

**Official Minutes of
MARION COUNTY
BOARD OF COUNTY COMMISSIONERS**

September 4, 2024

CALL TO ORDER:

The Marion County Board of County Commissioners (BCC) met in a workshop session in Commission Chambers at 2:09 p.m. on Wednesday, September 4, 2024 at the Marion County Governmental Complex located in Ocala, Florida.

INTRODUCTION OF WORKSHOP BY CHAIRMAN MICHELLE STONE

Chairman Stone advised that the workshop was scheduled this afternoon to discuss alternative waste management solutions.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the Flag of our Country.

ROLL CALL

Upon roll call the following members were present: Chairman Michelle Stone, District 5; Vice-Chairman Kathy Bryant, District 2; Commissioner Craig Curry, District 1; Commissioner Matthew McClain, District 3; and Commissioner Carl Zalak, III, District 4. Also present were County Attorney Matthew G. Minter, County Administrator Mounir Bouyounes, and Assistant County Administrator (ACA) Angel Roussel.

It was noted for the record that the Deputy Clerk was in receipt of a 188 page Agenda packet to follow along with the PowerPoint presentation.

PRESENTATION

1. Marion County Solid Waste Public Workshop - Alternative Waste Management Solutions

Solid Waste Director Mark Johnson presented the following recommendation:

Description/Background: Marion County Solid Waste operates as a transfer station and has pre-purchased airspace at the Heart of Florida Landfill. This landfill space, totaling 2.64 million tons, was acquired in 2011 and 2020. With a projected annual waste increase of 3.5%, this airspace is expected to be exhausted by 2031. This workshop will explore waste disposal solutions and their financial implications. Our goal is to create a comprehensive, cost-effective, and environmentally responsible waste management plan for Marion County. Marion County Solid Waste is requesting Board consensus on a path forward to address the challenges arising from the upcoming depletion of our pre-purchased landfill space.

Budget/Impact: None.

Recommended Action: None, for discussion only.

Solid Waste Director Mark Johnson advised that today's workshop is to discuss alternative waste management solutions as the Department looks towards the future. He stated by the end of this workshop he hopes to have talked through disposal options, understand the financial impacts, and have consensus of some type of path forward. Mr. Johnson advised that technical experts from Jones Edmunds and Associates (JEA) are present today in addition to personnel from one of the alternative companies. He referred

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to a slide as seen on the overhead screens depicting the County's historical airspace consumption, noting the County did a great thing years ago by purchasing 2,640,000 tons of airspace at the Heart of Florida (HOF). Mr. Johnson stated this year the County will consume approximately 200,000 tons of that airspace and is projected to use another 207,000 tons next year. He advised that roughly 33 percent (%) of the County's allocation has been used and is going through the allocation more quickly than anticipated. The Department has budgeted a 3.5% growth rate year-over-year (YOY). Mr. Johnson commented on fiscal year (FY) 2021-22 and 2022-23, noting the YOY growth exceeds 7%. He advised that the County's airspace availability at HOF is expected to expire in FY 2031-32 using a 3.5% annual growth rate. Mr. Johnson stated a 1% change in volume reduces the timeline by 3 months, and if the 7% growth rate continues for the next few years the County will exhaust its capacity 10 months earlier than originally anticipated. He commented on the University of Florida (UF) Bureau of Economic and Business Research (BEBR) milestones relating to long-term planning, noting 0.94% is their medium growth rate, 1.56% is their high growth rate, and 3.5% is what the County is budgeting its short-term impacts off. Mr. Johnson advised that the attached Master Plan uses the 1.56% growth rate over the horizon period of 25 plus years; however, in the short-term the Department is using 3.5% based on current trends.

Mr. Johnson commented on the waste management options that are available including: 1) transfer station and 3rd party airspace; 2) emerging technology; and 3) landfilling. He provided an overview of the process relating to transfer stations and 3rd party airspace, and a breakdown of the pros and cons. Mr. Johnson advised that the current volume at the Baseline facility is 700 tons per day and the capacity is 900 tons per day. He stated based on a 3.5% growth rate the facility will reach its capacity by 2031. Mr. Johnson commented on short-term solutions to improve capacity (enhancements to the current transfer station and additional direct hauls to HOF by Marion County), as well as a long-term option to add a transfer station west of Interstate 75 (I-75) at a cost of roughly \$15,000,000.00 (today's cost).

In response to Chairman Stone, Mr. Johnson advised that the \$15,000,000.00 includes permitting and obtaining the necessary land use. He stated staff can look at the possibility of a public/private partnership with a 3rd party.

