

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2008 - 053

By: Mayor Perciak and All Members of Council

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CUYAHOGA COUNTY SOLID WASTE MANAGEMENT DISTRICT FOR RECYCLING OF CERTAIN ITEMS COLLECTED WITHIN OR BY THE CITY OF STRONGSVILLE, AND DECLARING AN EMERGENCY, AS AMENDED.

WHEREAS, the Cuyahoga County Solid Waste District (hereinafter, the "District") has, pursuant to Sections 3734.54 and 3734.55 of the Ohio Revised Code, prepared, adopted, and received approval from the Director of the Ohio Environmental Protection Agency for a solid waste management plan (the "Plan"), to provide adequate solid waste recycling and disposal capacity, and sound solid waste management alternatives, to households and businesses within the geographic boundaries of the District; and

WHEREAS, one of the strategies adopted pursuant to the Plan is to help develop markets for recyclables collected by political subdivisions, businesses, institutions and other waste generators within the District; and

WHEREAS, pursuant to Section 343 of the Ohio Revised Code, the authority of the District allows it to contract with political subdivisions to market their collected recyclables; and

WHEREAS, the District has issued a Request for Proposals from local recycling companies to receive, process and recycle paper collected by political subdivisions who are participating in the Cuyahoga County Paper Marketing Cooperative (hereinafter, the "Cooperative Members"); and

WHEREAS, the District and Cooperative Members have selected a recycling contractor based on all the contractors' responses to the Request for Proposals demonstrating that the selected contractor has the necessary personnel, experience and expertise to receive, process and recycle paper collected by the Cooperative Members; and

WHEREAS, the District will be entering into a contract (hereinafter, the "Recycler Contract") on behalf of the Cooperative Members with the Caraustar Recovered Fiber Plan (hereinafter, the "Recycler") to use its privately owned and operated facility to

receive, process and recycle all of the paper collected by the Cooperative Members including the Political Subdivision herein; and

WHEREAS, the underlying philosophy of the Recycler Contract is that the method of collection, including quality control of the recyclable paper, remains in the sole control of each Cooperative Member; and the paper collected and delivered to the Recycler is owned by each Cooperative Member and is sold by it directly to the Recycler; and

WHEREAS, all sales and/or deliveries of recyclable paper shall be between each Cooperative Member and the Recycler; and the Recycler shall make payments of money owed to each Cooperative member on a monthly basis. Furthermore, the District does not own the recyclable paper nor own or operate any of the facilities involved in this program, and is not administering this program, and shall not make any charges to the Cooperative Members and is merely acting as a facilitator for the Cooperative Members; and

WHEREAS, for these reasons, it would be beneficial to the residents and businesses within the City of Strongsville for the City to participate in this recycling program as a Cooperative Member.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA, AND STATE OF OHIO:

Section 1. That the Mayor be and is hereby authorized and directed to enter into an Intergovernmental Agreement for recycling of newspapers, mixed paper and cardboard with the Cuyahoga County Solid Waste Management District, substantially in the form attached as Exhibit 1, for the use and benefit of the City's residents ***through drop-off containers***.

Section 2. That any funds for the aforesaid purpose shall be paid into the City's Recycling Fund.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council; and that all deliberations of this Council, and any of its committees, that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 4. That this Ordinance is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, property, health, safety and welfare of the City, and for the further reason that the aforesaid Agreement is necessary in order to provide for the continuity of services to residents of the City, and

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conserve public funds. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved:

Mayor

Date Passed: March 17, 2008

Date Approved: 3-17-08

Attest:

Clerk of Council

ORD. No. 2008-053 (sub) Removed: _____
²⁰⁰⁸⁻¹⁶ 1st Rdg. 3-3-08 Ref: Public Service
2nd Rdg. 3-17-08 Ref: _____
3rd Rdg. Suspended Ref: _____
Amended by sub. 3/17/08
Pub Hrg. _____ Ref: _____
Adopted: 3-17-08 Defeated: _____

CERTIFICATE OF POSTING

I, Clerk of Council of the City of Strongsville, Ohio, do hereby certify that Ordinance/Resolution No. 2008-053 was duly posted on 3-21-08, and remained posted for a period of fifteen days thereafter, in not less than five of the most public places in the city as determined by the Council of said City.

Clerk of Council
Dated: 3/21/08

**INTERGOVERNMENTAL AGREEMENT
FOR RECYCLING OF
NEWSPAPERS, MIXED PAPER, AND CARDBOARD
IN CUYAHOGA COUNTY**

This Agreement (Agreement) is entered into by and between the City of Strongsville, a political subdivision organized under the laws of the State of Ohio, and the Board of County Commissioners of the Cuyahoga County Solid Waste Management District.

RECITALS

WHEREAS, the Cuyahoga County Solid Waste District (hereinafter, the "District") has, pursuant to Sections 3734.54 and 3734.55 of the Ohio Revised Code, prepared, adopted, and received approval from the Director of the Ohio Environmental Protection Agency for a solid waste management plan (the Plan), to provide adequate solid waste recycling and disposal capacity and sound solid waste management alternatives to households and businesses within the geographic boundaries of the District; and

WHEREAS, one of the strategies adopted pursuant to the Plan is to help develop markets for recyclables collected by political subdivisions, businesses, institutions and other waste generators within the District; and

WHEREAS, pursuant to Section 343 of the Ohio Revised Code, the authority of the District allows it to contract with political subdivisions to market their collected recyclables; and

WHEREAS, the District has issued a Request for Proposals from local recycling companies to receive, process and recycle paper collected by political subdivisions who are participating in the Cuyahoga County Paper Marketing Cooperative (hereinafter, the "Cooperative Members"); and

WHEREAS, the District and the Cooperative Members have selected a recycling contractor based on all the contractors' responses to the Request for Proposals that demonstrates that the selected contractor has the necessary personnel, experience and expertise to receive, process and recycle paper collected by the Cooperative Members; and

WHEREAS, the District will be entering into a contract (hereinafter, the "Recycler Contract") on behalf of the Cooperative Members with the Caraustar Recovered Fiber Plant (hereinafter, the "Recycler") to use its privately owned and operated facility to receive, process and recycle all of the paper collected by the Cooperative Members including the Political Subdivision herein; and

WHEREAS, a copy of the Recycler Contract is attached as **Exhibit A**, and incorporated as if fully rewritten herein; and,

WHEREAS, the underlying philosophy of the Recycler Contract is that the method of collection, including quality control of the recyclable paper, remains in the sole control of each Cooperative Member and the paper collected and delivered to the Recycler is owned by each Cooperative Member and is sold by it directly to the Recycler; and

WHEREAS all sales and/or deliveries of recyclable paper shall be between each Cooperative Member and the Recycler. The Recycler shall make payments of money owed to each Cooperative member on a monthly basis. The District does not own the recyclable paper or own or operate any of the facilities involved in this program and is not administering this program and shall not make any charges to the Cooperative Members and is merely acting as a facilitator for the Cooperative Members.

