

RESOLUTION NO. 2022 - 262

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE AN AMENDED AND RESTATED CONTRACT FOR TRANSFER STATION OPERATIONS AND SOLID WASTE REMOVAL ON BEHALF OF THE COUNTY WITH WASTE MANAGEMENT INC. OF FLORIDA; PROVIDING FOR A SEVEN-YEAR RENEWAL; PROVIDING FOR RATE ADJUSTMENT; AND PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, in 2005, the St. Johns County (hereinafter the “County”) issued a request for proposals (RFP 05-84) for waste management and disposal services; and

WHEREAS, Waste Management Inc. of Florida (hereinafter the “Contractor”) submitted a proposal in response to the County’s RFP; and

WHEREAS, The County concluded that the Contractor’s proposal was the best and most responsive proposal; and

WHEREAS, The County and the Contractor entered into a “Transfer Station Operations and Solid Waste Removal Contract” (“Agreement”) dated July 7, 2005; and

WHEREAS, the Contractor began to provide its services under the Agreement on or about July 31, 2005; and

WHEREAS, Section 1.1 of the Agreement provides that the Contract may be renewed for additional terms of seven (7) years each; and

WHEREAS, on April 23, 2014, the County and the Contractor executed “Amended and Restated Contract for Transfer Station Operations and Solid Waste Removal” (“Contract”) for an additional seven (7) year term; and

WHEREAS, the County and the Contractor wish to renew the Agreement, subject to the conditions set forth in the “Second Amended and Restated Contract for Transfer Station Operations and Solid Waste Removal” (“Contract”), which is attached hereto and incorporated herein; and

WHEREAS, the County finds that the Contract provides significant economic and other benefits to the public and thus is in the public interest.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

Section 1. The above Recitals are incorporated by reference into the body of this Resolution and such Recitals are adopted as finds of fact.

Section 2. Upon approval by the Board of County Commissioners, the County Administrator, or designee, is further authorized to execute the Contract with Waste Management Inc. of Florida, on behalf of the County, for the purposes mentioned above.

Section 3. To the extent that there are typographical and/or administrative errors that do not change the tone, tenor, or concept of this Resolution, then this Resolution may be revised without subsequent approval by the Board of County Commissioners.

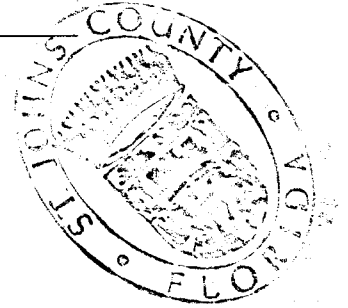
PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this 19
day of July, 2022.

**BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA**

By: Henry Dean
Henry Dean, Chair

**ATTEST: Brandon J. Patty,
Clerk of the Circuit Court & Comptroller**

By: Pam Halterman
Deputy Clerk



Rendition Date 7/21/22

**SECOND AMENDMENT TO AMENDED AND RESTATED CONTRACT FOR
TRANSFER STATION OPERATIONS AND SOLID WASTE REMOVAL**

This "Second Amendment to Amended and Restated Franchise Agreement for Transfer Station Operations and Solid Waste Removal" ("Second Amendment") is made and entered into this ____ day of _____, 2022, by and between St. Johns County, a political subdivision of the State of Florida ("County"), and Waste Management Inc. of Florida, a Florida corporation ("Contractor").

RECITALS

WHEREAS, on or about April 23, 2014, the County and the Contractor entered into an "Amended and Restated Contract for Transportation Operations and Solid Waste Removal," which was amended by the "First Amendment to Amended and Restated Contract for Transfer Station Operations and Solid Waste Removal," dated November 30, 2015 (collectively, "Contract"); and

WHEREAS, Section 1.1.2 of the Contract provides that the Contract may be renewed and extended for additional renewal Terms of seven (7) years each; and

WHEREAS, the County wishes to procure and the Contractor wishes to provide the Contractor's services, subject to the terms, conditions, and requirements set forth in this Second Amendment; and

WHEREAS, the Board of County Commissioners ("Board") has concluded that the renewal and extension of the Contract in accordance with this Second Amendment provides significant economic and other benefits to the public and thus is in the public interest.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Second Amendment and the other good and valuable consideration provided by the Parties to each other, the receipt and sufficiency of which are hereby acknowledged, the County and the Contractor agree to be bound by and comply with all of the terms and conditions of this Second Amendment, as set forth below.

