

Board of County Commissioners

Hernando County



Purchasing and Contracts

THIS AMENDMENT 3, dated as of 10/22, 2013, amends the Franchise Agreement made and entered into by and between **Republic Services of Florida, Limited Partnership d/b/a Republic Services of Tampa** (hereinafter the "FRANCHISEE" or "Contractor", which terms are used interchangeably), and **Hernando County, Florida** (hereinafter the "COUNTY"), dated December 29, 2011, as amended by Amendment #1 dated August 28, 2012 and Amendment #2 dated September 10, 2013 ("Franchise Agreement"), to allow for a utility billing alternative method for the Spring Hill Universal Collection Area ("Universal Area"):

20 N. Main Street, Room 365
Brooksville, FL 34601
(352) 754-4020
Fax: 754-4199
www.co.hernando.fl.us/pur

WHEREAS, the FRANCHISEE and the COUNTY agree that implementing a utility billing alternative method for solid waste collection services in the Universal Area is in the best interest of and a benefit to the residents of Hernando County per the Franchise Agreement, and the COUNTY has made such findings; and,

WHEREAS, the FRANCHISEE and the COUNTY agree that the County Utilities Department will bill the solid waste collection Customers in the Universal Area for the solid waste collection service unit rate fees as part of the County's monthly utility bill and will remit the payment the County receives for solid waste service made by these Customers to the FRANCHISEE on a monthly basis; and

WHEREAS, this Amendment is in all regards deemed by the COUNTY to be in compliance with the Contract Documents.

AGREEMENT

NOW THEREFORE, in consideration of the terms, conditions, covenants and mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The above recitals are incorporated herein by reference and made a part hereof.
2. Article 2 of the Franchise Agreement is amended by inserting the following definition as Paragraph 2.89: Utility Bill shall mean that invoice transmitted monthly by the County to the residential properties in unincorporated Hernando County for water and sewer (wastewater) service.
3. Article 6.2 of the Franchise Agreement is modified as follows:

6.2 COUNTY'S OBLIGATION TO PAY FOR RESIDENTIAL COLLECTION SERVICE

**** Until such time that the collection service is collected from the assessment or unless invoicing and payment for solid waste collection services are being conducted pursuant to Section 6.2.1 through 6.2.9 hereof, the Contractor will be responsible for billing and collecting fees. The portions of Article 6 applicable to assessment billing will then be implemented if a solid waste assessment is instituted.****

Once the solid waste collection fees for the collection service are collected from a solid waste collection assessment, the County shall be responsible for billing and collecting the fees that must be paid by the County for the Contractor's Residential Collection Services. In turn, the County shall make monthly payments to the Contractor, subject to the limitations contained herein, for the Residential Collection Services that the Contractor provides to the County's residents. Subject to the limitations contained herein, the Contractor shall be entitled to payment for the services it renders, even if the County does not collect the necessary fees for such services from the County's residents.

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Where the County bills the Customers and collects the revenue for service on behalf of the Franchisee, the County will identify those Customers which are delinquent in their payments for the solid waste collection service fees, and provide this information to the Franchisee every six months when HCUD compiles its bad debt list for accounts that have been delinquent for six months.

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4. In Article 6.2 New Sections 6.2.1 through 6.2.9 are added to the Franchise Agreement as follows:

6.2.1 Utility Billing Alternative Method: The County and the Franchisee have agreed to implement an alternative billing method whereby the County will invoice the residential Customers in the universal pickup area on behalf of the Franchisee for the solid waste collection service fees as part of its monthly billing for water / sewer service on the Utility Bill. The Utility Department will bill the then-in-effect monthly Franchisee rate as may be adjusted per "ARTICLE V - BILLING AND PAYMENT I. BID PRICE (Section I, paragraphs 3.9.4-3.9.8 of Bid Document 11-0008)" of the Franchise Agreement. Use of the Utility Bill or other alternative billing method shall not invoke that pricing in the bid submittal documents associated with Solid Waste Assessment Billing, as the Assessment has NOT been implemented. For as long as the procedures set out in Article 6.2, Section 6.2.1 through 6.2.9 are being used for billing and collecting the solid waste collection unit rate fees from the Customers, Section 6.4.1 of this Agreement's required direct billing requirements shall not be applicable to residences located in the Universal Area.

6.2.2. The County and the Franchisee will cooperate in good faith to implement the Utility Bill method to ensure that all residences in the Universal Area are billed for the services being provided by the Franchisee. The Franchisee will cover costs associated with software upgrades necessary to incorporate the garbage bill with the Hernando County utility bill. The County will make the utility invoicing and payment records available for inspection by the Franchisee once a quarter with 15 day's notice.

6.2.3. The County will bill the residences located in the Universal Area one month in arrears for solid waste collection service as part of its utility billing, identifying this service as a separate line item, and will remit to the Franchisee the fees collected for the collection service within 15 days of receipt thereof.

