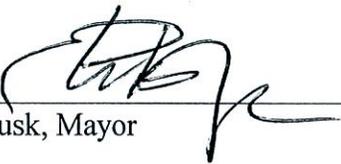


RESOLUTION NO.: 2014-12

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.



Bill Lusk, Mayor



Recorder

2/28/14

Date

2-28-14

Date



**RECYCLING & WASTE SOLUTIONS
SERVICE AND PURCHASE AGREEMENT**

Agreement No. 001

THIS RECYCLING & WASTE SOLUTIONS SERVICE AND PURCHASE AGREEMENT (the "Agreement") is made and entered into this 1st day of January, 2014 (the "Effective Date"), by and between Town of Signal Mountain, with offices located at 1111 Ridgeway Ave., Signal Mountain, TN 37377 ("Seller") and Rock-Tenn Converting Company, a Georgia Corporation, with offices located at 504 Thrasher Street, Norcross, GA 30071 ("Buyer" together with Seller, each a "Party" and together, the "Parties").

IN CONSIDERATION of the covenants and undertakings of the parties hereto and other good and valuable consideration, the sufficiency and receipt of which hereby acknowledged, Buyer and Seller hereby agree as follows:

1. Seller shall sell to Buyer, and Buyer shall purchase from Seller, Material generated or produced by Seller from its facilities listed on Exhibit A attached hereto and incorporated herein by reference (collectively "Material") in accordance with the quantity and quality specifications and on the terms and conditions herein provided. Seller shall perform the services at the facilities listed on Exhibit B attached hereto and incorporated herein by reference (the "Services").

2. The Material described and sold hereunder shall equal or exceed in quality the grade definition for the below stated grades as (check all that apply) published in the most current Scrap Specification-Circular 2009 or subsequent revisions as published by the Institute of Scrap Recycling Industries Inc. ("ISRI") located at 1615 L Street N.W, Suite 600, Washington D.C. 20036-5664 and in accordance with the specifications as attached hereto as Exhibit C. Loading shall be at Seller's expense and shall be in the form of: (check one) Bales, Carts, Bins, Other Roll off Boxes adhering to the minimum quantities and freight requirements as stated below and in accordance with shipping instructions furnished from time to time by Buyer to Seller.

Description and Quantity of Materials:

Material	Minimum Quantity Per Month	Truck or Rail Minimum	Minimum Bale or Other Unit Weights
OCC	NA	NA	NA
Single Stream	NA	NA	NA
Misc Metals	NA	NA	NA

Unless otherwise specified herein, under no circumstances shall Buyer be required to purchase Material in any month in excess of the minimum quantity set forth above.

3. The price per ton or per lb., as defined below, for the quantity of Material sold hereunder shall be determined each month for the Materials shipped during such month, and shall be the published price for the grade sold as listed in the Official Board Markets or that publication called the Yellow Sheet for the Southeast area in the (check one) First, Second, Third, Fourth issue of each month for the month in question, with adjustments as follows:

OCC in Compactor Loose-----\$15/ton-----Misc Metals-----Pay 55% of current market
or
 Other pricing: Single Stream-----\$20/ton

Shipment shall be FOB Seller's facility(ies) described in Section 1 above.

4. A ton shall consist of 2,000 pounds certified weight. Invoicing will be on shipper's weights, but the invoice will be subject to adjustment based on actual weight determined by mill receiving tickets at the destination to be furnished by Buyer.

5. In the event Buyer shall be prevented from receiving and using any Material, or in the event that Seller shall be prevented from producing any Material due to governmental or administrative prohibitions, labor difficulties, strikes, lockouts, close-downs, boycotts, picketing, carrier shortages, raw material shortages, mill closings (including market-related shutdowns and/or market-related or other mill down time), acts of God, acts of public enemy, riot, accidents, breakdown of equipment, weather conditions, delivery interruptions, legislative acts or regulations that materially alter the supply of or demand for Material in the applicable region or locality, or other causes beyond the reasonable control of Buyer or Seller, as the case may be, the Party so prevented shall, upon notice to the other Party, be thereafter released from its obligations hereunder so long as such causes continue.

6. Seller shall pay the fees for the Services as set forth in Exhibit B as invoiced by the Buyer on a monthly basis and shall be due and payable fifteen (15) days from the date of invoice.

