



**PROPOSED AGENDA**  
**Bermuda Run Town Council Meeting**  
**Tuesday, October 13, 2020**  
**6:00PM**

**Bermuda Run Town Hall**

*Mission: "The Town of Bermuda Run exists to provide core public services that enhance the quality of life for its residents and an environment for the business community to thrive".*

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Moment of Silence**

*"It is the intent of the Town Council to solemnize the proceedings of this meeting and the business brought before the governing board, to offer the opportunity for a reflective moment of silence."*

**4. Adoption of the Agenda**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**5. Approval of the September 8, 2020 Town Council Meeting Minutes**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**6. Citizens' Comments**

**7. Information Items**

**A. Republic Services Presentation – Solid Waste and Recycling Services**

The Town's current contract with Republic Services expires July 1, 2021.

**B. Proclamation – Family Promise of Davie County Week October 18-25**

Over the past three years, Family Promise of Davie County has served over 100 families via their homeless prevention, diversion, shelter and stabilization programs. Mayor Cross proclaims the week of October 18 through October 25 as Family Promise Week in Bermuda Run.

**8. Proposed Action Item**

**A. Naming of Two New Streets to Allgood Street and WinMock Street**

It is recommended that the new access street from US 158 terminating in front of Comet At Bermuda Run Apartments be named *Allgood Street* and the new access street from US 158 terminating beside between Advanced Oral & Facial Surgery and Coffey Law be named *WinMock Street*.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**9. Council / Mayor Comments**

**10. Town Manager Comments**

**11. Adjourn**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

# **Town of Bermuda Run**

## **Town Council Meeting Minutes**

### **September 8, 2020 – 6:00 PM**

The Town Council of Bermuda Run held its scheduled meeting on Tuesday, September 8, 2020 at 6:00 PM. The meeting was held at the Bermuda Run Town Hall.

**Council Members Present:** Mayor Rick Cross, Heather Coleman, Curtis Capps, Mike Ernst, Chris Fowler, and Ken Peacock

**Council Members Absent:**

**Also Present:** Lee Rollins, Town Manager; Brian Williams, Attorney; Cindy Poe, Town Clerk

**Call to Order** Mayor Rick Cross called the meeting to order.

**Pledge of Allegiance**

**Moment of Silence**

*It is the intent of the Town Council to solemnize the proceedings of this meeting and the business brought before the governing board, to offer the opportunity for a reflective moment of silence.*

**Adoption of the Agenda**

*Council Member Curtis Capps made a motion to approve the agenda. Council Member Mike Ernst seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

**Approval of the August 11, 2020 Town Council Meeting Minutes**

*Council Member Heather Coleman made a motion to approve the August 11, 2020 meeting minutes. Council Member Chris Fowler seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

**Public Comments - NONE**

**Resolution: Street Acceptance: Easternmost Portion of West Kinderton Loop**

The Hillsdale Group has dedicated to the Town the eastern most portion of West Kinderton Loop (in front of Comet at Bermuda Run entrance) to complete the new street under construction from US 158 to West Kinderton Way.

*Council Member Chris Fowler made a motion to adopt the resolution as presented. Council Member Ken Peacock seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

**Town Manager Comments**

The two new access roads into Kinderton Commercial are on schedule to open by the end of September.

Stormwater Update – Teaming with Engineering Firm that does work for Clemmons and Winston-Salem. Information will be shared with the Council at the September Agenda Meeting.

Personal note – Town Clerk, Cindy Poe's daughter is getting married on Saturday (9/12).

### **Council/ Mayor Comments**

*Ken Peacock – Easy, fast meeting. Everything going on in the Town is very encouraging.*

*Curtis Capps – No comment.*

*Mike Ernst – Updates to speed study? (LR – will share at the September Agenda Meeting.)*

*Chris Fowler – No comment.*

*Heather Coleman – Any updates regarding gate security? Concerned about vendors gaining access. (LR – We have a new Community Manager with Allied Universal that has the training videos from Frontsteps. He is currently looking for a new Gate Supervisor.*

*Any movement regarding the Brayden annexation? (LR – Met with one of the developers and shared the same assessment that was given to the Council regarding projection over 6-year period. They are proceeding with the project; however, the Council is taking pause re: annexation.)*

*Mayor Rick Cross –*

- Discussed Phase 2.5, Gov. Cooper, stating that this allows more people at our Council Meetings.*
- Election Process*
- RISE update – booking for June, 2021*
- Davie County Public Library – Mayor serving on committee.*
- Ribbon Cutting today at the East Davie Sewer location.*
- Census Update – Bermuda Run at 80%*
- Virtual Meeting at 7 pm with Bermuda Run HOA's*
- Solid Waste/Recycling Update*
- Upcoming – 19<sup>th</sup> Anniversary of 9/11. Take time to pause and remember.*

### **Adjourn**

*With no further business to discuss, Council Member Curtis Capps made a motion to adjourn. Council Member Heather Coleman seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

Approved

Respectfully Submitted

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Rick Cross, Mayor

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Cindy Poe, Town Clerk





# Recycling – Bermuda Run

*Update – September 2020*

**Tony Krasienko**

*Municipal Sales Manager*





# Why is the program changing?

**The current program and business model** is not sustainable. Contamination levels are increasing due to participants in the program without curbside trash service.