SECTION 1. The County and the Contractor agree that the recitals set forth above are true, accurate, and correct. These recitals are adopted by reference as if set forth fully herein.

SECTION 2. Pursuant to Section 1.1.2 of the Contract, the Contract is hereby renewed and the Term of the Contract is extended for an additional seven (7) years beginning on August 1, 2022 and ending on July 31, 2029, subject to the terms, conditions, and requirements set forth in the Contract, as amended.

SECTION 3. Section 1.2.7 (Termination Due to Increased Costs) of the Contract is hereby deleted in its entirety and replaced with the following text:

1.2.7 Termination Due to Increased Costs

1.2.7.1 Termination of Contractor's Obligations

At any time during any Term of this Contract, the County may at its option terminate this Contract if an unforeseeable event beyond the Parties' control occurs that, while not reaching the level of a Force Majeure event, escalates price and costs to a level that the County reasonably determines to be excessive. Under such circumstances, the County shall give Notice of early termination at least one hundred eighty (180) Days before the termination of the Contractor's services. As a prerequisite to exercising its option to terminate, the County shall enter into good faith negotiations with the Contractor to determine if any reasonably cost effective method of operating under this Contract may exist. If such reasonably cost effective method is determined to exist, and is mutually acceptable to the Parties, the Parties shall adopt such method and continue under this Contract.

Upon termination of this Contract pursuant to this Section 1.2.7.1, the County shall: (a) assume all of the obligations under this Contract; and (b) pay the Contractor, not later than sixty (60) Days after termination, for the services provided by the Contractor prior to the termination.

1.2.7.2 Partial Termination of Contractor's Obligations

At any time during any Term of this Contract, the County may terminate the portions of this Contract that require the Contractor to operate the Transfer Station, transport Acceptable Waste to the Disposal Facility, and perform ancillary services (collectively, the "Specified Services"), if the County reasonably determines in its sole discretion that the costs of the Specified Services are excessive or not cost efficient to the County. The County shall give Notice of the termination of the Specified Services at least ninety (90) Days before such services are terminated.

Upon termination pursuant to this Section 1.2.7.2, the County shall: (a) assume responsibility for performing the Specified Services; and (b) pay the Contractor, not later than sixty (60) Days after termination, for the Specified Services provided by the Contractor prior to the termination.

Notwithstanding anything else contained herein, the County's termination of the Specified Services pursuant to this Section 1.2.7.2 shall not: (i) terminate the Contractor's obligation under this Contract to accept and dispose of all the Acceptable Waste that is delivered to the Contractor's Disposal Facility by the County or any Person acting on behalf of the County; or (ii) terminate the County's obligation to pay a Service Fee to the Contractor for disposing of the County's Acceptable Waste. Upon termination of the Specified Services, the Service Fee shall be calculated by multiplying the Monthly Tonnage by the applicable Disposal Rate, as described in Section 6.2(d), below, but the Service Fee shall not include the Loading and Transportation Rate described in Section 6.2(d).

The County's termination of the Specified Services pursuant to this Section 1.2.7.2 also shall terminate any rights the Contractor may have under this Contract to

engage in Direct Hauling, as described in Section 4.9, below. Any and all such rights to Direct Hauling shall end when the Specified Services are terminated.

