

**RESOLUTION NO. 2008 – 004**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA EXTENDING THE TERM OF THE TOWN'S AGREEMENT WITH WASTE MANAGEMENT, INC. OF FLORIDA FOR SOLID WASTE AND RECYCLING COLLECTION AND DISPOSAL SERVICES; APPROVING THE FIRST AMENDMENT TO THE AGREEMENT; AUTHORIZING THE MAYOR, TOWN ADMINISTRATOR, AND TOWN ATTORNEY TO ENTER INTO THE FIRST AMENDMENT TO THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.**

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**WHEREAS**, on October 1, 2002, the Town entered into a Franchise Agreement with BFI Waste Systems of North America, Inc. for Solid Waste and Recycling Collection and Disposal Services ("Contract"); and

**WHEREAS**, on October 22, 2003, the Contract, and all terms contained therein, was assigned to Waste Management, Inc. of Florida ("Contractor"); and

**WHEREAS**, the initial term of the Contract is set to expire on September 30, 2007 and may be renewed for two (2) additional five (5) year periods; and

**WHEREAS**, on April 30, 2007 Waste Management, Inc. of Florida notified the Town that a renewed Contract would be subject to good faith negotiations with the Town for a modified agreement; and

**WHEREAS**, the Town desires to renegotiate its Contract with Waste Management, Inc. of Florida; and

**WHEREAS**, on June 14, 2007, as part of the renegotiation process, the Town approved an Agreement with R.W. Beck, Inc. to conduct a Residential Waste Generation Study ("Study") in order to determine the average household waste generation rate and to assist the Town with the renewed agreement; and

**WHEREAS**, this Study is not expected to be completed prior to the expiration of the initial term; and

**WHEREAS**, it is in the Town's best interest to extend the term and to make other modifications to the Agreement predicated upon the completion of the Town's waste management study; and

**WHEREAS**, Waste Management, Inc. of Florida has agreed to enter into the First Amendment to the Agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Southwest Ranches, Florida:

**Section 1:** The above referenced recitals are true and correct and are incorporated herein by reference.

**Section 2:** The Town Council hereby agrees to extend the term of the Town's Agreement with Waste Management, Inc. of Florida for solid waste and recycling collection and disposal services, until September 30, 2012.

**Section 3:** The Town Council hereby approves the First Amendment to the Agreement, as attached hereto and incorporated herein by reference as Exhibit "A", between the Town of Southwest Ranches and Waste Management, Inc. of Florida for Waste and Recycling Collection and Disposal Services.

**Section 4:** The Town Council hereby authorizes the Mayor, Town Administrator and Town Attorney to enter into the First Amendment to the Agreement in substantially the same form as that attached hereto as Exhibit "A" and to make such modifications, additions and/or deletions which they deem necessary to effectuate the intent of this Resolution.

**Section 5:** That this Resolution shall become effective immediately upon its adoption.

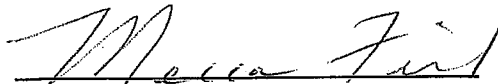
**PASSED AND ADOPTED** by the Town Council of the Town of Southwest Ranches, Florida, this 4<sup>th</sup> day of October, 2007, on a motion by Council Member Steve Breitkreuz and seconded by Council Member Aster Knight.

Fink	<u>Absent</u>
Maines	<u>Y</u>
Breitkreuz	<u>Y</u>
Knight	<u>Y</u>
Nelson	<u>Y</u>

Ayes	<u>4</u>
Nays	<u>0</u>
Absent	<u>1</u>
Abstaining	<u>0</u>

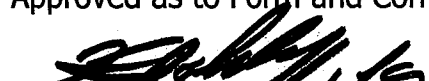
**[SIGNATURES ON FOLLOWING PAGE]**

ATTEST:

  
Mecca Fink, Mayor

  
Susan A. Owens, Town Clerk

Approved as to Form and Correctness:

  
Gary A. Poliakoff, J.D., Town Attorney  
FTL\_DB: 1067385\_1

**WASTE MANAGEMENT**

2700 N.W. 48th Street  
Pompano Beach, FL 33073

RECEIVED

NOV 05 2007

TOWN ADMINISTRATOR'S OFFICE

Tony Spadaccia  
Government Affairs  
954-984-2064  
954-984-2071 FAX  
[tspadacc@wm.com](mailto:tspadacc@wm.com)

November 1, 2007

Mailed via Certified Mail

Mr. Chris Russo  
Town Administrator  
Town of Southwest Ranches  
6589 S.W. 160 Avenue  
Southwest Ranches, FL 33331

RECEIVED

NOV 5 2007

Per.....

Dear Chris,

Please find enclosed executed originals of our Solid Waste Collection Agreements.

We thank you and Malini for your support and professionalism in coming to a workable agreement between the parties and look forward to a good working relationship with you, your staff and elected officials of the Town of Southwest Ranches. We will embark on the waste generation study shortly, the result of which should reflect the Town's efforts to reducing the solid waste generation volumes. Thank you.