**New program** will combine curbside trash and recycle into one service option for unincorporated areas and Towns, ensuring a sustainable model.

**Davie County** is 1 of only 3 counties in NC using a countywide curbside program funded by the county.

**All Davie County residents** will still have access to the County Convenience Site with recycling options.

**Towns will get benefits** of scale by acting together. Strength in numbers.

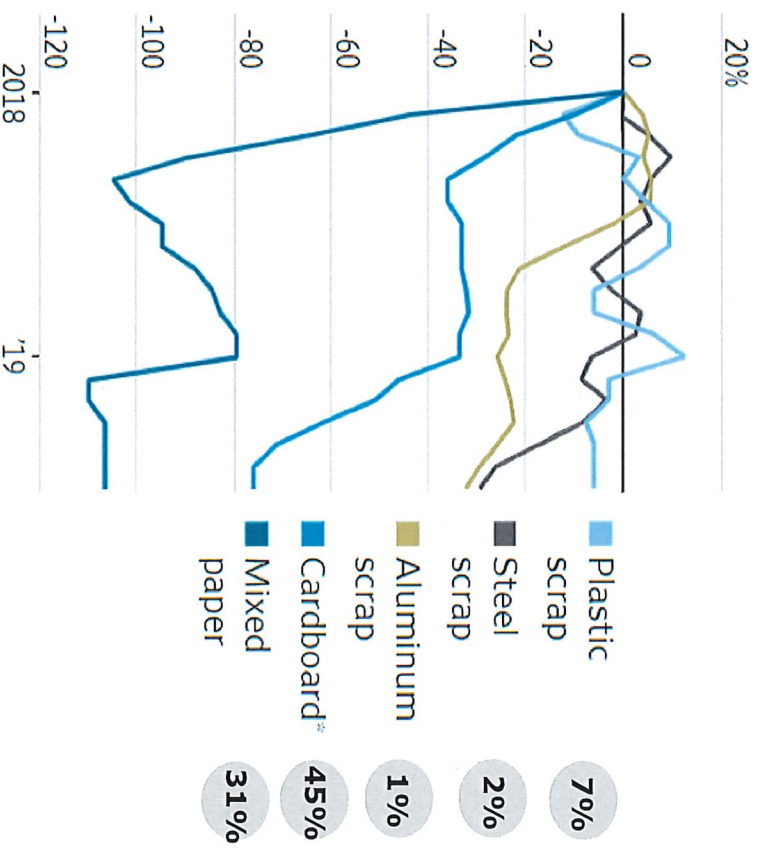
**A better recycle model** that shares risks and rewards of commodity values and controlling contamination, providing a long term financially sustainable program. Towns retain 85% of the Commodity Value.

# Why is recycling unsustainable today?

- **Old recycle model was built on commodity value of \$200 per ton, today the commodity value is only \$50-\$70 per ton.**
- **The value of the commodity, subsidized the cost of collection and processing.**
- **Contamination has increased due to carelessness and wishful recycling.**
- **The GOOD news is, we can fix it so it is sustainable, durable and fair.**

# Plunging Commodity Prices

Recycled commodity prices, percentage change from January 2018



Source: Wall Street Journal 9/9/19

● = % of Republic Services material sold

- Glut of material oversupplies markets
- Oversupplied markets further drive down commodity prices
- Cardboard, mixed paper and aluminum at all-time lows

76% of the material we sell has declined in value 78-105%.  
Not Shown - Glass makes up 7% of our material sold, and has declined 34%.

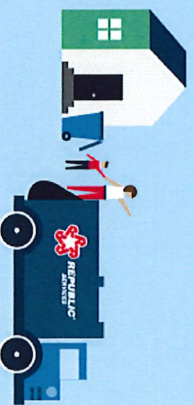


# Recommended Business Model

## Republic Services

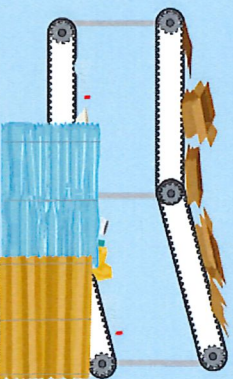
### COLLECTION

- Includes costs for truck, driver, container and to collect material and transport to a processing facility
- Comparable to trash collection



### PROCESSING

- Includes costly facility, equipment and labor to separate material and remove contamination
- Results in ready-to-ship baled material



### RESIDUAL

- Includes all contaminated or non-recyclable material, which has no marketability and must be transported and disposed at a landfill for additional cost



### COMMODITY SALES

- Sale of processed material to buyers around the world
- Cleaner material has greater value



## Cities & Municipalities

COLLECTION  
FEE



PROCESSING  
FEE



DISPOSAL OF  
RESIDUAL



COMMODITY  
SALES



THE COST OF  
RECYCLING

The cost of a recycling program is the sum of fees for two services: the **Collection Fee** and the **Net Processing Fee**. Town rate is \$4.25, \$2.73 for Collection and \$1.52 for Processing.



