



PROPOSAL

BEAVER ISLAND TRANSFER STATION &
RECYCLE CENTER ANALYSIS

February 17, 2023

PROJECT OBJECTIVE

The Beaver Island Waste Management Committee is interested in having a business analysis conducted of their Transfer Station and Recycling Center operations, including revenues, expenses, assets, and material streams, along with comparisons and opportunities for efficiencies, grant funding, additional material diversion, and recommendations for next steps. There is also interest in having a bottle redemption center plan evaluated.

PROJECT PLAN

1. Kick-off: Data request, Document Review: Operations, Assets, Volumes, Budgets
2. Baseline Materials Mapping: What is Going Where and Volumes for Each Material Type
3. Development of Short & Long-term Options for Improved Transfer Station Operations & Waste Diversion
4. Considerations for a Bottle Deposit Redemption Center on Beaver Island
5. Evaluation, Findings & Recommendations – Operations, Financial, Grant Opportunities

PROJECT BUDGET

Total project budget: \$10,000.00

TIMELINE

Start Date: March 15, 2023

End Date: September 15, 2023



WORK SCOPE

background

The Beaver Island Waste Management Committee oversees the Beaver Island Transfer Station & Recycle Center, jointly run by Peaine and St. James Townships of Charlevoix County. The committee is interested in having a business analysis conducted of the Transfer Station operations, including revenues, expenses, material streams, site conditions and opportunities for efficiencies, grant funding, additional material diversion, and recommendations for next steps. The development of a bottle deposit redemption center will also be explored.

project approach

RRS will begin the project with a data request to gather all available information on the operations, assets, staffing, volumes, expenses, and revenues related to the Transfer Station. Once gathered, this information will be reviewed to develop the business analysis. Both financial and material flows will be mapped and evaluated. Finally, recommendations will be made to improve efficiencies, increase diversion, access grant funding, and other improvements as identified. The project plan includes one trip to the island to conduct site visits of the transfer station, recycling center and related property, at a date and time to be determined once the project begins. Initial findings will be shared prior to developing a final report with recommendations in PowerPoint format. The current budget supports a high-level assessment of the outlined tasks below. If additional funding is secured, RRS can support a more detailed focus in task areas.

project plan

TASK 1 – PROJECT KICK-OFF – DATA REQUEST & DOCUMENT REVIEW

RRS will review available current and historic data and information regarding the performance of the current solid waste and recycling management programs and assess performance of the programs using key metrics.

- The Project Team will evaluate and analyze available data from the transfer station material stream, including but not limited to solid waste volumes, recyclables, discarded electronics, bulky item collection, tires, construction & demolition debris, mattresses, etc.
- Additionally, RRS will review available financial and performance data to understand the context in which the transfer stations operate. Financial information includes operating costs, revenues/funding sources, capital inventory, staff salaries, etc.
- Program performance data requests will include transfer station and recycling center service offerings, tonnages (or cubic yards) received, number and types of customers served, staffing levels, physical assets, and any contracts for services.

Assumptions:

- RRS can review available data only. The current budget does not allow for data collection time. Project kickoff is budgeted for one (1) hour. Twice monthly, one (1) hour meetings accounted for in project budget.





TASK 2 – MATERIALS MAPPING

From this information, RRS will map the materials processed at the transfer station and calculate inputs, outputs, and distribution of streams across the transfer station and recycling center. RRS will incorporate implications of existing agreements on future material flow.

RRS will focus on:

- Benchmarking current transfer station and recycling activities, tonnage throughput, and material loss
- Mapping materials processed, including how received, stored, and transferred off-island.
- Diversion goals including specific material or program interests (like scrap tires, glass, etc.)

TASK 3 – DEVELOPMENT OF SHORT- & LONG-TERM OPTIONS FOR IMPROVED OPERATIONS AND WASTE DIVERSION

Following the development of key performance metrics and material throughput, RRS will prepare an overview highlighting key data points and program attributes that will be used to develop options to improve waste diversion and operational efficiencies to assist in improved operations and diversion. RRS will focus on providing high-level recommendations for space, layout, and operational improvements (e.g., equipment needs, site improvement, etc.). RRS will provide cost estimates to implement recommendations based on the review of financial and performance data, and grant opportunities for both capital improvements and project development. This material will be shared for initial feedback and input.

