



## Agenda Item Summary

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**File ID:** 19-0561

**DEPT-4**

**Meeting Date:** 6/18/2019

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**PLACEMENT:** Departmental

**TITLE:**

**REQUEST FOR AUTHORIZATION TO NEGOTIATE RENEWAL AGREEMENT FOR SOLID WASTE MANAGEMENT SERVICES WITH OKEECHOBEE LANDFILL, INC. (OLI)**

**EXECUTIVE SUMMARY:**

Staff is requesting authorization to negotiate an eight (8) year renewal term with OLI for the hauling and disposal of Class I Municipal Solid Waste (MSW) from the Solid Waste Transfer Station to the Okeechobee Landfill.

**DEPARTMENT:** Utilities and Solid Waste

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

**Title:** Utilities and Solid Waste Director

**REQUESTED BY:** Sam Amerson, P.E.

**PRESET:**

**PROCEDURES:** None

**BACKGROUND/RELATED STRATEGIC GOAL:**

On August 23, 2002, Martin County entered into a long term, 30-year Agreement for Solid Waste Management Services (Agreement) with Okeechobee Landfill, Inc. (OLI), to which Waste Management, Inc. (WMI) is the Guarantor, to provide for the hauling and disposal of Municipal Solid Waste (MSW) from the Transfer Station that was under construction and anticipated to be operational sometime in 2004. The commencement date of the Agreement was to coincide with the day the transfer station was operational which was on or about November 16, 2004. The initial 15-year term of the Agreement expires November 16, 2019. The Agreement provides for one 8-year renewal and one 7-year renewal.

After conducting an in-depth analysis of the options available to the County, on March 18, 2019 proper notice was provided to WMI of the county's intent to issue an Invitation to Bid for the solid waste management services. On March 22, 2019, WMI provided a letter acknowledging receipt of the notice and stating they looked forward to exploring the opportunity of renewing the Agreement. Since that time, several productive meetings have taken place between staff and WMI regarding possible negotiation of an 8-year renewal.

**ISSUES:**

After careful review of the advantages and disadvantages of an Invitation to Bid for solid waste management services versus negotiation of a renewal, staff has concluded it is in the best interest of Martin County to enter into negotiations with WMI for an 8-year renewal to the Agreement.

**LEGAL SUFFICIENCY REVIEW:**

This item has been reviewed for legal sufficiency.

**RECOMMENDED ACTION:**

**RECOMMENDATION**

Move that the Board authorize staff to enter into negotiations with OLI/WMI for a renewal term of eight (8) years for the Agreement for Solid Waste Management Services.

Move that the Board authorize the County Administrator to enter into a Memorandum of Understanding with OLI/WMI, subject to approval by the County Attorney, 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/WMI 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/WMI or b) the County selects another vendor and the vendor is prepared to receive the County's waste.

**ALTERNATIVE RECOMMENDATIONS**

Move that the Board provide further direction.

**FISCAL IMPACT:**

**RECOMMENDATION**

Although unable to determine fiscal impact until negotiations are complete, it is expected that Martin County will achieve more favorable terms and conditions which will result in a positive fiscal impact.

**ALTERNATIVE RECOMMENDATIONS**

None

**DOCUMENT(S) REQUIRING ACTION:**

- |  |                                       |   |
|--|---------------------------------------|---|
| <input type="checkbox"/> Budget Transfer / Amendment | <input type="checkbox"/> Chair Letter | <input type="checkbox"/> Contract / Agreement |
| <input type="checkbox"/> Grant / Application         | <input type="checkbox"/> Notice       | <input type="checkbox"/> Ordinance            |
| <input type="checkbox"/> Other:                      | <input type="checkbox"/> Resolution   |   |

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