



MINUTES
SPECIAL CITY COUNCIL MEETING
WEDNESDAY, JUNE 28, 2023, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Special City Council Meeting of the City Council of the City of Neptune Beach was held on Wednesday, June 28, 2023, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:

Mayor Elaine Brown
 Vice Mayor Kerry Chin
 Councilor Lauren Key
 Councilor Nia Livingston
 Councilor Josh Messinger (*absent*)

STAFF:

City Attorney Zachary Roth
 City Manager Richard Pike
 Parks and Sustainability Director Colin Moore
 Interim Police Chief Michael Key
 City Clerk Catherine Ponson

Call to Order/Roll Call/Pledge

Mayor Brown called the Special Meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Waste Pro Contract

City Attorney Zachary Roth explained that he had several meetings with Waste Pro representatives and also exchanged emails. They have created an amendment to the existing contract to propose to Council for consideration.

City Attorney Review

Mr. Roth reviewed the changes, which include extending the contract until November 30, 2023. Waste Pro has agreed to forgive the approximately \$170,000 amount based on the fuel recovery and franchise fee, Waste Pro will pressure wash and deodorize the trash compactor in the Beaches Town Center, a new Exhibit C, which includes the new rate and clarification of the process to follow for an extension in the future. He added that if routes changed, they would be included in the utility bill. He advised if there is an increase in tipping fee, the City would bear that cost.

Mr. Roth advised that a compromise was reached that any annual rate increase would be capped at 6%. If the CPI (Consumer Price Index) rate is increased at more than 6%, Waste Pro can bank any additional to future years when the rate is not 6%. He added that there is an addition of the right by the contractor to petition the City if there are extraordinary or unusual changes that result in increased costs. It would be at the Council's discretion to grant the request. He also stated there was one sentence he added regarding the auditing being changed to every 12 months.

Mr. Roth reported that the donations Waste Pro makes every year would be more general to public events that the City sponsors and not specific events.

Mr. Roth stated Council needs to decide about two issues, the fuel recovery fee and the franchise fee. The franchise fee is rebated back to the City, and the fuel recovery fee is a charge added based on the cost of fuel.

Steve Diebenow, on behalf of Waste Pro, confirmed stated the rate without the franchise fee would be \$29.34. If the franchise fee is added back, it would add \$2.93 for a rate of \$32.27. He also confirmed the waiving of the fuel recovery fee. He also agreed with the CPI language and that Waste Pro would be able come to Council if there extraordinary or unusual circumstances.

Council
Discussion

Vice Mayor Chin asked how a tipping fee increase would be passed on.

Mr. Roth stated that the fee Waste Pro charges the City does not automatically dictate what the City charges to residents.

Councilor Key commented that Waste Pro does a great job and she is comfortable moving forward. She would like to see the franchise fee included as it is important for budgetary purposes.

Councilor Livingston expressed she is comfortable with the rate presented. She is of the opinion that we should move forward with the franchise fee deleted. We have not had the money in the General Fund as the contract was not being enforced.

Mr. Roth responded that when the City previously requested the franchise fee, up to that point it was not contemplated in the budget. The CFO has reported that it should be included in the budget.

Councilor Livingston stated that the City should be creative to find funds other than from the residents.

Mayor Brown commented that the City has been operating at a deficit with the service and we have to at least break even. In talking with the CFO, the \$120,000 annually that could be received from the franchise fee is needed in the budget.

Councilor Key agreed with Mayor Brown. After also talking with the CFO, the franchise fee is needed for the budget and this is a small way to add to what is needed for infrastructure work and things that need to be done. If it is in the best interest of the City as a whole, she is comfortable moving forward with it.

Mr. Roth informed Council he had comments from Councilor Messinger, who was unable to attend. Councilor Messinger is okay with the contract with the franchise fee and without the fuel recovery fee. He would like to go to an RFP, but he believes this contract is reasonable if Council wants to move forward.

Vice Mayor Chin expressed that he does not want to add another fee to residents. The City is facing a lot of needs that are piling up. At this point, he would agree that we should include the franchise fee as much as he dislikes that option.

Mr. Roth advised that what was included in the packet was a draft. He would clarify that the motion be to approve the amendment that was sent earlier that day and to include the franchise fee and the rate be adjusted.

Councilor Livingston commented that she has a hard time passing the fee on to residents.

Mayor Brown thanked the City Attorney for his efforts throughout this negotiation process as well as Waste Pro.

Councilor Key agreed with Councilor Livingston that it is a hard decision. This is one of those times where a hard decision is in the best interest of the City.

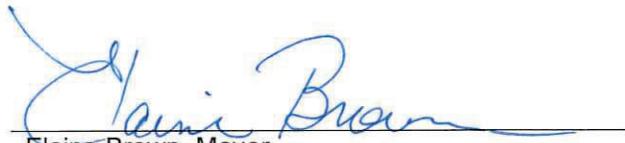
Made by Key, seconded by Chin.

MOTION: **TO APPROVE THE AMENDMENT TO THE WASTE PRO CONTRACT THAT WAS RECEIVED THIS DAY TO INCLUDE THE FRANCHISE FEE AND THE RATE BE ADJUSTED TO THE RATE AS STATED BY THE WASTE PRO ATTORNEY**

Roll Call Vote:
Ayes: 4-Key, Livingston, Chin, and Brown
Noes: 0

MOTION CARRIED

Adjournment There being no further business, the Special Meeting adjourned at 6:26 p.m.



Elaine Brown, Mayor

ATTEST:



Catherine Ponson, CMC
City Clerk
Approved: 08/07/2023

