

SCHEDULE 4(a)
JOINT MRF CONTRACT PAYMENTS¹

Monthly Payment to City by Contractor:

The City Payment under **Section 11.01(a)** of the Contract shall be based on the following negotiated fees and revenue payments, and the following formula, unless otherwise later modified by the CCR, with the consent of the Contractor:

Shared Revenue² under **Section 11.02** per City ton of Marketable Recovered Materials (below); plus

Bypass Charge under **Section 11.03** (if any); plus

Education Fee under **Section 11.04** per City Ton (below); plus

Shared Revenue under **Section 11.02** on Third Party Tons (below) of Recyclable Material paid to each of the City and County; plus

Processing Fee³ under **Section 11.02(b)** per Third Party Ton (below) of Recyclable Material paid to each of the City and County by Contractor.

Monthly Payment to Contractor by City⁴:

The Contractor Payment under **Section 11.01(b)** of the Contract shall be based on the following negotiated fees and revenue payments, and the following formula, unless otherwise later modified by the CCR, with the consent of the Contractor:

Processing Fee⁵ under **Section 11.05** per City Ton (below); plus

Waste Disposal Costs under **Section 11.09(a)(i)** (below); plus

¹ Sample spreadsheets showing the proper calculation of Payments, in accordance with **Article XI** and this **Schedule 4(a)** shall be prepared by the Contractor, approved by the Entity and incorporated in the O&M Plan.

² The applicable Shared Revenue percentage is per Table 4-2(a) of this Schedule 4(a).

³ The Processing Fee is subject to adjustment under **Section 11.08(a)**.

⁴ The City also will pay a portion of the Equipment Repair & Replacement Fee under **Section 11.07** per City Ton to the Entity, according to **Tables 4-1(a)** and **4-3(a)**.

⁵ See note 3.

50% of any Entity Equipment or ERP-scheduled property repair or replacement costs not covered by the Equipment Reserve Fund under **Section 11.09(a)(ii)** (below); plus

100% of any City Equipment repair or replacement costs under **Section 11.09(a)(ii)**; plus

Under **Sections 6.10(c)** and **11.09(a)(v)**, Direct Costs related to increased Receiving Times.

Monthly Payments on Third Party Tons:

Payments related to Third Party Tons of Recyclable Material shall be as follows, unless the Third Party contract specifies otherwise or later modified by the CCR, with the consent of the Contractor:

75% Shared Revenue under **Section 11.02** on Third Party Tons (below) payable by Contractor to Third Party;

2.5% Shared Revenue under **Section 11.02** on Third Party Tons (below) payable by Contractor to City;

2.5% Shared Revenue under **Section 11.02** on Third Party Tons (below) payable by Contractor to County;

20% Shared Revenue under **Section 11.02** on Third Party Tons (below) retained by Contractor;

Processing Fee under **Section 11.05** per Third Party Ton (below) paid by Third Party to Contractor;

Processing Fee under **Section 11.02(b)** per Third Party Ton (below) paid by Contractor to each of the City and County by Contractor;

Equipment Repair & Replacement Fee under **Section 11.07** per Third Party Ton (below) paid by the Third Party to the Contractor;

Equipment Repair & Replacement Fee under **Section 11.07** per Third Party Ton (below) paid to the Entity by Contractor;

Waste Disposal Costs under **Section 11.09(a)(i)** or other Direct Costs under **Section 11.09(a)(iii), (v)** paid by the Third Party to Contractor; and

Bypass Charge on Third Party Tons under **Section 11.03** (if any) paid by the Contractor in equal shares to the City and County.

