



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

1. Agenda Item Number

**25**

2. Council Meeting Date:  
May 24, 2007

**TO: MAYOR & COUNCIL**  
**THROUGH: CITY MANAGER**

3. Date Prepared: May 1, 2007

4. Requesting Department: Municipal Utilities

5. **SUBJECT:** Approve Amendment II to Agreement SW0-0509-1641 for Recycling Material Recovery Facility with Abitibi Consolidated.

6. **RECOMMENDATION:** Recommend approval of Amendment II to Agreement SW0-0509-1641 for Recycling Material Recovery Facility with Abitibi Consolidated.

7. **HISTORICAL BACKGROUND/DISCUSSION:** In 1993, the City initiated a curbside commingled recycling program. By 1995, the program was implemented citywide. The City initiated a contract with Abitibi Consolidated, formerly Valley Recycling Works, for separating, processing and marketing recyclable materials collected.

8. **EVALUATION PROCESS:** In May 2000, City Council awarded Agreement SW0-0509-1641 for Recycling Material Recovery Facility to Abitibi Consolidated. The contract was awarded and included a five-year term beginning July 1, 2000 through June 30, 2005. In May 2005, Mayor and Council approved Amendment I extending the contract through June 30, 2009; continuing the education supplement of \$0.25 per ton; and increasing the minimum payment to the City from \$6.50 to \$18.00 per ton for recyclables collected.

Amendment II increases the education supplement from \$0.25 per ton to \$1.00 per ton. The education supplement will increase to \$2.00 per ton upon the City achieving a contamination rate less than fifteen (15) percent.

9. **FINANCIAL IMPLICATIONS:** Proceeds resulting from the requested Amendment II are applied to the Solid Waste Operating Fund.

Revenue: \$17,250 (additional education supplement – estimate based on current tonnage at \$0.75 \* 23,000 = \$17,250)  
Savings: N/A  
Long Term Cost: N/A

**Fund Source**

Account Name	Fund Name	Program Name	CIP Funded	Funds
625.0000.0000.4754	Solid Waste Operating	Education/Enforcement	N/A	N/A

10. **PROPOSED MOTION:** Move to approve Amendment II to Agreement SW0-0509-1641 for Recycling Material Recovery Facility with Abitibi Consolidated.

**APPROVALS**

11. Requesting Department

Sheree Sepulveda, Environmental Programs  
Education Coordinator

12. Department Head

Dave Siegel, Municipal Utilities Director

13. Buyer/Contract Admin.

Mike Mandt, Procurement Officer

14. City Manager

W. Mark Pentz, City Manager

AMENDMENT NO 2  
to Recycling Material Recovery Facility (MRF)  
SW0-0509-1641

This Amendment No. 2 (Amendment) dated this \_\_\_\_ day of \_\_\_\_\_, 2007 hereby amends the MRF contract executed by the City of Chandler, an Arizona municipal corporation (City) and Abitibi Consolidated formerly Valley Recycling Works, Inc (Contractor) on June 20, 2000 and amended on June 13, 2005.

RECITALS:

WHEREAS, the City contracted with the contractor to provide the service of sorting and marketing of recyclable materials. and

WHEREAS, The contract includes an education supplement

WHEREAS, The contractor is willing to increase the education supplement

NOW, THEREFORE, for and in consideration of the mutual promises of the parties hereto, it is agreed hereby as follows:

1. Section II ADDITIONS AND CHANGES, Subsection B, Education Supplement hereby amended to read as follows:

In addition to payment specified in Section II, A, Contractor will pay City \$1.00 per ton of material delivered to Contractor. Education Supplement will be paid monthly.

The Education Supplement will be increased to \$2.00 per ton of material delivered to Contractor if the contamination is less than 15% of material delivered for two consecutive months. If contamination increases to 15% or higher, Education Supplement will be reduced back to \$1.00 per ton until quality improves according to the above mentioned terms.

The City and the Contractor shall meet monthly to sample no less than 5 tons of selected random loads of the City's material to determine the percentage of contamination.

2. Except as modified by this Amendment, all terms of said Agreement and any amendments to the contract agreed to by the parties shall remain in full force and effect.

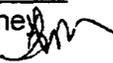
IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

City of Chandler

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney 

Contractor:

By: Rameek  
Area Manager  
Title

(SEAL)

ATTEST: \_\_\_\_\_  
\_\_\_\_\_