



City Hall, 215 Sycamore St.
Muscatine, IA 52761-3899
(563) 264-1550
Fax (563) 264-0750

FINANCE & RECORDS**MEMO**

To: Gregg Mandsager, City Administrator

From: Nancy A. Lueck, Finance Director

Date: November 3, 2014

Re: Resolution to Approve Transfer Station/Landfill Industrial Contracts

Introduction:

The City established the current \$60 per ton Transfer Station tipping fee effective July 1, 2009. The City Council approved a resolution on September 17, 2009 adopting a rate of \$50.00 per ton for industrial contracts entered into by companies meeting the minimum tonnage requirement. Per the agreements, these companies pay their tipping fees directly to the City instead of their waste hauler. There are three companies under the original industrial contracts and these contracts had varied ending dates.

In 2010 the Muscatine Chamber of Commerce formed the Landfill/Transfer Station Committee to review the financial status of the City's Landfill. This Committee recommended that the City authorize additional industrial contracts at negotiated rates to increase the waste volume at the Transfer Station and Landfill. City Council adopted a resolution authorizing the use of negotiated industrial contracts on October 17, 2010. Three contracts were added in November and December of 2010 and these contracts were for three year terms. In November of 2013 the regular and the negotiated industrial waste contracts were all extended through June 30, 2015.

Background and Recommendation:

The Committee held meetings in July and September of 2014 to review the most recent financial information for the Landfill. This review included the deficit reductions through June 30, 2014, a review of the most recent waste volumes, the estimated remaining capacity in the current landfill cells, and the projected timing for construction of the next waste disposal cells.

With the progress to date in reducing the deficit, the Committee reviewed possible scenarios for extension of the industrial contracts at the time of their expiration on June 30, 2015. After this review, there was a consensus of the Committee to recommend the current waste contracts be extended for a five year period with a \$5.00 per ton reduction in the rate for each of the regular industrial waste contracts (from \$50.00 per ton to \$45.00 per ton) and that the negotiated contracts each be reduced by \$2.50 per ton. This recommendation was reviewed by City Council at their October 9, 2014 In Depth meeting.

Recommendation:

The attached resolution provides for extension of the regular and negotiated industrial contracts through June 30, 2020 at the rates recommended by the Committee and reviewed by City Council at the October In Depth meeting. Please include the attached resolution on the agenda for the November 6, 2014 meeting. If there are any questions or if any additional information is needed, please contact me.

RESOLUTION NO. _____

**RESOLUTION APPROVING THE EXTENSION
OF INDUSTRIAL CONTRACTS
FOR THE MUSCATINE TRANSFER STATION**

WHEREAS, the City Code of the City of Muscatine, Iowa, Title 9, Chapter 6, Section 11, provides for the establishment of solid waste disposal rates with the fees to be set by Resolution of the City Council; and

WHEREAS, the City Council previously established the fee of \$60.00 per ton for disposal of regular waste at the Transfer Station effective July 1, 2009; and

WHEREAS, City Council wishes to encourage area industries to utilize the Transfer Station for the disposal of their solid waste; and

WHEREAS, City Council previously adopted a resolution on September 17, 2009 to allow for qualifying industries to enter into Industrial Contract agreements for disposal of their solid waste; and

WHEREAS, City Council previously adopted a resolution on October 7, 2010 providing for additional contracts at the industrial rate less negotiated discounts; and

WHEREAS, in November of 2013 the original industrial contracts and the subsequent negotiated contracts were extended through June 30, 2015; and

WHEREAS, the industries with industrial contracts have agreed to extend their current contracts through June 30, 2020 with a \$5.00 per ton reduction in the rate for the regular industrial contracts (to \$45.00 per ton) and a \$2.50 per ton reduction in the negotiated contract rates.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA, that pursuant to the provisions of the City Code of the City of Muscatine, Iowa, that the Transfer Station Industrial Contracts be extended through June 30, 2020.

PASSED, APPROVED, AND ADOPTED this 6th day of November, 2014.

DeWayne Hopkins, Mayor

ATTEST:

Gregg Mandsager, City Administrator

Industrial Contract for Solid Waste Disposal

THIS AGREEMENT, made and entered into this ____ day of _____ 2014 by and between the City of Muscatine, Iowa, a municipal corporation organized and existing under the laws of the State of Iowa, hereinafter referred to as the City, and Allsteel Office Furniture, hereinafter referred to as Allsteel.

WHEREAS, the City of Muscatine owns and operates an environmentally sound recycling center and transfer station known as the Muscatine Recycling Center and Transfer Station and operates the Muscatine County Landfill for the Muscatine County Solid Waste Management Agency.

WHEREAS, ALLSTEEL currently owns and operates an industrial facility located in the Muscatine County area and agrees to dispose of their waste at the Muscatine Recycling Center and Transfer Station. All waste received at the Muscatine Recycling Center and Transfer Station will be disposed of at the Muscatine County Landfill.

WHEREAS, ALLSTEEL desires to dispose of solid waste at a tipping fee rate of \$45.00 per ton.

WHEREAS, the City desires to receive all acceptable waste in the service area as stated in the permits issued by the Iowa Department of Natural Resources.

WHEREAS, the City has agreed to the above contract price for solid waste delivered to the Recycling Center and Transfer Station subject to the terms and conditions set out below.

NOW THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the parties hereto agree as follows:

Article I – Term

This contract shall commence on July 1, 2015 and continue through June 30, 2020.

Article II- Definitions

- I. Acceptable waste is waste produced by the ALLSTEEL's production of goods.
- II. Industrial contract rates will be available for a Company that employs 100 or more employees and generates a minimum of 100 tons of solid waste annually for disposal. Contract rates will not be available for solid waste haulers and building contractors.
- III. The Muscatine facilities utilized for disposal are the Muscatine Recycling Center and Transfer Station, located at 1000 S. Houser St. Muscatine, Iowa and the Muscatine County Landfill, 3700 Hwy 61N, Blue Grass, Iowa.

