

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2023-22

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: January 10, 2023

Committee(s) of Reference: NCSPHS, F, TEU

Date of Analysis: January 12, 2023

Type of Action: Authorizing execution of amended waste hauler contract; designation of oversight agency

Bill Summary: The bill authorizes execution of a third amended waste hauler contract between the City and Waste Management Inc. of Florida for solid waste, yard waste and recyclables collection services. It establishes the mark-up rate on expenses and designates the Solid Waste Division of the Public Works Department as the oversight agency for the contract.

NOTE: see companion bill 2022-18 for appropriation of contract funding.

Background Information: Waste Management Inc. is the successor company operating under a contract first entered into by the City with Advanced Disposal Services of Jacksonville LLC in 2015 and subsequently amended in 2017 and 2020. Following a full rate review by the Rate Review Committee, the revised contract provides for the following terms:

- The base rate per premises will increase from \$10.65 to \$14 effective October 1, 2022.
- The mark-up rate is 18% on operating expenses before profit, interest expenses and corporate taxes
- The fuel cap will be 351,287 gallons for FY22-23
- The premises count effective October 1, 2022 will be 77,139
- The travel time hourly rate per route is \$123 for FY22-23
- If and when a storm emergency event is declared the rate for storm yard waste collection is \$127.50 per ton

Policy Impact Area: Solid waste management

Fiscal Impact: Ordinance 2022-18 appropriates \$2,781,251 for additional contract costs

Analyst: Clements