7. Seller warrants and agrees that in the performance of its obligations hereunder, Seller, its agents, employees, carriers, and subcontractors shall (a) comply with all applicable all applicable federal, state, local or provincial laws, rules, regulations, permits, codes, ordinances, decrees or other

15. (Check if applicable). The parties acknowledge that contemporaneously with this Agreement, they are also executing a Lease Agreement (the "Lease Agreement") of even date herewith whereby Buyer shall lease to Seller certain equipment (baler(s) and/or conveyor(s)). The parties agree that any or all amounts owed to Seller by Buyer under this Agreement may, at Buyer's option, be first credited against amounts owed by Seller, as Lessee, to Buyer, as Lessor, under the Lease Agreement. Notwithstanding any provision herein to the contrary, this Agreement shall terminate in the event of default or termination of the Lease Agreement at the sole option of the Buyer, if not terminated by Buyer under this Section 15, this Agreement will remain in full force and effect under the conditions contained herein. Termination of this Agreement, for any reason including default or prepayment of rents may, at Buyer's sole option, also result in the termination of the Lease Agreement.

16. (a) Buyer may in writing declare the Agreement in default ("Default") if: (i) Seller breaches any of its other obligations under the Agreement and fails to cure that breach within thirty (30) days after written notice thereof; (ii) any representation or warranty made by Seller in connection with the Agreement shall be false or misleading in any material respect; (iii) Seller delivers any Material not meeting the specifications contained herein; (iv) Seller becomes insolvent or ceases to do business as a going concern; (v) a petition is filed by or against Seller under any bankruptcy or insolvency laws; or (vi) Seller breaches any terms or conditions contained in the Lease Agreement.

(b) After a Default, Seller hereby authorizes Buyer to enter, with or without legal process, the premise where the Equipment is located and take possession thereof and at Buyer's sole option immediately terminate the Agreement and the Purchase Agreement.

(c) The foregoing remedies are cumulative, and any or all thereof may be exercised in lieu of or in addition to each other or any remedies at law, in equity, or under statute. Seller waives notice of sale or other disposition (and the time and place thereof), and the manner and place of any advertising.

17. In the event that Buyer provides any additional services not explicitly contemplated hereby, Seller agrees to pay Buyer the fee(s) listed on its most current Buyer price list for such additional services.

18. 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 Seller's equipment and vehicles reasonably required to perform its obligations under this Agreement.

19. This Agreement is binding upon and shall inure to the benefit of, the successors and assigns of the parties hereto.

20. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter, it being understood that all other agreements, memoranda, correspondence and conversations between the parties hereto are terminated and merged into this Agreement. No subsequent modifications or amendments to this Agreement shall be effective unless in writing and duly signed by each of the parties hereto.

21. This Agreement and all rights and obligations hereunder, including matters of constructions, validity and performance, shall be governed by the laws of the State of Georgia, without regards to its conflicts of laws principles. The exclusive forum and venue for any such action shall be the courts of the State of Georgia located in Gwinnett County, and the parties submit to the personal jurisdiction of that court. If any provision of the Agreement is declared invalid, the remainder of the Agreement shall not be affected thereby, and each term and provision of the Agreement shall be valid and enforced to the fullest extent permitted by law.

22. No waiver by either Party with respect to any breach or default or of any right or remedy shall be deemed to constitute a continuing waiver of any breach or of any other right or remedy, unless such waiver is expressed in writing and signed by the Party to be bound. No failure by the Party to exercise a right or remedy available hereunder, or otherwise available under law shall constitute a waiver of any obligation of the other Party to perform strictly in accordance with the terms thereof.

23. In the event that Buyer institutes any suit or action, including an action for declaratory relief, to enforce or preserve its rights herein, if it is the successful Party in such suit or action Buyer shall be entitled to recover from the Seller such sum as the court may adjudge reasonable as attorney's fees and costs for such action and any appeals therefrom. The court may set fees and costs in the same action or a separate action brought for that purpose.

24. All claims for money due or to become due from Buyer to Seller shall be subject to deduction or set off by Buyer by reason of any counterclaim arising out of this or any other transaction with Seller, including payment for the Services.

25. In no event shall Buyer be liable for any indirect, incidental, special, exemplary, or consequential damages however, caused and on any theory of liability, whether in contract, strict liability, or tort (including negligence or otherwise) arising in any way out of this Agreement or the Services to be performed hereunder, even if advised of the possibility of such damage.

26. Any provision of this Agreement determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable remaining provisions hereof and without affecting validity or enforceability of this Agreement in any other jurisdiction.

27. No change, modification, extension, termination or waiver of this Agreement, or any of the provisions herein contained, shall be valid unless made in writing and signed by a duly authorized representative of each Party hereto.

28. This Agreement, including the exhibits attached hereto, which are an integral part of this Agreement, shall be construed in its entirety according to its plain meaning. The parties hereby agree that this Agreement shall be construed as an agreement negotiated at arm's length between equally sophisticated business-persons, each represented and advised by separate counsel of each Party's choosing. This Agreement shall not,

therefore, be construed against the Party who provided or drafted all or any portion of this Agreement.

29. This Agreement may be executed in two or more counterparts. Each executed counterpart shall be deemed an original hereof, but all counterparts together shall constitute one and the same instrument. Facsimile signatures and signed executed pages sent as a PDF attachment to an e-mail shall be deemed originals for all purposes.