NOW THEREFORE, in consideration of the mutual promises and obligations contained herein, the District and the City of Strongsville, (hereinafter referred to as the "Political Subdivision") agree by and between themselves as follows:

Article I: Terms and Conditions of Paper Delivery

- A. The Political Subdivision shall establish and/or maintain a program to collect Newspaper, Mixed Paper and/or Cardboard from its residents ^{only through drop-off containers} and to ~~exclusively~~ deliver such collections to the Recycling Facility located at 3400 Vega Avenue, Cleveland, OH 44113. The Political Subdivision's collection system shall be designed to collect paper grades that meet the specifications of the Recycler. These paper specifications are outlined in the Recycler's Proposal attached as **Exhibit B**.
- B. The paper shall be delivered to the Recycling Facility by the Political Subdivision at its own cost in accordance with the terms of the Recycler Contract, including the following provisions, unless the Political Subdivision makes other separate pick up arrangements with the Recycler:
1. An unlimited tonnage of paper may be delivered by the Political Subdivision provided the delivery is made between the hours of 7:00 a.m. and 5:00 p.m. Monday through Friday and 8:00 a.m. and 2:00 p.m. on Saturday.
 2. The Newspaper, Mixed Paper, and Cardboard grades may include brown paper bags which residents may use to collect their recyclable paper but plastic bags are a prohibited material.
 3. Acceptance at the Recycling Facility is subject to inspection and approval by the Recycler as follows:
 - a. All vehicles delivering Newspaper, Mixed Paper and/or Cardboard shall be weighed on entry and the Political Subdivision's driver will be given a scale ticket reflecting the gross weight of the vehicle and its load.
 - b. Thereafter, the Recycler shall inspect the load and either accept same or indicate

does not meet the specifications as outlined in the Recycler Contract. The driver shall assist in cleaning the load to acceptable levels. Unacceptable material shall be removed by the driver or the Political Subdivision shall be charged for its disposal. The Recycler shall not have the right to reject a delivery once it has accepted same, except for subsequent discovery of hazardous substances specified in section I B 4. below, and the delivering Political Subdivision shall thereafter have no liability for failure of an accepted load to meet specifications.

- c. After acceptance of the paper, the delivery vehicle shall be re-weighed empty and the scale ticket printed with the net weight of the accepted load as well as the weight of any rejected material. The driver shall acknowledge the ticket and be given a copy showing the delivering Political Subdivision the grades of paper accepted and/or rejected and the weights of each.
4. The Recycler will not accept any substance or material classified as a "hazardous substance" as defined in Section 101(14) of the Comprehensive Environmental Response Compensation and Liability Act of 1990 (CERCLA). The Political Subdivision warrants that all materials delivered to the Recycling facility shall be free from any hazardous substance as defined in Section 101(14) of CERCLA. The Political Subdivision further agrees that the Recycler may reject a Political Subdivision's paper at any time, even after gate acceptance, up until it ships such material from the Recycling Facility if it determines that such paper contained any such hazardous substance and the Political Subdivision in such event, agrees to remove same at its expense.

Article II: Statements, Payments and Charges by the District

- A. Pursuant to the Recycler Contract, payments for the Newspaper, Mixed Paper and/or Cardboard delivered to the Recycler shall be made monthly by the Recycler directly to the Political Subdivision. The Recycler agrees to pay \$45.00 per ton for Newspaper, \$40.00 per ton for Mixed Paper and \$40.00 per ton for Corrugated Cardboard for the term of the Contract. Any charges incurred by a Political Subdivision for the added service of container rental and hauling shall be deducted from the value of the paper collected. The charges for container rental and hauling will be made according to the Price Sheet included in the Recycler's Proposal (Exhibit B) for the term of the Contract.
- B. Pursuant to the Recycler Contract, the Recycler shall send to the Political Subdivision, a statement reflecting the amount of Newspaper, Mixed Paper and/or Cardboard received from such Political Subdivision. The Recycler at the same time shall send the Political Subdivision a check for the total amount reflected on the statement. Both the statement and the payment will be made by the 10th day of each month.
- C. The District shall make no charges to the Political Subdivision for its services as facilitator of the Recycler Contract. It shall also have no obligation to administer or perform any other services or incur any expenses in connection with the recycling of any recyclable products.

Article III: Term of Agreement

- A. This Agreement shall commence on August 1, 2004, whereby on or after this date, the Political Subdivision shall start delivery of Newspaper, Mixed Paper and/or Cardboard to the Recycling Facility. This agreement shall terminate on August 2, 2009.

- B. The Parties hereto agree that they may extend this Agreement for an additional 5-year term at the expiration of the first term in the event that the following conditions are met:
 - 1. The District either extends the Recycler Contract for an additional five-year term or enters into a contract with another recycler.
 - 2. Both the District and the Political Subdivision agree to extend the term of this contract for an additional five-year term on the same terms and conditions or as may be mutually modified.

Article IV: Beneficial Relationship

The Political Subdivision acknowledges the District's contract with the Recycler (**Exhibit A**) to facilitate the recycling of recyclable paper herein, and as such, acknowledges that such Recycler is a third-party beneficiary of this Intergovernmental Agreement and that the Political Subdivision is therefore directly liable to the Recycler in the event of the Political Subdivision's breach of this contract.

Article V: Liability and Release

- A. The Political Subdivision maintains sole control over the transportation of its recyclable paper and it therefore agrees to remain responsible for any claims, demands, causes of action and proceedings of any kind including claims sounding in tort or contract or any regulatory action under any applicable environmental laws (specifically including indemnification for any liability under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (CERCLA) asserted by any person or entity including any governmental body, agency, or authority from any loss, cost, damage or expense relating in any way to the Political Subdivision's transportation of recyclable paper pursuant to this Agreement.

- B. In consideration of the District's waiver of any fees for its services as a facilitator or for any reimbursement of expenses not related to Political Subdivision's failure to comply with the provisions of this Agreement and the Recycler Contract, the Political Subdivision releases the District from any liability under this Agreement.

