HARFORD COUNTY, MARYLAND

BALTIMORE COUNTY SOLID WASTE DISPOSAL AGREEMENT

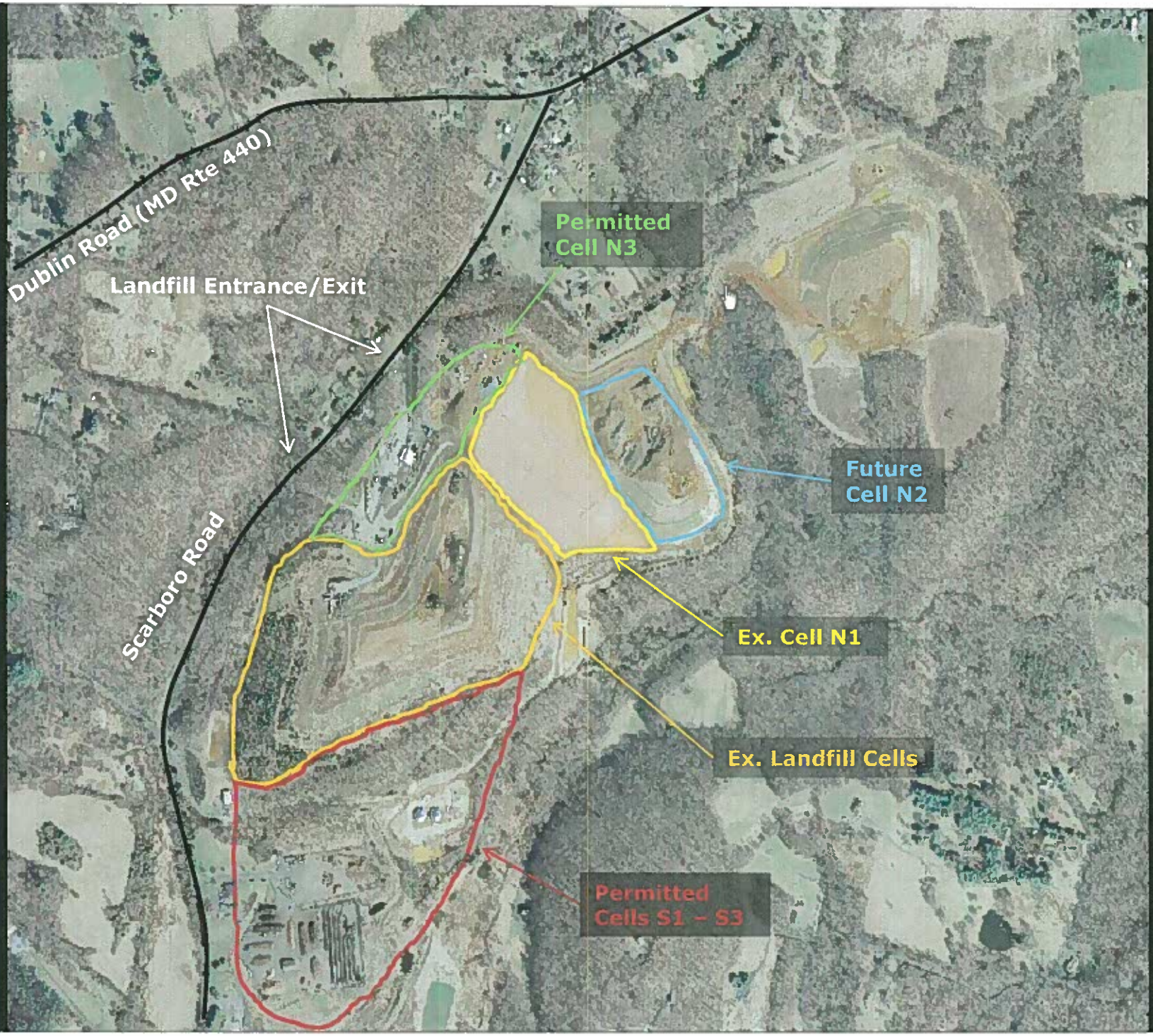
PUBLIC HEARING - June 4, 2013

Agenda

- **Existing Solid Waste Disposal Facilities**
- **How We Got Here**
- **Evaluation of Alternatives**
- **Proposed Plan**
- **Costs**
- **Bill No. 13-24**
- **Bill No. 13-22**
- **Bill No. 13-23**

HARFORD WASTE DISPOSAL CENTER LANDFILL

Scarboro Road, Street


Dublin Road (MD Rte 440)
Landfill Entrance/Exit
Scarboro Road
Permitted Cell N3
Future Cell N2
Ex. Cell N1
Ex. Landfill Cells
Permitted Cells S1 – S3

Facts

- **Total capacity will only last until 2025.**
- **Cell N3 and Cells S1-S3 require the relocation of significant facilities and the associated land to relocate them.**
- **Siting new Landfill with 20-yr capacity will, depending on environmental site restrictions, require a 400-500 acre site (includes support facilities and buffers).**
- **Upcoming State regulations will likely phase-out use of landfills (2013 – SB799).**
- **Landfilling is not a Sustainable Solution.**

