

**PORT ST. LUCIE CITY COUNCIL
AGENDA ITEM REQUEST**

COUNCIL ITEM 13K
DATE 5/14/12

Meeting Date: May 14, 2012

Public Hearing Ordinance Resolution Motion

Item: Franchise Agreement #20060080, Solid Waste and Recyclable Material Collection Services, **Amendment #6**, Waste Pro. of Florida, Inc.

Recommended Action: Requesting Council's approval of Amendment #6 to the Solid Waste & Recyclable Material Collection Services Franchise Agreement:

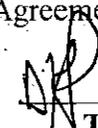
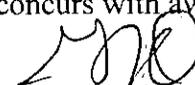
- The Contractor has maintained the rates for service since the last increase in 2008. Waste Pro notified the City on April 2, 2012 that they were seeking an increase. Although, their memo referenced an incorrect CPI index coincidentally, the percentage was still accurate. The contract does allow for an annual price adjustment to the rates based on the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average, all items less shelter, unadjusted percent change (1982-84=100) as published by the U.S. Department of Labor, Bureau of Labor Statistics. This increase is 2.9%. The new annual rate to Waste Pro for Residential Services will be \$252.48, and the 2012 Annual assessment amount will be \$268.36. The breakdown is as follows:

Residential	Current Monthly rate	\$20.59	Increase \$.45	New Monthly Rate	\$21.04
Residential	Current Yearly rate	\$ 247.08		New Yearly Rate	\$252.48
Commercial		\$6.51 per yd	\$.19		\$ 6.70
Container Maintenance					
2 yard		\$15.40	\$.46		\$16.28
4 yard		\$19.08	\$.55		\$19.63
6 yard		\$23.32	\$.68		\$24.00
8 yard		\$26.78	\$.78		\$27.56
20 yard		\$79.50	\$2.30		\$81.80
Roll-Off Compactor					
10 yard		\$206.00	\$5.98		\$211.98
15 yard		\$212.30	\$6.16		\$218.46
20 yard		\$217.80	\$6.32		\$224.12
30 yard		\$237.57	\$6.89		\$244.46
35 yard		\$243.17	\$7.05		\$250.22
40 yard		\$248.36	\$7.20		\$255.56

*additional rates on attached amendment for commercial containers

Exhibits: Department memo attached no
Amendment #6 Document, Waste Pro. of Florida, Inc. proposal, index

Summary Explanation/Background Information: The Contractor has had a favorable record of service during the existing term of this agreement and has maintained the current rates since 2010. **RECEIVED**
the Solid Waste Collection Franchise Agreement the contractor is allowed a 2.9% increase as per the CPI-U index. MAY 10 2012

Director of OMB concurs with award: 
Submitted by:  Title: City Manager Date Submitted: 5/10/12's Office



4100 SELVITZ ROAD, FORT PIERCE, FL- 34981

772-595-9390

April 4, 2012

Mr. Greg Oravec, City Manager
City of Port St. Lucie
121 SW Port St. Lucie Blvd.
Port St. Lucie, FL 34984

Dear Mr. Oravec:

Pursuant to Section 13.02 of the Solid Waste Collection Franchise Agreement, Waste Pro requests approval for a CPI (Consumer Price Index) increase, effective October 1, 2012. The increase requested is 2.9% based on the U.S. Department of Labor, Bureau of Labor Statistics, of 1967 = 100, February 2012 report. A copy of the report is attached.

If you recall Waste Pro has not requested a CPI increase since 2008. There was an increase in rates 2009 when St. Lucie County increased the tipping fee at the St Lucie County Landfill. Then in 2010, Waste Pro agreed to freeze rates for two years, until October 2012, to alleviate any burden to the residents who were already overburdened during the economic downturn.

We at Waste Pro understand that the economy hasn't turned around completely, but due to the increased costs of operation over the past few years, the need for an increase is necessary.

I look forward to hearing from you in the near future.

Sincerely,

Shelly Nobles
Division Manager

Cc: Russel Mackie, Regional Vice President

Attachments

RECEIVED

APR 04 2012

Manager's Office

Copy - Alex (Legal)
Denise - 4-23-12

Cheryl Shanaberger

From: Greg Oravec
Sent: Tuesday, May 08, 2012 1:39 PM
To: 'Patricia Christensen'
Cc: Cheryl Shanaberger; MaryAnn Verillo; Patty Lipp
Subject: RE: Waste Pro Franchise Agreement

Pat,

I'm about to jump into another meeting, but I'm not sure that the link I sent you previously had "All items less shelter". Can you confirm?