Best Regards,

Tony Spadaccia  
Waste Management Inc. of Florida

Enclosure



*From everyday collection to environmental protection, Think Green.<sup>SM</sup> Think Waste Management.*

**EXHIBIT "A"**

**FIRST MODIFICATION TO AGREEMENT**

**THIS FIRST MODIFICATION TO AGREEMENT** entered into as of this ~~September~~ <sup>October</sup> 10<sup>th</sup> day of ~~September~~ 2007 between the Town of Southwest Ranches, a municipal corporation of the State of Florida (the "Town") and Waste Management Inc. of Florida, a Florida corporation ("Contractor"), for the purpose of amending the Agreement between the Town and Contractor dated October 1, 2002 (the "Original Agreement").

**WITNESSETH:**

**WHEREAS**, on October 1, 2002, the Town entered into a Franchise Agreement with BFI Waste Systems of North America, Inc. for Solid Waste and Recycling Collection and Disposal Services ("Original Agreement"); and

**WHEREAS**, on October 22, 2003, the Contract, and all terms contained therein, was assigned to Waste Management, Inc. of Florida ("Contractor"); and

**WHEREAS**, the initial term of the Contract is set to expire on September 30, 2007 and may be renewed for two (2) additional five (5) year periods; and

**WHEREAS**, on April 30, 2007 Waste Management, Inc. of Florida notified the Town that a renewed Contract would be subject to good faith negotiations with the Town for a modified agreement; and

**WHEREAS**, the Town desires to renegotiate its Contract with Waste Management, Inc. of Florida; and

**WHEREAS**, on June 14, 2007, as part of the renegotiation process, the Town approved an Agreement with R.W. Beck, Inc. to conduct a Residential Waste Generation Study ("Study") in order to determine the average household waste generation rate and to assist the Town with the renewed agreement; and

**WHEREAS**, this Study is not expected to be completed prior to the expiration of the initial term; and

**WHEREAS**, the Town and Contractor have agreed to enter into the First Amendment to the Agreement predicated upon the completion of the Study.

**NOW THEREFORE**, for and in consideration of the premises and for Ten Dollars (\$10.00) and for other good and valuable consideration the receipt and sufficiency whereof is hereby acknowledged, the parties hereto agree that the Original Agreement shall be amended as follows:

1. The foregoing recitals are true and correct.
2. Section 1A "Term" shall be amended to read as follows:

A. Initial Term. The term of this Contract shall be for a five (5) ~~ten (10)~~ year period beginning October 1, 2002 and terminating ~~September 30, 2007~~ September 30, 2012.

3. The following definitions in Section 2 are modified as follows:

(p) Disposal Facility. The Wheelabrator South Facility located in ~~Broward County, Fl. Pembroke Road, Pembroke Pines, Florida.~~ Broward County, Florida, or other disposal facility approved by the TOWN.

(r) Exempt Waste. Biohazardous or Biomedical Waste, Hazardous Waste, Sludge, tree parts or, lumber that is more than four (4) feet in length in its longest dimension, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, used oil and tires, those wastes under the control of the Nuclear Regulatory Council, Contractor-generated Waste, and those other materials whose size, weight, or both are in excess of that allowed for Bulk Waste as defined herein.

(v) Recyclable Materials. Those materials which are capable of being recycled and which would otherwise be processed or disposed of as Residential Solid Waste. ~~These materials will be as defined by the Town Council of Southwest Ranches from time to time.~~ Recyclable Materials currently being collected include; newsprint; clear, green, and brown glass containers, steel cans, aluminum beverage containers, #PETE, and #2 HDPE plastic containers and any other additional materials approved in writing by the parties. Recyclable Materials shall include, but shall not be limited to, Residential Mixed Paper (RMP), which has recently been added as a RRS Program Recyclable.

4. Section 4.A.4 "Manner of Collection" shall be amended as follows:

4. Manner of Collection. The CONTRACTOR shall provide Residential Collection Service with as little disturbance as possible and shall leave any Garbage

Container at the same point it was collected without obstructing alleys, roadways, driveways, sidewalks or mail boxes.

CONTRACTOR'S employees collecting Residential Waste will be required to follow the regular walk for pedestrians while on private property. No trespassing by CONTRACTOR'S employees will be permitted, nor crossing property to the adjoining premises unless the occupant or owner of both properties has given permission. Care shall be taken to prevent damage to property, including flowers, shrubs, and other plantings.

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In the event of non-collection, as delineated in Section 14-65 "Removal of garbage, construction debris, rubbish and refuse require" of the TOWN'S Code of Ordinances, CONTRACTOR shall affix to the garbage can or to the waste itself a Non-Collection Notice explaining why collection was not made. Said Non-Collection Notice shall be provided by CONTRACTOR, in a form approved by the TOWN, at CONTRACTOR'S sole cost and expense. Prior to the end of the Work Day, CONTRACTOR shall notify the Contract Administrator in writing of any non-collection occurrences, the reason(s) for the non-collection, and the address(s) of such non-collection.