HARFORD WASTE DISPOSAL CENTER RECYCLING TRANSFER STATION

Scarboro Road, Street

WASTE INDUSTRIES
HARFORD SANITATION SERVICES
807
810

DEERE

Facts

- **Unable to handle truck volume.**
- **No room for truck queuing.**
- **Small and congested site.**
- **Not Consistent w/Industry Standards – Enclosed Building.**

HARFORD WASTE TO ENERGY FACILITY

Magnolia Road, Joppa

HARFORD WASTE TO ENERGY
STOP

Facts

- **360 ton per day facility (≈110,000 tons per year)**
- **Army Steam Supply Agreement expires March 2016.**
- **Army can not extend 30-yr Agreement.**
- **Army does not wish to continue operation.**
- **Army will require facility and steam lines to be removed.**

HISTORY

How We Got Here

- **In 2005 Harford County began negotiations with Army to expand WTE.**
- **Over next several years, plan was prepared to build 1500 tpd replacement facility and vendor was chosen.**
- **Baltimore County was to share 50% capacity.**
- **In 2009 Army expressed concerns with costs and several other issues.**
- **In 2010 Army issued RFP for Army-owned, built and operated WTE plant.**
- **Harford County unable to commit due to unknown costs and uncertain contract terms.**
- **Based on Army schedule, at the time, final costs and contract terms would not be not known until mid-2012 with no certainty on acceptability.**

HISTORY

How We Got Here (Continued)

- **In 2010 Energy Answers announced plans for new 4000 tpd WTE plant in Baltimore City.**
- **Maryland Environmental Service teamed w/ Energy Answers to solicit waste suppliers and build/operate solid waste transfer stations.**
- **In 2011 County expressed interest by signing letter of intent and began contract negotiations.**
- **In 2011 County purchased Joppa property in plans of developing a solid waste transfer station and homeowner drop-off facility.**
- **In 2012, Energy Answers was unable to move forward due to lack of interest and financing.**

HISTORY

How We Got Here (Continued)

- **Later in 2012, concerns arose with MES costs, and terms and conditions of agreement.**
- **In late 2012, County explored all other possible alternatives and performed a comprehensive cost analysis on those alternatives.**

Alternative Solution	Capital Costs of County-Owned Waste Disposal Facility	Estimated 2016 Solid Waste Annual Operating Costs and Waste Disposal Facility Debt Service
Continue Operating WTE Plant for 10 yrs. Construct & operate Recycling Transfer Station next to plant. Transfer out solid waste above capacity of plant.	$3.6M	$12,500,000
Local Trash Collectors Deliver solid waste and single stream recyclables to Baltimore County's Transfer Station	$0	$13,376,000
Harford County Finances, Designs, Builds, and Operates Transfer Station at HWDC landfill.	$8.4M	$13,482,000
Harford County Finances, Designs, Builds and Operates Transfer Station at Joppa w/o Homeowner Drop-off Facility	$9.3M	$13,597,000
MES Transfer Station at Joppa w/o Homeowner Drop-off Facility	$8.5M	$13,741,000
Harford County Finances, Designs, Builds and Operates Transfer Station at Joppa with Homeowner Drop-off Facility	$11.1M	$13,923,000
MES Transfer Station at Joppa with Homeowner Drop-off Facility	$11.5M	$14,183,000
Harford County Finances, Designs and Builds Transfer Station at Joppa with Homeowner Drop-off Facility. Private Company Operates	$11.1M	$14,543,000
Private Company Finances, Designs, Builds, Constructs and Operates Transfer Station at Joppa with Homeowner Drop-off Facility	$0	$14,733,000
MES Transfer Station & Fuel Processing Facility at Joppa with Homeowner Drop-off Facility	$20M	$15,270,000

PROPOSED PLAN

Arrangements

- WTE Agreement terminates on March 17, 2016.
- At that time, WTE plant and HWDC landfill will shut down.
- All trash collection trucks will be directed to transport and dispose Harford trash and single stream recyclables to Baltimore County.
- Baltimore County has existing solid waste transfer station but will need to build new facility to accommodate Harford trash and recyclables.

PROPOSED PLAN

Arrangements (Continued)

- Recyclables will be transferred out to new Baltimore County-owned single stream processing facility in Cockeysville.
- Trash will be transferred out initially to a Virginia landfill.
- This facility recovers landfill gas which runs electrical generators producing 10 MW of electricity on the grid (Enough to serve 10,000 homes).
- Disposal location may change during course of contract.
- HWDC homeowner's drop-off facility will remain open Monday – Saturday for residents to drop-off recycling and trash.

PROPOSED PLAN

Arrangements (Continued)

- HWDC Mulch and Compost facility will remain open Monday – Saturday for businesses and residents to drop off yard trim and to pick-up mulch and compost.
- Tollgate Yard Trim facility to remain open on Saturdays.
- Baltimore County's facility will not be open to County residents. Only private trash companies and municipalities.
- Baltimore County facility is on Days Cove Road, off Route 40.
- When compared to delivering trash to the WTE plant, the trucks will only drive 2.5 miles more to the Baltimore County facility.