<http://www.bls.gov/news.release/cpi.t03.htm>

Table 3. Consumer Price Index for All Urban Consumers (CPI-U): U. S. City Average, by expenditure category

Table 3. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, March 2012									
[1982=84=100, unless otherwise noted]									
Special aggregate indexes	Relative importance Feb. 2012	Unadjusted indexes			Unadjusted percent change		Seasonally adjusted percent change		
		Mar. 2011	Feb. 2012	Mar. 2012	Mar. 2011- Mar. 2012	Feb. 2012- Mar. 2012	Dec. 2011- Jan. 2012	Jan. 2012- Feb. 2012	Feb. 2012- Mar. 2012
All items less food	85.745	223.192	226.927	228.887	2.6	0.9	0.2	0.5	0.3
All items less shelter	68.587	215.505	219.580	221.744	2.9	1.0	0.2	0.5	0.3
All items less food and shelter	54.332	212.646	215.995	218.608	2.8	1.2	0.2	0.7	0.4
All items less food, shelter, and energy	44.309	209.189	213.123	214.112	2.4	0.5	0.2	0.1	0.3
All items less food, shelter, energy, and used cars and trucks	42.427	213.108	217.090	218.033	2.3	0.4	0.3	0.1	0.2
All items less medical care	92.917	214.907	218.737	220.483	2.6	0.8	0.2	0.4	0.3
All items less energy	89.978	223.315	227.925	228.705	2.4				

Based upon this, it looks like Waste Pro could claim a 2.9%. I look forward to locking this down this afternoon.

Thanks,

Greg

Gregory J. Oravec
 City Manager
 121 SW Port St. Lucie Boulevard
 Port-St. Lucie, FL 34984

(772) 344-4371
 (772) 871-5248 [fax]

Contract Amendment #5

Contract # 20060080 Amendment #5 Date: April 27, 2010

Contract Title: Solid Waste Collection Franchise Agreement

Contractor's Name: Waste Pro of Florida, Inc., a division of Waste Pro USA, Inc.

Current Expiration: 09/30/2011

Pursuant to Section 18, AMENDMENTS of Contract/Agreement #20060080, the following modifications to the Terms and Conditions contained in Contract/Agreement #20060080 and Amendment #1, #2, #3 and #4 between the City of Port St. Lucie and Waste Pro of Florida, Inc., dated June 13, 2006, June 18, 2007, May 27, 2008, June 8, 2009, and December 7, 2009 respectively are hereby incorporated and made a part of that Contract/Agreement.

1. Provision No. 4 (b), Monthly Rates for Residential Service, of Contract Amendment #3 shall remain in effect and unchanged from October 1, 2010 through September 30, 2012 at which time the Contractor will be allowed to submit a price adjustment request based on the Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average, all items less shelter, unadjusted percent change (1982-84=100) as published by the U.S. Department of Labor, Bureau of Labor Statistics. Monthly rates shall read as follows:

Refuse Collection	\$9.61		
Disposal Costs	\$4.91		
Yard Trash Collection	\$3.50		
Recyclable Collection	\$2.57		
Total Monthly Charge	\$20.59	Total Annual Charge	\$247.08

2. Provision No. 4 (c), Rates for Commercial Service, of Contract Amendment #3, shall remain in effect and unchanged from October 1, 2010 through September 30, 2012 at which time the Contractor will be allowed to submit a price adjustment request based on the Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average, all items less shelter, unadjusted percent change (1982-84=100) as published by the U.S. Department of Labor, Bureau of Labor Statistics. Monthly rates shall read as follows:

Container maintenance rate per month:

2 cubic yards	\$15.90
4 cubic yards	\$19.08
6 cubic yards	\$23.32
8 cubic yards	\$27.56
20 cubic yards	\$79.50

PSL Residential Price Rates Effective 10/1/2012

Refuse Collection	\$ 9.89
Disposal Costs	\$ 4.91 (no increase on disposal)
Yard Trash Collection	\$ 3.60
Recyclable Collection	\$ 2.64
	\$ 21.04 Total Residential Monthly Rate

PSL Commercial Price Rates Effective 10/1/2012

\$6.70 Per Yard

YARDS	1 TIME	2 TIMES	3 TIMES
2 YARD	\$ 58.02	\$ 116.04	\$ 174.07
4 YARD	\$ 116.04	\$ 232.09	\$ 345.53
6 YARD	\$ 174.07	\$ 345.53	\$ 522.20
8 YARD	\$ 232.09	\$ 464.18	\$ 696.26

CONTAINER MAINTENANCE

2 YARD	\$ 16.36
4 YARD	\$ 19.63
6 YARD	\$ 24.00
8 YARD	\$ 27.56
20 YARD	\$ 81.81

EXTRA PICK UPS

2 YARD	\$ 25.00
4 YARD	\$ 40.00
6 YARD	\$ 50.00
8 YARD	\$ 60.00

ROLL OFF RATES

10 YARD	\$ 211.98
15 YARD	\$ 218.46
20 YARD	\$ 224.12
30 YARD	\$ 244.46
35 YARD	\$ 250.22
40 YARD	\$ 255.56

4 TIMES

\$ 232.09

\$ 464.18

\$ 696.26

\$ 928.35

5 TIMES

\$290.11

\$580.22

\$870.33

\$1,160.44

6 TIMES

\$348.13

\$696.26

\$1,044.40

\$1,392.53

City of Port St. Lucie
2012 Tax Roll - Annual Solid Waste Fee Calculation
using 4% discount (if taxes paid in November)