Mr. Johnson referred to a slide showing a comparison of total disposal costs for other locations, noting additional airspace at HOF would cost the County \$58.31 per ton (57% increase) and what the County should expect to pay as its current airspace allocation is exhausted. He stated the cost to utilize the Putnam County facility is \$71.31 per ton due to increased transportation costs, and New River Waste Authority is unable to accept additional volume, but if they did the cost would be \$96.31 per ton.

In response to Commissioner Curry, Mr. Johnson stated HOF has a very large long-term capacity; however, they struggle with throughput. He advised that the County runs tipper trailers and the wait times have fluctuated between 1 and 2 hours. Mr. Johnson stated HOF was processing 2,000 tons per day several years ago, now they are pushing 7 tons per day and are internalizing their own garbage. He advised that HOF has a long-term road map and will be in business for a long period of time; however, there are operational hurdles to overcome. Mr. Johnson stated HOF is a 100 year facility.

Chairman Stone commented on the transfer station located near I-75.

Commissioner Zalak stated if the County stays that route, a request for proposal (RFP) would likely go out, noting he would expect Friends Recycling would submit a bid. He

advised that staff could weigh the cost and transportation difference if a transfer station were built in the location proposed by Mr. Johnson.

Mr. Bouyounes stated if the County chooses the option to continue transferring garbage and buy capacity elsewhere, it depends on what makes sense long-term.

In response to Chairman Stone, Mr. Johnson stated from a cost standpoint of running a transfer station, the disposal rate at HOF would still be \$30.00, the transportation cost would right around \$16.50, and there would be transfer station operational costs (building, people, tractors, etc.). He advised that there will not be significant change based on the building; however, County trucks moving shorter distances will provide an opportunity.

Chairman Stone commented on complaints relating to traffic, noting the Board may want to consider hauling shorter distances.

Commissioner Zalak opined that if the County can start to haul larger compactors that are on the west side of I-75 (approximately 13 to 14 tons of material), and direct haul that, it saves having to touch the garbage again from the transfer station and hauling perspectives. He commented on having to wait 2 hours after hauling to the location, which is an issue that must be overcome with the County's partner.

In response to Commissioner Zalak, Mr. Johnson stated some days the traffic moves at HOF and some days it does not.

Commissioner McClain questioned if the transportation costs reflect the cost from the transfer station to HOF. Mr. Johnson stated that is the cost for the County's contractor hauling from the County's building to HOF.

In response to Commissioner Bryant, Mr. Johnson stated trucks that access the freeway are limited to 80,000 pounds (lbs.), but on State Routes the figure is 88,000 lbs., resulting in a reduction in payload capacity. He advised of technical differences that would require further review.

Commissioner Bryant questioned if staff could pinpoint the cost to the County relating to running the transfer station if contracting with another entity (Friends Recycling). She opined that if staff contacted HOF relating to a large investment, it is possible to get a better rate per ton.

Mr. Johnson commented on an email from HOF, noting the price was \$35.00 per ton.

Commissioner Zalak stated the figure is close to HOF's bid rate.

In response to Commissioner Bryant, Commissioner Zalak advised that the volume purchased does not matter as HOF is not a private company and no longer needs capital. He stated they have no incentive to give the County a discount, knowing they will be in business for the next 100 years.

Mr. Johnson advised that they are the closest facility, and they are aware.

Commissioner Zalak opined that the cost will be more than \$30.00 in 2031 when the County runs out of capacity.

In response to Commissioner Bryant, Mr. Bouyounes stated the capacity was expected to last through 2038 when it was originally purchased.

Mr. Johnson advised that there are new and innovative technologies in the market to take a variety of waste streams (hazardous, non-hazardous, municipal solid waste, biomass residues and alternative raw materials). He commented on companies attempting to make processed engineered fuel, noting most are looking for very select products that Marion County does not have. Mr. Johnson stated the County was approached by a technology provider relating to the utilization of approximately 140,000 tons of garbage to make processed fuels, resulting in more than a \$70,000,000.00 investment in Marion County in addition to a large Federal Tax subsidy. He advised that the company has put

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the project on indefinite hold, the project feasibility required the Federal subsidy to make financial sense, noting the timeline could not meet the grant requirements, final cost estimates greatly exceeded expectations, and the project would only handle a portion of the County's solid waste, and a disposal solution would still be needed. Mr. Johnson stated discussions continue regarding select materials which may be acceptable (single stream, tires, etc.)