- IV. The service area subject to this contract includes all the industrial businesses that meets the criteria of employees and waste amounts in the following areas of Muscatine County, as stated in the 28 E Agreement of the Muscatine County Solid Waste Management Agency:

Atalissa
Conesville
Fruitland
Muscatine
Muscatine County
Nichols
Stockton
West Liberty

Article III-Representations

A. ALLSTEEL Representations

1. ALLSTEEL has full power and authority to execute this contract and such execution constitutes a binding legal obligation of the Company that is fully enforceable in accordance with these terms and conditions.
2. ALLSTEEL is an entity duly organized, validly existing, and properly qualified to do business under the laws of Iowa.
3. The execution of this Contract is not prohibited by any other agreement, indenture, or any other instrument to which ALLSTEEL is a party.
4. ALLSTEEL strives to reduce waste in support of reducing the impact to the environment, but will agree to deliver 100% of non-recyclable industrial waste annually to the Muscatine Recycling Center and Transfer Station.
5. ALLSTEEL agrees to contract separately for hauling of solid waste.
6. ALLSTEEL will be responsible for direct payment to the City of Muscatine for tipping fees charged to their account. All invoices will be due within 30 days from the invoice date.

B. City Representations

1. The execution of this Contract is not prohibited by any agreement, indenture, or other instrument to which the City is a party.
2. The City plans to maintain the necessary capacity needed to accommodate ALLSTEEL.

Article IV- Compliance with Regulatory Requirements

1. ALLSTEEL shall bring industrial waste approved for acceptance at the Muscatine Recycling Center and Transfer Station. Waste considered "Special Waste" would need to have accommodations made at the Muscatine County Landfill for direct disposal.
2. No hazardous waste can be disposed of at either facility.

3. Special items such as tires, appliances, or electronic waste would be subject to additional charges if found in loads of waste.

Article V- Delivery Requirements

1. ALLSTEEL will require the hauler of their choice to deliver all industrial waste generated at its facility to the Muscatine Recycling Center and Transfer Station.
2. ALLSTEEL will require the hauler of its choice to use an enclosed truck or covered container to haul waste to the designated facility.
3. In the event of a natural disaster or other emergency, hours and days of operation may be adjusted and written or verbal notice of such adjustment will be provided to ALLSTEEL as soon as possible.
4. Muscatine Recycling Center and Transfer Station normal business hours are Monday – Friday 7:00 A.M. – 3:30 P.M. and Saturday 8:00 A.M. – 12:00 P.M. Closed on Sunday and holidays. Muscatine County Landfill hours vary and will be set according to circumstance. The Muscatine County Landfill observes the same holidays as the Muscatine Recycling Center and Transfer Station.
5. The City observes the following for holidays:

New Year's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Friday After Thanksgiving
Fourth of July	Christmas Eve
Labor Day	Christmas Day

Article VI -Tipping Fee Rate

1. Tipping Fee Rates

The tipping fee rate established for this account is \$45.00 per ton. This rate begins on July 1, 2015, and ends on June 30, 2020.

2. **Changes in Contract Tipping Fee Rates**

In the event the City increases the regular disposal rate of \$60 per ton at the Transfer Station during the contract period, the City reserves the right to implement a corresponding change in the Industrial Contract rate no earlier than July 1, 2016. The maximum rate increase would be 5% July 1, 2016 (to \$47.25/ton). The City will notify ALLSTEEL at least 90 days in advance of any rate change under this section.

3. At the end of the current contract term, the City and Allsteel will negotiate a rate for a term of a new contract.

Article VII - Notices

1. All written notices required pursuant to this contract shall be either hand delivered or mailed to ALLSTEEL or City at the following addresses or such other addresses as provided in writing to the other party from time to time.

City of Muscatine:

Muscatine Recycling Center and Transfer Station

Laura Liegois – Solid Waste Manager

1000 S. Houser St.

Muscatine, Iowa 52761

Phone: 563-263-9689 E-Mail: lliegois@muscatineiowa.gov

The HON Company:

Perry Littlejohn

200 Oak Street

Muscatine, Iowa 52761

Phone: 563-299-0878 E-mail: littlejohnp@honcompany.com

Article VIII - Assignment

1. ALLSTEEL shall not transfer or assign all or any part of this Contract without the prior written consent of the City. No such assignment shall be effective unless and until the assignee consents to be bound by the terms of this Contract.

Article IX - Termination of Contract

1. In the event that ALLSTEEL and City mutually agree in writing to terminate this Contract, such termination shall take effect immediately upon execution of such agreement by both parties.
2. Either party may terminate this Contract due to the default of the other party after (30) days written notice to the defaulting party describing such default. Provided, however, that this Contract shall not be terminated if the defaulting party cures the default within (30) days from the date of the mailing of the notice of default.

Article X - Unforeseen Circumstances

The inability of either party to perform any obligation under this Contract due to an Unforeseen Circumstance shall not constitute a breach of any obligation during the pendency of the Unforeseen Circumstance. "Unforeseen Circumstance" means any act, event, or condition that has had, or will have, a material adverse effect on the rights or obligations of ALLSTEEL or the City under this Contract, if such act, event or condition is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Contract.

Article XI - Severability

In case any one or more of the provisions contained in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Contract, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

In WITNESS WHEREOF, the parties have caused this Contract to be executed as of the _____ day of _____, 2014 notwithstanding the date of the signature of the parties.

