INTERLOCAL AGREEMENT FOR RECYCLING SERVICES

This Interlocal Agreement for Recyclin	g Services ("Agreement") is made and
entered into this day of	, 2019 ("Effective Date"), by and between
St. Lucie County, a political subdivision of the	State of Florida ("St. Lucie"), and Indian
River County Solid Waste Disposal District, a	dependent special district of Indian River
County, Florida ("Indian River").	·

RECITALS

WHEREAS, the Florida Interlocal Cooperation Act of 1969 (Section 163.01, Florida Statutes) authorizes local governments "to make the most efficient use of their powers by enabling them to cooperate with other local governments on a basis of mutual advantage and thereby to provide services and facilities in a manner" that will benefit both communities; and

WHEREAS, Indian River collects Recyclable Materials in Indian River County and then delivers those materials to a private contractor's facility, where the Recyclable Materials are sorted and processed before being sold; and

WHEREAS, the contractor's processing facility shutdown in August 2019 due to unanticipated problems and Indian River does not know when the contractor's facility will resume operations; and

WHEREAS, St. Lucie owns and operates a recycling facility ("Facility") that has the physical capacity to sort, process, and bale Indian River's Recyclable Materials; and

WHEREAS, Indian River asked St. Lucie to accept Indian River's Recyclable Materials on an emergency basis, and St. Lucie agreed to provide this service, pursuant to a letter agreement dated August 16, 2019; and

WHEREAS, Indian River and St. Lucie wish to memorialize their understanding and provide for a long-term relationship in the event the contractor's facility does not resume operations in a timely manner or is unable to operate in the future; and

WHEREAS, Indian River is willing to provide Indian River's Recyclable Materials to St. Lucie, and St. Lucie is willing to receive Indian River's Recyclable Materials, subject to the terms and conditions in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein, the receipt and sufficiency of which are hereby acknowledged, St. Lucie and Indian River agree to comply with and be bound by the following terms and conditions:

Section 1. Recitals.

The recitals set forth above are true, correct, and incorporated into this Agreement.

Section 2. Statutory Authority.

The statutory authority to enter into this Agreement is granted to St. Lucie and Indian River by Chapter 163, Florida Statutes (2018).

Section 3. General Purpose.

St. Lucie and Indian River are entering into this Agreement because they wish to establish the terms and conditions that will govern their activities when Indian River delivers Recyclable Materials to St. Lucie's Facility for St. Lucie's acceptance and processing.

Section 4. <u>Definitions</u>.

The capitalized words and phrases in this Agreement shall have the meanings set forth in this Section 4. If a word or phrase is not defined in this Agreement, the definitions in Chapter 403, Florida Statutes, and Title 62, Florida Administrative Code, in effect on the Effective Date shall be used to supplement the definitions in this Agreement. If there is a conflict between a definition contained herein and any other definition, the definition contained herein shall control when construing this Agreement.

Applicable Law means any local, state or federal statute, law, constitution, charter, ordinance, judgment, order, decree, permit, rule, regulation, standard or similar binding authority, or a judicial or administrative interpretation of any of the same, which is in effect or is enacted, adopted, promulgated, issued or enforced by a governmental body during the term of this Agreement, and relate in any manner to the performance of Indian River or St. Lucie under this Agreement.

<u>Board</u> means (a) the Board of County Commissioners of Indian River County, sitting as the Board of the Indian River County Solid Waste Disposal District, or (b) the Board of County Commissioners of St. Lucie County, or (c) both, as indicated by the context of this Agreement.

<u>County Administrator</u> means the chief administrative officer of a Party or their designee.

Effective Date means the latter of (a) the date when this Agreement is signed and duly executed by St. Lucie or (b) the date when this Agreement is signed and duly executed by Indian River.

Excessive Amount means, solely with regard to Loads of material delivered to the Facility pursuant to this Agreement, that twenty-five percent (25%) or more of the Load is comprised of Non-Conforming Material.

<u>Facility</u> means the recycling facility that is owned and operated by St. Lucie at 6120 Glades Cut-Off Road, Ft. Pierce, Florida.

