

AGENDA
SHAWNEE MUNICIPAL AUTHORITY
May 21, 2018 AT 6:00 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

All motions will be made in the affirmative. The fact that a commissioner makes or offers a second to a motion does not mean that the commissioner must vote in favor of passage.

1. Consider approval of Consent Agenda:

- a. Minutes from the May 7, 2018 regular meeting.
- b. Confirm action taken by the City Commission on Consent Agenda Item No. 1(e) regarding acknowledgement of the Central Disposal contract for Fiscal Year 2018-2019.

2. New Business

(Any matter not known about or which
could not have been reasonably foreseen
prior to the posting of the agenda)

3. Adjournment

Respectfully submitted

Phyllis Loftis, CMC, City Clerk

Shawnee Municipal Authority

1.a.

Meeting Date: 05/21/2018

Minutes

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the May 7, 2018 regular meeting.

Fiscal Impact

Attachments

SMA Minutes

THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION IN THE COMMISSION CHAMBERS AT CITY HALL, 9TH AND BROADWAY, SHAWNEE, OKLAHOMA, MONDAY, MAY 7, 2018, DURING THE BOARD OF CITY COMMISSIONERS MEETING AT 6:00 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Bushong, Gillham, Harrod, Finley, Rutherford, Shaw, Salter

ABSENT: None

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda:

a. Minutes from the April 16, 2018 regular meeting.

A motion was made by Trustee Shaw, seconded by Trustee Harrod, to approve Consent Agenda Item No. 1(a). Motion carried 7-0.

AYE: Shaw, Harrod, Finley, Rutherford, Salter, Bushong, Gillham

NAY: None

AGENDA ITEM NO. 2: Presentation of preliminary Shawnee Municipal Authority budget for Fiscal Year 2018-2019.

Finance Director Cynthia Arnold gave a presentation of the preliminary Shawnee Municipal Authority budget for Fiscal Year 2018-2019.

AGENDA ITEM NO. 3: New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 4:

Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (6:59 p.m.)

RICHARD FINLEY
CHAIRMAN

ATTEST:

LISA LASYONE, CMC, SECRETARY

Shawnee Municipal Authority

1.b.

Meeting Date: 05/21/2018

Central Disposal

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Confirm action taken by the City Commission on Consent Agenda Item No. 1(e) regarding acknowledgement of the Central Disposal contract for Fiscal Year 2018-2019.

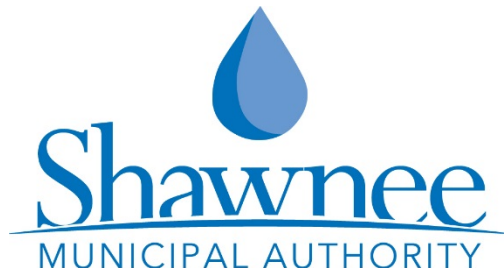
Fiscal Impact

Attachments

Central Disposal Memo

Central Disposal Contract

Central Disposal Addendum



MEMORANDUM

To: Justin Erickson, City Manager.
From: Steve Nelms, Utility Director
CC: Mayor, and City Commission.
Date: 05/21/2018
Re: Acknowledge the Solid Waste Contract

Nature of the Request: Staff is respectfully requesting that the City Commission acknowledge the solid waste contract with Central Disposal for FY18/19.

Staff Analysis, Considerations: Central Disposal has done an outstanding job providing weekly solid waste and recycling curb side pickup.

Recommendation: Staff respectfully recommends that the City Commission acknowledge the request.

Budget Consideration: Monies have been budgeted for FY18/19.

**CONTRACT
FOR
SOLID WASTE COLLECTION
AND
DISPOSAL SERVICES**

This contract, made and entered into this 1st day of July, 2010, by and between the Shawnee Municipal Authority, a public Trust for the benefit of the City of Shawnee, hereinafter referred to as "AUTHORITY" and

Central Disposal LLC, a limited liability company,
Hereinafter referred to as "CONTRACTOR."

