

RESOLUTION AUTHORIZING AMENDMENT TO CONTRACT #2012-5340
PROCESSING AND MARKETING OF RECOVERED RECYCLABLES WITH
RECOMMUNITY RECYCLING

WHEREAS, Contract No. 2012-5340 provides for the processing and marketing of recovered recyclables collected by the City of Greensboro;

WHEREAS, in January of 2013, the City entered into a contract with ReCommunity to provide these services, and in return the City would receive \$30 per ton in revenue, or about \$800,000 annually;

WHEREAS, due to a dramatic downturn in the value of single-stream recyclables, ReCommunity has asked the city to renegotiate its contract to lessen their financial losses and to allow them to continue to serve the City's recycling needs;

WHEREAS, City staff and ReCommunity have worked the past several months to find a mutually agreeable solution that will provide ReCommunity some financial relief in the depressed recycling commodity market while also providing the City of Greensboro with some revenue for the recyclables delivered to ReCommunity's facility;

WHEREAS, effective January 1, 2016, the city will reduce ReCommunity's payment to the city from \$30 per ton to \$15 per ton through April 1, 2018. The City has sole option to extend the contract term through June 30, 2020.

WHEREAS, the City will also assume responsibility for 75% of all transportation and disposal costs of non-recyclables it delivers to ReCommunity's facility removed from the tip floor and pre-sort station (cost estimated at \$100,000 annually);

WHEREAS, ReCommunity will continue to receive the city's ABC glass at market rates allowing the City to continue to provide this service to local ABC establishments (cost estimated at \$50,000 annually).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That an amendment for Contract 2012-5340 with ReCommunity for the processing and marketing of recovered recyclables is hereby authorized. This amendment will potentially result in about \$1,000,000 in additional revenue to the City through June 30 of 2020. This revenue will be received in account number 101-4301-03.8600.