CUR07REC

TYPE OF RECORD: NON-PERMANENT

CATEGORY OF RECORD: CONTRACT

NAME OF CONTRACTOR: CURBSIDE RECYCLING INDEFINITELY, INC.

SUBJECT/PROJECT: RECYCLING SERVICES TO RESIDENTS OF CITY OF

GRAND JUNCTION

CITY DEPARTMENT: UTILITIES & STREETS

YEAR: 2007

EXPIRATION DATE: 07/18/17 Lease Renewed for 10 years - Expiration 7/18/2027

DESTRUCTION DATE: 01/24

AGREEMENT

THIS AGREEMENT is made and entered into this 18th day of July, 2007 by and between the CITY OF GRAND JUNCTION, COLORADO ("CITY"), and CURBSIDE RECYCLING INDEFINITELY, INC. ("GJ CRI"), for the purpose of providing recycling services to residents of the City of Grand Junction. Under this Agreement, GJ CRI is granted the exclusive right to provide recycling service to residential trash customers within the city limits of Grand Junction and the exclusive right to present itself to the public as The City of Grand Junction's Curbside Recycling Program.

RECITALS.

- A. Since 1992, GJ CRI has provided the City's residents with curbside recycling service. In the beginning, GJ CRI began a pilot program to determine if curbside recycling was viable. For many years thereafter, GJ CRI and the City were so busy delivering the curbside services that the long-term viability of GJ CRI, and the financial future of its owners, Steve Foss and Elaine Foss, were not adequately addressed; in short, GJ CRI was working with less than adequate resources, while successfully building a curbside recycling program for those City residents who desired it.
- B. The City has enjoyed the results of GJ CRI's, and Steve and Elaine Foss' efforts. The parties agree that this Agreement is to provide for the continued viability of the curbside recycling program, to allow GJ CRI to enhance and enlarge recycling options for the residents of the City, and to provide GJ CRI and Steve and Elaine Foss the opportunity to experience reasonable financial benefit from their efforts.

I. TERM

1. The Term of this Agreement shall be ten (10) years. As long as GJ CRI is in compliance with the several terms hereof, the City grants GJ CRI the option to extend the term for one additional ten year term: The rationale for this option is that GJ CRI is providing a service akin to a franchise, which justifies the longer potential term. The commencement date of the benefits and obligations hereunder shall be *nunc pro tunc* January 1, 2007.

II. CITY DESIGNEE

2. The City of Grand Junction, by and through the Director of the Utility and Street Systems hereinafter referred to as the Director is responsible for authorizing and approving the work performed under this Agreement and hereby designates the Solid Waste Manager ("Manager") as the City's authorized representative for the purpose of reviewing the service performed by GJ CRI under this Agreement. The Director may change the authorized representative at any time by providing GJ CRI with written notice of such change.

III. PERFORMANCE OF WORK

- 3.1. In return for the compensation described herein, and other valuable consideration to be received by GJ CRI, GJ CRI agrees to furnish all of the labor, technical, administrative, and professional services, and all supplies, materials, equipment, office functions and analyses, calculations and any other resources required to perform and complete the work described herein and described in **Exhibit A** of this Agreement.
- **3.2**. In exchange for GJ CRI's residential recycling services and other benefits provided to the City and its residents, the City agrees to furnish the premises depicted on **Exhibit B** during the Term and any extensions for GJ CRI's residential and commercial recycling services and activities, and to pay GJ CRI for all of the labor, technical, administrative, and professional services, and all supplies, materials, equipment, office functions and analyses, calculations and any other resources required to perform the work described in this Agreement and **Exhibit A** of this Agreement.

IV. COMPENSATION AND ANNUAL REVIEW

- **4.1.** Prior to the end of each July during the Term, the City and GJ CRI shall review GJ CRI's scope of work, revenues and expenditures (actual and projected). Adjustments to the compensation described in 4.2 (h), shall be proposed in writing by GJ CRI to the City should revenue and/or expenditures warrant such adjustments. Any such modifications shall become effective only upon execution of a written addendum to this Agreement, signed by GJ CRI and the Manager.
- **4.2.** The City hereby agrees to pay GJ CRI, as compensation for complying with this Agreement and completing the work described herein and in **Exhibit A**, as follows:
 - (a) For the period of January 1, 2007 through December 31, 2007, the sum of four hundred eighty-six thousand three hundred forty-five dollars (\$486,345.00).
 - (b) Each year's payment shall be paid in twelve equal installments, one month in arrears, by the 14th of the month beginning February 1, 2007.
 - (c) The annual amounts to be paid to GJ CRI for years two through ten of the Term shall be determined as a part of the yearly review held between GJ CRI and the City every July.
 - (d) If, upon completion of each July review, the City requires immediate changes, GJ CRI shall perform same upon the City's payment to GJ CRI for such services.

- (e) All payments are contingent on non-termination and performance under this Agreement, and in the event of termination by the City for cause, the annual payment shall be prorated on a daily basis to the effective date of the termination.
- (f) If the parties do not amend this Agreement relative to payment to GJ CRI for years two through ten, (and for the years of any second ten year term) the annual payment to GJ CRI shall increase each year relative to the prior year by the same operating cost increase as the amount determined for the City's Solid Waste Division.
- (g) In addition to all other compensation paid to GJ CRI by the City hereunder for the period January 1, 2007 through December 31, 2016, the City will pay the "catch up" retirement payments for the efforts demonstrated by Steven Foss and Elaine Lawrie Foss in setting up and running the program for the City from 1992 through 2006, according to **Exhibit D** attached.
- (h) GJ CRI currently pays the City 70% of the revenues received by GJ CRI, from the sale of recyclables based on the percentage of total recyclable materials received from the residential recycling program; GJ CRI retains the balance of 30% which was estimated to come from GJ CRI's separate non-residential recycling efforts. The 70/30 split will be modified from time-to-time by mutual agreement of the parties to reflect any change to the proportions of residential recycling commodities revenues in relation to GJ CRI's other revenues.

V. SCOPE OF WORK

5.1. GJ CRI's scope of work is defined as:

- (a) Providing curbside or alley service to all existing residential households (single family through 4-plex apartments; all other residences are classified as "non-residential" or "commercial") in the manner done in the prior calendar year, so long as each household recycles material only from that household and does not allow other persons, neighbors, entities or businesses to utilize that household's service as a dumping point for additional materials.
- (b) GJ CRI has the option, at its discretion, and with City approval to provide twice per month curbside or alley service on a space available basis to residential households who specifically request such service and pay an additional fee. All associated and additional fees for such service shall be GJ CRI's.
- (c) Enroll an annual average minimum of 240 new customer accounts per year, the calculation of which will include each residential household (single family through 4-plex) and each unit of each commercially serviced multifamily unit located within the City limits of Grand Junction.