City of Muscatine

DeWayne M. Hopkins, Mayor

Date: _____

Attest:

Gregg Mandsager, City Administrator

ALLSTEEL:

Date: _____

Date: _____

Attest:

Industrial Contract for Solid Waste Disposal

THIS AGREEMENT, made and entered into this ____ day of _____ 2014 by and between the City of Muscatine, Iowa, a municipal corporation organized and existing under the laws of the State of Iowa, hereinafter referred to as the City, and Grain Processing Corporation hereinafter referred to as GPC.

WHEREAS, the City of Muscatine owns and operates an environmentally sound recycling center and transfer station known as the Muscatine Recycling Center and Transfer Station and operates the Muscatine County Landfill for the Muscatine County Solid Waste Management Agency.

WHEREAS, GPC currently owns and operates an industrial facility located in the Muscatine County area and agrees to dispose of their waste at the Muscatine Recycling Center and Transfer Station. All waste received at the Muscatine Recycling Center and Transfer Station will be disposed of at the Muscatine County Landfill.

WHEREAS, GPC desires to have a designated solid waste hauler bring a minimum of 100 tons to the Muscatine Recycling Center and Transfer Station annually for disposal.

WHEREAS, GPC desires to dispose of solid waste at a tipping fee rate of \$45.00 per ton.

WHEREAS, the City desires to receive all acceptable waste in the service area as stated in the permits issued by the Iowa Department of Natural Resources.

WHEREAS, the City has agreed to the above contract price for solid waste delivered to the Recycling Center and Transfer Station subject to the terms and conditions set out below.

NOW THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the parties hereto agree as follows:

Article I – Term

This contract shall commence on July 1, 2015 and continue through June 30, 2020.

Article II- Definitions

- I. Acceptable waste is waste produced by the GPC's production of goods.
- II. Industrial contract rates will be available for a Company that employs 100 or more employees and generates a minimum of 100 tons of solid waste annually for disposal. Contract rates will not be available for solid waste haulers and building contractors.
- III. The Muscatine facilities utilized for disposal are the Muscatine Recycling Center and Transfer Station, located at 1000 S. Houser St. Muscatine, Iowa and the Muscatine County Landfill, 3700 Hwy 61N, Blue Grass, Iowa.

- IV. The service area subject to this contract includes all the industrial businesses that meets the criteria of employees and waste amounts in the following areas of Muscatine County, as stated in the 28 E Agreement of the Muscatine County Solid Waste Management Agency:
- Atalissa
 - Conesville
 - Fruitland
 - Muscatine
 - Muscatine County
 - Nichols
 - Stockton
 - West Liberty

Article III-Representations

A. GPC Representations

1. GPC has full power and authority to execute this contract and such execution constitutes a binding legal obligation of the Company that is fully enforceable in accordance with these terms and conditions.
2. GPC is an entity duly organized, validly existing, and properly qualified to do business under the laws of Iowa.
3. The execution of this Contract is not prohibited by any other agreement, indenture, or any other instrument to which GPC is a party.
4. GPC will maintain the capability of delivering a minimum 100 tons of industrial waste annually to the Muscatine Recycling Center and Transfer Station.
5. GPC agrees to contract separately for hauling of solid waste.
6. GPC will be responsible for direct payment to the City of Muscatine for tipping fees charged to their account. All invoices will be due within 30 days from the invoice date.

B. City Representations

1. The execution of this Contract is not prohibited by any agreement, indenture, or other instrument to which the City is a party.
2. The City plans to maintain the necessary capacity needed to accommodate GPC.

Article IV- Compliance with Regulatory Requirements

1. GPC shall bring industrial waste approved for acceptance at the Muscatine Recycling Center and Transfer Station. Waste considered "Special Waste" would need to have accommodations made at the Muscatine County Landfill for direct disposal.
2. No hazardous waste can be disposed of at either facility.
3. Special items such as tires, appliances, or electronic waste would be subject to additional charges if found in loads of waste.

Article V- Delivery Requirements

1. GPC will require the hauler of their choice to deliver all industrial waste generated at its facility to the Muscatine Recycling Center and Transfer Station.
2. GPC will require the hauler of its choice to use an enclosed truck or covered container to haul waste to the designated facility.
3. In the event of a natural disaster or other emergency, hours and days of operation may be adjusted and written or verbal notice of such adjustment will be provided to GPC as soon as possible.
4. Muscatine Recycling Center and Transfer Station normal business hours are Monday – Friday 7:00 A.M. – 3:30 P.M. and Saturday 8:00 A.M. – 12:00 P.M. Closed on Sunday and holidays. Muscatine County Landfill hours vary and will be set according to circumstance. The Muscatine County Landfill observes the same holidays as the Muscatine Recycling Center and Transfer Station.
5. The City observes the following for holidays:

New Year's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Friday After Thanksgiving
Fourth of July	Christmas Eve
Labor Day	Christmas Day

Article VI -Tipping Fee Rate

1. Tipping Fee Rates

The tipping fee rate established for this account is \$45.00 per ton. This rate begins on July 1, 2015 and ends on June 30, 2020.

2. Changes in Contract Tipping Fee Rates

In the event the City increases the regular disposal rate of \$60 per ton at the Transfer Station during the contract period, the City reserves the right to implement a corresponding change in the Industrial Contract rate no earlier than July 1, 2015. The maximum rate increase would be 5% July 1, 2016 (to \$47.25/ton). The City will notify GPC at least 90 days in advance of any rate change under this section.

3. Prior to the end of the contract term, the City and GPC will enter into discussions for the terms of a new contract.

Article VII - Notices

1. All written notices required pursuant to this contract shall be either hand delivered or mailed to GPC or City at the following addresses or such other addresses as provided in writing to the other party from time to time.

