

MEMORANDUM

Agenda Item No. 8(P)(2)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: October 1, 2024

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution ratifying Emergency Contract No. E-10416 for Dewatering and Disposal of Waste Activated Sludge for the Water and Sewer Department for a 12-month term in a cumulative amount not to exceed \$41,900,000.00 with Synagro South LLC, CompostUSA of Highlands County LLC, US Submergent Technologies LLC, and Merrell Bros. Inc.; and authorizing the County Mayor to exercise all provisions of the contracts, including any cancellation or extension provisions, pursuant to section 2-8.1 of the County Code and Implementing Order 3-38

Resolution No. R-867-24

The accompanying resolution was prepared by the Strategic Procurement Department and placed on the agenda at the request of Prime Sponsor Commissioner Danielle Cohen Higgins.



Geri Bonzon-Keenan
County Attorney

GBK/gh

Memorandum



Date: October 1, 2024

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Subject: Recommendation for Ratification of Four Emergency Contracts under Contract No. E-10416 for Dewatering and Disposal of Waste Activated Sludge

Executive Summary

This item seeks ratification by the Board of County Commissioners (Board) of four emergency contracts under Contract No. E-10416, *Dewatering and Disposal of Waste Activated Sludge* (Emergency Contracts). Initiated in response to the biosolids emergency declared by Miami-Dade County in January 2024, these contracts address the large annual biosolids volume and severe backlogs caused by limited disposal options and evolving regulatory constraints.

To ensure service reliability, emergency contracts were entered into with multiple vendors, including Synagro South, LLC (Synagro); CompostUSA of Highlands County, LLC (CompostUSA); US Submergent Technologies LLC (US Submergent); and Merrell Brothers, Inc. (Merrell). The first contract was with Synagro for dewatering and disposal services, but Synagro was unable to provide reliable services to meet the Miami-Dade County Water and Sewer Department (WASD) needs. In parallel, Compost USA was also contracted to provide disposal via Composting and Land Application to meet 100% of WASD's daily demand and help remove accumulated Biosolids. WASD then entered into agreements with US Submergent and Merrell for dewatering and additional disposal services. Collectively Compost USA, US Submergent, and Merrell were able to reduce WASD's biosolids inventory, dispose of the daily Biosolids demand, and remove the backlog. Compost USA continues to dispose of Biosolids and Merrell is providing dewatering services.

Biosolids are nutrient-rich materials product from wastewater treatment. Their removal ensures effluent quality meets environmental standards for safe discharge. After removal, biosolids are transported for disposal or use, including composting, land application, and landfilling.

The scope of the Emergency Contracts includes on-site dewatering, hauling, and disposal services of Class "B" biosolids, non-Class "B" biosolids, and waste activated sludge through composting and land application. Waste activated sludge (WAS), non-Class "B" biosolids, and Class "B" biosolids are generated at each of the three wastewater treatment plants operated by WASD. The County, the largest producer of biosolids in Florida, generates approximately 700 wet tons daily and 150,000-165,000 wet tons annually. Although there was a competitively established contract in place (Contract No. 7122-1/23-1) for hauling and disposal of Class "B" biosolids at \$55/ton, recent regulatory changes to Chapter 62-640, Florida Administrative Code (F.A.C.), drastically reduced the number of eligible disposal facilities, and increased the price of biosolids disposal significantly (\$102/ton to \$150/ton). This led to active vendors ceasing services and created major backlogs at the South District and Central District Wastewater Treatment Plants, which caused permit violations, operational issues, and odor complaints that affected the public. These Emergency Contracts are currently helping to: mitigate the biosolids backlog, which was estimated at over 24,000 tons by January 2024, and maintain steady operations at the wastewater treatment plants.

Recommendation

It is recommended that the Board ratify the award of the Emergency Contracts under Contract No. E-10416, *Dewatering and Disposal of Waste Activated Sludge*, in a cumulative allocation amount not to exceed \$41,900,000 for a one-year term with an expiration date of December 30, 2024. The Emergency Contracts were awarded to: (i) Synagro in the amount of \$6,000,000 (Contract E-10416A); (ii)

CompostUSA in the amount of \$17,900,000 (*Contract E-10416B*); (iii) US Submergent in the amount of \$8,000,000 (*Contract E-10416C*); and (iv) Merrell in the amount of \$10,000,000 (*Contract E-10416D*). In addition to the on-site dewatering operations, the varying contract amounts are dictated by the respective vendor's current capacity and availability of sites for the hauling and disposal of the biosolids.

Background

On January 10, 2024, WASD Director declared an emergency for the immediate dewatering and disposal of the waste activated sludge (WAS) and biosolids generated from the three regionally located wastewater treatment plants managed by the WASD. WASD identified four vendors and began the negotiation process for the four emergency contracts needed to address dewatering, hauling, and disposal of WAS and biosolids, starting with Synagro. WASD has required the use of outside vendors to provide dewatering equipment and services, hauling, and disposal of biosolids in order to stay in compliance with regulatory requirements and protect the health, safety, and welfare of the Miami-Dade County community.