- (d) Processing, crushing, baling and shipping all recyclable materials collected.
- (e) Entering into contracts with mills and brokers, marketing, invoicing and processing payments for all recyclables sold.
- (f) Servicing each residence in each newly annexed area of the City upon request by such resident in the area annexed if the City offers residential trash service to such resident.
 - (1) GJ CRI shall only be obliged to provide such service to residents who are eligible to receive City residential trash services.
 - (2) Service is provided to residential households (single family through 4-plex) only. Commercial customers and residential households running businesses out of their homes may be served at the discretion of GJ CRI as a commercial customer.

VI. DEFINITIONS

6.1. Relevant terms are defined as follows:

- (a) The term "services" or "serves" as used in this Agreement shall mean the collection and removal of residential recyclable materials from GJ CRI specified curbside or alley collection points by GJ CRI at specified intervals and as specified by the terms of this Agreement.
- (b) The term "new customer," as used in this Agreement, shall mean a subscriber to and participant in the recycling services provided by GJ CRI under this Agreement. For purposes of computation of new customers under this Agreement, GJ CRI shall not count customers who have transferred service to a new address.
- (c) The term "process," "processing" or "processes," as used in this Agreement, shall mean the offloading, temporary storage, internal transport, sorting and decontaminating of materials collected on residential curbside, drop off and commercial routes and sites.
- (d) The term "bale" or "bales," as used in this Agreement shall mean the mechanical transport via conveyor and mechanical compression of materials into wire tied cubes suitable for marketing on the open commodities market. The term "bales," as used in this Agreement, shall additionally mean the mechanical crushing and screening of materials to achieve volume reduction in preparation for shipment.
- (e) The term "market" or "markets," as used in this Agreement shall mean any person or persons who are willing to purchase or act as a broker for recycled materials that have been processed and presented as commodities.

(f) The term "ship" or "ships," as used in this Agreement shall mean any form of mechanical conveyance utilized to transport commodities from GJ CRI to end users or mills.

VII. GJ CRI NON PERFORMANCE

- **7.1.** Substantial non-performance shall be deemed to have occurred if and when GJ CRI, except for acts of God and circumstances beyond the reasonable control of GJ CRI:
 - (a) fails to service existing customers for any consecutive thirty (30) day period;
 - (b) fails to enroll an annual average minimum of 240 new customers per year (based upon the current recycling fee of \$1.75 per month); or
 - (c) fails to process recyclable materials in a timely manner, unless such failure is beyond the control of GJ CRI, as in the case of natural disaster or conditions at the River Road facility which render normal processing impossible;
 - (d) fails to process materials and serve newly annexed areas, subject to the other provisions hereof.
- **7.2.** Substantial non-performance <u>shall not</u> be established if The City takes or fails to take action, as described in **Exhibit A**.

VIII. GJ CRI/CITY REVENUES

- **8.1.** The current 70/30 split of revenues received by GJ CRI from the sale of recyclables is based on the current volumes of residential (70% per 8.1a and 8.1b and 8.1c) and non-residential / commercial recyclables (30% per 8.1d and 8.1e) which shall be modified from time to time depending on the relative volumes received by GJ CRI. Listed below are those revenue sources:
 - (a) GJ CRI pays to the City all net revenue (gross revenue minus shipping) derived from the sale of recyclable materials collected on residential curbside routes.
 - (b) GJ CRI pays to the City all net revenue (gross revenue minus shipping) derived from the sale of recyclable materials collected at GJ CRI's drop off location(s), one of which is currently located at 2549 River Road, Building 2B.
 - (c) The City will receive all net revenue derived from the sale of recyclable materials collected at a GJ CRI Buy Back Center if, at GJ CRI's option:

- (i) The City funds a full-time GJ CRI position for a Buy Back Center attendant, and
- (ii) The City provides sufficient containers and support equipment, as determined reasonably by GJ CRI, to support the Buy Back Center effort.
- (d) GJ CRI retains all net revenue derived from the sale of non-residential/commercial recyclable materials.
- (e) GJ CRI retains all net revenue generated from the collection of recyclables through GJ CRI special endeavors, such as recycling at special events, unless the parties otherwise agree pursuant to a separate agreement relating to such special endeavor(s)/special event(s).
- (f) The City and GJ CRI will, at each annual review, analyze source and net revenues for each commodity collected and sold by GJ CRI. Net revenues for each commodity will be apportioned based on commodities received as a result of the residential curbside operations mandated by paragraph 5.1 of this Agreement versus revenues derived from commercial/non-residential operations undertaken by GJ CRI and GJ CRI's services provided beyond those mandated in paragraph 5.1 of this Agreement. Based on the relative amounts of the revenues pursuant to this section the City and GJ CRI will utilize the apportioned revenue analysis to agree on a revenue split that will then be applied to the next calendar year. Any adjustments or modifications to the resulting percentage shall be in writing and executed by a signature of the General Manager or President for GJ CRI and the Manager.
- (g) Revenues derived from other GJ CRI/City joint ventures, such as special events recycling, will be addressed separately from this Agreement on a case-by-case basis.
- (h) GJ CRI is authorized, upon approval by the Manager, and encouraged to enter into agreements with markets, which may have a temporary or long term effect on revenue derived from commodity sales, with the intent of furthering the City's objective to promote recycling.

Examples:

- (1) A mill agrees to finance the cost of additional equipment (to be owned by GJ CRI) required to expand recycling operations in exchange for a lower purchase price for certain commodities until the equipment is paid in full.
- (2) A mill agrees to provide to GJ CRI additional equipment and/or services up front in exchange for a lower purchase price for certain commodities.
- (3) GJ CRI expands its current "Drop Off" location(s) and establishes a material "Buy Back Center(s)" to support the efforts of local non-profits, promote recycling

and increase the tonnage of material recycled. The purchasing of aluminum and newsprint from drop off customers has the effect of lowering the net market price for the commodities.

IX. RECORDS

- **9.1.** GJ CRI shall keep proper, adequate and accurate books of account for all revenues associated with any sales of recyclable materials. Said books of account shall be kept in accordance with GAAP or an accounting system satisfactory to the City and shall reflect all transactions engaged in under or pursuant to this Agreement. The records shall include without limitation the sales price and weight slips for recyclable materials sold by GJ CRI. GJ CRI shall preserve and make available for audit and examination by the City such books and records, as well as photocopies of GJ CRI's local tax returns. The City agrees to take such steps as are necessary to preserve for the benefit of GJ CRI the confidentiality and proprietary status of all records and tax returns of GJ CRI, and the personal financial information of GJ CRI's owners and employees.
- **9.2.** Audits may be conducted by the City upon three (3) days' written notice, but said audits shall not be required unduly or excessively and in no event shall exceed twelve (12) times per calendar year. The City may in its sole discretion perform any and all audits with City personnel or may retain an independent auditor. The cost of any and all audits shall be borne by the City.

