

FY25 RECYCLING PROCESSING FEE CONTRACT AMENDMENT

This FY25 Recycling Processing Fee Contract Amendment (“AMENDMENT”), is made and entered into this __24__ day of September, 2024, by and between CITY OF MERIDIAN, a municipal corporation of the State of Idaho (“CITY”), and REPUBLIC SERVICES of Idaho, an Idaho Corporation, hereinafter called (“REPUBLIC SERVICES”), whose current address is: 11101 W. Executive Dr. Boise, Idaho, (together, “Parties”).

1. **RECITALS:**

- 1.1 **WHEREAS**, REPUBLIC SERVICES perform all services pertaining to solid waste collection and disposal of the CITY’S solid waste pursuant to the Solid Waste Franchise Agreement originally executed on January 18, 2000, and assigned to Republic Services pursuant to Meridian City Council Resolution no. 12-844 (the “Franchise Agreement”); and
- 1.2 **WHEREAS**, REPUBLIC SERVICES is also additionally contracted to collect and dispose of recyclable materials as an addendum to the original franchise Agreement; and
- 1.3 **WHEREAS**, REPUBLIC SERVICES has added the additional cost for the monthly net cost of recycling processing charges related to Meridian’s recycling program; and
- 1.4 **WHEREAS**, the CITY has been advised that REPUBLIC SERVICES has sustained additional costs for disposal for Meridian’s recycling program; and
- 1.5 **WHEREAS**, due to the volatility of the secondary recycling market, commodity prices are not predicted to offset rising recycling processing costs for the foreseeable future; and
- 1.6 **WHEREAS**, the CITY desires to continue the Meridian Recycling Program because of its beneficial diversion of materials from the landfill; and
- 1.7 **WHEREAS**, it is the intent of the CITY and REPUBLIC SERVICES to amend the existing MOU between the parties to include the disposal of recycling materials for the future; and
- 1.8 **WHEREAS**, the CITY does not believe the cost of recycling has reached a prohibitive level where the costs outweigh the benefits, but that it is cognizant that may not always be the case;

NOW, THEREFORE, in consideration of the covenants and conditions set forth herein, the parties agree as follows:

2. **INCORPORATION OF RECITALS:** That the above recitals are contractual and binding and are incorporated herein as if set forth in full.
3. **DEFINITIONS:**
 - a. Fiscal Year (“FY”) – This term is defined for purposes of this AMENDMENT as the period beginning October 1, 2024 through September 30, 2025 and continuing for each successive fiscal year until amended or terminated.

b. Commingled Recyclable Material – This term is defined for purposes of this AMENDMENT to include: metals, plastics, newspaper, cardboard, and mixed paper.

c. Net Cost of Recycling Processing Charges - This term is defined for purposes of this AMENDMENT as the charge to process (sort, bale, ship, and sell at market) Meridian's commingled recyclables minus the rebate provided by Republic Services' Material Recovery Facility from material commodity sales.

4. **AMENDMENT to PARAGRAPH 21 of the FRANCHISE AGREEMENT:**

Section 21 of the of the Franchise Agreement shall be modified with the addition of language to read as follows:

21.5 **RECYCLING PROCESSING FEE:** Subject to the provisions set forth in Paragraph 6 of this AMENDMENT, for the period beginning October 1, 2024 and ending September 30, 2025 ("FY25") as determined by the rate schedule adopted between the CITY and REPUBLIC SERVICES for disposal of recyclables; and

The Recycling Processing Fee shall be incorporated into the rate schedule on annual basis and be subject to the same provisions that govern all rates for disposal contemplated within the underlying MOU; and

CPI-INDEX - The recycling processing fee is not subject to the annual CPI rate calculation.

FRANCHISE FEE - The City will receive the 6% franchise fee on all commercial and residential rate components, including the recycling processing fee.

Nothing contained in this AMENDMENT shall change the agreement between the parties that when there exists recycling net profit that it be split 80/20 with 80% returned to the CITY by REPUBLIC SERVICES for the benefit of the Meridian Community Recycling Fund.

REPUBLIC SERVICES agrees to provide the CITY a year end reconciliation report of its recycling processing charges, including an audit of the estimated increase for the period October 1, 2024 through September 30, 2025. This reconciliation shall be provided to City Staff within 120 days of September 30, 2025.

6. **PUBLIC NOTICE AND HEARING PROVISIONS:** The parties agree that the recycling processing fee which is the subject of this AMENDMENT is subject to compliance with the notice and hearing provisions of Idaho Code 63-1311A.

7. **PREVIOUS AGREEMENTS SUPERSEDED:** This Amendment shall supersede and replace all previous Recycling Processing Fee Contract Amendments, which shall each and

all be nullified and void as of the effective date of effective date of the recycling processing fee as set forth herein.

8. **EFFECTIVE DATE:** The effective date for the recycling processing fee is predicated upon Council's approval of the fee following public hearing and execution by the parties of this AMENDMENT with the effective date established by Council to begin October 1, 2024 or as soon thereafter as practicable.

IN WITNESS WHEREOF, the parties have herein executed this agreement and made it effective as herein above provided.

REPUBLIC SERVICES:



Cord Stanley, General Manager
Republic Services of Idaho

CITY OF MERIDIAN:

Robert E. Simison, Mayor

Chris Johnson, City Clerk