



INDIAN RIVER COUNTY
SOLID WASTE DISPOSAL DISTRICT
BOARD MEMORANDUM



Date: December 14, 2016
To: Jason E. Brown, County Administrator
Thru: Vincent Burke, Director of Utility Services
From: Himanshu H. Mehta, P.E., Managing Director, Solid Waste Disposal District
Subject: Ninth Amendment to Feedstock Supply Agreement

BACKGROUND:

On July 15, 2011, the Indian River County Solid Waste Disposal District (SWDD) entered into a Feedstock Supply Agreement (FSA) with INEOS New Planet BioEnergy, LLC (INEOS) for supplying vegetative waste for the production of bioethanol energy product and renewable power. The term of the agreement was for a period of twenty (20) years. The Indian River BioEnergy Center operated by INPB has determined to cease operations of its facility at 925 74th Avenue SW effective December 31, 2016.

Staff and INPB personnel have been coordinating on a transition plan to return the public to SWDD's vegetative processing area starting on January 2, 2017. INPB has agreed to continue to provide processing (receiving, grinding and disposal) services to SWDD through March 31, 2017 at the current rate of \$9.30 per ton and has waived the supplemental processing fee of \$5.30 per ton as of October 1, 2016, through March 31, 2017.

ANALYSIS:

Staff and INPB personnel have mutually agreed to the provisions in the attached Ninth Amendment, which provides a transition of vegetative waste from the Indian River BioEnergy Center to SWDD's vegetative processing area. The continuation of processing by INPB through March 31, 2017, provides a seamless operational transition for the public bringing in vegetative waste and allows time for SWDD staff to solicit a request for proposal for these services. Both parties agree that SWDD will be responsible for receiving and processing vegetative waste as of April 1, 2017, and that we intend to enter into a termination agreement to end both the Feedstock Supply Agreement and the Landfill Gas Interconnect Agreement as a final step at a future Board meeting.

Overall, there has been a significant savings to SWDD's operations in working with INPB for the past 5 plus years, compared to the previous costs for processing vegetative waste. This opportunity also resulted in sending landfill gas for the production of electricity, which we were not doing previously.

Staff is looking at this as an opportunity to regain control of the vegetative waste and to explore options, through a procurement process, for utilizing materials for composting. Composting our biosolids allows us to put the vegetative waste to beneficial use. It also allows us to explore both a residential and commercial food waste diversion program to help reduce this material from going into

the Indian River County landfill which is consistent with the Indian River County Comprehensive Plan.

FUNDING:

Funding for yard waste processing is budgeted and is available in the Other Professional Services account in the SWDD Recycling fund. The account has a total budget of \$896,000 for the 2016/2017 fiscal year.

Description	Account Number	Amount
SWDD Recycling Fund - Other Professional Services	41125534-033190	\$896,000

RECOMMENDATION:

SWDD staff recommends that its Board approve the following:

- a) Approve the Ninth Amendment to the Feedstock Supply Agreement with INEOS New Planet BioEnergy, LLC.
- b) Authorize the Chairman to execute the same, as presented.

Attachment 1: Ninth Amendment to Feedstock Supply Agreement