

## AGREEMENT REGARDING RECYCLABLE MATERIALS

This Agreement is made this 11<sup>th</sup> day March, 2013, between the County of Emmet, a Michigan municipal corporation, with an address of 200 Division Street, Petoskey, Michigan 49770, and the County of Otsego, a Michigan municipal corporation, with an address of 225 W. Main Street, Gaylord, MI 49735.

### Recitals

WHEREAS, Emmet County owns and operates the Emmet County Drop-off Center (hereafter referred to as "the Facility"), which includes a transfer station and recycle facility, located at 7363 Pleasantview Road, Harbor Springs, Michigan 49740; and

WHEREAS, the approved 1999 Emmet County Solid Waste Management Plan Update provides for expansion of the Emmet County Recycling/Transfer Facility to service surrounding counties; and

WHEREAS, the Counties of Emmet and Otsego have determined that it is in the best interests of their citizens to enter into this Agreement.

NOW THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, the parties agree as follows:

1. PURPOSE. The purpose of this Agreement is to provide for the receipt and processing of recyclable materials at the Facility, transported from drop-off recycling sites in Otsego County. Otsego County understands and agrees that this Agreement creates no obligation on the part of Emmet County to continue to own or operate a recycle facility or transfer station.

All requirements and costs contained within this agreement are subject to the services and costs listed in Emmet County's response to Otsego County's Bid Solicitation, BID 2013-02 dated February 15, 2013 (Attachment B), and secondarily to Otsego County's Bid Solicitation, BID 2013-02 (Attachment A) released on January 25, 2013.

2. TERM. The term of this Agreement shall commence on April 1, 2013, and shall terminate at the end of three (3) years thereafter on March 31, 2016.

Otsego County shall have the option to extend this Agreement for a period of three (3) years under terms and conditions mutually agreed upon by the parties. Otsego County may exercise this option by giving Emmet County notice of such extension at least 90 days prior to the expiration of the Agreement.

3. SCOPE OF WORK. Subject to the conditions set forth herein, Emmet County will accept at the Facility located at 7363 Pleasantview Road, Harbor Springs, Michigan,

recyclable materials transported by Emmet County from Otsego County's drop-off recycling sites, to include the following and as referenced in Otsego County Bid 2013-02 Request for Proposals:

- Mixed Paper, including newspaper, magazines, catalogs, office paper; envelopes, file folders, junk mail, telephone books, hard and soft cover books (no padded or kraft envelopes, construction paper, and boldly colored papers).
- Corrugated cardboard, boxboard and brown paper bags, including cereal boxes, white cardboard used in packaging for freezers and refrigerators (no waxed corrugated items such as produce boxes).
- Mixed containers, which may include: clear glass and colored glass containers, including bottles and food containers, (no glassware or windowpanes); plastic food and beverage containers, including #1 PET and #2 HDPE bottles, jugs, and jars, wide-mouthed containers such as margarine and yogurt tubs (no styrofoam); tin-plated steel cans, aluminum cans, trays and foil, and metal jar lids; aseptic cartons (milk cartons and juice boxes).
- Film plastic grocery bags that are clean, dry, and bagged in a plastic bag and tied. All bagged plastic bags should be placed in the bins for Newspaper or Mixed Paper, Boxes, and Bags.
- All containers listed, including glass bottles and jars, mixed plastic containers, tin cans, aluminum cans, metal jar lids, and aseptic containers, should be placed in the bins for Mixed Containers.
- All paper types listed, including newspaper, cardboard, office paper, and books, should be placed in the bins for Mixed Paper, Boxes, and Bags (along with the bagged film plastic bags).
- Any additional items upon amendment of or addendum to this Agreement.

Emmet County shall provide hauling services for Otsego County's recycling bin drop-off sites as referenced in their response to Otsego County's Bid Solicitation, BID 2013-02 (Attachment B).