Article VI: Authority to Amend and Terminate Agreement

- A. The District shall have the following authority to amend or supplement this Agreement:
 - 1. The District may amend or otherwise modify the terms of this Agreement except for the provisions relating to the delivery and price paid for the Newspaper, Mixed Paper and/or Cardboard and the prohibition of the District making any charge to the Political Subdivision for its services under this Agreement.

2. The District shall notify the Political Subdivision of any amendment or modification it makes to this Agreement. The Political Subdivision shall thereupon have thirty (30) days from the date of said notice to withdraw from this Agreement, but thereafter withdrawal shall be waived.
- B. Either the District or Recycler may terminate the Recycler Contract in the event that either the District or Recycler violates their obligations set forth in the Recycler Contract but in such event the District shall make good faith efforts to provide another recycler to provide the same or similar services within 60 days of the Recycler Contract termination. In the event the District is unable to provide another Recycler, the Political Subdivision may withdraw from this Agreement upon 30 days notice and/or the District may terminate this Agreement upon 30 days' notice.

Article VII: Right to Withdraw

In the event that a Political Subdivision proposes to alter or privatize its municipal collection of Newspaper, Mixed Paper and/or Cardboard such that it has essentially relinquished control of the marketing of its recyclable paper, then it may withdraw from this Agreement upon thirty (30) days' notice to the District and to the Recycler. This provision does not allow a Political Subdivision to periodically sell some of its recyclable paper on the open market to take advantage of market fluctuations in price.

Notice. Any notice given pursuant to this Agreement, unless otherwise specified, shall be in writing and may be by U.S. Mail to the principal place of business of the undersigned which shall be the following unless notice is given of a change:

As to the District:

Cuyahoga County Solid Waste District
323 Lakeside Avenue, West, Suite 400
Cleveland, Ohio 44113

As to the Recycler:

Caraustar Recovered Fiber Plant
3400 Vega Avenue
Cleveland, OH 44113

As to the Political Subdivision:

City of Strongsville
16099 Foltz Parkway
Strongsville, OH, 44149

IN WITNESS WHEREOF, the District and the **City of Strongsville** acting herein by their duly authorized representatives, have hereunto set their hands this day and year first above written.

CUYAHOGA COUNTY SOLID WASTE
MANAGEMENT DISTRICT

James M. Schmitz
Witness

By: Jimmy A. Lenoir
Chair, Cuyahoga County Solid Waste District

Date: 5/1/2008

POLITICAL SUBDIVISION
THE CITY OF STRONGSVILLE

Donald M. Musick
Witness

By: Thomas B. Seiner
Mayor

The legal form and correctness of the within
instrument is hereby approved.
William D. Mason,
Prosecuting Attorney

S. Curtis-Patrick
Assistant Prosecuting Attorney

AGREEMENT WITH RECYCLER
FOR RECYCLING
NEWSPAPERS, MIXED PAPER AND CARDBOARD
FROM MEMBERS OF THE CUYAHOGA COUNTY
PAPER MARKETING COOPERATIVE

THIS AGREEMENT (Agreement) is entered into by and between the Cuyahoga County Solid Waste Management District, hereinafter referred to as the "District", and the Carastar Industries Inc. Recovered Fiber Plant, located at 3400 Vega Avenue in Cleveland, Ohio, hereinafter referred to as the "Recycler" and hereinafter collectively referred to as the "Parties".

RECITALS

WHEREAS, the Cuyahoga County Solid Waste District has, pursuant to Sections 3734.54 and 3734.55 of the Ohio Revised Code, prepared, adopted, and received approval from the Director of the Ohio Environmental Protection Agency for a solid waste management plan (the Plan), to provide adequate solid waste recycling and disposal capacity and sound solid waste management alternatives to households and businesses within the geographic boundaries of the District; and

WHEREAS, one of the strategies adopted pursuant to the Plan is to help develop markets for recyclables collected by political subdivisions, businesses, institutions and other waste generators within the District; and

WHEREAS, pursuant to Section 343 of the Ohio Revised Code, the authority of the District allows it to contract with political subdivisions to market their collected recyclables; and

WHEREAS, the District has advertised for and received proposals from local recycling companies to receive, process and recycle paper collected by various political subdivisions who will be entering into Intergovernmental Agreements (in the form attached hereto as Exhibit A) to participate in the Cuyahoga County Paper Marketing Cooperative; and

WHEREAS, a list of the political subdivisions who have signed Letters of Interest to participate in the Cuyahoga County Paper Marketing Cooperative (hereinafter the "Cooperative Members") is attached as Exhibit B; and

WHEREAS, the District and the Cooperative Members have selected the Recycler based upon the Recycler's Proposal, which is attached as Exhibit C and incorporated as if fully rewritten herein, and the District has determined to enter into this Agreement pursuant to the Recycler's Proposal and the selection by the Cooperative Members; and

WHEREAS, the Recycler has the necessary personnel, experience and expertise to receive, process and recycle paper collected by the Cooperative Members.

NOW THEREFORE, in consideration of the mutual promises and obligations contained herein, the District and the Recycler agree by and between themselves as follows:

Article I: Statement of Work

- A. During the term of this Agreement, the Recycler shall perform the services set forth in this Article I of this Agreement and also set forth in the Recycler's Proposal which is hereby made a part of this Agreement (Exhibit C). Such services shall be performed throughout the term of this Agreement.
- B. The Recycler shall receive Newspapers, Mixed Paper and/or Cardboard from Cooperative Members at its recycling facility located at 3400 Vega Avenue, Cleveland, OH 44113. The recycling facility shall be open from 7:00 a.m. to 5:00 p.m. Monday through Friday and from 8:00 a.m. to 2:00 p.m. on Saturdays.
- C. All Cooperative Member vehicles delivering Newspapers, Mixed Paper and/or Cardboard shall be weighed on entry and the driver given a scale ticket reflecting the net weight of the load.
- D. The Recycler shall purchase Newspapers, Mixed Paper and/or Cardboard from the Cooperative Members according to the Price Sheet included in the Recycler's Proposal and attached as Exhibit C.
- E. The Recycler shall provide the optional service of container rental and hauling services for any Cooperative Member desiring this service. The Recycler shall provide the containers and must pick up and replace the containers within 48-hours of receiving a pick-up request from a Cooperative Member. The Recycler may charge for this service according to the Price Sheet included in the Recycler's Proposal (Exhibit C). The cost of this optional service shall be deducted from the value of the paper received.
- F. The Recycler shall establish and maintain a record keeping and payment system to record the tonnage of paper received from each Cooperative Member and to record, calculate and process monthly payments for each Cooperative Member based upon the tonnage of Newspapers, Mixed Paper and/or Cardboard received by the Recycler from each Cooperative Member each month. The Recycler shall provide the District with a report of tonnages received and payments disbursed to each Cooperative Member each month. These reports must be sent to the District on a monthly basis.
- G. The Recycler shall ensure that the paper it receives from the Cooperative Members, and not rejected due to contamination or paper grading requirements, is delivered to a recycling mill to be made into new products. Upon request, the Recycler must be able to provide the District with documentation to certify that the paper has been recycled.
- H. The Recycler agrees to perform all services hereunder in a safe and workmanlike manner, and in full compliance with all applicable laws, regulations, and ordinances of any federal, state or local governmental entity.
- I. The Recycler agrees to assign one project manager to assure the satisfactory performance of the work hereunder and to serve as the primary contact for the District and the Cooperative Members.