5. Section 4.B.1 "Conditions and Frequency of Service" shall be amended as follows:

1. Conditions and Frequency of Service. The CONTRACTOR shall provide ~~unlimited~~ Bulk Waste Collection Service, to those Residential Service Units in the Service Area, ~~one (1) time per week on the second scheduled collection day~~ twice per month, to occur on Mondays, Tuesdays and Wednesdays. Collection is limited to six cubic yards per set-out. In those instances where the scheduled Collection day falls on the holiday as setforth in Section 8 herein, the Collection shall occur on the next weeks scheduled Bulk Waste collection day.

Bulk Yard Trash must be separated from all other Bulk Waste into an unobstructed pile so as to permit the CONTRACTOR to collect such Bulk Yard Trash with a grapple or clam truck. Bulk Yard Trash is collected by such grapple or clam truck separate and apart from other Bulk Waste on the same collection day as CONTRACTOR collects other Bulk Waste. Separation from such other Bulk Waste is imperative and commingled piles will not be collected.

Bulk Waste that consists of White Goods, must not be commingled with other Bulk Waste, such as Bulk Trash and Bulk Yard Trash. And shall be placed adjacent to other Bulk Waste but separately so as they are not obstructed by other Bulk Waste piles.

Certain loose Bulk Trash items, ~~(i.e. concrete rubble, rock, gravel, etc.)~~ must be set out in a container with the weight of the contents not to exceed fifty (50) pounds. In the event these Bulk Trash items are not properly containerized, the CONTRACTOR shall not be required to Collect such items.

In the event of non-collection, in accordance with Section 14-65 "Removal of garbage, construction debris, rubbish and refuse require" of the TOWN'S Code of Ordinances, CONTRACTOR shall affix to the waste itself or to such other conspicuous place at the residential unit a Non-Collection Notice explaining why collection was not made. Said Non-Collection Notice shall be provided by CONTRACTOR, in a form approved by the TOWN, at CONTRACTOR'S sole cost and expense. Prior to the end of the Work Day, Contractor shall notify the Contract Administrator in writing of any non-collection occurrences, the reason(s) for the non-collection, and the address(s) of such non-collection.

For Bulk Waste piles in violation of Section 14-65 "Removal of garbage, construction debris, rubbish and refuse require" of the TOWN'S Code of Ordinances, the residential customer shall have the option of disposing the Bulk Waste itself or may arrange for Collection via the CONTRACTOR, wherein CONTRACTOR shall charge and the residential customer shall pay in advance to CONTRACTOR, a One Hundred Dollar (\$100) return fee and a disposal fee of \$20.00 per cubic yard, for disposal of such Bulk Waste in violation of Section 14-65 "Removal of garbage, construction debris, rubbish and refuse require" of the TOWN'S Code of Ordinances.

6. Section 5.A.1. "Conditions and Frequency of Service" shall be amended to read as follows:

1. Conditions and Frequency of Service. The CONTRACTOR shall provide unlimited Residential Recycling Collection Service to all Residential Service Units in the Service Area. This service shall be provided once every week on a scheduled route basis on a day when the Residential Service Unit receives Residential Collection Service. However, in those instances where the scheduled Collection day falls on the holiday as set forth in Section 8 herein, the Collection shall occur on the next weeks scheduled collection day. The CONTRACTOR shall not commingle Recyclable Materials with other Residential Solid Waste. ~~The CONTRACTOR shall be required to provide an annual special recycling program for the Collection of telephone books. Such program shall be approved by the TOWN and shall at a minimum include the curbside Collection of telephone books for a continuous period of not less than sixty (60) days during each Contract year.~~

7. Section 5.D "Recyclable Material" shall be amended to read as follows:



5. Recyclable Material. All Recyclable Material Collected as a result of performing Residential Recycling Collection Services shall be delivered and sold to a the Material Recycling Facility selected by the CONTRACTOR unless the TOWN is a party to the Broward County Interlocal Agreement obligating Residential Recyclables to be delivered to the MRF designated therein.

8. Section 6.A.2 "Rate Protection for Existing Commercial Customers" shall be deleted in its entirety:

~~6. Rate Protection for Existing Commercial Customers. Beginning October 1, 2002, the CONTRACTOR shall be awarded the exclusive franchise to collect and dispose of Commercial Solid Waste at Businesses located within the Town limits. The conditions precedent prior to the assumption of the service by the CONTRACTOR shall include the following:~~

~~a. Businesses currently receiving waste collection services by a 3<sup>rd</sup> party hauler shall be charged the same rate for a period of one year commencing October 1, 2002. The CONTRACTOR shall provide the same service level at the same cost as provided in the existing 3<sup>rd</sup> party hauler agreement. Said rates would be subject to any pass through disposal cost increases provided for in customers contracts. If so required by State law and contract with the existing hauler shall be honored.~~