Table 4-1(a)
Fees, Costs, and Revenues

Description of Fees, Costs, and Revenues	Rate/Unit
<p>Processing Fee – Under <u>Sections 11.02(b)</u> and <u>11.05</u>, a per ton fee paid by each of the City, County, and/or Third Party to the Contractor based upon its respective Tons of Recyclable Material delivered to the Joint MRF. Entity Processing Fee is according to <u>Table 4-2(a)</u>. Third Party Processing Fee is according to each respective Third Party contract. For source separated or presorted tons of Entity or Third Party Recyclable Material, the Entity and Contractor may agree to waive or provide for an alternate Processing Fee.</p>	<p>Variable⁶ for City and County Tons</p> <p>As specified in respective Third Party contracts</p>
<p>Education Fee – Under <u>Section 11.04</u>, a fixed per ton fee payable by Contractor to each of the City and County based upon the Tons of Recyclable Material each respectively delivers to the Joint MRF.</p>	<p>\$2/ton</p>
<p>Equipment Repair & Replacement Fee – Under <u>Section 11.07</u>, a per ton fee payable by Contractor, City, County, and/or Third Parties to the Entity (to be deposited in the Equipment Reserve Fund) based upon respective Tons of Recyclable Material delivered to the Joint MRF and as further specified in <u>Table 4-3(a)</u>. The per ton Equipment Repair & Replacement Fee shall be adjusted annually based upon actual Tons of RM delivered in the prior year and projected Tons, as agreed upon by CCR and Contractor, for the coming year and other factors described in this Agreement as further specified in <u>Table 4-3(a)</u>..</p>	<p>\$10/ton</p>
<p>Waste Disposal Costs – the actual per ton fee paid by Contractor to dispose of Residue and Rejected Materials (i.e., Waste), reimbursable in whole by each of the City, County, or Third Party to Contractor under <u>Section 11.09(a)(i)</u> based upon their respective Tons of Waste as determined by the Composition Analysis.</p>	<p>Varies⁷</p>
<p>Direct Costs Related to Request Increases in Receiving Times – Under <u>Sections 6.10(c)</u> and <u>11.09(a)(v)</u>, City, County, and/or Entity Direct Costs related to increased Receiving Times.</p>	<p>Varies</p>

Description of Fees, Costs, and Revenues	Rate/Unit
<p>Equipment Repair or Replacement Costs – As to Entity Equipment or ERP-scheduled property, so long as approved by the CCR, these actual Direct Costs shall be paid out of the Equipment Reserve Fund (directly to seller if Equipment purchased by Entity or to reimburse Contractor if Equipment purchased by Contractor) and if the capital in that Fund is insufficient, these actual Direct Costs shall be paid by each of the City and County in equal shares according to <u>Article VI</u> and <u>Section 11.09(a)(ii)</u>. As to all other equipment, these actual Direct Costs shall be paid by the party who owns the equipment, according to <u>Article VI</u>, <u>Section 11.09(a)(ii)</u>, and the IGA.</p>	Varies
<p>Shared Revenue – Percentage of Marketable Recovered Material Revenue payable by the Contractor to each of the City, County, and/or Third Party on their respective tons of Marketable Recovered Material or Recyclable Material, as applicable, after adjustment based upon the most recent Composition Analysis and the applicable ACR (which may differ for Third-Parties) under <u>Section 11.02</u>. Entity revenue share is according to <u>Table 4-2(a)</u>. Additionally, for source separated or presorted tons of Entity or Third Party Recyclable Material, the Entity and Contractor may agree to alternate revenue sharing terms.</p>	Varies for City and County. See <u>Schedule 10</u> for Third Parties

⁶ As also discussed in Section 11.08(a), the Processing Fee as listed in Table 4-2(a) payable by City and County shall be adjusted on July 1 of each year, starting in 2020, in the same proportion that the Consumer Price Index (CPI) for all Urban Consumers, all items, U.S. Midwest (1982-84=100 unless otherwise noted) on such July 1 changed from the previous July 1. If this index becomes unavailable the successor CPI factor published by the U.S. Government as agreed to by both parties shall be used. The Processing Fees payable by Third Parties to Contractor shall be subject to an adjustment in the same or greater amount as this adjustment, unless otherwise approved by the Entity.

⁷ Waste Disposal Costs are variable. The Entity has the right to designate a Landfill of its choosing.