Article II: Terms and Conditions of Paper Acceptance

- A. The Recycler shall accept from all Cooperative Members, unlimited quantities of Newspaper that meet the specifications for #8 News as defined in the Recycler's Proposal attached as Exhibit C.
- B. The Recycler shall accept from all Cooperative Members, unlimited quantities of Mixed Paper that meet the specifications for Grade #1 Mixed Paper as defined in the Recycler's Proposal attached as Exhibit C.
- C. The Recycler shall accept from all Cooperative Members, unlimited quantities of Cardboard that meet the specifications for #11 OCC as defined in the Recycler's Proposal attached as Exhibit C.
- D. The term "Outthrows" as used throughout this section is 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.
- E. The term "Prohibited Materials" as used throughout this section is defined as any materials which by their presence in a packing of paper stock, in excess of the amount allowed, will make the packaging unusable as the grade specified, or any materials that may be damaging to equipment.
- F. Any Cooperative Member that collects and/or delivers paper loads that do not meet the grade specifications as defined in the Recycler's Proposal or exceed the allowable percentage for Outthrows and Prohibited Materials will assist the Recycler's personnel in cleaning the load to acceptable levels and dispose of the rejected material. The Recycler reserves the right to charge any such Cooperative member \$50.00 per ton for the disposal of any rejected material not removed by such Cooperative Member.

Article III: Recycling

The Recycler shall recycle or arrange for the recycling of all Newspapers, Mixed Paper and/or Cardboard which is accepted pursuant to this Agreement. The term "recycle" for purposes of this Agreement shall have the same meaning as the term "Recycling" which is defined in Chapter 3745 of the Ohio Revised Code and/or the regulations promulgated thereunder or as may be amended or replaced from time to time by the Ohio Legislature or the Ohio EPA.

Article IV: Beneficial Relationship

- A. The Recycler acknowledges that the District has entered into Intergovernmental Agreements with political subdivisions to become members of the Cuyahoga County Paper Marketing Cooperative in the form attached as Exhibit A, the terms and conditions of which the Recycler accepts and acknowledges. The Recycler further acknowledges that this Agreement is also for the benefit of the Cooperative Members, and that such Cooperative Members are third-party beneficiaries of this Agreement.
- B. The District shall have no liability to the Recycler for any breach of this Agreement and the Recycler, which is a third-party beneficiary of the Intergovernmental Agreement shall look solely to the appropriate Cooperative Member in the event of breach by such Cooperative Member.
- C. The District may add additional Cooperative Members to this Agreement following written notice to the Recycler 30-days in advance of the delivery of any paper to the Recycler.

Article V: Statements and Payments

- A. Prior to the 10th of each month during the term of this Agreement, the Recycler shall send to each Cooperative Member, a statement reflecting the amount of Newspaper, Mixed Paper and/or Cardboard accepted from such Cooperative member. The Recycler at the same time shall send each Cooperative Member a check for the total amount reflected on the statement.
- B. The Recycler shall pay the Cooperative Members \$45.00 per ton for Newspaper, \$40.00 per ton for Mixed Paper and \$40.00 per ton for Corrugated Cardboard for the term of the Contract. Any charges incurred by a Political Subdivision for the added service of container rental and hauling shall be deducted from the value of the paper collected.
- C. The Recycler shall deduct \$125 for the cost to provide the optional service of container rental and hauling services from the value of the paper received from any Cooperative Member desiring this optional service.

Article VI: Environmental Compliance

The Recycler shall operate its Recycling facility in conformity with all applicable governmental laws, regulations, ordinances, restrictions, policies and guidelines.

Article VII: Warranty and Indemnification

- A. The Recycler warrants the representations made in its proposal (Exhibit C) and shall carry out all actions proposed therein except insofar as same are inconsistent with the other provisions of the Agreement.
- B. The Recycler shall indemnify, defend, and hold harmless the District and the Cooperative Members against all claims, demands, actions, causes of action and proceedings of any kind, including claims sounding in contract or tort or under applicable environmental laws, in particular including indemnification for any "release" or "threatened release" as defined in Section 101(22) of the Comprehensive Environmental Response Compensation and Liability Act of 1980 (CERCLA), of any "hazardous substance" as defined in Section 101(14) of CERCLA asserted by any person or entity, including any governmental body, agency, or authority and from any loss, cost, damage or expense, relating to the activities of the Recycler. This indemnity and hold harmless does not indemnify and hold harmless a Political Subdivision for a hazardous substance that is delivered and not removed by such Political Subdivision and is therefore in violation of the Intergovernmental Agreement (Exhibit A)

Article VIII: Term of Agreement

This Agreement shall commence on August 1, 2004 and shall end five (5) years thereafter, on August 1, 2009 unless extended by the parties in writing. The parties agree to negotiate prior to the close of the five (5) year term to determine if they are able to reach mutual agreement on all terms in order to extend this contract for a second five (5) year term.

Article IX: Termination and Remedies

- A. Except in the case of delay or failure resulting from a Force Majeure event and without fault or negligence, either Party shall be entitled, upon thirty (30) days prior written notice, to cancel this Agreement in its entirety, for breach of any of the terms, and to have all other rights against the

other Party by reason of such breach as provided by law. A Breach shall mean, but shall not be restricted to, any one or more of the following events:

1. failure to make payments according to the terms set forth in Article V: Statements and Payments.
2. breach of any warranty, or failure to perform or comply with any term of this Agreement;
3. insolvency or any other unsound financial condition so as to endanger performance hereunder;
4. failure to provide services as described in Article I - Statement of Work.