# Proposal Analysis: Bermuda Run

Town	2019 MSW Tonnage	2019 REC Tonnage	# Customers	Total Monthly per HH	MSW Monthly	REC Proposal	Monthly Total w/ REC	Total Monthly	Monthly Increase	Monthly Total MSW ONLY - Add'l disposal cost only	Monthly Total MSW ONLY Add'l service	Monthly Increase	REC Cost vs Add'l Disposal - Annual	Monthly	per resident/ month
Bermuda Run	1176	443	1329	\$12.76	\$16,958.04	\$4.25	\$17.01	\$22,606.29	\$5,648.25	\$18,744.44	\$22,554.19	\$5,596.15	\$625.16	\$52.10	\$0.04

**Current Rate : \$12.76**  
**Rate w/o Recycle: \$16.97\***  
**Proposed rate w/ Recycle: \$17.01**

The price to continue recycling is only marginally higher than the increase of ending the program due to increased disposal, increased operational costs (more containers) and increased landfill trips.

Residents overwhelmingly utilize and want recycling. This is their way of making an environmental impact and doing the right thing.

\*Estimated

# How is the new model transparent?

**Commodity values are supplied for a 12 month period based on public Market Index.** Republic Services will supply market data annually with commodity percentages. OBM – Official Board Markets Yellow Sheet for Fiber. Secondary Materials Market Index for Plastic, Metals and Glass. **Towns retain 85% of the commodity value.**

## What are the variables in the model?

**Commodity values are unknown** but under the new model as values increase, Towns will receive more credit, lowering prices. Additionally, only the collection rate, processing rate and residual charge are adjusted annually by the Consumer Price Index.



# How is the new model transparent?

**Commodity values are supplied for a 12 month period based on public Market Indices.** Republic Services will supply market data annually with commodity percentages.

	PET	HDPE	CHDPE	Poly Prop	Glass	OCC	Mix Plas	Metal Cans	Alum	Ridgid
31-Aug-20	\$ 165.00	\$ 1,090.00	\$ 130.00	\$ 120.00	\$ (35.00)	\$ 65.00	\$ 12.50	\$ 35.00	\$ 980.00	\$ 40.00
31-Jul-20	\$ 165.00	\$ 915.00	\$ 70.00	\$ 90.00	\$ (30.00)	\$ 65.00	\$ 12.50	\$ 35.00	\$ 830.00	\$ 40.00
30-Jun-20	\$ 165.00	\$ 790.00	\$ 70.00	\$ 90.00	\$ (30.00)	\$ 82.50	\$ 12.50	\$ 35.00	\$ 800.00	\$ 40.00
30-May-20	\$ 175.00	\$ 780.00	\$ 70.00	\$ 90.00	\$ (30.00)	\$ 117.50	\$ 12.50	\$ 40.00	\$ 780.00	\$ 40.00
30-Apr-20	\$ 187.60	\$ 710.00	\$ 85.00	\$ 70.00	\$ (30.00)	\$ 82.50	\$ (2.50)	\$ 45.00	\$ 790.00	\$ 40.00
31-Mar-20	\$ 225.00	\$ 750.00	\$ 102.60	\$ 120.00	\$ (37.50)	\$ 47.50	\$ (5.00)	\$ 75.00	\$ 830.00	\$ 40.00
29-Feb-20	\$ 225.00	\$ 920.00	\$ 160.00	\$ 120.00	\$ (22.50)	\$ 35.00	\$ (5.00)	\$ 85.00	\$ 980.00	\$ 40.00
31-Jan-20	\$ 215.00	\$ 1,255.00	\$ 210.00	\$ 120.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 105.00	\$ 1,010.00	\$ 40.00
31-Dec-19	\$ 200.00	\$ 1,255.00	\$ 325.00	\$ 130.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 85.00	\$ 990.00	\$ 30.00
30-Nov-19	\$ 190.00	\$ 1,210.00	\$ 330.00	\$ 150.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 52.50	\$ 960.00	\$ 30.00
31-Oct-19	\$ 190.00	\$ 1,090.00	\$ 280.00	\$ 150.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 52.50	\$ 960.00	\$ 30.00
30-Sep-19	\$ 200.00	\$ 790.00	\$ 245.00	\$ 230.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 80.00	\$ 1,030.00	\$ 60.00
31-Aug-19	\$ 227.60	\$ 510.00	\$ 207.60	\$ 260.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 80.00	\$ 990.00	\$ 60.00
31-Jul-19	\$ 280.00	\$ 415.00	\$ 235.00	\$ 260.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 80.00	\$ 1,030.00	\$ 60.00
29-Jun-19	\$ 295.00	\$ 415.00	\$ 245.00	\$ 260.00	\$ (22.50)	\$ 32.50	\$ (2.50)	\$ 105.00	\$ 1,090.00	\$ 60.00
31-May-19	\$ 300.00	\$ 415.00	\$ 290.00	\$ 260.00	\$ (22.50)	\$ 37.50	\$ (2.50)	\$ 117.50	\$ 1,140.00	\$ 60.00
30-Apr-19	\$ 300.00	\$ 415.00	\$ 290.00	\$ 230.00	\$ (22.50)	\$ 47.50	\$ (2.50)	\$ 125.00	\$ 1,160.00	\$ 60.00
30-Mar-19	\$ 300.00	\$ 450.00	\$ 290.00	\$ 230.00	\$ (22.50)	\$ 60.00	\$ (2.50)	\$ 127.50	\$ 1,150.00	\$ 60.00
28-Feb-19	\$ 310.00	\$ 690.00	\$ 320.00	\$ 260.00	\$ (22.50)	\$ 72.50	\$ (2.50)	\$ 122.50	\$ 1,110.00	\$ 60.00
31-Jan-19	\$ 317.60	\$ 810.00	\$ 365.00	\$ 265.00	\$ (22.50)	\$ 85.00	\$ 2.50	\$ 122.50	\$ 1,110.00	\$ 60.00
2019 AVG	\$ 259.18	\$ 705.42	\$ 285.22	\$ 223.75	\$ (22.50)	\$ 44.17	\$ (2.08)	\$ 95.83	\$ 1,060.00	\$ 52.50

