# CITY OF HIGH POINT AGENDA ITEM



TITLE: Ordinance Amending and Restating the Sol (Second Reading)	lid Waste Franchise of WI High Point Landfill, LLC
FROM: Robby Stone – Public Services Director Melinda King – Asst. Public Services Director	MEETING DATE: May 6, 2024 and May 20, 2024
PUBLIC HEARING: Yes	ADVERTISED DATE/BY: April 6, 2024 High Point Enterprise
ATTACHMENTS: Resolution Amending and Restating S Solid Waste Franchise Agreement	Solid Waste Franchise

**PURPOSE:** A public hearing was held on May 6<sup>th</sup>, 2024, to consider an Ordinance Amending and Restating the Solid Waste Franchise of WI High Point Landfill, LLC ("WI High Point"). No comments were received during the public hearing. This will be the second reading of the proposed ordinance.

**BACKGROUND**: A solid waste franchise was issued to the original Construction and Demolition (C&D) landfill owner on December 20, 2001. WI High Point Landfill, LLC is the current owner/operator of the facility. The current agreement required a set amount of waste to be recycled. Contractors have been performing on site recycling increasing their profits versus bringing potential revenue streams to the C&D landfill. The change in waste stream initiated the need to revise the agreement along with increased tonnages.

The revised agreement indicates that WI High Point shall:

- 1. Permit the continued acceptance of an average daily ton of C&D materials of up to 700 tons per day for either reclamation or landfilling.
- 2. Provide for continued disposal in substantial conformance with the permitted waste boundary as referenced in the agreement, which will allow for a total gross landfill capacity of approximately 5,260,600 CY to include C&D waste, periodic, intermediate, and final soil cover.
- 3. Compensate the City at a rate of \$0.40 per ton for materials received from Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry, and Stokes counties even though C&D Landfills do not typically pay host fees.
- 4. Provide a landfill life of at least 30 years from the date of the original franchise, or at least 10 years from the date of this request.

WI High Point will endeavor to reclaim materials from the waste received when market conditions or waste stream contents allow WI High Point to do so.

**BUDGET IMPACT:** No budget impacts are anticipated from this resolution.

**RECOMMENDATION/ACTION REQUESTED:** City Council is requested to adopt the resolution amending and restating the Solid Waste Franchise Agreement with Waste Industries High Point Landfill, LLC and authorize appropriate city officials to execute all necessary documents.

