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**GRAND JUNCTION CITY COUNCIL
MONDAY, FEBRUARY 3, 2020**

**PRE-MEETING (DINNER) 5:00 P.M. ADMINISTRATION CONFERENCE ROOM
WORKSHOP, 5:30 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

1. Discussion Topics

- a. Recycling Update
- b. Colorado West Land Trust Presentation of Priorities

2. Next Workshop Topics

3. Other Business

What is the purpose of a Workshop?

The purpose of a Workshop is for the presenter to provide information to City Council about an item or topic that they may be discussing at a future meeting. The less formal setting of a Workshop is intended to facilitate an interactive discussion among Councilmembers.

How can I provide my input about a topic on tonight's Workshop agenda?

Individuals wishing to provide input about Workshop topics can:

- 1. Send an email (addresses found here www.gjcity.org/city-government/) or call one or more members of City Council (970-244-1504);
 - 2. Provide information to the City Manager (citymanager@gjcity.org) for dissemination to the City Council. If your information is submitted prior to 3 p.m. on the date of the Workshop, copies will be provided to Council that evening. Information provided after 3 p.m. will be disseminated the next business day.
 - 3. Attend a Regular Council Meeting (generally held the 1st and 3rd Wednesdays of each month at 6 p.m. at City Hall) and provide comments during "Citizen Comments."
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Grand Junction City Council

Workshop Session

Item #1.a.

Meeting Date: February 3, 2020

Presented By: Trent Prall, Public Works Director, Steve Foss and staff - Curbside Recycling Indefinitely

Department: Public Works - Streets

Submitted By: Trent Prall, Public Works Director

Information

SUBJECT:

Recycling Update

EXECUTIVE SUMMARY:

Curbside Recycling Indefinitely has provided multi-stream recycling curbside and community wide drop off services to City solid waste customers since 1989. Recycling customers are asked to separate into glass, containers (plastic/metal), corrugated cardboard, and fiber.

Many communities have single stream collection as customers may find it easier than sorting recyclables; single stream may increase household recycling rates, and may save collection costs. Single stream collection may generate more waste than multi-stream because of contamination.

The February 3rd workshop will provide an overview of the current multi-stream recycling program as well as consider alternatives that may expand community participation in recycling by a single stream method.

BACKGROUND OR DETAILED INFORMATION:

Multi-stream recycling refers to the process of separating recyclables by material type prior to collection. Conversely, single-stream recycling is the collection of all recyclables in one container. Single-stream recycling may also be referred to as mixed recycling, commingled recycling or single-sort recycling.

The City of Grand Junction has approximately 18,767 solid waste customers of which

4,232 recycle (23.5%) diverting approximately 2,200 tons of material. The City charges \$1.75 per month for recycling. According to the U.S. EPA in 2017 the recycling rate in the United States was 35%.

The City pays Curbside Recycling Indefinitely \$781,000 per year for the recycling program. City receives 65% of the sale of the product or about \$115,000. City avoids approximately \$308,000 in pickup and disposal costs if the 2,200 tons was landfilled.

Currently City recycling customers are required to pre-sort recyclables and Curbside Recycling Indefinitely collects, completes sort and then markets and sell all materials. Estimates for development of single stream recycling are made based on a combination of City of Durango's and City of Loveland's single stream experience with mandatory participation, manual presort, baling, and trucking four hours to sorting facilities.

City residents pay \$19.25/month for a 96 gallon trash container and curb-side multi-stream recycling. For comparison, Durango and Loveland residents are at \$30.77 and \$30.75/month respectively for a 96 gallon trash container and mandatory curb side recycling. Based on Durango's hauling cost and Loveland's sorting costs, the City would need to increase its recycling rate from \$1.75/month to between \$12 and \$13/month placing the City at similar rates to Loveland and Durango.

In January 2018, China significantly reduced allowed contamination rates for imports of US recyclables. This has created a backlog of US domestic supply of recyclables driving prices down across the industry but especially for single stream recyclables that are known for higher contamination rates than multi-stream programs.

Two Federal acts, the RECYCLE Act introduced in the U.S. Senate and the RECOVER Act introduced in the U.S. House each propose grant programs to, if approved, improve recycling programs.

The evolution of single stream recycling:

Single-stream collection was created to reduce recycling costs. Costs for labor, workers' compensation and specialized recycling trucks are significant expenditures for the hauling industry. Single-stream collection increases efficiencies by collecting more material with less labor and less distance traveled. Costs are reduced by automating collection, using larger bins, eliminating manual curbside sorting, and using single compartment compaction trucks to transport recyclables. These cost-saving measures fundamentally revise the economics of collection and compete with more traditional methods such as curbside sorting and dual-stream (fiber and containers) collection. For municipalities struggling to divert more waste with less money, the concept of single-stream collection may seem like an attractive alternative. Municipalities may be persuaded that offering residents an easier way to recycle—one that allows

homeowners to commingle all their recyclables in one bin—would increase collection rates. Even though processing costs would increase and the quality of the collected material would decrease due to increased contamination, single-stream collection may offer a means to reduce cost overall for some local governments and the waste industry.

The current conditions for recycling markets:

Every day, nearly 4,000 shipping containers full of recyclables leave U.S. ports bound for China. China sends the U.S. toys, clothes and electronics; in return, some of America's largest exports back are paper, plastic and aluminum.

On January 1, 2018 that all changed as China started enforcing its new "National Sword" policy, which bans 24 types of solid waste, including various plastics and unsorted mixed papers, and sets a much tougher standard for contamination levels. China has already relaxed the rules in the past few months, shifting acceptable fiber contamination rates from 0.3 percent to 0.5 percent, still a near impossible standard for U.S. recyclers. This impacts the world market by creating a backlog of material that is not able to meet these standards and dropping pricing worldwide.

Current changes in the commodity price of recyclables in 2019 negatively impacted the Solid Waste Department \$25,000 in revenue from the sale of product. That represented about 20% of the annual revenue received from sale of recyclable products.

Current City of Grand Junction recycling practices:

The City of Grand Junction is currently in the third year of a 10-year contract with Curbside Recycling Indefinitely, Inc. (GJ CRI) for the collection of residential recyclables at the curb. GJ CRI is contracted to furnish all of the labor, technical, administrative, and professional services. The contract also states GJ CRI provides supplies, materials, equipment, and office functions. By contract GJ CRI collects and removes all recyclable materials at participating residential households which are prepared, and segregated according to current guidelines. Recycled items must be placed in recycling containers provided, or approved. GJ CRI processes recyclable materials by sorting, crushing, screening, baling, loading, and transporting. GJ CRI also markets and sells all recyclable materials collected, by contracting with mills, middlemen, processors and transporters.

Current GJ CRI collection practices is one stream of Plastics (#1, #2, #5) mixed with aluminum, and steel cans and the other newspaper, magazines, catalogs, junk mail, office paper, and chipboard; glass, and corrugated cardboard, chipboard are each separate. Glass is by itself because of breakage and contamination.

For your reference, GJ CRI has submitted 5 letters (attached) from recycling material

processors to share their experience with the high quality product that GJ CRI provides through the multi-stream collection.

Other Local Providers:

The following local providers were surveyed as to current recycling practices:

Waste Management – multi-stream sorted in GJ along with City of Montrose’s recyclables

Monument Waste – single stream, sorted by Alpine Waste in Denver, one 40 yard truck per week.

Commercial Refuse Service – multi-stream residential goes to Waste Management

Rocky Mountain does not provide recycling.

Other communities:

The communities outlined below were surveyed as to current recycling practices and where their recyclables are sorted:

City	Type	Hauler	Sort Facility
Ft. Collins	Single Stream	Private haulers	Waste Mgmt Denver
Loveland	Single Stream	Private haulers	Waste Mgmt Denver
Longmont	Single Stream	Private haulers	ECO Cycle Boulder
Boulder	Single Stream	Private haulers	ECO Cycle Boulder
Golden	Varies by hauler	Private Haulers	Unknown
Montrose	Single Stream	Waste Mgmt	Waste Mgmt GJ sorts
Moab	Single Stream	Monument Waste	Alpine in Denver

Alternatives:

The following alternatives are proposed for consideration:

Renegotiate GJ CRI contract. The City could renegotiate the current contract changing adding single stream collection as an additional alternative to the current multi-stream collection. This could take on many different looks. 1) The current contractor could collect single stream material separate, bail, and market. 2) They may also collect all items commingled and bail them and send to a material recovery facility for sorting, and marketing. 3) Subcontracting collection, processing and marketing. On January 16, 2020, GJ CRI sent a letter to City Administration stating that it is not interested in single stream collection due to the additional contamination of material.

Request for Proposals. The City could expand recycling by issuing a request for

proposal for collection of commingled single stream recycling. CRI's multi-stream service would remain as a less expensive alternative. The RFP would require the bidder to include everything needed to collect, process, ship, and market the recyclables. This will still require a modification to the existing contract.

FISCAL IMPACT:

Fiscal impact will be evaluated in preparation for followup workshop.

SUGGESTED ACTION:

The workshop is for review of existing recycling practices, alternative methods to increase participation, discussion and direction

Attachments

1. Workshop Recycling Feb 03 - Letters GJ CRI
2. Curbside Recycling Indefinitely letter 20200116



Recycling & Secure Destruction Services
2742 East Market Street
Des Moines, IA 50317
Phone: (515) 265-1208
Fax: (515) 262-2209
www.midamericarecycling.com

January 21, 2020

To: The City Council Workshop Participants February 3, 2020 - On the topic of Curbside Recycling

Dear Participants:

I apologize that I was not able to attend your workshop and participate in person with you as you discuss a very important topic for today and the future of not only Grand Junction but also of the planet as a whole. As you all know recycling is one of the most important methods the general public can undertake to join in the process of helping to improve and maintain our environment and ecosystem.

I would like to briefly introduce myself. My qualifications and background are as follows:

- BS in Forestry, Iowa State University, 1972. MBA Henderson State University, Arkansas, 1980.
- Beginning with a career with Weyerhaeuser in 1972, held several positions in private industry, including as a Forester to Paper Mill Operations Manager.
- Founder (1989) and President of Mid America Recycling, the first full-service recycling facility in Des Moines, IA. In 2007, Mid America Recycling was the largest privately held recycling firm in the United States, with 17 operations (recycling plants) across 9 states. It sold to Waste Management in 2010.
- Waste Management consultant 2010-2014.
- 2014-present. Assisted my son in the operation and growth of Angel of Shavano Recycling, Poncha Springs, Colorado.
- 2015-present. Re-purchased and currently own Mid America recycling operations in Lincoln, NE, and Des Moines, Iowa.
- Chairperson, National Recycling Coalition (currently serving second term).
- Co-founder of Iowa Recycling Association (1989).
- Past member of Board of Directors of Colorado Association for Recycling (now called Recycle Colorado).
- Served on numerous Governor appointed task forces in Iowa for the development of Iowa's Environmental Protection and Recycling Visions.
- Served on several task forces appointed by Governor Hickenlooper, working on visions and goals for recycling and economic impacts recycling has on Colorado's economy and environment.

