

## City of Ann Arbor

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## **Legislation Text**

File #: 11-1284, Version: 1

Resolution to Approve Contract Amendment #1 with RecycleRewards

The attached resolution approves and authorizes contract amendment #1 with RecycleRewards. This contract amendment will reduce the base payment to RecycleRewards from \$0.52 per household per month to \$0.35 per household per month, reducing the City's base payment costs from \$149,244.00 to \$100,455.00 per year.

In addition, the contract amendment also authorizes a \$50.00 per ton incentive payment to RecycleRewards for any recycling tonnages collected over 11,332 tons, which is the amount collected in the first year of the RecycleRewards program (September 1, 2010 to August 31, 2011). Total payments to RecycleRewards will not exceed \$150,000.00 in any fiscal year.

This proposed contract amendment will take effect December 1, 2011.

The proposed contract amendment will not impact the rewards that single-family and duplex residents can accrue through their recycling efforts. RecycleRewards is working on a proposed program for multi-family residents. Staff will report back to City Council when that program information is available.

Prepared by: Tom McMurtrie, Systems Planning Unit

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The proposed contract amendment with RecycleRewards provides the City an immediate savings of \$48,789.00 per fiscal year in base payment costs;

Whereas, The current RecycleRewards program does not provide an incentive for RecycleRewards to increase recycling tonnages collected;

Whereas, The proposed contract amendment #1 with RecycleRewards will provide a \$50.00 per ton incentive payment to RecycleRewards for recycling tonnages collected above the tonnage level collected in the first year of the contract;

Whereas, The proposed contract will limit payments to RecycleRewards to no more than \$150,000.00 in any fiscal year;

Whereas, The proposed contract amendment will not change the recycling rewards that single-family and duplex residents can accrue through their recycling efforts; and

Whereas, Recycle Rewards received Contract Compliance and Living Wage approvals on September 22, 2011;

RESOLVED, That Council approves contract amendment #1 with RecycleRewards, substantially in

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the form as shown in Attachment A;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute the contract amendment after approval as to form by the City Attorney, and approval as to substance by the City Administrator; and

RESOLVED, That Council authorize the City Administrator to take the necessary administrative actions to implement this resolution.