



## THE CITY OF KEY WEST

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MEMORANDUM

**TO:** Patti McLaughlin, City Manager  
**Cc:** Todd Stoughton, Assistant City Manger  
**FROM:** John Paul Castro, Utilities Director  
**DATE:** September 21, 2021  
**SUBJECT:** 4-year Contract Renewal for Waste Management, Inc.

**Action Statement:**

City staff requests approving the first of two 4-year contract extensions with Waste Management, Inc. (WMI).

**Background:**

The city advertised a bid for solid waste and recycling services in 2014 with contract services to begin on January 1, 2015. The city commission awarded the contract to Waste Management, Inc. (WMI) with an initial term of 7 years plus the availability of 2 additional 4-year extensions. The initial 7-year term expires December 31, 2021. There are three amendments approved by the commission, resolution 14-254, 16-048, and 21-259.

**Justification:**

The current contract with WMI is advantageous to the rate payers in Key West as the long-term contract gives stability to the enterprise fund.

Pursuant to section 1.3 of the contract, at the option of the City, the contract may be renewed up to two (2) additional terms of four (4) years each under the same terms and conditions as the initial term, including amendments, subject to the approval of the city commission.

**Options:**

1. Approve the first of two 4-year contract extensions, including amendments, with Waste Management, Inc.
2. Do not extend the Waste Management, Inc. contract. This is not recommended as there is not enough time to advertise and ITB and possibly change contractors. This would likely result in a large price increase.

**Recommendation:**

Staff recommends option 1, approving the first of two 4-year contract

*Key to the Caribbean – Average yearly temperature 77° F.*

extensions with WMI pursuant to section 1.3 of the contract.