I have seen the evolution of the recycling industry, that started as small "mom and pop" scrap dealers, grow to be the 5th largest industry in Iowa and a major industry globally. Within this context, I will give you my thoughts on Single Stream Recycling, and why it is **not** the Silver Bullet to residential recycling many think it will be.

Single Stream Recycling Is Not and Never Has Been - The Silver Bullet for Recycling:

- Until China cracked down on imports, the **focus by the majority of domestic recycling processors (MRFs) was not on creating quality raw materials** for remanufacturing. Rather, the focus was on creating as many bales as they could per hour, which led to low quality materials and fed China's hunger for fiber and plastic raw materials. Yes, China was its own worst enemy, allowing trash and off spec material to flow into their country for years.

- **The introduction of the concept of *single stream* recycling created “wishful recycling”**, the unintended mass inclusion in residential recycling bins of non-accepted items like Lithium batteries; pistols and rifles with ammunition; hoses, diapers, food contaminated containers and paper plates; plates, light bulbs, Aquariums; artificial limbs, bowling balls ,electronics (TVs, computers, games, stereos); metal gas cans; camp stoves; Christmas lights and ornaments; kiddie swimming pools; auto parts like brake rotors, oil filters; half full containers of unused food items; clothing and the ultimate issue, Plastic Bags. **All these items jam up the processing systems, contaminate the material that is processed, and create operational issues, shutdowns and even fires in the operations.**
- **Single stream recycling creates high contamination rates** - Trash of 15-20% is the norm in most systems with some reaching the 30% level in larger cities.
- **Single stream lowers the value of commodities** due to contamination and lower quality, as the equipment has never been able to clean up comingled material to levels seen in source separated (multi stream) or curb sorted materials.
- **Single stream programs come with high capital cost** to set up, with a return of low value material.
- **Single stream jumbles commodities** that were originally separated. Cross contamination is a huge and ongoing issue.
- **Single stream supposedly increases participation**, but it does so only if participation is mandatory (i.e., pay even if you don’t play). Even then, participation rates remain low. The participation in Des Moines’ mandatory program is only 65%, at best.
- **Landfilling is the true competitor** - Cost to operate the recycling program in Des Moines are more than double that of landfilling.
- **Cost to operate Single Stream MRFs are rising rapidly** due to lost Asian Markets for low- grade, low-quality fiber from single stream MRFs. Nationally these MRFs must operate slower and retool to make quality material or landfill their entire production.
- **Labor shortages and higher labor cost** have led to more automation in single stream MRFs but at a major capital investment that raises the cost of production. Ultimately the consumer (resident) must pay this cost.
- **Single stream operations in the U.S. have led to a Global Market collapse for recyclables** - The Green Fence Initiative, beginning in 2013, was the first warning by China to “clean up or get out”. It was just that, a warning in 2017, China’s “National Sword”, (President Xi’s Blue Sky and Blue Water initiative) was the beginning of the end of China’s willingness to take off-quality and trashy materials from U.S. suppliers. This initiative led to the outright ban in January 2018 of mixed paper and mixed plastics, the two largest segments of single stream programs. This action created the collapse of the global market for recycling and specifically Single Stream processed materials. This has ultimately led China to the development of a purely internal focus on recovering its own domestic materials, with the new mandated goal of being import free by 2021.
- **Toss in the 2019 trade war** and now the domestic market for recycling has been overwhelmed with the volume of all commodities. Record low demand for Cardboard (OCC#11), the commodity that is the backbone of the recycling infrastructure, reached record low pricing (prices not seen in over 35 years). Worse yet, movement of material came to a standstill, with many regions landfilling OCC #11 and mixed paper from Single Stream MRFs.
- **With domestic paper and plastic buyers** now buying less material than before, market values have been driven down on all material, even material from quality conscious collectors.
- **The only advantage of Single Stream** is it should lead to lower cost of collection at the curb by the hauling companies as they automate pick up. That is not always the case when you factor in the increased costs of processing, lower values for materials due to lower quality, and the cost of double handling the trash.
- **The current national trend** is for smaller communities to look at source separated systems, including drop off sites, multi stream curbside collection, curb sorted pickups, or dual stream collection, where fibers are

in one container and containers in another, collected in separate parts of the vehicle to avoid commingling (i.e. jumbling them together). These systems allow more effective and cost-efficient separation and processing of material and create higher quality raw materials for remanufacturing.

The bottom line is that Single Stream is not the Silver Bullet it was thought to be. Smaller and rural communities will be able to build sustainable, cost effective systems by using drop sites or source separated collections.

As you look at how Grand Junction continues to move its recycling efforts forward you should look beyond today and into the future before investments are made that will be outdated and less effective in achieving the goal of helping the environment, cutting down our greenhouse gas emissions and reducing our reliance on landfills.

I again apologize that I was unable to join you at your work session and would be available to discuss my thoughts with you on the phone or to set up a time in the near future when I can come over to Grand Junction for a face to face discussion. I also offer the expertise of my son, Mickey Barry, owner of Angel of Shavano Recycling in Poncha Springs, CO. He has operated the business for over 15 years and was a former BOD member of Recycle Colorado. Also, former Chaffee County Commissioner, Jim Thompson of Buena Vista, CO is very knowledgeable of the evolution of recycling and has worked with us for years helping grow recycling in that region. I'm sure these people would also be happy to offer their opinions and insight.

Please do not hesitate to call or email me with any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Michael J. Barry".

Michael J (Mick) Barry
President
Mid America Recycling
2742 E Market St
Des Moines, Iowa 50317
(515) 778-6690
mbarry@dwx.com



We've Got You Covered

Hamilton Manufacturing, Inc.

901 Russet Street • Twin Falls, Idaho USA 83301

208-733-9689 • Fax 208-733-9447 • www.hmi-mfg.com

October 23, 2019

To whom it may concern,

I am writing this letter to discuss the benefits of a multi-stream collection of recyclable materials over that of a single stream collection program. Since 1962, Hamilton Manufacturing has purchased raw materials from several sources, including your local recycling company there in Grand Junction. We produce Cellulose insulation as well as hydro seeding mulch manufactured from recycled paper and cardboard. We require clean, non-contaminated recycled newspaper in our process of manufacturing our high quality end product. Through our many years in business, we have found that multi-stream recycling programs produce a higher quality product than that of single-stream programs.

Multi-stream recycling requires the public and waste generators to be educated in separating the different types of recyclables into the appropriate containers, starting at home. The process of separating material into the correct bins does not take any more time than placing all the material in one bin. Education is the main key in how successful a multi-stream recycling program will turn out. Multi-stream collection is generally seen as having a much lower level of contamination and fewer capital investments at the material recycling facilities due to less sorting time and manpower.

It's presumed that single-stream collection costs are lower than those of multi-stream facilities. However, it's been demonstrated that the capital and operating costs for single-stream facilities are more expensive in a study conducted by Wakesha County in Wisconsin.[1] This study showed, that the operating costs and capital for single system centers were 10% higher on average when compared to multi-stream centers. These findings have been repeated in a study conducted in Ontario Canada. [2]

End demand for product coming from single-stream facilities is much lower and generates less revenue than product coming from multi-stream facilities. With prices at historic lows, it's difficult finding a good market for lower quality material. The cleaner, multi-stream material, has a higher demand and thus captures a higher price. We at HMI are willing to pay the higher price for the cleaner material as well as other manufacturing facilities using recycled products.

When we are forced to purchase paper with contaminants, we sustain higher costs in production, maintenance, labor, and we have higher customer dissatisfaction. It costs more in labor to sort the contaminants out of the paper. When I speak regarding contaminants, it means items such as: tin cans, bottle lids, aluminum cans, plastics, mail with plastic windows and credit cards, spiral binders, packing material, paper clips, metal clips on manila envelopes and glass. We incur higher maintenance costs due to metals and books hitting our shedder, which ends up breaking shafts and overheating bearings. Small pieces of plastic and glass will clog the spray nozzles on a hydro seed machine, causing long delays on the job, broken equipment and angry customers.

Companies like ours have an enormous demand for recycled paper fiber material. There are so many products being made out of recycled material and there are so many uses for recycled paper. Some examples are: insulation, fertilizer, soil amender, animal bedding, landfill caps, egg cartons, construction materials, planting pots for seedlings, lamp shades, ethanol, ethanol energy and dust masks. All these products require clean recycled material. By using a multi-stream process, you are able to have a higher yield return in the market. However, when the recycled material being purchased is contaminated, it results in a loss of profit and more landfill waste.

Our company relies on recycling programs that are able to produce good, clean, non-contaminated, high quality recycled products. With a higher quality product, we are able to pay a higher price for the paper we receive. This means there will be a higher profit for the recycling company we purchase from. Single-stream systems generate higher waste with more materials going to the landfills. In our consumer generation, it's better to recycle than to fill our landfills to overflowing.

Thank you for your time and consideration,

Christy Hamilton Eames

1. Waukesha County. Waukesha County Recycling System and Capacity Study; RRT Design and Construction: Madison, WI, United States, 2007
2. *Recycling Collection Operations Review*; CIF Project 176; Stantec Ltd.: Niagara Region, ON, Canada 2009



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901 Russet Street • Twin Falls, Idaho USA 83301

208-733-9689 • Fax 208-733-9447 • www.hmi-mfg.com

To whom it may concern,

I'm in charge of raw material procurement at Hamilton Manufacturing. I am always on the search for clean, uncontaminated paper from numerous sources including paper mills, cardboard box manufactures, news paper publishers, and recycling centers. The paper I obtain from the mills and publishers is always high quality and free from contaminates such as metals, plastics and glass. Recycling centers on the other hand can be risky due to the type of raw material they pick up and what's dropped off for recycling, so I need to be careful of whom I get my supply from. Curbside in Grand Junction, CO is one of only a few recycling centers I purchase paper from due to their attention in providing me clean, post consumer ONP paper.

In my opinion, the multi stream programs are superior over single stream due to less amount of cross contamination of individual materials. When consumers and the general public separate recyclables at home and at work, this keeps each individual type of product isolated from other recyclables. This produces cleaner, higher quality, and more valuable, individual recyclable products. When single stream recycling is involved, everything is thrown into one bin which adds a greater expense to our company when we have to separate the contaminants out of the paper we purchase. Due to higher costs of sorting the contaminants out of the material, we cannot pay as much compared to higher quality paper multi stream would earn. Single stream recyclable products are less valuable and less desirable in the market for recyclables.

Curbside Recycling in Grand Junction, CO has been a longtime reliable source of clean, presorted, recycled news paper for HMI. The people at Curbside are wonderful to work with and when there are any issues, Kym, Dan and their crew are very attentive to our concerns and needs. We have enjoyed working with them over the years and look forward to many more years of doing business,

Sincerely,
Mark England,
Traffic Coordinator / General Manager.

**Sure-Way Recycling LLC
9435 River Club Parkway
Johns Creek, GA 30097**

To Whom it may concern:

My name is Britton Halligan and I'm the Owner of Sure-Way Recycling LLC. We are a full service recycling Agent/ Broker of all fiber and plastic scrap commodities across the United States.

