

## M E M O R A N D U M

**TO:** Tom Harmer, Town Manager

**FROM:** Isaac Brownman, Public Works Director  
Susan Smith, Finance Director

**REPORT DATE:** June 9, 2021

**MEETING DATE:** July 2, 2021

**SUBJECT:** Resolution 2021-15, Solid Waste Franchise Agreement,  
Recycling Rate Adjustment

### **Recommended Action**

Pass Resolution 2021-15.

### **Background**

The Town of Longboat Key is in the process of renewing its Solid Waste Franchise Agreement with Waste Management, Inc., of Florida ("Waste Management") by adoption of Ordinance 2021-04, Amending Ordinance 2014-21 at the Town Commission meeting on July 2, 2021.

As part of the negotiation process for the contract renewal, Waste Management brought to the Town's attention changes in law that have had an effect on the recycling industry in North America. In short, in order to maintain a sustainable recycling service, Waste Management requested a rate increase to the single-family residential and multi-family commercial recycling elements of the agreement over the course of the optional three (3) year renewal term. Waste Management documented the industry trend impacts due to the changes in law, both abroad and in Florida. These justifications were provided in a letter dated May 12, 2021 from Waste Management to the Town.

As stated in the amendment, Waste Management has proposed a rate increase to the single-family residential and multi-family commercial recycling components of the rates. The total monthly recycling rate increase for each unit serviced is \$1.03.

The Town and Waste Management negotiated a pro-rated increase to the per month recycling rate to occur over the three (3) year renewal period. Therefore, the monthly unit rate increase would be \$0.34, \$0.34, and \$0.35 per year, respectively, adjusted for CPI as provided for in the original contract.

The first-year monthly unit increase will be \$0.34. This will increase the single-family recycling rate from \$2.72 to \$3.06, and the multi-family recycling rate from \$1.99 to \$2.33.

The first-year rates will go into effect on August 1, 2021, and then will continue under the normal Master Contract timeframes starting July 1 every year thereafter until the contract renewal period expires on June 30, 2024.

Resolution 2021-15 is presented at the July 2, 2021, Regular Meeting for public hearing for the recycling rate adjustment, which is consistent with the terms of Amendment to the Solid Waste Franchise Agreement. Upon approval, the new rates will take effect August 1, 2021.

**Staff Recommendation**

Pass Resolution 2021-15.

**Attachment**

Resolution 2021-15 (Available in Town Clerk's Office)

**End of Agenda Item**