

February 5, 2008

SOLID WASTE DISPOSAL DISTRICT

The Board of Commissioners of the Solid Waste Disposal District met at the County Commission Chambers, 1801 27th Street, Vero Beach, Florida, on Tuesday, February 5, 2008. Present were Chairman Sandra L. Bowden, Vice Chairman Wesley S. Davis, and Commissioners Joseph E. Flescher, Peter D. O'Bryan and Gary C. Wheeler. Also present were County Administrator Joseph A. Baird, County Attorney William Collins, II, and Deputy Clerk Athena Adams.

The Chairman called the meeting to order at 11:02 a.m.

14.B.1. APPROVAL OF MINUTES MEETING OF JANUARY 15, 2008

The Chairman asked if there were any additions, deletions or corrections to the Minutes of the Regular Meeting of January 15, 2008. There were none.

ON MOTION by Commissioner Wheeler, SECONDED by Commissioner Flescher, the Board unanimously approved the Minutes of the Regular Meeting of January 15, 2008, as written.

14.B.2 WASTE HAULING FRANCHISE

Utilities Director Erik Olson described the County's waste hauling system, and disclosed that the current Franchise Agreements with Waste Management and Treasure Coast expire in September 2009. He presented and explained the following four (4) options from which the Board may choose to approve:

1. Open the current contracts for open bid at this time rather than waiting for the expiration of the contracts in September 2009.
2. Open the current contracts for negotiations at this time rather than waiting for the expiration of the contracts in September 2009.
3. Wait until the current contracts are about to expire in September 2009 and bid the contracts at that time.
4. Wait until the current contracts are about to expire in September 2009 and then negotiate a new contract with the two existing solid waste haulers.

Himanshu Mehta, Managing Director of the Solid Waste Disposal District, provided further details on the process of waste haulage and disposal, and the need to change our recycling program.

Administrator Baird also explained some of the reasons staff wants to change the recycling program.

MOTION WAS MADE by Commissioner Wheeler, SECONDED by Vice Chairman Davis, under discussion, to approve Option 1 - "Open the current contracts for open bid at this time rather than waiting for the expiration of the contracts in September 2009."

Discussion ensued among Board members regarding which option was best. They also looked at and compared how other counties were handling their waste programs.

Director Mehta responded to Commissioner Flescher's question of how prepared we are to shift into this new program. He also responded to questions from other Commissioners. Commissioner Flescher did not know if moving forward with this option was wise because the market was extremely volatile. Board members continued to discuss and contemplate the best option.

Denise Arnold, Arnold's Cleanup, understood this is recycling, but was concerned about the small haulers that are doing the construction and demolition (C&D), and that years ago the franchise was that one could not have a dumpster over 15 yards and now there is talk of 20-yard dumpsters. She asked what would happen if that yardage is changed.

Vice Chairman Davis and Utilities Director Erik Olson responded to Ms. Arnold's concerns. Director Olson asked that the County be in a position to ensure that we do not lose the 6% franchise fee, and that whatever we negotiate in the process captures that back into the system. Ms. Arnold and staff engaged in further discussion regarding outsiders using 20-yard dumpsters versus her smaller ones.

Tod Westover, Treasure Coast Refuse, agreed with Ms. Arnold that the franchise agreement states that the 6% franchise fee is paid on gross revenues. He provided his knowledge of the waste industry, and displayed comparative researched data in support of his arguments. He highlighted his organization's achievements and expertise, his employees' character and ability, and the services they provide.

George Geletko, representing Waste Management as its Florida Governmental Affairs Director, reminded the Board of his company's commitment and expertise in getting the job done. He presented a copy of Waste Pro's proposed fee increase, and compared rates from other counties and different companies. He thereafter responded to questions from Commissioner Wheeler regarding residential rates for haulage of trash in St. Lucie County.

Ardra Rigby, Capital Sanitation, talked about language in the contract that has provision for "small/minority participation". He presented arguments showing why the contract should not go out for bid. He asked that the Board get a hauler that would be willing to work with minority contractors. He suggested the County "could put the whole thing out and let it be mandatory pickup" even for residential, and that would bring the cost down. He appealed to the Board to enforce the language in the contract to promote fairness. He asked the Board to consider minority contractors.

Bill Rigby supported his brother's plea to the Board for consideration of minority businesses. He urged the Board to put some strong language in the contract aimed to protect local businesses/minority. He asked the Board to not put words like "encourage", but to put words like, "they will", and "they shall".

Russell MacKie, Regional Vice President of Waste Pro, Florida, informed the Board that they are interested in bidding for the contract. He provided a brief history of the services

provided by his company, and informed the Board that the letter given to the Board by George Geletko was a proposal that was withdrawn sometime ago, and also that the figures they charge St. Lucie County are inclusive of disposal. He hoped the Board would afford them the opportunity to bid on the contract if the Board went that way.

Rod Delacruz, 3D Waste Services, talked about language in the contract regarding haulage that is hidden. He informed the Board that “If you open this up you are making us obsolete.”