City of Muscatine:

Muscatine Recycling Center and Transfer Station

Laura Liegois – Solid Waste Manager

1000 S. Houser St.

Muscatine, Iowa 52761

Phone: 563-263-9689 E-Mail: lliegois@muscatineiowa.gov

Grain Processing Corporation:

Attn: Director of Environmental Service

1600 Oregon St.

Muscatine, Iowa 52761

Phone: 563-264-4569 E-mail: mick.durham@grainprocessing.com

With a copy to:

Grain Processing Corporation

Attn: Legal Department

1600 Oregon St.

Muscatine, Iowa 52761

Phone: 563-264-4723 E-Mail: legaldept@kentww.com

Article VIII - Assignment

1. GPC shall not transfer or assign all or any part of this Contract without the prior written consent of the City. No such assignment shall be effective unless and until the assignee consents to be bound by the terms of this Contract.

Article IX - Termination of Contract

1. In the event that GPC and City mutually agree in writing to terminate this Contract, such termination shall take effect immediately upon execution of such agreement by both parties.
2. Either party may terminate this Contract due to the default of the other party after (30) days written notice to the defaulting party describing such default. Provided, however, that this Contract shall not be terminated if the defaulting party cures the default within (30) days from the date of the mailing of the notice of default.

Article X - Unforeseen Circumstances

The inability of either party to perform any obligation under this Contract due to an Unforeseen Circumstances shall not constitute a breach of any obligation during the pendency of the Unforeseen Circumstance. "Unforeseen Circumstance" means any act, event, or condition that has had, or will have, a material adverse effect on the rights or obligations of GPC or the City under this Contract, if such act, event or condition is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Contract.

Article XI - Severability

In case any one or more of the provisions contained in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Contract, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

[Signature page to follow.]

In WITNESS WHEREOF, the parties have caused this Contract to be executed as of the 1st day of November, 2014, notwithstanding the date of the signature of the parties.

City of Muscatine

DeWayne M. Hopkins, Mayor

Date: _____

Attest:

Gregg Mandsager, City Administrator

Grain Processing Corporation:

John C. Thorpe, President

Date: _____

Attest:

John A. Kuhl, Assistant Secretary

Industrial Contract for Solid Waste Disposal

THIS AGREEMENT, made and entered into this ____ day of _____ 2014 by and between the City of Muscatine, Iowa, a municipal corporation organized and existing under the laws of the State of Iowa, hereinafter referred to as the City, and HJ Heinz hereinafter referred to as Heinz.

WHEREAS, the City of Muscatine owns and operates an environmentally sound recycling center and transfer station known as the Muscatine Recycling Center and Transfer Station and operates the Muscatine County Landfill for the Muscatine County Solid Waste Management Agency.

WHEREAS, Heinz currently owns and operates an industrial facility located in the Muscatine County area and agrees to dispose of their waste at the Muscatine Recycling Center and Transfer Station. All waste received at the Muscatine Recycling Center and Transfer Station will be disposed of at the Muscatine County Landfill.

WHEREAS, Heinz desires to have a designated solid waste hauler bring a minimum of 250 tons to the Muscatine Recycling Center and Transfer Station annually for disposal.

WHEREAS, Heinz desires to dispose of solid waste at a tipping fee rate of \$45.00 per ton less a negotiated discount, if any, as specified in Article VI in the attached terms and conditions.

WHEREAS, the City desires to receive all acceptable waste in the service area as stated in the permits issued by the Iowa Department of Natural Resources.

WHEREAS, the City has agreed to the specified price for solid waste delivered to the Recycling Center and Transfer Station subject to the terms and conditions set out below.

NOW THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the parties hereto agree as follows:

Article I – Term

This contract shall commence on July 1, 2015 and continue through June 30, 2020.

Article II- Definitions

- I. Acceptable waste is waste produced by the Heinz production of goods.

- II. Industrial contract rates will be available for a Company that employs 250 or more employees and generates a minimum of 250 tons of solid waste annually for disposal. Contract rates will not be available for solid waste haulers and building contractors.
- III. The Muscatine facilities utilized for disposal are the Muscatine Recycling Center and Transfer Station, located at 1000 S. Houser St. Muscatine, Iowa and the Muscatine County Landfill, 3700 Hwy 61N, Blue Grass, Iowa.
- IV. The service area subject to this contract includes all the industrial businesses that meets the criteria of employees and waste amounts in the following areas of Muscatine County, as stated in the 28 E Agreement of the Muscatine County Solid Waste Management Agency:
 - Atalissa
 - Conesville
 - Fruitland
 - Muscatine
 - Muscatine County
 - Nichols
 - Stockton
 - West Liberty

Article III-Representations

A. Heinz Representations

- 1. Heinz has full power and authority to execute this contract and such execution constitutes a binding legal obligation of the Company that is fully enforceable in accordance with these terms and conditions.
- 2. Heinz is an entity duly organized, validly existing, and properly qualified to do business under the laws of Iowa.
- 3. The execution of this Contract is not prohibited by any other agreement, indenture, or any other instrument to which Heinz is a party.
- 4. Heinz will maintain the capability of delivering a minimum 250 tons of industrial waste annually to the Muscatine Recycling Center and Transfer Station.
- 5. Heinz agrees to contract separately for hauling of solid waste.

B. City Representations

- 1. The execution of this Contract is not prohibited by any agreement, indenture, or other instrument to which the City is a party.
- 2. The City plans to maintain the necessary capacity needed to accommodate Heinz.

Article IV- Compliance with Regulatory Requirements

1. Heinz shall bring industrial waste approved for acceptance at the Muscatine Recycling Center and Transfer Station. Waste considered "Special Waste" would need to have accommodations made at the Muscatine County Landfill for direct disposal.
2. No hazardous waste can be disposed of at either facility.
3. Special items such as tires, appliances, or electronic waste would be subject to additional charges if found in loads of waste.