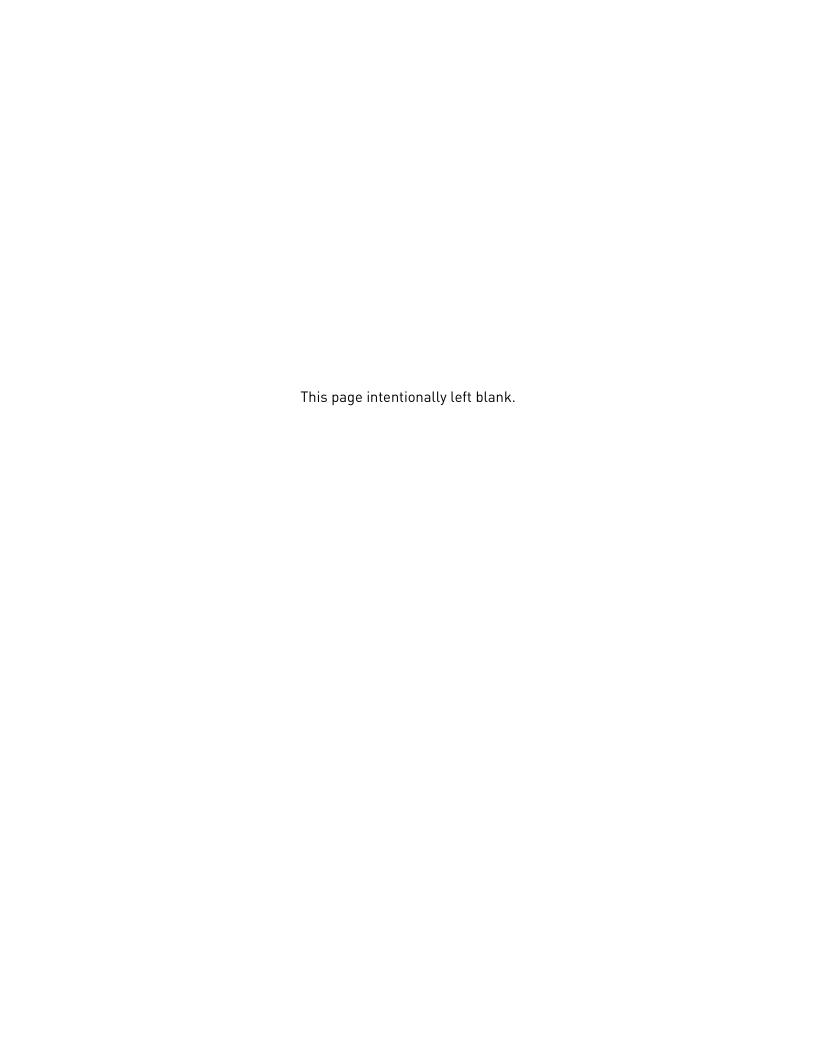
## **SOLID WASTE FRANCHISE**

## WI High Point Landfill, LLC



## WI High Point Landfill, LLC Jamestown, North Carolina (A Wholly-Owned Subsidiary GFL Environmental)

March 2024



## WI High Point Landfill, LLC

## **SOLID WASTE FRANCHISE**

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WI High Point Landfil, LLC

March 2024

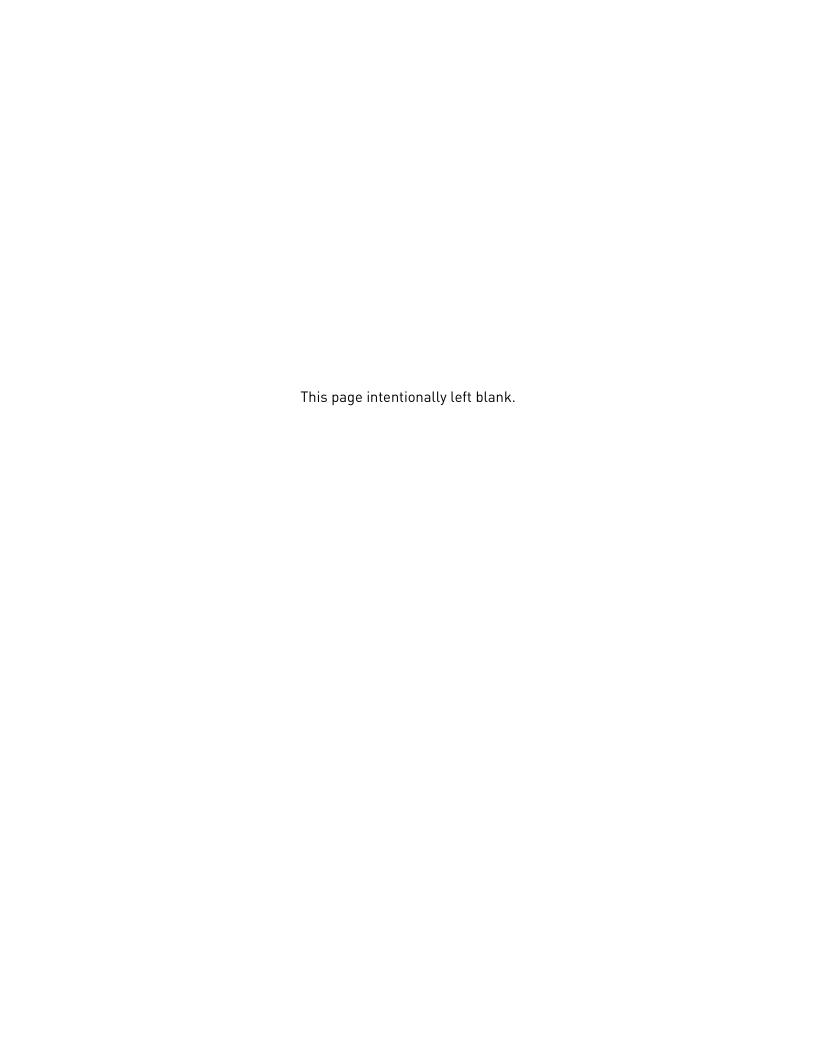
Solid Waste Franchise

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Attachment A
Ordinance Amending and Restating the Solid Waste Franchise
Solid Waste Franchise WI High Point, LLC Jamestown, North Carolina



# Ordinance Amending and Restating the Solid Waste Franchise of WI High Point Landfill, LLC, Pursuant to N.C. Gen. Stat §§ 160A-319, 130A-294, And City Ordinance 11-8-5(2)

#### Recitals

	MRR of High Point, LLC ("MRR") was issued a solid waste franchise on December 20, 2001 for a ction and Demolition Debris ("C&D") Recycling Facility and Landfill on Riverdale Road. On May 3, 2004, R franchise was amended and expanded to include all of Randolph, Davidson, Forsyth and Guilford s.
2)	MRR sold its facility to WCA of High Point, LLC ("WCA"). The City of High Point approved the transfer of

MRR's franchise to WCA on February 21, 2005.

total tonnage coming from Guilford County.

- 3) On May 18, 2009, the City of High Point approved the expansion of WCA's franchise area to include the existing four counties plus Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry and Stokes counties and to amend the terms of its franchise to provide for payment of a host fee equal to forty cents per ton for disposed waste from the additional counties. Since approval of the 2009 amendment, 99% of the annual tonnage received has come from Davidson, Forsyth, Guilford and Randolph Counties, with 77% of the