TASK 4 – BOTTLE DEPOSIT REDEMPTION CENTER CONSIDERATION

RRS will evaluate opportunities to develop a bottle deposit redemption center on the island, including required capital and operating considerations, participation of existing grocery stores, and any legislative changes required to enable system change.

TASK 5 – FINAL RECOMMENDATIONS

RRS will incorporate the results from discussions to finalize key program recommendations into a PowerPoint report format. Draft report will be shared for feedback prior to final report delivered.

Deliverable: PowerPoint Deck Summarizing Evaluation and Recommendations.

project assumptions

RRS makes the following assumptions for this project:

- Project labor includes client calls, email communication, project management, task work, site visit and preparation of deliverables.
- Travel to island limited to one trip for initial site visit: additional travel at time and expenses per change order.
- RRS is assuming that all data requested is available, and RRS will not physically be collecting data in the field. RRS assumes that all data, reports, and any other necessary information will be provided electronically or in print version. It is understood that some data will be unavailable or hard to quantify. RRS will develop data assumptions for any required data metrics that are not available from the Island based on comparable programs.



project deliverables

RRS will provide the following deliverables for this project:

- Draft Report and then Final Report with evaluation and recommendations in PowerPoint format (and PDF version) Presentation of final report will be done via Zoom meeting. An in person meeting optional at additional time & expense.

project timeline

Upon receipt of the signed Project Authorization page of the proposal, RRS and the client will identify a start date agreeable to both parties. The following preliminary project timeline will be discussed, adjusted as necessary and confirmed at project authorization.

	MAR	APR	MAY	JUN	JULY	AUG	SEPT
Project Kick-off	X						
Document Review		X	X				
Materials Mapping				X			
Evaluation				X	X		
Final Recommendations					X	X	
Presentation of Final Report							X

project budget

Compensation for this scope of work will be a fixed fee of \$10,000 billed at \$2,000 per month for the first four months and the balance after the final deliverable has been provided. With the pre-approval from the client, any expenses will be billed to the client at actual cost. Any work that falls outside of this scope of work will be subject to a change order process where the specific project assignment and budget will be outlined and authorized by both entities. RRS will not execute any out-of-scope work unless an authorized change order is in place.



METHODOLOGY

RRS has been working projects for over 35 years allowing us to develop a consistent and successful methodology for managing projects on a timely basis, within assigned budgets, and with a high level of quality.

project management approach

New projects are accepted only if the firm has the bandwidth to provide proper support and a quality deliverable. Projects are led by project managers who build a group of team members with core competencies from across several disciplines and areas of expertise. The project manager maintains the project work plan, schedule, quality review, and budget, and is responsible for acting as a clearinghouse for all client

communication. For each project, the project manager transitions our scope of work to a work plan, where clearly defined roles and responsibilities of all project contributors and sub-contractors (if applicable) are outlined. Using a planning matrix, the work plan is translated into a detailed timeline with deliverables. The vice president of operations oversees the allocation of project hours across the firm to ensure proper capacity and workload.

RRS utilizes project- and data-management software to manage project task and resource allocation, timesheets, and budgets, as well as platforms for web conferencing, file-sharing, and co-editing. To ensure strength of data management, analysis, and deliverables, we utilize internal quality assurance and control protocols including extensive multi-level internal reviews of all work products. RRS has the demonstrated ability to nimbly adjust project approach as necessary and employs a change order process for work scope or funding adjustments to ensure transparency and clarity of the project.

insurance

RRS carries the following insurance coverage:

- General Liability: \$2,000,000 (general aggregate); \$1,000,000 (each occurrence)
- Professional Liability: \$3,000,000 (general aggregate); \$2,000,000 (each occurrence)
- Automobile Liability: \$1,000,000
- Worker's Compensation: \$1,000,000





TEAM BIOS

RRS has a motivated and mission-driven team of consultants, engineers, and associates with decades of combined experience ready to assist and serve your project needs.

project team

STAFF MEMBER	PROJECT ROLE	YEARS OF EXPERIENCE
Elisa Seltzer	Project Manager, Operational Research & Final Report	37
Kate Maguire	Data Research, Analysis & Modeling	7
Keira Higgins	Project Support, Report & Slide Deck Design	5
Stephanie Robinson	Modeling, Analysis, Research Support	2