# How is the new model transparent?

Material Value (Revenue) Base Pricing Model Example									
Customer:	Davie Co Muni								
CONFIDENTIAL									
Material Value 12 month average 2019									
Material Type :	Residential Single Stream					Monthly Tons:		75.09	
Commodity	Material Comp. % <sup>1</sup>	(Example) Index			Grade	Monthly Rate based off actual sale of materials 2019	Composite Tons	Index Value X Composition	
OCC	19.76%	Market Value			OCC	\$ 62.67	14.837784	\$ 929.88	
MIXED PAPER	45.33%	Market Value			MIP	\$ 11.69	34.038297	\$ 397.91	
PET	7.60%	Market Value			PETE	\$ 291.75	5.70684	\$ 1,664.97	
Natural HDPE	1.10%	Market Value			HDPEN	\$ 732.93	0.82599	\$ 605.39	
Pigment HDPE	1.90%	Market Value			HDPEC	\$ 340.95	1.42671	\$ 486.44	
Tubs/lids	0.50%	Market Value			MPL	\$ 243.54	0.37545	\$ 91.44	
Rigid Plastic	0.70%	Market Value			Rigid	\$ 38.00	0.52563	\$ 19.97	
Scrap Metal	1.00%	Market Value			MM	\$ 39.46	0.7509	\$ 29.63	
GLASS	3.00%	Market Value			Glass	\$ (17.46)	2.2527	\$ (39.33)	
STEEL	2.44%	Market Value			#10 cans	\$ 121.97	1.832196	\$ 223.47	
ALUMINUM (UBC)	1.40%	Market Value			UBC	\$ 1,076.67	1.05126	\$ 1,131.86	
Residue	15.27%	Haul & Disposal of Residue				\$ (51.70)	11.466243	\$ (592.80)	
	100.00%						75.09		
						Average/ton		\$ 65.91	
							63.623757	\$ 87.10	



# How is the new model transparent?

## Net Processing Value/Charge - Model for Annual Rate Review - **CONFIDENTIAL** -Bermuda Run, Mocksville and Cooleemee

Number of Homes  
Pickups per Month  
Pounds per set out  
Tons per Month

3,651
2,165
19.2
75.88

Recycle Processing Rate per Ton for Residential Stream (from MRF Controller)

\$
128.75

	%	Tons	Rate	Rev from Commodity	Residual Costs
Tons sold	84.7%	64.30	87.10	\$	5,600
Residual tons	15.3%	11.59	\$(53.25)	\$	(617)
Net Revenue				\$	4,983

Commodity Value (Net Revenue divided by Tons per Month)

\$
65.67

Net Processing Position (Commodity Value minus Processing Rate)

\$
(63.08)

Share with City

\$
85%

City Rebate/Credit (per Ton)

\$
55.82

Monthly Net Processing Value (Rebate or Net Processing Position x Tons per Month)

