



**City of Coral Gables
CITY COMMISSION MEETING
December 14, 2010**

ITEM TITLE:

Resolution authorizing the execution of a Solid Waste Franchise Agreement (Agreement) with Waste Management Inc. of Florida (WMIF) and authorizing a waiver of the City's Procurement Code to allow the award of the Agreement to WMIF pursuant to Section 2-583(d) of the Procurement Code

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

The City has a Solid Waste And Recycling Collection Service Contract (Contract) with WMIF. The Contract authorizes WMIF to collect solid waste and recyclable materials from multi-family residences and commercial businesses in the City. The Contract is scheduled to expire on March 30, 2011.

The proposed Solid Waste Franchise Agreement (Agreement) will replace the Contract, effective January 1, 2011. The Agreement will authorize WMIF to continue providing its services in the City until September 30, 2018. The Agreement may be renewed and extended for an additional two years, at the City's option.

The City's consultants (R.W. Beck, Inc. and Redman Consulting Group, Inc.) have concluded that the Agreement provides an attractive combination of economic and other benefits for the City, its residents, and business. The Agreement requires WMIF to make significant contractual and economic concessions. Under the Agreement: (a) the rates for all customers will be reduced 2.5%; (b) the rates paid by the City for the disposal of yard trash will be reduced 25% (i.e., from \$40 per ton to \$30 per ton); and (c) many of the costs incurred by the City for its solid waste management programs will be paid by WMIF. The Agreement contains comprehensive and detailed requirements, and enforcement mechanisms, to govern WMIF's performance.

Awarding the Agreement to WMIF will avoid the disruptions in service that would occur if the City awarded the Agreement to a different company. However, the requirements of the City's procurement code must be waived in this case because the City has negotiated the terms of the Agreement.

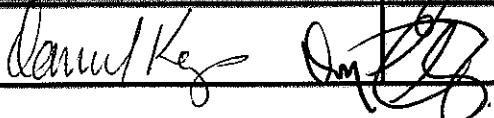
LEGISLATIVE ACTION:

| Date | Resolution/Ordinance | Comments |
|-------------------|---------------------------|---|
| June 5, 2000 | Resolution No. 29954 | Approved Contract with WMIF (effective October 1, 2000 through September 30, 2005). |
| December 13, 2005 | Resolution No. 2005-227.1 | Approved Addendum to Contract. The Addendum extended the Contract through September 30, 2010. |
| June 1, 2010 | Resolution No. 2010-108 | Approved Second Addendum to Contract |
| August 24, 2010 | Resolution No. 2010-174 | Approved Third Addendum to Contract. This addendum authorized the City to extend the Contract (if necessary) in 3-month increments from October 1, 2010 until July 1, 2011. |

FINANCIAL INFORMATION: (If Applicable)

| No. | Amount | Acct. No. | Source of Funds |
|-----|----------------|-----------|-----------------|
| | Not applicable | | |

APPROVED BY:

| Department Director | CW Attorney (If Applicable) | City Manager |
|---|-----------------------------|---|
|  | |  |

Attachments:**Resolution**

**Letter from R.W. Beck, Inc and Redman Consulting Group, Inc.
Solid Waste Franchise Agreement**