SOLID WASTE ALTERNATIVES FUNDING TASK FORCE

JANUARY 10, 2011

MEMBERS PRESENT

Commissioner Jennifer Hill
Mr. Curtis Binney (Chairman)
Mr. Lindell Dorsett
Mr. Richard Grier
Mr. Dan Gorden
Mr. Donald Taylor
Ms. Chloe Gentry

MEMBERS NOT PRESENT

Ms. Brenda Boggs
Mr. Peter Tarby

OTHERS PRESENT

Mr. Sandy Minkoff, Interim County Manager
Ms. Wendy Taylor, Executive Office Manager, County Manager's Office
Mr. Jim Stivender, Public Works Director
Ms. Sarah Taitt, Assistant County Attorney
Ms. Courtney Vincent, Recording Secretary

CALL TO ORDER, ESTABLISHMENT OF QUORUM, AND APPROVAL OF MINUTES

Mr. Curt Binney, Chairman, called the meeting to order and announced that they had properly noticed the meeting and that a quorum was established. He also announced that Commr. Jennifer Hill would be the new Board liaison and had everyone introduce themselves to her.

APPROVAL OF MINUTES

On a motion by Mr. Taylor, seconded by Mr. Dorsett and carried unanimously by a vote of 6-0, the Solid Waste Alternatives Task Force (SWATF) approved the Minutes of October 4, 2010.

On a motion by Mr. Dorsett, seconded by Mr. Gorden and carried unanimously by a vote of 6-0, the SWATF approved the Minutes of December 6, 2010.

COVANTA PRESENTATION

Mr. Joe Treshler from Covanta gave a power point presentation to tell the committee what they would do if they were in charge of garbage in Lake County and to bring some key things to the committee's attention. He opined that the only technology out there that would not entail high risk to finance, build, and operate right now is a mass waste to energy facility, and he commented that putting waste into a

landfill is just leaving the problem for future generations to deal with rather than solving the problem. He related that Covanta's recommendation would be for the County to renew their commitment to an integrated solid waste management approach which started in the mid 1980's and continue to move forward by changing the contract to make it more acceptable and give the County the flexibility it needs. He commented that Covanta could anchor Lake County's integrated solid waste management system, including recycling, and they could help play a role to take over some of the landfill operations for the County if it decides that it did not want to continue to run those sites after 2014. He pointed out that getting landfill gas out of a landfill site would only get a 46 percent return of the energy that was available in the best possible scenario with an established cap. He noted that the waste to energy type of system would also create important economic development opportunities, and he commented that companies are considering energy sources when looking at locations to do business, such as Boeing which desires that their new facilities be powered from green energy. He stated that garbage was one of the only indigenous fuels in the state, and he offered to include in the new contract that their company would complement recycling so they do not feel that they are restricted or prevented from recycling. He mentioned that if they continue to utilize the Covanta plant, they would not be dependent on long-haul trucking to take waste out of county, especially since the price of fuel was expected to increase in the future. He assured the committee that they would work with the County to ensure a mutually beneficial arrangement.

Mr. Binney asked whether Covanta will relook at the put-or-pay option in the contract.

Mr. Treshler responded that they have made it clear that they absolutely will relook at that whole concept, and he clarified that they were not asking the County to step up and commit to usage of the entire facility moving forward after 2014. He noted that others have shown interest in using part of the facility, and he assured them that they would find a way to make the arrangement work. He related that he has been with this project since the beginning, and he believed the later days were much better than the earlier days with a strong working relationship since the renegotiation and an ability to work through their issues. He also believed that they have made great strides in getting the cost to come down, and the energy revenues went up significantly in the existing power agreement. He pointed out that there were unknown factors in the future to consider, such as what the state legislature and federal government will do regarding renewable energy. He commented that their plant was an asset that could handle 528 tons a day and has replaced 750,000 tons of coal that did not have to be used. He emphasized that they generated renewable clean energy that was available 24/7/365, which was greater than other renewable sources such as solar power, and they provided 36 primary and 45 secondary jobs with a total of more than $15 million in annual economic activity. He commented that the decision about what they wanted to look at as a potential long-term risk 20 to 30-years from now for the next generation would be the County's decision. He pointed out that recent surveys by Florida TaxWatch last November showed that waste to energy was viewed favorably by the State of Florida and the people in general and was ranked well above other options, including biomass energy. He opined that sending waste to other places would not be the cheapest in both impacts to the environment or

actual dollars. He stated that Covanta would work with the County to make it more affordable either through an RFP or a direct negotiation long before 2014.

Mr. Dorsett inquired whether Covanta has evaluated what the impact would be on operations and BTU content if a total participation recycling program were implemented.

Mr. Treshler noted that they recognize that the County is struggling to get to the total commitment of recycling and that they may be down as low as 70 to 80 tons of materials. He related that the facility is able to handle a wide range of BTU, and he did not perceive that the County's recycling effort would drop it down into a range where it would become an unacceptable fuel, but they would look for other parties to make up that difference in the waste stream. He also pointed out that the County could recover the energy value from those materials, and he emphasized that Covanta does not want to stifle the County's recycling efforts.