Mr. Johnson addressed the 3rd option of landfilling, which is more simplistic than a transfer station. He provided the pros and cons relating to this option, noting the existing landfill sits on a karst impact area. He advised that karst could erode and create sinkholes, so to obtain a permit engineers must demonstrate reasonable assurance that the subsurface will support the disposal facility. Mr. Johnson stated there is an engineered solution identified in discussions with Jones Edmunds, noting an example of that solution is the existing landfill that has an enhanced subsurface foundation. He stated the County would be required to perform preliminary work and present a package to DEP for their consideration. Mr. Johnson advised that there is no guarantee that DEP would permit Phase 2; however, without going through the design and Geotech work to provide that agency with something to evaluate. He commented on the leg work needed to get DEP to agree to the plan and indicate a viable solution that is reasonable assurance. Mr. Johnson addressed on onsite capacity relating to the existing landfill, noting staff has broken the project into 3 Phases: Phase 1 is all current garbage today; Phase 2 is where the Administrative building and animal control is currently located (grandfathered land use); and Phase 3 is located where the transfer station, citizens drop off pad, tire pad and some stormwater ponds are located (requires land use approval and enhanced DEP permits). He stated the County can expect roughly 48 years of capacity based on the long-term growth rate. Mr. Johnson advised that performing adjustments to the urban cell and the "C" cell in Phase 1, the County can get approximately 1,400,000 tons, which will provide roughly 6.6 years of life. It has an anticipated cost for expansion and operations of \$67,400,000.00 and at \$60.00 per ton it has a value of \$84,000,000.00. Mr. Johnson advised that the elevation would increase from the current 248 feet to the current permitted elevation of 298 feet. He stated this would allow use of the urban cell by regrading the surface to a 6 to 1 slope, adding liner and then going up.

In response to Commissioner Bryant, Mr. Johnson advised that the per ton cost relating to Phase 1 is \$46.59.

Chairman Stone noted Phase 1 gives the County an additional 6.6 years.

Mr. Johnson stated Phase 2 adds 1.3 million tons of new waste capacity, has a lifespan of 5.4 years, will cost \$60,900,000.00 in expansion and operations, and provides a value of \$78,000,000.00.

Commissioner Bryant questioned what the value per ton is now with the current model including hauling to HOF. Mr. Johnson stated the value is based on the current gate rate of \$60.00 per ton and the cost is \$37.14, noting after the County exhausts its space at HOF that cost goes up to \$58.31.

In response to Chairman Stone, Mr. Johnson advised that from an operational perspective, the County will continue to transfer to HOF. He stated as it gets into the later years it may phase out, but the County will consume all of its capacity at HOF.

Mr. Johnson provided an overview of the benefits of onsite capacity for Phase 1 alone, and Phases 1 and 2 combined. He advised that Phase 2 is 12 acres, so the County would be limiting the Geotech work and cost to a small footprint. Mr. Johnson stated if the County is approved for an expansion relating to Phase 2, it would make it harder to say no to

Phase 3 because it is already established that the system works. He advised that other benefits relate to limiting the design and development cost while starting to modernize some infrastructure such as the gas and the leachate systems.

In response to Chairman Stone, Mr. Johnson clarified that the 12 acres for Phase 2 were grandfathered in, noting years ago when the land use was obtained for that property the entire piece of property has the appropriate land use to be a landfill. He noted the other side of the County's property is a separate parcel and was not incorporated into current land use. Mr. Johnson stated the County will have to go through the process of expansion via the DEP, which will be required for Phases 1 and 2 to modify permits.

ACA Angel Roussel advised that Florida DEP permits are required for Phases 1, 2 and 3; however, it is Phase 3 that would require the County to consider land use, zoning and a special use permit (SUP).

Mr. Johnson Addressed the cost relating to landfill expansion, noting the cost is \$46.59 per ton (\$12.30 for construction; \$6.48 for capital infrastructure replacement; \$12.52 for closure; and \$15.00 per ton for landfill operations). Mr. Johnson advised that the County would exhaust its pre-paid airspace at HOF in 2031. He provided an overview of the timeline for a landfill beginning in 2025, noting a facility could be complete by 2030. Mr. Johnson commented on the timeline relating to construction of a transfer station spanning the same timeframe as the landfill. He noted regardless of the option chosen, the County will have approximately 7 years and there are a lot of steps.

In response to Chairman Stone, Mr. Johnsons advised that sending garbage to other locations to be burned will cost significantly more because they are further away, increasing the transportation costs and they typically have a higher operating cost per ton.

