

Contracting a Case of the MRFs

U-M' s Experience with MRF & Transfer Station Contracts and What YOU Need to Know

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In the Beginning...

- 1989: Recycling begins at U-M
- 1993: Partner on MRF & TS
- 1995: Sign contract

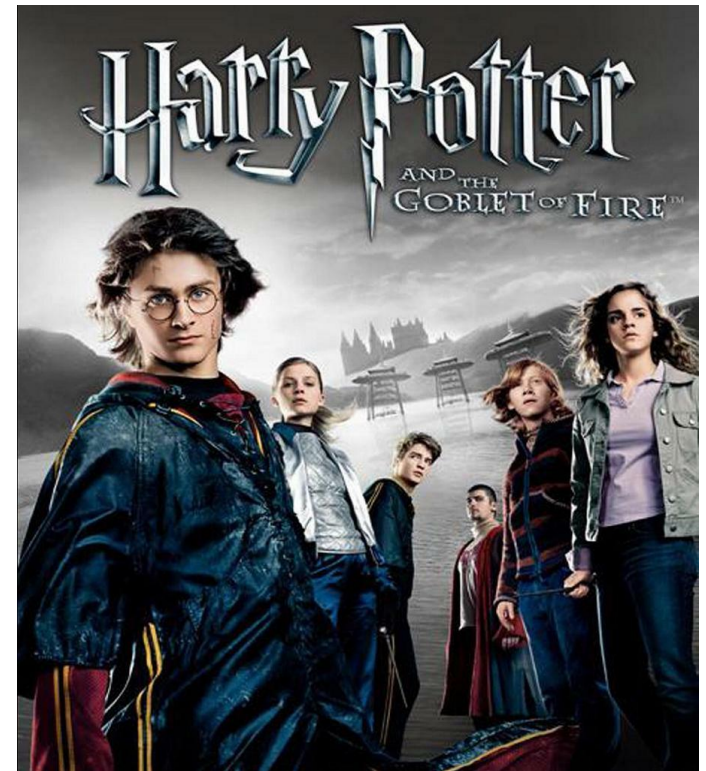


Details of Contract #1

- **Dual stream**
- **Processing fee & 50% revenue share for recyclables**
- **Hauling fee + landfill fee for trash**
- **10 year contract**

10 Years Later - 2005

- Renegotiated contract
- Remained dual stream
- Interesting equation for recyclables
 - Guaranteed pricing & market-based
- Hauling fee + landfill fee for trash
- 10 year contract



5 Years Later - 2010

- Single-stream retrofit
- Additional materials accepted
- Processing fee & 65% revenue share for recyclables
 - Included maximum charge clause
- Hauling fee + landfill fee for trash
- Complete term of '05 contract



Remember...

- Don't be afraid to ask
- Be persistent and annoying
- Learn about peer contracts
 - But don't get too caught up in this
- Not confident? Negotiate for a short contract

Questions?

