

EXHIBIT

“A”

**AMENDMENT
TO RESIDENTIAL SERVICES RATE
WITH ROUND ROCK REFUSE, INC.
(Effective January 1, 2018)**

This Amendment to the Residential Services Rate set forth in the Refuse Collection Contract between the City of Round Rock, Texas and Central Texas Refuse, Inc. (dba “Round Rock Refuse”), hereinafter called “Rate Amendment,” is made by and between the City of Round Rock, a Texas home-rule municipal corporation (the “City”), and Central Texas Refuse, Inc. (the “Contractor”).

WHEREAS, on November 22, 2016, the City and Contractor entered into a Refuse Collection Contract pursuant to Resolution No. R-2016-3847 (hereinafter the “Agreement”); and

WHEREAS, Section 20, “*Residential Services Rate*,” of the Agreement sets forth a formula for calculating the Residential Services Rate; and

WHEREAS, pursuant to Section 21 of the Agreement, Contractor petitioned the City on December 1, 2017, for a rate adjustment, a copy of such petition being attached hereto as Exhibit “A”; and

WHEREAS, the parties agree that commencing January 1, 2018, the Residential Services Rate shall be amended as set forth herein.

NOW THEREFORE, that for and in consideration of the mutual promises contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the City and Contractor agree to amend the Residential Services Rate as follows:

1. In accordance with the formulas set forth Section 20. “*Residential Services Rate*,” the Residential Services Rate is agreed to be **\$15.86**, and is calculated as follows:

Fuel Component:

- (i) The previous twelve (12) month average fuel consumption equals 16,016 gallons;
- (ii) The Cost of Fuel [DEO Diesel Fuel Price index (\$2.33) less a 5% (\$0.12) discount for volume purchases] per gallon equals \$2.21;
- (iii) The total number of residential service units is 29,556.

Formula: (16,016 gallons) X (\$2.21 per gallon) / (29,556 units) equals \$1.20.

Disposal Cost Component:

- (i) The monthly average of the number of tons of Municipal Solid Waste delivered to the Solid Waste Facility in the previous twelve months equals 3,519;

- (ii) The actual disposal cost per ton of Municipal Solid Waste equals \$32.80/ton;
- (iii) The monthly average of the number of tons of Recyclable Material delivered to the Recyclable Material Facility over the previous twelve months equals 522;
- (iv) The actual disposal/delivery cost per ton of Recyclable Material equals \$25.36/ton;
- (v) The total number of Residential Service Units is 29,556.

Formula: (3,519 tons) X (\$32.80/ton) + (522 tons) X (\$25.36/ton) / (29,556 units) equals \$4.35.

Operations, Overhead and Profit Component:

The Operations, Overhead and Profit Component is \$10.31.

Total Residential Services Rate:

(i) Fuel Component	\$1.20
(ii) Disposal Component	\$4.35
(iii) Operations, Overhead and Profit Component	<u>\$10.31</u>

Total Residential Services Rate \$15.86

2. This Rate Amendment only amends the Residential Services Rate and except as amended hereby, the Agreement remains in full force and effect.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the City and the Contractor have executed this Amendment to the Residential Services Rate with Central Texas Refuse, Inc. on the dates indicated.

CITY:
City of Round Rock

CENTRAL TEXAS REFUSE, INC.:

CRAIG MORGAN, Mayor

Date: _____

ATTEST:

SARA WHITE, City Clerk

Approved as to form:

STEPHAN L. SHEETS, City Attorney

Name: _____

Title: _____

Date: _____

December 1, 2017

To: Michael Thane
Utilities and Environmental Services Director
City of Round Rock
2008 Enterprise Drive
Round Rock, TX 78664

From: Michael E. Lavengco
General Manager
Central Texas Refuse / Round Rock Refuse

RE: Annual Adjustment

First of all, let me thank you and the City of Round Rock for allowing Round Rock Refuse the opportunity to be your provider for the past many years.

It has been a pleasure working with you and your TEAM to provide what we believe to be an exceptional waste and recycling collection service. We also appreciate the partnership we have forged over the years with the administration, staff, and citizens of Round Rock.

Once again, we are approaching the annual review and adjustment period of our existing contract. Please see attached worksheets that reflect a proposed 9.37% adjustment.

Thank you again for your consideration and attention to this matter. I look forward to our continued working relationship for many years to come!

Sincerely,

Michael E. Lavengco

Exhibit "A"

