

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Jennifer Mellon, Senior Management Analyst 

DATE: August 20, 2010 (Meeting of September 1, 2010)

SUBJECT: Consider a First Amendment to the Agreement with Mercury Disposal Systems, Inc. for Collection of Household Batteries and Residential Fluorescent Lights

BACKGROUND

On June 8, 2009, Council approved an agreement between the City of Moorpark and Mercury Disposal Systems, Inc. (MDS) for collection of Household Batteries and Residential Fluorescent Lights generated by the residents of Moorpark. Both batteries and fluorescent lights are Universal Waste that is banned from disposal in landfills and due to this the City has set up convenient disposal locations throughout the City and contracted with MDS to collect and properly recycle these materials.

DISCUSSION

Initially, since new collection locations and fluorescent light collection were added to the existing program, a cost calculation formula based on average pounds of batteries and number of fluorescent lights collected by other jurisdictions on a per-capita basis was used to determine the estimated cost of MDS services to Moorpark.

The City of Moorpark has a very successful battery collection program and after the first year of MDS collection it has been proven that the initial estimates were slightly low. During the first year of the Agreement with MDS Moorpark residents disposed of 5,366 pounds of batteries and 1,824 fluorescent lights for recycling and proper disposal by MDS. Batteries and fluorescent lights are also accepted at HHW events.

This First Amendment to the Battery and Fluorescent Light Collection Agreement provides the City with a revised rate schedule which increases the annual cost of this Agreement from \$3,360 to \$3,876 annually.

FISCAL IMPACT

The costs for this program reside in the AB 939 Solid Waste Diversion Budget and the increase in cost can be accommodated without the need for additional appropriation.

STAFF RECOMMENDATION

Approve Amendment No. 1 between the City of Moorpark and Mercury Disposal Systems, Inc. subject to final language approval by the City Manager and the City Attorney, and authorize the City Manager to sign the Amendment.

Attachment 1: Amendment No. 1

Attachment 2: Exhibit 1-A, Scope of Services

AMENDMENT NO. 1
AGREEMENT BETWEEN THE CITY OF MOORPARK AND MERCURY
DISPOSAL SERVICES, INC. FOR COLLECTION OF HOUSEHOLD
BATTERIES AND RESIDENTIAL FLUORESCENT LIGHTS

THIS AMENDMENT, made and entered into this _____ day of _____, 2010, by and between the City of Moorpark, a municipal corporation located in the County of Ventura, State of California, hereinafter referred to as "CITY" and Mercury Disposal Systems, Inc., hereinafter referred to as "CONTRACTOR" as an amendment to the Agreement between the City and Contractor, dated June 8, 2009.

W I T N E S S E T H

WHEREAS, the City provides public collection of household batteries and residential fluorescent lights and requires a contract to collect, process, and recycle household batteries and fluorescent lights; and

WHEREAS, the Contractor provides said services that are necessary so City can provide convenient collection of said materials for residents.

NOW, THEREFORE, in consideration of the mutual covenants, benefits, and premises herein stated, the parties hereto agree to amend the aforesaid Agreement as follows:

Article 2 - Scope of Services. Shall be amended in full to read as follows:

"City does hereby retain Consultant, as an independent contractor, in a contractual capacity to provide Household Battery and Residential Fluorescent light collection services, as set forth in Exhibit 1-A attached hereto and incorporated herein by this reference. Where Exhibit 1-A is modified by this Agreement, or in the event there is a conflict between the provisions of said Scope of Services and this Agreement, the language contained in this Agreement shall take precedence.

Compensation for the services to be performed by Consultant shall be in accordance with Exhibit 1-A, attached hereto and incorporated herein by this reference as though set forth in full. Payment by City to Consultant shall be in accordance with the provisions of Article 5 of this Agreement."

Article 5 - Payment. Shall be amended in full to read as follows:

"Taxpayer ID or Social Security numbers must be provided, on an IRS 1099 form, before payments may be made to vendors.

The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit 1.

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services. The City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement.

Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Any expense or reimbursable cost appearing on any invoice shall be accompanied by a receipt. If the City disputes any of Consultant's fees or expenses it shall give written notice to Consultant within (30) days of receipt of any disputed fees set forth on the invoice."

With the exception of the changes noted above, all other provisions contained in the Agreement for Collection of Household Batteries and Residential Fluorescent Lights shall remain in full force and effect.

In WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be executed by their duly authorized officers the day and year first above written.

CITY OF MOORPARK:

MERCURY DISPOSAL SYSTEMS, INC.:

Steven Kueny, City Manager

John Burnett, President

Date _____

Date _____

ATTEST:

Deborah S. Traffenstedt, City Clerk

Attachment: Exhibit 1-A

Exhibit 1-A

Scope of Services Household Battery and Residential Fluorescent Light Collection

Mercury Disposal Systems Inc. (MDS) will provide the following services:

- 1) MDS will provide collection containers to each drop-off location.
 - 2 each 4 gallon plastic pails for batteries.
 - 2 each 6.5 gallon plastic pails for Compact Fluorescent Lamps (CFLs).
 - Collection instructions for palletizing items for pick-up by MDS from the Moorpark Public Services Facility when necessary.
- 2) Upon receipt of full containers, MDS will send replacement pails via local trucking.
- 3) MDS will certify that all items collected will be 100% recycled in accordance with California E.P.A. regulations. Spent lamps are recycled in Ontario, California by Lighting Resources Inc. and batteries will be recycled by All Metals technologies, Cartersville Ga. MDS will inform the City of Moorpark if recycling locations change for materials.
- 4) Payment and terms for collected items;
Collected items will be counted or weighed and invoiced to the City as follows:
 - Compact fluorescent lamps (CFL'S) @ \$0.55 each
 - Class 2 household batteries @ \$0.70 per pound
 - Recycle fees for collected items will be invoiced at the end of each month.
 - All invoices will have attached collection reports including date received, weights and counts by material type.
 - As per agreement, the maximum monies received monthly from the City will not exceed \$85.00 for each 10,000 residents. Based on a population of 38,000 residents ($38,000/10,000 = 3.8 \times 85.00 = 323$) the set amount will not exceed \$323.00 per month regardless of weight or number of items collected.
- 5) Cost for additional items, collection boxes, collection bags and sleeves;
 - 4 foot Fluorescent Tube boxes (holds up to 90 tubes) \$39.00 each
 - 8 foot Fluorescent Tube boxes (holds up to 28 tubes) \$59.00 each
 - Hanging green CFL bags 7" X 11" laminated header 50/set \$4.95 ea.
 - Green CFL bags, 120 per roll bulk packed / \$0.085ea. \$10.20/ roll
 - Battery bags, 120 per roll bulk packed /\$0.085ea \$10.20 /roll
 - 4 foot orange sleeves for linear tubes case pack 600 \$0.21 ea.
 - Custom printed CFL and battery bags, one time plate charge \$350.00 ea.
Minimum quantity for custom printed bags is 20,000 pc. (note: cost for all recycle bags is subject to change based on oil prices)
 - MDS will provide artwork for approval at no charge.
- 6) All recycle bags and sleeves returned to our location will be recycled.
- 7) All collection containers will be properly marked as UNIVERSAL WASTE in accordance to DTSC and D.O.T. regulations.