X. TERMINATION

- **10.1.** <u>Termination</u>. The City may terminate this Agreement for cause only if the City first provides GJ CRI with 120 days written notice of the asserted basis for termination for cause, and in such period GJ CRI does not take reasonable and diligent steps to address the asserted basis for termination. If thereafter, the City terminates this agreement for cause, the City shall nevertheless pay to GJ CRI upon the effective date of the termination the following liquidated damages:
 - (a) The unpaid balance of the "total" amount shown on **Exhibit D**.
 - (b) The amounts, based on the then current annual budget, pro-rated on a daily basis, equal to the reasonable costs for which GJ CRI is liable and/or has incurred, in complying with this Agreement, plus a sum agreed upon by the City and GJ CRI to close the facility.
 - (c) If this Agreement is thus terminated for cause:
 - (1) regarding curbside recycling, GJ CRI shall in addition be compensated for any reasonable costs it has spent or incurred in performing the work herein described prior to the date of termination but will not be further

compensated except for GJ CRI's pro rata costs and profits related to the current calendar year's personnel, operational and administrative costs, and all additional such costs prorated to the actual date of closure;

- (2) For the balance of GJ CRI's business operations for non-residential or commercial, GJ CRI has the right to retain all accounts receivables; and
- (3) The parties shall negotiate a price paid to GJ CRI to terminate its operations hereunder.
- **10.2.** In the event of City termination for convenience as described in this section below, the City shall, within seven business days of the City's termination of this agreement, provide notice to the public, including all of GJ CRI's customers, a summary of the City's basis for the City's termination, and, in order to preserve as much as possible under the circumstances the good name and reputation of GJ CRI, if GJ CRI has in writing disputed the City's asserted basis for termination, a summary of GJ CRI's reasons for disputing the City's termination. "Public Notice," for purposes of this section, means at least a quarter page advertisement in the Daily Sentinel, and a letter to each of GJ CRI's customers (based on GJ CRI's data base of curbside residential customers), and (in the next available City newsletter) an article containing a summary of the City's and GJ CRI's positions.
- **10.3.** The parties hereby expressly acknowledge that the City's payment obligations hereunder are subject to and limited by the appropriation of sufficient funds by the City Council. Should the City Council appropriate insufficient funds to meet the City's financial and/or other obligations as set forth in this Agreement and **EXHIBIT A**, such action shall be deemed to be termination for the convenience of the City.
- **10.4.** If the City terminates for the convenience of the City during the Term, including if the City does not provide the funding to pay, or during any extension of the Term, in addition to all other amounts which the City must pay to GJ CRI if termination was for cause, the City shall also pay one-half of the amount the City paid to GJ CRI for the prior calendar year, pursuant to paragraph 4.2 (a), as modified from time to time as provided for in said paragraph 4.2.
- 10.5 In the event of termination for convenience by the City, GJ CRI shall nevertheless have the right to renegotiate the premises being leased in Exhibit B through the remainder of the Term. If negotiated terms cannot be reached, then GJ CRI shall be paid relocation costs, the fair market value of replacement leased premises in light of the remaining term under this Lease, and profits lost and expenses incurred due to the relocation. Said Lease is attached as Exhibit C.
- 10.6 Further, if termination is for cause or convenience, in the event that, with the consent of the City, GJ CRI has obligated itself to make payments, execute financing statements and/or security agreements, or other equivalent purchase financing agreements with third-parties the City shall pay, and hold harmless GJ CRI from, any such obligations, penalties and payment duties. If such payment by the City is for equipment, vehicles or other property, the portion of the property thus paid for by the

City, penalties excluded, will be considered the property of the City. Ownership of equipment, vehicles or other property shall be determined as follows:

- (a) GJ CRI shall have one year to pay to the City its pro rata share in any such equipment, vehicles or other property; or
- (b) The parties may negotiate final ownership of equipment, vehicles or other property; or
- (c) If the parties cannot reach negotiated terms, the equipment, vehicle or other property shall be sold and the proceeds distributed as the parties' interest may dictate.
- **10.7** In the event of termination by the City for convenience, GJ CRI shall have the first right to contract existing customers.
- 10.8 During the Term, or any extension of the Term, GJ CRI may terminate this agreement by giving the City 120 days written notice. If GJ CRI's gives notice to the City that this Agreement is terminated by GJ CRI, or in the event that GJ CRI determines to dissolve or sell to a third party, in which either Steve Foss or Elaine Foss do not own 10% or greater interest, the current contract will be renegotiated with the new provider and the City shall have the first right to purchase at fair market value GJ CRI's business, including goodwill, equipment, materials, and contracts, the Lease, and such other aspects of the business that the City would need to continue recycling services to City residents. GJ CRI upon the effective date of the termination pursuant to this section 10.8 must complete the following:
 - (a) GJ CRI shall, within seven business days of the notice of termination of this agreement, provide notice to the public, including all of GJ CRI's customers, a summary of the reason of the termination, and, in order to preserve as much as possible under the circumstances the good name and reputation of the City. "Public Notice," for purposes of this section, means at least a quarter page advertisement in the Daily Sentinel.
 - (b) If GJ CRI terminates pursuant to this section 10.8, GJ CRI shall not have the right to occupy its then occupied premises through the remainder of the Term, and will cleanup, close, and exit the facility within a reasonable time and to the reasonable satisfaction of the City unless different arrangements are made under separate agreement.
 - (c) Notwithstanding any other provision of this Agreement to the contrary, if termination occurs pursuant to this section 10.8, and if, with the consent of the City, GJ CRI has obligated itself to make payments, execute financing statements and/or security agreements, or other equivalent purchase financing agreements with third-parties, and if GJ CRI retains ownership of such equipment, vehicles or other property, then GJ CRI shall pay, and hold harmless the City from such obligations and payment duties.
- **10.9** If GJ CRI terminates this agreement pursuant to section 10.8, the City is still obliged to pay: (a) all moneys otherwise due during the 120 day notice period, as if the

agreement were in full force, and (b) the balance of the "total" amount shown on Exhibit D, payable in one lump sum within 30 days of such termination.