9. Section 6.A.5 "Rates and Rates Adjustments" shall be amended to read as follows:

5. Rates and Rate Adjustments. The initial commercial collection and disposal rates are contained in Exhibit 2, however no rate shown in Exhibit 2 may be charged unless it meets all those conditions precedent listed above under Section 6.A.2. commencing October 1, 2007, are set forth in Exhibit 2. Annual rate adjustments shall be made in a manner similar to the manner described in Section 7C through 7D below with a separate Disposal and Collection Element Adjustment having the same limitations on the annual increase. In summary, the Disposal charge element shall be increased based on the disposal rate change, the Collection element shall be 80 90% of the CPI factor used and neither the Collection Element Adjustment rate shall not go up by more than five percent (5%) each fiscal year. The Disposal charge for Bulk Yard Trash shall not go up by more than five percent (5%) each fiscal year.

10. Section 7.A.2 "Contract Preparation and Administration Expenses" shall be amended to read as follows:

2. Contract Preparation and Administration Expenses. ~~CONTRACTOR understands and agrees that the cost of the proposal process is a part of the cost of providing Residential Solid Waste and Recycling Collection Services an thus a~~

~~responsibility of the CONTRACTOR, and even though such costs in the amount of \$20,000 were initially expended by the TOWN the expenditure was for the benefit of the CONTRACTOR. Accordingly, CONTRACTOR agrees that any and all monies due CONTRACTOR for the provision of services under this Contract up to an amount of \$20,000 will be credited against the CONTRACTOR'S monthly invoices at \$1,000 per month for 20 months as reimbursement for these expenditures. CONTRACTOR agrees to pay to the TOWN an amount not to exceed Twelve Thousand Eight Hundred Dollars (\$12,800.00) to reimburse the TOWN for its costs incurred in preparing and negotiating this First Amendment. CONTRACTOR shall have the option of paying this amount to the TOWN in six equal installments. The first \$5,000 of the payment will be credited toward an annual \$5,000 franchise permit fee required to be paid annually by the CONTRACTOR to cover the TOWN'S administrative costs associated with managing the contract and service delivery issues per Section 21.~~

11. Section 7.C "Disposal Element Adjustment" shall be amended to read as follows:

C. Disposal Element Adjustment. ~~The disposal element of the solid waste fees shall be adjusted annually based on the following formula and as demonstrated in Exhibit 1 under Disposal Element Adjustment Procedure:~~

~~\_\_\_\_\_ The new approved tipping fee x the "Residential Waste Generation Factor".~~

~~Less: \_\_\_\_\_ The old tipping fee x the "Residential Waste Generation Factor".~~

~~Will Equal: \_\_\_\_\_ The change in the Residential "Monthly Unit Disposal Rate".~~

~~Such changes in rate shall be effective immediately upon change in the tipping fee.~~

~~\_\_\_\_\_ In no event shall the CONTRACTOR utilize any tipping fee, other than the current approved tipping fee in the preparation of its monthly invoices to the TOWN except that in the event the CONTRACTOR is charged a tipping fee that is less than the current approved tipping fee for the disposal of Residential Solid Waste, such lower tipping fee shall be used in the preparation of the monthly invoice to the TOWN.~~

~~\_\_\_\_\_ The TOWN may request from the CONTRACTOR such further information as may be reasonably necessary in making its determination.~~

Tipping fees for Solid Waste are those determined by the Broward County Resource Recovery Board for disposal at the Wheelabrator Broward Facilities. All other waste shall be hauled to a facility approved in writing by the TOWN.

The parties agree that a waste generation study shall be conducted pursuant to the terms of this Section. In the first contract year (October 1, 2007 through September 30, 2008), a study shall be conducted during the 2007-2008 Fiscal Year to determine whether the "Residential Waste Generation Factors" for Residential Customers, as set forth in Exhibit "1", should be adjusted. The "Garbage, Rubbish and Yard Trash (MSW) Generation Factor" and the "Bulk Waste Generation Factor" shall be tracked and reported separately. The TOWN has selected R.W. Beck, Inc. to perform the waste generation study. The CONTRACTOR and TOWN shall work together to develop the

methodology that will be used to perform the waste generation study, including the scope, timing, and duration of the study; which shall be agreed upon by the TOWN and the CONTRACTOR prior to beginning the study.

The waste generation study shall determine the waste generation rates for Residential Customers, based on the amount of Garbage, Rubbish, Yard Trash, and Bulk Waste generated by such Customers. When calculating the waste generation rates, the TOWN shall not include the Recyclable Materials and Recovered Materials generated by Residential Customers.

The TOWN shall make a good faith effort to collect waste generation data under normal and representative conditions that would produce an average waste generation rate during a typical year. If a hurricane, storm, or other event generates abnormally large quantities of Garbage, Rubbish and/or Yard Trash and thus hinders the TOWN'S ability to complete the waste generation study under representative conditions, as determined by the Contract Administrator, the TOWN may extend the waste generation study beyond the first contract year.