WHEREAS, the AUTHORITY did on the 19th day of April, 2010 vote to accept the solid waste and disposal service proposal submitted by the CONTRACTOR pursuant to a request for proposals issued by the AUTHORITY, to collect, remove and dispose of all residential solid waste within the City of Shawnee, and to perform other such work as may be incidental thereto, for the period from July 1, 2010 through June 30, 2020, inclusive; all of the expense of every nature or kind incurred in collection, removing and disposing of said solid waste to be paid by the CONTRACTOR.

NOW, THEREFORE, in consideration of the following mutual agreements and covenants herein contained, it is understood and agreed by and between CONTRACTOR and the AUTHORITY that:

- I. The term of this contract is from July 1, 2010 to June 30, 2020. Divided into ten (10) periods as follows:

Period 1-July 1, 2010 to June 30, 2011
Period 2-July 1, 2011 to June 30, 2012
Period 3-July 1, 2012 to June 30, 2013
Period 4-July 1, 2013 to June 30, 2014
Period 5-July 1, 2014 to June 30, 2015
Period 6-July 1, 2015 to June 30, 2016
Period 7-July 1, 2016 to June 30, 2017
Period 8-July 1, 2017 to June 30, 2018
Period 9-July 1, 2018 to June 30, 2019
Period 10-July 1, 2019 to June 30, 2020.

At the end of each period of the contract, the AUTHORITY has the sole discretion to continue the contract for the succeeding period of the contract or to discontinue the Contract with no penalty upon ninety (90) day written notice to the CONTRACTOR.

- II. The above referenced Proposal, the Request for Proposals, General and Special Conditions, Performance, Payment, and Guarantee Bonds are expressly made a part of

COPY

this contract by reference as though fully set out verbatim herein, and are attached hereto as Exhibit "A". Bonds will be for one year increments, renewed annually, and must be received 60 days prior to the next contract period.

III. The AUTHORITY agrees to pay and the CONTRACTOR agrees to accept, in full consideration for the performance of the CONTRACTOR'S obligations, compensation to be computed as the unit prices set forth in the Schedule of Quotes, attached hereto as Exhibit "B". CONTRACTOR agrees that the rates contained in Exhibit B will not change for the entire term of the contract, subject to the following:

Fees which may be charged by the CONTRACTOR for the second and subsequent period of the contract will cover all paid services the AUTHORITY utilizes at that time and can be adjusted upward or downward to reflect changes in the cost of operations, as reflected by fluctuations in the Consumer Price Index for Urban Wage Earners and Clerical Workers, Expenditures Category, "Gasoline," as published by the U.S. Department of Labor, Bureau of Statistics, for the Regional area of Kansas City, Kansas/Missouri. It is expressly understood and agreed that the maximum annual increase shall not exceed 3.5 percent (3.5%). At the end of the last day of the last month of each contract period, (the "Rate Modification Date") the fees will be increased or decreased for the ensuing contract period in a percentage amount equal to ten percent (10) of the net percentage change of the Gasoline Index. All percentage changes are to be computed at the difference between the index value for the April reporting period for the prior year and the April reporting period of the contract period, divided by the index value for the previous year.

As soon as possible, prior to the Rate Modification Date, the CONTRACTOR shall present the AUTHORITY with a comparative statement, setting forth the Gasoline Index, the index value for the April reporting period of the previous year and the index value for the April reporting period of the current year the net percentage change; ten percent (10%) of the net percentage change in the Gasoline Index, and the increase or decrease in the unit prices which may be charged by the CONTRACTOR. On the Rate Modification Date and after the receipt of the comparative statement, the unit prices charged by the CONTRACTOR will be modified to reflect any such change until the next Rate Modification Date. It shall be the responsibility of the CONTRACTOR to notify the AUTHORITY annually regarding the Gasoline CPI, so the rates may be adjusted accordingly.

CONTRACTOR shall invoice AUTHORITY from solid waste totals that AUTHORITY supplies at the beginning of each month. Totals shall include numbers for regular polycarts, additional polycarts, small polycarts and any optional services chosen by AUTHORITY. CONTRACTOR shall invoice AUTHORITY within seven to ten days after receiving totals from AUTHORITY.

This contract constitutes the Basic Residential Services as set forth in the Request for Proposals and in the schedule of Quotes.