Our firm has had the great pleasure & opportunity to work with GJ CRI over the last 4 years. During this time, we have bought Both OCC/ Baled Cardboard & Scrap plastic from GJ CRI. Over this span of 4 years there have also been many changes, restrictions, and new measures across the country put on various recycling grades such as Baled OCC. Some of these measures have included large mill groups cutting supply intake for dirtier or contaminated product being exported from the US which has in return increased domestic supply of OCC and mix paper dramatically over the last 1-2 years.

Over the span of these unprecedented times, we have continued to be able to ship and yield competitive rebates for GJ CRI's paper and plastic while shipping to Domestic/ US based paper mills and end users. This is due in large part of the diligence GJ CRI has shown when both accepting and sorting cardboard/ paper. Because GJ CRI has continued their Multi-Stream recycling process while other recyclers and municipalities have changed to Single Stream, it has shown GJ CRI's commitment to be able to successfully recycle and transport product from their community while other operations have not had the same success. It has been a privilege working with GJ CRI and a supplier who understands the ramifications of keeping product diverted from landfills.

Britton Halligan
Sure-Way Recycling LLC.
Email: Britt@surewayrecycling.com
Cell# 901-827-2193
Web Site: www.Sure-Wayrecycling.com



US GreenFiber, LLC
3061 S. 3600 W.
West Valley City UT

June 27, 2019

Greetings,

As a buyer of raw material for Green Fiber in Salt Lake City, UT, it is my responsibility to locate and acquire the best feedstock for our insulation mill. Being a producer of a green building material, our business takes environmental stewardship and responsible sourcing of materials very seriously, so we work hard to find recycled paper that not only comes from a responsible business, but also meets our demanding specifications for clean, uncontaminated paper.

For over 15 years, we have had just such a source in Grand Junction, CO with Curbside Recycling Indefinitely, Inc (GJ CRI). The material they provide is among the cleanest we can get anywhere. It is a far cleaner raw material than the paper we would get from other recyclers, largely due to their multi-stream, source-separated recycling process. Fibers like paper and cardboard are among the first things to be contaminated in a single-stream recycling system, and if such material makes it to a mill like ours, we need to take extra time and money to eliminate all the contaminated fiber, sometimes processing our infeed material multiple times to get it to the standard that GJ CRI provides right off the truck.

This relationship hasn't been built instantly and hasn't been without hiccups. GJ CRI and Green Fiber have worked together to make a stable, reliable source of supply that meets our specifications, ironing out problems and fine-tuning our process as we went. Our commitment to the company's program is such that we always leave two trailers parked at GJ CRI, and those are consistently filled with bales of paper by the dedicated people who work there. We rely on those bales to make a quality product, and we know that we can work with GJ CRI to help us make that happen.

Thank you for your time,

A handwritten signature in dark ink, appearing to read "R.D. Coon". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bob Coon

SPIECKER, HANLON, GORMLEY & VOLKMANN, LLP

ATTORNEYS AT LAW

FRANK F. SPIECKER (1932 - 2014)
CLAY E. HANLON (RETIRED)

JOHN P. GORMLEY
THOMAS C. VOLKMANN

January 16, 2020

VIA HAND DELIVERY

Greg Caton, City Manager
City of Grand Junction
250 North 5th Street
Grand Junction, CO 81501

John Shaver, City Attorney
City of Grand Junction
250 North 5th Street
Grand Junction, CO 81501

Re: City Workshop – February 3, 2020
Curbside Recycling Indefinitely, Inc.

Dear Greg and John:

This office represents Curbside Recycling Indefinitely, Inc. ("GJ CRI"). Since 1992, GJ CRI has been operating a curbside recycling program within the City of Grand Junction (the "City"). By agreement dated July 18, 2007, GJ CRI and the City formalized and expanded their relationship relative to this recycling program. That contract was extended on October 1, 2016, and its current term runs to September 30, 2026. A true and complete copy of that agreement and the 2016 extension agreement (collectively, the "Agreement") are attached hereto.

Pursuant to the Agreement, GJ CRI is the exclusive recycling program within the areas of the City identified therein. In late 2019, GJ CRI was informed that the City was contemplating instituting a single-stream recycling program. Under single-stream recycling, the customer places all recyclable materials in a single container, requiring they be sorted by the recycler. Throughout the entire period of its operations, GJ CRI has operated a multi-stream recycling operation, wherein the recyclable materials are initially separated by the customer and placed in separate containers for processing.

GJ CRI made a conscious and informed decision not to institute a single-stream recycling system in its operations. Their concerns relative to such a system include:

- a. The amount of contamination inherent in the single-stream system due to the combination of independent and separate recyclable items and their residual contents being aggregated in the same container;
- b. The resulting cost and labor inherent in having to separate the recyclables on the processing end, a process which is much simpler if done by the customer prior to disposing of the recyclable materials;
- c. The resulting loss of quality in the marketable recyclable materials due to the contamination; and

Greg Caton, City Manager
John Shaver, City Attorney
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d. The fact that as the result of these processes, more potentially recyclable materials are sent to the landfill with standard garbage as functionally or economically non-recyclable, resulting in failures of such programs in numerous markets.

For all of the above reasons, GJ CRI has operated a multi-stream program, and that program has been successful both for the City and for GJ CRI. In late 2019, we received from the City a proposed amendment to the Agreement which contemplates the implementation and operation of a single-stream program within the City. For all the above reasons, GJ CRI has been, and remains, unconvinced of the wisdom, effectiveness and environmental value of single-stream programs and is not inclined to create and operate such a program.

If the City institutes a single-stream program, GJ CRI is therefore: (1) not interested in participating, regardless of the financial or economic structure of that program (which substantiates how strongly GJ CRI feels about this issue), and (2) open to a discussion of the effect of the institution of the City's single-stream program on the viability of the existing Agreement and GJ CRI's multi-stream program thereunder. Of course, GJ CRI is aware that if the City intends to institute the single-stream program, its exercise of that prerogative may require that we discuss the logistics, terms and conditions of a termination of the Agreement.

A potential alternative that GJ CRI has been interested in discussing and pursuing would be a concerted effort by the City and GJ CRI to publicly promote and market the existing multi-stream program to the citizens of Grand Junction, in an effort to expand the existing program. To date, the expansion of the existing program to its current level of approximately 3,622 customers has been primarily driven by word-of-mouth contacts and customer satisfaction with the existing program. Little, if any, marketing effort has been made to determine whether the recycling desires of the citizens of the City runs deeper than the existing participation in the program.

GJ CRI is presently attempting to put together additional materials relative to the propriety of single-stream recycling for the City, and such programs' failures in other markets. I will supplement this letter with those additional materials as soon as possible, to provide an opportunity for those materials to be reviewed by the members of the City Council prior to the February 3rd workshop.

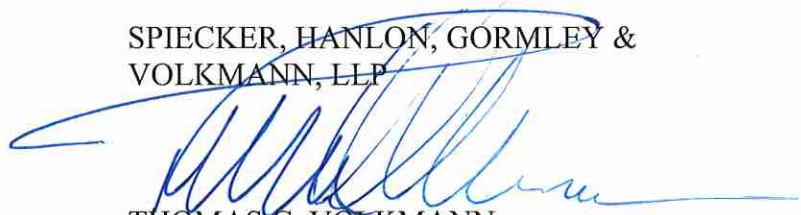
Regardless of how the discussions at the workshop proceed, we appreciate the opportunity to address these matters with the City Council and look forward to the discussions on these issues.

Greg Caton, City Manager
John Shaver, City Attorney
City of Grand Junction
January 16, 2020
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Should you need additional information relative to the contents of this letter, please advise and I'll get it to you as soon as possible.

Very truly yours,

SPIECKER, HANLON, GORMLEY &
VOLKMANN, LLP



THOMAS C. VOLKMANN

TCV:jmd
Attachments
cc: Curbside Recycling Indefinitely, Inc.

CUR07REC

TYPE OF RECORD:	NON-PERMANENT
CATEGORY OF RECORD:	CONTRACT
NAME OF CONTRACTOR:	CURBSIDE RECYCLING INDEFINITELY, INC.
SUBJECT/PROJECT:	RECYCLING SERVICES TO RESIDENTS OF CITY OF GRAND JUNCTION
CITY DEPARTMENT:	UTILITIES & STREETS
YEAR:	2007
EXPIRATION DATE:	07/18/17
DESTRUCTION DATE:	01/24

AGREEMENT

THIS AGREEMENT is made and entered into this 18th day of July, 2007 by and between the CITY OF GRAND JUNCTION, COLORADO ("CITY"), and CURBSIDE RECYCLING INDEFINITELY, INC. ("GJ CRI"), for the purpose of providing recycling services to residents of the City of Grand Junction. Under this Agreement, GJ CRI is granted the exclusive right to provide recycling service to residential trash customers within the city limits of Grand Junction and the exclusive right to present itself to the public as The City of Grand Junction's Curbside Recycling Program.

RECITALS.

A. Since 1992, GJ CRI has provided the City's residents with curbside recycling service. In the beginning, GJ CRI began a pilot program to determine if curbside recycling was viable. For many years thereafter, GJ CRI and the City were so busy delivering the curbside services that the long-term viability of GJ CRI, and the financial future of its owners, Steve Foss and Elaine Foss, were not adequately addressed; in short, GJ CRI was working with less than adequate resources, while successfully building a curbside recycling program for those City residents who desired it.

B. The City has enjoyed the results of GJ CRI's, and Steve and Elaine Foss' efforts. The parties agree that this Agreement is to provide for the continued viability of the curbside recycling program, to allow GJ CRI to enhance and enlarge recycling options for the residents of the City, and to provide GJ CRI and Steve and Elaine Foss the opportunity to experience reasonable financial benefit from their efforts.

I. TERM

1. The Term of this Agreement shall be ten (10) years. As long as GJ CRI is in compliance with the several terms hereof, the City grants GJ CRI the option to extend the term for one additional ten year term: The rationale for this option is that GJ CRI is providing a service akin to a franchise, which justifies the longer potential term. The commencement date of the benefits and obligations hereunder shall be *nunc pro tunc* January 1, 2007.

II. CITY DESIGNEE

2. The City of Grand Junction, by and through the Director of the Utility and Street Systems hereinafter referred to as the Director is responsible for authorizing and approving the work performed under this Agreement and hereby designates the Solid Waste Manager ("Manager") as the City's authorized representative for the purpose of reviewing the service performed by GJ CRI under this Agreement. The Director may change the authorized representative at any time by providing GJ CRI with written notice of such change.

III. PERFORMANCE OF WORK

3.1. In return for the compensation described herein, and other valuable consideration to be received by GJ CRI, GJ CRI agrees to furnish all of the labor, technical, administrative, and professional services, and all supplies, materials, equipment, office functions and analyses, calculations and any other resources required to perform and complete the work described herein and described in **Exhibit A** of this Agreement.

3.2. In exchange for GJ CRI's residential recycling services and other benefits provided to the City and its residents, the City agrees to furnish the premises depicted on **Exhibit B** during the Term and any extensions for GJ CRI's residential and commercial recycling services and activities, and to pay GJ CRI for all of the labor, technical, administrative, and professional services, and all supplies, materials, equipment, office functions and analyses, calculations and any other resources required to perform the work described in this Agreement and **Exhibit A** of this Agreement.

