

**FOURTH CONTRACT AMENDMENT INCLUDING
THIRD CONTRACT EXTENSION**

FOR

RESIDENTIAL COLLECTION AND DISPOSAL OF SOLID WASTE, YARD WASTE,
AND RECYCLING

Between

THE CITY OF ALACHUA, FLORIDA (“CITY”)

And

WASTE PRO OF FLORIDA, INC. (“CONTRACTOR”)

THIS AGREEMENT, contingent upon the approval of the City of Alachua City Commission, made effective October 1st, 2022, by and between the City of Alachua, Florida, herein referred to as “CITY” and Waste Pro of Florida, Inc., herein referred to as “CONTRACTOR”.

All references in this Fourth Amendment shall refer to the like Section, paragraph, and sub paragraph of the Original Contract dated January 1, 2009. Each referenced Section, paragraph, and sub paragraph as set forth below is rewritten in part and is intended and agreed to be substituted for the original contract language including as it may be heretofore amended by amendments one, two and three.

The CITY and CONTRACTOR enter this fourth amendment to continue providing, through CONTRACTOR, high quality services for the collection and disposal of residential garbage, refuse, yard trash, waste, and other collections along with the processing of recyclable materials within the city limits of the City of Alachua. The collection and disposal of solid waste and the processing of recyclable materials are extremely important services. This fourth amendment, including a third extension, is made to the contract effective January 1, 2009, that was first amended November 17, 2011, second amendment executed May 5, 2014, and third amendment dated August 22, 2016 and it is hereby agreed that it is in the best interest of CITY (the public) and CONTRACTOR to further modify and extend, the term and conditions of the contract, as previously amended. All other terms and conditions not in conflict with this Fourth Amendment are herein incorporated as if fully restated herein.

THEREFORE, in consideration of the mutual covenants, agreements and considerations contained herein, CITY and CONTRACTOR hereby agree as hereinafter set forth:

SECTION 3 - RATE ADJUSTMENTS

A. CHANGES IN COST OF DOING BUSINESS AND COLLECTION RATES:

The fees or compensation payable to the CONTRACTOR for the second and subsequent years of the term of this fourth amendment may be adjusted upward or downward from the Base Price on the anniversary date (beginning October 1, 2023) upon written request of

CITY or the CONTRACTOR at least 90 days (July 1) before the anniversary date. If requested, the rate adjustment shall be equal to the annual net change in the Consumer Price Index (CPI) for All Urban Consumers, published by the US Department of Labor, Bureau of Labor Statistics. This annual net change shall be measured by taking the current year annual rate and comparing it to the preceding calendar year annual rate. For example, 2022 and each year thereafter, the calculation would compare the twelve-month period ending in September 2022, to a like period in 2021. The CPI adjustment shall then be added to the Base Price. The CPI adjustment will only be applied to the cost of collection and will not be applied to the disposal costs. Any requests for changes in disposal costs shall follow the method described in Section 3 B. Both CITY and the CONTRACTOR have the right to request a separate rate adjustment due to increases or decreases in disposal costs. If either rate adjustment is not requested by one or both parties, the rate adjustment for that particular 12 month period shall be deemed waived by one or both parties and shall not be taken into consideration in future rate adjustments. The City Manager shall have the administrative authority to ratify all rate adjustments requested by either party but the CONTRACTOR shall have the right to appeal any such decision to the City Commission and the decision of the Commission shall be final and binding. However, adoption of an Ordinance to amend Section 30-34 of the City Code shall be required in order to pass on any rate adjustments as billed to City customers.

B. UNUSUAL CHANGES AND DISPOSAL COSTS:

The CONTRACTOR or CITY may petition the other on the anniversary date, beginning October 1, 2023, for rate adjustments or at reasonable times on the basis of unusual changes in cost of doing business such as revised laws, ordinances or regulations, changes in location of disposal sites or changes in disposal charges. Both the CITY and the CONTRACTOR acknowledge that the disposal cost per ton was to increase by \$1.50 to a new rate of \$53.50 at the Alachua County Landfill effective October 1, 2022. The announced new rate was then included in the base rate to be set forth in Section 7 below. However, the City was notified by County Staff on August 15, 2022 that the County disposal fee was to be adjusted up from the announced increase of \$1.50 per ton to \$5.00 per ton. The distributed cost of the additional disposal fee (\$3.50/per ton) yields an increase of 33 cents per month per residential customer. The Alachua County Board of County Commissioners, on August 16, 2021, by Resolution No. 22-0155, officially adopted the \$5.00 per ton increase to be effective 10-1-22. The added 33 cent per City Customer disposal fee cost was negotiated between CITY and CONTRACTOR and fully added to and incorporated in the CONTRACTOR rate