XI. INDEMNIFICATION

11.1. GJ CRI hereby agrees to indemnify and hold harmless the City, its officers, agents and employees from and against any and all loss of, or damage to, property or injuries to, or death of any person or persons, including property and employees or agents or the City and shall indemnify and hold harmless the City, its officers, agents and employees from any and all third party: claims, suits, damage, costs, expenses, liabilities, actions or proceedings arising out of GJ CRI's performance under or related to this Agreement, including but not limited to, acts and omissions of GJ CRI's officers, employees and representatives; however the foregoing does not apply in the event of any dispute between the parties relating to the enforcement of this Agreement or any interpretation of this Agreement as between the parties. Further, GJ CRI's obligation to indemnify or hold harmless the City, its officers, agents and employees under this paragraph shall not apply to liability or damages resulting from the sole or several negligence of the City's officers, agents and employees, and in the event of the negligent, willful or wanton act or failure to act of the City, its officers, agents and/or employees, the City shall hold GJ CRI, and its officers, agents, owners and employees harmless from, and indemnify GJ CRI, its officers, agents, owners and employees with respect to such negligence and/or willful or wanton acts or failure to act. The terms of this paragraph shall survive the termination, cancellation or non-renewal of this Agreement.

XII. INSURANCE

12.1. <u>Liability Insurance</u>: GJ CRI agrees to secure and deliver to the City, at the time of execution of this Agreement, and to keep in force at all times during this Agreement, a general liability policy covering all of GJ CRI's operations hereunder with a minimum combined single limit amount of one million (\$1,000,000.00) dollars for each occurrence with a deductible of not more than five thousand (\$5,000.00) dollars. GJ CRI shall provide the City with a certificate evidencing the existence of the insurance required above. The certificate of insurance shall contain valid provisions or endorsements stating the following:

"The insurance coverage under this policy will not be cancelled or otherwise terminated without first giving thirty (30) days' prior written notice to the Director of Public Works of the City of Grand Junction, 250 North 5th Street, Grand Junction, Colorado, 81501, sent by certified mail, return receipt requested."

The general liability policy shall contain a valid provision or endorsement stating that it includes premise operations, owners and contractors' protective and completed operations liability coverage and that the coverage afforded the City as an additional insured shall be primary coverage.

12.2. <u>Worker's Compensation Insurance</u>: GJ CRI shall at all times maintain adequate worker's compensation insurance with an authorized insurance company, or through an

authorized self- insurance plan approved by the State of Colorado, insuring the payment of workers benefits to all its employees. GJ CRI shall provide the Director with certificate(s) showing that it has acquired this insurance.

- 12.3. Motor Vehicle Policy: GJ CRI shall at all times maintain motor vehicle insurance with a minimum limit of not less than one million (\$1,000,000.00) dollars combined single limit bodily injury, physical damage insurance, uninsured motorist and property damage for each and every motor vehicle used and/or owned by GJ CRI in connection with the performance of its obligations under this Agreement.
- **12.4.** <u>Subrogation Waiver</u>: GJ CRI agrees that in the event of a loss due to any of the perils for which it has agreed to provide insurance, it shall look to its own insurance or to a third person for recovery, but not to the City or any of the City's employees or agents.

XIII. MISCELLANEOUS PROVISIONS

13.1. <u>Notices.</u> Notices concerning this Agreement, notices of alleged or actual violations of the terms or provisions of this Agreement and other notices of similar importance shall be made in writing by the City to GJ CRI:

Curbside Recycling Indefinitely, Inc. (d.b.a. GJ CRI) Steven Foss – President P.O. Box 2450 Grand Junction, CO 81502

And by GJ CRI to the City at:

City of Grand Junction c/o Solid Waste Department 250 North 5th Street Grand Junction, CO 81501

With a copy to:

Office of the City Attorney 250 North 5th Street Grand Junction, Colorado 81501

All notices shall be sent by prepaid United States mail, return receipt requested. Mailed notices shall be deemed effective upon delivery.

13.2. Assignment. GJ CRI agrees not to assign, pledge or transfer its duties and rights in this Agreement, in whole or in part, without first obtaining the written consent of the City. Except as provided, assignment, transfer, conveyance or other hypothecation of this Agreement or GJ CRI's rights, duties or obligations hereunder or any part thereof without the prior written consent of the City shall be deemed an event of default.

13.3. No Waiver of Rights. No assent, express or implied, to any breach of any one or more terms and conditions of this Agreement shall be deemed to be or taken to be by the City as a waiver of any subsequent breach of such terms or conditions.

The City shall have the right to audit, examine and copy GJ CRI's records, including but not limited to, the records referenced hereinabove, related to any work performed under or pursuant to this Agreement. GJ CRI shall retain these records for three (3) years after the completion of work performed under or pursuant to this Agreement.

- **13.4**. <u>Status of Contractor</u>. For all purposes under this Agreement, GJ CRI shall be an independent contractor retained on a contractual basis to perform all work and services described herein. It is not intended nor shall it be construed that GJ CRI, its officers, employees, agents or representatives are employees, officers or agents of the City for any purpose whatsoever.
- **13.5.** Coordination of Activities. GJ CRI agrees to perform its work under this Agreement in accordance with the reasonable operational requirements of the City and the Public Works Department and that all work of GJ CRI and its personnel shall be subject to the reasonable restrictions established by the Utilities and Streets Director and/or his designee.
- 13.6. Taxes and Licenses. GJ CRI shall promptly pay when due all taxes, excises, license fees and permit fees of whatever nature applicable to the work which it performs under or pursuant to this Agreement, and shall obtain and keep current all required municipal, county and state licenses required to perform this work. GJ CRI shall furnish the Director, upon request, duplicate receipts or other satisfactory evidence showing or certifying the proper payment of all required licenses, permits, fees and taxes. GJ CRI shall promptly pay when due all bills, debts and obligations it incurs performing work under this Agreement and to allow no lien, judgment or execution to be filed on or against the City.

13.7. Compliance with All Laws and Regulations.

- (a) GJ CRI agrees that, in the performance of work and services under or pursuant to this Agreement, it will comply with any and all applicable laws, rules, regulations, safety requirements and codes of the United States, the State of Colorado and with the charter, ordinances, rules and regulations of the City of Grand Junction, now in effect or hereinafter enacted.
- (b) GJ CRI agrees that all educational, promotional and advertising efforts performed or utilized in relation to any services performed under this Agreement shall comply with all applicable trademark and copyright laws, rules, regulations and codes of the United States. In the event that GJ CRI uses any advertising, literature, material, equipment, process or procedure which is protected, GJ CRI shall secure permission for the use thereof as required by the holder of the trademark, patent or copyright at its own expense. GJ CRI agrees to release, indemnify and save harmless the City, its officers, agents and employees, pursuant to Section VI, INDEMNIFICATION, from any and all claims, damages, suits, costs, expenses, liabilities, actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising

out of, directly or indirectly, the performance of work under this Agreement which is alleged to infringe, or does infringe upon any trademark, patent or copyright protected by law.

