

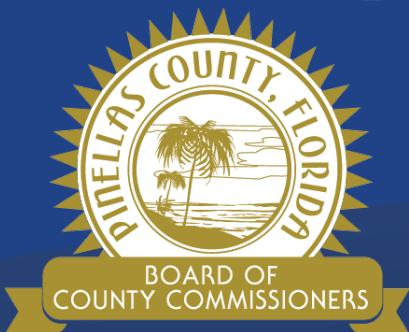
# Power Purchase Agreement & Recycled Materials Update



**Department: Solid Waste**

**Speaker Name: Paul Sacco**

Speaker Title: Director



**Our Vision: To Be the Standard for Public Service in America**



# Future power revenue option comparisons

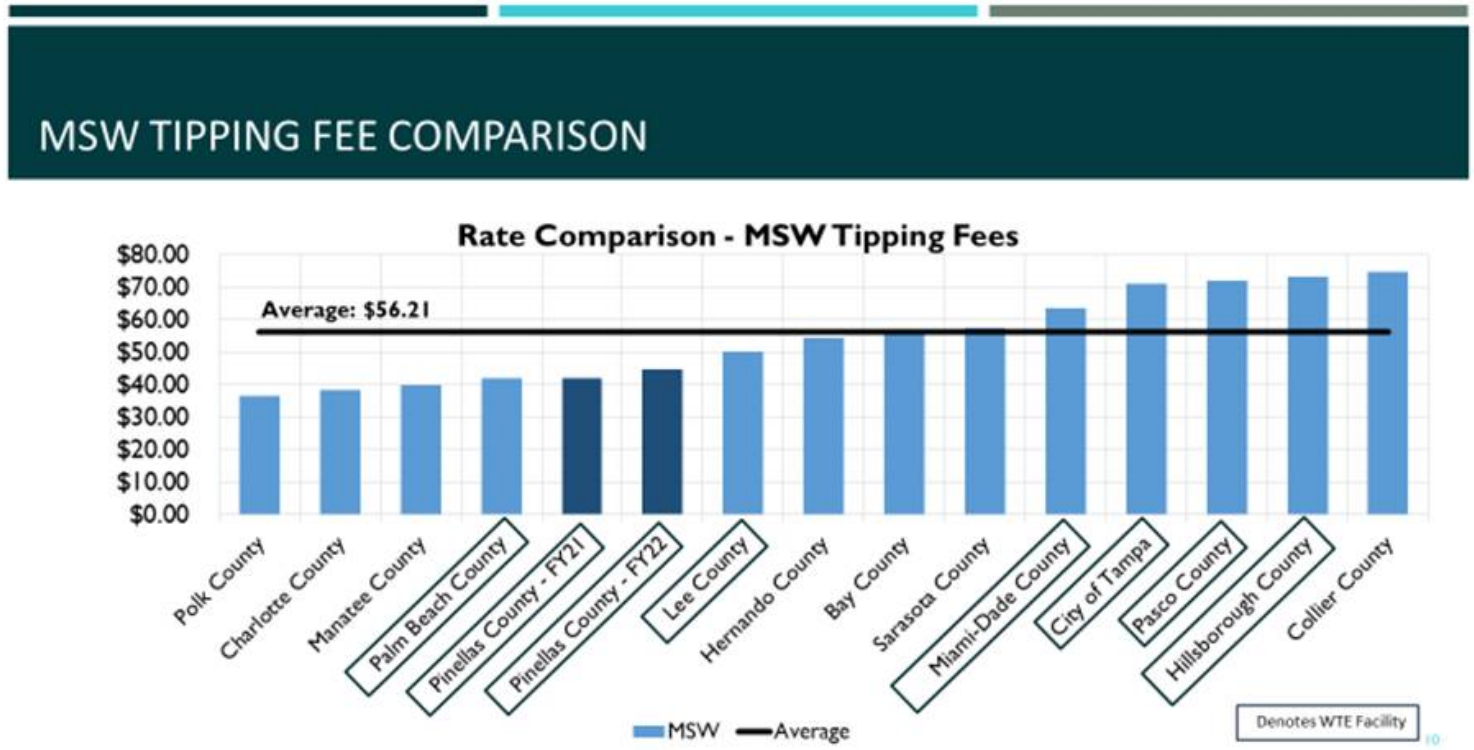


Option	Annual Power Sales	Annual Capacity Payment	Reduced Energy Costs for Other County Facilities
Existing PPA (expires 12/24)	\$9.17M	\$77.4M	N/A
Standard Offer Contract (20-yr)	\$7.6M	\$10-12M	N/A
As-available Rate (up to 2-yr. locked)	\$7.7M	\$0	N/A
<b>Net-Metering/Power Wheeling (@ \$0.06/kwh)</b>	<b>\$24.1M</b>	<b>\$0</b>	<b>(30-50%)</b>