IV. COMPENSATION AND ANNUAL REVIEW

4.1. Prior to the end of each July during the Term, the City and GJ CRI shall review GJ CRI's scope of work, revenues and expenditures (actual and projected). Adjustments to the compensation described in 4.2 (h), shall be proposed in writing by GJ CRI to the City should revenue and/or expenditures warrant such adjustments. Any such modifications shall become effective only upon execution of a written addendum to this Agreement, signed by GJ CRI and the Manager.

4.2. The City hereby agrees to pay GJ CRI, as compensation for complying with this Agreement and completing the work described herein and in **Exhibit A**, as follows:

(a) For the period of January 1, 2007 through December 31, 2007, the sum of four hundred eighty-six thousand three hundred forty-five dollars (\$486,345.00).

(b) Each year's payment shall be paid in twelve equal installments, one month in arrears, by the 14th of the month beginning February 1, 2007.

(c) The annual amounts to be paid to GJ CRI for years two through ten of the Term shall be determined as a part of the yearly review held between GJ CRI and the City every July.

(d) If, upon completion of each July review, the City requires immediate changes, GJ CRI shall perform same upon the City's payment to GJ CRI for such services.

(e) All payments are contingent on non-termination and performance under this Agreement, and in the event of termination by the City for cause, the annual payment shall be prorated on a daily basis to the effective date of the termination.

(f) If the parties do not amend this Agreement relative to payment to GJ CRI for years two through ten, (and for the years of any second ten year term) the annual payment to GJ CRI shall increase each year relative to the prior year by the same operating cost increase as the amount determined for the City's Solid Waste Division.

(g) In addition to all other compensation paid to GJ CRI by the City hereunder for the period January 1, 2007 through December 31, 2016, the City will pay the "catch up" retirement payments for the efforts demonstrated by Steven Foss and Elaine Lawrie Foss in setting up and running the program for the City from 1992 through 2006, according to **Exhibit D** attached.

(h) GJ CRI currently pays the City 70% of the revenues received by GJ CRI, from the sale of recyclables based on the percentage of total recyclable materials received from the residential recycling program; GJ CRI retains the balance of 30% which was estimated to come from GJ CRI's separate non-residential recycling efforts. The 70/30 split will be modified from time-to-time by mutual agreement of the parties to reflect any change to the proportions of residential recycling commodities revenues in relation to GJ CRI's other revenues.

V. SCOPE OF WORK

5.1. GJ CRI's scope of work is defined as:

(a) Providing curbside or alley service to all existing residential households (single family through 4-plex apartments; all other residences are classified as "non-residential" or "commercial") in the manner done in the prior calendar year, so long as each household recycles material only from that household and does not allow other persons, neighbors, entities or businesses to utilize that household's service as a dumping point for additional materials.

(b) GJ CRI has the option, at its discretion, and with City approval to provide twice per month curbside or alley service on a space available basis to residential households who specifically request such service and pay an additional fee. All associated and additional fees for such service shall be GJ CRI's.

(c) Enroll an annual average minimum of 240 new customer accounts per year, the calculation of which will include each residential household (single family through 4-plex) and each unit of each commercially serviced multifamily unit located within the City limits of Grand Junction.

(d) Processing, crushing, baling and shipping all recyclable materials collected.

(e) Entering into contracts with mills and brokers, marketing, invoicing and processing payments for all recyclables sold.

(f) Servicing each residence in each newly annexed area of the City upon request by such resident in the area annexed if the City offers residential trash service to such resident.

(1) GJ CRI shall only be obliged to provide such service to residents who are eligible to receive City residential trash services.

(2) Service is provided to residential households (single family through 4-plex) only. Commercial customers and residential households running businesses out of their homes may be served at the discretion of GJ CRI as a commercial customer.

VI. DEFINITIONS

6.1. Relevant terms are defined as follows:

(a) The term "services" or "serves" as used in this Agreement shall mean the collection and removal of residential recyclable materials from GJ CRI specified curbside or alley collection points by GJ CRI at specified intervals and as specified by the terms of this Agreement.

(b) The term "new customer," as used in this Agreement, shall mean a subscriber to and participant in the recycling services provided by GJ CRI under this Agreement. For purposes of computation of new customers under this Agreement, GJ CRI shall not count customers who have transferred service to a new address.

(c) The term "process," "processing" or "processes," as used in this Agreement, shall mean the offloading, temporary storage, internal transport, sorting and decontaminating of materials collected on residential curbside, drop off and commercial routes and sites.

(d) The term "bale" or "bales," as used in this Agreement shall mean the mechanical transport via conveyor and mechanical compression of materials into wire tied cubes suitable for marketing on the open commodities market. The term "bales," as used in this Agreement, shall additionally mean the mechanical crushing and screening of materials to achieve volume reduction in preparation for shipment.

(e) The term "market" or "markets," as used in this Agreement shall mean any person or persons who are willing to purchase or act as a broker for recycled materials that have been processed and presented as commodities.

(f) The term "ship" or "ships," as used in this Agreement shall mean any form of mechanical conveyance utilized to transport commodities from GJ CRI to end users or mills.

VII. GJ CRI NON PERFORMANCE

7.1. Substantial non-performance shall be deemed to have occurred if and when GJ CRI, except for acts of God and circumstances beyond the reasonable control of GJ CRI:

- (a) fails to service existing customers for any consecutive thirty (30) day period;
- (b) fails to enroll an annual average minimum of 240 new customers per year (based upon the current recycling fee of \$1.75 per month); or
- (c) fails to process recyclable materials in a timely manner, unless such failure is beyond the control of GJ CRI, as in the case of natural disaster or conditions at the River Road facility which render normal processing impossible;
- (d) fails to process materials and serve newly annexed areas, subject to the other provisions hereof.

7.2. Substantial non-performance shall not be established if The City takes or fails to take action, as described in **Exhibit A**.

VIII. GJ CRI/CITY REVENUES

8.1. The current 70/30 split of revenues received by GJ CRI from the sale of recyclables is based on the current volumes of residential (70% per 8.1a and 8.1b and 8.1c) and non-residential / commercial recyclables (30% per 8.1d and 8.1e) which shall be modified from time to time depending on the relative volumes received by GJ CRI. Listed below are those revenue sources:

- (a) GJ CRI pays to the City all net revenue (gross revenue minus shipping) derived from the sale of recyclable materials collected on residential curbside routes.
- (b) GJ CRI pays to the City all net revenue (gross revenue minus shipping) derived from the sale of recyclable materials collected at GJ CRI's drop off location(s), one of which is currently located at 2549 River Road, Building 2B.
- (c) The City will receive all net revenue derived from the sale of recyclable materials collected at a GJ CRI Buy Back Center if, at GJ CRI's option:

- (i) The City funds a full-time GJ CRI position for a Buy Back Center attendant, and
 - (ii) The City provides sufficient containers and support equipment, as determined reasonably by GJ CRI, to support the Buy Back Center effort.
- (d) GJ CRI retains all net revenue derived from the sale of non-residential/commercial recyclable materials.
- (e) GJ CRI retains all net revenue generated from the collection of recyclables through GJ CRI special endeavors, such as recycling at special events, unless the parties otherwise agree pursuant to a separate agreement relating to such special endeavor(s)/special event(s).
- (f) The City and GJ CRI will, at each annual review, analyze source and net revenues for each commodity collected and sold by GJ CRI. Net revenues for each commodity will be apportioned based on commodities received as a result of the residential curbside operations mandated by paragraph 5.1 of this Agreement versus revenues derived from commercial/non-residential operations undertaken by GJ CRI and GJ CRI's services provided beyond those mandated in paragraph 5.1 of this Agreement. Based on the relative amounts of the revenues pursuant to this section the City and GJ CRI will utilize the apportioned revenue analysis to agree on a revenue split that will then be applied to the next calendar year. Any adjustments or modifications to the resulting percentage shall be in writing and executed by a signature of the General Manager or President for GJ CRI and the Manager.
- (g) Revenues derived from other GJ CRI/City joint ventures, such as special events recycling, will be addressed separately from this Agreement on a case-by-case basis.
- (h) GJ CRI is authorized, upon approval by the Manager, and encouraged to enter into agreements with markets, which may have a temporary or long term effect on revenue derived from commodity sales, with the intent of furthering the City's objective to promote recycling.

Examples:

- (1) A mill agrees to finance the cost of additional equipment (to be owned by GJ CRI) required to expand recycling operations in exchange for a lower purchase price for certain commodities until the equipment is paid in full.
- (2) A mill agrees to provide to GJ CRI additional equipment and/or services up front in exchange for a lower purchase price for certain commodities.
- (3) GJ CRI expands its current "Drop Off" location(s) and establishes a material "Buy Back Center(s)" to support the efforts of local non-profits, promote recycling

and increase the tonnage of material recycled. The purchasing of aluminum and newsprint from drop off customers has the effect of lowering the net market price for the commodities.

IX. RECORDS

9.1. GJ CRI shall keep proper, adequate and accurate books of account for all revenues associated with any sales of recyclable materials. Said books of account shall be kept in accordance with GAAP or an accounting system satisfactory to the City and shall reflect all transactions engaged in under or pursuant to this Agreement. The records shall include without limitation the sales price and weight slips for recyclable materials sold by GJ CRI. GJ CRI shall preserve and make available for audit and examination by the City such books and records, as well as photocopies of GJ CRI's local tax returns. The City agrees to take such steps as are necessary to preserve for the benefit of GJ CRI the confidentiality and proprietary status of all records and tax returns of GJ CRI, and the personal financial information of GJ CRI's owners and employees.

9.2. Audits may be conducted by the City upon three (3) days' written notice, but said audits shall not be required unduly or excessively and in no event shall exceed twelve (12) times per calendar year. The City may in its sole discretion perform any and all audits with City personnel or may retain an independent auditor. The cost of any and all audits shall be borne by the City.

X. TERMINATION

10.1. Termination. The City may terminate this Agreement for cause only if the City first provides GJ CRI with 120 days written notice of the asserted basis for termination for cause, and in such period GJ CRI does not take reasonable and diligent steps to address the asserted basis for termination. If thereafter, the City terminates this agreement for cause, the City shall nevertheless pay to GJ CRI upon the effective date of the termination the following liquidated damages:

- (a) The unpaid balance of the "total" amount shown on **Exhibit D**.
- (b) The amounts, based on the then current annual budget, pro-rated on a daily basis, equal to the reasonable costs for which GJ CRI is liable and/or has incurred, in complying with this Agreement, plus a sum agreed upon by the City and GJ CRI to close the facility.
- (c) If this Agreement is thus terminated for cause:
 - (1) regarding curbside recycling, GJ CRI shall in addition be compensated for any reasonable costs it has spent or incurred in performing the work herein described prior to the date of termination but will not be further

compensated except for GJ CRI's pro rata costs and profits related to the current calendar year's personnel, operational and administrative costs, and all additional such costs prorated to the actual date of closure;

(2) For the balance of GJ CRI's business operations for non-residential or commercial, GJ CRI has the right to retain all accounts receivables; and

(3) The parties shall negotiate a price paid to GJ CRI to terminate its operations hereunder.