- 4) WCA sold its facility to WI High Point Landfill, LLC ("WI High Point"). The City of High Point approved the transfer of WCA's franchise to WI High Point on August 20, 2012. WI High Point became a subsidiary of GFL Environmental in November, 2018, but WI High Point's operations and management remained unchanged.
- In accordance Special Use Permit 01-06, dated October 30, 2001, Condition P., the Landfill will continue to use the recycling processing center to reduce the stream of materials entering the landfill. Future material processing for recycling will be based on the quantity, quality and market availability as required to maintain system and economic viability.
- At a regularly scheduled city council meeting on \_\_\_\_\_\_, \_\_\_\_\_, following statutory requirements for public notice and after placing a copy of its application in the High Point Public Library, WI High Point presented evidence related to, among other things: a) a statement of the population to be served; b) a description of the volume and characteristics of the waste steam; c) a projection of the useful life of the landfill; d) an explanation of how the franchise is consistent with Guilford County's Solid Waste Management Plan; e) procedures to be followed for oversight and regulation of fees and rates to be charged; f) a facility plan; and g) the qualifications of the applicant to operate a sanitary landfill.

7)	After a public hearing on,,	the High Point City Council voted unanimously to amend and
restate	WI High Point's franchise to clarify the dail	tonnage allowance permitted under the franchise.