The following are the locations for the recycling bins at the commencement of the Agreement:

- Otsego Recycling North  
621 Garfield Street in Vanderbilt, MI. Northeast of the intersection of Garfield Street and Elm Street.
- Otsego Recycling Central  
931 S. Otsego Avenue in Gaylord, MI. Near the Gaylord Discovery Center.
- Otsego Recycling South  
247 Old State Road across from the Otsego Lake Township Cemetery north of Waters, MI, a half-mile east of the intersection of Old 27 South and Old State Road.

- Otsego Recycling East  
Northwest corner of M-32 East and Rock Road near Johannesburg, MI located at the Charlton-Chester-Dover Township Transfer Station, 500' north of the intersection of M-32 East and Rock Road.
- Otsego Recycling West  
71 Hayes Tower Road west of Gaylord, MI immediately south of the Hayes Township Hall, 550' south of the intersection of M-32 West and Hayes Tower Road.

Emmet County will service Otsego County's containers as follows:

- If notice is received by 3:00 PM Monday - Thursday, Emmet County will provide service the following day.
- If notice is received on Thursday, Emmet County, in coordination with Otsego County's site monitor, may provide service on either Friday or Saturday, at Emmet County's discretion.
- If notice is received on Friday, Emmet County will provide service on Monday.
- No service will be available on Sundays.
- No service will be available on major holidays, including New Year's Day, Memorial Day, Fourth of July, Thanksgiving, and Christmas Day. Emmet County will work with Otsego County's site monitor to plan for timely service prior to and following each holiday.

Emmet County will make every effort to assure that the movement of containers does not create litter at Otsego County's drop-off sites, and that no refuse or recyclable materials are left on the ground by Emmet County vehicles when servicing the sites.

Additionally, Emmet County shall provide 12 recycling bins for the use of Otsego County to be included in the material processing fee as referenced in their response to Otsego County's Bid Solicitation, BID 2013-02.

4. COMPENSATION/RATES FOR RECYCLABLE MATERIALS. Except as otherwise provided herein, Otsego County will pay to Emmet County the following rates for its acceptance of recyclable materials:

- Year 1: \$60 per ton processed, and \$1,200 per month for the lease of 12 recycling bins to the capped total amount of \$26,000 with Emmet County continuing to provide services at no additional charge to Otsego County once that capped amount is met.
- Year 2: \$60 per ton processed, and \$1,200 per month for the lease of 12 recycling bins to the capped total amount of \$28,000 with Emmet County continuing to provide at no additional charge to Otsego County once that capped amount is met.
- Year 3: \$60 per ton processed, and \$1,200 per month for the lease of 12 recycling bins to

the capped total amount of \$32,000 with Emmet County continuing to provide at no additional charge to Otsego County once that capped amount is met.

Emmet County shall provide revenue sharing to Otsego County at \$5.00 per ton on all mixed fiber based on actual weights received and marketed monthly.

Except as otherwise provided herein, Otsego County will pay to Emmet County the following capped rates for the hauling of recycled materials:

- Year 1: \$275 per bin pull to the capped total amount of \$85,000 with Emmet County continuing to provide services at no additional charge to Otsego County once that capped amount is met.
- Year 2: \$280 per bin pull to the capped total amount of \$95,000 with Emmet County continuing to provide services at no additional charge to Otsego County once that capped amount is met.
- Year 3: \$285 per bin pull to the capped total amount of \$105,000 with Emmet County continuing to provide services at no additional charge to Otsego County once that capped amount is met.

Emmet County reserves the right to implement a fuel surcharge (Attachment C), assessed monthly, if Department of Energy average Midwest on-road diesel fuel price exceeds \$4.50 per gallon. Such surcharge shall only be for the amount over the \$4.50 per gallon.

The cap amounts will be based on the total compensation paid by Otsego County in each category (hauling and processing). Otsego County's revenue share will be credited against each monthly invoice, resulting in a net lower cost paid by Otsego County each month. These net amounts will be used to determine if the cap amounts are reached. The fuel surcharges set forth in Attachment C, entitled "FUEL SURCHARGE TABLE," will not be applied to the cap amounts.