Force Majeure means the following events and circumstances, but only to the extent that they delay or preclude a Party from performing one or more of its obligations under this Agreement: (a) a hurricane, tornado, lightning, flood, fire, explosion, or epidemic; (b) acts of war, terrorism, insurrection, riots, civil disturbances, or national or international calamities; (c) suspension, termination, or interruption of utilities necessary to a Party's operations or duties under this Agreement; (d) an injunction, or a legal or equitable proceeding brought against a Party, or a change in Applicable Law; (e) a malfunction or breakdown at the Facility; and (f) any act, event, or condition that is determined by mutual agreement of the Parties to be of the same general type as the events of Force Majeure identified in (a) through (d), above.

<u>Indian River</u> means the Indian River County Solid Waste Disposal District, a dependent special district of Indian River County, Florida.

<u>Load</u> means the Recyclable Materials and other cargo in a truck or tractor trailer that transports Recyclable Materials to St. Lucie's Facility.

Non-Conforming Material means any material that is not a Program Material. Non-Conforming Material also includes but is not limited to: (a) any Program Material that is mixed with or contaminated by solid or liquid waste; and (b) any Program Material that cannot be processed at the Facility or cannot be sold because it is too wet, too old, or otherwise in unacceptable condition.

<u>Party</u> means, depending on the context, either Indian River or St. Lucie.

Parties means Indian River and St. Lucie.

<u>Program Materials</u> means those Source Separated Recyclable Materials that St. Lucie will accept for recycling at its Facility. The current list of Program Materials is contained in Exhibit "A."

Recyclable Material means those materials that are capable of being recycled.

Source Separated means that Recyclable Materials are separated from solid waste at the location (e.g., a home) where the Recyclable Materials and solid waste are generated. Source Separated does not require that the various types of Recyclable Materials must be separated from each other, and

recognizes that some Non-Conforming Material may be included in the Recyclable Materials, as provided in Exhibit "B."

St. Lucie means the government of St. Lucie County, Florida, acting through the Board of County Commissioners of St. Lucie County or the Board's designees.

Section 5. Specific Conditions.

- 5.1 Subject to the conditions herein, all of the Recyclable Materials that Indian River collects may be delivered to St. Lucie's Facility for sorting, processing, baling, marketing, and sale by St. Lucie.
- 5.2 Indian River shall ensure that Indian River's Recyclable Materials are delivered to St. Lucie's Facility during the Facility's normal business hours. The Facility's normal business hours currently are 8:00 A.M. until 5:00 P.M., Monday through Friday, and from 8:00 A.M. until 12:00 P.M. (noon) on Saturdays, except holidays.
- 5.3 Indian River shall use its best efforts to ensure that Indian River does not place Solid Waste or other types of Non-Conforming Material into the trucks and trailers used to transport Recyclable Materials from Indian River to St. Lucie's Facility. St. Lucie shall have the right to reject any Non-Conforming Material that Indian River tenders to St. Lucie at the Facility, subject to the requirements in Exhibit "B."
- 5.4 At its option, Indian River may weigh the Recyclable Materials before Indian River transports the Recyclable Materials to St. Lucie's Facility. St. Lucie shall use its scales to weigh the Recyclable Materials that are delivered to the Facility by Indian River. St. Lucie shall prepare and maintain accurate records concerning the date, time, and weight of the shipments from Indian River to the Facility. Upon request, St. Lucie and Indian River shall provide each other with copies of their respective records concerning the Recyclable Materials that are delivered to the Facility pursuant to this Agreement. St. Lucie shall prepare and submit reports to the Florida Department of Environmental Protection concerning the Recyclable Materials delivered to the Facility, as required under Applicable Law.
- 5.5 Indian River shall be solely responsible for, and shall pay all of the costs for collecting, transporting, and delivering its Recyclable Materials to the Facility, as well as transporting and disposing of any Non-Conforming Material that is rejected by St. Lucie. St. Lucie shall be solely responsible for, and shall pay all of the costs for sorting, processing, baling, marketing, selling, and/or disposing of the Program Materials that Indian River delivers to the Facility. Indian River shall not pay any fee to St. Lucie for the services St. Lucie provides under this Agreement, except as otherwise provided in Exhibit "C", below. St. Lucie shall retain any revenues it receives from the sale of Indian River's Program Materials, except as otherwise provided in Exhibit "C", below. All of Indian River's rights, title, and interest in the Recyclable Materials shall be transferred

automatically to St. Lucie when St. Lucie accepts the Recyclable Materials at the Facility.