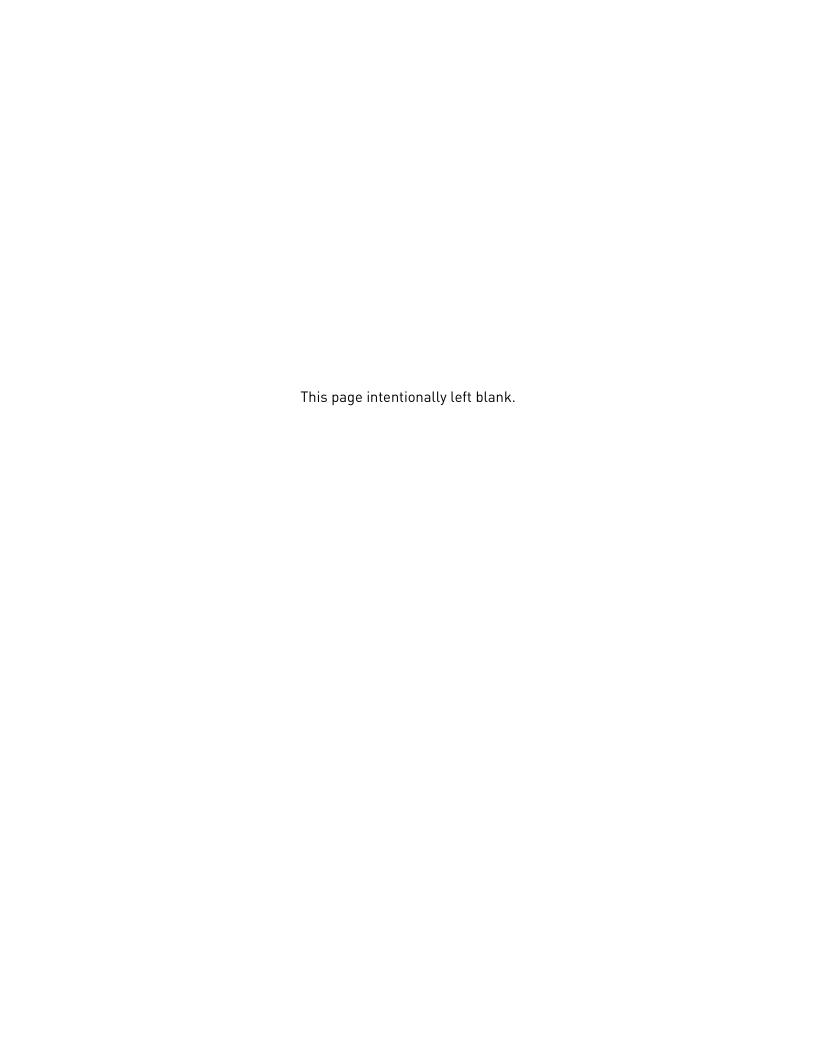
8) Upon a second reading and consideration of the High Point City Council on \_\_\_\_\_\_, \_\_\_\_, the City Council voted unanimously to amend and restate WI High Point's franchise to clarify the daily tonnage allowance permitted under the franchise.

Be it ordained by the City Council of the City of High Point that:

Sec. 1 WI High Point Landfill, LLC is hereby granted an amended and restated franchise to operate a Construction and Demolition Debris Recycling Facility and Landfill on Riverdale Road, beginning on, and continuing until the earlier of the depletion of the permitted disposal capacity or February 10, 2064, which is defined as the life-of-site in accordance with North Carolina General Statute (NCGS) §130A-294.(a2), pursuant to the Application for Amended and Restated Solid Waste Facility Franchise filed Amendment filed with the City of High Point and attached hereto.
Sec. 2 WI High Point shall be permitted to accept, for disposal or reclamation, a monthly average of 700 Tons Per Day ("TPD") of construction and demolition waste in compliance with the regulations of the North Carolina Department of Environmental Quality. WI High Point will accept, process for recycling, recycle and dispose of in accordance with all applicable laws and rules up to 218,400 tons annually of construction and demolition waste from and serve all of the population residing in, doing business in, or otherwise generating waste in the aforementioned counties, which population numbers approximately 2.2 Million per the 2020 Census. It is projected that the useful life of the facility, as it may be expanded and permitted, will be contingent upon the rate of disposal, but will be no less than 10 years from May, 2024 and no more than allowed by NCGS §130A-294.(a2). WI High Point will endeavor to reclaim materials from the waste received when market conditions or waste stream contents allow WI High Point to do so.
Sec. 3 The franchise territory shall continue to include the following counties: Guilford, Randolph, Davidson, Forsyth, Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry and Stokes.
Sec. 4 WI High Point shall continue to pay the City of High Point an annual host fee equal to forty cents (\$0.40) per disposed ton of all waste originating in Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry and Stokes counties. WI High Point's annual reports are prepared by August 1 each year, based on the Company's operations through June 30; the host fee shall be due on an annual basis and shall be paid no later than August 30 of each year, based on WI High Point's annual report.
Sec. 5 WI High Point shall extend equal employment opportunities to all qualified persons, and no such person shall be discriminated against in employment because of race, color, religion, age, national origin, sex or handicap. WI High Point shall comply with all equal employment provisions enacted by federal, state and local authorities.
Sec. 6 This ordinance is effective upon adoption of its second reading.
Adopted 1), 2),
Cyril Jefferson, Mayor
ATTEST