There shall be no other costs assigned to Otsego County outside of those listed above.

5. CONDITIONS FOR ACCEPTANCE OF RECYCLABLE MATERIALS. Emmet County's acceptance of the recyclable materials will be conditioned upon Otsego County being responsible for the following:

- A. To work with Emmet County in developing educational/informational materials for distribution in Otsego County, advising its citizens of the types of items that will and will not be accepted for recycling and the site(s) in Otsego County where acceptable items may be dropped off. Otsego County will be responsible for the printing and distribution of the materials and all costs of the same.

B. To assure that each site and access drive is developed to allow full access into and out of the site by a heavy duty truck and trailer combination up to 60' in length, with sufficient room to unhook the trailer and access it from both front and back to off-load one bin and load another using the truck's hook-lift system measuring up to 150' in length, and sufficient room to maneuver the truck to place the empty bin and then pick up the full bin from its staged location. The minimum recommended dimensions are 50' wide and 85' deep, including staged bins, to fence line.

C. To assure that each site/drive surface can accommodate a heavy duty truck and trailer combination and loaded bins, with compacted gravel, at a minimum, for both bin placement and in the area where the truck will be maneuvering for pick-up and drop-off.

D. To assure that each site/drive is accessible when the truck/trailer arrives for bin servicing, by snow plowing, as needed, and by prohibiting or clearing parked vehicles that would block access by the truck/trailer.

E. To maintain each site/drive in a clean, safe condition by means of regular clean up, fencing, and signage. The parties understand and agree that it will not be feasible for Emmet County personnel to pick up materials and debris at the time of servicing, and that this function will be performed by Otsego County's site monitor.

F. To monitor the available capacity for all material types at each drop-off site, and coordinate with Emmet County regarding 24-hour notice for bin service to allow sufficient time after the notice before the bin fills to capacity, taking into account the additional capacity and time needed for weekends and holidays.

G. To provide contact information for the individual who will be responsible for site access, maintenance issues, education/information issues, and the like, and to update such information as needed.

6. RECORDKEEPING/PAYMENT. Emmet County will keep a record of volumes of recyclables received from Otsego County under this Agreement. Emmet County will provide to each driver a receipt for each load of recyclables received. Otsego County will pay to Emmet County the rates provided in this Agreement upon receipt of a monthly invoice from Emmet County. Payment is due from Otsego County within 30 days.

Otsego County will work with Emmet County on a mutually agreeable format for the data to be provided by Emmet County so that, to the extent possible, the data will be furnished in the form in which it is routinely created without need for Emmet County to develop a new format for reporting.

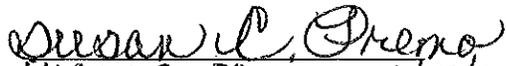
7. TERMINATION. Either party may terminate this Agreement, with or without



IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

COUNTY OF OTSEGO:

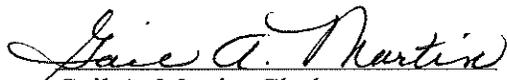
Attest:

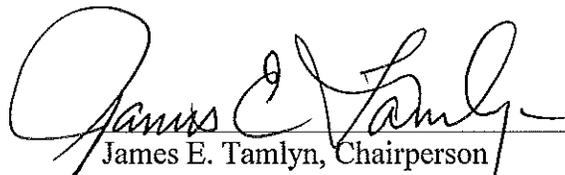
  
SUSAN C. PREMIO 03/27/2013

 3/27/13  
John Burt, County Administrator

COUNTY OF EMMET:

Attest:

