

PLACEMENT: Consent

TITLE:

FIRST AMENDMENT TO AGREEMENT FOR SOLID WASTE MANAGEMENT SERVICES

EXECUTIVE SUMMARY:

Staff is requesting authorization for the Chairman to execute the First Amendment to Agreement for Solid Waste Management Services between Martin County and Okeechobee Landfill, Inc.

DEPARTMENT: Utilities and Solid Waste

PREPARED BY: Name: Sam Amerson, P.E. Title:

Utilities & Solid Waste Director

REQUESTED BY:

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

- 1. Agreement/Contract drafted by: David Dee, Legal Counsel
- Parties to the Agreement/Contract: Martin County and Okeechobee Landfill, Inc.
- Purpose of the Agreement/Contract: Transportation and disposal of solid waste.
- New/Renewal/Modified: Renewal with modifications

5. Duration: Eight (8) year renewal

- 6. Benefits to Martin County: Reduction in service fees and long-term disposal assurance.
- **7. Cost to Martin County (annual and potential total):** Disposal of MSW is reduced to \$36.81 ton per \$38.11 per ton. Service fee for disposal of Construction & Demolition is reduced to \$28.50 per ton from \$29.00 per ton.

On June 18, 2019, the Board authorized staff to negotiate an eight (8) year renewal term with Okeechobee Landfill, Inc. (OLI) for the hauling and disposal of Class I Municipal Solid Waste (MSW) from the Solid Waste Transfer Station to the Okeechobee Landfill.

Additionally, the Board authorized the County Administrator to enter into a Memorandum of Understanding with OLI addressing the following issues:

- 1. The County is not agreeing to extend/renew the existing Agreement under the existing terms.
- 2. The MOU suspends the timeline for automatic renewal of the Agreement
- 3. OLI will continue to accept and dispose of the County's solid waste under the terms of the existing Agreement until a) the negotiations are successfully concluded with OLI or b) the County selects another vendor and the vendor is prepared to receive the County's waste.

ISSUES:

The First Amendment to the Agreement provides for:

- Service Fee for disposal of MSW is reduced to \$36.81per ton from \$38.11 per ton
- Service Fee for disposal of Construction & Demolition Debris is reduced to \$28.50 per ton from \$29.00 per ton
- Service Fees October 1, 2019 September 30, 2021 will be adjusted to account for changes in the cost of diesel fuel
- CPI adjustments will occur beginning on October 1, 2021 and continuing annually thereafter
- CPI cap is reduced to 4% from 5% in any one year
- Ability for County to divert waste to St. Lucie County for processing in a commercially demonstrated technology (e.g., waste-to-energy, pyrolysis)

LEGAL SUFFICIENCY REVIEW:

This item has been reviewed for legal sufficiency.

RECOMMENDED ACTION:

RECOMMENDATION

Move that the Board authorize the Chairman to execute the First Amendment to Agreement for Solid Waste Management Services.

ALTERNATIVE RECOMMENDATIONS

Pull this item from the Consent Agenda and provide further direction.

FISCAL IMPACT:

RECOMMENDATION

This First Amendment to the Agreement for Solid Waste Management Services provides for a reduction in service fees for disposal of MSW and Construction & Demolition Debris.

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

Budget Transfer / Amendment	Chair Letter		Contract / Agreement
□Grant / Application		□Ordinance	Resolution
Other:			
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