

FW: Message from KM_C360i

Darren Bateson <darren.bateson@jjswaste.com>

Wed 2/1/2023 1:42 PM

To: Bob Francis <bfrancis@belleislefl.gov>

Afternoon Bob,

Thankyou for your time in relation to the cost of Recycling for the city. JJ's believes that recycling is an essential service that should be made available to residents of your community. It is a service offering which reduces the amount of waste we send to landfill, and has a positive environmental impact. To date the city and it's residents have performed exceptionally well, with only a very small number of rejected loads, which I recall was at the beginning of the contract, when we were educating the residents on the do's and don'ts associated with this type of service. This is an extremely good result. Unfortunately, the cost of providing this service is impacted by a number of factors, first and foremost commodity pricing, followed closely by the labor market required to operate the Materials Recovery Facility, and finally options for the recycling of the product. In the current economic climate, there has been a significant decline in the commodity pricing, and we have only 1 option to take the product for recycling, being the Waste Management Recycling Facility located in Orange County. Waste Management have notified us of a significant increase, with information detailed below, which we hope will explain the required increase to continue with this service offering, which we highly recommend continues, based on the exceptional job the residents do.

Please find attached for Reference :-

- Letter of increase from WM
- Contract Language Pass-through of Increase

As a quick discussion point can I please bring your attention to the below points in regards to the costs of disposal for Recycling :-

Start of contract 2019-2020

- Disposal for recycling being charged @ \$50.00 per ton

Increase of 3% in 2020-2021

- Disposal for recycling being charged @ \$51.50 per ton

Increase of 3% in 2021-2022

- Disposal for recycling being charged by JJ's @ \$53.04 per ton

Increase of 8.3% 2022-2023

- Disposal for recycling being charged by JJ's @ \$57.44 per ton

Unfortunately in May 1st 2022 the recycling costs again increased to \$72.72 per ton from what we were charging of \$57.44 per ton. Therefore an overall increase of \$15.22 per ton increase.

Then again on December 1st 2022 WM increased their disposal costs to \$95.00 per ton

Under the contract we had allowed for a variance which we where prepared to wear, but unfortunately since the last Increase from December 2022 these costs are now going to have to be passed to the City.

At present - JJ's charge out costs to the City for Recycling Disposal is at \$57.44 per ton.. Actual costs via WM \$95.00 per ton

Moving forwards in 2023 :- Actual disposal costs brought in-line with the current disposal costs of \$95.00 per ton from WM; JJ's will not back charge anything from previous months 2022 to 2023

Please note :- Average disposal tonnages are approximately tons per week since 2019 to 2022. The actual Data/Spreadsheet is also attached to this email, the below summarizes the information in this detailed report

- Average of 542.11 tons annually over the last 3 years / 12 months = 45.18 tons p/m
- 45.18 tons p/m x the difference of \$37.56 per ton we're not charging = a loss of \$1,696.96 per month
- Pass through required = \$20,363.52 annually
- The loss of \$20,363.52 / 2666 homes = \$7.64 per household annual increase required to break even
- Or \$0.64 Increase per household monthly
- Basically this equates to an increase of 2.8% Increase required.

We trust this is sufficient information to allow us to apply the modest pass through, however, if you have any question on any of the above please don't hesitate in giving me a call.

Regards

Darren Bateson
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JJ's Waste & Recycling

www.jjswaste.com



From: Bob Francis <bfrancis@belleislefl.gov>
Sent: Monday, January 30, 2023 8:39 AM
To: Darren Bateson <darren.bateson@jjswaste.com>
Subject: Re: Message from KM_C360i

Darren - Your or Darrell will have to send a letter to me or the Council requesting the recycling price increase and cite the contract language where this is allowed. The Council will need more than the letter you received. I will need it by Thursday. Thanks, Bob

Sincerely,

Bob Francis
City Manager
City of Belle Isle
1600 Nela Avenue
Belle Isle, FL 32809
(407) 851-7730 (o)
(407) 450-6272 (c)
bfrancis@belleislefl.gov