IV. The AUTHORITY will have the sole discretion as to which options contained in Exhibit "B" will be exercised and used for each period of the contract, (the only exception being the transfer station, it shall remain in effect during all periods of the Contract while it is in effect). AUTHORITY agrees to notify the CONTRACTOR in writing within forty-five (45) days of the start of a new period of the Contract which options the AUTHORITY selects for that period.

For the first period the AUTHORITY shall utilize option "k" with 2 individual locations, for subsequent periods the AUTHORITY shall have the option of choosing more or less locations.

- V. Should the AUTHORITY participate with the CONTRACTOR in any cost reduction programs, efficiency studies or studies of innovative methods or equipment or take any action that results in cost savings for the CONTRACTOR, the AUTHORITY shall receive decreases equal to a minimum of fifty percent (50%) of the savings realized by the CONTRACTOR.
- VI. Residential Unit Collection Routes shall be established by the CONTRACTOR. CONTRACTOR shall submit map designating the Residential Unit collection routes to the AUTHORITY for its approval, which approval shall not be unreasonably withheld. The CONTRACTOR may from time to time, propose to the AUTHORITY, for approval, changes in routes or days of collection affecting Residential Units, which approval shall not be unreasonably withheld. Upon the AUTHORITY's approval of the proposed changes, the AUTHORITY shall promptly give written or published notice to the affected Residential Units.
- VII. The CONTRACTOR shall provide an adequate number of vehicles for regular collection services. All vehicles, bins and other equipment shall be kept in good repair, appearance, and in sanitary condition all times. Each vehicle shall have clearly visible on each side, the identity and telephone number of the CONTRACTOR.
- VIII. All Refuse hauled by the CONTRACTOR shall be so contained, tied or enclosed to prevent leaking, spillage, or blowing.
- IX. Title to Refuse shall pass to the CONTRACTOR when placed in CONTRACTOR's collection vehicle, removed by the CONTRACTOR from a bin or container, or removed by CONTRACTOR from the customer's premises, whichever last occurs.
- X. All complaints shall be made directly to the City and CONTRACTOR shall be given prompt notice. In the case of alleged missed scheduled collections, the CONTRACTOR shall investigate and, if such allegations are verified, shall arrange for the collection of the refuse not collected within twenty-four (24) business hours after the complaint is received.

XI. All dealings, contact, etc., between the CONTRACTOR and the City shall be directed by the CONTRACTOR to the staff person designated by the City.

XII. Holidays - - The following shall be Holidays for purposes of the Contract:
New Year's Day
Independence Day
Thanksgiving Day
Christmas Day

XIII. CONTRACTOR agrees to construct a "new" transfer station at a mutually agreed site in the City of Shawnee. CONTRACTOR is to supply the City with building plans and specifications no later than six (6) months after receiving notice of the award of the Contract. All plans and specifications are subject to inspection and approval by both the City Planning Department and Management. All international and building codes and regulations applicable to the construction of the station are to be followed. Any and all land use regulations shall apply. CONTRACTOR will have all required DEQ permits within six (6) months (or as soon as possible) of the Contract being awarded. The transfer station will be completed within 1 year after receiving permit.

Prior to completion of the transfer station the CONTRACTOR will provide a temporary station to receive solid waste and recyclables from the citizens of the City of Shawnee, which station shall be capable of receiving solid, bulk waste, and recyclables dropped off by citizens. CONTRACTOR will also construct an "ECO Center" adjacent to the transfer station for citizens to use for recycling or disposing of waste.

At the end of fifteen (15) years of the commencement of the first period of the Contract the transfer station, ECO Center and the property it is located on, will become a "gift" and at the AUTHORITY'S discretion can become the property of the City of Shawnee and the CONTRACTOR agrees to transfer ownership of those facilities to the City of Shawnee regardless of the status of solid waste collection between the AUTHORITY and the CONTRACTOR. (The only requirement is that the AUTHORITY shall vest a minimum of 5 years of service with CONTRACTOR in order to receive the "gift" at the end of the 15 year period. If the AUTHORITY does not renew at any time in the 15-year period Shawnee residents would have to pay a fee in order to utilize the transfer station.)

