

Broward County Global Agreement

I. What is the “Global Agreement?”

The “Global Agreement” is not a single document. It is an informal name for the network of interconnected contracts that make up Broward County’s solid waste disposal system.

- It includes more than a dozen contracts, including the County Disposal Agreement, the Waste-to-Energy Site Lease, municipal interlocal agreements, and agreements under which the County is a third-party beneficiary.
- The existing network of contracts provides substantially more than a per-ton disposal rate.

II. Disposal Agreement Overview

The County Disposal Agreement is the linchpin of the “Global Agreement” network of disposal-service ILAs, contingency-capacity commitments, guaranties, transfer-station rights, and related arrangements. If the Disposal Agreement expires, the existing benefits cannot simply be assumed to survive.

Disposal Safety Net

Why critical: The County must continue disposing of waste even after an emergency or major service disruption. Fires, hurricanes, and major equipment failures can take enormous amounts of disposal capacity offline with little or no warning. **When that happens, the waste does not stop coming. It must go somewhere else immediately.**

Through the County Disposal Agreement with its vendor, Wheelabrator, the County has more than just a disposal facility under contract. **It also has a guaranteed backup plan if that facility becomes unavailable.**

This “safety net” provides multiple layers of protection **involving 3 separate companies**, all predicated on the existing disposal agreement:

Company	What triggers it	What it provides
FCC (Wheelabrator parent company)	Wheelabrator fails to provide processing or disposal capacity.	If Wheelabrator cannot meet its disposal-capacity obligation, FCC stands behind that obligation.
Waste Management Inc. of Florida (WMIF)	Wheelabrator stops performing because of material breach, incapacity or inoperability of the WTE facility, or force majeure.	Emergency disposal service outside the Wheelabrator WTE facility.
Waste Management, Inc. (WMIF’s parent company)	Wheelabrator or WMIF fail to perform the disposal-capacity obligations under the Global Amendment.	Guarantees disposal capacity up to the contractual limits in the Global Amendment.

Bottom line: The agreement does not rely solely on the **Wheelabrator WTE facility**. If that facility becomes unavailable, the County has commitments from other companies to provide backup disposal capacity.

Why single-facility risk is real

- **Miami-Dade County:** A 2023 fire shut down its WTE facility. The facility remains inoperable, requiring diversion of roughly 1 million tons annually, including to landfills outside the County.
- **Bay County:** Hurricane Michael badly damaged its WTE facility in 2018, including its roof, siding, electrical systems, and maintenance building, preventing operation until substantial repairs were completed.

III. Other Benefits Built into the “Global Agreement”

<u>Unlimited Disposal For Bulky Waste</u>	<u>Composting Services</u>
The County Disposal Agreement provides unlimited disposal capacity for materials such as concrete, wood, roofing materials, furniture, and yard debris. • This waste is heavy, takes up substantial space, and is harder and more expensive to haul long distances. • Only a limited number of facilities can accept it. • If disposal space becomes scarce, the County already has a contractual right to capacity rather than having to compete for remaining space. • A commitment to unlimited capacity places the volume risk on the disposal company.	The County Disposal Agreement is a condition for Waste Management of Florida to provide composting services. • Requires notice from the County or SWA by December 31, 2027. • Waste Management of Florida will restart its Okeechobee composting facility. • The County or SWA must arrange for source separation and transportation of food waste.
<u>Transfer Station Access</u>	<u>Additional Disposal Capacity</u>
The County Disposal Agreement is a condition for Waste Management of Florida to provide access to its Broward transfer stations. • The transfer stations give the County multiple local places to deliver waste instead of depending on direct delivery to the Wheelabrator WTE facility. • If the WTE facility goes down, garbage trucks still have nearby places to unload so the waste can be transported to an available disposal facility. • The framework also provides a credit when the County uses transfer stations outside Waste Management of Florida’s network, reducing the disposal charge and providing additional flexibility.	The County Disposal Agreement is a condition for Waste Management of Florida to provide additional disposal capacity during normal operations. • Through various agreements, this provides up to an additional 775,000 tons per year. • This raises total annual capacity, including waste processed at the Wheelabrator WTE, to 1.5 million tons.

IV. Assignment Options

The County Disposal Agreement’s Third Amendment gives the County the right to assign it to SWA at any time with 30 days’ notice to Wheelabrator, so long as SWA assumes the County’s obligations. After assignment, SWA would take on the County’s responsibilities under the agreement, while the County would remain a participating community for the unincorporated area.

Keeping the Disposal Agreement is not a binary choice between assignment and no assignment. Ownership of the contract, day-to-day administration, operational responsibility, financial responsibility, oversight, and policy control do not necessarily have to reside with the same entity. The structure should follow the role SWA actually wants to perform.