- **13.8.** Standard of Care. GJ CRI shall faithfully perform the work required under this Agreement in accordance with the appropriate standards of care, skill, training, diligence and judgment provided by contractors who perform work of a similar nature to the work described in this Agreement.
- 13.9. <u>Dispute Resolution</u>. Disputes arising under or related to this Agreement or the work which is the subject of this Agreement shall be resolved by mediation. If mediation is unsuccessful, the parties expressly reserve the right to arbitrate or file a cause of action pursuant to the Colorado Rules of Civil Procedure. The parties hereto agree that a final determination from said mediation shall be a precondition to other action being taken.
- **13.10**. Severability. In the event any of the provisions, or applications thereof, of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or applications thereof, shall not be affected.
- 13.11. No Third Party Beneficiaries. The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement shall be strictly reserved to the City and GJ CRI. Nothing contained in this Agreement shall be construed to give or allow any such claim or right of action by any third party on such Agreement. It is the express intention of the City and GJ CRI that any other person, other than the City or GJ CRI, receiving any benefits from this Agreement shall be deemed to be incidental and unintended beneficiaries only.
- 13.12. <u>Public Disclosures</u>. GJ CRI shall have the right to include representations of the project, including photographs, among GJ CRI's promotional and professional materials. GJ CRI's materials shall not include any of the City's confidential or proprietary information if the City has previously advised GJ CRI in writing of the specific information considered by the City to be confidential or proprietary. Promotional materials developed by GJ CRI may not be used by any person or entity without the written express consent of GJ CRI.
- **13.13.** <u>Venue</u>. This Agreement shall be deemed to have been made in, and shall be construed and interpreted in accordance with the laws of the City of Grand Junction, Mesa County, State of Colorado.
- **13.14.** Time. The parties agree that in the performance of the terms and requirements of this Agreement by GJ CRI, time is of the essence.
- **13.15.** <u>Headings</u>. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

- 13.16. Entire Agreement. The parties acknowledge and agree that the provisions contained herein constitute the entire Agreement and that all representations made by any officer, agent or employee of the respective parties, unless included herein, are null and void and of no effect. No alterations, amendments, changes or modifications to this Agreement, except those which are expressly reserved herein to the Director, or his designee, shall be valid unless they are contained in a written instrument executed by the City designee and GJ CRI.
- **13.17.** <u>Inurement.</u> The rights and obligations of the parties herein set forth shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns permitted under this Agreement.
- **13.18.** Execution of Contract. This Agreement is expressly subject to and shall not become effective or binding on the City until it is fully executed by all signatories.
- **13.19**. <u>Bid Process</u>. In the event of termination or non renewal of this Agreement, the City shall not enter into any similar contract without a public bid process to which GJ CRI is given an opportunity to bid AND the City shall withhold all GJ CRI information supplied to the City as confidential business information, unless GJ CIR consents in writing.

CITY OF GRAND JUNCTION

Title

ity Manager

ATTEST:

City Clerk

CURBSIDE RECYCLING INDEFINITELY, INC.

Title: President

EXHIBIT A

RESIDENTIAL CURBSIDE RECYCLING

GJ CRI has the exclusive right to and shall perform residential curbside recycling collection services within the city limits of the City of Grand Junction.

- 1. GJ CRI shall collect and remove all recyclable materials at participating residential households which are prepared and segregated according to GJ CRI Guidelines and placed in recycling containers provided or approved by GJ CRI ("approved containers") by participating households at an accessible curbside or alley or adjacent to the regular refuse collection point, as determined by GJ CRI in its discretion. Materials placed at the curb of participating households which have not been generated by that household, or which have not been properly prepared and segregated or which are not in manageable and approved containers may be left at the discretion of GJ CRI. Approved containers, once emptied (unless excessively large or heavy as determined by GJ CRI), will be placed in as safe and secure a spot as is practical as determined by GJ CRI. Customers will be asked to not interfere with regular trash collection in the placement of containers.
- 2. All residential or business single family homes, duplexes, tri-plex and four-plex multifamily units within the City limits are eligible for residential curbside service by GJ CRI, subject to the terms described herein and in the Agreement of which this **Exhibit A** is a part.
- 3. GJ CRI shall have no obligation to collect or remove recyclable materials from any dwelling unit that is not a registered participant in the City recycling program, according to GJ CRI's records.
- 4. GJ CRI shall-have no obligation to collect or remove recyclable materials from any dwelling unit that is a registered participant in the City recycling program if that material was not generated by the occupants of that dwelling unit. GJ CRI may inquire of such occupants and if probable cause exists, the City will take enforcement action as deemed appropriate by the City.
- 5. GJ CRI shall have no obligation to collect or remove recyclable materials from any dwelling unit if the location of those containers renders them inaccessible or if moving or accessing the containers would pose a danger to GJ CRI staff or equipment. GJ CRI may elect, at its discretion, to not collect non-segregated material(s) or non complying material(s). If the non-segregated or non-complying material(s) are deemed excessive by GJ CRI, a written notice shall be left with the material(s) explaining the reason why it was not collected.
- 6. GJ CRI shall collect recyclables from participating households once each month on the same day of the month, which shall be, to the extent practicable, the same as the regular trash day. The day of collection may be changed to allow for holiday scheduling. Notice by GJ CRI may be given on the Internet, mailings or delivery to the household.
- 7. Special pick-ups for residents who have missed the scheduled recycling day may be provided on an as-needed basis as determined by GJ CRI. GJ CRI is not obligated to provide a special pick up to participants and, in its discretion may choose not to do so for those who request such service more than twice in any calendar year. GJ CRI

may charge a fee for such services as may be agreed upon by GJ CRI and the Manager.

