



AGENDA ITEM MEMORADUM

Item No. 13d

Development Services

Bud Bentley

Department

Assistant Town Manager / Development Services
Director *BB*

COMMISSION MEETING DATE (*) - 7:00 PM	Deadline to Town Clerk
<input checked="" type="checkbox"/> Sept 27, 2011	Sept 16 th

*Subject to Change

- Presentation Reports Consent Ordinance
 Resolution Quasi-Judicial Old Business New Business

FY2011 DESIGNATED HIGH PRIORITY ITEM - PRIORITY TOPIC

SUBJECT TITLE: Resolution Adopting Solid Waste Collection Fees Effective October 1, 2011

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. The current contract provides in Section 6.6 (page24) that:

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.

Effective October 1, 2011, the Resource Recovery Board has reduced the disposal rate from \$99.20 to \$72.57 per ton, a reduction of 26.8%. The impact on a single family home with one cart is a decrease of \$2.95 per month.

Under the terms of the Agreement, Choice is not required to request an increase or decrease in the Disposal Charge and they could keep the disposal rate the same, pocket the savings and also receive the CPI increase. In our September 16th meeting, Grant Smith, Choice's General Counsel, advised that while it may be a good business decision for them to tie the decrease to a renewal agreement, they believe the right thing to do is to pass through the saving immediately and they are proposing the Disposal Charge saving be implemented on October 1, 2011. They have held their October billings so they can implement the reduced rates.

2. Consumer Price Index. Section 6.8 of the Agreement provides the process for changes in the Consumer Price Index (CPI) as follows:

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.

The June 2010 to June 2011 increase in the CPI is 4.0%, which results in an increase of \$0.28 per month for a single family home with one cart.

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

Summary

Table 1 show the detail of the monthly Service Fee paid by a single family home and the effect of the October 1st 27% decrease in the disposal fee and the 4% increase in the CPI, which is provided in Section 6.8 (page25).

Table 1 – Single Family Home Collection Fee

Monthly Service Fee for Residential Collection Services Single Family and Duplex.				
Type of Service		October 1, 2010	October 1, 2011	Change + (-)
1.	Solid Waste Collection	\$3.99	\$4.15	4%
2.	Recycling Collection	\$2.00	\$2.08	4%
3.	Bulk Collection	\$1.05	\$1.10	4%
4.	Disposal Rate	\$10.98	\$8.03	-27%
Total		\$18.02	\$15.35	-15%

Between August 2010 and August 2011, Choice disposed of approximately 5,000 tons of commercial and residential solid waste. At \$99.20 per ton, the disposal fee was \$496,000 this year and next year that same tonnage will have a disposal cost of \$362,850, a reduction of \$133,150 for our residents and businesses.

RECOMMENDATION: We recommend adoption of the attached Resolution (Exhibit 1), which amends the Collection Agreement to implement the 26.8% decrease in the Disposal Charge and the 4% CPI increase.

EXHIBITS: Exhibit 1 – Resolution with new Exhibits to the Collection Agreement.

FISCAL IMPACT: Choice’s preliminary estimate of the decrease in the franchise fees is about \$10,000.

Reviewed by Town Attorney
 Yes No

Town Manager Initials CA

Exhibit 1

RESOLUTION 2011-36

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2
3 **A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-**
4 **THE-SEA, FLORIDA, ADOPTING THE THIRD**
5 **AMENDMENT TO THE SOLID WASTE, BULK WASTE,**
6 **AND RECYCLING COLLECTION SERVICES**
7 **AGREEMENT BETWEEN THE TOWN AND CHOICE**
8 **ENVIRONMENTAL SERVICES OF BROWARD, INC.;**
9 **DIRECTING THE APPROPRIATE TOWN OFFICIALS TO**
10 **EXECUTE THE AGREEMENT; AUTHORIZING THE**
11 **TOWN MANAGER TO IMPLEMENT THE TERMS AND**
12 **CONDITIONS OF THE AGREEMENT AND TO EXPEND**
13 **BUDGETED FUNDS; PROVIDING FOR CONFLICTS,**
14 **SEVERABILITY, AND FOR AN EFFECTIVE DATE**
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16
17 **WHEREAS**, Town of Lauderdale-By-The-Sea (the "Town") and Choice Environmental
18 Services Of Broward, Inc. ("Contractor") (together, the "parties") entered into that certain Solid
19 Waste, Bulk Waste, and Recycling Collection Services Agreement dated July 1, 2009 (the
20 "Agreement") for the provision of solid waste, bulk waste, and recycling collection services; and

