

**NOVEMBER 4, 2004
RACELAND, LOUISIANA**

**STATE OF LOUISIANA
PARISH OF LAFOURCHE**

THE LAFOURCHE PARISH SOLID WASTE SUBCOMMITTEE, PARISH OF LAFOURCHE, STATE OF LOUISIANA, WAS SCHEDULED FOR THURSDAY, NOVEMBER 4, 2004, AT 5:00 P.M. IN THE COUNCIL MEETING ROOM AT THE LAFOURCHE PARISH COUNCIL BARRIOS CENTER, 1612 HWY. 182, SUITE 100, RACELAND, LOUISIANA.

Mr. Phillip Gouaux, Chairman of the Solid Waste Subcommittee, called the meeting to order at 5:00 p.m. Proceedings of the meeting were called to order with the following:

PRESENT: Mr. Michael Delatte, Co-Chair
Mr. L. Phillip Gouaux, II - Chairman
Mr. Brent Callais

ABSENT: None

DISCUSSIONS

The first item (1) on the agenda was a discussion concerning the proposal for the next solid waste contract. Mr. Jerome Danos, Solid Waste Manager, handed out packets and did a power point presentation. He gave a current fund analysis and stated that the projected fund balance for the end of 2004 was \$3,835 million. Mr. Danos stated significant items which impacted the fund: In November 1996, there was a roll back in the Solid Waste Tax from 1% to .7% which resulted in a decrease in Revenues by approximately \$800,000 a year. In November 1998, began a 5 year contract with SWDI, LLC with realization of a substantial contract price increase due to smaller trucks, increased house count, doubled franchise fees, added 950 small commercial units, expanded satellite truck services, and take-all contracts. In June 1999, began a 5 year contract with River Birch, resulted in a substantial disposal price increase due to Subtitle "D" Regulations. In October 2003, the house count increased by 1,800 units. He then gave figures on how fast the collection contract rates have increased since 1988, presently at an approximate 151% increase. The rate in 1988 was at \$7.39 a house, in 1993 it was \$9.94, in 1998 it was \$12.65, in 1999 it was \$15.32, and in 2004 it is \$18.57. He also gave figures of the increase on the disposal contracts since 1988, presently at an approximate 71% increase. The rate in 1988 was at approximately \$14.00 a ton, in 1993 it was \$21.00, in 1999 it was \$27.50, and in 2004 at \$30.13. In 2005, because of negotiations with River Birch, it will be a decrease to \$24.00 a ton for the disposal fees. Another item that impacted the fund was the franchise fees, since 1988 the total was approximately \$5,486,595. Other significant expenditures that have been funded through the years are: the commercial disposal fees (costs approximately \$800,000), the recycling program (costs approximately \$400,000), and the franchise fees (costs approximately \$550,000). Mr. Danos then went over the 2004/2005 proposals. He stated that another contract needed to be negotiated because of the expiration of the present contract. Mr. Danos said that the advertisement and pre-bids were done in June 2004 for Solid Waste "Request For

Proposals”, accepted proposals on October 7th, and the proposals submitted were: SWDI, LLC at \$20.49 per unit/month, Waste Management - No Bid, and Browning Ferris, Inc. - No Bid. He then presented what would happen to the fund balance if the proposal from SWDI, LLC was accepted as submitted at \$20.49 a house without any other changes. His illustration showed that by the end of next year there would be no money in the fund if the same amount of revenues were continued. Mr. Danos said that the situation was analyzed on which items could possibly be removed from the present services: the Commercial Disposing and Recycling in 2005 and the franchise fees in 2006. He then stated even with the drastic changes that the fund would not be benefitted from the SWDI proposal. Mr. Danos stated that SWDI negotiated two additional proposals: \$17.01 including a recycling program or \$15.90 a house without recycling. The proposals would mean eliminating the commercial disposal in 2005, recycling in 2005, franchise fees in 2006, any debris resulting from tree/building contractors, any land clearing and debris from new home or business construction, and have to change the truck fleet and use larger trucks. He said after analyzing and asserting the \$15.90 into the model, with all of the other conditions associated, that 2005 can be ended with \$2.3 million in the fund balance.

Mr. Lindel Toups asked how many businesses were included in commercial disposals. Mr. Danos stated that it affects virtually every business in the Parish outside the City Limits of Thibodaux and estimating over 3,500 businesses benefitted (tipping fees for small commercial units, commercial units, large commercial units, industrials, heavy industrials, and any other commercial business in the Parish). Discussions ensued. A **motion** was offered by Mr. Brent Callais, seconded by Mr. Michael Delatte, to recommend that the contract with SWDI, LLC be accepted as an ordinance at the Council meeting on November 9th, and **carried** by a vote of nine (9) yeas and zero (0) nays.

OTHER BUSINESS

The next item on the agenda was any other business. There was no other business on the agenda, so Chairman Gouaux moved to the next item on the agenda.

ADJOURNMENT

On **motion** by Mr. Brent Callais, seconded by Mr. Michael Delatte, and with no further business, the Lafourche Parish Solid Waste Subcommittee meeting of November 4, 2004, **adjourned** at 5:30 p.m.

**PHILLIP GOUAUX, CHAIRMAN
LAFOURCHE PARISH SOLID WASTE
SUBCOMMITTEE**

**SHEILA B. BOUDREAUX, COUNCIL CLERK
LAFOURCHE PARISH COUNCIL**