

**City of Texas City**

**SOLID WASTE MANAGEMENT SERVICES**

**BID #2018-053**

This Memo of Understanding (“MOU”) forms part of the Contract Documents, and modifies the original specifications, drawings addenda and exceptions as noted below. Unaltered provisions and drawings of the original Contract Documents shall remain in effect. Acknowledge receipt of the Addendum in space provided on the bid form. Failure to do so may subject the bidder to disqualification.

**Modification(s) to Contract Documents:**

Section 410. Contract Term –

The City intends for actual collection and processing services to begin February 1, 2024, and continue for a term of five years, ending at midnight January 31, 2029 with options for subsequent 5-year renewals with mutual agreement by the parties.

Section 1140. Regulatory Rate Adjustment -

Section 1140 shall be amended to the following.

Rates adjustments will be considered by the City no more than once per year during the life of the contract. Base rate adjustments will be considered during a period beginning thirty (30) days before each anniversary of the contract with the new rate to be based on CPI-U, US City Average, All Items Less Food and Energy effective for the succeeding year.

In addition the Contractor may petition the City Commission for adjustments to adjust the base rate for the reasonable **increased operational costs** to Contractor due to elimination of services provided by City, any new taxes, fees, and surcharges required or imposed solely by federal or state law, regulation, rule, permit, or permit condition, that was not imposed because of the action or inaction of the Contractor or **other contingencies beyond the Contractor's reasonable control.**

Contractor must receive approval from the City in order to increase the base rates, which approval shall not be unreasonably withheld.

The rates will increase 12% at the beginning of the new contract term February 1, 2024.

The Contractor will provide (3) three, One Thousand Dollar (\$1000.00) Educational Scholarships per year.

The Contractor has agreed to stand upright and service up to (12) twelve 96-gallon carts per route per day. This action is focused on carts found on their side due to high winds as an example.

**Waste Connections of Texas**

**City of Texas City**

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Typed Name: \_\_\_\_\_  
Position: \_\_\_\_\_

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Dedrick Johnson  
Mayor

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