AMENDMENT NUMBER 3 TO SERVICE CONTRACT FOR MUNICIPAL RESOURCE RECOVERY SERVICES FOR THE CITY OF ANN ARBOR BETWEEN RECYCLE ANN ARBOR AND THE CITY OF ANN ARBOR

The City of Ann Arbor, a municipal corporation, 100 N. Fifth Avenue, Ann Arbor, Michigan 48107-8647 ("City") and Recycle Ann Arbor, a Michigan non-profit corporation, with offices at 2420 South Industrial Highway, Ann Arbor, Michigan 48104 ("Contractor") agree to amend the Service Contract for Municipal Resource Recovery Services for the City of Ann Arbor ("the Agreement") made and entered into by the parties on the 1st day of December, 2003, amended by Amendment #1 effective March 2, 2005 and amended by Amendment #2 effective May 13, 2010.

WITNESSETH

WHEREAS, the City and Contractor desire to modify its agreement for municipal resource recovery services; and

WHEREAS, As provided for below, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

NOW, THEREFORE, In consideration of the mutual promises set forth below, the Contractor and the City agree that the following sections shall be substituted for like numbered Sections of the original Service Contract Documents for Municipal Resource Recovery Services for the City of Ann Arbor:

ARTICLE III AMENDMENT TO ATTACHMENT A, ARTICLE A-2 OF AGREEMENT <u>Designated Services Compensation</u>

Paragraph C of attachment A, Article A-2 of the Agreement, Performance Based Compensation Schedule – Designated Services Compensation, is amended as follows:

C. Compensation per Service Unit after the Single Stream Recycling Processing Line Acceptance Date: After the Single Stream Processing Line Acceptance Date, the City agrees to pay the Contractor a fee per month per Service Unit for Curbside and Curb Cart Service as per the following Schedule:

From the period beginning the first of the month of the Single Stream Recycling Processing Line Acceptance Date through June 30, 2015, the City agrees to pay the Contractor for Curbside and Curb Cart Service as per the following Fixed Cost Rate per Service Unit Scheduled Lift for each Fiscal Year, with no Annual Price Adjustment Factor as provided for in Attachment A, Article A-6, Part A, Annual Price Adjustment Factor, applied until July 1, 2015.

| Service Type | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|--------------|---------|-------------------|-------------------|-------------------|-------------------|
| Curbside and | \$3.25 | \$3. <u>55</u> 19 | \$3. <u>55</u> 19 | \$3. <u>55</u> 19 | \$3. <u>55</u> 18 |
| Curb Cart | | | | | _ |

As of July 1, 2015 the Fixed Cost Rate per Service Unit Scheduled Lift shall be adjusted annually as provided for in Article A-6, Part A, Annual Price Adjustment Factor.

EXECUTION OF AMENDMENT NUMBER 3 TO THE AGREEMENT

All terms, conditions, and provisions of the original agreement between the parties executed December 1, 1993, amended by Amendment #1 effective March 2, 2005, and amended by Amendment #2 effective May 13, 2010, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

| Dated this, 201 | 1 |
|----------------------------|--|
| | he authorized representatives of the Parties hereto on the day and year first above written. |
| FOR CONTRACTOR | FOR THE CITY OF ANN ARBOR |
| By Melinda Uerling, CEO | By John Hieftje, Mayor |
| | By Jacqueline Beaudry, City Clerk |
| | Approved as to Substance |
| | Sue F. McCormick, Public Services Area Administrator |
| | Roger W. Fraser, City Administrator |
| | Approved as to Form |

Stephen K. Postema, City Attorney