

FIRST AMENDMENT TO RECYCLING SERVICES AGREEMENT

THIS FIRST AMENDMENT TO RECYCLING SERVICES AGREEMENT ("Agreement") is made as of February 3, 2017, by and between WM RECYCLE AMERICA, L.L.C. ("COMPANY"), a Delaware limited liability company with a location at 1001 Fannin, Suite 4000, Houston, TX 77002 and City of Clearwater, Florida ("Customer") with a location at 112 S Osceola Avenue, Clearwater, FL 33756.

WITNESSETH

WHEREAS, the parties entered into that certain Recycling Services Agreement on December 5, 2013 (the "Agreement"); and

WHEREAS, the parties desire to modify the Agreement to amend the term, modify the processing fee, and adjust the calculation for sharing revenue; and

WHEREAS, the parties agree the modifications herein are acceptable.

NOW, THEREFORE, in consideration of these presents and for other good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

1. SECTION 1 -TERM is deleted and replaced with the following:

The term of the Agreement shall begin on December 9, 2013 and end on December 15, 2017. The Agreement shall automatically renew thereafter for monthly or successive terms of thirty (30) days, unless either party gives written notice of termination to the other party by certified mail at least thirty (30) days prior to the expiration of the then-existing term. In addition, the Customer may terminate this Agreement for convenience on sixty (60) days' written notice.

2. SECTION 2 – QUANTITY AND QUALITY is amended by adding the following:

During such times as the Customer is testing the operational capabilities of Customer's proposed recyclables processing facility, may provide utilize not more than 5% of its Recyclables for testing purposes.

3. EXHIBIT B is deleted and replaced with the attached Exhibit B.

4. Unless modified by this First Amendment, all other terms and conditions of the Agreement remain in full force and effect.

BY SIGNING BELOW, EACH SIGNATOR WARRANTS THAT HE OR SHE IS AUTHORIZED TO ENTER INTO A BINDING AGREEMENT ON BEHALF OF THE PARTY SET FORTH.

Dated as of the date first above written.

WM RECYCLE AMERICA, L.L.C.

By: Mary Honzik Kliesmet

Print Name: Mary Honzik Kliesmet

Title: Assistant Secretary

CITY OF CLEARWATER, FLORIDA,
A municipal corporation and
political subdivision of the State of Florida

George N. Cretekos

George N. Cretekos
Mayor

William B. Horne II

William B. Horne, II
City Manager

Approved as to form:

Camilo A. Soto

Camilo A. Soto
Assistant City Attorney

Attest:

Rosemarie Call

Rosemarie Call
City Clerk



EXHIBIT B
RECYCLABLE VALUE

Where the Market Value (as defined below) is greater than the Processing Fee, Company will pay Customer twenty-five percent (25 percent) of the difference between the Market Value (defined below) and the Processing Fee (defined below). Where the Market Value is less than the Processing Fee, Customer shall pay Company the difference, between the Processing Fee and the Market Value, pursuant to the Florida Local Government Prompt Payment Act, Florida Statutes sec. 218.170-218.180, after receipt of Company's Invoice for same. Customer acknowledges that the Mixed Glass and Contamination shall be reflected as negative values when calculating Market Value, and the ultimate Recyclable Value may be negative. Examples of the Value Share are attached as Exhibits B-1 and B-2.

The following will be used to determine the recyclable market value ("Market Value") for materials in the recyclable stream for the month for which per ton revenue amounts are being determined, retroactive to the first of the month.

1. For ONP, the value per ton shall be calculated based upon the High prices for #54 Mixed Paper, as published by *RISI Pulp and Paper Week* publication for the Southeast Area for the month of shipment*;
2. For OCC of the material, the value per ton shall be calculated based upon the "OBM" High prices for #11 Old Corrugated Cardboard (OCC #11) as published by *RISI Pulp and Paper Week* publication for the Southeast Area for the month of shipment*;
3. For mixed paper, the value per ton shall be calculated based upon the High prices for #54 Mixed Paper as published by *RISI Pulp and Paper Week* publication for the Southeast Area for the month of shipment*;
4. For steel/tin cans, shall be Company's nondiscriminatory price for recyclables, with reasonable variances based on quantity, quality and location, based on the market value of each of the materials;
5. For aluminum cans, shall be Company's nondiscriminatory price for recyclables, with reasonable variances based on quantity, quality and location, based on the market value of each of the materials;
6. For PET, shall be Company's nondiscriminatory price for recyclables, with reasonable variances based on quantity, quality and location, based on the market value of each of the materials;
7. For HDPE, shall be Company's nondiscriminatory price for recyclables, with reasonable variances based on quantity, quality and location, based on the market value of each of the materials;
8. For Mixed Plastics, shall be Company's nondiscriminatory price for recyclables, with reasonable variances based on quantity, quality and location, based on the market value of each of the materials;
9. For all glass bottles and jars, mixed and broken glass, regardless of color, shall be Company's nondiscriminatory price for recyclables, with reasonable variances based on quantity, quality and location, based on the market value of each of the materials;
10. Contamination in the single stream shall be reflected as a charge to the Customer of the sum of the costs of transportation and disposal of the contaminated tons a per ton basis multiplied by the number of contaminated tons.
11. For the purpose of calculating composition the commodity percentages set forth on Exhibits B-1 and B-2 shall be used in calculating the Market Value, until a subsequent composition study is performed by Company. Company reserves the right to conduct subsequent composition studies of the Recyclables if there are any changes to the composition set forth on Exhibits B-1 and B-2. Additional transportation and disposal fees may apply where Contamination exceeds ten (10%) percent.
12. Processing Fees: The Processing Fee shall be Ninety dollars (\$90.00) per ton for Recyclables delivered to the Clearwater Facility, and eighty-five dollars (\$85.00) per ton for Recyclables delivered to the Tampa Facility.