  
Gail A. Martin, Clerk

  
James E. Tamlyn, Chairperson  
County Board of Commissioners

**ATTACHMENT A**

**OTSEGO COUNTY BID SOLICITATION  
BID 2013-02**

**ATTACHMENT B**

**EMMET COUNTY RESPONSE TO BID SOLICITATION**

**ATTACHMENT C**  
**FUEL SURCHARGE TABLE**



Emmet County  
Department of  
Public Works

200 Division Street, Suite G76  
Petoskey, Michigan 49770  
231-348-0640  
231-348-0633 fax  
www.EmmetRecycling.org

## FUEL SURCHARGE TABLE

DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee
\$ 1.50	2.21%	\$ 1.99	3.29%	\$ 2.48	4.37%	\$ 2.97	5.44%	\$ 3.46	6.62%	\$ 3.95	7.60%	\$ 4.44	8.58%
\$ 1.51	2.23%	\$ 2.00	3.31%	\$ 2.49	4.39%	\$ 2.98	5.47%	\$ 3.47	6.64%	\$ 3.96	7.62%	\$ 4.45	8.70%
\$ 1.52	2.25%	\$ 2.01	3.33%	\$ 2.50	4.41%	\$ 2.99	5.49%	\$ 3.48	6.67%	\$ 3.97	7.64%	\$ 4.46	8.72%
\$ 1.53	2.28%	\$ 2.02	3.35%	\$ 2.51	4.43%	\$ 3.00	5.51%	\$ 3.49	6.69%	\$ 3.98	7.66%	\$ 4.47	8.74%
\$ 1.54	2.30%	\$ 2.03	3.38%	\$ 2.52	4.45%	\$ 3.01	5.53%	\$ 3.50	6.81%	\$ 3.99	7.69%	\$ 4.48	8.76%
\$ 1.55	2.32%	\$ 2.04	3.40%	\$ 2.53	4.48%	\$ 3.02	5.55%	\$ 3.51	6.63%	\$ 4.00	7.71%	\$ 4.49	8.79%
\$ 1.56	2.34%	\$ 2.05	3.42%	\$ 2.54	4.50%	\$ 3.03	5.58%	\$ 3.52	6.65%	\$ 4.01	7.73%	\$ 4.50	8.81%
\$ 1.57	2.36%	\$ 2.06	3.44%	\$ 2.55	4.52%	\$ 3.04	5.60%	\$ 3.53	6.68%	\$ 4.02	7.75%	\$ 4.51	8.83%
\$ 1.58	2.39%	\$ 2.07	3.46%	\$ 2.56	4.54%	\$ 3.05	5.62%	\$ 3.54	6.70%	\$ 4.03	7.77%	\$ 4.52	8.85%
\$ 1.59	2.41%	\$ 2.08	3.49%	\$ 2.57	4.56%	\$ 3.06	5.64%	\$ 3.55	6.72%	\$ 4.04	7.80%	\$ 4.53	8.87%
\$ 1.60	2.43%	\$ 2.09	3.51%	\$ 2.58	4.59%	\$ 3.07	5.66%	\$ 3.56	6.74%	\$ 4.05	7.82%	\$ 4.54	8.90%
\$ 1.61	2.45%	\$ 2.10	3.53%	\$ 2.59	4.61%	\$ 3.08	5.69%	\$ 3.57	6.76%	\$ 4.06	7.84%	\$ 4.55	8.92%
\$ 1.62	2.47%	\$ 2.11	3.55%	\$ 2.60	4.63%	\$ 3.09	5.71%	\$ 3.58	6.79%	\$ 4.07	7.86%	\$ 4.56	8.94%
\$ 1.63	2.50%	\$ 2.12	3.57%	\$ 2.61	4.65%	\$ 3.10	5.73%	\$ 3.59	6.81%	\$ 4.08	7.88%	\$ 4.57	8.96%