 Requires a legislative change

# Options to close Revenue-Expense Gap

- Increase Tip Fees
- Pursue legislative changes
- Reduce operating costs
- Enhanced metals recovery
- On-site metals cleaning
- Solar power generation



# Recycled Materials (Background)



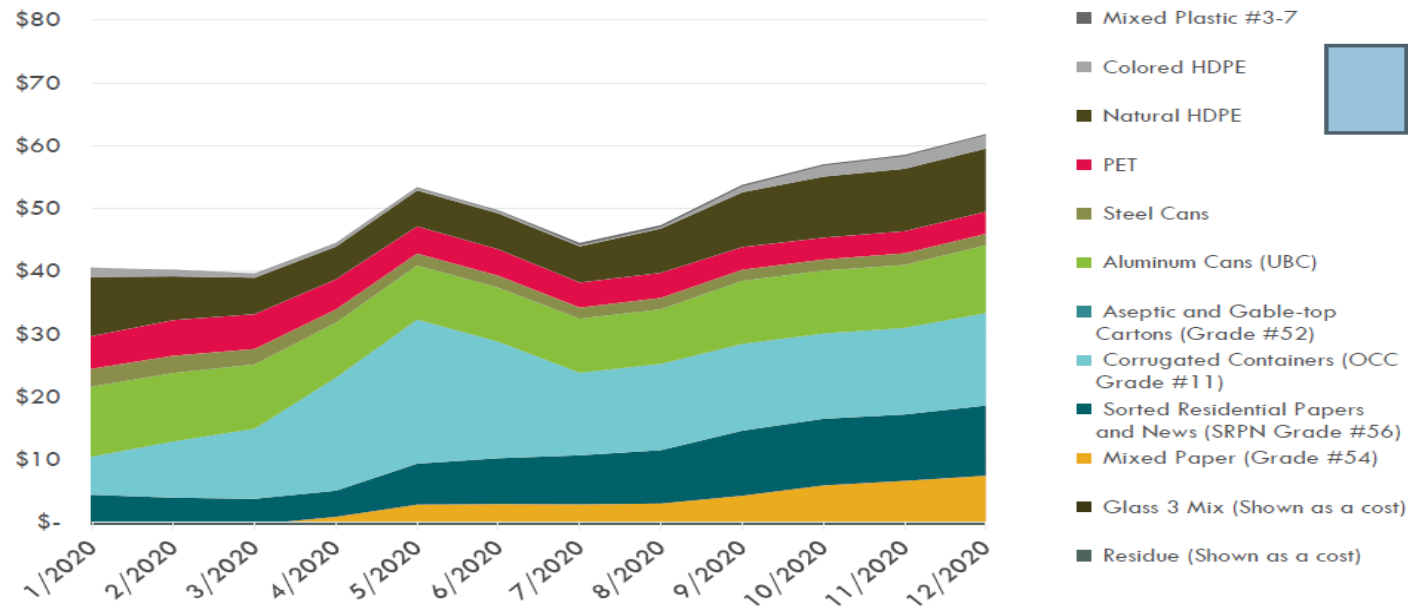
## **On January 14, 2020, the Board of County Commissions (Board) directed the Technical Management Committee (TMC) to:**

1. Conduct domestic and international market research of mixed recycling commodity markets with the primary objective to understand what markets exist for 'clean', non-contaminated recyclables.
2. Assess current recycling practices and waste composition of curbside recycling for each municipality. Collaborate to develop a standard list which simplifies what is to be recycled. The objective would be to increase the yield of best marketed materials.
3. Review the feasibility for a publicly-owned regional MRF, based on the outcomes of (1) and (2).