* If the *RISI Pulp and Paper* weekly is no longer reflective of prevailing market conditions or if an alternative publication more accurately reflects such market conditions, then Company may propose to use any such alternative publication(s) or alternate method to determine the price for commodities priced using *RISI Pulp and Paper* weekly. The other party's consent, which shall not be unreasonably withheld, to the use of such alternate publication or method shall be required.

EXHIBIT B-1 Monthly Revenue Share Calculator **City of Clearwater**

Material	Index Description	Market Value (NOV 2016)	Market Value (\$/Ton)	Residential Commingled Composition Study %	Residential Commingled AMV (\$/ton)
Corrugated Cardboard	OCC #11 - Pulp and Paper (OBM)	\$110.00	\$110.00	20.80%	\$22.88
Newsprint	SRP #56 - Pulp and Paper (OBM)	\$85.00	\$85.00	23.40%	\$19.89
Mixed Paper	Mixed #54 - Pulp and Paper (OBM)	\$80.00	\$80.00	11.40%	\$9.12
3-Mix Glass	3 Mix (\$/ton del.)	(\$10.00)	(\$20.00)	8.30%	(\$1.66)
HDPE Natural	Cents/lb, baled and picked up	\$0.2275	\$555.00	1.00%	\$5.55
HDPE Colored	Cents/lb, baled and picked up	\$0.2275	\$455.00	1.70%	\$7.74
PET	Cents/lb, baled and picked up	\$0.1175	\$190.00	4.20%	\$7.98
Mixed Plastics 3-7	Cents/lb, baled and picked up	\$0.05	\$100.00	1.90%	\$0.67
Mixed Bulky Rigid Plastic	Baled, c/lb, picked up	\$27.50	\$27.50	2.30%	\$2.30
Steel cans	\$/ton, sorted, baled and delivered	\$0.6150	\$1,230.00	1.50%	\$0.41
Aluminum cans	Cents/lb, sorted, baled and delivered	\$0.00	\$0.00	1.40%	\$17.22
Other non-recyclables*	no charge or rebate	\$0.00	\$0.00	2.90%	\$0.00
Residue and Rejects	N/A	\$0.00	(\$70.00)	19.20%	(\$13.44)
				100.00%	\$78.65

Contractor Fee per Ton **\$85.00**

Net per Ton **-\$6.35**

Percentage Revenue Share (only if above \$0) **25%**

Revenue/ton of Inbound Program Recyclables **-\$6.35**

The Fiber pricing is based off the High side Pulp and Paper / Southeast Region
 Non-Fiber pricing is based of the Waste News Atlanta region / first average price of each month
 * includes aseptic, plastic film, scrap steel, non-UBC aluminum

EXHIBIT B-2 Monthly Revenue Share Calculator **City of Clearwater**

Material	Index Description	Market Value (NOV 2016)	Market Value (\$/Ton)	Residential Commingled Composition Study %	Residential Commingled AMV (\$/ton)
Corrugated Cardboard	OCC #11 - Pulp and Paper (OBM)	\$110.00	\$110.00	20.80%	\$22.88
Newspaper	SRP #56 - Pulp and Paper (OBM)	\$85.00	\$85.00	23.40%	\$19.89
Mixed Paper	Mixed #54 - Pulp and Paper (OBM)	\$80.00	\$80.00	11.40%	\$9.12
3-Mix Glass	3 Mix (\$/ton del.)	(\$17.50)	(\$17.50)	8.30%	(\$1.45)
HDPE Natural	Cents/lb, baled and picked up	\$0.3600	\$720.00	1.00%	\$7.20
HDPE Colored	Cents/lb, baled and picked up	\$0.2500	\$500.00	1.70%	\$8.50
PET	Cents/lb, baled and picked up	\$0.1500	\$300.00	4.20%	\$12.60
Mixed Plastics 3-7	Cents/lb, baled and picked up	\$0.0175	\$35.00	1.90%	\$0.67
Mixed Bulky Rigid Plastic	Baled, c/lb, picked up	\$0.0500	\$100.00	2.30%	\$2.30
Steel cans	\$/ton, sorted, baled and delivered	\$60.00	\$60.00	1.50%	\$0.90
Aluminum cans	Cents/lb, sorted, baled and delivered	\$0.6150	\$1,230.00	1.40%	\$17.22
Other non-recyclables*	no charge or rebate	\$0.00	\$0.00	2.90%	\$0.00
Residue and Rejects	N/A	\$0.00	(\$70.00)	19.20%	(\$13.44)
				100.00%	\$86.38

Contractor Fee per Ton \$85.00

Net per Ton \$1.38

Percentage Revenue Share (only if above \$0) 25%

Revenue/ton of Inbound Program Recyclables \$0.35

The Fiber pricing is based off the High side Pulp and Paper / Southeast Region
 Non-Fiber pricing is based off the Waste News Atlanta region / first average price of each month
 * includes aseptic, plastic film, scrap steel, non-UBC aluminum