Biosolids and Dewatering

Biosolids are produced daily as a continuous product of the wastewater treatment process as liquids are separated from solids and treated physically and chemically to produce a semisolid, nutrient-rich product. Biosolids must be repurposed for beneficial uses such as land application, compost, landscaping application, or other methods authorized by federal, state, and local laws, and according to regulations mandated by Chapter 62-640, F.A.C. Land application spreads biosolids onto fields to recycle nutrients and improve soil health. Composting converts biosolids into environmentally friendly soil conditioner and fertilizer, which is more labor intensive but results in a more expensive, higher treated biosolid. The prompt hauling and disposal of the biosolids is crucial for maintaining regulatory compliance in the wastewater treatment process. Proper management of biosolids ensures environmental protection by preventing potential pollution of water bodies and soil, and it also helps to reduce public nuisances such as unpleasant odors.

Dewatering is a crucial step in managing biosolids efficiently and sustainably within the wastewater treatment process. Specifically, dewatering helps with volume and weight reduction, resulting in improved costs for hauling and disposal. Dewatering also helps to stabilize the biosolids, making them less odorous and reducing the potential for the generation of leachate. Additionally, dewatered biosolids are more suitable for final disposal methods, such as land application and composting, where they can be used as a soil conditioner or fertilizer. Lastly, proper dewatering ensures that the biosolids meet regulatory requirements for moisture content before they are disposed of or reused.

Existing Contract

Under the Existing Contract, *Contract No. 7122-1/23*, which expires on October 31, 2024, multiple vendors may participate in various methods of land application hauling services at multiple sites across Florida for disposal of Class "B" biosolids. However, revisions to Chapter 62-640, F.A.C., significantly reduced the number of disposal sites available to vendors under the Existing Contract due to new regulatory requirements imposed by the rule revisions. As fewer land application sites became available, vendors stopped removing the biosolids from the County's wastewater treatment plants. The current vendors' lack of capacity for processing, as well as the lack of disposal sites, caused severe delays that resulted in effluent quality issues, potential violations of WASD's operating permit issued by FDEP, odor complaints, and a severe backlog of biosolids being stored at the wastewater treatment plants.

In addition to the reduction of available disposal facilities, the prices to haul biosolids to the disposal sites have escalated, as haulers are now faced with longer routes to a reduced number of facilities with current capacity for the County's significant amount of biosolids. The increase in price to haul and dispose of biosolids has also been exacerbated by the County competing with other local governments and utilities statewide to secure hauling and disposal allocations. Prices have increased from \$55/ton to \$150/ton.

Declaration of Emergency and Subsequent Emergency Contracts

In response to the escalating situation, the WASD Director issued Declarations of Emergency in September 2023 and January 2024 in order to mitigate the growing backlog of biosolids. In addition to the impacts from changes to the F.A.C., the biosolids emergencies were further exacerbated due to capacity limitations stemming from active construction at the South District Wastewater Treatment Plant. Once construction is complete, WASD anticipates the improvements to the Plant will reduce reliance on outside vendors by improving WASD’s ability to conduct the dewatering of biosolids on-site.

WASD conducted an industry day with multiple vendors to discuss vendors’ capabilities and compliance with Chapter 62-640, F.A.C., and subsequently issued the Emergency Contracts for a term of one year at varying contract prices to ensure service reliability for a cumulative allocation of \$41,900,000, with \$15,000,000 spent to date, as of July 2024. The remaining funds are allocated to cover future needs, including potential fluctuations in biosolids volume and operations costs, ensuring continuous service and compliance with environmental regulations throughout the contract term. The WASD Fiscal Year 2024 budget for biosolids hauling is \$10,000,000. Additional costs will be funded from operating revenues as well as Water and Sewer Reserves. The four Emergency Contracts are comprised of three emergency contracts for dewatering services with Merrell, Synagro, and U.S. Submergent, and one emergency contract for hauling and disposal services with CompostUSA.

The aforementioned issues have severely compromised the efficiency of the three wastewater treatment plants’ management of biosolids, leading to regulatory challenges and environmental concerns that may impact the health, safety, and welfare of the Miami-Dade County community. If not addressed promptly, these problems could result in elevated levels of total suspended solids and fecal coliform in the Plants’ effluent, which could cause permit violations and environmental harm by releasing biosolids into the effluent streams. Therefore, it is in the County’s best interest to ratify the award of the Emergency Contracts to ensure the ongoing dewatering, hauling, and disposal of waste activated sludge and biosolids for WASD. Per Resolution No. R-454-13, this ratification was not presented to the Board within 120 days of the emergency due to the four contracts not being finalized and executed by the vendors until June 2024.

Scope

The scope of this item is countywide in nature.

Fiscal Impact/Funding Source

The fiscal impact for this ratification is \$41,900,000 for the twelve-month term, which expires on December 30, 2024.

Department	Allocation	Funding Source	Contract Manager
WASD	\$41,900,000	Proprietary Funds	Susan Pascul
Total	\$41,900,000		

Track Record

Manuel Jimenez of the Strategic Procurement Department (SPD) is the Procurement Contracting Manager.