\$
5,534

**Net Processing Rate per household**

\$
1.52

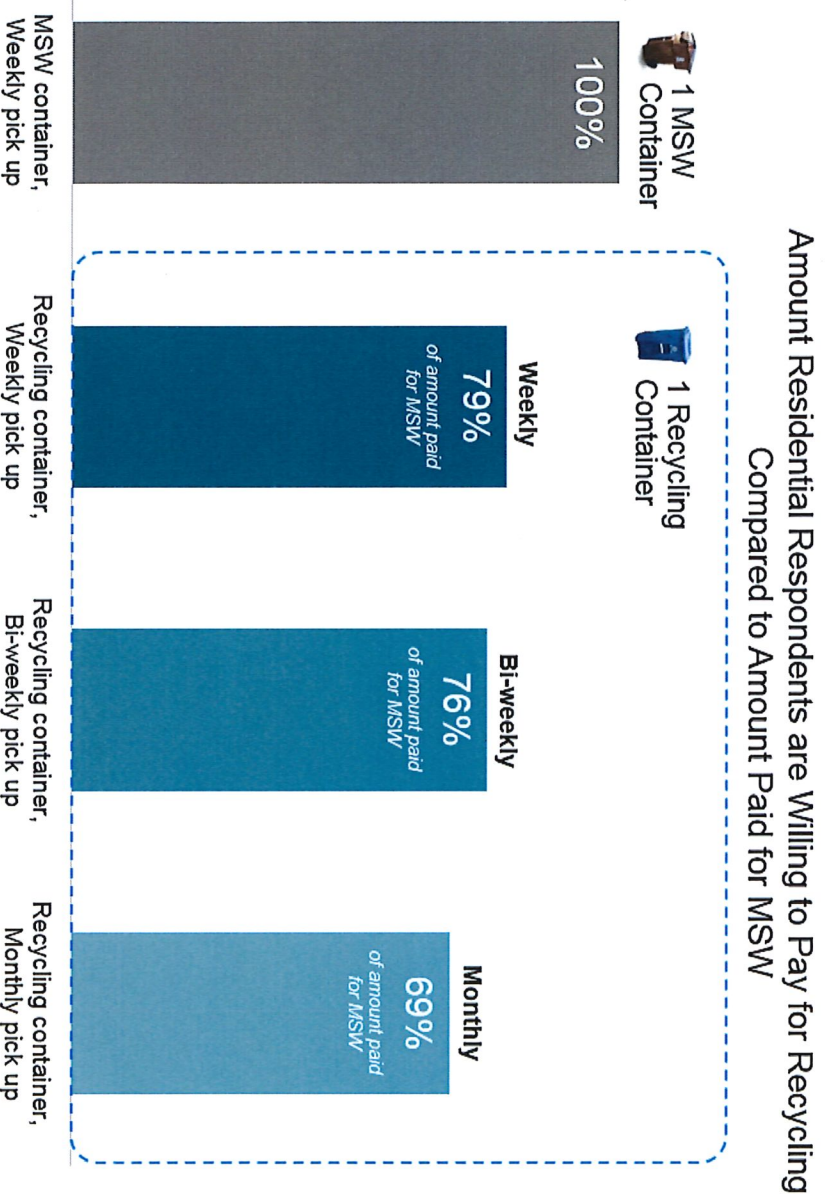
### CONFIDENTIAL

- Price updates annually by CPI
- Updates annually by actual statistics
- Updates based on previous 12 month average value or monthly



# Residential Willingness to Pay for Recycling

**Residential respondents are willing to pay an estimated 79% of what they pay for MSW for a recycling container picked up weekly, and almost the same for bi-weekly.**



n=2,434. Margin of error +/- 2% at 95% confidence  
Average willingness to pay derived from series of conjoint questioning  
Source: Cicero Group, Recycling W2P Study, Oct-2018

**Cicero**

Based on third-party research, residents are willing to pay a fair price for recycling.

## How do we compare?

- **Yadkinville:** \$12.88 Trash, \$5.00 Recycle , **Total \$17.88**, 2020 Agreement
- **Lewisville:** \$10.42 Trash, Recycle \$3.03, **Total \$13.45** – 2017 Agreement, pre China Sword
- **City of Salisbury:** **Recycle is \$4.34**, Trash is collected by City. 2020 Agreement
- **Clemmons:** \$10.83 Trash, Recycle \$3.05, **Total \$13.88**, 2017 Agreement, pre China Sword
- **Guilford County Franchise:** **Total \$21.50**, \$16.50 Trash and \$5.00 Recycle. 2019 Agreement
- **Alamance County Franchise:** \$15.85 Trash, Recycle \$11.00, **Total \$26.85**, 2019 Agreement



# FAQs

- **Can recycling be individual subscription?** No. This is a self-defeating model. The price is much higher due to lack of density, which continues to escalate pricing and eventually ends any meaningful participation.
- **Can we do this ourselves?** Yes, but the costs and amount of capital needed makes it difficult. Just 1 collection truck costs approx. \$355,000.00. Plus you bear the full cost of processing recyclables.
- **Why should the towns consider this together?**  
Strength in numbers provide better routing efficiency and density. Individual price would cost more.
- **What about Education materials for residents?**  
Republic Services has made a significant investment in recycling education that is available to all customers including virtual tours of a recycle facility. Visit [www.recyclingsimplified.com](http://www.recyclingsimplified.com)



# Public Education – Clean Up The Stream

New simplified educational collateral that can be distributed to residents and businesses.