- 8. GJ CRI shall collect materials beginning no sooner than 7:30 a.m. and ending no later than 7:00 p.m., Monday through Saturday and beginning no sooner than 9:00 a.m. and ending no later than 5:00 p.m. on Sunday.
- 9. GJ CRI may modify service routes and collection days as needed at its discretion to balance routes and place existing routes on a once-each-month basis, same day as the City's sanitation service schedule.
- 10. GJ CRI shall provide fourteen (14) days written notice to the Manager before modifying the list of recyclable materials collected at a Drop Off location or on Residential routes. The notice from GJ CRI shall be in the form of a request. Unless and until the request is granted by the Manager, the materials collected by GJ CRI shall not change. The Manager shall reply to GJ CRI's request to modify the list of recyclable materials collected within seven (7) days of GJ CRI's notice.
- 11. GJ CRI shall transport the collected recyclable material(s) to the GJ CRI Lease facility. Processing activities shall occur within the Leased area.
- 12. GJ CRI shall process recyclable materials by sorting, crushing, screening, baling, loading, transporting, and/or temporarily storing all recyclable materials collected. GJ CRI shall market and process recyclable material(s) collected, pursuant to the Agreement, by contracting with mills, middlemen, processors and transporters. GJ CRI may also research and may enter into agreement(s) for experimental use, reuse and/or disposition which may expand market(s) and/or environmental benefit(s) even though such use, reuse or disposition of the recyclable materials is not the most lucrative. Any such agreement(s) with mills, middlemen, processors and transporters, unless clearly outside the scope of this contract, shall be reviewed and approved by the Manager before GJ CRI enters into any such contractual agreement(s). Since time is of the essence when marketing recyclable material(s) the Manager shall reply to any request by GJ CRI to enter into any marketing, use, reuse or disposition agreement within seven days of the date the request is made.
- 13. GJ CRI shall, at its sole cost and expense and except as otherwise provided herein, furnish all labor and equipment required to perform collection, education, transportation, processing and marketing services pursuant to this Agreement upon execution.
- 14. The City shall provide GJ CRI with reasonable operational, processing and temporary storage space consisting of, but not limited to, sufficient physical space(s) located at the old sewage treatment plant on River Road (the Lease Area), or as otherwise may be agreed. Space provided by the City shall be not less than the clarifier ring located adjacent to and to the North of the existing recycling bay and plastics sorting building, one loading dock and storage area located adjacent to and Northeast of the existing recycling bay and plastics sorting building, glass storage bunkers and plastics sorting building, together with a staging area sufficient to access the facilities. The City shall continue to maintain such facilities. The City shall install electrical power to a glass crusher.
- 15. GJ CRI may provide one or more commercial recycling containers at one or more central collection points for multifamily dwellings of more than four units and for

non residential customers. All costs of collection shall be borne by and all revenue derived retained by GJ CRI for such work.

- 16. The City and GJ CRI shall develop and implement a work plan for recycling education and publicity. GJ CRI shall engage in educational and promotional efforts, including without limitation, printing and distributing of educational and promotional materials to fulfill requirements of the work plan. All education and promotional materials shall be approved by the Manager or his designee prior to distribution and/or use. All education and promotional materials shall remain the property of GJ CRI. All notices, educational and promotional materials developed by GJ CRI shall provide the name and telephone number of GJ CRI.
- 18. GJ CRI shall research, produce, publish and distribute a biannual report to curbside recycling participants. The publication shall be at least two pages in length and outline current issues concerning recycling and waste management. This publication shall be approved by the Manager prior to distribution or other use.
- 19. The City shall promote the recycling program and encourage recycling by residents in the following ways:
 - a. The City will establish and continue financial incentives for residents to recycle.
 - b. The residential recycling fee cannot be greater than the difference between the charges for a 64 gallon trash container and a 96 gallon container.
 - c. If the City continues to charge a separate recycling fee or offer the service at no additional cost to participants, it shall display such fees or a statement of the "free" service as a separate line item from the charge for trash service on residents' monthly bill. Should the City determine that such a charge breakdown or statement on the monthly bill would be cost prohibitive to implement, then the requirement imposed by paragraph 5.1(c) of this agreement will be nullified and cannot be used as justification of termination for cause by the City.
 - d. GJ CRI will propose for City adoption by ordinance or regulation a one household limit on the amount of material set at the curb in order to discourage sharing with businesses, friends and neighbors. Wording to that effect will be included in advertisements, promotions, residential sign up agreements and literature produced by either GJ CRI and the City.
 - e. The City will advertise and otherwise promote GJ CRI's programs to encourage participation. For example:
 - i. The City shall inform new residents of the recycling program and provide sign up information delivered to the Manager by GJ CRI.
 - ii. Information about GJ CRI's services will be included in monthly utility bills and/or City newsletters on a regular basis. Such information may also include educational material about the benefits of recycling.
 - iii. The availability of curbside and drop-off/buy-back recycling service will be included in listings along with listings of other City services, such as in phone books or newspapers.
 - f. In order for GJ CRI to keep an accurate account of participating residential customers, the City will devise a workable system that timely notifies GJ CRI of

termination of a City recycling account, such as when a participant moves and cancels trash service, or moves and the account is transferred.

20. GJ CRI shall keep and maintain complete records and submit reports to the City, on an as directed basis, to apprise the City of the status of the recycling activities, revenue and expenditures.

Data shall be sufficient, as reasonably determined by the City, to provide the City with information substantiating GJ CRI's activities concerning the following topics:

- program cost for curbside collection, drop off maintenance, processing and shipping
- revenue generated from the sales of recycled materials
- poundage or tonnage recovered from the waste stream by type of material
- participation rates including number of households signed up for residential recycling listed as:
 - o residential
 - o commercial
- number of households setting out material per route per month

The Manager may modify the reporting requirements at any time upon thirty (30) days' written notice to GJ CRI.

- 21. The sales price(s) of recyclable material(s) received by GJ CRI and reported to the City is confidential and the City shall, unless otherwise ordered by a court, maintain such confidential and proprietary business information of GJ CRI. Due to the volatility of markets GJ CRI is authorized to maintain the confidentiality of purchasers and other proprietary information so long as GJ CRI understands and discharges its obligation to the City to secure the best possible price for recyclable materials unless the sale, use, reuse of disposition of recyclable material(s) is made to increase use of recyclables or in the public interest. The City agrees to treat as confidential and proprietary any GJ CRI information, data, processes and documents, to the extent not inconsistent with the Colorado Open Records Act.
- 22. GJ CRI shall initially distribute three (3) recycling containers, a schedule of pick-up dates, and list of recyclable materials, a program brochure and a general information sheet to all dwelling units within the City of Grand Junction served by the recycling program. Residents who pay directly, rather than through the City billing system, will be issued three bags at sign up so long as they subscribe to at least one year of service. Additional containers may be sold or otherwise provided by GJ CRI to persons so requesting. Recycling containers sold to a purchaser shall belong to the purchaser and ownership may be marked on the container. Container(s) not purchased shall remain the property of GJ CRI. All recycling containers owned by GJ CRI shall bear the name and telephone number of GJ CRI and/or the name or logo of the City of Grand Junction.
- 23. The City hereby authorizes GJ CRI to take physical possession of and title to recyclable material(s) set out for collection by GJ CRI in containers which are provided or approved by GJ CRI and which may bear the name of GJ CRI and/or the name or logo of the City of Grand Junction.