Elisa Seltzer
Senior Consultant
37 Years of Experience
3 Years with RRS

TOPICAL EXPERTISE

- Municipal Solid Waste/ Recycling/ Composting
- Recycling Collection & Dual Stream Processing
- Composting & Food Scrap Collection
- Solid Waste Policy
- Cost-Effective Recovery Programs
- RFP & Contract Development
- Public Sector Engagement & Policy Development
- Enterprise Funds
- Rural Recycling
- Zero Waste Materials Marketing

ACADEMIC CREDENTIALS

- Bachelor of Science in Natural Resource Management & Environmental Advocacy, University of Michigan



Kate Maguire
Consultant
7 Years of Experience

TOPICAL EXPERTISE

- Recycling Access and Systems Research
- Data Analysis
- Computer Modeling
- Municipal Solid Waste Management Research
- Sustainability Reporting

CREDENTIALS

- Master of Science in Geophysics, University of Michigan
- Bachelor of Science in Geology, Northern Illinois University
- Associates Degree in Science, Waubensee Community College



4 Years with RRS



Keira Higgins
Consultant
 5 Years of Experience
 3 Years with RRS

TOPICAL EXPERTISE

- Data Analysis and Reporting
- Modeling and Coding
- Zero Waste to Landfill
- Waste Audits

ACADEMIC CREDENTIALS

- Bachelor of Science in Mechanical Engineering, Rochester Institute of Technology



Stephanie Robinson
Analyst
 2 Year of Experience
 2 Year with RRS

TOPICAL EXPERTISE

- Stakeholder Engagement
- Data Analysis
- Project Support
- Waste Audit Support
- Communications

ACADEMIC CREDENTIALS

- Bachelor of Science in Earth and Environmental Science, University of Michigan
- Associate of Science, College of DuPage



QUALIFICATIONS

Throughout our 35+ years in business, RRS has conducted over 1,000 projects for public, private, collaborative, and non-profit clients around the world. Our team will draw upon decades of experience and expertise to provide you with a quality result to achieve your objectives.

chippewa county land conservation and forest management

COUNTY-WIDE MATERIALS RECOVERY FACILITY OPTIONS ANALYSIS

The Chippewa County, Wisconsin, Land Conservation and Forest Management (LCFM) Materials Recovery Facility Study conducted this study to assess where changes could be made to gain efficiencies in municipal programs. The County represents multiple communities in Chippewa County – each with its own characteristics and goals – yet bound by common duties to maintain a cost-effective recycling collection system. Chippewa County and the municipalities in the County also need to comply with state recycling laws and satisfy effective recycling criteria. Many cities and solid waste districts throughout the nation are setting new, ambitious goals for higher recycling, waste recovery rates and even targeting zero waste as an attainable goal.

Recognizing the roles and responsibilities as currently delegated to the County and to the municipalities under the Chippewa County Responsible Unit (RU) Intergovernmental Agreement, the study included a recyclable materials market analysis report and a recyclable materials volume analysis report. The purpose of the market analysis report was to understand recyclable material market trends. The purpose of the second report was to document existing recyclable material volumes and to estimate potential recyclable material volumes if best practices in collection were implemented in Chippewa County. This final report identifies and describes alternative management options for Chippewa County to consider as it seeks ways to increase the overall efficiency and effectiveness of its recycling efforts.

chippewa county land conservation and forest management

RECYCLABLE MATERIALS MARKET ANALYSIS

Faced with reduced revenue due to state cuts in recycling grants and tax levy caps that blocked fundraising options, Chippewa County Wisconsin's Recycling Division needed to gain efficiencies in municipal programs. The Recycling Division planned to conduct a recyclable materials market analysis, evaluating its recyclable waste stream and volume of recyclable materials, and assessing the costs, benefits and feasibility of management options that could be used to improve the efficiency, or expand the utility, of materials recovery facilities (MRFs).

Resource Recycling Systems (RRS) teamed with Short Elliott Hendrickson (SEH) to profile and evaluate Chippewa County's existing recovery system. The team compiled information from EPA datasets, Wisconsin Department of Natural Resources Reports, Land Conservation and Forest Management reports, and related sources. The data was used to evaluate system enhancement costs and the associated commodity product value. This assessment led to fiscally-sound solutions for operating within the new budget constraints.

The team determined that curbside single-stream recycling collection should be provided in urban areas and other areas that have appropriate density for efficient collection.

- A single-stream collection program was projected to increase recovery by 60 percent.
- A single-stream collection program would make recycling more convenient for residents, which would result in increased participation and volumes.



