review of the Selection Committee's composition with more than one representative from the environmental community
- Okeelanta site is too far west and is in the footprint of any possible flow from Lake Okeechobee
- Hundley site is too close to STA1
- SR98/80 appears to be best site
- Continue looking for other alternative sites if the Selection Committee finds that none of the current properties are acceptable

Eric Hopkins Hundley Farms, Vice President

- Hundley Farms is north of CR-880, not south, and northwest of STA1, and is outside of all environmental areas.
- Opposed to the Board considering late bids or starting the process over
- The bid states that the agricultural farmers will be able to continue farming the selected site for several decades

Public Comments
(continued)

MOTION BY COMMISSIONER KANJIAN TO APPROVE STAFF'S RECOMMENDATION [Approve recommended shortlist of SR98/SR80, Hundley, and Okeelanta Proposals and authorize staff to conduct Tier 2 Evaluation]. SECONDED BY COMMISSIONER MARCUS AND CARRIED WITH A 5-0 VOTE (Commissioner Greene and Commissioner Aaronson absent)

MOTION:
Approve shortlist and
Authorize staff to
Conduct Tier 2 Eval.

Commissioner Marcus recommended the Sierra Club nominate someone to the Alternative Site Selection Committee. She stated she was not opposed to appointing a second environmental representative, possibly someone from the Refuge or Environmental Resource Management (ERM).

Comments

Chairman Koons supported appointing a representative from ERM, either Richard Walesky or his designee.

MOTION BY COMMISSIONER MARCUS TO APPROVE STAFF'S RECOMMENDATION [Authorize Executive Director to execute Utility Easement Agreements with FP&L and PBC providing easements for the utility services required to operate the Herman W. Brice Fire-Rescue Complex located on and adjacent to the Authority's closed Cross State Landfill]. SECONDED BY COMMISSIONER KANJIAN AND CARRIED WITH A 5-0 VOTE (Commissioner Greene and Commissioner Aaronson absent)

Item: 9.F.1

Herman Brice Fire-Rescue Complex/Cross State Landfill PBC Water Utility Easement

MOTION BY COMMISSIONER McCARTY TO APPROVE STAFF'S RECOMMENDATION [Adopt Resolution 2008-02 Improvement Revenue Bonds, Series 2008]. SECONDED BY COMMISSIONER KANJIA FOR DISCUSSION

Item: 9.G.1

Improvement Revenue Bonds, Series 2008

Mr. Maccarrone informed that the funds would be used primarily to refurbish the existing waste-to-energy (WTE) facility and purchase land for the West County Landfill if the Board chooses. If the Board chooses not to purchase one of the alternative sites and instead retains the existing site, funds could be used for the development of the land.

MOTION:
Adopt Res. 2008-02
Improvement Revenue
Bonds

MOTION CARRIED WITH A 6-0 VOTE (Commissioner Aaronson absent)

Commissioner Marcus Informed that there are many county building that still do not have recycling containers. Per information she received at the Regional Planning Council from FPL, she asked staff to review a different type of agreement the Authority can have with FPL in order to increase the Authority's revenues.

COMMENTS BY
THE BOARD

Commissioner Koons Requested staff to return to the Board with ways to mandate recycling specifically for County buildings, how to increase electronic recycling and what the status is regarding solar energy.

Commissioner McCarty Recommended Mr. Weisman announce at his Director's Meeting that they need to contact the Authority and have bins delivered. Directed staff to review the pros and cons of solar energy and the technical issues associated.

Board Comments
(continued)

Commissioner Kanjian Questioned if the Authority has a composting program. Recommended the Authority be proactive by setting up collection sites for the disposal televisions that will no longer work as of 2009.

Mr. Hammond stated that the Authority had, at one time, a program whereby residents could purchase bins from the Authority until it felt it was unfairly competing with commercial companies who sold the containers.

Mr. Archambo stated that he would look into the program again if the Board desired.

Commissioner McCarty suggested those residents who are interested in the program be directed to one of the commercial businesses rather than the Authority subsidizing the costs for the containers.

Chairman Koons asked staff to provide the Board with a history of the program as well as how the Authority is doing its own composting.

Mr. Hammond informed that Palm Beach County School Board has a recycling coordinator who works directly with the Authority staff and they have a recycling program.

Commissioner Koons Requested staff inform of the projects the Authority is working on with the County to bring in fill material.

Mr. Hammond stated that Hatcher has provided the Authority with a park and recreation plan; the Authority is preparing its dredge plan to submit prior to the ILA deadline in August; the Authority submitted to ERM a pricing proposal for the Winding Waters material and has received a rough draft of an ILA from ERM for the Authority to take the material; regarding Mecca, the Authority is waiting for the County to prepare a Concept Development Plan for the site. ERM is also working on a flow-way plan in which the Authority would most likely participate because it could use the fill from the flow-way.

August 27, 2008 at 9:00 AM.

**CONFIRMATION OF
MEETING**

Meeting Adjourned: 11:03 AM

ADJOURNMENT

ATTEST:

Commissioner Jeff Koons, Chair

Sandra J. Vassalotti, Clerk to the Authority