

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO AN AGREEMENT WITH ROCK-TENN CONVERTING COMPANY TO SELL SCRAP AND RECYCLED MATERIALS GATHERED AT THE TOWN'S RECYCLE CENTER TO ROCK-TENN CONVERTING COMPANY WITH THE PRICING OF SAID MATERIALS BEING BASED ON MARKET CONDITIONS. A COPY OF SAID AGREEMENT IS ATTACHED HERETO.

BE IT RESOLVED by the Town Council of the Town of Signal Mountain, Tennessee that the Town Manager is authorized to enter into an Agreement with Rock-Tenn Converting Company to sell scrap and recycled materials gathered at the Town's Recycle Center to Rock-Tenn Converting Company with the pricing of said materials being based on market conditions. A copy of said Agreement is attached.



MAYOR



RECORDER

DATE June 9, 2008

DATE June 9, 2008

PAN/kac

STANDARD TERMS AND CONDITIONS

012542

1. **SCRAP PAPER QUALITY AND PROHIBITED MATERIALS.** All Scrap Paper shall conform to Rock-Tenn standards, free of wax coatings, plastic, plastic foam products, glass, metal, wood, excessive moisture, food scraps, soil or yard materials, biomedical waste, carpet and yarn waste, oil, gasoline, toxic or other hazardous wastes or materials, including asbestos, PCBs and CFCs, garbage or other debris, or any other contaminants. Seller agrees that Rock-Tenn, at its discretion, may downgrade, reject, or return any Scrap Paper containing any of these Prohibited Materials. In addition, whether or not Rock-Tenn rejects or returns any particular shipment, the parties acknowledge that Rock-Tenn does not take title to any Prohibited Materials, although it may take reasonable and appropriate action to properly dispose of the Prohibited Materials, which shall be at Seller's expense. Seller also agrees to indemnify and hold Rock-Tenn harmless from and against any and all loss, cost, response cost, damage, claim, liability, and expense, including reasonable attorney fees, associated with Seller's Prohibited Materials or contamination associated with the Prohibited Materials.

2. **REPRESENTATIONS OF RIGHT OF WAY.** Seller represents and warrants that any right of way provided by Seller to and from Seller's premises to the convenient public way is sufficient to bear the weight of all Rock-Tenn's equipment and vehicles reasonably required to perform its obligations under this Agreement.

TERMINATION. Each of Rock-Tenn and Seller shall have the right to and may terminate this Agreement upon failure or default of the other party to observe the terms hereof, unless such failure or default is remedied within thirty (30) days after written notice of such failure or default is given by the non-defaulting party.

3. **FEES AND EXPENSES.** In the event of a breach of this Agreement by Seller, Seller shall pay all reasonable fees and expenses, including attorney's fees, costs and/or damages that Rock-Tenn may incur as a result thereof. This Section 4 shall survive the termination of this Agreement.

4. **NOTICES.** All notices and other communications required to be given by this Agreement shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed by registered or certified mail (return receipt requested), postage prepaid, at the address set forth under their respective signatures or at such other address as may be substituted by notice given as herein provided.

5. **ADDITIONAL CHARGES.** In the event that Rock-Tenn provides any additional services not explicitly contemplated hereby, Seller agrees to pay Rock-Tenn the fee(s) listed on the most current Rock-Tenn price list, including any Schedule of Charges, for such additional services.

6. **WAIVER.** No delay or failure on the part of Rock-Tenn or Seller in the exercise of any right, power or privilege granted under this Agreement, or available at law or in equity, shall impair any such right, power or privilege or be construed as a waiver of any default or breach of this Agreement or in acquiescence therein.

7. **SUCCESSORS AND ASSIGNS.** This Agreement shall bind and inure to the benefit of Rock-Tenn and Seller and their respective successors and assigns; provided, however, Seller may not assign its rights or obligations under this Agreement (whether by operation of law or otherwise) without the prior written consent of Rock-Tenn.

8. **INTEGRATION AND AMENDMENTS.** This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and integrates all prior statements and agreements (verbal or otherwise) respecting the same. This Agreement may be amended only by a document executed by both Rock-Tenn and Seller purporting to effect such an amendment.

9. **CHOICE OF LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State in which Seller's premises is located, unless this Agreement provides otherwise.

10. **FORCE MAJEURE.** Rock-Tenn shall be excused from purchasing, and Seller shall be excused from selling Scrap Paper whenever either party's ability to produce, deliver, receive or consume the same is wholly or partially prevented due to: fire, war, riot, insurrection, shortage of necessary supplies, fuel or transportation, reduced demand for Rock-Tenn's products or goods, lightning, wind, earthquake, volcanic eruption, unusually severe weather, frozen goods, acts of God, epidemic, acts or omissions of third parties, strike, lockout, other labor disturbance, explosion, damage to, destruction, or mechanical breakdown of production, loading or unloading equipment, government action, and any other events not within reasonable control of the party affected.

Seller's Acknowledgement: Town of Signal Mountain d/b/a Signal Recycle

By: _____

Title: _____

Scrap Material Agreement

Terms of Agreement

012543

1. Parties:

Seller:
Town of Signal Mountain
d/b/a Signal Mountain
1100 Ridgeway Avenue
Signal Mtn., TN. 37377

Buyer:
Rock-Tenn Converting Company
Chattanooga Recycled Fiber
2900 Home Drive
Chattanooga, TN 37410

2. Description of Goods & Quantity:

Seller agrees to sell to Buyer all recycled materials gathered at the recycle center of the Town of Signal Mountain. Current materials are #1 & #2 Plastics, Old Corrugated Containers ("OCC"), Mix paper, Newspaper, Aluminum cans, Steel cans, and Glass (collectively referred to as the "Materials").

3. Price Schedule:

Pricing for the Materials will be based on market conditions. Current pricing on Materials are: Plastics: No pay; OCC: \$25/ton; Mix Paper: \$5/ton; Newspaper: \$30/ton; Aluminum cans: \$800/ton; Steel cans: No pay; and Glass: No pay. Buyer will provide Seller with a monthly copy of Official Board Market reports.

4. Equipment:

Buyer will provide a compactor for the collection of corrugated as well as an A-Frame for the collection of #2 Plastic.

5. Freight Terms:

Buyer will provide pick-up of full containers at frequency needed by Seller at no charge.

6. Term of Agreement:

This agreement will be in effect from the Date of the Agreement (below) for a period of five (5) years and is subject to the Standard Terms and Conditions attached hereto and incorporated herein by this reference.

Town of Signal Mountain d/b/a
Recycle Signal

Rock-Tenn Converting Company

By: _____

By: _____

Signed: _____

Signed: _____

Title: _____

Title: _____

Date of Agreement: _____

Date of Agreement: _____