SECTION 4. Section 1.4 (STATEMENT OF ASSURANCE) of the Contract is hereby deleted in its entirety and replaced with the following text:

During the Term of this Contract, the Contractor will not on the grounds of race, color, national origin, religion, sex, age, handicap, disability, ancestry, sexual orientation, or marital status, discriminate in any form or manner against Contractor's employees or applicants for employment (as provided in Title VI of the 1964 Civil Rights Act, as amended, and the Florida Human Rights Act of 1977, as amended). Contractor shall take affirmative steps to ensure that applicants are employed and employees are treated during employment by Contractor without regard to race, color, national origin, religion, sex, age, handicap, disability, ancestry, sexual orientation, or marital status. This provision shall include, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. The Contractor agrees to furnish the County with a copy of its non-discrimination and equal employment opportunity policy, upon request.

The Contractor understands and agrees that this Contract is conditioned upon compliance with the requirements in this Section 1.4. Furthermore, the Contractor will comply with Title VI of the Civil Rights Act of 1964, as amended, when federal grant(s) and other applicable federal and state laws are involved. Executive Orders and regulations prohibiting discrimination as hereinabove referenced are included by this reference thereto. This Section 1.4 shall be interpreted to include Vietnam-Era Veterans and Disabled Veterans within its protective range of applicability.

The Contractor shall also comply with the applicable provisions of the Civil Rights Act of 1866; Civil Rights Act of 1871; Equal Pay Act of 1963; Civil Rights Act of 1964; Civil Rights Restoration Act of 1987; Age Discrimination Act of 1975; Florida Statute Sections 112.042, 112.043, and 413.08; Age Discrimination and Employment Acts of 1967; Rehabilitation Act of 1973; Americans with Disabilities Act of 1990; Federal Civil Rights Act of 1991; Florida Civil Rights Act of 1992; any and all amendments to the foregoing; and all other Applicable Laws.

The Contractor and all Subcontractors shall register with the U.S. Department of Homeland Security's E-Verify System to verify the work authorization status of their newly hired employees. Upon receiving the County's written request, the Contractor shall provide an affidavit within ten (10) Operating Days stating that each Subcontractor it hires does not employ, contract with, or subcontract with an unauthorized alien.

SECTION 5. Section 1.5.8 (Notices) of the Contract is hereby deleted in its entirety and replaced with the following text:

1.5.8 Notices

All Notices and consents required or permitted by this Contract shall be in writing and transmitted in person or by registered or certified mail, return receipt requested, with actual notice deemed to be given upon receipt. Such Notices and consents shall be addressed as follows:

If to the Board/County:

St. Johns County
Solid Waste Department
500 San Sebastian View
St. Augustine, FL 32084

St. Johns County Attorney
500 San Sebastian View
St. Augustine, FL 32084

If to the Contractor:

David M. Myhan, President
Waste Management, Inc. of Florida
1800 North Military Trail, Suite 201
Boca Raton, FL 33431-6376

Lisa Silva, General Counsel
Waste Management Inc. of Florida
1800 North Military Trail, Suite 201
Boca Raton, FL 33431-6376

Copies also shall be provided by hand-delivery or regular U.S. Mail to the On-site representative of the County and Contractor.

Changes in the respective addresses to which such Notices may be directed may be made from time to time by either Party by Notice to the other Party.

SECTION 6. Section 1.5.22 (Fair Dealing) of the Contract is hereby deleted in its entirety and replaced with the following text:

The Contractor declares and warrants that the Contractor enters into this Contract without reliance on or engaging in any collusion, bribery or fraud, that all of the Contractor's representations in this Contract are made fairly and in good faith, and that no County Commissioner, County officer, or County employee, directly or indirectly owns more than 5% of the total assets or capital stock of the Contractor, nor will any such person directly or indirectly benefit by more than five percent (5%) from the profits or emoluments of this Contract. The Contractor warrants that it has not employed or retained any company or person, other than a bona fide

employee working solely for the Contractor, to solicit or secure this Contract and the Contractor has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, gift or any other compensation contingent upon or resulting from the award or making of this Contract.

The Contractor declares and warrants that none of the agents, members, managers, partners, officers, directors, employees, or executives of the Contractor, or any affiliate that is active in the management of the Contractor, has been convicted of a public entity crime, as defined in Section 287.133(g), Florida Statutes.