\$ 1.64	2.52%	\$ 2.13	3.60%	\$ 2.62	4.67%	\$ 3.11	5.75%	\$ 3.60	6.83%	\$ 4.09	7.91%	\$ 4.58	8.98%
\$ 1.65	2.54%	\$ 2.14	3.62%	\$ 2.63	4.70%	\$ 3.12	5.77%	\$ 3.61	6.85%	\$ 4.10	7.93%	\$ 4.59	9.01%
\$ 1.66	2.56%	\$ 2.15	3.64%	\$ 2.64	4.72%	\$ 3.13	5.80%	\$ 3.62	6.87%	\$ 4.11	7.95%	\$ 4.60	9.03%
\$ 1.67	2.58%	\$ 2.16	3.66%	\$ 2.65	4.74%	\$ 3.14	5.82%	\$ 3.63	6.90%	\$ 4.12	7.97%	\$ 4.61	9.05%
\$ 1.68	2.61%	\$ 2.17	3.68%	\$ 2.66	4.76%	\$ 3.15	5.84%	\$ 3.64	6.92%	\$ 4.13	7.99%	\$ 4.62	9.07%
\$ 1.69	2.63%	\$ 2.18	3.71%	\$ 2.67	4.78%	\$ 3.16	5.86%	\$ 3.65	6.94%	\$ 4.14	8.02%	\$ 4.63	9.09%
\$ 1.70	2.65%	\$ 2.19	3.73%	\$ 2.68	4.81%	\$ 3.17	5.88%	\$ 3.66	6.96%	\$ 4.15	8.04%	\$ 4.64	9.12%
\$ 1.71	2.67%	\$ 2.20	3.75%	\$ 2.69	4.83%	\$ 3.18	5.91%	\$ 3.67	6.98%	\$ 4.16	8.06%	\$ 4.65	9.14%
\$ 1.72	2.69%	\$ 2.21	3.77%	\$ 2.70	4.85%	\$ 3.19	5.93%	\$ 3.68	7.01%	\$ 4.17	8.08%	\$ 4.65	9.16%
\$ 1.73	2.72%	\$ 2.22	3.79%	\$ 2.71	4.87%	\$ 3.20	5.95%	\$ 3.69	7.03%	\$ 4.18	8.10%	\$ 4.67	9.18%
\$ 1.74	2.74%	\$ 2.23	3.82%	\$ 2.72	4.89%	\$ 3.21	5.97%	\$ 3.70	7.05%	\$ 4.19	8.13%	\$ 4.68	9.20%
\$ 1.75	2.76%	\$ 2.24	3.84%	\$ 2.73	4.92%	\$ 3.22	5.99%	\$ 3.71	7.07%	\$ 4.20	8.15%	\$ 4.69	9.23%
\$ 1.76	2.78%	\$ 2.25	3.86%	\$ 2.74	4.94%	\$ 3.23	6.02%	\$ 3.72	7.09%	\$ 4.21	8.17%	\$ 4.70	9.25%
\$ 1.77	2.80%	\$ 2.26	3.88%	\$ 2.75	4.96%	\$ 3.24	6.04%	\$ 3.73	7.12%	\$ 4.22	8.19%	\$ 4.71	9.27%
\$ 1.78	2.83%	\$ 2.27	3.90%	\$ 2.76	4.98%	\$ 3.25	6.06%	\$ 3.74	7.14%	\$ 4.23	8.21%	\$ 4.72	9.29%
\$ 1.79	2.85%	\$ 2.28	3.93%	\$ 2.77	5.00%	\$ 3.26	6.08%	\$ 3.75	7.16%	\$ 4.24	8.24%	\$ 4.73	9.31%
\$ 1.80	2.87%	\$ 2.29	3.95%	\$ 2.78	5.03%	\$ 3.27	6.10%	\$ 3.76	7.18%	\$ 4.25	8.26%	\$ 4.74	9.34%
\$ 1.81	2.89%	\$ 2.30	3.97%	\$ 2.79	5.05%	\$ 3.28	6.13%	\$ 3.77	7.20%	\$ 4.26	8.28%	\$ 4.75	9.36%
\$ 1.82	2.91%	\$ 2.31	3.99%	\$ 2.80	5.07%	\$ 3.29	6.15%	\$ 3.78	7.23%	\$ 4.27	8.30%	\$ 4.76	9.38%