Delegated Authority

This Board authorizes the County Mayor or County Mayor’s designee to exercise all provisions of the Emergency Contracts, including any extensions or cancellations, pursuant to section 2-8.1 of the County Code and Implementing Order 3-38.

Vendors Recommended for Ratification

Vendor	Principal Address	Local Address	Number of Employee Residents	Principal
			1) Miami-Dade 2) Percentage*	
CompostUSA of Highlands County	1650 CR 470 West Okahumpka, FL	None	0	Kris Creeden
			0%	
Merrell Bros., Inc.	8811 W 500 N Kokomo, IN	None	0	Nieta K. Merrell
			0%	
Synagro South, LLC	435 Williams Court Suite 100 Baltimore, MD	2999 NW 191 Street Suite 900 Aventura, FL	0	Robert Preston
			0%	
US Submergent Technologies, Inc.	2201 Cantu Court Suite 116 Sarasota, FL	None	0	Denver J. Stutler Jr.
			0%	

*Provided pursuant to Resolution No. R-1011-15. Percentage of employee residents is the percentage of Vendor's employees who reside in Miami-Dade County as compared to the Vendor's total workforce.

Due Diligence

Pursuant to Resolution No. R-187-12, due diligence was conducted in accordance with SPD's Procurement Guidelines to determine vendor responsibility, including verifying corporate status and that there are no performance and compliance issues through various vendor responsibility lists and a keyword internet search. The lists that were referenced included: convicted vendors, debarred vendors, delinquent contractors, suspended vendors, and federal excluded parties. No adverse findings were found as to any of the four vendors.

Applicability of Ordinances and Contract Measures

- The two percent User Access Program applies.
- The Small Business Enterprise measures and Local Preference do not apply.
- The Living Wage Ordinance applies.


Jimmy Morales
Chief Operating Officer



MEMORANDUM

(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: October 1, 2024

FROM: 
Glen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(P)(2)

Please note any items checked.

- _____ **"3-Day Rule" for committees applicable if raised**
- _____ **6 weeks required between first reading and public hearing**
- _____ **4 weeks notification to municipal officials required prior to public hearing**
- _____ **Decreases revenues or increases expenditures without balancing budget**
- _____ **Budget required**
- _____ **Statement of fiscal impact required**
- _____ **Statement of social equity required**
- _____ **Ordinance creating a new board requires detailed County Mayor's report for public hearing**
- _____ **No committee review**
- _____ **Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, majority plus one ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3) (h) or (4)(c) ____, CDMP 9 vote requirement per 2-116.1(4)(c) (2) ____) to approve**
- _____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(P)(2)
10-1-24

RESOLUTION NO. R-867-24

RESOLUTION RATIFYING EMERGENCY CONTRACT NO. E-10416 FOR DEWATERING AND DISPOSAL OF WASTE ACTIVATED SLUDGE FOR THE WATER AND SEWER DEPARTMENT FOR A 12-MONTH TERM IN A CUMULATIVE AMOUNT NOT TO EXCEED \$41,900,000.00 WITH SYNAGRO SOUTH LLC, COMPOSTUSA OF HIGHLANDS COUNTY LLC, US SUBMERGENT TECHNOLOGIES LLC, AND MERRELL BROS. INC.; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE ALL PROVISIONS OF THE CONTRACTS, INCLUDING ANY CANCELLATION OR EXTENSION PROVISIONS, PURSUANT TO SECTION 2-8.1 OF THE COUNTY CODE AND IMPLEMENTING ORDER 3-38

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. This Board finds it is in the best interest of Miami-Dade County to ratify Emergency Contract No. E-10416 for Dewatering and Disposal of Waste Activated Sludge for the Water and Sewer Department in a total amount not to exceed \$41,900,000.00 for a 12-month term with four vendors: Synagro South LLC in an estimated amount not to exceed \$6,000,000.00; CompostUSA of Highlands County LLC in an estimated amount not to exceed \$17,900,000.00; US Submergent Technologies LLC in an estimated amount not to exceed \$8,000,000.00; and Merrell Bros. Inc. in an estimated amount not to exceed \$10,000,000.00.

Section 2. This Board authorizes the County Mayor or County Mayor's designee to exercise all provisions of Emergency Contract No. E-10416, including any cancellation or extension provisions, pursuant to section 2-8.1 of the County Code and Implementing Order 3-38.

Copies of the individual contracts for the four vendors are on file with, and available upon request from, the Water and Sewer Department.

The foregoing resolution was offered by Commissioner **Anthony Rodriguez**, who moved its adoption. The motion was seconded by Commissioner **Danielle Cohen Higgins** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Chairman	aye		
Anthony Rodríguez, Vice Chairman	aye		
Marleine Bastien	aye	Juan Carlos Bermudez	aye
Kevin Marino Cabrera	aye	Sen. René García	aye
Roberto J. Gonzalez	absent	Keon Hardemon	aye
Danielle Cohen Higgins	aye	Eileen Higgins	absent
Kionne L. McGhee	aye	Raquel A. Regalado	aye
Micky Steinberg	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 1st day of October, 2024. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

JUAN FERNANDEZ-BARQUIN, CLERK

By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

SED

Sarah E. Davis