EXHIBIT B:

PREMISES

City of Grand Junction GIS City Map ©: Premises





EXHIBIT C:

LEASE

City-GJ CRI Lease

THIS Lease Agreement ("Lease") is made and entered into as of this					
The purpose of this Lease is to allow the Tenant to occupy the Premises in order to effectuate the written agreement between the City and GJ CRI dated, 2007 (the "Contract").					
The pa	rties agree as follows:				
1(a).	Premises:	The premise is the existing buildings and appurtenant yard ("Premises") located on the real property owned by Landlord at 2549 River Road, Building 2B, Grand Junction, Colorado 81501. The premises are a portion of the City's real property described as Westside Sewer Plant/City Shops.			
1(b).	Term:	The Term of this Lease shall be as set forth in this contract.			
1(c).	Rent:	Tenant shall not pay Rent for the Premises.			
1(d).	Utilities/Other Costs:	Tenant shall pay for all utilities and whatever maintenance and repair of the Premises as the parties agree, pursuant to the Contract.			
1(e).	Security Deposit:	-0-			
1(f).					
		250 North 5 th Street Attn: Darren Starr Grand Junction, CO 81501			
1(g).					
		PO Box 2450 Grand Junction, CO 81502			

- 2. Term. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises for the Term as proposed for in the Contract.
- 3. Use of Premises. The Premises shall be used for the existing curbside recycling programs of GJ CRI, and for GJ CRI's commercial recycling and related activities, and for no other purpose without prior written consent of Landlord. Tenant shall not do, or permit to be done, in or about the Premises, nor bring or keep or permit to be brought or kept herein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance, or governmental rule or regulation now in force, or which may hereafter be enacted or promulgated. The terms of the Contract shall continue to apply throughout Tenants' occupancy.
- 4. Tenant Repairs. Tenant shall, at all times during Tenants' occupancy, at Tenant's sole cost and expense, keep the Premises in good and sanitary condition.
- 5. Mechanics Liens. Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by or through Tenant.
- 6. No Assignment. Tenant may not, without the prior written consent of Landlord, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest herein or sublet the Premises or

any part thereof, or permit the use of the Premises by any party other than Tenant. Any such assignment or subletting without such consent shall be void. Any such consent by Landlord shall not release Tenant from any of Tenant's obligations hereunder or be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. This Lease shall not, nor shall any interest herein, be assignable as to the interest of Tenant by operation of law without the written consent of Landlord.

- 7. Insurance. Tenant shall obtain insurance deemed appropriate by Tenant covering Tenant's operations and personal property.
- 8. Holdover. If Tenant does not surrender possession of the Premises at the end of the Term, as provided in the Contract. Tenant shall be a Tenant-at-sufferance of Landlord.
- 9. Inspection. Landlord may enter the Premises and the Real Property at reasonable hours to (a) inspect the same, (b) determine whether Tenant is complying with all of its obligations hereunder, and (c) post notices of non-responsibility. All such entries shall be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible.
- 10. Default. Tenant shall be deemed to be in default hereunder:
 - If Tenant shall be adjudicated bankrupt, or if a trustee or receiver of Tenant's property be appointed, or if Tenant shall make an assignment for the benefit of creditors; or
 - (b) If default shall at any time be made by Tenant in the payment of rent, utilities, or other costs, or any installment thereof, for more than three (3) days after the same is due to Landlord or other provider; or
 - (c) If there shall be a default in the performance of any other covenant, agreement or condition of the Contract.
- 11. Notices. All notices and demands which may or are required to be given by either party to the other hereunder shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified or registered, postage prepaid, and addressed as shown on Section 1 hereof, or to such other place as each party may from time to time designate in a notice to the other party.

IN WITNESS WHEREOF, the parties have executed this Lease dated the day and year first above written, to be effective upon the Closing of the Contract.

LANDLORD:	TENANT:
CITY OF GRAND JUNCTION, a Colorado home rule municipality,	Curbside Recycling Indefinitely, Inc. d/b/a GJ CRI
By:	By: Steven Foss, President
Date:	Date:

EXHIBIT D

2007	\$4378.10
2008	\$5674.89
2009	\$5674.89
2010	\$5674.89
2011	\$5674.89
2012	\$5674.89
2013	\$5674.89
2014	\$5674.89
2015	\$5674.89
2016	\$5674.89
TOTAL:	\$55452.08

1	1 <i>C</i> (ORD _™ CERTIFIC	ATE OF LIABIL	LITY INSUF	RANCE				(MM/DD/YYYY) ./2008_
PROI	PRODUCER (970)243-6600 FAX: (970)243-3914				THIS CERTIFICATE IS ISSUED AS A MATTER OF INFO ONLY AND CONFERS NO RIGHTS UPON THE CEI				
Hor	ne L	Joan & Investment Com	pany	HOLDER. T	HIS CERTIFICA	TE DOES NOT A	MEN	ID, EX	(TEND OR
20	No.	orth 4th Street		ALTER THE	COVERAGE AF	FORDED BY THE I	POLI	CIES B	SELOW.
P.	ο.	Box 100							
		Junction CO 81	.502-0100		FORDING COVE		NAIC#		
INSU					orado Casua	alty	417	85	
		de Recycling Indefir	nitely, Inc.		INSURER B: SIP/Pinnacol				
DB		GJ CRI 2450		INSURER C:		-	-		
			.502-2450	INSURER D:					
	ERAC		.502-2450	INSURER E:					
THE REC	POLI QUIRE INSU	CIES OF INSURANCE LISTED BELO MENT, TERM OR CONDITION OF AI JRANCE AFFORDED BY THE POL ATE LIMITS SHOWN MAY HAVE BEE	NY CONTRACT OR OTHER DOCU ICIES DESCRIBED HEREIN IS	MENT WITH RESPECT SUBJECT TO ALL THI	TO WHICH THIS C E TERMS, EXCLUS 	ERTIFICATE MAY BE	ISSU	ED OR I	MAY PERTAIN,
INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)		LIMIT	s	
		GENERAL LIABILITY				EACH OCCURRENCE		\$	1,000,000
		X COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrent	:e)	\$	100,000
A		CLAIMS MADE X OCCUR	CPP0571916 01	8/8/2007	8/8/2008	MED EXP (Any one perso		\$	5,000
						PERSONAL & ADV INJUI	RY	\$	1,000,000
						GENERAL AGGREGATE		\$	2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP	AGG	\$	2,000,000
		AUTOMOBILE LIABILITY ANY AUTO				COMBINED SINGLE LIMI (Ea accident)	Т	\$	1,000,000
A		ALL OWNED AUTOS	CPP0571916 01	8/8/2007	8/8/2008	BODILY INJURY (Per person)		\$	
•		X SCHEDULED AUTOS HIRED AUTOS				BODILY INJURY		S	
		X NON-OWNED AUTOS				(Per accident) PROPERTY DAMAGE			
						(Per accident)		\$	
		GARAGE LIABILITY			[AUTO ONLY - EA ACCID	ENT	\$	
		ANY AUTO				OTHER THAN <u>EA</u> AUTO ONLY:	ACC AGG	\$ \$	
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE		\$	
		OCCUR CLAIMS MADE				AGGREGATE		\$	
								\$	
		DEDUCTIBLE						\$	
		RETENTION \$					200	\$	
В		KERS COMPENSATION AND OYERS' LIABILITY				WC STATU- TORY LIMITS	OTH- ER		
		PROPRIETOR/PARTNER/EXECUTIVE DER/MEMBER EXCLUDED?		4/1/2007	4 /7 /0000	E.L. EACH ACCIDENT		\$	100,000
	If yes,	describe under	3202160	4/1/2007	4/1/2008	E.L. DISEASE - EA EMPL			100,000
	OTHE	IAL PROVISIONS below				E.L. DISEASE - POLICY L	IMIT]	\$	500,000
									:
DESC	RIPTIC	ON OF OPERATIONS/LOCATIONS/VEHICL	ES/EXCLUSIONS ADDED BY ENDORSE	MENT/SPECIAL PROVISIO	NS .	· <u> </u>			
									