The City reserves the right at any time to directly pay disposal costs. In which instance the CONTRACTOR shall immediately negotiate residential rates which exclude disposal costs. It is recognized that the actual disposal costs charged, effective 10-1-22 to the CONTRACTOR by Alachua County for disposal of residential solid waste are included in

the rate to be paid CONTRACTOR pursuant to this Agreement. Disposal costs are subject to change. In the event of such change, the rate charged to the City shall be commensurate to the actual disposal charge to Waste Pro. The City Manager shall have the administrative authority to ratify all rate adjustments requested by the CONTRACTOR or CITY. However, CONTRACTOR reserves the right to appeal any such decision to the City Commission and the decision of the Commission shall be final and binding. Adoption of an Ordinance to amend Section 30-34 of the City Code shall be required in order to pass on any rate adjustments billed to City customers.

SECTION 7 - CONTRACTOR'S RELATION TO THE CITY

I. SCHEDULE OF PAYMENTS

For and in consideration of the services to be performed by CONTRACTOR pursuant to this agreement, the City agrees to make payments to the CONTRACTOR as follows:

1. The CONTRACTOR will submit an invoice to the City by 10th of the month following the month of service. The City will remit payment to the CONTRACTOR within thirty (30) days of receipt of invoice. City shall pay a service charge on all past due amounts (over 30 days aged) accruing from the date of the invoice at a rate of eighteen percent (18%) per annum.
2. The invoice shall be computed by multiplying the initial number of residential units being provided refuse service in the service area times the "Base Price" per unit. The City and the CONTRACTOR agree that the initial number of residential units being billed for refuse in the service area is 3,860. No adjustment to the herein agreed Base Price of \$23.08 effective October 1st, 2022, for either CPI or disposal fee may be effective until October 1, 2023 as provided for in Section 3, except, should the \$5.00 per ton disposal cost described in Section 3 be delayed in its implementation or reduced in amount, a corresponding adjustment will be made in the base rate paid Waste Pro. Further, the number of residential units being provided refuse service shall be reviewed once per year on the anniversary date beginning October 1, 2023. This count shall be provided to the CONTRACTOR and serve as the basis for future monthly billings to the City and for any funds due to/from the CONTRACTOR. If a significant number of households is annexed into the City or otherwise added to the agreed 3,860 as set forth in this Section, a revised count shall be done at that time.

SECTION 8 - QUALITY OF SERVICE

E. GUARANTEES OF PERFORMANCE

PERFORMANCE BOND: The CONTRACTOR, no later than September 28, 2022 at 4 PM shall deposit with the City a performance bond in the amount of one hundred thousand U.S. dollars (\$100,000) as a guarantee to the City of faithful performance under the terms of this contract. In no event shall the bond be less than \$100,000. The bond shall be maintained for the duration of this contract. CONTRACTOR shall supply the City with a new annually renewable bond at least 30 days prior to the expiration of any bond. Failure to keep the bond in full force and effect shall be a material breach and entitle the City to immediately terminate the Contract. This performance bond shall be written by a company with a Class 9, A or high financial rating as shown in Best's Key Rating Guide.

WHEREFORE, The CITY and the CONTRACTOR, based in the recognition of the high level of service delivered by CONTRACTOR in performance of its obligations under the contract, its agreement to maintain the same level of service and cooperation and the financial consideration set forth that provide for stable collection costs for ratepayers and the meeting of administrative costs for the CITY, agree to extend the term of the current contract, as provided for in Section 6. C., to an expiration date of September 30, 2026.

All other terms and conditions set forth in the current agreement as amended, not in conflict with this amendment, remain unchanged and in full force and affect.

IN WITNESS WHEREOF, the City of Alachua and Waste Pro of Florida, Inc. have caused this amendment and extension of the contract to be executed.

****Signature Page Follows****

THIS AGREEMENT approved by the Alachua City Commission on _____, 2022.

CITY OF ALACHUA, FLORIDA

By: _____
Gib Coerper, Mayor

ATTEST

By: _____
W. Michael DaRoza, City Manager /Clerk

Date: _____

Date: _____

APPROVED AS TO FORM:

Marian B Rush, City Attorney

Date: _____

WASTE PRO OF FLORIDA, INC.

Brian Wintjen, Regional Vice President

ATTEST

By: _____

Date: _____

Date: _____