5.6 St. Lucie and Indian River agree to fully cooperate with each other and perform all acts necessary for the successful implementation of this Agreement. St. Lucie and Indian River shall comply with all Applicable Laws when performing their respective duties under this Agreement. St. Lucie and Indian River shall each be responsible for the acts, errors, and omissions of their respective officers, employees, agents, and other representatives when they are conducting activities pursuant to this Agreement.

Section 6. Term and Termination.

- 6.1 This Agreement shall be binding on the Parties from the Effective Date until this Agreement expires or is terminated in compliance with the requirements herein. Further, this Agreement shall be applied and enforced retroactively to August 21, 2019 i.e., the day when Indian River began to deliver Recyclable Materials to St. Lucie's Facility. The initial term of this Agreement shall expire on September 30, 2025. At the end of the initial term, this Agreement shall be renewed and extended automatically, without any further action by either Party, for an additional term of five (5) years, unless one Party provides notice to the other Party on or before October 1, 2024 that it does not wish to extend this Agreement.
- 6.2 Either Party may terminate this Agreement for convenience, with or without cause, after giving written notice in compliance with Section 10, below. If a Party gives notice that it wishes to terminate this Agreement for convenience, the termination shall be effective 180 days after the notice of termination is delivered to the other Party.
- 6.3 Notwithstanding anything else contained herein, the County Administrators for Indian River and St. Lucie are hereby granted the authority to: (a) terminate this Agreement for convenience; and (b) designate any date they mutually select for the termination. If the Administrators wish to deviate from the requirements in Section 6.2, both County Administrators must confirm in writing that they approve the designated date for the termination. The County Administrators do not need to obtain prior approval from either Board before the County Administrators exercise the authority granted to them under this Section 6.3.

Section 7. Force Majeure.

A delay or failure of performance by a Party shall not constitute a default hereunder and shall not give rise to any claims for damages, if and to the extent that such delay or failure is caused by an event of Force Majeure and the event of Force Majeure (a) is beyond that Party's reasonable control and (b) materially and adversely affects that Party's ability to perform its obligations under this Agreement. A Party whose performance is affected by an event of Force Majeure shall give written notice

thereof to the other Party as soon as reasonably practicable and shall use commercially reasonable efforts to immediately remove or overcome the impediment to its performance under this Agreement.

Section 8. Dispute Resolution.

The Parties shall use their best efforts to resolve any disputes under this Agreement amicably, in an informal manner, without resorting to litigation. If the Parties are unable to resolve the dispute in a mutually acceptable manner, either Party may file suit for injunctive relief, mandamus, or specific performance, or exercise any other legal or equitable remedies to enforce the obligations and covenants in this Agreement.

Section 9. Amendment.

This Agreement may be amended only by a written document that is signed by both Parties and approved by each Party's Board, except: (a) as otherwise provided in Section 6.3, above; and (b) the list of Program Materials in Exhibit "A" may be amended with the written consent of the County Administrators for Indian River and St. Lucie, without obtaining the approval of the Board for either Party.

Section 10. Notices.

All notices, requests, consents, and other communications required or permitted under this Agreement shall be in writing and shall be hand-delivered by messenger or courier service, or sent by facsimile communication or e-mail, or mailed by registered or certified mail (postage prepaid) return receipt requested, and shall be addressed to:

As to Indian River: County Administrator

Indian River County 1801 27th Street

Vero Beach, FL 32960

With a copy to: County Attorney

Indian River County 1801 27th Street

Vero Beach, FL 32960

As to St. Lucie County: County Administrator

St. Lucie County 2300 Virginia Avenue Administration Annex

Fort Pierce, Florida 34982

With a copy to: County Attorney

St. Lucie County 2300 Virginia Avenue

Administration Annex Fort Pierce, Florida 34982

The documents shall be deemed to have been duly delivered when personally delivered, or when transmitted by facsimile communication or e-mail and receipt is confirmed by telephone, or when delivered by U.S. Mail (return receipt requested) or courier service as shown by the return receipt.

