Introduced by the Council President at the request of the Mayor:

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## ORDINANCE 2023-22

AN ORDINANCE APPROVING AND AUTHORIZING THE MAYOR, OR HIS DESIGNEE, AND THE CORPORATION SECRETARY TO EXECUTE A THIRD AMENDMENT TO THE EXISTING AGREEMENT WITH WASTE MANAGEMENT INC. OF FLORIDA, SETTING RATES FROM THE 2022 RATE REVIEW COMMENCING OCTOBER 1, 2022, SETTING FUEL CAPS FOR FISCAL YEAR 2022-2023, AND APPROVING THE PREMISE COUNT CONDUCTED IN CONNECTION WITH THE RATE REVIEW; PROVIDING FOR A MARKUP ON EXPENSES; PROVIDING FOR CITY OVERSIGHT BY THE SOLID WASTE DIVISION OF THE DEPARTMENT OF PUBLIC WORKS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 382, Part 3, Ordinance Code, provides for a rate review to determine the rate and measure of compensation to be paid under each residential waste and recycling contractor's Agreement for Residential Waste and Recycling Collection and Transportation Services with the City, and the resulting contracts with each residential waste and recycling contractor likewise provide for a rate review and rate adjustment; and

WHEREAS, the Council approved an amended and restated contract with Advanced Disposal Services Jacksonville, LLC pursuant to Ordinance 2015-477-E (the "Contract"); and

WHEREAS, the Contract was subsequently amended by that certain First Amendment approved by the Council pursuant to Ordinance 2017-57-E and that certain Second Amendment approved by the Council pursuant to Ordinance 2020-205-E; and WHEREAS, effective December 31, 2022, Advanced Disposal Services of Jacksonville, LLC merged with Waste Management Inc. of Florida ("Waste Management") and the Council approved an assignment and transfer of the Contract to Waste Management pursuant to Ordinance 2022-34-E; and

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WHEREAS, the Council Auditor and City Administration performed a rate review of the compensation previously paid and projected to be paid to Waste Management for residential waste (garbage, yard waste, tires, and white goods) and recycling collection and transportation services to the City, and reported their review and rate recommendation to the Council; and

WHEREAS, the Council has established a rate to be paid to Waste Management; now, therefore

**BE IT ORDAINED** by the Council of the City of Jacksonville:

Approval and Authorization to Execute. Section 1. The terms established by the Council Rate Review Process as set forth in Exhibit 1, attached hereto and incorporated herein by this reference, are hereby approved, and the Mayor, or his designee, and the Corporation Secretary are hereby authorized to execute a Third Amendment to Amended and Restated Agreement for Residential Waste and Recycling Collection and Transportation Services (Service Area I) City and Waste Management between the Inc. of Florida, in form attached hereto as **Exhibit 2** and substantially the same incorporated herein by this reference. The Third Amendment incorporates the terms set forth in Exhibit 1.

Section 2. Mark-up on Expenses. The monthly base rate component of \$14.00 set forth in Exhibit 1 represents a mark-up of 18.00% from agreed upon operating expenses of \$11,073,729.00 before profit, interest expenses, and corporate taxes.

30 Section 3. Oversight. The Solid Waste Division of the
31 Department of Public Works shall oversee the Contract described

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herein.

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Section 4. Effective Date. This Ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

Form Approved:

/s/ Mary E. Staffopoulos

Office of General Counsel

10 Legislation prepared by: Mary E. Staffopoulos

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