



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: June 10, 2022  
 TO: Board of Directors  
 FROM: General Manager  
 SUBJECT: Amendment to Existing Agreement between MRWMD and Recology

**RECOMMENDATION:** That the Board Authorize the General Manager to Execute Amendment No. 1 to the Agreement with Recology for Single Stream Recycling Services.

### **BACKGROUND & DISCUSSION**

The District has an existing contract agreement with Recology that requires an annual amendment to the rates for Single Stream Recycling (SSR) services. If not negotiated by June 30, 2022, the processing rate would default to a rate of \$0 (zero) per ton. Currently, for FY21/22, the recycling agreement has a \$30 per ton charge rate and there is no residual fee charge. For FY22/23, Recology and the District have tentatively agreed to a charge rate of \$35 per ton and no residual fee charge. This is consistent with the District's strategy to align the single stream processing fee's of the non-member agency customers.

Staff recommends the Board's concurrence with the attached Amendment No. 1 and is requesting that the Board authorize the General Manager to execute the amendment to the recycling agreement with Recology.

### **FISCAL IMPACT**

-Increased revenues at the rate of \$5 per ton for processing of the single stream recyclables delivered by Recology is the anticipated fiscal impact; an estimated annual increase in revenues of ~\$33,500.

### **CONCLUSION**

Staff recommends that the Board authorize the General Manager to execute Amendment No. 1 to the District's recycling contract agreement with Recology.

Respectfully,

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Felipe Melchor

Attachment: Amendment No. 1 to MRWMD Contract Agreement with Recology-



**AMENDMENT NO. 1  
TO  
RECYCLING AGREEMENT**

**THIS AMENDMENT NO. 1 TO RECYCLING AGREEMENT** (the "Amendment") is made this 17 day of June, 2022 by and between Recology South Valley d/b/a Recology San Benito County ("Recology") and Monterey Regional Waste Management District ("Recycler") with a location at 14201 Del Monte Blvd., Monterey County (Salinas), CA 93908 (the "Facility").

**WHEREAS**, Recology and Recycler are parties to a Recycling Agreement effective August 1, 2021 (the "Agreement"); and

**WHEREAS**, Section 2.2.3 provides that prior to June 30th of each year of the Agreement the parties shall agree upon the price (rebate or charge) of the Recyclables going forward in the next fiscal year;

**NOW, THEREFORE**, the parties, for themselves, their successors, and assignees, in consideration of their respective undertakings and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby covenant and agree as follows:

1. Charge for Recyclables. Section 2.2.2 of the Agreement is hereby amended to read in its entirety as follows:  

"2.2.2 Effective as of July 1, 2022 and through June 30, 2023, Recycler shall charge Recology \$35 per ton. Recycler shall not charge Recology any additional residuals fee for tons delivered under this Agreement."
2. Except as modified herein, the Agreement shall remain in full force and effect. In the event of a conflict between the provisions of this Amendment and the Agreement, the provisions of this Amendment shall govern.

**IN WITNESS WHEREOF**, the parties have executed this Amendment No. 1 to Recycling Agreement as of the date first written above.

**Monterey Regional Waste Management District**

**Recology South Valley**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Mike Kelly

Title: \_\_\_\_\_

Title: General Manager