B. A Force- Majeure shall mean such circumstances and events as are beyond the reasonable control of a Party, including, but not limited to: acts of God, acts of war, riot, fire, explosion, accident, flood or sabotage; unforeseeable or unpreventable lack of adequate fuel, power, raw materials, labor or transportation facilities; unforeseeable changes in governmental laws, regulations, requirements, orders or actions; unforeseeable or unpreventable breakage or failure of machinery or apparatus; national defense requirements; injunctions or restraining orders; or unforeseeable or unpreventable labor trouble, strike, lockout or injunction. During a Force Majeure event, the performance of any obligation or service due under this Agreement may be suspended, provided that notice is provided by the Party claiming Force Majeure to the other Party as soon as practicable. Such notice shall include a description of the circumstances justifying suspension of performance, the anticipated duration of suspension, and the steps being taken to resume performance under this Agreement as soon as practicable. All reasonable efforts shall be made to minimize the duration of any suspension of performance (provided that neither party shall be required to settle or prevent a labor dispute or legal action against its own best judgment).

C. The Parties acknowledge that compliance with environmental laws and regulations and recycling requirements of the Agreement are material provisions of the Agreement and that the District and the Cooperative Members do not have an adequate remedy at law in the event of the Recycler's violation thereof and that equitable relief would be appropriate for such violations. The parties also acknowledge that in the event of a breach by the District, the Recycler may also seek equitable relief.

D. Notwithstanding any other provision of the Agreement, the parties shall have all remedies provided by law to enforce the terms of this Agreement.

Article X: Contract Changes, Breaches

- A. No change to any provision of this Agreement shall be effective unless stated in writing and signed by both parties to this Agreement.
- B. No term or provision of this Agreement shall be deemed waived and no Breach excused unless the waiver or consent is in writing and signed by both Parties to this Agreement. Either Party may at its discretion, in event of a Breach, notify the other Party of the Breach and allow it a time specified to correct the Breach.

Article XI: Communications and Notices

- A. The District shall communicate directly with Rich Ryan and at his direction, shall consult with the personnel of the Recycler or other appropriate persons, agencies, and instrumentalities as necessary to assure understanding of the work and satisfactory completion thereof.
- B. The Recycler shall communicate directly with Diane Bickett, Assistant Director, and at her direction, with the personnel of the District and other appropriate persons, agencies, and instrumentalities as necessary to assure understanding of the work and satisfactory completion thereof.

Notice. Any notices or reports required by this Agreement shall be in writing and sent by the District and the Recycler in the United States mail to the address below:

As to the District:

Cuyahoga County Solid Waste District
323 Lakeside Avenue West, Suite 400
Cleveland, OH 44113

As to the Recycler:

Caraustar Recovered Fiber Plant
3400 Vega Avenue
Cleveland, OH 44113

IN WITNESS WHEREOF, the District and Caraustar Industries Inc. acting herein by their duly authorized representatives, have hereunto set their hands this day and year first above written.

CUYAHOGA COUNTY SOLID WASTE
MANAGEMENT DISTRICT

Phillip M. Hughes
Witness

By: [Signature]
Chair, Cuyahoga County Solid Waste District
Date: 7/27/2004

CARAUSTAR INDUSTRIES INC.

Donald Leonard
Witness

By: [Signature] - President RFG
Name, Title
Date: 5/28/04



Proposal to Receive, Process, and Recycle
Source Separated Newspaper, Mixed Paper, and Cardboard
for the Members of Cuyahoga County Paper Marketing
Cooperative.

RECEIVED

APR 30 2004

CUYAHOGA COUNTY
SOLID WASTE DISTRICT

Due Date: April 30, 2004

Exhibit B
Recycler's Proposal

A. Bidder Identification

Caraustar Recovered Fiber Plant
3400 Vega Avenue
Cleveland, Ohio 44113
216-961-5060
Fax 216-961-1924

Key individual submitting and responsible for contract:
Rich Ryan, General Manager.
Rich.Ryan@caraustar.com

Corporate Headquarters:

Caraustar Industries Inc.
3100 Joe Jerkins Blvd.
Austell, GA. 30106
770-948-3101
Tom Brown, President

Recovered Fiber Group Headquarters:

Caraustar Recovered Fiber Group
531 Roselane Street, Suite 650
Marietta, GA 30060
770-745-3760
Greg Cottrell, Recovered Fiber Group President
Mitch Whitley, Regional Manager

Caraustar Cleveland Recovered Fiber Plant is incorporated and authorized to do business in the State of Ohio.

B. Business History and Qualifications

This facility at 3400 Vega Ave has been in operation since 1959 as Ohio Boxboard. It was purchased to supply the paper mill in Rittman, Ohio. The mill in Rittman was formed from a merger with Ohio Boxboard, American Boxboard, and Central Fiber Products. The mill in Rittman and this facility were acquired by Tenneco Inc. in 1965. The plants were known as PCA, (Packaging Corporation of America).

This facility has been accepting newspaper, mix, and corrugated, as well as other grades, since 1959 for recycling. We have been involved with schools, organizations and communities, through drop-offs and collection bins, to source newspaper for our paper mills.

In 1996, Caraustar purchased the Vega Ave facility and the Rittman Paperboard Mill from Tenneco Inc. Caraustar is the leading supplier of recycled boxboard in the United States. We are, by far, the largest independent supplier of gypsum facing paper in North America. We are also the country's second largest supplier of tubes, cores, and composite containers and among the top ten carton manufacturers.

The Cleveland Plant has been recycling newspaper, mix and corrugated for more than 45 years at this facility. We have been servicing the Coop for the past ten years plus. In those ten years we have followed the terms of the contract without any major disruptions to the county or its members. We began the Coop Agreement by paying \$5.00 per ton to all the cities in a very down year. This lasted a full year.

Since that time we have serviced both delivered and picked up communities rather efficiently. We have helped some cities with transportation problems by supplying bins until trucks were repaired. During those times we did not charge for service. Some repairs lasted a week or more and we were able to service them with little disruption to our own schedule. We have proven to all participating cities that we are here for the long run and have taken material in good times and bad.

Caraustar Industries Inc. is a publicly trade company (CSAR) on the NASDAQ Exchange. We currently have 108 facilities and over 5,700 employees as of 2004. Caraustar consists of 15 Paperboard Mills, 5 Specialty Converting Plants, 24 Custom Packaging Plants, 55 Industrial & Consumer Products Groups, (tubes and cores), 7 Recovered Fiber Plants, and 2 Gypsum Wallboard Plants.

