



**OFFICE OF THE MAYOR**

**DONNA DEEGAN**  
MAYOR

CITY HALL SUITE 400  
117 W. DUVAL STREET  
JACKSONVILLE, FL 32202

TO: The Honorable Randy White, President  
Jacksonville City Council

FROM: Mayor Donna Deegan

DATE: January 13, 2025

SUBJECT: Ordinance 2024-800-E

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President White:

Ordinance 2024-800-E appropriating \$4,028,251 from operating reserves to fund a per premise rate increase which was authorized outside of the standard contractual process, was passed by City Council December 10<sup>th</sup>, 2024.

- 1) As an act of fiscal responsibility, I veto Ordinance 2024-800-E.

In making this decision, I recognize the work being done by the vendor in this field and look forward to their continued service provided to our community under the terms of the existing contract with the City.

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This 'Cash For Trash' bill forces taxpayers to spend at least 12 million more dollars for the same level of trash pickup they receive today. It puts the taxpayers on the hook to cover for non-operating expenses.

For background, Ordinance 76-728-373 set forth the process for compensating contract waste haulers. While that ordinance is now nearly 50 years old, its language substantially lives in Section 382.309 (b) which states that ... "Every three years, the Council shall determine the annual rate of compensation, for each contractor by conducting a full rate review... In determining the annual rate of compensation, the Council shall consider the following factors: (1) The number of residential premises in each service area as determined by the Director of Solid Waste and Resource Management. (2) Reasonable necessary expenses incurred in operations. (3) Projected operating expenses for the next ensuing fiscal year. (4) A rate of return based upon the total operating expenses of the contractor before interest and state/federal

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corporate income taxes. (5) Any other relevant factors, which may include an operating ratio of the contractor's operating expenses to gross revenue. (6) The need for and amount of a contractor's reserve for any anticipated substantial increase in any major operation expenses, and any unused or insufficient reserve may be considered in the determination of compensation for the succeeding year; (7) Recommendation of the Mayor; (8) Recommendations of the Council Auditor.”

Furthermore, a Rate Review Committee was established in the contract between the City, represented by “Director of Public Works and composed of, at minimum, among others, the Division Chief or his [sic] designee, and a staff member from the Office of the Council Auditor” and the provider. The contract stipulates the committee perform the full rate review to consider “reasonable projected operating expenses” and recommend an appropriately adjusted per premise rate. Their work resulted in a proposed increase which was put forward in the original version of 2024-800 filed by the Mayor’s Office. 2024-800 Original Bill submitted by the Administration provided a per premise rate of \$18.29. The City Council’s substituted bill continued to carry the language of ‘At the request of the Mayor’. However, the Mayor’s office publicly opposed the increased rate of \$22.39 included in the final bill.

The City Council superseded the work of the committee, ignored the Council Auditor’s advice and substantially increased the rate to \$22.39 rather than the aforementioned rate recommended by the rate committee. The Council Auditor’s Office, whose mission is to expertly advise on City expenditures, publicly opposed the unnecessary excessive enhancement. The provider stated taxpayers would have continued to receive service under the terms of the contract at the rate increase put forward by the committee and my administration if the City Council’s recommended increase was not approved. Failure to provide that service would have left the provider in breach of their existing and approved contract. Giving at least four million additional dollars every year for the next three years in cash for trash is unnecessary and wasteful.

- 2) Passage of 2024-800-E represents an action taken outside of Charter granted City Council authority.

The action taken to create and pass a substitute bill which effectively renegotiated a contract between the City and a vendor creates a separation of powers conflict. City Charter Article 4 outlines the general division of powers within the consolidated government, “All powers and duties which are executive in nature shall be exercised or performed by the mayor or such other executive officer of the consolidated government as the mayor may designate”. Article 6.04 further defines the powers of the Mayor, “The executive power of the consolidated government (except such as is retained by the second, third, fourth, or fifth urban services districts) is vested in the mayor who is the chief executive and administrative officer of the consolidated government. He [sic] shall be responsible for the conduct of the executive and administrative departments of the consolidated government. The mayor shall administer, supervise, and control all departments and divisions created by this charter and all departments and divisions created by the council.” Article 5.07 of the Charter restricts the powers of the City Council to “All legislative powers of the consolidated government (except such as are retained by the second, third, fourth, and fifth urban services districts) are vested in the council, and the council may legislate with respect to any and all matters which are within the powers of the consolidated

*Ordinance 2024-800-E, page 3*

government. The council shall review the budgets and appropriate money to the consolidated government and any independent agencies which request appropriations from the consolidated government and shall also levy taxes as required to meet the budgets approved by it.” These articles make it clear that the executive branch negotiates and executes contracts to be administered by the departments and for the legislative branch to approve or deny rather than to further negotiate. Therefore, Ordinance 76-728-373 and Section 382.309 (b) are inappropriate and steps will be immediately taken to remedy this conflict.

The facts stated above guided my conclusion that this additional appropriation and the process by which it was reached are not in the best interest of the City. Therefore, I veto 2024-800-E.

Sincerely,

A handwritten signature in cursive script that reads "Donna Deegan".

Donna Deegan  
Mayor

Cc: Jacksonville City Council  
Legislative Services  
Office of General Counsel

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