Article V- Delivery Requirements

1. Heinz will require the hauler of their choice to deliver all industrial waste generated at its facility to the Muscatine Recycling Center and Transfer Station.
2. Heinz will require the hauler of its choice to use an enclosed truck or covered container to haul waste to the designated facility.
3. In the event of a natural disaster or other emergency, hours and days of operation may be adjusted and written or verbal notice of such adjustment will be provided to Heinz as soon as possible.
4. Muscatine Recycling Center and Transfer Station normal business hours are Monday – Friday 7:00 A.M. – 3:30 P.M. and Saturday 8:00 A.M. – 12:00 P.M. Closed on Sunday and holidays. Muscatine County Landfill hours vary and will be set according to circumstance. The Muscatine County Landfill observes the same holidays as the Muscatine Recycling Center and Transfer Station.
5. The City observes the following for holidays:

New Year's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Friday After Thanksgiving
Fourth of July	Christmas Eve
Labor Day	Christmas Day

Article VI -Tipping Fee Rate

1. Tipping Fee Rates

The tipping fee rate established for this account is \$45.00 per ton less a negotiated discount of \$17.50 for a net rate of \$27.50 per ton. This rate begins on July 1, 2015 and ends on June 30, 2020.

2. Changes in Contract Tipping Fee Rates

At the end of the current contract term, the city and Heinz will negotiate a rate for a term of a new contract.

Article VII - Notices

1. All written notices required pursuant to this contract shall be either hand delivered or mailed to Heinz or City at the following addresses or such other addresses as provided in writing to the other party from time to time.

City of Muscatine:

Muscatine Recycling Center and Transfer Station

Laura Liegois – Solid Waste Manager

1000 S. Houser St.

Muscatine, Iowa 52761

Phone: 563-263-9689 E-Mail: lliegois@muscatineiowa.gov

HJ Heinz

Tom Green- Factory Manager

1357 Isett Ave.

Muscatine, Iowa 52761

Phone: 563-262-2200 E-mail: tom.green@us.hjheinz.com

Article VIII - Assignment

1. Heinz shall not transfer or assign all or any part of this Contract without the prior written consent of the City. No such assignment shall be effective unless and until the assignee consents to be bound by the terms of this Contract.

Article IX - Termination of Contract

1. In the event that Heinz and City mutually agree in writing to terminate this Contract, such termination shall take effect immediately upon execution of such agreement by both parties.
2. Either party may terminate this Contract due to the default of the other party after (30) days written notice to the defaulting party describing such default. Provided, however, that this Contract shall not be terminated if the defaulting party cures the default within (30) days from the date of the mailing of the notice of default.

Article X - Unforeseen Circumstances

The inability of either party to perform any obligation under this Contract due to an Unforeseen Circumstance shall not constitute a breach of any obligation during the pendency of the Unforeseen Circumstance. "Unforeseen Circumstance" means any act, event, or condition that has had, or will have, a material adverse effect on the rights or obligations of Heinz or the City

under this Contract, if such act, event or condition is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Contract.

Article XI - Severability

In case any one or more of the provisions contained in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Contract, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

In WITNESS WHEREOF, the parties have caused this Contract to be executed as of the ____ day of _____ 2014, notwithstanding the date of the signature of the parties.

City of Muscatine

DeWayne M. Hopkins, Mayor

Date: _____

Attest:

Gregg Mandsager, City Administrator

HJ Heinz:

Tom Green- Factory Manager

Date: _____

Attest:

Name

Industrial Contract for Solid Waste Disposal

THIS AGREEMENT, made and entered into this ____ day of _____ 2014 by and between the City of Muscatine, Iowa, a municipal corporation organized and existing under the laws of the State of Iowa, hereinafter referred to as the City, and HNI Corporation hereinafter referred to as HNI.

WHEREAS, the City of Muscatine owns and operates an environmentally sound recycling center and transfer station known as the Muscatine Recycling Center and Transfer Station and operates the Muscatine County Landfill for the Muscatine County Solid Waste Management Agency.

WHEREAS, HNI currently owns and operates an industrial facility located in the Muscatine County area and agrees to dispose of their waste at the Muscatine Recycling Center and Transfer Station. All waste received at the Muscatine Recycling Center and Transfer Station will be disposed of at the Muscatine County Landfill.

WHEREAS, HNI desires to have a designated solid waste hauler bring a minimum of 250 tons to the Muscatine Recycling Center and Transfer Station annually for disposal.

WHEREAS, HNI desires to dispose of solid waste at a tipping fee rate of \$45.00 per ton less a negotiated discount, if any, as specified in Article VI in the attached terms and conditions.

WHEREAS, the City desires to receive all acceptable waste in the service area as stated in the permits issued by the Iowa Department of Natural Resources.

WHEREAS, the City has agreed to the specified price for solid waste delivered to the Recycling Center and Transfer Station subject to the terms and conditions set out below.

NOW THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the parties hereto agree as follows:

Article I – Term

This contract shall commence on July 1, 2015 and continue through June 30, 2020.

Article II- Definitions

- I. Acceptable waste is waste produced by the HNI production of goods.
- II. Industrial contract rates will be available for a Company that employs 250 or more employees and generates a minimum of 250 tons of solid waste annually for disposal. Contract rates will not be available for solid waste haulers and building contractors.