CERTIFICATE HOLDER				CANCELLATION					
City of Grand Junction PO Box 20,000 Grand Junction, CO 81502			į.		SCRIBED POLICIES BE				
			1	EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL					
				10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT					
					FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE				
				INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE					
			į.	Darren Coltrinari/DEB					

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Stephanie Tuin - Residential Bags

From: "Steve Foss" <steve@gjcri.com>

To: "Darren Starr'" <darrens@ci.grandjct.co.us>, "'elaine'" <elaine@gjcri.c...

Date: 5/8/14 2:38 PM Subject: Residential Bags

Darren: We have in the past provided new residential recycling customers several "free" 22" by 38" polywoven bags as part of their sign up package. Originally the bags were provided to new customers because;

they were locally produced by American Bag Company of Grand Junction.

- inexpensive, originally costing \$1.65 per bag which eventually increased to \$1.75 per bag.
- reusable.
- relatively long lasting.

Recently the polywoven bags have changed. Now the 22" by 38" bags are;

- produced outside the United States. They do not provide jobs to local residents in their production. American Bag Company was sold and is now out of business.
- expensive. The most recent suggested bulk order price has gone from \$ 1.75/bag to \$ 4.40/bag.
- still reusable. However GJ CRI staff has noted that most customers would rather use containers other than the polywoven bags.
- not long lasting. The bags no longer have sufficient UV treatments applied and therefore tend to fall apart in less than a year.

I therefore would like to amend our contract with the City of Grand Junction and eliminate the requirement that we provide bags to new customers as part of the registration process. Instead GJ CRI (Curbside Recycling Indefinitely Inc.) would like to provide each new customer with a list of local outlets, such as Home Depot, Lowes, Ace Hardware, Western Implement where recycling containers may be purchased. The list would provide suggestions as to what type of containers have worked well for our customers in the past and suggestions in regards to what type of containers our crews have had difficulty handling in regards to size and weight.

Please email me with suggestions for an amendment that would work well in making this change.

Thank you,

Steven Foss - GM, CFO, CEO GJ CRI

AMENDMENT TO AGREEMENT

Amending an Agreement dated July 18, 2007 between the City of Grand Junction and Curbside Recycling Indefinitely, Inc.

BACKGROUND

- A. The City of Grand Junction ("City") and Curbside Recycling Indefinitely, Inc. ("GJ CRI") entered into that certain Agreement dated January 1, 2007 for the purpose of the provision of recycling services to residents of the City.
- B. The Parties desire to amend the Agreement on the terms and conditions set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to amend the Agreement as follows, and to otherwise keep and perform all the promises, conditions and obligations of the Agreement that are not specifically amended hereby:

AMENDMENTS

- 1. Section IV. COMPENSATION AND ANNUAL REVIEW, subsection 4.2(c) is deleted and replaced with the following:
 - (c) The annual amount to be paid to GJ CRI for the year 2014 shall be \$696,380; the annual compensation for the year 2015 shall be \$710,487. The parties will conduct a performance review once annually, and as part of that review determine the appropriate compensation for the following year. Any change in compensation from that of the previous year shall be in writing signed by both parties and made part of the Agreement with the same formality as the original Agreement.
- 2. Section IV. COMPENSATION AND ANNUAL REVIEW, subsection 4.2(h) is deleted and replaced with the following:
 - (h) GJ CRI and the City shall split the revenues from the sale of recyclables based on the percentage of total recyclable materials received from the residential recycling program. The percentage split shall be 65/35, with GJ CRI paying the City 65% of such revenues and retaining 35%. The split may be modified from time to time by mutual agreement of the parties; any such modifications shall be in writing signed by both parties and made part of this Agreement; however the written instrument modifying the revenue split may be in the form of a letter agreement signed by the designated representatives of GJ CRI and the City.

	CITY OF GRAND JUNCTION	ATTEST:	
/	Rich Englehart, City Manager	Stephanie Tuin, City Clerk	
	1/22/15	1122/15	
	Date	Date	
	CURBSIDE RECYCLING INDEFINITELY, INC. Steve Foss, CEO 1/21/15 Date		COLORADO O COLORADO

AMENDMENT TO AGREEMENT

Amending an Agreement dated January 22, 2015 between the City of Grand Junction and Curbside Recycling Indefinitely, Inc.

BACKGROUND

- A. The City of Grand Junction ("City") and Curbside Recycling Indefinitely, Inc. ("GJ CRI") entered into that certain Agreement dated January 22, 2015 for the purpose of the provision of recycling services to residents of the City.
- B. The Parties desire to amend the Agreement on the terms and conditions set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to amend the Agreement as follows, and to otherwise keep and perform all the promises, conditions and obligations of the Agreement that are not specifically amended hereby:

AMENDMENTS

- 1. Section IV. COMPENSATION AND ANNUAL REVIEW, subsection 4.2(c) is deleted and replaced with the following:
 - (c) The annual amount to be paid to GJ CRI for the year 2016 shall be \$724,867; the annual compensation for the year 2017 shall be \$727,992. The parties will conduct a performance review once annually, and as part of that review determine the appropriate compensation for the following year. Any change in compensation from that of the previous year shall be in writing signed by both parties and made part of the Agreement with the same formality as the original Agreement.

Date

1/26/17

CITY OF GRAND JUNCTION	ATTEST:			
Greg Caton, City Manager	Stephanie Puin Stephanie Tuin, City Clerk			
1/30/17 Date	1/30/17 Date			
CURBSIDE RECYCLING INDEFINITELY, INC.				