10.2. In the event of City termination for convenience as described in this section below, the City shall, within seven business days of the City's termination of this agreement, provide notice to the public, including all of GJ CRI's customers, a summary of the City's basis for the City's termination, and, in order to preserve as much as possible under the circumstances the good name and reputation of GJ CRI, if GJ CRI has in writing disputed the City's asserted basis for termination, a summary of GJ CRI's reasons for disputing the City's termination. "Public Notice," for purposes of this section, means at least a quarter page advertisement in the Daily Sentinel, and a letter to each of GJ CRI's customers (based on GJ CRI's data base of curbside residential customers), and (in the next available City newsletter) an article containing a summary of the City's and GJ CRI's positions.

10.3. The parties hereby expressly acknowledge that the City's payment obligations hereunder are subject to and limited by the appropriation of sufficient funds by the City Council. Should the City Council appropriate insufficient funds to meet the City's financial and/or other obligations as set forth in this Agreement and **EXHIBIT A**, such action shall be deemed to be termination for the convenience of the City.

10.4. If the City terminates for the convenience of the City during the Term, including if the City does not provide the funding to pay, or during any extension of the Term, in addition to all other amounts which the City must pay to GJ CRI if termination was for cause, the City shall also pay one-half of the amount the City paid to GJ CRI for the prior calendar year, pursuant to paragraph 4.2 (a), as modified from time to time as provided for in said paragraph 4.2.

10.5 In the event of termination for convenience by the City, GJ CRI shall nevertheless have the right to renegotiate the premises being leased in Exhibit B through the remainder of the Term. If negotiated terms cannot be reached, then GJ CRI shall be paid relocation costs, the fair market value of replacement leased premises in light of the remaining term under this Lease, and profits lost and expenses incurred due to the relocation. Said Lease is attached as Exhibit C.

10.6 Further, if termination is for cause or convenience, in the event that, with the consent of the City, GJ CRI has obligated itself to make payments, execute financing statements and/or security agreements, or other equivalent purchase financing agreements with third-parties the City shall pay, and hold harmless GJ CRI from, any such obligations, penalties and payment duties. If such payment by the City is for equipment, vehicles or other property, the portion of the property thus paid for by the

City, penalties excluded, will be considered the property of the City. Ownership of equipment, vehicles or other property shall be determined as follows:

- (a) GJ CRI shall have one year to pay to the City its pro rata share in any such equipment, vehicles or other property; or
- (b) The parties may negotiate final ownership of equipment, vehicles or other property; or
- (c) If the parties cannot reach negotiated terms, the equipment, vehicle or other property shall be sold and the proceeds distributed as the parties' interest may dictate.

10.7 In the event of termination by the City for convenience, GJ CRI shall have the first right to contract existing customers.

10.8 During the Term, or any extension of the Term, GJ CRI may terminate this agreement by giving the City 120 days written notice. If GJ CRI's gives notice to the City that this Agreement is terminated by GJ CRI, or in the event that GJ CRI determines to dissolve or sell to a third party, in which either Steve Foss or Elaine Foss do not own 10% or greater interest, the current contract will be renegotiated with the new provider and the City shall have the first right to purchase at fair market value GJ CRI's business, including goodwill, equipment, materials, and contracts, the Lease, and such other aspects of the business that the City would need to continue recycling services to City residents. GJ CRI upon the effective date of the termination pursuant to this section 10.8 must complete the following:

(a) GJ CRI shall, within seven business days of the notice of termination of this agreement, provide notice to the public, including all of GJ CRI's customers, a summary of the reason of the termination, and, in order to preserve as much as possible under the circumstances the good name and reputation of the City. "Public Notice," for purposes of this section, means at least a quarter page advertisement in the Daily Sentinel.

(b) If GJ CRI terminates pursuant to this section 10.8, GJ CRI shall not have the right to occupy its then occupied premises through the remainder of the Term, and will cleanup, close, and exit the facility within a reasonable time and to the reasonable satisfaction of the City unless different arrangements are made under separate agreement.

(c) Notwithstanding any other provision of this Agreement to the contrary, if termination occurs pursuant to this section 10.8, and if, with the consent of the City, GJ CRI has obligated itself to make payments, execute financing statements and/or security agreements, or other equivalent purchase financing agreements with third-parties, and if GJ CRI retains ownership of such equipment, vehicles or other property, then GJ CRI shall pay, and hold harmless the City from such obligations and payment duties.

10.9 If GJ CRI terminates this agreement pursuant to section 10.8, the City is still obliged to pay: (a) all moneys otherwise due during the 120 day notice period, as if the

agreement were in full force, and (b) the balance of the "total" amount shown on Exhibit D, payable in one lump sum within 30 days of such termination.

XI. INDEMNIFICATION

11.1. GJ CRI hereby agrees to indemnify and hold harmless the City, its officers, agents and employees from and against any and all loss of, or damage to, property or injuries to, or death of any person or persons, including property and employees or agents or the City and shall indemnify and hold harmless the City, its officers, agents and employees from any and all third party: claims, suits, damage, costs, expenses, liabilities, actions or proceedings arising out of GJ CRI's performance under or related to this Agreement, including but not limited to, acts and omissions of GJ CRI's officers, employees and representatives; however the foregoing does not apply in the event of any dispute between the parties relating to the enforcement of this Agreement or any interpretation of this Agreement as between the parties. Further, GJ CRI's obligation to indemnify or hold harmless the City, its officers, agents and employees under this paragraph shall not apply to liability or damages resulting from the sole or several negligence of the City's officers, agents and employees, and in the event of the negligent, willful or wanton act or failure to act of the City, its officers, agents and/or employees, the City shall hold GJ CRI, and its officers, agents, owners and employees harmless from, and indemnify GJ CRI, its officers, agents, owners and employees with respect to such negligence and/or willful or wanton acts or failure to act. The terms of this paragraph shall survive the termination, cancellation or non-renewal of this Agreement.

XII. INSURANCE

12.1. Liability Insurance: GJ CRI agrees to secure and deliver to the City, at the time of execution of this Agreement, and to keep in force at all times during this Agreement, a general liability policy covering all of GJ CRI's operations hereunder with a minimum combined single limit amount of one million (\$1,000,000.00) dollars for each occurrence with a deductible of not more than five thousand (\$5,000.00) dollars. GJ CRI shall provide the City with a certificate evidencing the existence of the insurance required above. The certificate of insurance shall contain valid provisions or endorsements stating the following:

"The insurance coverage under this policy will not be cancelled or otherwise terminated without first giving thirty (30) days' prior written notice to the Director of Public Works of the City of Grand Junction, 250 North 5th Street, Grand Junction, Colorado, 81501, sent by certified mail, return receipt requested."

The general liability policy shall contain a valid provision or endorsement stating that it includes premise operations, owners and contractors' protective and completed operations liability coverage and that the coverage afforded the City as an additional insured shall be primary coverage.

12.2. Worker's Compensation Insurance: GJ CRI shall at all times maintain adequate worker's compensation insurance with an authorized insurance company, or through an

authorized self- insurance plan approved by the State of Colorado, insuring the payment of workers benefits to all its employees. GJ CRI shall provide the Director with certificate(s) showing that it has acquired this insurance.

12.3. Motor Vehicle Policy: GJ CRI shall at all times maintain motor vehicle insurance with a minimum limit of not less than one million (\$1,000,000.00) dollars combined single limit bodily injury, physical damage insurance, uninsured motorist and property damage for each and every motor vehicle used and/or owned by GJ CRI in connection with the performance of its obligations under this Agreement.

12.4. Subrogation Waiver: GJ CRI agrees that in the event of a loss due to any of the perils for which it has agreed to provide insurance, it shall look to its own insurance or to a third person for recovery, but not to the City or any of the City's employees or agents.

XIII. MISCELLANEOUS PROVISIONS

13.1. Notices. Notices concerning this Agreement, notices of alleged or actual violations of the terms or provisions of this Agreement and other notices of similar importance shall be made in writing by the City to GJ CRI:

Curbside Recycling Indefinitely, Inc. (d.b.a. GJ CRI)
Steven Foss – President
P.O. Box 2450
Grand Junction, CO 81502

And by GJ CRI to the City at:

City of Grand Junction
c/o Solid Waste Department
250 North 5th Street
Grand Junction, CO 81501

With a copy to:

Office of the City Attorney
250 North 5th Street
Grand Junction, Colorado 81501

All notices shall be sent by prepaid United States mail, return receipt requested. Mailed notices shall be deemed effective upon delivery.

13.2. Assignment. GJ CRI agrees not to assign, pledge or transfer its duties and rights in this Agreement, in whole or in part, without first obtaining the written consent of the City. Except as provided, assignment, transfer, conveyance or other hypothecation of this Agreement or GJ CRI's rights, duties or obligations hereunder or any part thereof without the prior written consent of the City shall be deemed an event of default.

13.3. No Waiver of Rights. No assent, express or implied, to any breach of any one or more terms and conditions of this Agreement shall be deemed to be or taken to be by the City as a waiver of any subsequent breach of such terms or conditions.

The City shall have the right to audit, examine and copy GJ CRI's records, including but not limited to, the records referenced hereinabove, related to any work performed under or pursuant to this Agreement. GJ CRI shall retain these records for three (3) years after the completion of work performed under or pursuant to this Agreement.

13.4. Status of Contractor. For all purposes under this Agreement, GJ CRI shall be an independent contractor retained on a contractual basis to perform all work and services described herein. It is not intended nor shall it be construed that GJ CRI, its officers, employees, agents or representatives are employees, officers or agents of the City for any purpose whatsoever.

13.5. Coordination of Activities. GJ CRI agrees to perform its work under this Agreement in accordance with the reasonable operational requirements of the City and the Public Works Department and that all work of GJ CRI and its personnel shall be subject to the reasonable restrictions established by the Utilities and Streets Director and/or his designee.

13.6. Taxes and Licenses. GJ CRI shall promptly pay when due all taxes, excises, license fees and permit fees of whatever nature applicable to the work which it performs under or pursuant to this Agreement, and shall obtain and keep current all required municipal, county and state licenses required to perform this work. GJ CRI shall furnish the Director, upon request, duplicate receipts or other satisfactory evidence showing or certifying the proper payment of all required licenses, permits, fees and taxes. GJ CRI shall promptly pay when due all bills, debts and obligations it incurs performing work under this Agreement and to allow no lien, judgment or execution to be filed on or against the City.

13.7. Compliance with All Laws and Regulations.

(a) GJ CRI agrees that, in the performance of work and services under or pursuant to this Agreement, it will comply with any and all applicable laws, rules, regulations, safety requirements and codes of the United States, the State of Colorado and with the charter, ordinances, rules and regulations of the City of Grand Junction, now in effect or hereinafter enacted.

(b) GJ CRI agrees that all educational, promotional and advertising efforts performed or utilized in relation to any services performed under this Agreement shall comply with all applicable trademark and copyright laws, rules, regulations and codes of the United States. In the event that GJ CRI uses any advertising, literature, material, equipment, process or procedure which is protected, GJ CRI shall secure permission for the use thereof as required by the holder of the trademark, patent or copyright at its own expense. GJ CRI agrees to release, indemnify and save harmless the City, its officers, agents and employees, pursuant to Section VI, INDEMNIFICATION, from any and all claims, damages, suits, costs, expenses, liabilities, actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising

out of, directly or indirectly, the performance of work under this Agreement which is alleged to infringe, or does infringe upon any trademark, patent or copyright protected by law.