Container Labels



Container Tags



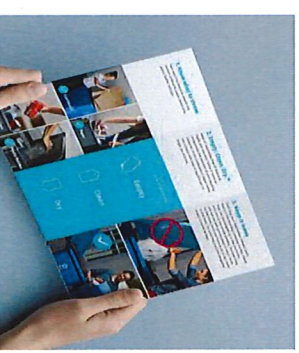
Door Tags



Reference Guides



Brochures



Post Cards & Bill Inserts



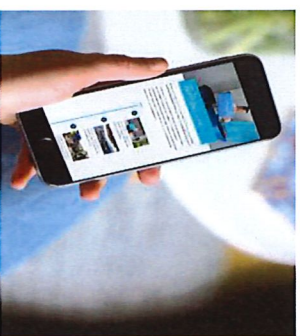
Posters



Billboards



Emails



Print Ads



Most collateral is available on [www.RecyclingSimplified.com](http://www.RecyclingSimplified.com),  
or from your Municipal Sales Manager





**Tony Krasienko**  
Municipal Sales Manager

e: [akrasienko@republicservices.com](mailto:akrasienko@republicservices.com)  
c: 336.251.3569



## AMENDMENT TO CONTRACT

This Amendment to Contract (this "Amendment") is entered into as of October \_\_, 2020, between the Town of Bermuda Run, a municipality organized under the state of North Carolina (the "Town"), and Republic Services of North Carolina, LLC, a North Carolina limited liability Contractor, dba GDS-DAVIE ("Contractor"). The Effective Date of this Amendment is July 1, 2021.

### Recitals

A. The Town and Contractor entered into that certain Solid Waste Contract, dated July 1, 2016 (collectively, the "Contract").

B. The Town and Contractor have now agreed to extend the Agreement and modify the terms as identified below.

### Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree to the following terms and conditions:

1. **Term**. The Agreement is extended for an additional three-year term, commencing on the Effective Date. The term may be extended for additional three-year terms, upon mutual agreement of the parties.

2. **Recycling**. Commencing on the Effective Date, Contractor will provide recycling collection and processing services to the Town at the rate set forth below. The additional recycling specifications set forth in Exhibit A are added to the Contract.

3. **Contract Price**. Section 2 is modified as follows:

(a) The Town shall pay Contractor \$13.15 per month per household for solid waste collection.

(b) The following is added to Section 2.A: "The recycling collection rate per customer per month is \$2.73. The rate for recycling processing is \$1.52 per Residential Unit per month."

(c) The rates above are all subject to the rate adjustment set forth in Section 2.A. The CPI in section 2.A is changed to the Consumer Price Index (All Urban Consumers, Water, Sewer, Trash Collection), and the parties will use the December CPI compared to the 12 months preceding to compute the adjustment.

4. **Insurance**. The words, "excluding workers' compensation" are added to the last sentence of Section 6.

5. **Capitalized Terms**. Capitalized terms used but not otherwise defined in this Amendment shall have the meanings assigned to them in the Contract.

6. **Continuing Effect.** Except as expressly modified or amended by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect. In the case of a conflict in meaning between the Agreement and this Amendment, this Amendment shall prevail.

7. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument. Facsimile and/or electronic copies of the parties' signatures shall be valid and treated the same as original signatures.

IN WITNESS WHEREOF, the parties have entered into this Amendment to be effective as of the Effective Date.

**CONTRACTOR:**

**TOWN:**

REPUBLIC SERVICES OF NORTH  
CAROLINA

TOWN OF BERMUDA RUN

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**EXHIBIT A**  
**SPECIFICATIONS & PRICING FOR RECYCLING SERVICES**

1. Recycling Services Definitions.

1.1 “**Recyclable Materials**” are used and/or discarded materials that are capable of successful processing and sale on the commodity market.

1.2 “**Acceptable Material**” means the materials listed in Section 8 below.

1.3 “**Unacceptable Material**” means the materials listed in Section 9 below. All Recyclable Materials collected for delivery and sale by Contractor shall be hauled to a processing facility selected by Contractor for processing (“Recycling Services”).

2. Town’s Duty. Town shall make a commercially reasonable effort to educate its Customers regarding Acceptable and Unacceptable Materials and to encourage its Customers to place only Acceptable Materials in their recycling containers.