Sandra Keeney, City Clerk

Attachment B
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Executive Summary of GFL Request for Franchise Amendment
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Solid Waste Franchise
WI High Point, LLC Jamestown, North Carolina



### **Executive Summary of GFL Request for Franchise Amendment**

#### Request

WI High Point Landfill, LLC, a subsidiary of GFL Environmental, Inc. requests that the High Point City Council approve an amended Franchise with the City of High Point for the continued operation of a Construction and Demolition (C&D) Debris Recycling Facility and Landfill (Landfill) on Riverdale Road. The service area primarily includes Guilford, Randolph, Davidson and Forsyth Counties and will:

- 1. Permit the continued acceptance of an average daily tons of C&D materials of up to 700 tons per day for either reclamation or landfilling.
- 2. Provide for continued disposal in substantial conformance with the permitted waste boundary as referenced in the attached Figure 1, which will allow for a total gross landfill capacity of approximately 5,260,600 CY to include C&D waste, periodic, intermediate and final soil cover (Reference Table 1 of the attached Figure 1).
- 3. Compensate the City at a rate of \$0.40 per ton for materials received from Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry and Stokes counties even though C&D Landfills do not typically pay host fees.
- 4. Provide a landfill life of at least 30 years from the date of the original franchise, or at least 10 years from the date of this request.

### History

MRR of High Point, LLC ("MRR") was issued a solid waste franchise on December 20, 2001 for a C&D Recycling Facility and Landfill on Riverdale Road. On May 3, 2004, the MRR franchise was amended and expanded to include all of Randolph, Davidson, Forsyth and Guilford counties but it was anticipated that the majority of materials would come from the economic growth and building activities in close proximity to the City of High Point. The maximum tonnage expected to be handled by the landfill in High Point was 700 tons per day and landfill capacity was projected at 25-40 years. At that time, it was expected that a significant amount of materials would be recycled. Because of changes in contractor practices and the loss of certain economic markets, the expected level of recycling has not been realized.

MRR sold its facility to WCA of High Point, LLC ("WCA"). The City of High Point approved the transfer of MRR's franchise to WCA on February 21, 2005.

On May 18, 2009, the City of High Point approved the expansion of WCA's franchise area to include the existing four counties plus Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry and Stokes counties and to amend the terms of its franchise to provide for payment of a host fee equal to forty cents per ton for disposed waste from the additional counties.

When the extended service area was expanded (to include 10 counties), the Burnt Poplar Transfer Station also operated as a C&D transfer facility serving the extended service area; however Burnt Poplar transitioned to an MSW transfer station in 2017, which reduced the potential to deliver more C&D to WI High Point. Since 2012, less than 10,000 tons have originated from the extended service area. This represents approximately 2% of the approximate 490,000 tons disposed since 2012. Since approval of the 2009 amendment, 98-99% of the annual tonnage received has come from the original Davidson,

Forsyth, Guilford and Randolph Counties, with 77% of the total tonnage coming from Guilford County alone.

