



PURCHASING ITEM FOR COUNCIL AGENDA

1. Agenda Item Number:

26

2. Council Meeting Date: June 11, 2009

TO: MAYOR & COUNCIL THROUGH: CITY MANAGER

3. Date Prepared: May 27, 2009

4. Requesting Department: Municipal Utilities

5. SUBJECT: Approve Amendment 1 to extend Agreement SW8-926-2602 for recycling services to American Metals Company and Westech Recyclers, Incorporated.

6. RECOMMENDATION: Recommend the approval of Amendment 1 to extend Agreement SW8-926-2602 for recycling services to American Metals Company and Westech Recyclers, Incorporated.

7. HISTORICAL BACKGROUND/DISCUSSION: Since 1995, Solid Waste Services has implemented numerous recycling programs for waste materials with market value. Waste that can be recycled helps to offset costs associated with landfill disposal.

Waste required to be recycled at the Recycling-Solid Waste Collection Center (RSWCC) is typically self-hauled to this facility by residents. Currently, waste recycled include, but is not limited to, scrap metals, electronics and small appliances.

In August 2008, Mayor and Council approved agreements between the City with American Metals for recycling scrap metals, and Westech Recyclers, Incorporated for recycling electronics and small appliances. The provisions for each agreement offered one (1) year of service, with the option to mutually agree on four additional one (1) year extension periods, not to exceed five (5) years.

During the first year for both agreements, tonnage for scrap metal, electronics and small appliances has remained steady. Approximately 1,000 tons of scrap metal, and 230 tons of electronics and small appliances have been recycled to date. In comparison to the previous fiscal year, revenue has decreased due to the decline in market value for these materials in the current economy. Costs associated with landfill disposal, and the ongoing environmental benefits, however, continue to justify recycling these materials.

8. EVALUATION PROCESS: Both agreements state provisions for up to four additional one (1) year periods, and both contractors have agreed to extend for one (1) year with the same terms of agreement. American Metals and Westech Recyclers, Inc. have provided exceptional service. The City is very satisfied with operational services rendered and considering current market conditions, the value offered for recyclable materials processed.

9. FINANCIAL IMPLICATIONS:

Proceeds resulting from the proposals are applied to the Solid Waste Operating Fund.

Revenue: Estimated revenue based on current markets is approximately \$150,000
Savings: Continued cost avoidance savings for landfill haul and disposal is \$45,510
Long Term Cost: N/A

Fund Source

Table with 5 columns: Account Name, Fund Name, Program Name, CIP Funded, Funds. Row 1: 625.0000.0000.4754, Solid Waste Operating, Recycling Education & Enforcement, N/A, N/A

10. PROPOSED MOTION: Move to approve Amendment 1 to Agreement SW8-926-2602 for recycling service to American Metals Company and Westech Recyclers, Incorporated.

APPROVALS

11. Requesting Department

Signature of Sherree Sepulveda, Erviro. Prgms Ed. Coord.

12. Department Head

Signature of Dave Siegel, Municipal Utilities Director

13. Procurement Officer

Signature of Mike Mandt, CPPB

14. City Manager

Signature of W. Mark Pentz, City Manager

**AMENDMENT NUMBER ONE  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER AND AMERICAN METALS  
COMPANY FOR RECYCLING SERVICE  
AGREEMENT No. SW8-926-2602**

This Amendment #ONE to the Agreement Between the City Of Chandler (CITY) and American Metals Company (CONTRACTOR) for Recycling Service dated April 15, 2008, ("AGREEMENT") is entered into this 20 day of April, 2009.

WHEREAS, the Agreement expires August 31, 2009;

NOW THEREFORE, the parties agree as follows:

1. Section 5.1 Term, of the AGREEMENT is hereby amended to extend the Agreement one year through August 31, 2010.
  
2. Section 2.4 of the AGREEMENT, Compliance with Applicable Laws, is hereby amended to add the following language:
  - 2.4.1 Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty"). Attached "Contractor Immigration Warranty" documents shall be incorporated as Exhibit C of the AGREEMENT.
  
  - 2.4.2 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
  
  - 2.4.3. The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
  
  - 2.4.4. The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.
  
  - 2.4.5. The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any

structure, building or transportation facility or improvement to real property.

2.4.6. In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

2.4.7. In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan."

3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

CITY OF CHANDLER:

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

CONTRACTOR:

By: Tony DiSanti  
Title: Owner

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST: (If corporation)

ATTEST:

City Clerk \_\_\_\_\_

Secretary \_\_\_\_\_

WITNESS: (If individual or Partnership)

\_\_\_\_\_

[SEAL]

**EXHIBIT C**

**Contractor Immigration Warranty  
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number: <u>SW8-926-2602</u>		
Name (as listed in the contract): <u>American Metals Company</u>		
Street Name and Number: <u>740 W. Broadway</u>		
City: <u>Mesa</u>	State: <u>AZ</u>	Zip Code: <u>85210</u>

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature of Contractor (Employer) or Authorized Designee:

  
\_\_\_\_\_

Printed Name: Tony DiSanti

Title: Owner

Date (month/day/year): 04/20/2009

**AMENDMENT NUMBER ONE  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER AND WASTECH  
RECYCLERS, INC. FOR RECYCLING SERVICE  
AGREEMENT No. SW8-926-2602**

This Amendment #ONE to the Agreement Between the City Of Chandler (CITY) and Westech Recyclers Inc. (CONTRACTOR) for Recycling Service dated April 15, 2008, ("AGREEMENT") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2009.

WHEREAS, the Agreement expires August 31, 2009;

NOW THEREFORE, the parties agree as follows:

1. Section 5.1 Term, of the AGREEMENT is hereby amended to extend the Agreement one year through August 31, 2010.
  
2. Section 2.4 of the AGREEMENT, Compliance with Applicable Laws, is hereby amended to add the following language:
  - 2.4.1 Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty"). Attached "Contractor Immigration Warranty" documents shall be incorporated as Exhibit C of the AGREEMENT.
  
  - 2.4.2 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
  
  - 2.4.3. The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
  
  - 2.4.4. The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.
  
  - 2.4.5. The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any

structure, building or transportation facility or improvement to real property.

2.4.6. In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

2.4.7. In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan."

3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

CITY OF CHANDLER:

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

CONTRACTOR: Westech Recyclers, Inc.  
By: [Signature]  
Title: President

APPROVED AS TO FORM:

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

ATTEST:  
\_\_\_\_\_  
City Clerk

ATTEST: (If corporation)

[Signature] Secretary

WITNESS: (If individual or Partnership)

\_\_\_\_\_

[SEAL]

**EXHIBIT C**

**Contractor Immigration Warranty  
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

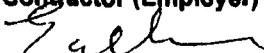
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

<b>Contract Number:</b> SW8-926-2602		
<b>Name (as listed in the contract):</b> Westech Recyclers, Inc.		
<b>Street Name and Number:</b> 1008 W. Madison		
<b>City:</b> Phoenix	<b>State:</b> AZ	<b>Zip Code:</b> 85007

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

**Signature of Contractor (Employer) or Authorized Designee:**



**Printed Name:** Ecol Knudsen

**Title:** President

**Date (month/day/year):** 04/20/09