- III. The Muscatine facilities utilized for disposal are the Muscatine Recycling Center and Transfer Station, located at 1000 S. Houser St. Muscatine, Iowa and the Muscatine County Landfill, 3700 Hwy 61N, Blue Grass, Iowa.
- IV. The service area subject to this contract includes all the industrial businesses that meets the criteria of employees and waste amounts in the following areas of Muscatine County, as stated in the 28 E Agreement of the Muscatine County Solid Waste Management Agency:
 - Atalissa
 - Conesville
 - Fruitland
 - Muscatine
 - Muscatine County
 - Nichols
 - Stockton
 - West Liberty

Article III-Representations

- A. HNI Representations
 - 1. HNI has full power and authority to execute this contract and such execution constitutes a binding legal obligation of the Company that is fully enforceable in accordance with these terms and conditions.
 - 2. HNI is an entity duly organized, validly existing, and properly qualified to do business under the laws of Iowa.
 - 3. The execution of this Contract is not prohibited by any other agreement, indenture, or any other instrument to which HNI is a party.
 - 4. HNI will maintain the capability of delivering a minimum 250 tons of industrial waste annually to the Muscatine Recycling Center and Transfer Station.
 - 5. HNI agrees to contract separately for hauling of solid waste.
 - 6. HNI will be responsible for direct payment to the City of Muscatine for tipping fees charged to their account. All invoices will be due within 30 days from the invoice date.
- B. City Representations
 - 1. The execution of this Contract is not prohibited by any agreement, indenture, or other instrument to which the City is a party.
 - 2. The City plans to maintain the necessary capacity needed to accommodate HNI.

Article IV- Compliance with Regulatory Requirements

- 1. HNI shall bring industrial waste approved for acceptance at the Muscatine Recycling Center and Transfer Station. Waste considered "Special Waste" would need to have accommodations made at the Muscatine County Landfill for direct disposal.
- 2. No hazardous waste can be disposed of at either facility.
- 3. Special items such as tires, appliances, or electronic waste would be subject to additional charges if found in loads of waste.

Article V- Delivery Requirements

1. HNI will require the hauler of their choice to deliver all industrial waste generated at its facility to the Muscatine Recycling Center and Transfer Station.
2. HNI will require the hauler of its choice to use an enclosed truck or covered container to haul waste to the designated facility.
3. In the event of a natural disaster or other emergency, hours and days of operation may be adjusted and written or verbal notice of such adjustment will be provided to HNI as soon as possible.
4. Muscatine Recycling Center and Transfer Station normal business hours are Monday – Friday 7:00 A.M. – 3:30 P.M. and Saturday 8:00 A.M. – 12:00 P.M. Closed on Sunday and holidays. Muscatine County Landfill hours vary and will be set according to circumstance. The Muscatine County Landfill observes the same holidays as the Muscatine Recycling Center and Transfer Station.
5. The City observes the following for holidays:

New Year's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Friday After Thanksgiving
Fourth of July	Christmas Eve
Labor Day	Christmas Day

Article VI -Tipping Fee Rate

1. Tipping Fee Rates

The tipping fee rate established for this account is \$45.00 per ton less a negotiated discount for a net rate of \$27.50 per ton. This rate begins on July 1, 2015 and ends on June 30, 2020.

2. Changes in Contract Tipping Fee Rates

At the end of the current contract term, the city and HNI will negotiate a rate for a term of a new contract.

Article VII - Notices

1. All written notices required pursuant to this contract shall be either hand delivered or mailed to HNI or City at the following addresses or such other addresses as provided in writing to the other party from time to time.

City of Muscatine:
Muscatine Recycling Center and Transfer Station
Laura Liegois – Solid Waste Manager
1000 S. Houser St.
Muscatine, Iowa 52761
Phone: 563-263-9689 E-Mail: lliegois@muscatineiowa.gov

HNI Corporation
Glenn Stelzner
408 E. Second St.
Muscatine, Iowa 52761
563-272-7868 stelzner@hnicorp.com

Article VIII - Assignment

1. HNI shall not transfer or assign all or any part of this Contract without the prior written consent of the City. No such assignment shall be effective unless and until the assignee consents to be bound by the terms of this Contract.

Article IX - Termination of Contract

1. In the event that HNI and City mutually agree in writing to terminate this Contract, such termination shall take effect immediately upon execution of such agreement by both parties.
2. Either party may terminate this Contract due to the default of the other party after (30) days written notice to the defaulting party describing such default. Provided, however, that this Contract shall not be terminated if the defaulting party cures the default within (30) days from the date of the mailing of the notice of default.

Article X - Unforeseen Circumstances

The inability of either party to perform any obligation under this Contract due to an Unforeseen Circumstances shall not constitute a breach of any obligation during the pendency of the Unforeseen Circumstance. "Unforeseen Circumstance" means any act, event, or condition that has had, or will have, a material adverse effect on the rights or obligations of HNI or the City under this Contract, if such act, event or condition is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Contract.

Article XI - Severability

In case any one or more of the provisions contained in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Contract, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

In WITNESS WHEREOF, the parties have caused this Contract to be executed as of the _____ day of _____ 2014, notwithstanding the date of the signature of the parties.

City of Muscatine

DeWayne M. Hopkins, Mayor

Date: _____

Attest:

Gregg Mandsager, City Administrator

Company:

Name

Date: _____

Attest:

Name

Industrial Contract for Solid Waste Disposal

THIS AGREEMENT, made and entered into this ____ day of _____ 2014 by and between the City of Muscatine, Iowa, a municipal corporation organized and existing under the laws of the State of Iowa, hereinafter referred to as the City, and The HON Company, hereinafter referred to as HON.

WHEREAS, the City of Muscatine owns and operates an environmentally sound recycling center and transfer station known as the Muscatine Recycling Center and Transfer Station and operates the Muscatine County Landfill for the Muscatine County Solid Waste Management Agency.

WHEREAS, HON currently owns and operates an industrial facility located in the Muscatine County area and agrees to dispose of their waste at the Muscatine Recycling Center and Transfer Station. All waste received at the Muscatine Recycling Center and Transfer Station will be disposed of at the Muscatine County Landfill.

