



## COUNCIL AGENDA STATEMENT

Meeting Date: July 12, 2022  
To: Honorable Mayor and City Councilmembers  
From: Dan Saus, Utilities Director

Agenda Item: **Resolution 2022-70**, Ratifying A Change To The Agreement Between The City Of Marathon, Florida And Synagro, Authorizing The City Manager To Execute The Agreement On Behalf Of The City; And Providing For An Effective Date.

### BACKGROUND & JUSTIFICATION:

The attached contract and Resolution was made into agreement on July 13, 2021. Since that time Synagro has implemented a fuel surcharge of 10% and polymer increase of 8% to the total invoice each month.

The increase is due to the pandemic, trucking shortage, supply chain crisis, labor shortage, and global fuel increase. Since Synagro is the only contract, the city must maintain our sludge dewatering and disposal it is in the best interest of the City to ratify this at this time.

### CONSISTENCY CHECKLIST:

	Yes	No
1. Comprehensive Plan	_____	_____
2. Other _____	_____	_____
3. Not applicable _____		

### FISCAL NOTE:

Appropriations for this contract are budgeted in FY22 and will also be included in the proposed FY23 Wastewater Utility Fund budget.

### RECOMMENDATION:



May 30, 2022

City of Marathon  
Attn: Amanda Riley  
9805 Overseas Highway  
Marathon, FL 33050

Customer –

Synagro has been proud to be your biosolids provider for many years. We value the relationship and the opportunity to serve you and your community.

2022 has been an unprecedented year. The pandemic, trucking shortage, supply chain crisis, labor shortage, and global fuel situation have caused some of our input costs to increase at levels not seen in decades. As an example, industry-wide polymer costs are up 40% since the beginning of the year, and fuel is up 50% over the same time-period.

To offset these costs, effective June 1<sup>st</sup> we are implementing a fuel surcharge of 10% and polymer increase of 8% to the total invoice amount. This price is not to increase our profit margins, it is simply a pass-through of rapidly rising costs that are beyond our control. This price increase is tied to known industry indexes and will be re-evaluated in 6 months. We will lower the pass-through amount if these commodities become less expensive.

Thank you for your business, and for your understanding as we navigate our way through these difficult economic times. If you have any questions, please feel free to contact me at [sreel@synagro.com](mailto:sreel@synagro.com).

Thank you,

A handwritten signature in black ink that reads "Steve B. Reel".

*Steve B. Reel*

Steve B. Reel  
SE Regional Vice President

501 Woodall Road  
Decatur, Alabama 35601

256 . 351 . 0959  
[www.synagro.com](http://www.synagro.com)

Sponsored by: Garrett

**CITY OF MARATHON, FLORIDA  
RESOLUTION 2022-70**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, RATIFYING A CHANGE TO THE AGREEMENT BETWEEN THE CITY OF MARATHON, FLORIDA AND SYNAGRO, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Marathon, Florida (the “City”), and Synagro (the “Contractor”) entered into an Contract on July 13, 2021; and

**WHEREAS**, on June 3, 2022 the City received a letter from the Contractors stating the increase in goods effective June 1, 2022; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:**

**Section 1.** The above recitals are true and correct and incorporated herein.

**Section 2.** The letter from the contractor, a copy of which is attached as Exhibit “A,” is hereby approved and ratified. The City Manager is authorized to execute the agreement on behalf of the City.

**Section 3.** This resolution shall take effect upon its adoption.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 12TH DAY OF JULY 2022.**

**THE CITY OF MARATHON, FLORIDA**

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**John Bartus, Mayor**

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

**ATTEST:**

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Diane Clavier  
City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE  
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

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Steve Williams, City Attorney