30. Attached hereto are Exhibits A, B and C (the "Exhibits") all of which are requirements under the Agreement. The terms and conditions of these Exhibits are hereby incorporated by reference herein. In the event of a conflict between this Agreement and the Exhibits, the terms and conditions of this Agreement shall prevail.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, Buyer and Seller have caused the Recycling & Waste Solutions Service and Purchase Agreement to be executed by their duly authorized representatives, in duplicate, as of the day and year first set forth above.

BUYER: ROCK-TENN CONVERTING COMPANY ^{RCM}
By: John Stetzel
Title: SVP & Treasurer
Date: 2-26-14

SELLER: TOWN OF SIGNAL MOUNTAIN
By: _____
Title: _____
Date: _____

Submitted By: _____

Location: _____

General/Sales Manager

Approval: _____

Regional Manager/National Sales Manager

Approval: _____

Exhibit A

Facilities serviced by this Agreement:

Address ID	Facility Address	City	State	Container Type	Commodity	Service Frequency	Days of Service	Revenue Index (per ton)
SST	Town of Signal Mountain	Signal Mt	TN	20 yard closed top	Single Stream	On Call	5	\$20/ton
OCC	Town of Signal Mountain	Signal Mt	TN	40 Yard Compactor	OCC	On Call	5	\$15/ton
Metals	Town of Signal Mountain	Signal Mt	TN	40 yard open top	Metals	On Call	5	55% of current Metal Market

Exhibit B

Services and Pricing

Address ID	Facility Address	City	Commodity	Number Containers	Monthly Container Rental Cost	Total Monthly Rental Cost
SST	1151 Ridgeway Ave	Signal Mountain	Single Stream	5	NA	NA
OCC	1151 Ridgeway Ave	Signal Mountain	OCC	1	NA	NA
Metal	714 Mississippi Ave	Signal Mountain	Metal	1	NA	NA

Exhibit C

Additional Specifications

SECONDARY FIBER SPECIFICATIONS FOR OLD CORRUGATED CONTAINERS

ISRI Cir. 2009: (11) Consists of corrugated containers having liners of either test liner, jute or kraft.

Prohibitive Materials may not exceed.....1%
Total Outthrows may not exceed.....5%

The following definitions and guidelines were developed to provide our suppliers a better understanding of Rock-Tenn's Material Quality requirements for the acceptance & recycling of old corrugated containers ("OCC").

CORRUGATED CONTAINERS: Printed or unprinted, flattened or compacted corrugated containers which are made of two sheets of linerboard sandwiching a layer of fluting to make what is commonly referred to as a "cardboard box".

SOURCE REQUIREMENTS: All OCC Post Consumer materials must be derived and collected in a manner consistent with meeting all specifications as listed below. Materials likely to contain excess outthrows or prohibitives, or materials likely to have been exposed to unacceptable contaminants must not be used.

PACKING REQUIREMENTS: All OCC must be baled with wire and weigh at least 500 pounds per bale. Bales packed with string, twine, or banding, and "flats" of OCC may be acceptable upon agreement by RockTenn and supplier.

PROHIBITIVE MATERIALS are defined as materials that by their presence, in excessive amounts may make the product unusable as the grade specifies, or materials that may damage the equipment.

PROHIBITIVE CONTAMINATES may include:

- | | | | |
|----------------|-----------------------------|-----------------------|----------------------------|
| * Wood | * Metals | * Glass | *Flour, potato, sugar bags |
| * Plastic Bags | * Styrofoam | * Shrink/Stretch Wrap | *Mill wrappers/headers |
| * Cans/Bottles | * Wax Corrugated Containers | * Dirt/Rocks | *Plastic Objects |

OUTTHROW MATERIALS are defined as "all papers that are so manufactured or treated or are in such a form as to be unsuitable for consumption as the grade specified".

OUTTHROW CONTAMINATES may include:

- | | | |
|--------------------|------------------------|----------------------|
| * Tubes & Cores | * Chipboard & Boxboard | * Carrier Stock |
| * > 3% "Asian" OCC | * Newsprint | * Office paper Waste |
| * Beer Mix | * Other Paper | |

UNACCEPTABLE MATERIALS are defined as materials that by their presence, in any amount, may pose a threat to human health and safety. Primary concerns are for people who will handle the OCC, as well as for those who may use our final products for such things as food packaging.

UNACCEPTABLE CONTAMINATION in any quantity including:

- * Medical or Hazardous Wastes * Poisonous or Deleterious Substances * Food Wastes * Free Flowing Liquids
* Sulfur impregnated file box

MOISTURE: If bales are excessively wet from water or other liquid, supplier may be subject to downgrade or moisture deduction.