WHEREAS, HON desires to dispose of solid waste at a tipping fee rate of \$45.00 per ton.

WHEREAS, the City desires to receive all acceptable waste in the service area as stated in the permits issued by the Iowa Department of Natural Resources.

WHEREAS, the City has agreed to the above contract price for solid waste delivered to the Recycling Center and Transfer Station subject to the terms and conditions set out below.

NOW THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the parties hereto agree as follows:

Article I – Term

This contract shall commence on July 1, 2015 and continue through June 30, 2020.

Article II- Definitions

- I. Acceptable waste is waste produced by the HON's production of goods.
- II. Industrial contract rates will be available for a Company that employs 100 or more employees and generates a minimum of 100 tons of solid waste annually for disposal. Contract rates will not be available for solid waste haulers and building contractors.
- III. The Muscatine facilities utilized for disposal are the Muscatine Recycling Center and Transfer Station, located at 1000 S. Houser St. Muscatine, Iowa and the Muscatine County Landfill, 3700 Hwy 61N. Blue Grass, Iowa.
- IV. The service area subject to this contract includes all the industrial businesses that meets the criteria of employees and waste amounts in the following areas of

Muscatine County, as stated in the 28 E Agreement of the Muscatine County Solid Waste Management Agency:

Atalissa
Conesville
Fruitland
Muscatine
Muscatine County
Nichols
Stockton
West Liberty

Article III-Representations

A. HON Representations

1. HON has full power and authority to execute this contract and such execution constitutes a binding legal obligation of the Company that is fully enforceable in accordance with these terms and conditions.
2. HON is an entity duly organized, validly existing, and properly qualified to do business under the laws of Iowa.
3. The execution of this Contract is not prohibited by any other agreement, indenture, or any other instrument to which HON is a party.
4. HON strives to reduce waste in support of reducing the impact to the environment, but will agree to deliver 100% of non-recyclable industrial waste annually to the Muscatine Recycling Center and Transfer Station.
5. HON agrees to contract separately for hauling of solid waste.
6. HON will be responsible for direct payment to the City of Muscatine for tipping fees charged to their account. All invoices will be due within 30 days from the invoice date.

B. City Representations

1. The execution of this Contract is not prohibited by any agreement, indenture, or other instrument to which the City is a party.
2. The City plans to maintain the necessary capacity needed to accommodate HON.

Article IV- Compliance with Regulatory Requirements

1. HON shall bring industrial waste approved for acceptance at the Muscatine Recycling Center and Transfer Station. Waste considered "Special Waste" would need to have accommodations made at the Muscatine County Landfill for direct disposal.
2. No hazardous waste can be disposed of at either facility.
3. Special items such as tires, appliances, or electronic waste would be subject to additional charges if found in loads of waste.

Article V- Delivery Requirements

1. HON will require the hauler of their choice to deliver all industrial waste generated at its facility to the Muscatine Recycling Center and Transfer Station.
2. HON will require the hauler of its choice to use an enclosed truck or covered container to haul waste to the designated facility.
3. In the event of a natural disaster or other emergency, hours and days of operation may be adjusted and written or verbal notice of such adjustment will be provided to HON as soon as possible.
4. Muscatine Recycling Center and Transfer Station normal business hours are Monday – Friday 7:00 A.M. – 3:30 P.M. and Saturday 8:00 A.M. – 12:00 P.M. Closed on Sunday and holidays. Muscatine County Landfill hours vary and will be set according to circumstance. The Muscatine County Landfill observes the same holidays as the Muscatine Recycling Center and Transfer Station.
5. The City observes the following for holidays:

New Year's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Friday After Thanksgiving
Fourth of July	Christmas Eve
Labor Day	Christmas Day

Article VI -Tipping Fee Rate

1. Tipping Fee Rates

The tipping fee rate established for this account is \$45.00 per ton. This rate begins on July 1, 2015, and ends on June 30, 2020.

2. Changes in Contract Tipping Fee Rates

In the event the City increases the regular disposal rate of \$60 per ton at the Transfer Station during the contract period, the City reserves the right to implement a corresponding change in the Industrial Contract rate no earlier than July 1, 2016. The maximum rate increase would be 5% July 1, 2016 (to \$47.25/ton). The City will notify HON at least 90 days in advance of any rate change under this section.

3. At the end of the current contract term, the City and HON will negotiate a rate for a term of a new contract.

Article VII - Notices

1. All written notices required pursuant to this contract shall be either hand delivered or mailed to HON or City at the following addresses or such other addresses as provided in writing to the other party from time to time.

City of Muscatine:
Muscatine Recycling Center and Transfer Station
Laura Liegois – Solid Waste Manager
1000 S. Houser St.
Muscatine, Iowa 52761
Phone: 563-263-9689 E-Mail: lliegois@muscatineiowa.gov

The HON Company
Perry Littlejohn
200 Oak Street
Muscatine, Iowa 52761
Phone: 563-299-0878 E-mail: littlejohnp@honcompany.com

Article VIII - Assignment

1. HON shall not transfer or assign all or any part of this Contract without the prior written consent of the City. No such assignment shall be effective unless and until the assignee consents to be bound by the terms of this Contract.

Article IX - Termination of Contract

1. In the event that HON and City mutually agree in writing to terminate this Contract, such termination shall take effect immediately upon execution of such agreement by both parties.
2. Either party may terminate this Contract due to the default of the other party after (30) days written notice to the defaulting party describing such default. Provided, however, that this Contract shall not be terminated if the defaulting party cures the default within (30) days from the date of the mailing of the notice of default.