13.8. Standard of Care. GJ CRI shall faithfully perform the work required under this Agreement in accordance with the appropriate standards of care, skill, training, diligence and judgment provided by contractors who perform work of a similar nature to the work described in this Agreement.

13.9. Dispute Resolution. Disputes arising under or related to this Agreement or the work which is the subject of this Agreement shall be resolved by mediation. If mediation is unsuccessful, the parties expressly reserve the right to arbitrate or file a cause of action pursuant to the Colorado Rules of Civil Procedure. The parties hereto agree that a final determination from said mediation shall be a precondition to other action being taken.

13.10. Severability. In the event any of the provisions, or applications thereof, of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or applications thereof, shall not be affected.

13.11. No Third Party Beneficiaries. The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement shall be strictly reserved to the City and GJ CRI. Nothing contained in this Agreement shall be construed to give or allow any such claim or right of action by any third party on such Agreement. It is the express intention of the City and GJ CRI that any other person, other than the City or GJ CRI, receiving any benefits from this Agreement shall be deemed to be incidental and unintended beneficiaries only.

13.12. Public Disclosures. GJ CRI shall have the right to include representations of the project, including photographs, among GJ CRI's promotional and professional materials. GJ CRI's materials shall not include any of the City's confidential or proprietary information if the City has previously advised GJ CRI in writing of the specific information considered by the City to be confidential or proprietary. Promotional materials developed by GJ CRI may not be used by any person or entity without the written express consent of GJ CRI.

13.13. Venue. This Agreement shall be deemed to have been made in, and shall be construed and interpreted in accordance with the laws of the City of Grand Junction, Mesa County, State of Colorado.

13.14. Time. The parties agree that in the performance of the terms and requirements of this Agreement by GJ CRI, time is of the essence.

13.15. Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

13.16. Entire Agreement. The parties acknowledge and agree that the provisions contained herein constitute the entire Agreement and that all representations made by any officer, agent or employee of the respective parties, unless included herein, are null and void and of no effect. No alterations, amendments, changes or modifications to this Agreement, except those which are expressly reserved herein to the Director, or his designee, shall be valid unless they are contained in a written instrument executed by the City designee and GJ CRI.

13.17. Inurement. The rights and obligations of the parties herein set forth shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns permitted under this Agreement.

13.18. Execution of Contract. This Agreement is expressly subject to and shall not become effective or binding on the City until it is fully executed by all signatories.

13.19. Bid Process. In the event of termination or non renewal of this Agreement, the City shall not enter into any similar contract without a public bid process to which GJ CRI is given an opportunity to bid AND the City shall withhold all GJ CRI information supplied to the City as confidential business information, unless GJ CRI consents in writing.



CITY OF GRAND JUNCTION

By *Jim Kaducil*

Title: City Manager

ATTEST:

Stephanie Twin
City Clerk

CURBSIDE RECYCLING INDEFINITELY, INC.

By *[Signature]*

Title: President

EXHIBIT A
RESIDENTIAL CURBSIDE RECYCLING

GJ CRI has the exclusive right to and shall perform residential curbside recycling collection services within the city limits of the City of Grand Junction.

1. GJ CRI shall collect and remove all recyclable materials at participating residential households which are prepared and segregated according to GJ CRI Guidelines and placed in recycling containers provided or approved by GJ CRI ("approved containers") by participating households at an accessible curbside or alley or adjacent to the regular refuse collection point, as determined by GJ CRI in its discretion. Materials placed at the curb of participating households which have not been generated by that household, or which have not been properly prepared and segregated or which are not in manageable and approved containers may be left at the discretion of GJ CRI. Approved containers, once emptied (unless excessively large or heavy as determined by GJ CRI), will be placed in as safe and secure a spot as is practical as determined by GJ CRI. Customers will be asked to not interfere with regular trash collection in the placement of containers.

2. All residential or business single family homes, duplexes, tri-plex and four-plex multifamily units within the City limits are eligible for residential curbside service by GJ CRI, subject to the terms described herein and in the Agreement of which this **Exhibit A** is a part.

3. GJ CRI shall have no obligation to collect or remove recyclable materials from any dwelling unit that is not a registered participant in the City recycling program, according to GJ CRI's records.

4. GJ CRI shall have no obligation to collect or remove recyclable materials from any dwelling unit that is a registered participant in the City recycling program if that material was not generated by the occupants of that dwelling unit. GJ CRI may inquire of such occupants and if probable cause exists, the City will take enforcement action as deemed appropriate by the City.

5. GJ CRI shall have no obligation to collect or remove recyclable materials from any dwelling unit if the location of those containers renders them inaccessible or if moving or accessing the containers would pose a danger to GJ CRI staff or equipment. GJ CRI may elect, at its discretion, to not collect non-segregated material(s) or non-complying material(s). If the non-segregated or non-complying material(s) are deemed excessive by GJ CRI, a written notice shall be left with the material(s) explaining the reason why it was not collected.

6. GJ CRI shall collect recyclables from participating households once each month on the same day of the month, which shall be, to the extent practicable, the same as the regular trash day. The day of collection may be changed to allow for holiday scheduling. Notice by GJ CRI may be given on the Internet, mailings or delivery to the household.

7. Special pick-ups for residents who have missed the scheduled recycling day may be provided on an as-needed basis as determined by GJ CRI. GJ CRI is not obligated to provide a special pick up to participants and, in its discretion may choose not to do so for those who request such service more than twice in any calendar year. GJ CRI

may charge a fee for such services as may be agreed upon by GJ CRI and the Manager.

8. GJ CRI shall collect materials beginning no sooner than 7:30 a.m. and ending no later than 7:00 p.m., Monday through Saturday and beginning no sooner than 9:00 a.m. and ending no later than 5:00 p.m. on Sunday.

9. GJ CRI may modify service routes and collection days as needed at its discretion to balance routes and place existing routes on a once-each-month basis, same day as the City's sanitation service schedule.

10. GJ CRI shall provide fourteen (14) days written notice to the Manager before modifying the list of recyclable materials collected at a Drop Off location or on Residential routes. The notice from GJ CRI shall be in the form of a request. Unless and until the request is granted by the Manager, the materials collected by GJ CRI shall not change. The Manager shall reply to GJ CRI's request to modify the list of recyclable materials collected within seven (7) days of GJ CRI's notice.

11. GJ CRI shall transport the collected recyclable material(s) to the GJ CRI Lease facility. Processing activities shall occur within the Leased area.

12. GJ CRI shall process recyclable materials by sorting, crushing, screening, baling, loading, transporting, and/or temporarily storing all recyclable materials collected. GJ CRI shall market and process recyclable material(s) collected, pursuant to the Agreement, by contracting with mills, middlemen, processors and transporters. GJ CRI may also research and may enter into agreement(s) for experimental use, reuse and/or disposition which may expand market(s) and/or environmental benefit(s) even though such use, reuse or disposition of the recyclable materials is not the most lucrative. Any such agreement(s) with mills, middlemen, processors and transporters, unless clearly outside the scope of this contract, shall be reviewed and approved by the Manager before GJ CRI enters into any such contractual agreement(s). Since time is of the essence when marketing recyclable material(s) the Manager shall reply to any request by GJ CRI to enter into any marketing, use, reuse or disposition agreement within seven days of the date the request is made.

13. GJ CRI shall, at its sole cost and expense and except as otherwise provided herein, furnish all labor and equipment required to perform collection, education, transportation, processing and marketing services pursuant to this Agreement upon execution.

14. The City shall provide GJ CRI with reasonable operational, processing and temporary storage space consisting of, but not limited to, sufficient physical space(s) located at the old sewage treatment plant on River Road (the Lease Area), or as otherwise may be agreed. Space provided by the City shall be not less than the clarifier ring located adjacent to and to the North of the existing recycling bay and plastics sorting building, one loading dock and storage area located adjacent to and Northeast of the existing recycling bay and plastics sorting building, glass storage bunkers and plastics sorting building, together with a staging area sufficient to access the facilities. The City shall continue to maintain such facilities. The City shall install electrical power to a glass crusher.

15. GJ CRI may provide one or more commercial recycling containers at one or more central collection points for multifamily dwellings of more than four units and for

non residential customers. All costs of collection shall be borne by and all revenue derived retained by GJ CRI for such work.

16. The City and GJ CRI shall develop and implement a work plan for recycling education and publicity. GJ CRI shall engage in educational and promotional efforts, including without limitation, printing and distributing of educational and promotional materials to fulfill requirements of the work plan. All education and promotional materials shall be approved by the Manager or his designee prior to distribution and/or use. All education and promotional materials shall remain the property of GJ CRI. All notices, educational and promotional materials developed by GJ CRI shall provide the name and telephone number of GJ CRI.

18. GJ CRI shall research, produce, publish and distribute a biannual report to curbside recycling participants. The publication shall be at least two pages in length and outline current issues concerning recycling and waste management. This publication shall be approved by the Manager prior to distribution or other use.

19. The City shall promote the recycling program and encourage recycling by residents in the following ways:

a. The City will establish and continue financial incentives for residents to recycle.

b. The residential recycling fee cannot be greater than the difference between the charges for a 64 gallon trash container and a 96 gallon container.

c. If the City continues to charge a separate recycling fee or offer the service at no additional cost to participants, it shall display such fees or a statement of the "free" service as a separate line item from the charge for trash service on residents' monthly bill. Should the City determine that such a charge breakdown or statement on the monthly bill would be cost prohibitive to implement, then the requirement imposed by paragraph 5.1(c) of this agreement will be nullified and cannot be used as justification of termination for cause by the City.

d. GJ CRI will propose for City adoption by ordinance or regulation a one household limit on the amount of material set at the curb in order to discourage sharing with businesses, friends and neighbors. Wording to that effect will be included in advertisements, promotions, residential sign up agreements and literature produced by either GJ CRI and the City.

e. The City will advertise and otherwise promote GJ CRI's programs to encourage participation. For example:

i. The City shall inform new residents of the recycling program and provide sign up information delivered to the Manager by GJ CRI.

ii. Information about GJ CRI's services will be included in monthly utility bills and/or City newsletters on a regular basis. Such information may also include educational material about the benefits of recycling.

iii. The availability of curbside and drop-off/buy-back recycling service will be included in listings along with listings of other City services, such as in phone books or newspapers.

f. In order for GJ CRI to keep an accurate account of participating residential customers, the City will devise a workable system that timely notifies GJ CRI of

termination of a City recycling account, such as when a participant moves and cancels trash service, or moves and the account is transferred.

20. GJ CRI shall keep and maintain complete records and submit reports to the City, on an as directed basis, to apprise the City of the status of the recycling activities, revenue and expenditures.

Data shall be sufficient, as reasonably determined by the City, to provide the City with information substantiating GJ CRI's activities concerning the following topics:

- program cost for curbside collection, drop off maintenance, processing and shipping
- revenue generated from the sales of recycled materials
- poundage or tonnage recovered from the waste stream by type of material
- participation rates including number of households signed up for residential recycling listed as:
 - o residential
 - o commercial
- number of households setting out material per route per month

The Manager may modify the reporting requirements at any time upon thirty (30) days' written notice to GJ CRI.