Based on this finding, the team recommended Chippewa County do one of the following:

- Implement county-wide single-stream collection by requiring all contracted haulers to transport recyclables to a transfer station established and controlled by the County; or
- Require municipal collection contractors switch to single stream, utilize a designated private sector transfer station, and develop a contractual agreement with a MRF.

emmet county, michigan

STAKEHOLDER ENGAGEMENT, INTERGOVERNMENTAL AGREEMENTS, ORDINANCES

RRS has provided strategic consulting services to Emmet County, Michigan, a rural community with robust tourist economy, since 1990. Starting with only a Solid Waste Plan and a transfer station, RRS facilitated the development of an advisory committee, a funding plan, a solid waste ordinance, flow control provisions, and intergovernmental agreements with the cities, villages, and townships in the county. RRS provided design, engineering, and procurement services in developing Emmet County's dual stream MRF, drop-site and curbside recycling collection, and supported the development of hub & spoke service agreements with neighboring counties as Emmet's MRF, and drop site collection system, became regional assets. RRS developed business case scenarios for a compost facility, commercial food scrap collection, and MRF expansion, all of which were successfully implemented. Emmet County is recognized as a high performing recycling community in the state of Michigan, and the foundational intergovernmental framework provided the basis from which Emmet now serves as a model of best practices, self-supporting Enterprise Fund management, and highest-and-best-use end-market development.

emmet county department of public works

FOOD WASTE COLLECTION FEASIBILITY STUDY

Emmet County, located in the northern lower peninsula of Michigan, is home to over 32,000 residents on over 295,000 acres of land. The Emmet County Department of Public Works wanted to expand current compost collection from area farms and construction projects to also include commercial and residential food waste. RRS developed a feasibility study for the expansion of collection and processing of food waste.

- **Comprehensive Program Design** – RRS proposed six different food compost program scenarios that accounted for varying participation rates, incoming materials, and recycling collection equipment.
- **Compost Facility Evaluation** – RRS toured the county's compost operation to evaluate equipment, operations, and vehicles to determine best practices for the compost program. RRS considered expected organics collection volumes and created instructions for properly mixing incoming organic material.
- **Business Case Justification and Financial Strategy** – RRS created an analysis for both a pilot and full-scale program, projecting incoming tonnage and program costs. Additionally, RRS generated a full cost schedule with operating cost per ton and revenue per ton data.

Emmet County moved forward with RRS's recommendations, resulting in a 20-week compost pick-up pilot program. During that time, 90,000 gallons of food and floral scraps were collected from 20 establishments. Due to the pilot's success, the county continued to expand the program the following year adding more and larger commercial accounts, a fats/oil/grease (FOG) drop off and added food scrap drop offs at the transfer station as well as at farmers markets. The county is discussing mid- to long-term goals for residential food scrap collection with the city of Petoskey.

emmet county department of public works

MATERIAL RECOVERY FACILITY EXPANSION

RRS has a long history of partnering with Emmet County as they have developed a system of drop-off collection sites, curbside recycling programs and a Material Recovery Facility (MRF)/transfer station. Located at the "tip of the



mitt” within the Lower Michigan peninsula, Emmet County is a small quaint community graced with amazing sand dunes overlooking beautiful Lake Michigan. It has long been considered home for the 34,000 residents that live there year ‘round, but also a favorite resort and vacation location for tens of thousands of visitors each year. The County, which has been celebrated on several top “small towns,” “best place to retire” and “golf resort” lists, is also celebrating over 20 years of effective rural and resort recycling.

As the County’s population has grown and recycling efforts have increased, the MRF needed updates to handle the future program growth and increased recycling volumes. One goal of the process was to facilitate the new site expansions into their existing operation. RRS has worked with the County to plan and design the new equipment system, define the building footprint, and oversee the refurbishing and installation of used equipment into the new site. The new system will provide two-stream processing with several enhancements over the original MRF equipment installation.