Key officials in Caraustar:

Tom Brown, President and Chief Executive Officer
Michael Keough, Senior V.P. and Chief Operating Officer,
Ronald Domanico, V.P. and Chief Financial Officer
Greg Cottrell, President of Recovered Fiber Division

Key personal at the Cleveland Facility:

Rich Ryan, General Manager
Eric Michener, Plant Manager
Karen McGraw, Plant Controller

Cheryl Burton, Plant Clerk and Scheduler

All Cleveland employees above have been employed between 10 and 20 years at this plant.

C. Bidder References

1. The Cleveland Plain Dealer
4800 Tiedeman Rd.
Brooklyn, OH 44144
Contact: Bill Mickey 216-999-4004
2. Abitibi Recycling
P.O. box 1040, Allanburg Rd.
Thorold, Ontario Canada L2V 3Z5
Contact: Colin E. Johnston 905-680-3145
3. Shred-it Document Destruction Company
6777 Engle Rd.
Middleburg Hts. OH 44130
Contact: John Montgomery 800-697-4733

D. Description of Essential Services

1. Caraustar Recovered Fiber Plant (RFP) is located at 3400 Vega Ave., Cleveland OH. 44113. We are located inside Cuyahoga County as required per bid specifications. We are located on the near west side of Cleveland at the intersection of Fulton Rd. and Vega Ave. The plant is situated on 5.2 acres of land. We are capable of processing 240 tons per day (2 -8 hour shifts) and storing 5,700 tons of baled material at any time. A plant map and building description will be enclosed for details.

Caraustar Recovered Fiber Plant Layout

The following page is a plant layout After that is a description of square footage and also storage capacity in tons for all types of paper we handle at this plant.

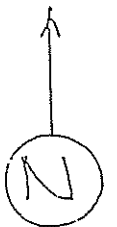


Carastar

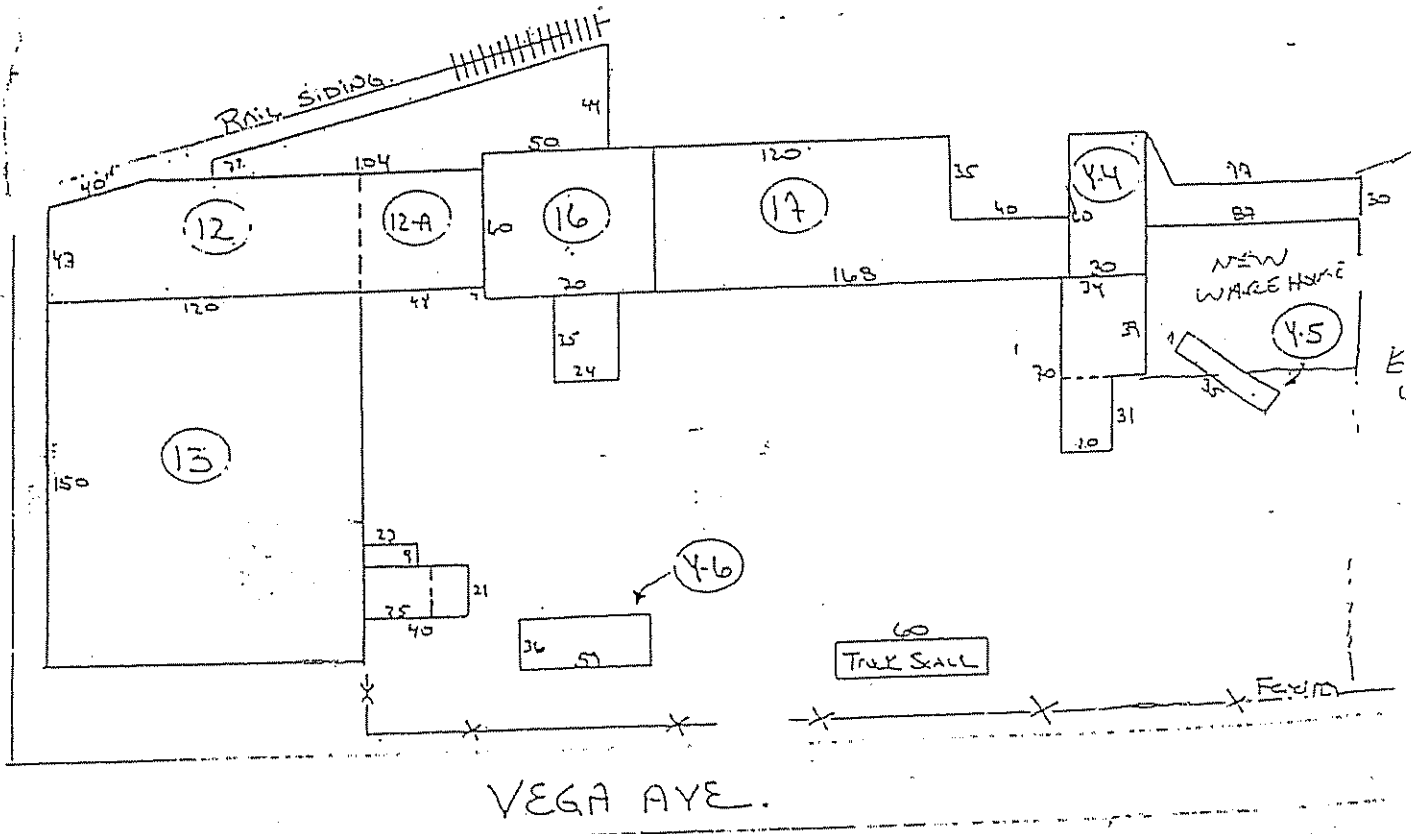
CITY OF CLEVELAND - CUYAHOGA COUNTY, OHIO

Parcel # 7-19-107 SCALE 1"=80'

#. |



FULTON RD.



Caraustar Recovered Fiber Plant
Cuyahoga County, Ohio

Plant Layout and Tons Capacity

<u>ID</u>	<u>Primary use</u>	<u>Usable Sq FT</u>	<u>Approx tons Storage</u>
12	Storage	5,640	733
12A	Storage	2,448	320
13	Warehouse	34,200	4,449
16	Baler Room	5,040	300
17	Baled Paper Whse	8,588	1,116
Y4	Storage	1,800	234
Y5	Conveyor	N/A	N/A
Y6	Office	3,450	N/A
Y7	New Baler Addition	9,820	1,275
<u>Total under roof</u>		<u>70,986</u>	<u>8,193</u>

We also have a black topped East yard which is 80,000 square foot for cities to dump and also bale storage if needed.