Section 11. Assignment.

Neither Party shall assign this Agreement to any other person or entity without first obtaining the non-assigning Party's written approval.

Section 12. Waiver.

No waiver by either Party of a term or condition of this Agreement shall constitute a waiver of any other term or condition. The failure of either Party to insist upon strict performance of any of the terms or conditions in this Agreement shall not be considered to be a waiver or relinquishment of such term or condition. There shall be no waiver of any term or condition in this Agreement unless the waiver is in writing and signed by the Party waiving its rights under this Agreement.

Section 13. Severability.

Should any provision, paragraph, sentence, word, or phrase in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, such provision, paragraph, sentence, word, or phrase shall be deemed modified to the extent necessary to conform with Applicable Law or, if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions in this Agreement shall remain in full force and effect. Thereafter, this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained herein.

Section 14. Exhibits.

Exhibits "A," "B", and "C" are attached hereto and incorporated herein by reference.

Section 15. <u>Previous Agreements</u>.

This Agreement embodies the entire understanding of the Parties concerning all of the matters discussed herein. Upon the Effective Date, this Agreement shall supersede and replace all prior agreements between the Parties pertaining to the issues addressed herein, including but not limited to the letter agreement that was sent by the County Administrator of Indian River on August 16, 2019 and signed by the County Administrator of St. Lucie.

Section 16. Filing with Clerk of the Circuit Court.

Pursuant to Section 163.01(11), Florida Statutes, this Agreement and all subsequent amendments shall be filed with the Clerk of the Circuit Court of St. Lucie County and with the Clerk of the Circuit Court of Indian River County. This Agreement and subsequent amendments shall not become effective until they are filed with both clerks. Each Party shall be responsible for the cost of recording such documents with their respective Clerk.

IN WITNESS WHEREOF, the Parties have caused the execution of this Agreement by their duly authorized officials on the dates stated below.

ATTEST:	BOARD OF COUNTY COMMISSIONERS ST. LUCIE COUNTY, FLORIDA
Deputy Clerk	BY:Chair
	DATE:
	APPROVED AS TO FORM AND CORRECTNESS:
	BY: County Attorney

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ATTEST: Jeffrey R. Smith, Clerk of Court and Comptroller	SOLID WASTE DISPOSAL DISTRICT INDIAN RIVER COUNTY, FLORIDA
	BY:
Deputy Clerk (SEAL)	Chairman
(0 = 1 :=)	DATE:
By:County Administrator	APPROVED AS TO FORM AND CORRECTNESS:
Jason E. Brown, County Administrator	BY:

EXHIBIT "A"

LIST OF PROGRAM MATERIALS

Bottles, Containers, Jars, Jugs

Made of Plastic #1-#7 or Glass.

Examples include, but are not limited to: plastic soft drink bottles, water bottles, sports drink bottles, mouthwash bottles, salad dressing bottles, peanut butter jars, Milk jugs, shampoo bottles, laundry detergent bottles, yogurt and margarine tubs.

Empty & Rinse. NO Plastic Bags.

Aluminum

Beverage & Food Cans made of Aluminum.

Examples include, but are not limited to: aluminum beverage containers, food trays without food residue, sheets and flexible containers.

Empty, Rinse & Recycle.

Steel and Tin Cans

Beverage & Food Cans made Steel or Tin.

Examples include, but are not limited to: empty steel and tin aerosol cans, bi-metal containers, lids composed primarily of whole iron or steel. Paper labels are acceptable. Aerosol cans containing household hazardous material are not acceptable. Empty, Rinse & Recycle.

Cardboard

Moving, Shipping, Shoe Boxes, etc.

Remove Packing Material/Plastic Wrap and Flatten

Remove Packing Material/Plastic Wrap and Flatten. NO Greasy Pizza Boxes.

Paper

Catalogs & Magazines, Envelopes, Mail, Newspaper & Inserts, Office & Writing Paper, Postcards, telephone books.

Clean, Dry & Flat. NO Shredded Paper.

Paperboard Boxes

Cereal, Cracker, Pasta, Snack Boxes, etc. Remove Plastic Bags & Plastic Wrap.