The facility, which came online in the summer of 2010, was modified to facilitate the processing of plastic film, plant plastics, mixed rigid plastics, marine shrink-wrap, expanded polystyrene (EPS) and numerous other “hard to recycle” materials. The facility also has the capability for the secondary sorting and baling of mixed #1-#7 plastics depending on commodity market and other market conditions. Over our long tenure with the County, our team has assisted in the following efforts:

- Expand the list of materials to be processed at the MRF.
- Design facility to receive and process a two-stream commingled set of materials (but leave ability to upgrade to a single-stream facility).
- Expand tipping areas for mixed bottles and cans, mixed paper, and corrugated cardboard.
- Assess throughput material from surrounding areas.
- Analyze loss of production and temporary processing equipment layouts as facility was upgraded.

emmet county department of public works

RECYCLING PRODUCTIVITY DATABASE

Emmet County, Michigan is located at the top of the Lower Peninsula in Michigan, with a population of approximately 33,000. RRS worked with Emmet County Department of Public Works Recycling to create, maintain, and update a productivity database. The database helps the county to produce monthly and annual tables. RRS provided technical support by updating the existing software to FileMaker Pro to both make current productivity reports available and to allow easier, remote updates and assistance as well as room for added features in the future. These features allowed MRF staff to easily enter granular data daily such as labor allocation and costs, bales and tons produced per day, per hour, per employee, per shift, and per material, as well as down-time for maintenance or repairs, then allowing report generation and analysis by staff on a daily, weekly, monthly and annual basis to improve efficiencies, cost controls, staff allocation, increase productivity and reduce downtime.

bay city, michigan

SOLID WASTE/RECYCLING PROGRAM PERFORMANCE REVIEW

Bay City, Michigan’s Sanitation Department is a full service provider of weekly solid waste, single-stream recycling and yard wastes for all residents and businesses. This effort includes 15,000 weekly stops and employs 11 collection drivers. Bay City hired RRS to conduct an assessment of their waste and recyclables program, identification of best management practices, and recommendations for their program fee structure.

- **City Profile Development** - RRS reviewed current and historic data and information regarding the performance of Bay City’s current solid waste, recycling, and yard waste management programs, and assessed performance of the city’s program using key metrics (e.g., tons disposed per household, tons



diverted per household, cost of collection per household, etc.) Using this data, RRS created a service profile including the development of waste, recycling, and yard waste projections.

- **Benchmarking** - RRS surveyed comparable communities (in size and service profile) with curbside waste and recycling collection programs similar in design to Bay City. Surveys assessed key metrics as well as information on service provider methods, equipment, costs, and efficiencies. RRS developed an individual profile for each community to compare against Bay City's profile.
- **Collection Rate Projection** - Using both data provided by Bay City and from our survey/research, RRS developed a set of high and low material collection rates projecting over a five to ten year time period. RRS produced a comprehensive report analyzing the city's performance data and how it relates to other similar communities in Southeast Michigan.

bay city, michigan

SOLID WASTE/RECYCLING FINANCIAL PERFORMANCE REVIEW

Bay City, Michigan's Sanitation Department is a full service provider of weekly solid waste, single-stream recycling and yard wastes for all residents and businesses. This effort includes 15,000 weekly stops and employs 11 collection drivers. Bay City hired RRS to assess their waste and recyclables program, identification of best management practices, and recommendations for their program fee structure.

- **Financial Review** - RRS determined the fully-loaded operational costs for each of the City's collection programs, considering capital depreciation, wages, benefits, and operations costs. Costs were provided as annual totals as well as per-ton and per-household unit costs along with other related financial performance and productivity metrics.
- **Benchmarking** – Using internal data and our extensive network of state and regional contacts, RRS researched operating costs and pricing for waste and recycling services for similar communities. For communities with contracted private service providers, our pricing study drew on contract information that is part of public records. The costs were compared to the City's current per-capita operations costs for comparable programs, with key similarities and distinctions highlighted and evaluated.
- **Rate Study** - RRS completed a rate study based on the current structure of the City's budget format. An estimate of the funding requirements to meet the programs and activities identified by the Sanitation Department was calculated based on direct labor and benefit costs as well as annualized equipment costs – looking forward five years. RRS evaluated the cost of the recycling, organics, and waste services. RRS also evaluated what a Pay-As-You-Throw funding structure would look like for the City. RRS provided analysis that will inform a possible update in the rate structure along with associated recommendations on next steps required to develop and formally adopt an updated rate structure.

medina county, ohio

DESKTOP WASTE CHARACTERIZATION

Medina County, Ohio covers 423 square miles in Northern Ohio and is home to more than 170,000 residents. Medina County Solid Waste District (Medina County SWD) wanted a low-cost, high impact evaluation that identified the current changes in the Medina County SWD waste stream and supported materials management planning. RRS used the data gathered in prior waste characterization models and studies, along with our professional network, to identify and describe high value and high-volume recyclable materials that are part of the waste stream in Medina County SWD. The Project Team analyzed which recyclable materials could be the focus of increased recovery efforts. This prioritization was based on results from high-performing communities included in the RRS waste characterization tool. The work was designed to easily convey this information to a diverse audience through highlighting current recovery activities with the anticipated positive potential of increased recovery.