6.2.4. Beginning on January 2, 2014, and for the period of time that the Hernando County Utility Bill invoicing method is being used under this Franchise Agreement. The Franchisee will pay the County an estimated fee of \$70,000 per annum as payment for services set forth in Article 6.2 provided by the County. In consideration of the fee paid by the Franchisee, the County will provide all duties and responsibilities associated with managing the full cycle of billing, collection, reconciling and reporting of all Hernando County Utility Bill accounts. After ninety (90) days of implementation, the actual cost incurred by the County performing these duties will be assessed and reviewed with Republic Services. The annum payment for services to the County may be adjusted to reflect the actual costs.

6.2.5. The County will maintain a ledger of its invoicing of and collection from these residences the solid waste collection service unit rate fees on a residence-by-residence (i.e., Customer by Customer) basis. The Franchisee will be paid all monies collected per residence in excess of that required to satisfy the County's water / sewer utility bill.

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6.2.6 Any advance payments that the customer pays will go into the customer's account as a credit towards future service.

6.2.7. The Utility Bill alternative method will cease on the earlier of (1) the COUNTY and the FRANCHISEE agreeing to cease this method of billing in favor of another method; (2) on written notice by either party to the other that the party providing notice no longer wishes to utilize this method for collecting the service fees; or (3) the County's implementation of the collection of the solid waste collection service fees by a solid waste collection assessment Ordinance, law or act as implemented by the County. In regards to the preceding scenarios for ending the utility billing, if the Franchisee or its agent is to resume billing for the collection service, the County and Franchisee agree that (1) the Franchisee will take over billing to cover the solid waste collection services beginning with the next quarter as long as there are at least 30 days left in the quarter that notice is given or agreement made, to return to Franchisee billing (i.e., franchisee billing would be effective the next January 1, April 1, July 1 or October 1.); and (2) the County will continue billing until the end of the quarter in which the determination is made to cease the utility billing method. If less than 30 days are left in the current (i.e., the notice) quarter, the Franchisee shall have the option of either resuming its own billing for the beginning of the upcoming (i.e., less than 30 days out new) quarter, or the next calendar quarter next thereafter. Upon cessation of the utility billing method for any reason, the County will continue to remit to the Franchisee any fees it collects for the solid waste collection service already invoiced. If Republic opts to cancel the agreement, Republic will cover all costs associated with the County Utilities Department to revert back to prior processes.

6.2.8. The Franchisee shall retain all of its rights under the Franchisee Agreement to suspend service and collect delinquencies from all of its solid waste Customers and take all actions authorized in furtherance thereof, including but not limited to those Customers in the Universal Area that are billed by the County as part of the Utility Bill alternative method.

6.2.9 Any merchant fees charged for the use of credit or debit cards will paid by Republic Services of Tampa.

5. Article 6.4, Section 6.4.1 of the Franchise Agreement is modified as follows:

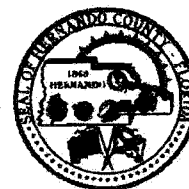
6.4.1 Except when invoicing and payment for solid waste collection services are being conducted pursuant to Article 6.2 Sections 6.2.1 through 6.2.9 hereof, Customers shall be billed directly by the Contractor or their agent. Contractor may bill for no more than three (3) months in advance. The Contractor shall offer its customers the option to pay their bills through electronic funds transfer or equivalent.

6. Article 6.4, Section 6.4.3 of the Franchise Agreement is modified as follows:

6.4.3 Suspension of service for absences in excess of ninety (90) days will be allowed provided the request for the suspension of service is made at least thirty (30) days in advance of the date the suspension is to be effective.; Where the County's invoicing and payment for solid waste collection services are being conducted pursuant to the Utility Bill method, Customer requests for suspension of collection service for absence will be handled directly between the Customers and the Hernando County Utility Department in the same manner as

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Customer requests for the suspension and reactivation of the water and sewer service. It is understood that Republic will not require notification of disconnected service since no water service to the property indicates no occupancy and thus no garbage pickup. **Regardless of the billing method**, the Customer is not relieved of the obligation to pay for services billed prior to the required notification. Any credit due shall be made by the franchisee **as the case may be**, on the next billing. The intent of this provision is to relieve the Contractor of the obligation to issue refund checks for suspension of services that occur after the billing was rendered which included the suspension period.

7. Except as set forth above, all other terms and conditions of this Franchise Agreement shall remain the same.
8. This Amendment expresses the entire understanding of the Parties, and matters not set forth in a writing signed by both the FRANCHISEE and the COUNTY shall have no force or effect.
9. This Amendment shall take effect when signed by the FRANCHISEE and the COUNTY.
10. In the event of a conflict between this Amendment and the Contract Documents, the terms and conditions of this Amendment shall control.

WITNESS:

REPUBLIC SERVICES OF FLORIDA
Limited Partnership, d/b/a
Republic Services of Tampa (FRANCHISEE)

By: Republic Services of Florida GP, Inc., its
General Partner

Signature

Signature

Clifford
[print name and title]

Patrick Rzesut, GM,
[print name and title]

General
Partner



Don Barbee
Clerk

HERNANDO COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

By: _____
David Russell
Chairman