

RESOLUTION NO.

17-22

**TITLE: A RESOLUTION APPROVING HE SECOND AMENDMENT TO THE 2017 EXCLUSIVE RESIDENTIAL WASTE COLLECTION SERVICES CONTRACT WITH WASTE MANAGEMENT OF COLORADO, INC., AS AMENDED, PROVIDING FOR REVISED RATES AND FOR COMMUNITY RECYCLING**

WHEREAS, the Town of Hudson (the "Town"), pursuant to C.R.S. § 30-15-401(7.5), has the express authority to require the use of a single residential waste disposal services provider in Hudson and to impose a user fee for the provision of such services; and

WHEREAS, on December 7, 2016, the Town entered into an agreement with Waste Management of Colorado, Inc. ("Waste Mangement) to provide residential curbside household waste collection (the "Agreement"); and

WHEREAS, the Agreement was amended by Resolution No. 17-08 on February 15, 2017; and

WHEREAS, the Town and Waste Management desire to amend certain terms of the Agreement in response to concerns expressed by citizens of Hudson.

NOW THERE FORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF HUDSON, COLORADO, AS FOLLOWS:

Section 1. The attached SECOND ADDENDUM TO WASTE COLLECTION SERVICES CONTRACT with Waste Management of Colorado, Inc. (the "ADDENDUM"), is hereby approved.

Section 2. The Mayor is authorized to sign the ADDENDUM on behalf of the Town.

INTRODUCED, READ and PASSED this 16<sup>th</sup> day of August, 2017.

TOWN OF HUDSON, COLORADO

  
Raymond Patch, Mayor

ATTEST:

  
Rebecca Utecht, Town Clerk



## **SECOND ADDENDUM TO WASTE COLLECTION SERVICES CONTRACT**

THIS SECOND ADDENDUM TO WASTE COLLECTION SERVICES CONTRACT (the "Second Addendum") is made and entered into this 16<sup>th</sup> day of August, 2017, by and between the TOWN OF HUDSON, COLORADO, a Colorado home rule municipality (the "Town"), and Waste Management of Colorado, Inc., an independent contractor with a principal place of business at 7780 E. 96<sup>th</sup> Avenue, Henderson, Colorado 80640, (the "Disposal Company").

WHEREAS, the Town and Disposal Company entered into that Waste Collection Services Agreement dated December 7, 2016 (the "Original Agreement"),

WHEREAS, the Town and Disposal Company entered into a First Addendum thereto dated February 15, 2017; and

WHEREAS, the Town and Disposal Company desire to enter into this Second Addendum to address modifications to the Original Agreement and the First Addendum.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and based upon the representations and subject to the terms and conditions hereinafter expressed, the parties hereto agree to this Second Addendum as follows:

1. The new provision regarding Recycling, as approved by the First Addendum, is amended to read as follows:

### **Curbside Recycling Program.**

Disposal Company shall provide the Town with an automated curbside single stream recycling program, using a 96-gallon recycling designated poly cart provided by the Disposal Company, with pick up service being provided every other week. The monthly rate for this service will be an additional Five Dollars and twenty-five cents (\$5.25) per customer per month in addition to the service provided for refuse waste collection services under the Original Agreement. Disposal Company shall only be obligated to commence and thereafter continue the Curbside Recycling Program so long as it receives payment in an amount equivalent to revenues that would be realized from participation in the recycling service by seventy-five percent (75%) of those residential customers within Hudson that contract for waste collection services from Disposal Company. Subject to annual appropriation, the Town agrees to pay to the Disposal Company on a monthly basis any shortfall, if any, between the amount of residential accounts that participate in the Curbside Recycling Program and the seventy-five percent (75%) threshold required for Disposal Company to continue to provide the Curbside Recycling Program (the "Shortfall"). The Disposal Company shall

bill the Town monthly for the Shortfall which shall be calculated as follows:  $\$5.25 \times ((\text{total number of residential customers in Hudson} \times .75) - \text{total number of residential customers in Hudson that contract for curbside recycling service})$ .

For example, if in a given month there are a total of 440 residential customers contracted for trash service, then the recycling threshold number would be 330 customers. If 150 customers are contracted for curbside recycling service, then the Shortfall for that month would be  $\$5.25 \times (330 - 150) = \$945.00$ .