3. Collection and Processing. Town shall pay Contractor a rate of \$4.25 per Unit for the collection and processing of Recyclable Materials from Residential Units. Town’s Collection and Processing rate assumes that, on average, Town’s Recyclable Material consists of no more than 20% Unacceptable Material (the “**Unacceptable Material Threshold**”). The Town shall also pay the Contractor a processing cost of \$128.75 per ton, as well as \$53.25 for the transportation and disposal of Residue (defined below). All rates are subject to Rate Adjustments as set forth in Section 2.A of the Agreement.

4. Right to Inspect/Audit. Contractor may visually inspect the collected Recyclable Materials to ensure loads are at or below the Unacceptable Material Threshold. If Contractor’s visual inspector determines that loads of Recyclable Material are consistently above the Unacceptable Material Threshold, Contractor will notify Town of the issue and the parties agree to promptly negotiate in good faith (a) an agreed upon procedure to audit a representative sample of Town’s Recyclable Material to determine its actual composition of Unacceptable Material; and (b) an updated Collection and Processing rate commensurate with the composition of Unacceptable Material.

5. Recycling Commodity Credit. Contractor shall return 85% of Town’s recycling commodity value to Town up to the amount of Town’s processing fees due for that month. Town’s “**Recycling Commodity Credit**” shall be determined by multiplying the per-ton market value of the processing facility’s Average Commodity Mix by the number of tons of Recyclable Material collected from Town and processed each month. The processing facility’s “**Average Commodity Mix**” means the relative mix of outbound commodities (including Residue), established pursuant to either (i) a minimum rolling 3-month facility average composition (subject to adjustment as necessary by Contractor) or (ii) a composition audit or an average of audits over a 12-month period (if any). The processing facility’s Average Facility Commodity

Mix is set forth in the attached Exhibit A-1. The per-ton value of the processing facility's Average Commodity Mix shall be determined each month by applying the most recently-available indices or actual values (as set forth in Exhibit A-1) to the facility's Average Commodity Mix including any negative commodity market values and Contractor's charges for hauling and disposing of contaminated, unmarketable and/or Unacceptable Material ("**Residue**"). If the Town's recycling commodity value exceeds the processing rates in a given month, the Town will receive a rebate equal to 50% of the value above the processing fees.

6. Reporting and Credit. Contractor will provide Town with an annual report detailing the total tons of Recyclable Material received from the Town during the previous year and the calculation of Town's Recycling Commodity Credit for that year.

7. Changes in Market Conditions. If market conditions develop that limit or inhibit Contractor from selling some or all of the Acceptable Material, Contractor may at its option and upon notice to Supplier (i) redefine Acceptable and Unacceptable Materials, (ii) update the processing facility's Average Commodity Mix; (iii) suspend or discontinue any or all Services, or (iv) dispose of the Acceptable Material (as currently defined) in a landfill and update the pricing to Town accordingly. Any such actions, if taken, may be reversed or further changed as market conditions dictate.

8. Acceptable Material. All material must be empty, clean and dry. Contractor may modify the following list of Acceptable Materials in its sole and absolute discretion but will provide Town with at least thirty (30) days' prior written notice of any such modifications.

- Aluminum food and beverage containers - aluminum soda and beer cans, cat food cans, etc.
- Ferrous Cans - soup, coffee cans, etc.
- P.E.T. plastic containers with the symbol #1 - no microwave trays
- H.D.P.E. natural plastic containers with the symbol #2 - milk jugs and water jugs containers only (narrow neck containers)
- H.D.P.E. pigmented plastic containers with the symbol #2 - detergent, shampoo, bleach bottles without caps (narrow neck containers); butter and margarine tubs
- Polypropylene plastic food and beverage containers symbol #5 - yogurt containers
- Mixed Paper (54), as defined in the most recent ISRI Scrap Specifications Circular
- Sorted Residential Paper and News (56), as defined in the most recent ISRI Scrap Specifications Circular
- Kraft Paper Bags
- Old Corrugated Containers (OCC) - no wax coated
- Magazines (OMG) - Coated magazines, catalogues and similar printed materials, junk mail, and soft cover books
- Aseptic Cartons - Juice boxes, gable top milk and juice containers, soy milk and soup cartons



- Glass food and beverage containers - Flint (clear), Amber (brown), Emerald (green)

9. Unacceptable Material. Contractor may modify the following list of Unacceptable Materials in its sole and absolute discretion but will provide Town with at least thirty (30) days' prior written notice of any such modifications.

- Yard Waste
- Styrofoam
- Pizza Boxes, unless free of *any* food or grease residue
- Food
- Any liquids
- Diapers
- Clothing/textiles
- Plastic Bags or bagged material (newsprint may be placed in a Kraft bag)
- Plastic containers with #3, #4, #6, or #7 on them or no # at all
- Mirrors, window or auto glass, light bulbs, ceramics
- Oil or antifreeze containers
- Coat hangers
- Paint cans
- Medical Waste/Sharps
- Any Acceptable Material that is no longer acceptable due to its coming into contact with or being contaminated by Unacceptable Material.