BOARD DISCUSSION AND CLOSING COMMENTS

Commissioner Bryant stated she needs more time and information prior to making a decision. She opined that if the County is going to expand its operations it is necessary to consider the manpower and related legacy costs. Commissioner Bryant commented on possible partnerships with the private sector relating to an existing transfer station. She noted there is a \$10.00 per ton difference between buying airspace at HOF (\$58.31) and building the landfill expansion (\$46.59), noting the long-term commitment associated with building. Commissioner Bryant addressed emerging technologies and questioned if a little more time may provide opportunities for the County relating to new offerings.

Commissioner Zalak stated if the County wants to control its own destiny, then it should maximize capacity at the landfill for the taxpayers' investment. He opined that it is unlikely there will be regret relating to investing in the landfill, noting every year since the County began hauling, the cost has gone up. Commissioner Zalak advised that the County should get the DEP permitting completed and make every square inch (sq in) of landfill permitted to do this activity, noting the County will not lose money.

Commissioner Bryant stated when the Board made the decision to purchase airspace at HOF, it was going to be closing the landfill, noting there has been significant growth since then. She commented on the investments made by homeowners and businesses alike.

Commissioner Zalak advised that everyone knows there is a landfill in that location and there will be garbage trucks running in and out of the facility forever because garbage will be transferred from or placed at the facility. He stated most County's with populations over 500,000, have multiple streams of garbage (recycling, emerging technologies, etc.). Commissioner Zalak advised that a Class III landfill (furniture, carpet, etc.) is needed in

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addition to this landfill, which will extend the lifespan of the Class I landfill even more significantly. He advised that there are different ways to utilize the space to aid in extending the life of the landfill even more.

Commissioner Bryant stated she would like to see a comprehensive plan.

Commissioner Zalak commented on the timeframe relating to obtaining the necessary permits and going through this process. He advised that the cost benefit is easy to see, noting the County will save money and make money on anything it does in the landfill.

Commissioner McClain concurred. He stated maximizing the use of an asset is always a good thing, noting he lives in close proximity to the landfill.

In response to Commissioner Curry, Mr. Johnson advised that the sand mine property is 41 acres.

Commissioner Curry opined that the County should purchase any property that is potentially available and accessible to the location.

Mr. Johnson referred to a slide on the overhead screens depicting a red area labeled Phase 4. He advised that this property is currently owned by Waste Management (WM) and has a Class III facility. Mr. Johnson stated the Department considered hypotheticals created by its engineers, noting they looked at coming up to Juniper Road, and using that as a divide, which created Phase 5 with Phase 6 filling the valley between the two. He stated when looking at total volumes, using the 1.56 growth rate, the County would get 109 years without using the sand mine.

In response to Commissioner Bryant, Mr. Johnson advised that the Class III landfill owned by WM is closed and is nearly full.

Commissioner Zalak stated WM is looking at the spot right next to the landfill but has been unable to perform the cost analysis to get it back open.

Mr. Johnson advised of conversations with WM regarding different options.

In response to Chairman Stone, Commissioner Zalak stated he is unaware of another permitted Class III landfill in the County.

Commissioner Curry questioned if the County is not doing something it could. Mr. Johnson advised that the processing cost on recycling is \$125.00 per ton, noting the more the County recycles it extends the life of the landfill but at 3 times the amount it costs to landfill.

In response to Commissioner Bryant, Mr. Johnson stated the County does not recycle glass; however, the City of Ocala does, and their cost is even higher at the Materials Recovery Facility (MRF).

Commissioner Zalak commented on the possibility of partnering with an outside company relating to providing a glass bin for individuals that want to recycle glass.

It was the general consensus of the Board to direct staff to find out if an outside partner will provide bins for glass and if they will pick it up.

In response to Commissioner Curry, Mr. Johnson stated staff has looked at the possibility of sending scrap tires elsewhere as part of a recycling initiative, noting it would potentially lower the County's cost. He advised of conversations about single-stream recycling with multiple parties, noting staff is constantly looking at how to better utilize the commodities that are received to maximize the use. Mr. Johnson stated there is a percentage of wood waste grinding that is going to Gainesville Regional Utilities (GRU) to make fuel, offsetting some of the cost. He advised that staff are actively seeking solutions.

In response to Commissioner Bryant, Mr. Johnson stated staff can provide figures relating to furniture and other Class III waste that come into County centers.