From: Darren Bateson <darren.bateson@jjswaste.com>
Sent: Friday, January 27, 2023 11:52 AM
To: Bob Francis <bfrancis@belleislefl.gov>
Subject: RE: Message from KM_C360i

26.2 Pass-through of Increased Governmental Costs or increased Landfill Disposal Costs.

The Contractor may request and City will approve an increase in the monthly rate hereunder if, during the term of this Agreement, the Contractor's costs increase solely as a result of an increased or new fee, charge, or assessment imposed by any relevant governmental authority including, a city, county, municipality or the Federal or State government on the Contractor's business capital or operations or due to increased disposal costs (including landfill and alternative disposal or recycling facility costs) after the date of this Agreement, provided that the fee, charge, or assessment was not imposed due to the Contractor's violation of any applicable legal requirement. Such adjustment will not be limited by the 3% maximum adjustment related to any CPI based adjustment. To obtain an increase in the monthly rate under this subparagraph, the Contractor must submit documentation confirming the amount of or increase in the fee, charge, or assessment and the effective date of the increase, and must provide the City proportionate share of the increased cost. No pass-through will be effective until the City has approved the increase and made an appropriate adjustment to its rate order; however, City will not unreasonably condition or delay any such pass-through increase.

Belle Isle Month on Month Waste Comparison

| Type | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------------------|------------|---------------|---------------|--------------|------|------|
| Yard Waste | 98 | 92.81 | 51.64 | 242.45 | | |
| General Waste | 239 | 160.08 | 225.93 | 625.01 | | |
| Recycling | 10 | 51.04 | 40.2 | 101.24 | | |
| Bulk | 20 | 0 | 0 | 20 | | |
| Total Tons Collected | 367 | 303.93 | 317.77 | 988.7 | | |

| Type | 2019 (O.N.D only) | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------------------|-------------------|----------------|----------------|-----------------|----------|----------|
| Yard Waste | 242.45 | 1378.03 | 1188.48 | 1222.46 | | |
| General Waste | 645.01 | 3180.39 | 2992.38 | 2992.573 | | |
| Recycling | 101.24 | 589.29 | 568.51 | 468.54 | | |
| Total Tons Collected | 988.7 | 5147.71 | 4749.37 | 4683.573 | 0 | 0 |

| Type | 2020 | 2021 | 2022 | 2023 | 2024 | Total 2020 |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Yard Waste | 79.46 | 100.09 | 154.21 | 157.05 | 103.87 | 1378.03 |
| General Waste | 293.37 | 237.96 | 311.74 | 314.11 | 251.02 | 3180.39 |
| Recycling | 52.19 | 40.83 | 44.62 | 62.45 | 43.44 | 589.29 |
| Total Tons Collected | 425.02 | 378.88 | 510.57 | 533.61 | 398.33 | 5147.71 |

| Type | 2021 | 2022 | 2023 | 2024 | Total 2021 |
|-----------------------------|---------------|---------------|---------------|---------------|----------------|
| Yard Waste | 73.06 | 96.49 | 158.1 | 112.76 | 1188.48 |
| General Waste | 253.94 | 245.01 | 334.16 | 245.26 | 2992.38 |
| Recycling | 41.54 | 43.75 | 53.33 | 43.5 | 568.51 |
| Total Tons Collected | 368.54 | 385.25 | 545.59 | 401.52 | 4749.37 |

| Type | 2022 | 2023 | 2024 | Total 2022 |
|-----------------------------|---------------|---------------|---------------|-----------------|
| Yard Waste | 49.78 | 61.67 | 178.5 | 1222.46 |
| General Waste | 177.49 | 212.11 | 306.84 | 2992.573 |
| Recycling | 33.81 | 44.13 | 54.62 | 468.54 |
| Total Tons Collected | 261.08 | 317.91 | 539.96 | 4683.573 |