21 **WHEREAS**, the parties entered into an Amendment to the Agreement on September 22,
22 2009, which provided a rate structure for a 1 cubic yard dumpster and removed certain
23 extraneous language on some exhibits to the Agreement, and desire to restate the terms of that
24 Amendment herein; and

25 **WHEREAS**, the Town adopted Ordinance 2010-19 on December 7, 2010 which
26 included provisions for future amendment of the Agreement by resolution and approved a
27 Second Amendment which included a new Section 6.11 providing procedures for the adoption of
28 revised Exhibits to reflect adjustments in the rates due to disposal charges or due to changes in
29 the Consumer Price Index; and

Exhibit 1

30 **WHEREAS**, the Commission wishes to adjust the rates as negotiated by the Town to
31 reflect disposal charges and the Consumer Price Index; and

32 **WHEREAS**, the Town Commission finds approval of this Amendment to the Agreement
33 to be in the best interests of the Town.

34 **NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF**
35 **THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA:**

36 **Section 1.** g this reference.

37 **Section 2. Execution of Agreement.** The Town Manager is hereby authorized to
38 execute the Amendment on behalf of the Town in substantially the form attached hereto as
39 **Exhibit “A”**, with such non-material changes as may be approved by the Town Manager and
40 Town Attorney, and to execute any related required agreements or documents to implement the
41 terms and conditions of the Amended Agreement, subject to the approval as to form and legality
42 by the Town Attorney.

43 **Section 3. Authorized Individuals.** The Town Manager and her designee and the
44 Town Attorney are authorized to take all actions necessary to implement the terms of the
45 Amended Agreement and any extensions thereto.

46 **Section 4. Authorization of Fund Expenditure.** The Town Manager is authorized
47 to expend budgeted funds to implement the terms and conditions of the Amended Agreement.

48 **Section 5. Conflict.** All resolutions or parts of resolutions in conflict herewith are
49 hereby repealed to the extent of such conflict.

Exhibit 1

50 **Section 6. Severability.** If any clause, section or other part of this resolution shall
51 be held by any court of competent jurisdiction to be unconstitutional or invalid, such
52 unconstitutional or invalid part shall be considered as eliminated and in no way affecting the
53 validity of the other provisions of this resolution.

54 **Section 7. Effective Date.** This resolution shall become effective immediately upon
55 its passage.

56 **PASSED AND ADOPTED** this _____ day of _____, 2011.

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Mayor Roseann Minnet

Attest:

Town Clerk, June White, CMC
(CORPORATE SEAL)

APPROVED AS TO FORM AND LEGALITY:

Susan L. Trevarthen, Town Attorney

**THIRD AMENDMENT TO SOLID WASTE, BULK WASTE, AND RECYCLING
COLLECTION SERVICES AGREEMENT**

THIS THIRD AMENDMENT TO SOLID WASTE, BULK WASTE, AND RECYCLING COLLECTION SERVICES AGREEMENT (this "Third Amendment") is entered into as of this ___ day of _____, 2011 by and between the **TOWN OF LAUDERDALE-BY-THE-SEA**, a Florida municipal corporation ("Town") and **CHOICE ENVIRONMENTAL SERVICES OF BROWARD, INC.**, a Florida corporation ("Contractor").

WITNESSETH:

WHEREAS, Town and Contractor (the "parties") entered into that certain Solid Waste, Bulk Waste, and Recycling Collection Services Agreement dated July 1, 2009 (the "Agreement") for the provision of solid waste, bulk waste, and recycling collection services; and

WHEREAS, the parties entered into an Amendment to the Agreement on September 22, 2009, which provided a rate structure for a 1 cubic yard dumpster and removed certain extraneous language on some exhibits to the Agreement, and desire to restate the terms of that Amendment herein; and

WHEREAS, the parties entered into a Second Amendment to the Agreement on January 11, 2010 which included a new Section 6.11 providing procedures for the adoption of revised Exhibits to reflect adjustments in the rates due to disposal charges or due to changes in the Consumer Price Index; and

WHEREAS, the parties wish to adjust the rates to reflect disposal charges and the Consumer Price Index.

NOW, THEREFORE, for and in consideration of the mutual promises set forth herein, the parties do hereby agree as follows:

1. The above recitals are true and correct and are incorporated herein by this reference.
2. Exhibit 1.2 to the Agreement is hereby adopted for the 2011-2012 fiscal year.
3. Exhibit 2.2 to the Agreement is hereby adopted for the 2011-2012 fiscal year.
4. Exhibit 3.2 to the Agreement is hereby adopted for the 2011-2012 fiscal year.
5. Exhibit 4.2 to the Agreement is hereby adopted for the 2011-2012 fiscal year.
6. Exhibit 7.2 to the Agreement is hereby adopted for the 2011-2012 fiscal year.
7. Exhibit 10.2 to the Agreement is hereby adopted for the 2011-2012 fiscal year.