21. The sales price(s) of recyclable material(s) received by GJ CRI and reported to the City is confidential and the City shall, unless otherwise ordered by a court, maintain such confidential and proprietary business information of GJ CRI. Due to the volatility of markets GJ CRI is authorized to maintain the confidentiality of purchasers and other proprietary information so long as GJ CRI understands and discharges its obligation to the City to secure the best possible price for recyclable materials unless the sale, use, reuse or disposition of recyclable material(s) is made to increase use of recyclables or in the public interest. The City agrees to treat as confidential and proprietary any GJ CRI information, data, processes and documents, to the extent not inconsistent with the Colorado Open Records Act.

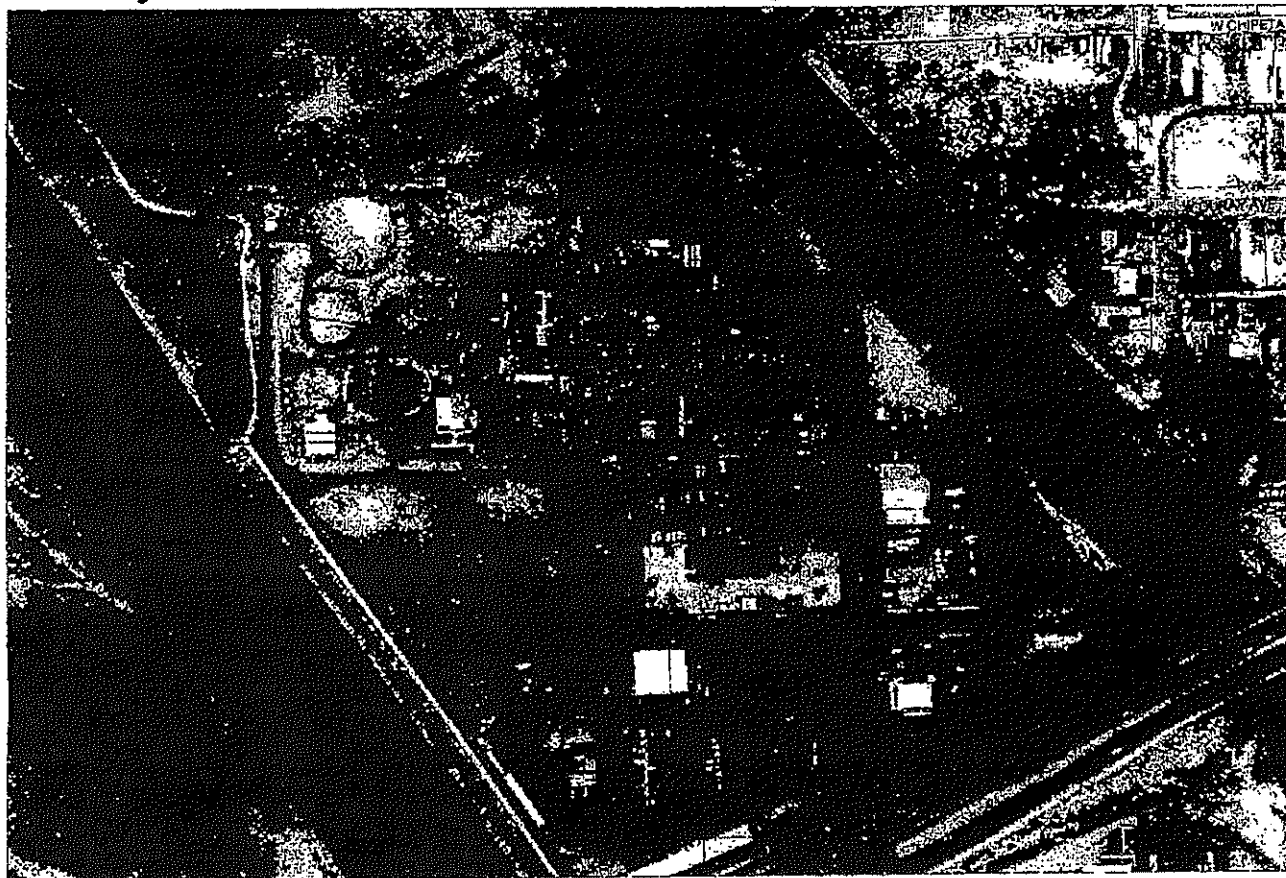
22. GJ CRI shall initially distribute three (3) recycling containers, a schedule of pick-up dates, and list of recyclable materials, a program brochure and a general information sheet to all dwelling units within the City of Grand Junction served by the recycling program. Residents who pay directly, rather than through the City billing system, will be issued three bags at sign up so long as they subscribe to at least one year of service. Additional containers may be sold or otherwise provided by GJ CRI to persons so requesting. Recycling containers sold to a purchaser shall belong to the purchaser and ownership may be marked on the container. Container(s) not purchased shall remain the property of GJ CRI. All recycling containers owned by GJ CRI shall bear the name and telephone number of GJ CRI and/or the name or logo of the City of Grand Junction.

23. The City hereby authorizes GJ CRI to take physical possession of and title to recyclable material(s) set out for collection by GJ CRI in containers which are provided or approved by GJ CRI and which may bear the name of GJ CRI and/or the name or logo of the City of Grand Junction.

EXHIBIT B:

PREMISES

City of Grand Junction GIS City Map ©: Premises



(

EXHIBIT C:

LEASE

City-GJ CRI Lease

THIS Lease Agreement ("Lease") is made and entered into as of this _____ day of _____, 2007, by and between the City of Grand Junction, a Colorado home rule city, 250 N. 5th Street, Grand Junction, CO, 81501 ("Landlord" or "City") and Curbside Recycling Indefinitely, Inc. ("GJ CRI"), PO Box 2450, Grand Junction, CO 81502 ("Tenant").

The purpose of this Lease is to allow the Tenant to occupy the Premises in order to effectuate the written agreement between the City and GJ CRI dated _____, 2007 (the "Contract").

The parties agree as follows:

- 1(a). Premises: The premise is the existing buildings and appurtenant yard ("Premises") located on the real property owned by Landlord at 2549 River Road, Building 2B, Grand Junction, Colorado 81501. The premises are a portion of the City's real property described as Westside Sewer Plant/City Shops.
 - 1(b). Term: The Term of this Lease shall be as set forth in this contract.
 - 1(c). Rent: Tenant shall not pay Rent for the Premises.
 - 1(d). Utilities/Other Costs: Tenant shall pay for all utilities and whatever maintenance and repair of the Premises as the parties agree, pursuant to the Contract.
 - 1(e). Security Deposit: -0-
 - 1(f). Landlord's Notice Address:
250 North 5th Street
Attn: Darren Starr
Grand Junction, CO 81501
 - 1(g). Tenant's Notice Address:
PO Box 2450
Grand Junction, CO 81502
2. Term. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises for the Term as proposed for in the Contract.
 3. Use of Premises. The Premises shall be used for the existing curbside recycling programs of GJ CRI, and for GJ CRI's commercial recycling and related activities, and for no other purpose without prior written consent of Landlord. Tenant shall not do, or permit to be done, in or about the Premises, nor bring or keep or permit to be brought or kept herein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance, or governmental rule or regulation now in force, or which may hereafter be enacted or promulgated. The terms of the Contract shall continue to apply throughout Tenants' occupancy.
 4. Tenant Repairs. Tenant shall, at all times during Tenants' occupancy, at Tenant's sole cost and expense, keep the Premises in good and sanitary condition.
 5. Mechanics Liens. Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by or through Tenant.
 6. No Assignment. Tenant may not, without the prior written consent of Landlord, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest herein or sublet the Premises or

any part thereof, or permit the use of the Premises by any party other than Tenant. Any such assignment or subletting without such consent shall be void. Any such consent by Landlord shall not release Tenant from any of Tenant's obligations hereunder or be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. This Lease shall not, nor shall any interest herein, be assignable as to the interest of Tenant by operation of law without the written consent of Landlord.

7. Insurance. Tenant shall obtain insurance deemed appropriate by Tenant covering Tenant's operations and personal property.

8. Holdover. If Tenant does not surrender possession of the Premises at the end of the Term, as provided in the Contract, Tenant shall be a Tenant-at-sufferance of Landlord.

9. Inspection. Landlord may enter the Premises and the Real Property at reasonable hours to (a) inspect the same, (b) determine whether Tenant is complying with all of its obligations hereunder, and (c) post notices of non-responsibility. All such entries shall be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible.

10. Default. Tenant shall be deemed to be in default hereunder:

- (a) If Tenant shall be adjudicated bankrupt, or if a trustee or receiver of Tenant's property be appointed, or if Tenant shall make an assignment for the benefit of creditors; or
- (b) If default shall at any time be made by Tenant in the payment of rent, utilities, or other costs, or any installment thereof, for more than three (3) days after the same is due to Landlord or other provider; or
- (c) If there shall be a default in the performance of any other covenant, agreement or condition of the Contract.

11. Notices. All notices and demands which may or are required to be given by either party to the other hereunder shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified or registered, postage prepaid, and addressed as shown on Section 1 hereof, or to such other place as each party may from time to time designate in a notice to the other party.

IN WITNESS WHEREOF, the parties have executed this Lease dated the day and year first above written, to be effective upon the Closing of the Contract.

LANDLORD:

TENANT:

CITY OF GRAND JUNCTION, a Colorado
home rule municipality,

Curbside Recycling Indefinitely, Inc.
d/b/a GJ CRI

By: _____
Darren Starr

By: _____
Steven Foss, President

Date: _____

Date: _____

EXHIBIT D

2007	\$4378.10
2008	\$5674.89
2009	\$5674.89
2010	\$5674.89
2011	\$5674.89
2012	\$5674.89
2013	\$5674.89
2014	\$5674.89
2015	\$5674.89
2016	\$5674.89
TOTAL:	\$55452.08

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 2/1/2008												
PRODUCER (970)243-6600 FAX: (970)243-3914 Home Loan & Investment Company 205 North 4th Street P. O. Box 100 Grand Junction CO 81502-0100		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED Curbside Recycling Indefinitely, Inc. DBA: GJ CRI PO Box 2450 Grand Junction CO 81502-2450		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">INSURERS AFFORDING COVERAGE</td> <td style="text-align: center;">NAIC #</td> </tr> <tr> <td>INSURER A: Colorado Casualty</td> <td>41785</td> </tr> <tr> <td>INSURER B: SIP/Pinnacol</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: Colorado Casualty	41785	INSURER B: SIP/Pinnacol		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC #													
INSURER A: Colorado Casualty	41785													
INSURER B: SIP/Pinnacol														
INSURER C:														
INSURER D:														
INSURER E:														

COVERAGES
 THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR	CPP0571916 01	8/8/2007	8/8/2008	EACH OCCURRENCE \$ 1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO. JECT ☐ LOC				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
						MED EXP (Any one person) \$ 5,000
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
A		AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☒ SCHEDULED AUTOS ☒ HIRED AUTOS ☒ NON-OWNED AUTOS	CPP0571916 01	8/8/2007	8/8/2008	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
						BODILY INJURY (Per person) \$
						BODILY INJURY (Per accident) \$
						PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY ☐ ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		EXCESS/UMBRELLA LIABILITY ☐ OCCUR ☐ CLAIMS MADE ☐ DEDUCTIBLE ☐ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	3202160	4/1/2007	4/1/2008	☐ WC STATUTORY LIMITS ☐ OTH-ER
		E.L. EACH ACCIDENT \$ 100,000				
		E.L. DISEASE - EA EMPLOYEE \$ 100,000				
		E.L. DISEASE - POLICY LIMIT \$ 500,000				
		OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER

City of Grand Junction
 PO Box 20,000
 Grand Junction, CO 81502

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Darren Coltrinari/DEB

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Agreement

This Agreement is made and entered into this 1st day of October, 2016 by and between Curbside Recycling Indefinitely, Inc., dba GJ CRI ("GJ CRI"), a Colorado Corporation, and GP Consulting Services, LLC ("GP Services") a Colorado Limited Liability Company. The purpose of this Agreement is for GP Services to provide business leadership and board of director's training, technical support, policy development, ongoing operational evaluation, consulting and other needed services to GJ CRI. In consideration of the mutual covenants and conditions set forth below the sufficiency of which are hereby acknowledged, the parties agree as follows:

I. Term

Subject to the termination provisions of this Agreement, the initial Term of this Agreement shall be 10 years with GJ CRI granting GP Services the option to extend for an additional ten years. The commencement date of the benefits and obligations hereunder shall be October 1, 2016.

