



AGENDA ITEM REQUEST FORM

Office of the Town Manager

Bud Bentley

Department Submitting Request

Interim Town Manager

REG COMMISSION **DEADLINE TO**
Meeting Dates 7:00PM **Town Clerk's Office**

ROUNDTABLE **DEADLINE TO**
Meeting Dates 7:00PM **Town Clerk's Office**

- Sept 27, 2010
- Nov 9, 2010*

Oct 29 (5:00 pm)

- Oct 26, 2010
- Nov 23, 2010*

Oct 15 (5:00 pm)
Nov 12 (5:00 pm)

*Subject to Change

- | | | | |
|---------------------------------------|---|---------------------------------------|--|
| <input type="checkbox"/> Presentation | <input type="checkbox"/> Reports | <input type="checkbox"/> Consent | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Quasi Judicial | <input type="checkbox"/> Old Business | <input checked="" type="checkbox"/> New Business |

SUBJECT TITLE: **Increase in Solid Waste Collection Fees Effective October 1, 2010**

EXPLANATION: Our agreement with Choice Environmental provides a methodology for changes in the Disposal Rate charged by the Resource Recovery Board and the Consumer Price Index (CPI).

1. **Disposal Rate.** Section 6.6 of the Agreement (**Exhibit 1**) covers how changes in the disposal rate are processed. Choice has provided a copy of the July 22, 2010 letter from the Executive Director of the Resource Recovery Board (RRB), which we believe is adequate documentation of the October 1, 2010 increase.

The RRB Tipping Fee is increasing \$0.70 per ton from \$98.50 to \$99.20 per ton. The impact on a single family home with one cart is \$0.08 per month.

The Agreement language provides that evidences of the change in the Disposal Charge must be provided "... in a manner that is acceptable to the TOWN..."

We have asked Choice to provide us the calculations of the change in the rates and new Exhibits 1 – 4 for the Agreement, which are the cart and dumpster rate schedules.

2. **Consumer Price Index.** Section 6.8 of the Agreement (**Exhibit 1**) covers how changes in the Consumer Price Index (CPI) are processed. The June 2009 to June 2010 increase in the CPI is 0.3% or \$0.05 per month for a single family home with one cart.

No action is required of the Town related to the CPI change.



RECOMMENDATION: Recommend approval of the Disposal Rate Increase of .7%. The .3% increase in the CPI does not need Commission approval.

EXHIBITS: Exhibit 1 – Sections 6.6 and 6.8 of the Collection Agreement.

FISCAL IMPACT AND APPROPRIATION OF FUNDS: nominal increase in franchise fees

- Amount \$ _____ Acct # _____
 Transfer of funds required From Acct # _____

Town Attorney review required
 Yes No

Town Manager Initials CA

File: <https://trp9lz.docs.live.net/65d14c39bc46d4a2/Agenda/9-27 AC Choice Oct Increase.doc>
Printed: 9/24/2010 at 2:39 PM

6.2 COMMERCIAL SOLID WASTE COLLECTION SERVICES

The CONTRACTOR shall be responsible for the establishment of all collection service accounts billing and collection of payments for all Commercial Services. The CONTRACTOR shall bill Commercial Service Units in accordance with the rate structure, as may subsequently be adjusted pursuant to this Agreement.

6.3 SPECIAL COLLECTION SERVICES

The CONTRACTOR shall be responsible for the billing and collection of payments for Special Collection Services such as Roll-off containers, locks for containers, and additional collections, etc. Rates for Special Collection Services are set for the term of the Agreement and not subject to annual rate increases. Special Collection Services for current and future TOWN facilities shall be provided at the request of the TOWN facilities and at the expense of the CONTRACTOR.

6.4 CHANGE IN BILLING PRACTICES

The TOWN reserves the right at any time to change billing and collections responsibilities for Residential and Commercial accounts. To the extent that TOWN elects to assume billing and collections responsibilities for Residential and or Commercial accounts, the CONTRACTOR will compensate TOWN for providing such service in the form of a monthly administrative fee equal to ten percent (10%) of the Collection element of the Rates shown in the Rate Structure in Exhibits 1 through 4.

6.5 APPROVED RATE STRUCTURE

THE RATES SHOWN IN EXHIBITS 1, 2, 3, 4, 5, 6,7,10 AND 11

shall apply to all Residential Service Units and Commercial Service Units within the corporate limits of the TOWN.

