AMENDMENT NUMBER 10 TO THE SERVICE CONTRACT FOR MUNICIPAL RESOURCE RECOVERY SERVICES FOR THE CITY OF ANN ARBOR BETWEEN RECYCLE ANN ARBOR AND THE CITY OF ANN ARBOR

This Amendment Number 10 ("Amendment") is to the agreement between the <u>City of Ann</u> <u>Arbor, a Michigan municipal corporation, with offices at 301 East Huron Street, Ann Arbor,</u> <u>Michigan 48107</u> ("City") and <u>Recycle Ann Arbor, a Michigan nonprofit corporation, with its</u> <u>address at P.O. Box 246, Dexter, Michigan 48130</u>, ("Contractor") for <u>Municipal Recovery</u> <u>Services for the City of Ann Arbor</u>, which is dated December 1, 2003, amended by Amendment #1 effective March 2, 2005, amended by Amendment #2 effective May 13, 2010, amended by Amendment #3 effective August 29, 2011, amended by Amendment #4 effective August 18, 2015, amended by Amendment #5 effective June 29, 2018, amended by Amendment #6 effective June 3, 2019, amended by Amendment #7 effective July 28, 2020, amended by Amendment #8 effective June 30, 2021, and amended by Amendment #9 effective January 1, 2023 ("Agreement"). City and Contractor hereby agree to amend the Agreement as follows:

1) ARTICLE III, <u>TERM</u>, is amended to read as follows:

The term of this Agreement shall be for approximately three years and four months which shall commence on <u>March 1, 2023</u> ("Commencement Date") and expire on <u>June 30, 2026</u> (unless it is lawfully terminated earlier for breach or as provided for in this Agreement).

2) ARTICLE VIII(C)(7), <u>TERMINATION OF CONTRACT; RIGHTS ON</u> <u>TERMINATION; LIQUIDATED DAMAGES</u>, is amended by adding the following paragraph:

The City will not find the Contractor in default during the term of this Agreement for any issues related to this Agreement that are not restricted to and consistent with the services Contractor has provided over the last 20 months, and without notifying the Contractor in writing of the grounds for such default and allowing Contractor thirty (30) business days from receipt of written notice by the City to cure the default.

3) ATTACHMENT A, CITY OF ANN ARBOR MUNICIPAL RESOURCE RECOVERY SERVICES PERFORMANCE BASED COMPENSATION SCHEDULE, ARTICLE A-2 – DESIGNATED SERVICES COMPENSATION, PARAGRAPH C, <u>COMPENSATION PER SERVICE</u> <u>UNIT</u>, is amended to read as follows: For this term of March 1, 2023, to June 30, 2026, the Contractor fee for the services under this Agreement restricted to and consistent with the services Contractor has provided over the last 20 months and shall be adjusted according to the following schedule:

March 1, 2023 to June 30, 2023: **<u>\$101,905 per month</u>**. Beginning July 1, 2023, the fixed monthly fee shall be adjusted annually as provided for in Article A-6, Part A, Annual Price Adjustment Factor.

Once the conversion of **three thousand (3,000)** monthly cart tips to dumpster collection has been completed, the fixed monthly fee shall thereafter be reduced by \$10,000.

 ATTACHMENT A, ARTICLE A-6 – COMPENSATION INCENTIVES AND ADDITIONS, PART A, <u>ANNUAL PRICE ADJUSTMENT FACTOR</u>, is amended to read as follows:

Beginning on July 1, 2023, and thereafter every July 1st for the duration of this Agreement, the Contractor fixed monthly fee for the services under this Agreement shall be adjusted annually for inflation. Adjustment for inflation shall be limited to the percentage change in the Consumer Price Index (CPI), including energy, for the previous contract year, or 6%, whichever is less. For the purposes of this Agreement, CPI is defined as the Midwest Region Consumer Price Index for Statistics (BLS), United States Department of Labor. The change in CPI, will be calculated in June for the previous twelve-month period (ending May 31st) and will be effective as of July 1st. The change in CPI shall be calculated each subsequent June and will be in effect for billings from July 1st through the following June 30th.

6.) ATTACHMENT D, ARTICLE D-4 – SERVICE COUNTS AND ROUTE MAPS, PART C, <u>SERVICE COUNT AUDIT</u>, is amended to read as follows:

The City will undertake an extensive data collection and compilation effort in order to obtain accurate data for all of the properties and customers serviced under this Agreement, including location, number of carts, current days of collection, and any other relevant information. Contractor shall allow City employees and/or their agents to follow behind ("shadow") Contractor's trucks on their daily routes so that they will be able to collect and verify data in order to update route maps, service lists, quantity of service, and identify efficiencies which will help to lower the cost of service for the City long-term. Once collected and compiled, the data collected will be shared with Contractor for review and feedback.

All terms, conditions, and provisions of the Agreement, unless specifically amended above, shall apply to this Amendment and are made a part of this Amendment as though expressly rewritten, incorporated, and included herein.

City and Contractor agree that for this Amendment and any documents related to the Agreement: 1) signatures may be delivered electronically in lieu of an original signature; 2) to treat electronic signatures as original signatures that bind them; and 3) signatures may be executed and delivered by facsimile and upon such delivery, the facsimile signature will be deemed to have the same effect as if the original signature had been delivered to the other party.

This Amendment to the Agreement shall be binding on the Parties' heirs, successors, and assigns. This Agreement will become effective when all parties have signed it. The Effective Date of this Agreement will be the date this Agreement is signed by the last party to sign it.

[SIGNATURE PAGE FOLLOWS]

FOR CONTRACTOR: RECYCLE ANN ARBOR	FOR THE CITY OF ANN ARBOR:
Ву:	By: Christopher Taylor, Mayor
	Christopher Taylor, Mayor
Name:	Bv.
Title:	By: Jacqueline Beaudry, City Clerk
Date:	Date:
	Approved as to substance:
	Milton Dohoney Jr., City Administrator
	Brian Steglitz, P.E.
	Public Services Area Administrator
	Approved as to form and content:
	Atleen Kaur, City Attorney