Table 4-2(a)
Revenue Share and Processing Fee Based on ACR

ACR (\$/ton)	Revenue Share		Processing Fee ⁸ (\$/ton)
	Entity	Contractor	
≤\$0	0%	100%	\$50.00
\$5	0%	100%	\$50.00
\$10	0%	100%	\$50.00
\$15	0%	100%	\$50.00
\$20	0%	100%	\$50.00
\$25	20%	80%	\$50.00
\$30	33%	67%	\$50.00
\$35	43%	57%	\$50.00
\$40	50%	50%	\$50.00
\$45	56%	44%	\$50.00
\$50	60%	40%	\$50.00
\$55	64%	36%	\$50.00
\$60	67%	33%	\$50.00
\$65	69%	31%	\$50.00
\$70	71%	29%	\$50.00
\$75	73%	27%	\$50.00
\$80	75%	25%	\$50.00
\$85	76%	24%	\$50.00
\$90	78%	22%	\$50.00
\$95	79%	21%	\$50.00
\$100	80%	20%	\$50.00
\$105	80%	20%	\$49.00
\$110	80%	20%	\$48.00
\$115	80%	20%	\$47.00
\$120	80%	20%	\$46.00
\$125	80%	20%	\$45.00
\$130	80%	20%	\$44.00
\$135	80%	20%	\$43.00
\$140	80%	20%	\$42.00
\$145	80%	20%	\$41.00
\$150	80%	20%	\$40.00
\$155	80%	20%	\$40.00
\$160	80%	20%	\$40.00
\$165	81%	19%	\$40.00
\$170	81%	19%	\$40.00
\$175	82%	18%	\$40.00
\$180	82%	18%	\$40.00
\$185	83%	17%	\$40.00
\$190	83%	17%	\$40.00
\$195	84%	16%	\$40.00
≥\$200	84%	16%	\$40.00

⁸ When applicable, Processing Fee shall be prorated using the two nearest fees shown in **Table 4-2(a)**. Starting in 2020, the Processing Fee as listed in **Table 4-2(a)** payable by City and County shall be adjusted on July 1 of each year in the same proportion that the Consumer Price Index (CPI) for all Urban Consumers, all items, U.S. Midwest (1982-84=100 unless otherwise noted) on such July 1 changed from the previous July 1. If this index becomes unavailable, the successor CPI factor published by the U.S. Government as agreed to by both parties shall be used. The Processing Fees payable by Third Parties to Contractor shall be subject to the same adjustment unless otherwise approved by the Entity.

Table 4-3(a)
Equipment Repair & Replacement Fee (ERF)

Party & Description of ERF Contribution to the Equipment Reserve Fund (Entity)	ERF Contribution⁹ as of 1/1/2019 (ERF = \$10/ton)	Is ERF Contribution Subject to Annual Adjustment per this Agreement and the IGA?
City ERF contribution payable to Entity on City Tons delivered to Joint MRF	\$5/City Ton	Yes
County ERF contribution payable to Entity on County Tons delivered to Joint MRF	\$5/County Ton	Yes
Contractor ERF contribution payable to Entity on City or County Tons delivered to Joint MRF	\$5/City or County Ton	No ¹⁰
Contractor ERF contribution payable to Entity on Third Party Tons delivered to Joint MRF	\$10.00/Third Party Ton	Yes

⁹ All ERF payments shall be paid monthly based on tons of Recyclable Material delivered to the Joint MRF and shall be paid independent of the City and County Payment. Examples: If the City delivers 1,000 tons of Recyclables to the Joint MRF, the Contractor and the City each pays \$5/ton x 1,000 tons = \$5,000 to the Equipment Reserve Fund. If a Third Party delivers 1,000 tons, the Contractor pays \$10/ton x 1,000 tons = \$10,000 to the Equipment Reserve Fund.

¹⁰ Since the Contractor's portion of the ERF contribution for City and County tons is not adjusted annually, any increase in the ERF will be absorbed by the Entity and Third Party. Example: If ERF = \$12/ton, then Contractor pays \$5/ton, City and County each pay \$7/ton, and Third Party pays \$12/ton.