The Contractor declares and warrants, pursuant to Section 287.135, Florida Statutes, that the Contractor is not on the Scrutinized Companies with Activities in the Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy List, which are created pursuant to Section 215.473, Florida Statutes. The Contractor acknowledges that Section 287.135, Florida Statutes, prohibits agencies from contracting with a company for goods or services if the company is on the Scrutinized Companies that Boycott Israel list, or is engaged in a boycott of Israel. The Contractor also acknowledges that Section 287.135, Florida Statutes, prohibits agencies from contracting with a company for goods or services of \$1,000,000 or more if the company is on the Scrutinized Companies with Activities in the Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy List, or is engaged in business operations in Cuba or Syria. The Contractor certifies, represents, and warrants to the County that the Contractor is not on (1) any of those lists, (2) the State of Florida's convicted vendor list pursuant to Section 287.133, Florida Statutes, or (3) the State of Florida's discriminatory vendor list pursuant to Section 287.134, Florida Statutes, nor is it engaged in a boycott of Israel or engaged in business operations in Cuba or Syria. The Contractor acknowledges and agrees that, pursuant to Section 287.135, Florida Statutes, the County may terminate this Agreement and civil penalties may be assessed against the Contractor if the Contractor is found to have submitted a false certification.

SECTION 7. Section 1.5.31 (Public Records Law) of the Contract is hereby deleted in its entirety and replaced with the following text:

1.5.31 Public Records Law.

In accordance with Chapter 119, Florida Statutes, any written documents that are submitted to the County will become the property of the County and will not be returned. All information contained within such documents shall be available for public inspection, except as otherwise provided under Chapter 119, Florida Statutes, or other Applicable Laws. If the Contractor claims that any documents provided to the County are exempt from Florida's public records laws, the Contractor must identify specifically any information that the Contractor considers confidential, proprietary, or trade secret, and the Contractor must specifically cite the applicable law creating such exemption. In the event that the County is served with a subpoena or order of a court or agency seeking disclosure of a document

identified by the Contractor as exempt from disclosure, the County shall notify the Contractor and provide the Contractor with an opportunity to seek an appropriate protective order or other relief. The County may disclose any document in accordance with a lawful court or agency order, in the event that the Contractor fails to obtain a protective order or other appropriate relief barring the disclosure of the Contractor's documents.

The Parties acknowledge and agree that the provisions below are required to be included in this Contract pursuant to Section 119.0701(2), Florida Statutes. The inclusion of this statement and the provisions below shall not be construed to imply that the Contractor has been delegated any governmental decision-making authority, governmental responsibility, or governmental function, or that the Contractor is acting on behalf of the County as provided under Section 119.011(2), Florida Statutes, or that the statements or provisions are otherwise applicable to the Contractor. As stated below, the Contractor may contact the County's custodian of public records with questions regarding the application of the public records law; however, the Contractor is advised to seek independent legal counsel as to its legal obligations. The County cannot provide the Contractor with advice regarding its legal rights or obligations. The County shall provide the Contractor with written notice if the name or contact information for the public records custodian changes.

The Contractor shall comply with any applicable provisions of the Public Records Law. Pursuant to Section 119.0701, Florida Statutes, the Contractor shall:

- (a) Keep and maintain public records required by the County to perform the services provided hereunder.
- (b) Upon request from the County's custodian of public records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed, except as authorized by law for the duration of the term of this Contract and following completion of this Contract if the Contractor does not transfer the records to the County.
- (d) Upon completion of the Contract, transfer, at no cost, to the County all public records in the possession of the Contractor or keep and maintain public records required by the County to perform the service. If the Contractor transfers all public records to the County upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable

requirements for retaining public records. All records stored electronically must be provided to the County, upon request from the County's custodian of public records, in a format that is compatible with the information technology systems of the County.