RRS STATS

headquarters

Incorporated in 1986
 416 Longshore Drive, Ann Arbor, MI 48105
 T: 800.517.9634 | F: 734.996.5595 | E: info@recycle.com | recycle.com

our staff

RRS is composed of strategists, engineers, economists, technical analysts, and communications specialists.

30+
 YEARS IN RECYCLING
 AND MANAGING
 RESOURCES

660+
 YEARS
 COMBINED
 FIELD EXPERIENCE

40+
 EMPLOYEES
 THROUGHOUT
 THE WORLD

1,000+
 PROJECTS
 ACROSS 9
 MARKETS



what we do

- Plan and implement recycling and composting programs, materials management, and zero waste solutions.
- Develop and facilitate collaborations to increase commodity recovery.
- Develop and implement multi-stakeholder communications and outreach.
- Analyze the recyclability and compostability of packaging.
- Develop strategies for corporate sustainability.
- Evaluate food waste prevention and assess anaerobic digestion and biomass facilities.
- Review and negotiate hauler and MRF contracts.
- Design and permit MRF and composting sites.
- Conduct waste and compliance training.
- And more – discover how we can help you effect change.



PROJECT AUTHORIZATION

Beaver Island Transfer Station & Recycling Center Analysis

RESOURCE RECYCLING SYSTEMS, INC. (RRS)

416 Longshore Drive
 Ann Arbor, MI 48105
 Office: 734.996.1361
 Fax: 734.996.5595
www.recycle.com

PROJECT MANAGER

Elisa Seltzer
 231.838.8032 | eseltzer@recycle.com

INVOICING CONTACT

Ché Pomo
 734.996.1361 x151 | cpomo@recycle.com

TIMELINE

Upon receipt of the signed Project Authorization page of the proposal, RRS and the client will identify a start date agreeable to both parties. The following preliminary project timeline will be discussed and confirmed at project authorization.

Start Date: March 15, 2023 End Date: September 15, 2023

PROJECT BUDGET

Compensation for this scope of work will be a fixed fee of \$10,000 billed at \$2,000 per month for the first four months and the balance after the final deliverable has been provided. With the pre-approval from the client, any expenses will be billed to the client at actual cost. Any work that falls outside of this scope of work will be subject to a change order process where the specific project assignment and budget will be outlined and authorized by both entities. RRS will not execute any out-of-scope work unless an authorized change order is in place.

PAYMENT TERMS

RRS will invoice on a monthly billing cycle at \$2,000 per month for the first four months and the balance after the final deliverable has been provided. Any approved expenses will be invoiced at cost and time of receipt. The client will process and make payment on the invoices within the next immediate pay cycle and no later than 30 days from receipt of the invoice.

CONTRACT TERMS

RRS agrees to complete the work scope above in accordance to the terms and conditions of this proposal. Upon receipt of the signed Project Authorization page of the proposal, RRS and the client will identify a start date agreeable to both parties. A purchase order or authorization letter/email may accompany the signed Project Authorization page. If a change of work scope and/or additional funding is required during the course of the project, RRS will submit a change order to the client for approval before work continues.