6.6 DISPOSAL ELEMENT ADJUSTMENT

In order for the CONTRACTOR to receive a disposal rate adjustment based on a change in the Disposal Charge per ton, the CONTRACTOR must provide, in a manner that is acceptable to the TOWN, evidence of the change in the Disposal Charge. The TOWN may request from the CONTRACTOR such further information as may reasonably be necessary.

✓
TIPPING
FEE

6.7 FRANCHISE FEES

In consideration of the privilege granted to the CONTRACTOR to use and occupy the streets, alleys, bridges, easements, and other public places of the TOWN, pursuant to this Agreement, the CONTRACTOR shall pay to the TOWN a Franchise Fee for all services CONTRACTOR provides under this Agreement within the TOWN'S municipal corporate limits. Franchise Fees for Residential Collection Services shall be established equal to three point seventy six percent (3.76%) of gross revenues. Franchise Fees for Commercial Collection Services shall be established at ten percent (10%) of gross revenues. CONTRACTOR shall submit payment to the TOWN monthly for the duration of this Agreement, as amended from time to time. A late charge of 1.5% of the monies due for the Franchise Fee shall be calculated monthly until payment is made.

6.7.1 CONTRACTOR shall submit to The TOWN on a monthly basis, beginning on August 15, 2009, for the period beginning July 1, 2009 with the payment of the

Franchise Fee, a financial statement setting forth the computation of Gross Revenues used to calculate the Franchise Fee for the preceding month and a detailed explanation of the method of computation. The CONTRACTOR'S Chief Financial Officer shall certify the statement financial or other duly authorized officer. The CONTRACTOR will bear the cost of the preparation of such financial statements.

6.7.2 Subject to applicable law, no acceptance by the TOWN of any Franchise Fee payment shall be construed, as an accord that the amount paid is in fact the correct amount, nor shall such acceptance of payment be construed as a release of any claim the TOWN may have for additional sums payable. The Franchise Fee payment is not a payment in lieu of any other tax, fee, or assessment.

6.8 ADJUSTMENTS TO OTHER COSTS

The TOWN and CONTRACTOR shall use the Consumer Price Index (CPI) to adjust rates. The collection fee shall be adjusted to account for the annual Consumer Price Index calculation, June to June, based on the All Urban Consumers, Miami/Ft. Lauderdale Region, effective October 1 of each year, and no CPI adjustment shall be greater than five percent (5%) during the original term, with the exception of the fuel component of the unit price which will be validated by U.S. Department of Energies Information Administration and may be adjusted up to (5.5%) five point five percent during the original term. The Consumer Price Index is available from the United States Department of Labor, Bureau of Labor Statistics.

*NO CPI
limit in
EXT periods*

6.9 RECYCLING REVENUES

The TOWN shall retain all sums received from the County and the resulting sale of processed Recyclable Materials as a result of the CONTRACTOR'S provision of Recycling services for all Residential Service Units, Community Events, and TOWN facilities. CONTRACTOR shall take all steps necessary to ensure that payments from the Designated Recycling Facility resulting from the sale of Recyclable Materials are paid directly to the TOWN and not the CONTRACTOR. The CONTRACTOR shall maintain proper and accurate records to reflect the weight, by sort category, of the Recyclable Materials recovered each month, including copies of receipts from the Designated Recycling Facility as designated by the Resource Recovery Board.

6.10 TEMPORARY DISCONTINUANCE OF SERVICE

CONTRACTOR agrees to implement a temporary discontinuance of service for Single Family Residential Service Units, as stipulated in Section 10-32 of the Town Code. CONTRACTOR shall utilize Town form as shown in Exhibit 9.

SECTION 7: SCHEDULES AND ROUTES

7.1 SCHEDULES AND ROUTES TO TOWN

The CONTRACTOR shall submit a proposed route and schedule to be approved by the Town Manager no later than fifteen (15) calendar days prior to July 1, 2009.

The TOWN reserves the right to deny the CONTRACTOR'S vehicles access to certain streets, bridges, and public ways, inside the TOWN or outside the TOWN in route to Designated Disposal Facilities where it is in the best interest of the general public to do so due to conditions of streets and bridges. The CONTRACTOR shall use best efforts