XIV. CONTRACTOR shall conform to all laws, ordinances, rules and regulations applicable to this contract. Any DEQ violations are to be reported to the Utility Director within thirty (30) days of the CONTRACTOR being notified thereof. The CONTRACTOR shall obtain all licenses and permits and promptly pay all taxes required by the City and by the State.

- XV. CONTRACTOR shall indemnify, save harmless, and exempt the City of Shawnee and the AUTHORITY, its officers, agents, servants, and employees from and against any and all suits or, actions of whatever kind or character made upon or brought against the City of Shawnee or the AUTHORITY, its officers, employees or agents, for or on account of any injuries or damage received or sustained by any party or parties by or from the acts of said CONTRACTOR or its servants, agents, employees and subcontractors in doing the work and rendering the services herein contracted for, or by or in consequence of any negligence in general operations, operating of equipment or any improper equipment or material used, or by or on account of any act or omission of CONTRACTOR, or servants, agents, employees or subcontractors and also from all claims of damage for infringement of any patent in fulfilling this contract. This indemnity shall include attorney's fees and costs and all other costs and expenses incurred in the defense of any suit.
- XVI. CONTRACTOR shall not assign this contract to another party, company, partnership, or corporation without specific approval in writing from the AUTHORITY.
- XVII. If CONTRACTOR changes ownership, name, etc., then the AUTHORITY shall have the option to re-bid the contract immediately if AUTHORITY so desires, and give immediate notice of its intent to cancel said Agreement.
- XVIII. CONTRACTOR shall pay all just claims due for the payment of all employees and mechanics for labor that shall be performed, for the payment of all material and equipment furnished, and for the payment of material, equipment and facilities rented which is actually used or rented in the performance of this contract.
- CONTRACTOR shall submit evidence satisfactory to the AUTHORITY that all payrolls, equipment, materials or facility bills, and other indebtedness pertaining to the performance of this contract have been paid.
- XIX. In the event that it shall become impossible or unlawful for CONTRACTOR to continue the performance of this contract by reason of an Act of God or an Act of the Legislator hereinafter passed, or by Act of the AUTHORITY or by reason of a final order by a Court of Record in proceedings not instituted by or acquiesced in by the CONTRACTOR, directly or indirectly, and no due to any negligence upon the CONTRACTOR, the CONTRACTOR shall not be liable for damage for consequences arising solely out of such impossibility.
- XX. This contract shall not constitute a franchise or an exclusive right to collect solid waste within the corporate limits of the City of Shawnee.
- XXI. This contract shall be governed by the laws of the State of Oklahoma both as to interpretation and performance.

XXII. This contract constitutes the entire agreement and understanding between the parties hereto and shall not be modified, altered, changed or amended in any respect unless in writing and signed by both parties hereto.

IN WITNESS WHEREOF, we the contacting parties, by our duly authorized agents, hereby affix our signatures and seals at Shawnee, Oklahoma this 21st day of June, 2010.

ATTEST:

Phyllis Loftis
PHYLLIS LOFTIS,
AUTHORITY SECRETARY

AUTHORITY

By:

Brian McDougal
BRIAN McDOUGAL
CITY MANAGER

ATTEST:

Teddy Soudas
Secretary, Central Diposal, LLC
(Seal)

CENTRAL DISPOSAL, LLC

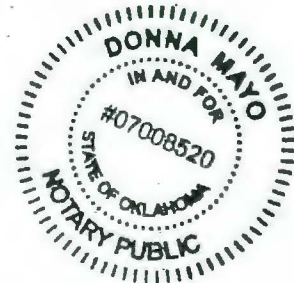
By:

Teddy Soudas
PRESIDENT

STATE OF OKLAHOMA)

) ss.

COUNTY OF POTTAWATOMIE)



Before me, the undersigned Notary Public, in and for said county and state, on this 4th day of JUNE, 2010, personally appeared Teddy Soudas President of Joe Howard Central Disposal, LLC, a limited liability company, to me known to be the identical person who executed the within and foregoing Agreement for the uses and purposes therein set forth.

Donna Mayo
NOTARY PUBLIC

My Commission expires: 8-31-11

Commission No.: 07008520

**ADDENDUM TO CONTRACT FOR SOLID WASTE COLLECTION
AND DISPOSAL SERVICES**

This Addendum is made and entered into this 16 day of December, 2013 by Central Disposal, L.L.C., an Oklahoma limited liability company (the "Contractor") and the City of Shawnee (the "Authority") (collectively, the "Parties").