Mr. Grier inquired whether it would be physically and politically possible to put a material recovery facility on their property.

Mr. Treshler commented that first they would have to figure where the best location would be for the County. He related that there was room to put a MRF facility at Covanta, or they could become the new operator for the County's existing landfill site. He emphasized that they were open to different options.

Mr. Doug McCoy from Waste Management commented that landfilling is still the most economical means for disposal of waste, although waste to energy is very efficient, and today's landfills were highly technical , extremely safe and environmentally acceptable in the way they were built and operated, with no issue regarding odor control. He added that many of the landfills throughout the United States also implement gas extraction.

Mr. Binney commented that they have heard three presentations from three very different perspectives, all with their own economic issues to look at. He related that they would bring in an independent consultant over the next couple of meetings to talk about these various issues from their perspective.

Mr. Taylor asked what the ultimate plan was for the existing landfill.

Mr. Stivender responded that there was no long term plan for the landfill, and the maximum buildout was 50 years out.

Mr. Gary Debo, Solid Waste Operations Director, added that because they have a limited amount of land, the present design of their Phase III landfill is to maximize as much airspace as possible by using side slopes, which limits the things they could do with it. He noted that there were attempts being made in other communities to mine the landfills, reprocess the waste that was in the landfill and recover materials; and if that effort was ever adopted, they could mine another 60 acres.

Mr. Stivender commented that the landfill site was a bargaining tool to negotiate to get the best price for the people of Lake County, and he wanted to extend the life of that site as far out as he could.

Mr. Grier opined that Covanta was doing a great job, but he noted that the committee was not provided information that was previously requested about the negative aspects of waste to energy.

PENINSULA COMPOSTING GROUP

Mr. Stivender stated that this presentation would be regarding larger scale composting, which he believed was a viable option, especially for yard waste.

Mr. Randy Messer from FDS Disposal, a small hauler in Citrus County which serviced about 38,000 residential accounts and 500 commercial accounts, mentioned that last year they had the opportunity to buy some surplus equipment from Sumter County, and he opined that they felt that there should be a compost facility in every town and that compost was a great way to manage organic waste. He also opined that organic waste should be kept out of the waste stream. He commented that one of the best markets for this area would be golf courses, and there were about 12,000 inmates within 35 miles of the facility that Peninsula Composting was in the process of purchasing, as well as nursing homes, schools, and hospitals. He noted that compost was sustainable and did not have any runoff. He showed a picture of a digester that they purchased from Sumter County as well as some of their facilities in Nantucket, which uses a digester, and Delaware, which was built in the downtown area with community support and created a number of jobs for the local community. He also specified that the Delaware facility uses a gortex cover, which keeps it warm, the water out, and holds any odor molecules inside. In response from a question from Mr. Gorden, he explained that they currently only do composting of commercial and not residential waste, and he pointed out that food waste automatically starts work on methane greenhouse gas, which was another diversion that compost could offer.

Mr. Grier asked if things such as cardboard milk cartons have to be put through a digester.

Mr. Messer explained that anything that is composted is ground through a grinder, and he believed that milk cartons could be put in a regular compost pile if it was operated correctly. He mentioned that if there was a long power outage during a hurricane, there would be a large supply of food waste, as well as yard waste. Mr. Messer pointed out a slide containing a photograph of a grinder and explained the parts of the equipment and how it worked, and then showed a slide of a machine that rolls the gortex cover up and lays it out over the wind rows, as well as intake fans for the air alley that blows air into the compost. He also showed pictures of a shredder and the end product. He explained that there were a number of deals where they will give compost back to be used as fertilizer to companies that give them food waste. He also noted that they monitor their system closely throughout the process.

Mr. Gorden asked if this process was being done anywhere for residential waste as well as commercial.

Mr. Messer responded that there was some residential usage in California, and a lot of residential waste being collected in Canada. He opined that the residential component would move into the United States shortly once a decent disposal facility was available for that.

Mr. Stivender stated that he had discussions with Mr. Messer to start with yard waste to complement what he already has in his facility.

Mr. Binney asked for clarification about whether they uncover the compost materials or whether it comes out through the conveyor belt after it was consolidated, covered with gortex, and left in there for a period of time.

Mr. Messer explained that they leave it in there for two weeks, and then it is mixed or agitated, restacked, piled up, and covered for another two weeks. Then after they leave the cover off for two weeks and screen it, they would have a marketable product. He explained after Mr. Binney expressed concern about odor that technology such as computer probes controls any odor issues.

Ms. Gentry asked how much land was needed for this use.

Mr. Messer answered that they were doing 600 tons a day on 20 acres. He went on to explain that the benefits of this system were reduction of greenhouse gas, creation of organic material, making leachate cleaner by keeping food waste out of the landfill, and the need for less landfill space.

