

RECYCLING PROGRAM AGREEMENT

THIS AGREEMENT, made and entered into this 15th day of July 2004 by and between City Carton Company Inc. (CCC), 3 East Benton Street, Iowa City, Iowa 52240 and the City of Muscatine, Iowa (City), 215 Sycamore Street, Muscatine, Iowa 52761.

WHEREAS, City desires to provide a recycling program for the City of Muscatine and Muscatine County at the Solid Waste Transfer Station and Recycling Facility located at Muscatine, Iowa (Recycling Facility) and pursuant to this desire issued a Request for Proposal to qualified parties, a copy of which is hereto attached for reference, to provide contractual recycling services for the City, and

WHEREAS, CCC in response to the Request for Proposal presented a Proposal to provide such contractual recycling services for the City, a copy of which Proposal is attached hereto for reference, and

WHEREAS, the City and CCC have reached agreement as to the terms and condition of such contractual recycling services.

NOW, THEREFORE, in consideration of the mutual promises of the parties, it is agreed as follow:

1. CCC agrees to operate the public drop-off program at the Recycling Facility at Muscatine, Iowa including the processing necessary to meet market specifications, the marketing of all recyclables on site and handling all recyclables delivered to the site with CCC furnishing the equipment for processing and material handling of the recyclable operations. CCC further agrees to furnish all equipment and supplies needed to operate an on site office in the Recycling Facility. CCC shall remove the recyclables on a regular basis so as not to accumulate large quantities in the assigned area at the Recycling Facility.

2. CCC and City agree the payment by CCC to the City for providing recyclable materials and the facility to process those recyclables shall be as follows:

CCC provides all the labor and equipment to operate the Recycling Center. In return for use of the 10,000 sq. ft. recycling area we have compensated the City of Muscatine for the material processed in the following manner:

- The City drop site containers are weighed when delivered to the Recycling Center and the City is paid \$10.00 per ton for all recyclables on the trailer. This allows the driver to weigh once and return the trailer to the drop site. There is no driver's time spent weighing each grade separately. This material is listed as "Mix Loose Delivered" or "R" by the drop site location it was pulled from.
- There is a \$5.00 per ton fee paid to the City for all material baled by CCC at the Recycling Center. This is listed as "X Material Baled Loose" or "XMTBL". This fee is paid for all loose material processed whether it is material dropped off or material brought in from CCC customers.
- Loose clean cardboard brought in bulk (bulk refers to loads over 500 pounds. CCC has a 500 pound minimum for purchasing material) is tracked as "Old Corrugated Loose Delivered" or "OCLD". For this material the City is paid 50% of the Official Board Market Mill pricing determined monthly. Bulk refers to loads over 500 pounds per commodity grade. CCC has a 500 pound minimum for purchasing this material.
- Unsorted Office Paper (USOLD) delivered in bulk is paid at scale price determined each month.

3. The term of this agreement begins July 1, 2004 and continuing through June 30, 2009.

4. CCC agrees that it will operate the drop-off facility daily, that is Monday through Friday of each week, except City recognized holidays, during the term of this Agreement.

5. CCC agrees to provide the City with a certificate of insurance with coverages and qualifications in compliance with the provisions of the Request for Proposal above identified and a copy of which is hereto attached.

6. CCC and City agree that should either party default in its performance of this agreement, each shall be liable to the other for any costs incurred by the default, including but not limited to securing alternate contractual recycling services, reasonable attorneys fees and costs which might be incurred by reason thereof.

7. City represents that it has not contracted with any other party concerning the contractual recycling services as above provided and that CCC has the exclusive rights to perform this agreement.

8. The representative for CCC is Tim Ockenfels and the representative for the City is Lavene Payne. CCC and the City agree to notify the other in writing of any change in the designation of its representative.

9. CCC shall comply with all federal, state and local environmental, zoning, health, safety, building, refuse and litter regulations.

10. CCC shall not be liable for its failure to perform hereunder due to contingencies beyond its reasonable control, including but not limited to weather, strikes, riots, fires and acts of God.

11. CCC agrees to indemnify and hold harmless the City, its employees, agents and city council from all liability arising from the services performed by CCC and its employees or agents, including court costs, attorneys fees, costs of defense, settlement and any judgment rendered.

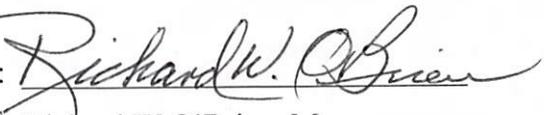
12. Time is of the essence of each provision in the Agreement and this document forms the complete agreement between the parties and any other arrangements or representations, written or oral, are hereby rescinded and replaced by this Agreement. This agreement shall be governed by the laws of the State of Iowa.

IN WITNESS WHEREOF the parties have executed this Agreement in duplicate on the date first written.

City Carton Company, Inc.

By: 
Timothy Ockenfels

City of Muscatine, Iowa

By: 
Richard W O'Brien, Mayor




A. J. Johnson, City Clerk



June, 20 2004

Lavene Payne
Muscatine Recycling and Transfer Station
1000 S. Houser St
Muscatine Iowa 52761

Dear Lavene,

City Carton Recycling (CCR) would like to continue to partner with The City of Muscatine in operating the Recycling Center at the City's Muscatine Transfer Station. The current contract was renewed July 1st 2000 and expires June 30th 2005. In order to budget for future capital expenses we would like to renew the contract for an additional five years expiring June 30th 2009.

In the past year, working with the City, we have helped finance the improvement of the City's receiving dock area attached to the Recycling Center. This improvement will allow team members to operate in a safe and enclosed environment no matter what the weather conditions. This will also help keep the grounds of the Transfer Station up to our desired cleanliness which is very important to CCR and the City of Muscatine.

Sincerely,

Tim Ockenfels
Regional Plant Manager
CITY CARTON RECYCLING

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Donelson, Fran

From: Payne, Lavene
Sent: Thursday, July 08, 2004 1:30 PM
To: Donelson, Fran
Cc: Hill, Randy
Subject: request to extend City Carton contract -- agenda item for Jul15,2004

MEMORANDUM

TO: A.J. Johnson, City Administrator

FROM: Lavene Payne, Solid Waste Manager

RE: Request to extend recycling contract with City Carton Co.

DATE: July 9, 2004

We have received a request to extend the contract with City Carton Recycling to operate the Recycling Center for The City of Muscatine. City Carton Recycling and the City worked together to enclose the dock and loading area of the Recycling Center to improve safety and minimize litter over the winter. City Carton Recycling would like to extend the current contract for an addition five (5) years.

We are pleased with the performance and cooperation demonstrated by City Carton over the last nine (9) years of operation. We have never identified any other contractor willing to provide the level of service that we have requested and still share the revenues with the City.

Harvey Allbee is reviewing the proposed contract extension at this time. A copy of the proposed contract and the letter requesting the extension is attached.