Cookie Sheets, Lids, Pots & Pans made of metal

EXHIBIT "B"

PROCEDURES FOR REJECTING NON-CONFORMING MATERIAL

- 1. When St. Lucie decides whether to accept or reject Recyclable Material that has been delivered to the Facility by Indian River, St. Lucie shall use the same criteria that St. Lucie uses when it decides whether to accept or reject Recyclable Material delivered to the Facility by other persons. Stated differently, St. Lucie shall not discriminate against Indian River when accepting or rejecting Recyclable Material.
- 2. St. Lucie shall have the right to reject any item, material, Load, or partial Load that Indian River tenders to St. Lucie at the Facility if St. Lucie believes the item, material, Load, or partial Load is solid waste, hazardous waste, biomedical waste, or other type of Non-Conforming Material that St. Lucie cannot safely, lawfully, or efficiently process at its Facility. If St. Lucie rejects any Non-Conforming Material delivered by Indian River, Indian River shall remove it from the Facility.
- 3. Subject to the conditions in the Agreement and this Exhibit "B," St. Lucie shall have the right to reject any Load of material tendered by Indian River at the Facility if St. Lucie determines that the Load contains an Excessive Amount of Non-Conforming Material. Excessive Amount means, solely with regard to Loads of material delivered to the Facility pursuant to this Agreement, that 25% or more of the Load is comprised of Non-Conforming Material. The 25% threshold may be based on volume or weight, as St. Lucie deems appropriate under the circumstances. When determining whether the Load exceeds this threshold, St. Lucie may rely on a visual observation and good faith estimate concerning the volume or weight of the Non-Conforming Material. At its option, St. Lucie may weigh or measure the Non-Conforming Material in the Load, but St. Lucie is not obligated to do so.
- 4. If St. Lucie decides to reject a Load of Recyclable Material that has been delivered to the Facility by Indian River, St. Lucie shall: (a) isolate the Load at the Facility; (b) take several representative photographs of the Load from different perspectives; and (c) send the photographs to Indian River via electronic mail ("e-mail"), which shall include a statement notifying Indian River that St. Lucie intends to reject the Load depicted in the photographs. For the purposes of this Exhibit "B", St. Lucie's e-mail shall be addressed to the Manager of the Indian River Solid Waste Disposal District and a copy shall be addressed to the Manager's designee.
- 5. Indian River shall promptly respond to the e-mail from St. Lucie. More specifically, Indian River shall state that: (a) Indian Rivers accepts St. Lucie's determination, in which case St. Lucie may immediately reject the Load; or (b) Indian River objects to St. Lucie's determination, in which case Indian River shall have the right to physically inspect the Load before St. Lucie makes any final determination concerning the disposition of the material, provided that Indian River conducts its inspection in compliance with the timeframes set forth in this Section 5. If St. Lucie provides notice to Indian River before 12:00 p.m. (noon) on a weekday, Indian River must conduct its inspection before 5:00 p.m. on that same weekday. If St. Lucie provides notice to Indian River after 12:00 p.m. (noon) on a weekday, Indian River must conduct its inspection before 12:00 p.m. (noon) on the next day that the Facility is open for business. If St. Lucie provides notice to Indian River on a Saturday, Indian River must conduct its inspection before 12:00 p.m. (noon) on the next day that the Facility is open for business. St.

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Lucie may reject the Load if Indian River fails to respond to St. Lucie's e-mail within four (4) hours or fails to inspect the Load within the timeframes described in this Section 5.

6. If Indian River's Manager or designee inspects the Load and disagrees with St. Lucie's determination, the representatives of Indian River and St. Lucie shall work together in good faith and thereby attempt to resolve their differences informally. In such cases, St. Lucie shall be bound by the requirements contained herein, including but not limited to the 25% threshold for Excessive Amounts of Non-Conforming Material, but St. Lucie shall retain the exclusive authority to decide whether it will accept or reject the Load at its Facility.