Equipment

- (1) Selco Harris Centurion 2 Ram Baler
- (1) American 7242 Single Ram Wide Mouth Baler
- (1) Mayfran conveyor 9' wide by 60' long
- (1) Schmidt conveyor 5' wide by 75' long
- (5) 5,000 lb. capacity lift trucks
- (1) Volvo L90C Front End Loader
- (1) Kawasaki Front End Loader
- (1) 60' Truck Scale
- (2) Plant Scales for bales and boxes
- (3) Straight Trucks
- (1) Roll Off Truck with 15 (40) yd. drop boxes
- (3) Tractor Trailers
- (60) Semi Trailers
- (2) Roll Cutters
- (1) Scale Readout and Printer for Weights and Records

Caraustar RFP is easily accessible from East and West via I-90 with 2 exits to choose from. Trucks can exit at West 25th from the west and W. 41st from the east. Vega Ave is marginal along I-90 on the north side between West 25th (Rt. 42) and Fulton Rd. Southeast cities access our plant by taking I-77 north to I-490 to W. 41 Street. Another option is using the Jennings Freeway to I-90 West to W. 41 Street. Southwest cities can reach the plant via I-71 to the Fulton Rd. exit and head north 1.5 miles to Vega Ave.

The plant is open 7 A.M. to 5 P.M. Monday through Friday and 8 A.M. to 2 P.M. or as prearranged with any cities involved. We are closed for New Years Day, Memorial Day, 4th of July, Labor Day, Thanksgiving, Christmas Eve, Christmas Day, and New Years Eve. We realize that many pick-ups are pushed back a day with holidays and we will accommodate any schedules with individual cities as necessary.

2. Grade Definitions

First I will explain some definitions you will see throughout the grades specifications.

OUTTHROWS

The term "outthrows" as used throughout this section is 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".

PROHIBITIVE MATERIALS

The term "Prohibitive Material" as used throughout this section is defined as:

- A. Any material which by their presence in a packing of paper stock, in excess of the amount allowed, will make the packaging unusable as the grade specified.
- B. Any material that may be damaging to equipment.

Note: The maximum quantity of "outthrow" in one grade and as a "prohibitive material" in another grade. Carbon paper, for instance, is "UNSUITABLE" in Mixed Paper and is, therefore, classified as an "outthrow" whereas it is "UNUSABLE" in White Ledger and in this case classified as a "prohibitive material".

Grade #1 Mixed Paper Specifications:

Consists of a mixture of various qualities of paper not limited as a type of packing or fiber content. May contain magazines, catalogs, and similar printed matter.

Prohibitive materials may not exceed 2%

Total Outthrows may not exceed 10%

ACCEPTABLE MATERIALS FOR RMP:

Newspaper	Colored Paper	Gift and Toy Boxes
Magazines	White Paper	Greeting Cards
Pamphlets & Brochures	Envelopes	Cancelled Checks
Phone Books	Beer and Soda Containers	Cereal Boxes
Catalogs	Old Files	
Cardboard	Folders	
Chipboard	Paper Bags	
Food Boxes	Books (Hardbound and Soft)	
Junk Mail	Office and Computer Paper	

OUTTHROWS FOR RMP

Paper Milk Cartons
Foil and Plastic Lined Products
Sanitary Products
Waxed Paper
Juice Cans and Pouches

PROHIBITED ITEMS FOR RMP Means all non-paper items, including but limited to:

Plastic Bags	Rubber
Wood	Styrofoam
Metal	Photographs
Plastics	Carbon Paper
Asphalt Treated Papers	Medical Waste
Food Waste	Hazardous Materials
Glass	Animal Waste

Grade #8 Old Newspapers Specifications

ONP will consist of sorted, fresh, newspapers, not sunburned, white blank, pressroom over issue, containing the normal percentage of rotogravure and colored sections. ONP may include up to 10% or 200 lbs. per ton of Magazines, up to 2% or 40 pounds per tons of Other Papers (as defined below), up to 104 of 1% or five pounds per ton of Outthrows (as defined below), 0% of Prohibitive (as defined below)

OTHER PAPERS

Pamphlets and Brochures	Envelopes
Shopping Catalogs	Mail

Sorted White Ledger

Household White Paper

OUTTHROWS

Unbleached bags
Manila File Folders
Boxboard
Post-it-notes

Corrugated Containers
Brown Kraft Envelopes
Chipboard
Telephone Directories

PROHIBITIVES

Wood
Metal
Plastics
Tapes
Foil Laminated Papers
Asphalt Treated Papers
Spiral or Plastic-bound
Notebooks
X Rays
Food Waste
Beater Dyed Paper

Glass
Rubber
Styrofoam
Photographs
UV Coated Papers
Carbon Paper
Medical Waste
Electrocardiogram
Hazardous Materials
Wet Strength Papers
(Blueprints and Beverage Containers)

Grade # 11 Old Newspaper Specifications

Consists of corrugated containers having liners of either test liner, jute, or kraft

Prohibitive materials may not exceed 1%

Total Outtthrows may not exceed 5%

PROHIBITIVES

Wood
Metal
Plastics
Food Waste
Photographs
Wax Coated Cardboard

Glass
Rubber
Styrofoam
Medical Waste
Hazardous Materials
Pressboard

OUTTHROWS

Boxboard
Chipboard
Other Papers
Newspapers
Foreign Cardboard
Phonebooks

Inspecting and grading upon delivery

Upon entering and weighing the load on our State Certified scale, each truck will dump their loads in a separate area per grade. ONP and RMP will go to the east end our yard and OCC will be dumped by the office near the west end. At each end there will be employees working on conveyors and in front-end loaders. As loads are dumped, Caraustar employees will observe most loads coming off the trucks. If a load is flagged as questionable, the Caraustar employee will tell his supervisor or notify the office. We will then look at the load and tell the driver of any problems we see with the load. Most times a driver will clean up the problem by throwing it back into the truck. If a driver doesn't assist in cleaning a load to acceptable levels, Caraustar will have 2 personnel look at the load. This will ensure congruity. If rejected, the city will have 2 options. 1) We can reload it back on the truck and the city can take it elsewhere or 2.) Caraustar will invoice the city \$50.00 per ton for accepting the load. To verify Caraustar will hand sort the contaminants into separate boxes for weighing and calculating the percentage of prohibitives and outthrows. With the use of a digital camera we can also e-mail photos to service directors or recycling coordinators.

The city can either pay the invoice or have it deducted from the monthly payment for the received material.

Over the past ten years we have not run into very many problems with quality. Now all cities in the current Co-op are very good about source separating at the curb.