If the Contractor fails to comply with the requirements in this Section 1.5.31, the County may enforce these provisions in accordance with the terms of this Contract. If the Contractor fails to provide the public records to the County within a reasonable time, it may be subject to penalties under Section 119.10, Florida Statutes.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, THE CONTRACTOR SHOULD CONTACT THE COUNTY'S CUSTODIAN OF PUBLIC RECORDS BY TELEPHONE AT (904) 209-0805, OR E-MAIL AT PUBLICRECORDS@SJCFL.US, OR MAIL AT ST. JOHNS COUNTY ATTORNEY, ATTN: PUBLIC RECORDS CUSTODIAN, 500 SAN SEBASTIAN VIEW, ST. AUGUSTINE, FL 32084.

SECTION 8. Section 6.2 (METHOD OF CALCULATING SERVICE FEE) of the Contract is hereby deleted in its entirety and replaced with the following text:

6.2 METHOD OF CALCULATING SERVICE FEE

For performing its duties under this Contract, the Contractor shall be paid by the County a monthly Service Fee for each Operating Month. The Service Fee shall be computed in the following manner:

- (a) Reserved.
- (b) Per Ton Rate.
Exhibit "D-1" identifies the "Disposal Rate" that the County shall pay to the Contractor for the disposal of the County's Solid Waste at the approved Disposal Facility. The Disposal Rate shall take effect on August 1, 2022 and shall be adjusted each August 1 thereafter, as shown in Exhibit "D-1."

Exhibit "E" identifies the Solid Waste management facility proposed by the Contractor and accepted by St. Johns County as the primary Disposal Facility for this Contract.

- (c) Monthly Tonnage. At the end of each Operating Month the Department shall determine for said month the total tonnage ("Monthly Tonnage") of

Acceptable Waste that was removed and transported from the Transfer Station to the Disposal Facility by the Contractor.

The Department shall use the Transaction Summary Report produced by the County's automated data collection system to support the Department's calculation of the actual Acceptable Waste that was delivered by the Contractor to the Disposal Facility. The Monthly Tonnage shall be rounded to the nearest full Ton.

- (d) **Service Fee Calculation.** After each Operating Month, the Contractor will calculate the Service Fee for that Operating Month by multiplying the Monthly Tonnage by the sum of (1) the applicable Disposal Rate, as shown on Exhibit "D-1" and (2) the applicable "Loading and Transportation Rate," as indicated in Exhibit "D-1." The product of this calculation is the total amount of the Service Fee that is owed to the Contractor for the Operating Month. This calculation can be expressed as follows:

$$SF = MT \times (DR + LTR)$$

Where:

SF = Service Fee

MT = Monthly Tonnage

DR = Disposal Rate

LTR = Loading and Transportation Rate

- (e) **Loading and Transportation Rate Adjustment.** On August 1, 2023, and on every August 1 thereafter for the Term of the Contract, the "Loading and Transportation Rate" ("LT Rate") set forth in Exhibit "D-1" shall be adjusted in the manner described in this Section 6.2(e). The adjusted LT Rate shall be equal to:

(1) the average cost per Ton that the Contractor actually incurred when providing loading and transportation services during the period of April 1 to June 30 immediately preceding the date when the adjustment shall occur ("Adjustment Period"); plus

(2) a management fee, expressed in dollars per Ton, that is equal to fifteen percent (15%) of the amount described in (1), above.

Notwithstanding anything else herein, the management fee shall not be paid to the Contractor unless the Contractor employed one or more Subcontractors to provide loading and transportation services during the Adjustment Period. The adjustment shall be made if, no later than July 15, the Contractor has provided the County with (1) a copy of its contracts with any Subcontractors providing loading and/or transportation services during the Adjustment Period, (2) copies of invoices showing the amounts

Contractor was required to pay for loading and transportation services during the Adjustment Period, and (3) the appropriate calculation of the adjustment to the LT Rate.

(f) Reserved.

SECTION 9. Section 6.5.1 (Consumer Price Index Adjustment) of the Contract is hereby deleted in its entirety and replaced with the following text:

6.5.1 Reserved.

SECTION 10. Section 6.5.3 (Transportation Costs Adjustment) of the Contract is hereby deleted in its entirety and replaced with the following text:

6.5.3 Reserved.

SECTION 11. Exhibit "D" of the Contract is hereby deleted in its entirety and replaced with Exhibit "D-1" attached hereto.

