

ORDINANCE NO. 05-14

AN ORDINANCE OF THE TOWN OF SOUTH
PADRE ISLAND, TEXAS RENEWING THE GARBAGE
AND TRASH COLLECTION FRANCHISE WITH BFI
WASTE SERVICES OF TEXAS, LP UNTIL FEBRUARY
28, 2011; PROVIDING FOR EFFECTIVE DATE.

Whereas, the garbage and trash collection contract that the Town of South Padre Island entered into with Browning-Ferris, Inc. pursuant to Ordinance 21-A finally adopted on December 2, 1981 was renewed by Ordinance 152 so that the expiration date of said Contract was extended to February 28, 2001; and

Whereas, the contract was assigned by Browning-Ferris, Inc. to BFI Waste Systems of North America, Inc., which assumed all the obligations and duties thereunder; and

Whereas, BFI Waste Systems of North America, Inc. requested the further extension and renewal of said Contract and the Board of Aldermen did renew the Contract by Ordinance 00-15 so that the expiration date of said Contract was extended to February 28, 2006; and

Whereas, the contract was assigned by BFI Waste Systems of North America, Inc., to BFI Waste Services of Texas, LP, a Delaware limited Partnership, which assumed all the obligations and duties thereunder; and

Whereas, BFI Waste Services of Texas, LP has requested the further extension and renewal of said Contract with additional services and a rate freeze for two years, and the Board of Aldermen is of the opinion the extension should be granted with provisions for additional services and a rate freeze for two years.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF
ALDERMEN OF THE TOWN OF SOUTH PADRE ISLAND, TEXAS:

Section 1. The garbage and trash collection contract that the Town of South Padre Island entered into with Browning-Ferris, Inc. pursuant to Ordinance 21-A finally adopted on December 2, 1981 and renewed by Ordinances 152 and 00-15 is hereby renewed so that the expiration date of said Contract shall be extended to February 28, 2011. This renewal agreement shall provide for the following additional modifications, changes and amendments, to-wit:

(a) In consideration for the extension and the renewal of said Contract, BFI Waste Services of Texas, LP agrees the rates for all residential customers shall until February 28, 2007 be frozen at the rates charged March 1, 2005 (\$108.60). Starting with March 1, 2007 rates shall be adjusted upward or downward annually pursuant to the Consumer Price Index (CPI) from the change in the CPI for the prior twelve months using

the formula set forth in the Contract except the annual change may not exceed 4.5% over the prior year (cap of 4.5%).

(b) BFI Waste Services of Texas, LP, shall provide at no additional charge monthly brush and bulk waste pick up service. All items will be picked up that the trucks can pick up except for hazardous wastes, tires and commercial wastes. All items free of freon (or equivalent) and so certified will be picked up.

(c) Increase Franchise fee to 9.1% effective January 1, 2006.

(d) Commercial rates will be reduced effective January 1, 2006 as reflected in Exhibit "A" hereto attached. Rates shall be adjusted upward or downward annually pursuant to the Consumer Price Index (CPI) from the change in the CPI for the prior twelve months using the formula set forth in the Contract except the annual change may not exceed 4.5% over the prior year (cap of 4.5%). In addition to the regular commercial pick up, each business will receive a total of seven (7) free extra pick-ups annually as follows:

1. Between March 15 and April 15 of each year one free extra container pick-up per week per business (4 total for this period per business;

2. One free extra container pick-up per business between Memorial Day and seven (7) calendar days after;

3. One free extra container pick-up per business between Independence Day and seven (7) calendar days after;

4. One free extra container pick-up per business between Labor Day and seven (7) calendar days after.

The free service requires that containers are full when called for extra service. Containers called in for extra service that are less than 90% full will be charged the standard extra service rate.

(e) BFI Waste Services of Texas, LP will provide a compartmentalized recycling trailer and attendant every other Saturday (every Saturday if volume eventually dictates the need) from 8:00am to 12:01pm at a predetermined location on the Island. Residents and businesses will be able to bring their acceptable (as market dictates) recyclable materials for no charge.


Section 2. This amendment to the garbage and trash collection contract between the Town of South Padre Island and BFI Waste Services of Texas, LP, will not be effective until this ordinance has been accepted by BFI Waste Services of Texas, LP as provided below.

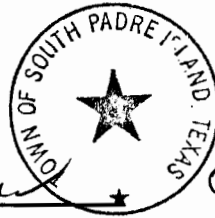
Section 3. This ordinance shall become effective upon its final passage and acceptance by BFI Waste Services of Texas, LP.

PASSED, APPROVED AND ADOPTED on First Reading, this 5th day of October, 2005.

PASSED, APPROVED AND ADOPTED on Second Reading, this 19th day of October, 2005.

ATTEST:


JOYCE A. ADAMS, CITY SECRETARY

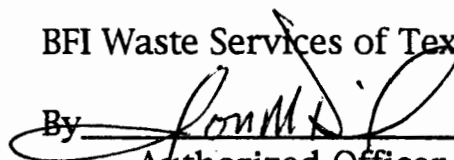


TOWN OF SOUTH PADRE ISLAND


ROBERT N. PINKERTON, JR., MAYOR

The garbage and trash collection contract that the Town of South Padre Island entered into with BFI Waste Services of Texas, LP pursuant to Ordinance 21-A finally adopted on December 2, 1981, renewed by Ordinance 152 and Ordinance 00-15 is hereby renewed so that the expiration date of said Contract shall be extended to February 28, 2011, and BFI Waste Services of Texas, LP, agrees to the amendments as contained in the prior Ordinances and this Ordinance.

BFI Waste Services of Texas, LP.

By 
Authorized Officer date

Current 2005 Monthly Commercial Rates - Town of South Padre Island

	1xwk	2xwk	3xwk	4xwk	5xwk	6xwk
2 cubic yard	\$73.07	\$143.31	\$210.68	\$278.05	\$342.56	\$409.92
3 cubic yard	\$86.67	\$167.77	\$252.92	\$336.74	\$419.19	\$505.12
4 cubic yard	\$101.74	\$199.14	\$295.81	\$393.50	\$498.65	\$593.23
6 cubic yard	\$152.39	\$285.53	\$417.17	\$552.01	\$685.22	\$818.43
8 cubic yard	\$182.39	\$345.69	\$508.94	\$671.46	\$833.97	\$997.25

30 cubic yard	On call. \$190.00 per haul, \$30.00 per ton, No rental.
---------------	---

Proposed Monthly 2006 Commercial Rates - Town of South Padre Island

	1xwk	2xwk	3xwk	4xwk	5xwk	6xwk
2 cubic yard	\$69.00	\$138.00	\$207.00	\$276.00	\$345.00	\$414.00
3 cubic yard	\$79.00	\$158.00	\$237.00	\$316.00	\$395.00	\$474.00
4 cubic yard	\$89.00	\$178.00	\$267.00	\$356.00	\$445.00	\$534.00
6 cubic yard	\$125.00	\$250.00	\$375.00	\$500.00	\$625.00	\$750.00
8 cubic yard	\$135.00	\$270.00	\$405.00	\$540.00	\$675.00	\$810.00

30 cubic yard	On call. \$190.00 per haul, \$30.00 per ton, No rental.
---------------	---

EXHIBIT "A" TO ORDINANCE NO. 05-