WCA sold its facility to WI High Point Landfill, LLC ("WI High Point"). The City of High Point approved the transfer of WCA's franchise to WI High Point on August 20, 2012. WI High Point became a subsidiary of GFL Environmental in November, 2018, but WI High Point's operations and management remained unchanged.

### **Recycling Challenges**

In accordance Special Use Permit 01-06, dated October 30, 2001, Condition P., the Landfill will continue to use the recycling processing center to reduce the stream of materials entering the landfill. Future material processing for recycling will be based on quantity, quality and market availability as required to maintain system and economic viability. GFL understands and agrees that recycling plays a crucial role in waste management and environmental sustainability but faces numerous challenges in today's market.

One trend that has reduced GFL's recycling in High Point is the widespread practice among contractors of selectively salvaging the most lucrative materials—the "low hanging fruit"—for direct sale or reuse, while diverting less valuable and hard-to-salvage materials to the landfill. While this does not diminish the overall goal of recycling, it results the removal of high-value recycled materials being delivered to the facility. This reduction affects the overall economic viability of recycling operations. Once high-value materials are removed (i.e. ferrous and non-ferrous metals), the residual materials delivered inherently decrease in value. Often, if high-value materials remain they are either of de minimis quantity or challenging to separate from other materials, such as rebar embedded in concrete.

For materials of lesser value, the cost of recycling frequently outweighs the economic benefits, making recycling economically unattractive for businesses and municipalities without an availability of large quantities of clean materials or without local markets. This is especially true with gypsum drywall and wood. In North Carolina, a primary use for recycled drywall gypsum is land application in farming as a soil amendment, but this market demands "clean" drywall, free of screws, nails, paint, and contaminants. The management of clean drywall gypsum necessitates separate material handling throughout construction and demolition phases, increasing recovery costs and rendering recovery on the backend impractical. Similarly, the reclaimed wood market requires clean material, which reduces the facility's ability to generate significant quantities of recycled material and there is little interest in small volume. The closure of other area recyclers whose business model included C&D materials reinforces these points.

Recycled asphalt shingles have been historically utilized as a supplementary material for asphalt feedstock in North Carolina. However, the market imposes stringent cleanliness requirements, necessitating removal of all residual wood, screws/nails, insulation, and other contaminants. With markets shifting and many recyclers no longer taking shingles, the closest available market for asphalt shingles is located in Wilson, North Carolina, requiring significant transportation costs further diminishing the economic viability of asphalt shingle recycling practices.

Even where local markets exist, C&D recycling on the backend, following construction/demolition is difficult. Once materials are commingled, the material quality is diminished due to contamination and the material mix of bulky/heavy materials makes separating and sorting challenging and costly (i.e. labor

and equipment). Additionally, without significant regulation and/or incentives driving recycling, recycling of these materials will continue to be low. For example, the main material reclaimed at the WI High Point Landfill are wooden pallets, which is the result of regulation that bans their disposal.

### **Community Benefits.**

Although many focus on negative impacts of landfills, it is important to understand the many community benefits provided for High Point and the surrounding area.

The availability of this C&D landfill is an asset for High Point; it supports development and growth of the City. The landfill has already provided over 20 years of service and this amended Franchise will ensure the remaining landfill life will be no less than 10 years and no more than allowed by North Carolina General Statute (NCGS) §130A-294.(a2).

The C&D waste material received at WI High Point is material that would otherwise go to the City's landfill. The provision of this C&D landfill helps the City conserve airspace at its municipal facility.

WI High Point pays a host fee for material originating outside the community.

GFL's community support/engagement includes environmental initiatives and support for community groups. including:

- Volunteer and Sponsor of Victory Junction Camp
- Volunteer and Sponsor of Project Healing Waters
- Local litter sweeps and clean ups
- Local Touch a Truck sponsorships
- Participates in local Angel Tree program annually
- Supports local chamber events