If the waste generation study shows that the Residential Service Unit waste generation rates should be higher or lower than the generation rates that were used initially in this Contract (i.e., 1.8 tons of Garbage, Rubbish, and Yard Trash (MSW) per year per Residential Service Unit, and 1 ton of Bulk Waste per year per Residential Service Unit) the generation rates used in this Contract shall be revised in accordance with the results of the waste generation study, and the disposal portion of the applicable rates in Exhibit 1 shall be recalculated the proceeding fiscal year. In addition to recalculating the disposal portion of the applicable rates, the Residential Service Unit Bulk Collection rate shall be adjusted Thirty Cents (\$0.30) per each Tenth of a Ton change in the generation rate for Residential Bulk Waste. For illustration purposes only:

$$\underline{1.0 \text{ (current generation rate)} - 0.7 \text{ (new Bulk generation rate)} = 0.3}$$

$$\underline{\$ \text{ (hh/month current Bulk collection rate)} - \$0.30 \times 3 \text{ (for tenth of ton reduction)} = \$ \text{ (new Bulk collection rate)}}$$

The new monthly/Residential Service Unit collection rates and disposal rates shall become effective October 1, 2008.

The CONTRACTOR shall pay all of the out-of-pocket costs incurred by the TOWN for the waste generation study which shall not exceed Forty Three Thousand Four Hundred Dollars (\$43,400) assuming a hurricane, tornado, major storm, or other natural disaster does not interrupt the study and assuming data is collected from all Residential Service Units in two separate seasons. After the study is completed, these costs shall be deducted by the TOWN in two (2) equal installments from the monthly payments from the TOWN to the CONTRACTOR.

12. Section 7.D "Collection Element Adjustment" shall be amended to read as follows:

D. Collection Element Adjustment. ~~The collection element of the solid waste fees shall be adjusted annually based on the total annual percentage change in the consumer price index rounded to the nearest tenth for all urban consumers (CPI-U), non-seasonally adjusted for the miami fort lauderdale metropolitan statistical area (MSA for the region including Broward County) as determined and recorded by the United States Department of Labor, Bureau of Labor statistics, for the twelve (12) month period ending on the last day of the month of may as demonstrated in Exhibit 1 under the collection element adjustment procedure. However, in no event, shall a collection fee adjustment during any contract year of October 1<sup>st</sup> through the following September 30<sup>th</sup> exceed eighty percent (80%) of the total annual percentage change in the consumer price index rounded to the nearest tenth for all urban consumers (CPI-U), non-seasonally adjusted for the Miami-Fort Lauderdale Metropolitan Statistical Area (MSA for the region including Broward County as determined and recorded by the United States Department of Labor, Bureau of Labor Statistics, for the twelve (12) month period ending on the last day of the month of may. All adjustments shall become effective the following October 1<sup>st</sup>. In no event shall the collection element adjustment exceed five percent (5%).~~

Commencing October 1, 2008, the collection rates shall be adjusted according to the change in waste generation factors, as described in Section 7.C above.

The collection element of the solid waste fees shall be adjusted based on the total annual percentage change in the Consumer Price Index rounded to the nearest tenth for all Urban Consumers (CPI-U), Non-Seasonally Adjusted for the Miami-Fort Lauderdale Metropolitan Statistical Area (MSA for the region including Broward County) as determined and recorded by the United States Department of Labor, Bureau of Labor Statistics, for the twelve (12) month period ending on the last day of the month of April as demonstrated in Exhibit 1 under the Collection Element Adjustment Procedure. The adjustment shall be 80 90% of the percentage change. All adjustments shall become effective the following October 1<sup>st</sup>. In no event shall the Collection Element Adjustment exceed five percent (5%) in any twelve (12) month period.

13. Section 16 "Quality of Performance of Contractor" shall be amended to read as follows:

It is the intent of the TOWN to ensure that the Contractor provides a quality level of Residential Solid Waste, and Recycling Collection Services, and Commercial Collection Service. To this end, all complaints shall be promptly resolved pursuant to the provisions of Section 14. of this Contract.

14. Section 16 "Quality of Performance of Contractor" shall be amended to reflect that all administrative charges referenced within shall be increased from \$100.00 to \$250.00.

15. Section 17 "Property Damage" shall be amended to read as follows:

CONTRACTOR shall be responsible for the prompt repair or replacement, if repair is not adequate, of any damage to public or private property during the provision of Residential Solid Waste, and Recycling Collection Service, and Commercial Collection Service, and caused by the CONTRACTOR or the CONTRACTOR'S representative.

16. Section 18 "Payment Withheld" is amended by adding the following to the end of the provision:

...

Notwithstanding the above, prior to any withholding of payment, the TOWN must notify CONTRACTOR in writing of its decision to do so, giving its reasons in detail and allowing the Contractor a reasonable time to correct the matter. Any withholding of payment shall be limited to such amount as is reasonable given the nature of the matter and the insurance coverages and bonding required herein of the CONTRACTOR.