\$ 1.83	2.94%	\$ 2.32	4.01%	\$ 2.81	5.09%	\$ 3.30	6.17%	\$ 3.79	7.25%	\$ 4.28	8.32%	\$ 4.77	9.40%
\$ 1.84	2.96%	\$ 2.33	4.04%	\$ 2.82	5.11%	\$ 3.31	6.19%	\$ 3.80	7.27%	\$ 4.29	8.35%	\$ 4.78	9.42%
\$ 1.85	2.98%	\$ 2.34	4.06%	\$ 2.83	5.14%	\$ 3.32	6.21%	\$ 3.81	7.29%	\$ 4.30	8.37%	\$ 4.79	9.45%
\$ 1.86	3.00%	\$ 2.35	4.08%	\$ 2.84	5.16%	\$ 3.33	6.24%	\$ 3.82	7.31%	\$ 4.31	8.39%	\$ 4.80	9.47%
\$ 1.87	3.02%	\$ 2.36	4.10%	\$ 2.85	5.18%	\$ 3.34	6.26%	\$ 3.83	7.34%	\$ 4.32	8.41%	\$ 4.81	9.49%
\$ 1.88	3.05%	\$ 2.37	4.12%	\$ 2.86	5.20%	\$ 3.35	6.28%	\$ 3.84	7.36%	\$ 4.33	8.43%	\$ 4.82	9.51%
\$ 1.89	3.07%	\$ 2.38	4.15%	\$ 2.87	5.22%	\$ 3.36	6.30%	\$ 3.85	7.38%	\$ 4.34	8.46%	\$ 4.83	9.53%
\$ 1.90	3.09%	\$ 2.39	4.17%	\$ 2.88	5.25%	\$ 3.37	6.32%	\$ 3.86	7.40%	\$ 4.35	8.48%	\$ 4.84	9.56%
\$ 1.91	3.11%	\$ 2.40	4.19%	\$ 2.89	5.27%	\$ 3.38	6.35%	\$ 3.87	7.42%	\$ 4.36	8.50%	\$ 4.85	9.58%
\$ 1.92	3.13%	\$ 2.41	4.21%	\$ 2.90	5.29%	\$ 3.39	6.37%	\$ 3.88	7.45%	\$ 4.37	8.52%	\$ 4.86	9.60%
\$ 1.93	3.16%	\$ 2.42	4.23%	\$ 2.91	5.31%	\$ 3.40	6.39%	\$ 3.89	7.47%	\$ 4.38	8.54%	\$ 4.87	9.62%
\$ 1.94	3.18%	\$ 2.43	4.26%	\$ 2.92	5.33%	\$ 3.41	6.41%	\$ 3.90	7.49%	\$ 4.39	8.57%	\$ 4.88	9.64%
\$ 1.95	3.20%	\$ 2.44	4.28%	\$ 2.93	5.36%	\$ 3.42	6.43%	\$ 3.91	7.51%	\$ 4.40	8.59%	\$ 4.89	9.67%
\$ 1.96	3.22%	\$ 2.45	4.30%	\$ 2.94	5.38%	\$ 3.43	6.46%	\$ 3.92	7.53%	\$ 4.41	8.61%	\$ 4.90	9.69%
\$ 1.97	3.24%	\$ 2.46	4.32%	\$ 2.95	5.40%	\$ 3.44	6.48%	\$ 3.93	7.56%	\$ 4.42	8.63%	\$ 4.91	9.71%
\$ 1.98	3.27%	\$ 2.47	4.34%	\$ 2.96	5.42%	\$ 3.45	6.50%	\$ 3.94	7.58%	\$ 4.43	8.65%	\$ 4.92	9.73%

\*Rates will be adjusted on the 1st of each month and reflect the highest average price per gallon in the previous 30 day cycle.

\*\*Any price below \$1.60 per gallon the FRF rate will remain a flat 2.21%. The table will be expanded to include fuel prices above \$4.92 if required.  
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