SECTION 12. All of the provisions of the Contract shall remain in full force and effect, except as otherwise expressly provided in this Second Amendment.

SECTION 13. The Effective Date of this Second Amendment shall be the date first written above, which shall be the date when this Second Amendment is executed by the County. The Contractor shall execute this Second Amendment before the County.

IN WITNESS WHEREOF, the County and the Contractor have executed this Second Amendment, by and through their duly authorized representatives, as of the date first written above.

ATTEST: Brandon J. Patty, Clerk of the
Circuit Court & Comptroller

ST. JOHNS COUNTY, FLORIDA

By: _____
Deputy Clerk

By: _____
Henry Dean, Chair
Board of County Commissioners

APPROVED AS TO FORM:

By: _____
County Attorney's Office

CONTRACTOR

Waste Management Inc. of Florida

By: David M. Myhan
Name: David M. Myhan
Title: President

Witness #1

Jeffrey Granick
Signature of Witness
JEFFREY GRANICK
Print or Type Name of Witness

Witness #2

Nicole Cawley
Signature of Witness
Nicole Cawley
Print or Type Name of Witness

EXHIBIT "D-1"

**CONTRACTOR'S RATES FOR SOLID WASTE OPERATIONS,
TRANSPORTATION, AND DISPOSAL**

Rate Per Ton from August 1, 2022 through July 31, 2029, as described in this Contract.

	8/1/2022- 7/31/2023	8/1/2023- 7/31/2024	8/1/2024- 7/31/2025	8/1/2025- 7/31/2026	8/1/2026- 7/31/2027	8/1/2027- 7/31/2028	8/1/2028- 7/31/2029
Disposal Rate	\$19.32	\$22.91	\$27.19	\$28.28	\$29.41	\$30.59	\$31.81
Operations, Loading, and Transportation Rate	\$30.68	*	*	*	*	*	*
Total Rate Per Ton	\$50.00	*	*	*	*	*	*

* After August 1, 2023, the Operation, Loading, and Transportation Rate shall be determined as set forth in Section 6.2(e) of this Contract.

EXHIBIT "E"



February 4, 2022

Mr. Greg Caldwell
Public Works Director
St. Johns County
2740 Industry Center Rd.
St. Augustine, FL 3208

RE: Waste Management Inc. of Florida's Extension Proposal to the First Amendment to Amended and Restated Contract for Transfer Station Operations and Solid Waste Removal

Dear Mr. Caldwell:

Waste Management Inc. of Florida (WMIF) is pleased to provide St. Johns County a seven-year extension proposal to the First Amendment to Amended and Restated Contract for Transfer Station Operations and Solid Waste Removal. In our meetings with you and your staff, over the course of several months, we discussed multiple objectives for mutual agreement and long-term goals for both parties. Your Team tasked us to explore additional solutions to reduce our initial proposal.

WMIF accomplished the following:

- 1) WMIF worked with Charlton County, GA to eliminate their host fee of 3% which reduced the disposal rate by \$0.47/ton. * *In year one, this equates to a \$108,100 annual savings.*
- 2) WMIF reduced the transportation rate by approximately \$2/ton because the Fuel Index Adjustment Component of the contract will be eliminated under a cost-plus model for transportation. * *In year one, this equates to a \$460,000 annual savings.*
- 3) WMIF reduced the management fee on the transportation cost-plus model from 20% down to 15%. This reduced the transportation rate from \$32.02 to \$30.68 a difference of a \$1.34/ton. This is based on the weighted average hauling cost between Stratton & Tillman on January 1, 2022 rates from CEI. * *In year one, this equates to a \$308,200 annual savings.*
- 4) WMIF agreed to do an annual adjustment on the transportation cost-plus model instead of a monthly adjustment.
- 5) At your request, WMIF agreed to "stair step" the necessary increase by reducing the Year One rates in order to ease the immediate impact to the County budget in year one. In doing this, WMIF is agreeable to a predetermined disposal rate/ton for each of the seven years of the proposal (as outlined below).