3. Caraustar has Roll-off truck capabilities for cities that choose to have a drop-off site. We currently have 15 drop boxes now for those cities that need them. We are currently dealing with 2 cities in the Co-op for news now and 2 cities for RMP. These bins are switched out on call as needed within 24 hours.
4. The process for incoming cities is very simple now. When a city drives in the yard they proceed to the 60 foot truck scale. We then enter their weight into a computer along with truck number and city. They then proceed to dump in the appropriate pile. They will then get back on the scale to record an empty weight. We then enter in the weight and process out 2 tickets. One is given to the driver which shows in weight, out weight, and tare. The other copy is processed for payment. Anytime during the month we can pull up weights month to date. The same is true for any loads we pick up at city drop-offs. We weigh them full, then empty and put the tare into the computer till month end totaling.
5. As touched upon earlier, Caraustar weighs every truck in and out. When a city gets on the scale they are entered into the computer by vendor number and truck number. The computer then kicks out a receipt for the gross weight. This receipt is used to re-enter the vendor into the system when a city gets back on to weigh out. The receipt has a number on it to ensure that full and empty weights are for the same city. After the truck is weighed empty the computer calculates the net weight and kicks out 2 receipts. One is given to the driver. We keep the other to validate at the end of the day to process for payment. The Purchase Order is set each month by putting the price in for each city.

Once we enter a price we can validate and complete for payment. The computer will then total each city separately for the month. Each report is a total of the whole month for each grade delivered or picked up. It will also have a year-to-date printed on each one. This will be mailed out during the first week of the next month.

The same is true for all three grades in this proposal. If a city brings in all 3 grades separately then we will need 3 different weights. This is to ensure correct payment for each grade delivered. Right now all cities are bringing in one grade. Two cities are RMP and the rest are ONP. If they decide to separate, then all they need to do is inform us as to what they are dumping and the computer will process them separately.

At the end of the month each city is totaled and sent with payment 5 days hence. This puts payments to each city around the 20th of the next month. A complete list is also sent to The Cuyahoga County Solid Waste District for their records. It will segregate each city and the grades for each. The program will then multiply by the current price and checks will be mailed to each city.

The cities and the County will receive reports after they are mailed out the first week of the next month.

6. A list of mills we will market the paper to are as follows:

RMP

Caraustar Rittman Paperboard
100 Industrial St.
Rittman, OH 44270
Jerry Brink, Buyer 641-484-2884 ext 2254

Hartford City Paper
501 South Spring Street
Hartford City, IN. 47348
Karla Camp, Buyer

ONP

Abitibi Consolidated
Recycling Division
2 Allanburg Rd.
Thorold, Ontario Canada L2V 3Z5
Colin Johnston, Marketing Manager, 905-680-3145

Bowater Inc.
Southern Division
5020 Highway 11
Calhoun, TN 37309
Lisa White, Buyer 770-592-4921

OCC

Caraustar Rittman Paperboard
100 Industrial St.
Rittman, OH 44270
Jerry Brink, Buyer 641-484-2884 ext 2254

Packaging Corp. of America
Highway 57
Counce, TN 38326
Stu Heinbach, Buyer 330-927-7227

Packaging Corp of America
2246 Udell St.
Filer City, MI 49634
Kim Cousineau, Buyer 269-209-4522

Inland Paperboard and Packaging Inc
1241 W. Second St.
Maysville, KY 41056
Zandy Stewart, Buyer 660-564-0064

Greif Bros. Corp.
9420 Warminton St.
Massillon, OH 44646
Jamie Kutcher, Buyer 330-879-2101

E. Environmental Compliance

Caraustar Recovered Fiber Plant is responsible for all necessary siting permits and licensing, whether federal, state, or local.

Caraustar agrees to ensure that our facility on 3400 Vega Ave, Cleveland, conforms to all applicable laws, regulations, ordinances, restrictions, policies, and guidelines enacted in the past, present or future.

REQUEST FOR PROPOSALS:
Cuyahoga County Paper Marketing Cooperative

ATTACHMENT A: PRICING SHEET

<p><u>Pricing Structure A:</u> <i>Fixed Rate Pricing</i></p>	<p>Bidders must state the price per ton to be paid for each of the separated paper grades listed below for the entire contract term. Prices should be stated in 1/4 cent multiples.</p>
ONP	\$ <u>45.00</u>
RMP	\$ <u>40.00</u>
OCC	\$ <u>40.00</u>
<p><u>Pricing Structure B:</u> <i>Adjustable Rate Pricing</i></p>	<p>Adjustable Pricing must be based on the Yellow Sheet (Chicago Market Price) for the following separated paper grades:</p> <p>Bidders must state the price per ton (in 1/4 cent multiples) that will be subtracted from the Yellow Sheet price before compensating communities. This price is assumed to cover the Bidder's paper handling and processing costs. This price should be stated as follows:</p>
ONP	<p>\$ <u>24.00</u> below the high Chicago Market Price for ONP. State whether your price is for # 6 News or # 8 News.</p>
RMP	<p>\$ <u>15.00</u> below the high Chicago Market Price for Mixed Paper.</p>
OCC	<p>\$ <u>20.00</u> below the high Chicago Market Price for OCC.</p>
Floor Price	<p>Bidders must state the <u>minimum price per ton</u> that would be guaranteed for the term of the contract regardless of the Yellow Sheet price. \$ <u>NEXT SHEET</u></p>
<p><u>Optional Services:</u> <i>Container Rental and Hauling</i></p>	<p>Bidders must state the price per pickup per container, that will be charged to provide container rental and hauling services. This price is assumed to be deducted from the price paid to communities for the value of their paper.</p>
20-yard roll-off or trailer	\$ _____
30-yard roll-off or trailer	\$ _____
40-yard roll-off or trailer	\$ <u>125.00</u>
Other (define):	\$ _____
Other (define):	\$ _____

If needed, attach additional sheets to further explain your bid or services.

Alternative Pricing for OCC and RMP

The Caraustar Rittman Mill is accepting loose material now. We would like to give the cities an option for delivering to them direct for two grades.

RMP-We will pay \$50 (fifty) per ton delivered to the Rittman Facility only. If they bring it to the Cleveland Facility because of the Mill being down or for maintenance and repair, then they will receive payment according to pricing for RMP in Pricing Structure B.

OCC- We will pay \$55 (fifty-five) per ton delivered to the Rittman facility only. If the Mill is down and cannot take the loads, then they will be dumped in our yard for the price for OCC in Pricing Structure B.

Floor Prices for Pricing Structure B:

ONP--\$25 per ton

RMP--\$25 per ton

OCC--\$30 per ton