17. Section 20 "Emergency Service Provisions" is amended by adding the following to the end of the provision:

...

The CONTRACTOR shall not be responsible for nor have an obligation to collect, transport or dispose of debris or other waste material from a natural or manmade disaster unless the TOWN enters into a written agreement with CONTRACTOR specifying the terms and compensation for such services. Further, the parties agree that storms and other disasters, whether named or not, often cause volumes of solid waste to increase measurably once the disaster terminates. Accordingly, once the CONTRACTOR resumes normal collection routes after a disaster whether or not it is one declared by FEMA, the CONTRACTOR may be entitled to additional compensation for the collection, transportation and/or disposal of solid waste in excess of historical volumes for the period in question as the result of such disaster event. Said additional compensation shall be agreed to in writing by the TOWN before the additional expense has been incurred. CONTRACTOR shall substantiate the additional costs caused by the storms and other disasters in writing by providing documentation and corroboration of increased costs for personnel and labor, equipment, transportation costs (including fuel and additional trip times) and disposal costs as applicable. The TOWN shall have the right to audit such costs, and if the TOWN finds a discrepancy during its audit, CONTRACTOR shall provide the TOWN with a reimbursement within ten (10) business days of said documented request. CONTRACTOR shall provide TOWN with a separate post natural or manmade disaster cleanup agreement with specified rates at the commencement of each fiscal year.

18. Section 22 "Performance Bond" shall be amended to read as follows:

The CONTRACTOR shall furnish to the TOWN, and keep current, a Performance Bond for the faithful performance of this Contract and all obligations arising hereunder in the amount of ~~Twenty-Five Thousand Dollars (\$25,000.00)~~ Five Hundred Thousand Dollars (\$500,000.00). . . .

19. Section 23 "Insurance" shall be amended to read as follows:

A. CONTRACTOR shall provide, pay for and maintain in force at all times during the term of this Contract, such insurance, including professional liability insurance, Workers' Compensation Insurance and comprehensive general liability insurance as stated below: CONTRACTOR shall also name TOWN as an additional insured to CONTRACTOR'S insurance policies and shall provide TOWN with annual Accords documenting that the TOWN has been named as an additional insured and setting forth the minimum insurance standards set forth below:

1. Workers' Compensation Insurance to apply for all employees in compliance with the "Workers' Compensation Law" of the State of Florida and all applicable federal laws, for the benefit of the CONTRACTOR'S employees.

2. Comprehensive general liability insurance, including contractual, with minimum limits of ~~One Two Million Dollars (\$21,000,000.00)~~ per occurrence, combined single limit for bodily injury liability and property damage liability. The TOWN is to be included and named as an "additional named insured" with respect to any claims arising out of this Contract.

20. Section 24.A "Indemnification of Town" shall be amended to read as follows:

CONTRACTOR shall indemnify, defend, and hold harmless TOWN, TOWN'S contractors, and the public officials, officers, directors, employees, agents and other contractors of each of them, from and against any and all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals as well as all Court or other dispute resolution costs), liabilities, expenditures or causes of action of any kind (including negligent, reckless, willful or intentional acts or omissions of the CONTRACTOR, any subcontractor, any supplier, any person or organization directly or indirectly employed by any of them to perform or furnish any services or anyone for whose acts any of them may be liable), arising from, relative to or caused by the performance or failure to perform the services caused by the breach of this Agreement, violation of applicable law, and the negligent acts or omissions of the CONTRACTOR in the performance of this Agreement, excepting only such claims or liabilities attributable to the negligence or willful misconduct of the TOWN or its elected or appointed officials and employees. This indemnity includes but is not limited to claims attributable to bodily injury, sickness, disease or death and to injury or destruction of tangible property.

21. Section 25.C "Books and Records" shall be amended to read as follows:

C. Collection and Disposal data retained by CONTRACTOR shall be reported to the TOWN in a format agreed upon by the parties pertaining only to this specific Contract and Service Area, shall be delivered to the TOWN quarterly no later than August 15 of each year during the term of this Contract.

22. Section 26 "Notice" shall be amended to provide the following contract information:

...

to the TOWN:

John Canada Christopher J. Russo, Town Administrator  
Town of Southwest Ranches  
6589 SW 160<sup>th</sup> Avenue  
Southwest Ranches, FL 33331

...

As to the CONTRACTOR:

Philip Foreman, District Manager  
BFI Florida District  
2380 College Avenue  
Davie, Florida 33317

Mame Davis, District Manager  
Waste Management Inc. of Florida  
3831 NW 21<sup>st</sup> Avenue  
Pompano Beach Florida 33073

With a Copy to:

John Casagrande, Vice President  
Waste Management Inc. of Florida  
2700 NW 48<sup>th</sup> St.  
Pompano Beach, FL 33073

Ronald Kaplan  
Florida Counsel  
Waste Management Inc. of Florida  
2700 NW 48<sup>th</sup> St.

Pompano Beach, FL 33073

...