COSTS

What will County Residents & Businesses Pay?

- **Every alternative examined resulted in an increase in costs.**
- **The Baltimore County agreement results in a 24% cost increase to the overall solid waste program.**
- **In 2013, we will embark on a year-long study to evaluate:**
  - ***Feasibility of Solid Waste Enterprise Fund.***
  - ***Rate Study to establish new solid waste fee structure.***
  - ***Examination of Ex. Operations and efficiencies.***
  - ***Evaluation of enhancing solid waste services to residents.***
  - ***Evaluation of other revenue-generating operations.***
  - ***Consideration of future regulations and implications.***
  - ***Use of Joppa Property for solid waste purposes and other uses.***
- **Implement New Fee Structure by March 2016.**

BILL NO. 13-24

Amendment to Waste Supply Contract

- **Existing Contract between County and Northeast Maryland Solid Waste Disposal Authority.**
- **Guarantees necessary qty. of trash to meet contractual obligations to supply steam to Army.**
- **Financial responsibility on flow-through costs.**
- **Contract expires upon maturing of 2002 bonds.**
- **2002 bonds mature in 2014.**
- **Need to extend contract to March 17, 2016 to match termination date of Army Steam Supply Contract.**

BILL NO. 13-22

Amendment to Solid Waste Management Plan

- **Re-iterates the history previously discussed and proposed plan with Baltimore County previously discussed.**
- **Plan amendment will require MDE approval, upon action by Council.**

BILL NO. 13-23

Baltimore County Solid Waste Disposal Agreement

- **Agreement expires 2036 with two additional 10-Yr. terms.**
- **No fee for processing and disposing of single stream recyclables.**
- **Fees paid by Harford County:**
  1. **Transfer Station Fee**
  2. **Waste Transportation and Disposal Fee**
  3. **Host Fee**

BILL NO. 13-23 (Continued)

Baltimore County Solid Waste Disposal Agreement

1. **Transfer Station Fee**
   - ***Baltimore County Debt Service for New Transfer Station***
   - ***County costs not to exceed total $11,733,000 ($8M Capital Cost).***
   - ***Annual Payment not to exceed $588,650.***
   - ***Actual fees to be based on audited actual capital cost (within not-to-exceed limits).***
   - ***First payment due July 1, 2014 and annually thereafter until debt service obligations met.***

BILL NO. 13-23 (Continued)

Baltimore County Solid Waste Disposal Agreement

2. **Waste Transportation and Disposal Fee**
   - ***Monthly fee based on monthly tons of waste.***
   - ***Based on amended Baltimore County vendor contract.***
   - ***Base Rate $56/ton (2013 dollars).***
   - ***Adjusted upward annually based on CPI Index (Less Energy Sector).***
   - ***Adjusted upward or downward Monthly w/ Fuel Surcharge based on Monthly DOE Diesel Fuel Report.***

BILL NO. 13-23 (Continued)

Baltimore County Solid Waste Disposal Agreement

3. **Host Fee**
   - ***Monthly fee based on monthly tons of waste.***
   - ***$1.40/ton.***
   - ***Fixed for term of Agreement.***
   - ***Fee used to help support other Baltimore County solid waste resources at Eastern Landfill.***
   - ***In comparison, Harford County was going to charge Baltimore County a $3/ton host fee for incoming Baltimore County trash to the new Harford County WTE plant.***

BILL NO. 13-23 (Continued)

Baltimore County Solid Waste Disposal Agreement

- **Estimated FY2016 Costs (March – June)**
  - ***Assume CPI increase 3%/yr***
  - ***Assume diesel fuel is $4.75/gal.***
  - ***Assume 4 months of trash at annual rate of 140,000 tons***
  - ***Transfer Station Fee - $588,650 (worst case)***
  - ***Waste Transportation and Disposal Fee - $2.95M***
  - ***Host Fee - $65k.***
  - ***Total Estimated FY2016 Baltimore County Fees – $4M (conservative estimate)***

BILL NO. 13-23 (Continued)

Baltimore County Solid Waste Disposal Agreement

- IF FY2016 Costs were for Full Year with same previous assumptions:
  - ***Transfer Station Fee - $588,650 (worst case)***
  - ***Waste Transportation and Disposal Fee - $8.86M***
  - ***Host Fee - $196k.***
  - ***Total Estimated Full-Year FY2016 Baltimore County Fees – $10M (conservative estimate)***

BILL NO. 13-23 (Continued)

Baltimore County Solid Waste Disposal Agreement

- **Agreement can be terminated at anytime after Transfer Station Fee debt service obligations have been met.**
- **All trucks will be weighed on Baltimore County scales with transactions forwarded to Harford at the end of each business day.**
- **Harford County to directly bill trash collectors.**

QUESTIONS