Commissioner Curry questioned if the County is choosing not to recycle because it is too expensive. Commissioner Zalak advised that it is cheaper to dispose of it; however, recycling reduces the intake which is good for the long-term life of the landfill. He stated in today's market it does not make economic sense to recycle due to commodity pricing. Commissioner Bryant commented on the ability to see if there are other local businesses that could benefit from various recyclables and other waste that are currently being landfilled. She questioned how the County operation is impacted if another Class III landfill is opened within the community.

Senior Engineer Mark Hadlock, JEA, Progress Boulevard, Alachua, advised that there was a Class III landfill permitted in Walton County, noting it was approximately 20 acres in size. He stated Class III landfills typically cost roughly half of a Class I landfill due to it only requiring a single liner as opposed to a double.

In response to Commissioner Zalak, Mr. Hadlock advised that the construction cost is more or less about half, noting a double lined system is approximately \$1,000,000.00 per acre. He stated most parties do not permit Class III, because if they can obtain the required permits and the land use for a Class III, they may as well get the Class I.

Commissioner Zalak opined that cost is the same problem individuals in the private sector will experience.

Commissioner Curry requested one-on-ones with Mr. Johnson prior to meeting collectively at a Board meeting or an additional workshop.

In response to Commissioner Curry, Mr. Johnson advised that his recommendation is to transition landfilling due to the opportunity to maximize what the County has, noting if the property is permitted today the County has that forever. He stated if the Board chose as a policy decision to continue to transfer for another 5 years, the landfill asset is still available for use and will become more valuable as time goes on. Mr. Johnson advised that recyclables make up a low percentage of the County's overall waste.

In response to Chairman Stone, Commissioner Zalak opined that the Board should take 60 days to allow Mr. Johnson time to have one-on-ones with each Commissioner and any additional conversations needed prior to bringing the matter back for discussion as an Agenda Item.

Commissioner Bryant questioned where the closest Class III facility is located.

General Manager Michael Aguiar, Green for Life (GFL) Environmental, South Pine Avenue, advised that Dade City has the closest Class III landfill but there is a Class III transfer station under its solid waste operating permit. He clarified that the facility on South Pine Avenue is the closest facility that accepts Class III.

In response to Commissioner Bryant, Mr. Aguiar stated the Class III landfill in Dade City facility has capacity for roughly 75 years. He advised that he could provide figures relating to the cost to move Class III from the County's roll off cans to GFL's transfer station.

Jerry Lourenco, Friends Recycling LLC, NW 27th Avenue, stated he has a facility that can take Class III, noting his landfill is a Construction and Demolition (C&D) Debris Landfill and he is contemplating permitting the expansion he has into Class III.

Chairman Stone reiterated that the Board will allow a 60 day period for additional information gathering and dissemination prior to bringing the matter back on a Board Agenda.

Mr. Bouyounes stated this is a huge decision; however, staff are also looking at assessment rates. He requested time to obtain information, perform one-on-ones, and have another workshop in 60 to 90 days. He commented on the possibility of putting out Request for Proposal (RFPs) for Class III materials and additional capacity. Mr.

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Bouyounes advised that figures relating to the construction and expansion will be estimates until the County is ready to bid.

Commissioner Zalak stated the construction will not be done for 7 years, and the cost will be higher than what is quoted.

Commissioner Bryant noted the costs are based on today's numbers, noting if the Board purchases more air space, the cost is being locked in and does not go up in 7 years.

Mr. Bouyounes stated after the RFP is completed and the staff has the prices for years down the road, the figure will also be based on that time frame.

Commissioner Zalak advised that the cost to handle, transport and bury material is always higher than just burying material.

Mr. Bouyounes stated when the County was burying garbage, it saved enough funds to purchase capacity at a very cheap rate.

General discussion ensued relating to the timeframe for the purchased air space at HOF. Commissioner Zalak opined that the Board can direct Mr. Johnson to purchase property that becomes available in the vicinity of the landfill.

Chairman Stone stated one-on-ones will be conducted over the next 60 to 90 days, there will be another workshop, which will also take into consideration assessment rates, and requesting a comprehensive plan on what more can be done with the glass, tires and Class III material to expand on what is available today and look at land opportunities.

Commissioner Zalak requested the work be wrapped up no later than the Strategic Plan in January.

In response to Commissioner Zalak, Mr. Bouyounes advised that the RFP can be expedited.

There being no further business to come before the Board, the meeting thereupon adjourned at 3:31 p.m.

Michelle Stone, Chairman

Attest:

Gregory C. Harrell, Clerk