Doug McCoy clarified with Mr. Messer that this program would be targeted toward commercial specifically at this time and that the commercial customer would have to separate his food waste from the rest of his waste, which would be collected separately.

Mr. Messer opined that that would allow them to cut down on the frequency of collection, because not having food waste would allow them to reduce the size of their dumpster, which could reduce the frequency of the pickup to once a week for food waste and once a week for other kinds of waste. He assured the committee that his company could easily accommodate the volume that could possibly be produced by the County and that he would love to start a composting system in Lake County.

Mr. Minkoff asked what the cost would be to deliver a ton of yard waste.

Mr. Messer responded that it would be about half to two thirds the cost of the local tipping fee, or about $20, and he opined that the compost is valuable on the back end, meaning that they could sell the resulting end product.

SUMTER COUNTY FACILITY

Ms. Marilyn Connell, General Manager of ACMS Services, Inc., spoke about the newly-permitted facility which would be located on the west side of the Sumter County landfill, stating that they did a lot of preliminary work, such as working with DEP, prior to submitting their application and were now finalizing their construction plans. She related that they were expecting to start construction about May

or June, 2011 and that they would be open by year's end. She noted that the existing landfill has already scaled back operations, and Sumter County opted to close it to all commercial traffic rather than lose money on their solid waste operations. She commented that her company would like to see about 250 to 300 tons a day come into their facility.

Mr. Minkoff commented that in the short term, the opening of that facility would hurt Lake County somewhat, since some of that Sumter County waste was currently coming to Lake.

MR. GRIER'S PRESENTATION REGARDING SOLID WASTE

Mr. Gorden stated that there was a lot in the document that was handed out at the last meeting from Mr. Grier that he agreed with, but he pointed out that the bio reactor landfill option that was mentioned often in his report was not discussed yet at any of the meetings. He explained that it was mentioned that air was pumped into the bio reactor landfill and that it had aerobic and anaerobic factors.

Mr. Grier related that he has only read about and never actually visited one of those kinds of facilities, and he noted that there were five surrounding counties which have implemented bio reactor landfills, which has reduced their volume significantly.

Mr. Debo explained that their Phase III landfill is permitted to be a recirculating landfill, in which the leachate is recirculating back into the landfill, and that it was not necessarily a bio reactor landfill, which introduces subject sludge in many cases. He added that they were set up so that once they get enough mass into the landfill, they could start laying lines in and reintroduce their leachate back into the MSW cell, and that moisture would release the degradation of the waste that was inside the cell and accelerate the production of methane gas. He related that it would be several years after the County goes into the Phase III landfill that they could start installing the infrastructure to be able to recirculate using moisture instead of sludge, which would need a lot less monitoring and regulation.

Mr. Grier pointed out that active monitoring of closed cells for bioreactors is five to ten years, which he opined was attractive. He opined that in this kind of a system a lot of rain could be an advantage rather than a problem.

Mr. Stivender mentioned that was because of the ash monofill and the costly expense of getting rid of leachate, but if they did not have the ash, the leachate issue changes.

NEXT MEETING

Mr. Binney stated that the next meeting would have been on January 24, but he knew of at least two members that have conflicts on that day, so the other option would be January 31. It was decided that the next meeting would be at 9:00 a.m. on January 31 at the Agricultural Center, and they would confirm February 7 as a tentative date. He asked the task force members to look at their calendars to see what days they would and would not be available between now and March 1 so they could plan their meeting schedule.

Mr. Stivender pointed out that February 7, 14, and 28 would be available, but February 21 was a holiday for Lake County staff.

Mr. Minkoff related that they were trying to bring their legal consultants to the next meeting to brainstorm with the task force with their ideas about what they would do after 2014.

Mr. Binney noted that at least two of the members have expressed questions about the environmental impact of landfills and Covanta, as well as some other issues, and asked whether they needed to bring in an EPA or DEP person to talk about those types of issues or if their consultant could help them with that.

Mr. Minkoff answered that he believed that their consultant should be able to answer those questions for them.

Mr. Stivender confirmed that he believed that those questions could be answered at the meeting on January 31st.

Mr. Binney updated the status of their progress, stating that they had six things that the Commission had assigned the task force to do, two of which they have completed, which were understanding how it works now and providing an interim report. He related that they were continuing to move forward with learning about public/private partnerships and options, and the end result would be the report they will produce. He reminded the committee that they had a March 1 deadline, and he has spoken to the Commission to let them know that they would ask for additional time if needed, specifying exactly how much time and why. He handed out a document reviewing information about their options and giving them space to make some comments, notes, and ideas. He mentioned that he will create a matrix for himself which contains the issues, pros, cons, economic impact, and environmental impact.

Mr. Stivender noted that he has developed a sliding scale that was similar to a matrix.

PUBLIC INPUT

There was no public comment.

ADJOURNMENT

The meeting adjourned at 10:52 a.m.