Joseph Paladin, President of Atlantic Coast Construction & Development, supported anything the Board could do to protect the interest of local businesses. He thought the Board should start thinking about the repercussions if more local people go out of business. He believed language should be kept in the contract for the 15-yard roll-off, and the issue be looked at very closely before anything is changed.

Scott Harrington, H&H Dumpsters, briefly described his business. He disclosed that he spent \$100,000.00 to comply with County rules for roll-off dumpsters, and felt that for the County to change the rules years later to invite outsiders would hit hard and would not be fair to him. He begged the Board to consider the small local people who have served the County well.

Chairman Bowden expressed appreciation for small local businesses. Discussion ensued regarding the change in haulage from 15 to 20-yard dumpsters. Vice Chairman Davis favored putting a level of protection in the contract for small businesses.

Vice Chairman Davis wanted to know if the County would violate the Franchise Agreement if it was put out to bid. Assistant County Attorney Marian Fell did not believe there

would be a violation because the Franchise Agreement is a privilege. Attorney Fell provided an update on the Franchise Agreement including the requirements and provisions of said Agreement.

The Board continued to discuss the options presented and the increase in renewal rates. Chairman Bowden did not think they needed to put undue pressure on our local economy. She echoed Commissioner O'Bryan's sentiments of giving opportunities where available.

Charlie Wilson, 1936 19th Avenue, believed in the bidding process, and thanked Administrator Baird for bringing this forward. He supported protective language being in the contract for new, growing, and minority businesses in the County.

Mr. MacKie cleared up comments about price comparisons from unincorporated St. Lucie County.

Bob Johnson, Coral Wind Subdivision, hoped the Board was not following the process Mr. Gary Pinto had a decade ago.

Mr. Paladin did not understand Mr. Johnson's statement. He agreed with Commissioner O'Bryan that incorporation of wording discussed ("they shall", and "under 15 yards" on the dumpster) was important.

Vice Chairman Davis was not in favor of mandatory pickup. Administrator Baird said maybe they could do an RFQ (Request for Qualifications) and discuss the matter with everyone, and they could negotiate.

Director Olson recommended a negotiation process, if the Board had to make a choice. He thought there was some possibility, if they go out to bid, that the bar would be set for the process.

Commissioner Wheeler **withdrew** his Motion for approval of Option 1.

Commissioner Wheeler thought that if we are going to negotiate, we should probably wait until we are close to the expiration date of the current contracts. He did not have a strong feeling on either option.

MOTION WAS MADE by Commissioner Wheeler, SECONDED by Vice Chairman Davis, to approve Option 2 – “Open the current contracts for negotiations at this time rather than waiting for the expiration of the contracts in September 2009.”

Director Olson supported the Option. Commissioner Flescher was concerned with ending this prematurely and the need for changes in this uncertain economic climate. Board members and staff continued to discuss the options presented.

The Chairman CALLED THE QUESTION and the Motion carried unanimously. The Board approved Option 2 - “Open the current contracts for negotiations at this time rather than waiting for the expiration of the contracts in September 2009.”

**14.B.3. AMENDMENT NO. 1 TO WORK ORDER NO. 8 – CAMP
DRESSER & MCKEE, INC. FOR ADDITIONAL ENGINEERING
SERVICES RELATED TO THE 2007 ANNUAL FINANCIAL
ASSURANCE REPORT**

MOTION WAS MADE by Vice Chairman Davis, SECONDED by
Commissioner O'Bryan, to approve staff's recommendations (a) & (b).

Commissioner O'Bryan asked if we could send a bill to the Department of Environmental Protection (DEP) for the additional cost. Director Mehta responded to Commissioner O'Bryan's question.

The Chairman CALLED THE QUESTION and the Board unanimously approved Amendment No. 1 to Work Order No. 8 with Camp Dresser & McKee, Inc., in the amount of \$6,980.00 to provide additional engineering services related to the Annual Financial Report. The Board also authorized the Chairman to execute said Amendment, as recommended in the memorandum of January 14, 2008.

AMENDMENT ON FILE IN THE OFFICE OF THE CLERK TO THE BOARD

**14.B.4. WORK ORDER NO. 10 TO CAMP DRESSER & MCKEE, INC.
FOR ENGINEERING SERVICES WITH THE 2008 ANNUAL FINANCIAL
REPORTS & GENERAL TECHNICAL ASSISTANCE**

ON MOTION by Vice Chairman Davis, SECONDED by Commissioner Flescher, the Board unanimously approved Work Order No. 10 with Camp Dresser & McKee, Inc., in the amount of \$82,170.00 to provide engineering services related to the Annual Financial Reports and General Technical Assistance. The Board also authorized the Chairman to execute said Work Order, as recommended in the memorandum of January 14, 2008.

WORK ORDER ON FILE IN THE OFFICE OF THE CLERK TO THE BOARD

ADJOURNMENT

There being no further business, on Motion duly made, seconded and carried, the Board adjourned at 12:27 p.m.

ATTEST:

Jeffrey K. Barton, Clerk

Sandra L. Bowden, Chairman

Minutes Approved: _____

aa/SWDD Minutes

February 5, 2008

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