23. Section 49 "Effective Date" shall be amended to read as follows:

This Contract shall become effective October 1, 2002 and the CONTRACTOR shall begin Residential Solid Waste Collection Service, and Residential Recycling Collection Services, and Commercial Collection Service, as covered herein, as of this date.

24. New Section 50 "Force Majeure" shall be added to read as follows:

If either party is prevented from or delayed in performing its duties under this Agreement by circumstances beyond its control, whether or not foreseeable, including, without limitation, fires, typhoons, hurricanes, severe weather, floods, volcanic eruption, pandemics, quarantines, war, civil disturbances, acts of terrorism, labor disputes, acts of God, or significant threats of such circumstances, or any future laws, rules, regulations, orders, or acts of any local, state, federal, or provincial government ("Force Majeure"), then the affected party shall be excused from performance hereunder during the period of such disability. The party claiming Force Majeure shall promptly notify the other Party in writing when it learns of the existence of a Force Majeure condition and when the Force Majeure condition has terminated. Notwithstanding anything in this Agreement to the contrary, the term "Force Majeure" does not include and a party shall not be excused from performance under this Agreement for events relating to increased costs, including, without limitation, increased costs of fuel, labor, insurance or other expenses of performing the services hereunder.

25. Exhibit 1 "Total Residential Assessment Breakdown" shall be replaced in its entirety by the revised "Total Residential Assessment Breakdown", attached hereto as Exhibit "1".

26. All other terms and conditions not modified herein shall remain of full force and effect and binding on the parties.


**(SIGNATURES ON FOLLOWING PAGE)**



IN WITNESS WHEREOF, the undersigned have set their hands and seals as authorized corporate officers and on behalf of the undersigned corporations.

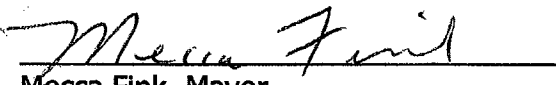
Signed, sealed and witnessed in the presence of:


THE COLLECTOR:

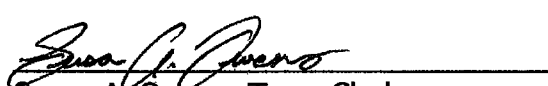
  
WASTE MANAGEMENT INC. OF  
FLORIDA  
a Florida Corporation

(Corporate Seal)


TOWN OF SOUTHWEST RANCHES

  
Mecca Fink, Mayor

  
Christopher J. Russo, Town Administrator  
Attest:

  
Susan A. Owens, Town Clerk

Approved as to form and correctness:

  
Gary A. Poliakoff, Town Attorney  
FTL\_DB: 1067385\_1

## Residential Collection and Disposal Rate Chart

### Town of Southwest Ranches, Florida

## TOTAL RESIDENTIAL ASSESSMENT BREAKDOWN:

		Solid Waste/ White Goods	Bulk Yard Trash
1	Tipping Fee per Ton	\$ 93.65	\$ 45.00
2	Residential Waste Generation Factor	0.1500	0.0833

October 1, 2007 Rates	
MONTHLY	ANNUALY

3	Solid Waste Collection	\$ 13.00	\$ 156.00
4	Solid Waste Disposal	\$ 14.05	\$ 168.60
5	Bulk Yard Trash Collection	\$ 8.78	\$ 105.36
6	Bulk Yard Trash Disposal	\$ 3.75	\$ 45.00
7	Recycling Collection Services	\$ 2.50	\$ 30.00
	<b>Amount to Hauler Subtotal =</b>	<b>\$ 42.08</b>	<b>\$ 504.96</b>
7	Reserve for Unanticipated SW Services =	\$ 0.50	\$ 6.00
8	<b>Subtotal for Collection/Disposal =</b>	<b>\$ 42.58</b>	<b>\$ 510.96</b>
	Franchise fee rate of 10%	10%	10%
9	<b>Amount Subtotal =</b>	<b>\$ 4.26</b>	<b>\$ 51.10</b>
	<b>Total Residential Assessment =</b>	<b>\$ 46.84</b>	<b>\$ 562.06</b>

**Estimated Hauler Funding Breakdown**

10	Subtotal SW & Bulk Yard Trash Coll & Disp =	\$ 39.58	\$ 474.96
11	Subtotal Recycling Collection =	\$ 2.50	\$ 30.00
		<b>\$ 42.08</b>	<b>\$ 504.96</b>
12	Estimated number of residential units:		2,275
13	Solid Waste & Bulk Yard Trash Amount	\$	1,080,534
14	Recycling Amount	\$	68,250
15	Estimated total collection/disposal to hauler:	\$	1,148,784

**EXAMPLE OF ANNUAL RATE CHANGE PROCEDURES:****Disposal Element Adjustment Procedure - Solid Waste**

16	October 1, 2007 Tipping Fee	\$ 93.65	
17	October 1, 2006 Tipping Fee	\$ 92.09	
18	Increase =	\$ 1.56	
19	Rate Change Impact =	\$ 0.23	\$ 2.76