Article X - Unforeseen Circumstances

The inability of either party to perform any obligation under this Contract due to an Unforeseen Circumstance shall not constitute a breach of any obligation during the pendency of the Unforeseen Circumstance. "Unforeseen Circumstance" means any act, event, or condition that has had, or will have, a material adverse effect on the rights or obligations of HON or the City under this Contract, if such act, event or condition is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Contract.

Article XI - Severability

In case any one or more of the provisions contained in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Contract, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

In WITNESS WHEREOF, the parties have caused this Contract to be executed as of the _____ day of _____, 2014 notwithstanding the date of the signature of the parties.

City of Muscatine

DeWayne M. Hopkins, Mayor

Date: _____

Attest:

Gregg Mandsager, City Administrator

HON:

Date: _____

Date: _____

Attest:

WASTE DISPOSAL AGREEMENT

This Waste Disposal Agreement ("Agreement") is made as of _____, 2014, by and between SSAB Iowa, Inc. ("SSAB"), a Delaware corporation, and the City of Muscatine, Iowa, a municipal corporation organized under the laws of the State of Iowa ("City").

RECITALS

SSAB operates an industrial facility in Muscatine County, Iowa (the "Facility"), and the City owns and operates a recycling center and transfer station and a landfill in Muscatine County, Iowa. The purpose of this Agreement is to set forth the parties' Agreement regarding the disposal of certain waste produced at the Facility, under the terms and conditions set forth in this Agreement.

In consideration of the mutual covenants set forth in this Agreement and other valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties agree as follows:

1. **DEFINITIONS.** The following terms used in this Agreement shall have the indicated meanings when used in this Agreement:
 - a. "Waste" means solid waste including durable goods, non-durable goods, containers and packaging, food waste, and miscellaneous and organic waste, but specifically excluding industrial waste produced at the Facility, and hazardous waste or special waste as defined by the applicable federal laws of the United States.
 - b. "Transfer Station" means the Muscatine Recycling Center and Transfer Station owned and operated by the City and located at 1000 South Houser Street, Muscatine, Iowa.
 - c. "Landfill" means the Muscatine County Landfill owned and operated by the City and located at 3700 Highway 61 North, Blue Grass, Iowa.
 - d. "Contract Year" means any one of the following periods of time during the Term: July 1, 2015 through June 30, 2016; July 1, 2016 through June 30, 2017; July 1, 2017 through June 30, 2018; July 1, 2018 through June 30, 2019; or July 1, 2019 through June 30, 2020.
 - e. "Services" means the City's acceptance and disposal of the Waste delivered to it pursuant to this Agreement.

2. DISPOSAL OF WASTE.

- a. During the Term, SSAB shall deliver to the Transfer Station a minimum of 1,000 tons of Waste during each Contract Year. SSAB shall separately contract for hauling of the Waste from the Facility to the Transfer Station. SSAB's contract with the waste hauler shall require that the Waste be hauled in an enclosed truck or a covered container.
 - b. The City will accept the Waste from SSAB at the Transfer Station during its normal business hours, which are 7:00 a.m. through 3:30 p.m., Monday through Friday and Saturday 8:00 a.m. through 12:00 p.m. The Transfer Station is closed on the following holidays: New Years Day; President's Day; Memorial Day; July 4; Labor Day; Veterans' Day; Thanksgiving Day; the Friday after Thanksgiving Day; Christmas Eve; and Christmas Day.
3. **TERM.** The term of this Agreement ("Term") shall commence on July 1, 2015 and shall end on June 30, 2020.
4. **TIPPING FEE.** SSAB shall pay a fee to the City of \$42.50 per ton for Waste delivered to the City pursuant to this Agreement, provided that SSAB will also pay the City's standard charges for any appliances, tires, or electronic goods included in the Waste. The City's current charges for appliances, tires, and electronic goods are shown on Exhibit A attached.
5. **TERMINATION.** If either party shall give the other party notice of breach in observing any material provision of or performing any material obligation under this Agreement, and the breaching party fails to remedy such breach within 30 business days after such notice, this Agreement shall terminate at the option of the non-breaching party.
6. **NOTICES.** Any notice required or permitted to be given to a party under this Agreement shall be in writing and shall be given by personal delivery or shall be sent by prepaid, certified, or registered mail, return receipt requested, or delivered by Federal Express or other recognized overnight courier service, to either party at the addresses and to the attention of the officers set forth in this Section 7, or to such other address or person as either party shall provide in writing from time to time.

Notices under this Agreement shall be given to the parties as follows:

City of Muscatine:

Muscatine Recycling Center and Transfer Station

Laura Liegois - Solid Waste Manager

1000 S. Houser St.

Muscatine, Iowa 52761

Phone: 563-263-9689

Email: lliegois@muscatineiowa.gov

SSAB Iowa Inc.:

Thomas Sanicola - Environmental Manager

1770 Bill Sharp Blvd.

Muscatine, Iowa 52761

Phone: 563-381-5584

Email: Thomas.sanicola@ssab.com

7. **GENERAL TERMS AND CONDITIONS.** The parties agree that their respective obligations hereunder shall be performed in compliance with the General Terms and Conditions attached hereto as Exhibit B, which are incorporated into and form a part of this Agreement.
8. **ENTIRE AGREEMENT.** This Agreement (which includes the General Terms and Conditions) constitutes the entire Agreement between the parties with respect to its subject matter and supersedes all previous proposals, both oral and written, negotiations, representations, commitments, writings, agreements, and all other communications between the parties relating to its subject matter.

The parties have executed this Agreement as of the date stated in the introductory paragraph.

CITY OF MUSCATINE

DeWayne M. Hopkins, Mayor

Date: _____

Attest:

Gregg Mandsager, City Administrator

SSAB IOWA INC.:

By _____
Thomas Toner, General Manager

Date: _____