8. In the event of any conflict or ambiguity between the terms and provisions of this Third Amendment and the terms and provisions of the Agreement as previously amended, the terms and provisions of this Third Amendment shall control.

9. Except as otherwise specifically set forth herein, the Agreement is hereby ratified and affirmed, and shall remain unmodified and in full force and effect in accordance with its terms.

10. This Third Amendment may be executed in several counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument. An executed facsimile or electronic copy of this Third Amendment shall have the same force and effect as an original hereof.

IN WITNESS WHEREOF the parties have executed this Third Amendment as of the date first set forth above.

CONTRACTOR:

TOWN:

CHOICE ENVIRONMENTAL SERVICES
OF BROWARD, INC., a Florida corporation

TOWN OF LAUDERDALE-BY-THE-SEA,
a Florida municipal corporation

By: _____

By: _____

Roseann Minnet, Mayor

Name: _____

Title: _____

Attest: _____

June White, Town Clerk, CMC

Approved as to Form and
Legal Sufficiency:

Town Attorney, Susan L. Trevarthen

Exhibit 1.2

RESIDENTIAL COLLECTION SERVICES

Effective October 1, 2011

Monthly Rates for Single Family and Duplex		
	Service	Per Unit Per Month
1.	Solid Waste Collection (unlimited volume, twice a week pickup)	\$4.15
2.	Recycling (unlimited volume, once per week pickup)	\$2.08
3.	Bulk Collection (unlimited volume, once per month pickup)	\$1.10
4.	Disposal Rate	\$8.03
	Monthly Service Rate	\$15.35
Note:	The monthly service rate includes the following services:	
	A. Unlimited recycling bin distribution and replacement as needed.	
	B. One 96 gallon solid waste container distribution per residential unit and replacement as needed.	

The above rates reflect the increase in accordance with the 2009 Collection Agreement by the amount of the June-June CPI and 2011 change in the Disposal Charge as show in Table 2.

Table 2 – Change to Rates

Component	% of Change
Collection	4.0%
Disposal	-26.8%
Total Increase	-14.8%

Exhibit 2.2

MULTIFAMILY CARTS COLLECTION SERVICES

Effective October 1, 2011

Monthly Rates for Multifamily Utilizing Carts		
	Service	Per Unit Per Month
1.	Solid Waste Collection (unlimited volume, twice a week pickup)	\$4.85
2.	Recycling (unlimited volume, once per week pickup)	\$2.42
3.	Bulk Collection (unlimited volume, once per month pickup)	\$.52
4.	Disposal Rate	\$8.03
	Monthly Service Rate	\$15.82
Note:	The monthly service rate includes the following services:	
	A. Unlimited recycling bin distribution and replacement as needed.	
	B. One 96 gallon solid waste container distribution per residential unit and replacement as needed.	

The above rates reflect the increase in accordance with the 2009 Collection Agreement by the amount of the June-June CPI and 2011 change in the Disposal Charge as show in Table 2.

Table 2 – Change to Rates

Component	% of Change
Collection	4.0%
Disposal	-26.8%
Total Increase	-14.8%

Exhibit 3.2

RESIDENTIAL DUMPSTER COLLECTION SERVICES

Effective October 1, 2011

Monthly Rates for Multifamily Utilizing Dumpsters						
Pick-Ups Per Week	1 Cubic Yard	2 Cubic Yards	3 Cubic Yards	4 Cubic Yards	6 Cubic Yards	8 Cubic Yards
2	\$190.13	\$234.93	\$352.29	\$461.89	\$516.69	\$626.29
3	298.56	352.29	528.43	669.35	739.81	868.98
4	398.06	469.72	681.09	845.50	939.44	1,064.69
5	497.59	587.15	807.33	1,017.72	1,086.23	1,252.58
6	577.20	681.09	933.57	1,127.33	1,197.78	1,503.10
7	650.18	767.21	1,048.06	1,260.42	1,356.32	1,698.82

Rate includes dumpster rental, maintenance, rollout, and disposal.

The above rates reflect the increase in accordance with the 2009 Agreement by the amount of the June-June CPI and 2011 change in the Disposal Charge as shown in Table 2.