WITNESSETH:

WHEREAS, the Parties entered into the Contract for Solid Waste Collection and Disposal Services on July 1, 2010 (the "Contract"); and

WHEREAS, the Parties amended the Contract on July 5, 2011 (the "Amended Contract"); and

WHEREAS, the Parties now desire to further amend the Amended Contract to address Contractor's provision of recycling services to the Authority.

NOW, THEREFORE, for good and valuable consideration of the mutual covenants of the Parties contained herein, the Parties do hereby further modify and amend the Amended Contract in the following particulars, to-wit:

1. Insert a new Section XXIII which will read as follows:

"XXIII. Weekly Curbside Recycling. The Authority has imposed a fee for weekly curbside recycling for all its residents. Contractor will exclusively provide all weekly curbside recycling services, beginning March 1, 2014, on the following terms:

A. *New Service*. The Contractor will provide sixteen gallon containers and weekly curbside pick-up for \$3.50 per month. Contractor will collect paper, plastic (Plastics #1 and #2), tin, and aluminum only. The Authority may remove either or both recycling centers at its option. The monthly recycling charge to customers shall be reduced by 30 cents for each recycling center that is closed. Contractor will make suitable arrangements for cardboard and glass handling at its designated Transfer Station. In the event that residents require a replacement recycle receptacle, such resident will pay a fee equal to Contractor's cost for a new recycle receptacle.

B. *Increased Fee for Additional Polycarts*. Residents utilizing an additional polycart for regular service will be charged a fee of \$8.00 per month for such service.

C. *Reduction of Fee for Small Polycart Pickup*. Residents utilizing a "small" polycart will be charged a fee of \$6.50 per month for such service. However, in the event a resident elects to utilize a "small" polycart but continues to leave solid waste on the sides or perimeter of the "small" polycart, Contractor will notify the Authority of such practice and will work with all parties to achieve an agreeable solution including, but not limited to, altering the

monthly fee to reflect the resident's actual usage. Nothing in this section should be construed to eliminate or limit the periodic collection of yard waste for residents electing "small" polycarts.

D. *New Deposit for New Service on Solid Waste Polycarts.* In the event that a resident initiates new service with a solid waste polycart, such resident will pay a deposit in the amount of \$25.00 to the Authority. If the polycart is returned to the Authority, the Authority will return the deposit to the resident after deduction of any payment(s) owed to the Authority. If the resident fails to return the polycart, the Authority and the Contractor will split the deposit equally."

Except as modified and amended herein, in every other respect, the Amended Contract is hereby ratified, confirmed, and republished.

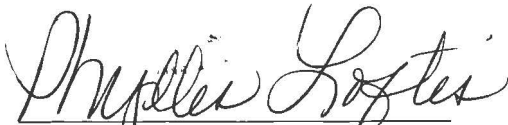
Approved this 16th day of December, 2013.

SHAWNEE MUNICIPAL AUTHORITY

By:


Brian McDougal
City Manager

Attest:


Phyllis Loftis, CMC, City Clerk
Authority Secretary

CONTRACTOR

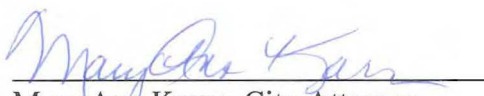
By:


Central Disposal, L.L.C.

Attest:


Secretary, Central Disposal, L.L.C.

Approved as to form and legality this 16 day of December, 2013 by Mary Ann Karns,
City Attorney


Mary Ann Karns, City Attorney

STATE OF OKLAHOMA)
) ss:
COUNTY OF POTTAWATOMIE)

Before me, the undersigned Notary Public, in and for said county and state, on this ____ day of Dec-20, 2013, personally appeared M. Todd Adeock, Manager of Central Disposal, L.L.C., a limited liability company, to me known to be the identical person who executed the within and foregoing Agreement for the uses and purposes therein set forth.



(Seal)

Ava Milner

Notary Public in and for the
State of Oklahoma

My Commission No.: 6663

My Commission Expires: 4-17-2016