

STAFF REPORT



SUBJECT: Solid Waste Franchise Agreement – Amendment No. 6 – Fuel Surcharge Table
MEETING: Public Works Committee – 06 Sep 2022
DEPARTMENT: Public Works
STAFF CONTACT: Nick Williams

RECOMMENDATION:

Staff recommends approval of the proposed rate adjustment with Waste Connections, Inc. for the collection, hauling, and disposal of municipal solid waste and construction and demolition waste in accordance with the provisions of the existing exclusive franchise agreement.

BACKGROUND:

The City of Stephenville originally entered into an exclusive franchise agreement with IESI, TX Corporation in January of 2005. In 2012, the corporation changed names to Progressive Waste Solutions of TX, Inc. In 2016, Progressive was acquired by Waste Connections Lonestar, Inc.

The exclusive franchise agreement was last updated and approved in March of 2022 with adjusted rates. The current agreement term extends to December 31, 2023.

The existing agreement utilized a fuel surcharge/refund schedule with a top average monthly price of \$5.00 per gallon. Because fuel prices have risen above \$5.00 per gallon, the proposed amendment simply extends the existing fuel surcharge/refund schedule.

PROPOSAL:

Attached is a copy of the proposed amendment. A copy of the existing agreement is also attached. The proposed fuel surcharge rates, if approved, would become effective on September 6, 2022.

FISCAL IMPACT SUMMARY:

There is no fiscal impact proposed to the city. The agreement proposes a minimum \$65 fee to the customer for repair or replacement of damaged containers, not to exceed replacement cost. The fee is not applicable when damage results from events outside the control of the customer. If approved by council, the Fee Schedule will be modified accordingly.

ATTACHMENTS:

[Franchise Agreement – Amendment No. 6](#)
[2014 Solid Waste Franchise Agreement](#)