EXHIBIT "C"

PROCEDURES FOR REVENUE SHARING

Segregated Loads of OCC

- 1. If Indian River delivers segregated Loads of Old Corrugated Cardboard ("OCC") to St. Lucie's Facility on or after October 1, 2019, St. Lucie and Indian River shall share the revenues derived from the sale of that OCC, subject to the conditions contained in the Agreement and this Exhibit "C."
- 2. The weight of Indian River's OCC shall be determined by weighing the OCC when it arrives at St. Lucie's Facility. If the scales at St. Lucie's Facility are not operating when the OCC arrives at St. Lucie's Facility, the weight of the OCC shall be deemed to be the weight measured by Indian River when the Load left Indian River's facility.
- 3. The value of the OCC delivered by Indian River shall be equal to the average price (expressed in dollars per ton) that St. Lucie received from the sale of OCC during the month that Indian River delivered its OCC. If St. Lucie does not sell any OCC during a month when Indian River delivers a segregated Load of OCC to the Facility, then the value of the OCC delivered by Indian River shall be the average price received by St. Lucie in the next month when St. Lucie sells OCC.
- 4. St. Lucie shall receive a fee of \$10.00 per ton for processing and marketing the segregated Loads of OCC delivered to the Facility by Indian River. After the processing fee is deducted from the average price of the OCC, St. Lucie and Indian shall share equally (50% 50%) in the remaining revenue received from the sale of the OCC delivered by Indian River. For example, if we assume hypothetically that St. Lucie will sell OCC for an average price of \$100.00 per ton in October 2019, St. Lucie will receive a processing fee of \$10.00 per ton, and then St. Lucie and Indian River will each receive \$45.00 per ton for the segregated OCC that Indian River delivers to St. Lucie's Facility in October 2019 (i.e., \$100 \$10 = \$90; $$90 \div 2 = 45). Both Parties recognize and agree that the actual price received for the OCC may vary from the amounts shown in this hypothetical example.

Program Materials

- 5. If Indian River delivers Program Materials to St. Lucie's Facility on or after October 1, 2019, St. Lucie and Indian River shall share the revenues derived from the sale of those Program Materials, subject to the conditions contained in the Agreement and this Exhibit "C." The general provisions in Sections 2 and 3, above, shall apply when determining the weight and average price of the Program Materials.
- 6. St. Lucie shall receive a fee of \$75.00 per ton for processing and marketing the Program Materials delivered to the Facility by Indian River. After the processing fee is deducted from the average market value ("AMV") of the Program Materials, St. Lucie and Indian River shall share equally (50% 50%) in the remaining revenue derived from the sale of the Program Materials delivered by Indian River. For example, if we assume hypothetically that the AMV of the

Program Materials will be \$95.00 per ton in October 2019, St. Lucie will receive a processing fee of \$75.00 per ton, and then St. Lucie and Indian River will each receive \$10.00 per ton for the Program Materials that Indian River delivers to St. Lucie's Facility in October 2019 (i.e., \$95 - \$75 = \$20; $$20 \div 2 = 10).

7. For the purposes of this Exhibit "C" only, the AMV of the Program Materials means the average amount (measured in dollars per ton) that St. Lucie receives in one month from the sale of all of the different types of Program Materials (e.g., aluminum; plastic; mixed paper; glass). However, notwithstanding anything else contained herein, the AMV of the Program Materials does not include any revenue derived from the sale of segregated Loads of OCC. Indian River will be compensated separately for such Loads, pursuant to Section 4, above.

Billing Procedures

- 8. St. Lucie shall pay Indian River within thirty (30) days after the end of the month in which St. Lucie receives payment from the sale of Program Materials or segregated Loads of OCC. If St. Lucie does not sell any Program Materials or segregated Loads of OCC during a month in which Indian River delivers Program Materials or segregated Loads of OCC to the Facility, St. Lucie shall pay Indian River within thirty (30) days after the next month in which St. Lucie sells Program Materials or segregated Loads of OCC.
- 9. Each month St. Lucie shall provide Indian River with a statement that identifies the revenue received by St. Lucie from the sale of Program Materials and segregated Loads of OCC during the prior month. Upon request, St. Lucie will provide Indian River with copies of St. Lucie's public records concerning such matters.
- 10. Notwithstanding anything else contained herein, Indian River shall not be required to pay a processing fee to St. Lucie if the AMV of the Program Materials is less than \$75.00 per ton or the value of segregated Loads of OCC is less than \$10.00 per ton.