**Disposal Element Adjustment Procedure - Bulk Yard Trash**

20	October 1, 2007 Tipping Fee	\$ 45.00	
21	October 1, 2006 Tipping Fee	\$ 45.00	
22	Increase =	\$ -	
23	Rate Change Impact =	\$ -	\$ -

**Collection Element Adjustment Procedure**

24	Annual CPI Increase from April to April	3.0%	
25	Current Collection Rate Amount (3+5+7)	\$ 24.28	
26	Increase =	\$ 0.73	
27	Rate Change based on 90% factor =	\$ 0.66	\$ 7.92

**Example of annual rate change impact = \$ 10.68**

\* The Oct 1, 2007, rate has already factored in the new disposal rate of \$93.65

\*\* The CPI rate is for demonstration purposes only.

## EXHIBIT 2

## Commercial Collection and Disposal Services Rate Chart

## Town of Southwest Ranches, Florida

WEIGHT PER CUBIC YARD DISPOSAL FACTOR =	125
DISPOSAL RATE PER TON =	\$ 93.65
Disposal Portion of \$14.07 per cubic yard charge =	\$ 5.85
Collection Portion of \$14.07 per cubic yard charge = (excluding franchise fees)	\$ 8.22

## NON-COMPACTED CONTAINER RATES

Pick-ups/Week:	1	2	3	4	5	6	7
Container Size							
2 <u>2 cubic yards:</u>							
Collection	\$ 71.19	\$ 142.37	\$ 213.56	\$ 284.74	\$ 355.93	\$ 427.11	\$ 498.30
Disposal	\$ 50.66	\$ 101.32	\$ 151.98	\$ 202.64	\$ 253.31	\$ 303.97	\$ 354.63
Total Monthly Rate =	\$ 121.85	\$ 243.69	\$ 365.54	\$ 487.38	\$ 609.23	\$ 731.08	\$ 852.92
3 <u>3 cubic yards:</u>							
Collection	\$ 106.78	\$ 213.56	\$ 320.33	\$ 427.11	\$ 533.89	\$ 640.67	\$ 747.44
Disposal	\$ 75.99	\$ 151.98	\$ 227.97	\$ 303.97	\$ 379.96	\$ 455.95	\$ 531.94
Total Monthly Rate =	\$ 182.77	\$ 365.54	\$ 548.31	\$ 731.08	\$ 913.85	\$ 1,096.62	\$ 1,279.39
4 <u>4 cubic yards:</u>							
Collection	\$ 142.37	\$ 284.74	\$ 427.11	\$ 569.48	\$ 711.85	\$ 854.22	\$ 996.59
Disposal	\$ 101.32	\$ 202.64	\$ 303.97	\$ 405.29	\$ 506.61	\$ 607.93	\$ 709.25
Total Monthly Rate =	\$ 243.69	\$ 487.38	\$ 731.08	\$ 974.77	\$ 1,218.46	\$ 1,462.15	\$ 1,705.85
6 <u>6 cubic yards:</u>							
Collection	\$ 213.56	\$ 427.11	\$ 640.67	\$ 854.22	\$ 1,067.78	\$ 1,281.33	\$ 1,494.89
Disposal	\$ 151.98	\$ 303.97	\$ 455.95	\$ 607.93	\$ 759.92	\$ 911.90	\$ 1,063.88
Total Monthly Rate =	\$ 365.54	\$ 731.08	\$ 1,096.62	\$ 1,462.15	\$ 1,827.69	\$ 2,193.23	\$ 2,558.77
8 <u>8 cubic yards:</u>							
Collection	\$ 284.74	\$ 569.48	\$ 854.22	\$ 1,138.96	\$ 1,423.70	\$ 1,708.44	\$ 1,993.19
Disposal	\$ 202.64	\$ 405.29	\$ 607.93	\$ 810.58	\$ 1,013.22	\$ 1,215.86	\$ 1,418.51
Total Monthly Rate =	\$ 487.38	\$ 974.77	\$ 1,462.15	\$ 1,949.54	\$ 2,436.92	\$ 2,924.31	\$ 3,411.69

## COMPACTED CONTAINER RATES (RATIO TO ABOVE CHART) =

3 TO 1

Disposal Element Adjustment Procedure

		CY/ton	
20 October 1, 2007 Tipping Fee	\$ 93.65	16	\$ 5.85
21 October 1, 2006 Tipping Fee	\$ 92.09	16	\$ 5.76
22 Per Cubic Yard Rate Increase =			\$ 0.09

Collection Element Adjustment Procedure

23 Annual CPI Increase from April to April	3.0% CPI for demonstration purposes only
24 Current Collection Rate Amount	\$ 8.00
25 Gross CPI Increase =	\$ 0.24
26 Rate change based on 90% factor =	\$ 0.22
New Collection rate	\$ 8.22

\* The Oct 1, 2007 rate has already factored in the new disposal rate of \$93.65

\*\* The CPI rate is for demonstration purposes only.