

AMENDMENT NUMBER 1 TO  
AGREEMENT FOR SERVICES  
BETWEEN  
RECYCLEREWARDS, INC.  
AND  
THE CITY OF ANN ARBOR

The City of Ann Arbor, a Michigan municipal corporation, with offices at 301 E. Huron Street, Ann Arbor, Michigan 48104 ("City") and RecycleRewards, Inc., a Delaware Corporation having its principal office located at 95 Morton Street, 7<sup>th</sup> Floor, New York, NY 10014 ("Consultant") agree to amend the service agreement executed by the parties dated March 18, 2010 as follows:

1. Exhibit B, Fee Schedule, shall be amended as set out in First Amended Exhibit B, Fee Schedule, which is attached and incorporated into the service agreement between the parties.
2. The effective date of First Amended Exhibit B, Fee Schedule, is December 1, 2011.

All terms, conditions, and provisions of the original agreement between the parties executed March 18, 2010, unless specifically amended above, are to apply to this Amendment No. 1 and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This Amendment No. 1 to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this \_\_\_\_\_, 2011.

**For Consultant**

By \_\_\_\_\_

**For City of Ann Arbor**

By \_\_\_\_\_  
John Heiftje, Mayor

By \_\_\_\_\_  
Jacqueline Beaudry, City Clerk

**Approved as to substance**

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Steven D. Powers, City Administrator

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Sue F. McCormick  
Public Services Area Administrator

**Approved as to form and content**

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Stephen K. Postema, City Attorney

**FIRST AMENDED EXHIBIT B**

**FEE SCHEDULE**

RecycleRewards shall be compensated for the Rewards System as follows:

A. **Monthly Service Charge.** As calculated from the Program start date, the fees for the Incentive Based Recycling Program shall be a combination of:

(1) **Type I Service Units:** A service charge per each Service Unit participating in the Incentive Recycling Program shall be charged for these Type I Service Units as provided for in the following schedule. For purposes of this Type I Service Charge participating in the Incentive Recycling Program shall mean any Service Unit that is provided at least one cart containing an RFID Tag and having access to the Incentive Recycling Program at any time during the applicable month. If a Service Unit is provided an additional cart with an RFID Tag, the Service Charge will be charged for each cart.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Type I Service Unit Fee - Cost per Deployed Cart per Month</b>	\$ .52 Month	\$ .52 35* Month	\$ .52 35 Month	\$ .52 35 Month	\$ .52 35 Month	\$ .52 35 Month	\$ .52 35 Month	\$ .52 35 Month	\$ .52 35 Month	\$ .52 35 Month

**\*Year 2 Service Unit Fee: \$.52/hhld/month through 11/30/11. \$.35/hhld/month from 12/1/11 to 6/30/12.**

**B. Incentive Payment:** If more than 6610 tons are collected through the City's curbside collection program during the period of 12/1/11 to 6/30/12, Contractor will be paid a \$50 per ton incentive payment for each full ton over 6610 tons for that period. If in any fiscal year after June 30, 2012 through the end of the contract the city's recycling collection contractor collects more than 11,332 tons through the City's curbside collection program, Contractor will be paid a \$50 per ton incentive payment for each full ton over 11,332 for that fiscal year. No payment or pro rated payment will be made for partial tons. If an incentive payment is determined to be due to the Contractor the payment will be made after the June 30<sup>th</sup> close of the fiscal year but no later than July 30<sup>th</sup>.

**C. Maximum Annual Payment:** The combined amount of the monthly services charges and incentive payments that are paid to the Contractor is limited to and cannot exceed a total of \$150,000.00 in any one fiscal year (July 1 to June 30).

**D. Adjustment of Service Charges.** Starting September 1, 2012 During the Term, upon each anniversary of the date of Effective Date, the monthly service charge as amended shall be increased by one hundred percent (100%) of the percentage increase in the

Annual Consumer Price Index published by the U.S. Government's Bureau of Labor Statistics. Neither the \$50 per ton incentive payment nor the maximum annual payment of \$150,000 shall be adjusted.