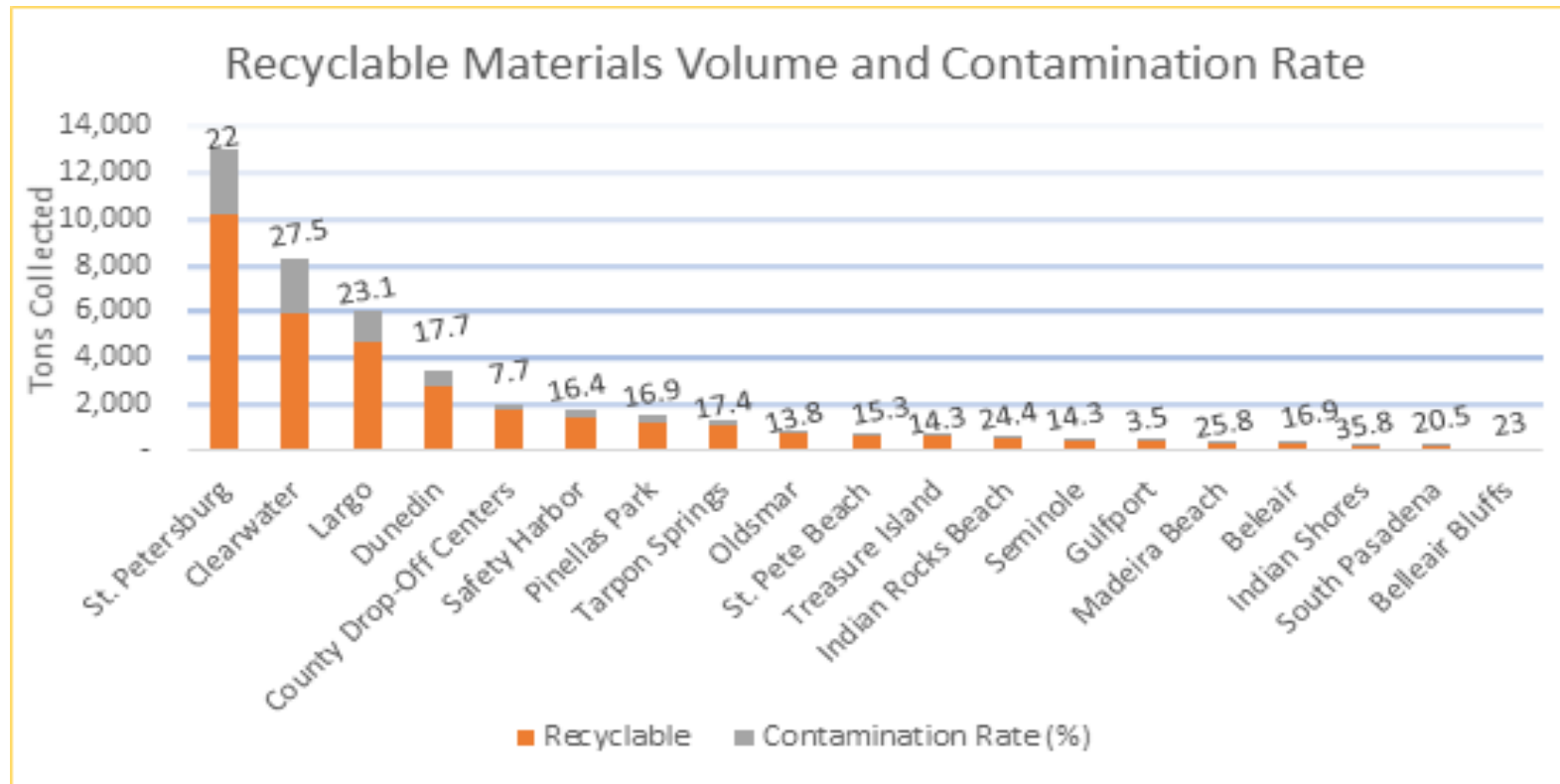
# Recycled Materials Market Study

## 2020 AVERAGE COMMODITY VALUE

The Average Commodity Value (ACR) values based on 2020 data were collected from the following sources: - ISRI specifications used in Recycling Markets.net, RISI Fastmarkets, RRS confidential sources, and Pulp and Paper Week, for the Southeast Region. The following chart details values of recyclables from January 1, 2020 through December 31, 2020. As you can see, the negative impact from Covid-19 is seen in March of 2020 and commodity values, for the most part, continued to increase in value in the second half of the year, and in January of 2020 are at their highest level since October 2017, with every commodity increasing in value in December and January.



# Recycled Materials Composition Study



**TMC Recommendation #1: Develop a countywide standard for recycled materials and municipal contracts for collection and processing.**

# Materials Recovery Facility (MRF)

- Benefits of municipally owned
- Hillsborough County
- Market demand
- Preliminary options and costs

<b>Option 1: Pinellas County MRF</b>		
•	<b>Initial Capital Cost MRF</b>	<b>\$30-40M</b>
•	<b>Operating Costs</b>	
○	<b>Processing</b>	<b>\$60-70/ton</b>
<b>Option 2: Hillsborough County MRF</b>		
•	<b>Initial Capital Cost Transfer Station</b>	<b>\$15M</b>
•	<b>Operating Costs</b>	
○	<b>Processing</b>	<b>\$60-70/ton</b>
○	<b>Admin Fee</b>	<b>\$1-5/ton</b>
○	<b>Transfer Station</b>	<b>\$8-15/ton</b>
○	<b>Transportation</b>	<b>\$15/ton</b>
	<b>Total</b>	<b>\$84-105/ton</b>

**TMC Recommendation #2:** Staff to finalize evaluation of MRF options and pricing and present a recommendation to the TMC for final consideration and consensus in September 2021.

**TMC Recommendation #3:** Develop a countywide recycling ordinance requiring recycling for residential, multi-family, and commercial.

# Recycled Materials Next Steps

## Standardize collection and processing

- What to recycle?
- Municipal contracts

## Municipally owned MRF

- Finalize staff evaluation and present to the TMC in September 2021

## Countywide recycling ordinance

- Stakeholder engagement