## EXHIBIT A-1

### RECYCLING FACILITY AVERAGE COMMODITY MIX

**Net Processing Value/Charge - Model for Annual Rate Review - CONFIDENTIAL -Bermuda Run, Mocksville and Cooleemee**

Number of Homes	3,651
Pickups per Month	2.165
Pounds per set out	19.2
Tons per Month	75.88

Recycle Processing Rate per Ton for Residential Stream (from MRF Controller) **\$ 128.75**

	%	Tons	Rate		
Tons sold	84.7%	64.30	87.10	Rev from Commodity	\$ 5,600
Residual tons	15.3%	11.59	5 (53.25)	Residual Costs	\$ (617)
				Net Revenue	\$ 4,983

Commodity Value (Net Revenue divided by Tons per Month) \$ 65.67

Net Processing Position (Commodity Value minus Processing Rate) \$ (63.08)

Share with City 85%

City Rebate/Credit (per Ton) \$ 55.82

Monthly Net Processing Value (Rebate or Net Processing Position x Tons per Month) \$ 5,534

Net Processing Rate per household \$ 1.52

#### CONFIDENTIAL

- Price updates annually by CPI
- Updates annually by actual statistics
- Updates based on previous 12 month average value or monthly



Material Value (Revenue) Base Pricing Model Example							
Customer:	Davie Co Muni						
CONFIDENTIAL							
Material Value 12 month average 2019							
Material Type :	Residential Single Stream				Monthly Tons:		75.09
Commodity	Material Comp. % <sup>1</sup>	(Example) Index		Grade	Monthly Rate based off actual sale of materials 2019	Composite Tons	Index Value X Composition
OCC	19.76%	Market Value		OCC	\$ 62.67	14.837784	\$ 929.88
MIXED PAPER	45.33%	Market Value		MP	\$ 11.69	34.038297	\$ 397.91
PET	7.60%	Market Value		PETE	\$ 291.75	5.70684	\$ 1,664.97
Natural HDPE	1.10%	Market Value		HDPE N	\$ 732.93	0.82599	\$ 605.39
Pigment HDPE	1.90%	Market Value		HDPE C	\$ 340.95	1.42671	\$ 486.44
Tubs/lids	0.50%	Market Value		MPL	\$ 243.54	0.37545	\$ 91.44
Rigid Plastic	0.70%	Market Value		Rigid	\$ 38.00	0.52563	\$ 19.97
Scrap Metal	1.00%	Market Value		MM	\$ 39.46	0.7509	\$ 29.63
GLASS	3.00%	Market Value		Glass	\$ (17.46)	2.2527	\$ (39.33)
STEEL	2.44%	Market Value		#10 cans	\$ 121.97	1.832196	\$ 223.47
ALUMINUM (UBC)	1.40%	Market Value		UBC	\$ 1,076.67	1.05126	\$ 1,131.86
Residue	15.27%	Haul & Disposal of Residue			\$ (51.70)	11.466243	\$ (592.80)
	100.00%					75.09	
					Average/ton		\$ 65.91
						63.623757	\$ 87.10



## TOWN OF BERMUDA RUN

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### PROCLAMATION

**WHEREAS**, in September 2017, Family Promise of Davie County began operations dedicated to helping the most vulnerable among us—children and families who are temporarily homeless or at-risk of homelessness; and

**WHEREAS**, Family Promise supports numerous congregations of our area's faith community, which provides the facilities to house and feed guest families, thereby making a real difference in the lives of their neighbors in need; and

**WHEREAS**, believing that every child deserves a home, Family Promise of Davie County and its more than 600 volunteers empower families in making their transition from homelessness to sustainable independence; and

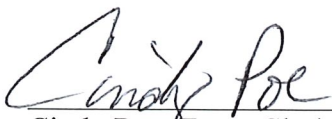
**WHEREAS**, over the past 3 years Family Promise of Davie County has served over 100 families via their homeless prevention, diversion, shelter, and stabilization programs.

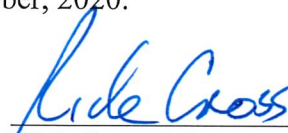
**NOW, THEREFORE**, I, Rick Cross, Mayor of the Town of Bermuda Run, do hereby proclaim the week of October 18 through 25 as:

### FAMILY PROMISE WEEK

in Davie County, and in so doing, urge all citizens to recognize and raise awareness of the issue of homeless children and families in our community.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the official seal of the Town of Bermuda Run to be affixed this 13th day of October, 2020.

  
Cindy Poe, Town Clerk

  
Rick Cross, Mayor

(SEAL)