SOLID WASTE ROLL - WASTE PRO
To be placed on the 2012 TAX ROLL
Per resolution 11-R55

Russell Mackie 595-9390
Linda Madernini 595-9390
Shelly Nobles 595-9390
mnobles@wasteprousa.com

Updated 5/9/12 - per meeting with Cheryl Shananberger, Bill Jones, Stefanie Beskovoyon, Karen Phillips in legal Dept Conference room

Annual assessment per res. customer 2012 roll: \$ 268.36
Annual per customer to Waste Pro 2012 roll: \$ 252.48
residential cost per unit: per month annually
\$ 22.36 268.36

	monthly rate	annual rate	mailing cost	slc fee 2%	discount 4%	annual asmnt	#customers
Tax billing #REF!		252.48	-	(5.15)	(10.73)	\$ 268.36	64,713.00
							\$ 17,366,380.68

Annual assessment per customer:	268.36
less possible 4% for early pymnt:	(10.73)
	sub total:
	257.63
less 2% SLC Tax fee:	(5.15)
	sub total:
	252.48
less estimated postage charge per unit:	-
Due per unit to Waste Pro per contract:	252.48
Estimated # of units: 64,713.00	15,989,288.04

Contract Amendment #6

Contract # 20060080 Amendment #6 Date:
Contract Title: Solid Waste Collection Franchise Agreement

Contractor's Name: Waste Pro of Florida, Inc., a division of Waste Pro USA, Inc.

Current Expiration: 09/30/2016

Pursuant to Section 18, AMENDMENTS of Contract/Agreement #20060080, the following modifications to the Terms and Conditions contained in Contract/Agreement #20060080 and Amendment #1, #2, #3, #4 and #5 between the City of Port St. Lucie and Waste Pro of Florida, Inc., dated June 13, 2006, June 18, 2007, May 27, 2008, June 8, 2009, December 7, 2009 and April 27, 2010 respectively are hereby incorporated and made a part of that Contract/Agreement.

1. Monthly Rates for **Residential Service starting October 1, 2012**, will increase 2.9% based on the Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average, all items less shelter, unadjusted percent change (1982-84=1090) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The monthly rates shall read as follows:

Refuse Collection	\$9.89		
Disposal Costs	\$4.91 (no increase on disposal)		
Yard Trash Collection	\$3.60		
Recyclable Collection	\$2.64		
Total Monthly Charge	\$21.04	Total Annual Charge	\$252.48

2. Monthly Rates for **Commercial Service starting October 1, 2012**, will increase 2.9% based on the Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average, all items less shelter, unadjusted percent change (1982-84=100) as published by the U.S. Department of Labor, Bureau of Labor Statistics. Monthly rates shall read as follows:

Container maintenance rate per month:

2 cubic yards	\$16.36
4 cubic yards	\$19.63
6 cubic yards	\$24.00
8 cubic yards	\$27.56
20 cubic yards	\$81.81

Extra Pick ups

2 Yard	\$25.00
4 Yard	\$40.00
6 Yard	\$50.00
8 Yard	\$60.00

Haul Rates for Commercial Service Containers:

Commercial Hauling and disposal Rate per cubic yard: \$6.70

	1 Time	2 Times	3 Times	4 Times	5 Times	6 Times
2 Yard	\$ 58.02	\$116.04	\$ 174.07	\$232.09	\$290.11	\$348.13
4 Yard	\$116.04	\$232.09	\$345.53	\$464.18	\$580.22	\$696.26
6 Yard	\$174.07	\$345.53	\$522.20	\$696.26	\$870.33	\$1,044.40
8 yard	\$232.09	\$464.18	\$696.26	\$928.35	\$1,160.44	\$1,392.53

3. Monthly Rates for Roll-Off Compactor starting October 1, 2012, will increase 2.9% based on the Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average, all items less shelter, unadjusted percent change (1982-84=100) as published by the U.S. Department of Labor, Bureau of Labor Statistics. Monthly rates shall read as follows:

10 Yard	\$211.98
14 Yard	\$218.46
20 Yard	\$224.12
30 Yard	\$244.46
35 Yard	\$250.22
40 Yard	\$255.56

4. All other terms and conditions of the original contract and/or Addenda not in conflict with this Amendment shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties have executed this contract at Port St. Lucie Florida, the day and year first above written.

CITY OF PORT ST. LUCIE FLORIDA

By: _____
City Manager

ATTEST:

By: _____
City Clerk

WASTE PRO OF FLORIDA, INC.

By: _____
Authorized Representative of Waste Pro of Florida, Inc.

State of: _____

County of: _____

Before me personally appeared: _____
(please print)

Personally known _____ or Produced Identification: _____
(type of identification)

known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that _____ executed said instrument for the purposes therein expressed.
(s/he)

WITNESS my hand and official seal, this ____ day of _____, 2012.

Notary Signature

My Commission Expires _____.

(seal)