The Town Hall, the Town Public Works Facility, and the Hudson Public Library shall each be provided with two (2) recycling poly carts and semi-weekly recycling service for those carts at no additional charge.

The Parties agree that the Town's financial participation in the curbside recycling program is to make it available to Hudson residents at a reasonable rate, and that their mutual goal is to maximize the number of residential customers that contract for curbside recycling services. Waste Management will in good faith and on an ongoing basis market its curbside recycling services to its customers in Hudson. If at any time the Town fails to pay or fails to appropriate funds to pay the Shortfall, the Disposal Company may discontinue curbside recycling services upon 180 days' notice to the Town and to its curbside recycling customers.

Materials that will be accepted as part of the single stream recycling include: recyclable paper, cardboard, glass, plastics one through seven (1-7) and metals such as tin cans, aluminum cans and steel cans. The recycling materials collected will be sent to a fully integrated state-of-the-art processing system using various automated sorting and screening technologies to cleanly separate a wide variety of material streams coming from a single source. The recyclable materials will be sorted, baled and marketed to various mills and companies for further processing and reuse.

2. The Town and Disposal Company agree to the provision of a Community Recycling Program as follows: The new provision regarding Recycling, as approved by the First Addendum, is amended to read as follows:

Community Recycling Program.

At the Town's request, Disposal Company shall provide a covered community recycling dumpster for collection of co-mingled recyclables at a location to be determined by the Town. Disposal Company shall promptly remove and replace full recycling dumpster upon request of the Town and charge the Town at a rate of \$295 per haul. The recyclable materials will be sorted, baled and marketed to various mills and companies for further processing and reuse.

3. **Exhibit C** ("Charges and Rates") to the Original Agreement is amended to read as follows:

A. Weekly curbside collection of 96 gallon poly cart, provided by Disposal Company, for household refuse: \$11.00 per month for one cart; \$5.00 per month for each additional cart.

B. Weekly residential dumpster trash collection in areas of Hudson that are zoned Agricultural District:

- i. 2 cubic yard capacity dumpster - \$29.44 per month.
- ii. 3 cubic yard capacity dumpster - \$44.17 per month.
- iii. 4 cubic yard capacity dumpster - \$58.88 per month.

C. 30 cubic yard roll off dumpsters for use by the Town: \$295.00 per haul.

D. 30 cubic yard roll off community recycling dumpster: \$295.00 per haul.

E. Optional curbside residential recycling with dedicated 96 gallon recycling poly cart: \$5.25 per month.

F. Disposal Company will provide two (2) dates per year, such dates to be determined by the Town, at which Disposal Company will pick up two (2) additional bags of trash from each customer at no additional cost.

4. Section 5 of the Original Agreement is amended to read as follows:

5. Term. The initial contract will be for a five (5) year term commencing on January 1, 2017, and terminating the last day of December 2021; thereafter, the term shall renew, with rate adjustments as provided in Section 18, for up to five (5) successive one (1) year terms, unless either party notifies the other of its intent not to renew, such written notice shall be given at least one hundred and twenty (120) days prior to the expiration of the then existing term. In addition, the Town shall be authorized to terminate this Agreement upon six (6) months' notice in the event the Town Council determines to eliminate the Town's single residential provider authorization pursuant to C.R.S. § 30-15-401. The Town shall not pay any liquidated damages, penalties, or monetary damages as a result of terminating this Contract.

Following the five (5) one-year renewal terms, the Contract may be extended for an additional five (5) year term by mutual agreement of both the Town and the Disposal Company.

5. Except as modified by this Second Addendum, the Original Agreement and the First Addendum remain in full force and effect and are hereby ratified by the Town and the Disposal Company.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Addendum on the date first set forth above.

**TOWN OF HUDSON, COLORADO**



By: Raymond Patch  
Raymond Patch, Mayor

ATTEST:

Rebecca Utecht  
Rebecca Utecht, Town Clerk

**DISPOSAL COMPANY**

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

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

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

STATE OF COLORADO )

) ss.

COUNTY OF \_\_\_\_\_ )

The foregoing instrument was subscribed, sworn to, and acknowledged before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by \_\_\_\_\_ as  
the \_\_\_\_\_ of the \_\_\_\_\_.

My commission expires: \_\_\_\_\_

(SEAL)

\_\_\_\_\_

Notary Public