II. Performance of Work

2.1 In return for the compensation described herein, and other valuable consideration, GP Services agrees to furnish all labor, professional services, analyses, calculations and other resources required to perform and complete the work described herein.

2.2 In exchange for GP Services training and consulting benefits provided, GJ CRI agrees to furnish sufficient office space for the performance of duties and access to that space as well as to necessary documents during agreed upon times and under agreed upon condition. Such agreements and arrangements will be informal and verbal.

III. Compensation

3.1 An adjustment to the compensation paid to GP Services may be triggered by one of several events, including, but not limited to:

- (a) Prior to the end of each December during the Term, the parties shall review the scope of work and the compensation allowed under this Agreement. Adjustments shall be proposed in writing and if approved shall become effective upon execution of a written addendum to this Agreement, signed by GP Services and GJ CRI.
- (b) At the commencement of any change that affects the level of services provided including, but not limited to, the number of GP Services' staff members involved in providing services, the number of hours required to perform the work or the addition of duties and/or areas of service.
- (c) Sale or transfer of ownership of GJ CRI.

3.2 GJ CRI hereby agrees to pay GP Services, as compensation for complying with this Agreement, as follows:

(a) For the period of October 1, 2016 through September 30, 2017, the sum of forty thousand four hundred and forty dollars and no cents (\$40,440.00).

(b) Each year's payment shall be paid in twelve equal installments, by the 14th day of the month beginning October, 2016. The initial monthly installment will be three thousand three hundred and seventy dollars and no cents (\$3,370.00).

IV. Scope of Work

GP Services' scope of work is defined as providing a variety of business support services including, but not limited to, business leadership consulting, training and technical support, assistance with budgeting, contract negotiations, policy development, and personnel and operations assessment and management.

GP Services will provide services as they are needed: Therefore, an exact number of hours cannot be pre-determined and will be left to the discretion of managers of both businesses. The specific services to be rendered will be determined and agreed upon by the parties as the need arises.

V. Termination for Convenience

Either party may terminate this Agreement for convenience. Notice must be given one full calendar month prior to the effective date of that notice. If GJ CRI wishes to terminate, it shall be liable for payment of the contractual amounts for the full final month plus any reasonable expenses incurred by GP Services during the course of this Agreement.

VI. Transferability

Any agreement for sale or transfer of ownership of GJ CRI will include the transfer of the rights and responsibilities set forth in this Agreement.

VII. Records and Confidentiality

Neither party to this Agreement nor its employees, agents or representatives will in any manner, either directly or indirectly, use for its own benefit, or disclose, divulge or communicate in any manner, any information that is proprietary to the other party and will treat all such information as confidential, unless an oral or written authorization is given on an event by event basis.

VIII. Indemnification

GJ CRI agrees to indemnify and hold GP Services harmless from all claims, losses, expenses, attorney fees, costs and judgments that may be asserted against GJ CRI that result from the acts or omissions of GP Services or its employees, agents or representatives.

IX. Amendment

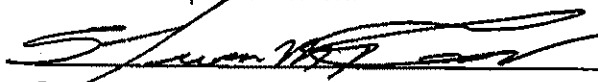
This Agreement may be modified or amended in writing by mutual agreement between the parties, if the writing is signed by the party obligated under the amendment.

X. Waiver of Contractual Right

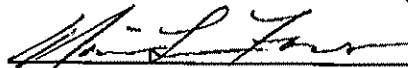
The failure of either party to enforce any provision of this contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel compliance with every other provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above: Steven M. Foss, President of the Board for GJ CRI and Elaine Lawrie Foss, Member, for GP Consulting Services, LLC, this 29th day of September, 2016.

Service Recipient: GJ CRI


_____, CEO and Board President
Steven M. Foss

Service Provider: GP Consulting Services, LLC


_____, Member
Elaine Lawrie Foss



Grand Junction City Council

Workshop Session

Item #1.b.

Meeting Date: February 3, 2020

Presented By: Ken Sherbenou, Parks and Recreation Director

Department: Parks and Recreation

Submitted By: Ken Sherbenou

Information

SUBJECT:

Colorado West Land Trust Presentation of Priorities

EXECUTIVE SUMMARY:

The Colorado West Land Trust (CWLT) will provide a presentation that explores their partnership with the City along Monument Road.

BACKGROUND OR DETAILED INFORMATION:

The Land Trust was created over forty years ago, and the CWLT was established in 2017. The attached letter provides additional detail about the history of the CWLT and their projects related to land conversation.

FISCAL IMPACT:

N/A

SUGGESTED ACTION:

For City Council discussion.

Attachments

1. CWLT Memo to GJ Council Feb 3 2020



COLORADO WEST LAND TRUST

Conserving Land. Connecting People. Enriching Lives.

Memorandum

To: City Council, Greg Caton
From: Rob Bleiberg, Libby Collins
RE: Colorado West Land Trust Background Information
Date: January 28, 2020

Introduction

We look forward to meeting with you on February 3rd and discussing our partnership with the City along Monument Road. There are wonderful projects in process, and we have exciting plans to further enhance, conserve, and connect this important corridor. While we want to focus Monday's conversation on current and future work, Greg Caton suggested that it would be helpful to provide background information about the Land Trust and our partnership with the City.

Colorado West Land Trust – Deep Community Roots & West Slope Values

Forty years ago, in the midst of the oil shale boom, a group of Palisade farmers established the Land Trust because they understood that our community is blessed with extraordinary landscapes that were threatened and worthy of protection. The Land Trust understood that the right way to conserve land was through cooperation with property owners and a process built on a foundation of private property rights. To this day, we only use incentive-based, voluntary tools with willing sellers exercising their private property rights.

In 2017 the organization expanded its service area and established Colorado West Land Trust in partnership with a Montrose-based land trust. The organization has a staff of ten and serves a six-county region extending from the Bookcliffs to the San Juan Mountains and from the Utah state line to Blue Mesa Reservoir. CWLT conserves about 125,000 acres of land through more than 500 conservation agreements. Most of these parcels remain in private ownership and continue to be farmed or ranched, providing tax-paying, productive open space. The Land Trust has also partnered with local governments to acquire land for public recreation.

Conservation contributes to a vibrant, growing community

The Land Trust understands that its conservation agreements are powerful tools that have long-term impacts on land use and growth patterns. CWLT also understands that a healthy community needs land for a growing population and that through planning and investments in infrastructure the community has identified areas to accommodate growth. For these reasons, the Land Trust carefully reviews every project and often says no to potential projects that do not provide a compelling public benefit or might undermine land use plans. It is no accident that 95% of the land conserved by CWLT in Mesa County is outside of the Grand Valley. The Land Trust has conserved about 2.5% of the private land in the Grand Valley and only about .05% of the land within the valley's sewer districts.



Leave a Legacy. Please remember Colorado West Land Trust in your will or estate plans.

Economic Vitality

Thoughtful land conservation contributes to a vital, diverse, more resilient local economy by protecting existing industries, enhancing our quality of life, promoting tourism, and stimulating investment in real estate and business.

Agriculture is an important economic driver in the region. Colorado's wine industry contributes over \$150M to the state's economy annually, while Mesa County gross peach sales exceed \$20M per year. The Land Trust's conservation work provides a stable land base and a measure of certainty for these industries, as well as for livestock production, our region's largest ag industry.

Outdoor recreation is one of the state's largest industries, annually contributing a staggering \$62B to Colorado's economy. Conserving critical wildlife habitat is essential for the future of hunting, fishing and wildlife viewing, a \$3B per year industry for the state. We have seen significant growth in our mountain biking economy. A CMU study determined that three mountain trail networks in the County add \$14M annually to the local economy, with Lunch Loop being the largest contributor.

Protecting beautiful landscapes and recreational opportunities just out our back door helps draw new residents and encourages them to put down roots. Our natural and recreational amenities set us apart from other communities and draw businesses and incoming residents. This is reflected in GJEP's emphasis on Outdoor Recreation manufacturing.

Land conservation can also spur and complement real estate investment. We are seeing this along Monument Road with our partnership with the developer of the No Thoroughfare Creek subdivision at 2312 Monument Road and the Frog Pond LLC project at 2501 Monument Road.

Collaborating to Conserve the Character of the Grand Valley

In 2000, the Land Trust began collaborating with the City, County, Palisade, and Fruita, to protect the character of the Grand Valley and maintain green space between growing municipalities through the Community Separator or Buffer Program. Between 2000 and 2009, the City invested about \$650k, which was leveraged more than 15:1, resulting in the conservation of 30 properties totaling 1157 acres with a value of \$11M. Palisade and Fruita still support this work and the Land Trust now conserves 45 properties totaling 1,450 acres, with a value of \$26M within the buffers. This land includes orchards, farms, and wildlife habitat.

Monument Corridor: A Defining Landscape for the Community

The Land Trust renewed its partnership with Grand Junction in 2012 with its purchase of the 130-acre Three Sisters Property, which it donated to the City for public enjoyment. Community support was overwhelming and the Land Trust's partnership with the City has flourished and yielded significant public benefit since. Two additional acquisitions, the Bookends, followed in 2014. The Land Trust then worked hand in hand with the City to acquire right-of-way from five parties and raise the \$2.5M to construct the Monument Trail. The Land Trust is now working with the City to acquire property and raise funds to extend the Monument Trail to South Camp Road. This will link the County's most popular trailhead to neighborhoods, Downtown, the Riverfront, Los Colonias and Dos Rios. The trail will provide multi-modal transportation options for mountain biking tourists staying Downtown and residents biking to work.

A hallmark of this work has been the Land Trust's ability to negotiate real estate acquisitions and leverage City investments by raising significant monies from public and private funding sources.