Table 2 – Changes to Rates		
	Applies to % of Total	% Increase
CPI = Collection Services	70%	4.0%
Disposal = only disposal charge	30%	-26.8%
Total	100%	-5.24%

Exhibit 4.2

COMMERCIAL DUMPSTER COLLECTION SERVICES

Effective October 1, 2011

Monthly Rates Commercial Dumpster Service							
Pick-Ups Per Week	96 Gallons Each	1 Cubic Yard	2 Cubic Yards	3 Cubic Yards	4 Cubic Yards	6 Cubic Yards	8 Cubic Yards
2	\$70.64	\$209.51	\$247.22	\$370.83	\$486.20	\$492.50	\$659.25
3	\$105.95	\$314.26	\$370.83	\$556.25	\$704.58	\$778.74	\$914.72
4	\$141.27	\$419.02	\$494.44	\$716.94	\$889.99	\$988.88	\$1,120.73
5	\$176.58	\$523.77	\$618.05	\$849.82	\$1,071.29	\$1,143.40	\$1,318.51
6	\$204.84	\$607.57	\$716.94	\$982.71	\$1,186.66	\$1,260.82	\$1,582.21
7	\$230.74	\$684.40	\$807.59	\$1,103.22	\$1,326.75	\$1,427.70	\$1,788.23

Rate includes dumpster rental, maintenance, rollout, and disposal.

The above rates reflect the increase in accordance with the 2009 Agreement by the amount of the June-June CPI and change in the Disposal Charge shown in Table 2.

Table 2 – Changes to Rates		
	Applies to % of Total	% Increase
CPI = Collection Services	70%	4.0%
Disposal = only disposal charge	30%	-26.8%
Total	100%	-5.42%

Exhibit 7.2

EMERGENCY PREPAREDNESS PLAN

Effective October 1, 2011

The following rates are for services to be provided under the Emergency Preparedness Plan. ~~All service rates proposed on this page shall be fixed through May 31, 2010, and reflect service requirements as specified in the Agreement and the Emergency Preparedness Plan.~~

EQUIPMENT/TOOL/VEHICLE TYPE (INCLUDE OPERATOR AND LABOR COST)	HOURLY RATE	DAILY RATE (8 HOURS)
Boom Truck (Self Loader) & Operator with CDL Driver	\$250.00	\$2,000.00
Roll Off Truck & Operator with CDL Driver	\$198.00	\$1,500.00
Rear Load Truck & Operator with CDL Driver and Helper	\$250.00	\$2,000.00
Wheel Loader 644 or equivalent & Operator	\$250.00	\$2,000.00
D-6 Dozers or equivalent & Operator	\$250.00	\$2,000.00
Bobcat Loader or equivalent & Operator	\$200.00	\$1,500.00
Rubber Tired Backhoe	\$200.00	\$1,500.00
Project Manager with Truck	\$125.00	\$950.00
Safety Superintendent with Truck	\$125.00	\$950.00
Service Truck & Maintenance Technician	\$125.00	\$950.00
Laborers	\$50.00	\$380.00

Cost for Vegetative cleanup and transport to disposal site. \$20.00 cubic yard
 Include equipment, tools, vehicles, and operator and labor costs.

Cost for C&D debris cleanup and transport to disposal site. \$25.00 cubic yard
 Include equipment, tools, vehicles, and operator and labor costs.

Exhibit 10.2

COMMERCIAL COMPACTED DUMPSTER COLLECTION SERVICES

Effective October 1, 2011

Monthly Rates for Commercial Compacted Dumpster Service					
Pick-Ups Per Week	2 Cubic Yards	3 Cubic Yards	4 Cubic Yards	6 Cubic Yards	8 Cubic Yards
2	\$494.44	\$741.66	\$486.20	\$1,087.77	\$659.25
3	\$741.66	\$1,112.49	\$704.58	\$1,557.49	\$914.72
4	\$988.88	\$1,433.88	\$889.99	\$1,977.76	\$1,120.73
5	\$1,236.10	\$1,699.65	\$1,071.29	\$2,286.79	\$1,318.51
6	\$1,433.88	\$1,965.40	\$1,186.66	\$2,521.65	\$1,582.21
7	\$1,615.17	\$2,206.45	\$1,326.75	\$2,855.40	\$1,788.23

Rate includes dumpster rental, maintenance, rollout, and disposal.

Compactors may be obtained from any source provided that the compactor must be of the type that can be serviced by the CONTRACTOR'S equipment.

Residential Units utilizing compacted Dumpster Collection Services will be charged the monthly rates identified above.

The above rates reflect the increase in accordance with the 2009 Agreement by the amount of the June-June CPI and change in the Disposal Charge as shown in Table 2.

Table 2 – Changes to Rates		
	Applies to % of Total	% Increase
CPI = Collection Services	70%	4.0%
Disposal = only disposal charge	30%	-26.8%
Total	100%	-5.24%