 AUTHORIZED CLIENT SIGNATURE

 PRINTED NAME

 DATE

 AUTHORIZED CLIENT SIGNATURE

 PRINTED NAME

 DATE

 AUTHORIZED RRS SIGNATURE

 PRINTED NAME

 DATE



TERMS AND CONDITIONS

1. **AUTHORIZATION TO PROCEED.** Signing this form shall be construed as authorization by CLIENT for Resource Recycling Systems, Inc. (RRS) to proceed with the work, unless otherwise provided for in the authorization.
2. **CLIENT RESPONSIBILITIES.** CLIENT must furnish full information as related to the project and agree to requirements when requested and to make available pertinent existing data.
3. **CONFIDENTIALITY.** RRS shall not share information provided by the CLIENT with anyone other than necessary RRS personnel, unless otherwise directed by the CLIENT.
4. **EXPENSES.** Unless stipulated otherwise, CLIENT shall compensate RRS for reimbursable expenses defined as: Those costs incurred on or directly for CLIENT project, including but not limited to necessary transportation costs, meals and lodging, laboratory analyses, computer services, special equipment services, trade show charges, delivery charges, telephone, and telefax charges, copying and binding charges and outside technical/professional services. Reimbursement for these expenses shall be on the basis of actual charges with prior approval by CLIENT when furnished by outside sources and on the basis of usual commercial charges or separate rate schedules when furnished by RRS.
5. **COST ESTIMATES.** Any cost estimates provided by RRS as part of our work and/or deliverable will be on a basis of experience and judgment, but because it has no control over market conditions or bidding procedures, RRS cannot warrant that bids or ultimate costs will not vary from these cost estimates provided in our work and/or deliverables.
6. **PROFESSIONAL STANDARDS/WARRANTY.** RRS shall be responsible, to the level of competency presently maintained by other practicing consultants in the same type of work in CLIENT'S community, for the professional and technical soundness, accuracy, and adequacy of all work and materials furnished under this authorization. RRS makes no other warranty, express or implied, with regard to its capacity, the work performed under this authorization, or the ultimate performance or compliance of the project.
7. **TERMINATION.** Either CLIENT or RRS may terminate this authorization with or without cause by giving 30 days written notice to the other party. In such event, CLIENT shall forthwith pay RRS in full for all work previously performed prior to effective date of termination. Upon receipt of such payment, RRS will return to CLIENT all documents and information which is the property of CLIENT. If no notice of termination is given, obligations created by this authorization shall be terminated upon completion of all applicable requirements of the authorization.
8. **MEDIATION/ARBITRATION.** To resolve any conflicts that arise during the project or following completion of the project, the CLIENT and RRS agree that all disputes between them relating to this agreement shall be submitted to nonbinding mediation unless the parties mutually agree otherwise. In the event the parties to this agreement are unable to reach a settlement of any dispute arising out of the services under this agreement in accordance with this section then such controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
9. **LEGAL EXPENSES.** In the event legal action, including arbitration, is brought by CLIENT or RRS against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party its reasonable amounts for fees, costs and expenses incurred as a result of that action.
10. **PAYMENT TO RRS.** In addition to any other remedies RRS may have, RRS shall have the absolute right to cease performing any basic or additional services in the event payment has not been made on a current basis.
11. **LIMITATION OF LIABILITY.** RRS's liability to the CLIENT for any cause or combination of causes, whether arising out of claims based upon contract, warranty, negligence, strict liability or otherwise, is in the aggregate, limited to an amount no greater than the fee earned under this agreement.
12. **OWNERSHIP OF WORK PRODUCT.** CLIENT shall be the owner of the Deliverables delivered to the CLIENT, subject to the following reserved rights of RRS: (1) RRS is the sole owner of all analytical concepts and protocols contained in or used to develop those Deliverables, (2) RRS is the sole owner of any data included in those Deliverables that was collected by RRS other than in performing its work under this Agreement and (3) RRS may include the data collected in performing its work under this Agreement in the general database where all data is held confidentially and in aggregate.
13. **PRE-EXISTING INTELLECTUAL PROPERTY.** RRS is, and shall remain, the sole and exclusive owners of all right, title and interest in and to all data, know-how, analytical concepts, protocols, methodologies, software and other materials, provided by or used by RRS in connection with performing the services, in each case developed or acquired by RRS prior to the commencement or independently of this Agreement, including all intellectual property rights therein. RRS hereby grants the CLIENT a license to any Pre-Existing Intellectual Property to the extent it is incorporated, combined with, or otherwise necessary in the Deliverable.
14. **AUTHORIZATION TO USE CLIENT NAME, LOGOS, PROJECT MATERIALS.** CLIENT grants to RRS a non-exclusive, royalty free license to use CLIENT's name, logos, and related project materials for use in promotional materials and for marketing and advertising purposes unless otherwise specified in a non-disclosure agreement.
15. **COMPLETE AGREEMENT.** This agreement and its attachments constitute the full and complete agreement of RRS and CLIENT regarding the subject matter of this agreement, and no other agreements, written or oral shall apply. This agreement may be modified only by written agreement signed by both parties.
16. **GOVERNING LAW.** This agreement shall be governed by and construed in accordance with the laws of the State of Michigan.
17. **NONDISCRIMINATION.** RRS covenants not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, financial status or protected activity. In addition, RRS covenants not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of these covenants may be regarded as a material breach of this agreement.