These five adjustments, made through good faith negotiations with the County, result in a Year One rate decrease of \$8.47/ton from \$58.47/ton to \$50/ton which is estimated to save the County \$1.948 Million in Year One. Over the seven-year term of the contract, these changes are

February 4, 2022

projected to reduce the County’s overall spend by \$4.284 million compared to the original proposal presented on 7/8/21.

***NOTE:** *The above annual cost savings figures were determined using 230,000 tons per year for the first year of the contract with an assumed annual volume increase of 1.5% in years two through seven.*

	Current Rate	YR01	YR02	YR03	YR04	YR05	YR06	YR07
Original Proposal on 7/8/21		\$ 58.47	\$ 60.22	\$ 62.02	\$ 63.88	\$ 65.80	\$ 67.78	\$ 69.81
Proposed Disposal Rate		\$ 19.32	\$ 22.91	\$ 27.19	\$ 28.28	\$ 29.41	\$ 30.59	\$ 31.81
Trans & Loading at 15% Cost Plus		\$ 30.68	\$ 32.09	\$ 33.34	\$ 34.65	\$ 36.00	\$ 37.41	\$ 38.88
Total Rate per Ton	\$ 43.69	\$ 50.00	\$ 55.00	\$ 60.53	\$ 62.93	\$ 65.41	\$ 68.00	\$ 70.69

WMIF is proposing a 7-year predetermined disposal rate for each of the seven years. WMIF is proposing a transportation rate that is a cost-plus 15% management fee model that is annually adjusted. WMIF proposes that we show the County our actual transportation and loading costs for the quarter proceeding the annual anniversary dates of the contract in order to set the following year’s transportation and loading base rates, then add the 15% management fee. This approach affords the County the “buying power” of Waste Management’s broad network of disposal lanes across many states in order to allow us to provide St Johns County the most cost-effective rates possible.

WMIF remains committed to our partnership with St. Johns County and thank you for affording us the opportunity to make this official proposal.

Sincerely,



Greg Huntington
 Waste Management
 Public Sector Solutions

- cc: Christy Stewart: Assistant Solid Waste Manager (St. Johns County)
- Ashley Mickler: Solid Waste Division Supervisor (St. Johns County)
- Lisa McNeight: Director, Public Sector Solutions (Waste Management)
- Marcel Dalby: Area General Manager (Waste Management)



February 4, 2022

Mr. Greg Caldwell
Public Works Director
St. Johns County
2740 Industry Center Rd.
St. Augustine, FL 3208

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These five adjustments, made through good faith negotiations with the County, result in a Year One rate decrease of \$8.47/ton from \$58.47/ton to \$50/ton which is estimated to save the County \$1.948 Million in Year One. Over the seven-year term of the contract, these changes are

February 4, 2022

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***NOTE:** *The above annual cost savings figures were determined using 230,000 tons per year for the first year of the contract with an assumed annual volume increase of 1.5% in years two through seven.*

	Current Rate	YR01	YR02	YR03	YR04	YR05	YR06	YR07
Proposed Disposal Rate		\$ 19.32	\$ 22.91	\$ 27.19	\$ 28.28	\$ 29.41	\$ 30.59	\$ 31.81
Trans & Loading at 15% Cost Plus		\$ 30.68						
Total Rate per Ton	\$ 43.69	\$ 50.00						

WMIF is proposing a 7-year predetermined disposal rate for each of the seven years. WMIF is proposing a transportation rate that is a cost-plus 15% management fee model that is annually adjusted. WMIF proposes that we show the County our actual transportation and loading costs for the quarter proceeding the annual anniversary dates of the contract in order to set the following year's transportation and loading base rates, then add the 15% management fee. This approach affords the County the "buying power" of Waste Management's broad network of disposal lanes across many states in order to allow us to provide St Johns County the most cost-effective rates possible.

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Sincerely,



Greg Huntington
Waste Management
Public Sector Solutions

cc: Christy Stewart: Assistant Solid Waste Manager (St. Johns County)
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