C2019-001

# SOLID WASTE SERVICES AGREEMENT
# BETWEEN
# TOWN OF FOUNTAIN HILLS
# AND
# ALLIED WASTE TRANSPORTATION, INC.

This SOLID WASTE SERVIES AGREEMENT (this "Agreement) is made on January 15, 2019 (the "Effective Date") between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and Allied Waste Transportation, Inc., a Delaware corporation, d/b/a Republic Services of Phoenix (the "Contractor").

## RECITALS

A. The Town issued a Request For Proposals, "Solid Waste Services (PW2018-002)" (the "RFP"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, seeking proposals from vendors for residential curbside solid waste collection and disposal services, bulk waste collection and disposal services, residential recycling services, green waste services, Town facility solid waste services, Town facility recycling services and special event solid waste and recycling services within the corporate limits of the Town of Fountain Hills (the "Services").

B. The Contractor submitted a proposal in response to the RFP (the "Proposal"), which is attached hereto as Exhibit B and incorporated herein by reference, and the Town desires to enter into an Agreement with the Contractor for the Services.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Definitions. As used herein, and notwithstanding any other contrary definition given these terms under Arizona law, the parties hereto specifically agree that the terms defined below shall, for the purpose of this Agreement, have the meanings as set forth in this Section. The words "shall," "will" and "must" are always mandatory and not merely discretionary. The word "may" indicates something that is not mandatory but permissible. When not inconsistent with the context, words in the plural shall include the singular and vice versa, words importing persons shall include firms and corporations, words in the present tense shall include the future and use of the masculine gender shall include the feminine gender. The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of adoption of this Agreement; and the term "hereafter" shall mean after the initial date of adoption of this Agreement.

1.1 "Backdoor" means a location at the front, side or rear of a Residential Service Unit acceptable to both the Resident and Contractor as the location for Residential

Collection Service. If an appropriate location cannot be agreed upon, the Contract Administrator shall designate the location for Residential Collection Service.

1.2 "Bulk Waste" means Solid Waste composed of materials not easily containerized in a Solid Waste Cart or Recycling Cart such as, but not limited to, Green Waste, furniture, cardboard and large appliances.

1.3 "Bulk Waste Collection Services" means Collection of Bulk Waste and delivery to the Disposal Facility or the Recycling Facility by the Contractor.

1.4 "Bulk Waste Services" means Bulk Waste Collection Services and the disposal of Bulk Waste at the Disposal Facility or recycling of Bulk Waste at the Recycling Facility.

1.5 "Business Day" means any day, Monday through Friday, from 5:00 AM, Local Time to 5:00 PM, Local Time.

1.6 "Cart" means a Recycling Cart, a Solid Waste Cart or a Green Waste Cart, as applicable.

1.7 "Council" means the Mayor and Town Council of the Town of Fountain Hills, Arizona.

1.8 "Collection" means the act of picking up Solid Waste or Bulk Waste from Residential Units and delivery of the Solid Waste or Bulk Waste to the Disposal Facility. Collection shall also mean the act of picking up Recyclable Materials from Residential Units or Town Facilities and delivery of the Recyclable Materials to the Recycling Facility.

1.9 "Collection Service" means Residential Solid Waste Collection Services, Residential Bulk Waste Collection Services, Residential Recycling Collection Services, Residential Green Waste Collection Services, Town Facility Solid Waste Collection Services, Town Facility Recycling Collection Services, Special Event Solid Waste Collection Services and Special Event Recycling Collection Services.

1.10 "Commencement Date" means the earliest date the Contractor shall commence the Collection Services in accordance with this Agreement on the days set forth on the map attached as Exhibit D, attached hereto and incorporated herein by reference.

1.11 "Construction Debris" means solid waste derived from the construction, repair or remodeling of buildings or other structures.

1.12 "Construction and Demolition Waste" shall include Construction Debris and Demolition Debris.

1.13 "Contamination" means the existence of any material or substance on or contained in Recyclable Materials that would result in failure to meet Recovered Material specifications.

1.14 "Contract Administrator" means the Town Manager of the Town, or his designee or designees, who shall represent the Town in the administration and supervision of this Agreement.

1.15 "Container" means any metal or plastic container, with a capacity of approximately 300 gallons designed to or intended to be mechanically dumped into a loader-packer type garbage truck and used for Town Facility Recycling Services. All such Containers must be clearly marked in a manner as approved by the Town.

1.16 "Demolition Debris" means solid waste derived from the demolition of buildings or other structures.

1.17 "Disposal Facility" means a facility, area of land or excavation in which Solid Waste and Bulk Waste are placed for permanent disposal. Disposal Facility does not include a land application unit, surface impoundment, injection well, compost pile or waste pile or an area containing ash from the on-site combustion of coal that does not contain household waste, household hazardous waste or conditionally exempt small quantity generator waste.

1.18 "Disposal Services" means the disposal of Solid Waste and Bulk Waste by the Contractor.

1.19 "Expiration Date" means January 14, 2024 at 11:59 PM, Local Time.

1.20 "Green Waste" means organic yard waste, including but not limited to, grass clippings, tree trimmings, brush clippings, and other similar material.

1.21 "Green Waste Cart" means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a load-packer type garbage truck and approved by the Town Manager or authorized designee for the Collection of Green Waste from Residential Service Units. All Green Waste Carts shall be green in color and clearly distinguishable from Solid Waste Carts.

1.22 "Hazardous Waste" means solid waste as described in 40 Code of Federal Regulations part 261, as amended.

1.23 "Local Time" means the time in Phoenix, Arizona.

1.24 "Materials Acceptance Protocol (MAP)" means the document which identifies the types and standards for the Recyclable Materials which are to be collected and processed under this Agreement. The MAP is attached hereto as Exhibit E and incorporated herein by reference.

1.25 "Missed Block" shall mean, as determined by three or more customers on a block, that each customer deems that her/his respective properly-prepared Cart that was set out at the Collection location on the scheduled Collection day was not picked up by the Contractor.

1.26 "Missed Collection" shall mean, as determined by the customer, a properly prepared Cart that was set out at the Collection location on the scheduled Collection day that was not picked up by the Contractor.

1.27 "Non-recyclable Waste" means the portion of Solid Waste, exclusive of Hazardous Waste, that is not Recyclable Materials.

1.28 "Person" means an individual, corporation, company, association, partnership, unit of local government, state agency, Federal agency, or other legal entity.

1.29 "Process," "Processed" or "Processing" means the separation, sorting, crushing, baling, shredding, flattening or other treatment of Recyclable Materials into Recovered Materials.

1.30 "Processing Fee" means the per ton fee for receipt and processing of Recyclable Materials.

1.31 "Recovered Material(s)" means Recyclable Materials which have been processed at the Recycling Facility to market specifications.

1.32 "Recyclable Materials" means those materials which are capable of being recycled and which would otherwise be processed or disposed of as Solid Waste.

1.33 "Recyclable Materials Collection Services" means the provision of Residential Recycling Collection Service, Town Facility Recycling Collection Service and Special Event Recycling Collection Service by the Contractor.

1.34 "Recycling" means any process by which materials which would otherwise become Solid Waste are collected, separated, or processed and reused or returned to use in the form of raw materials or products.

1.35 "Recycling Cart" means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Recyclable Materials from Residential Service Units, Town Facilities and special events. All such Recycling Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.36 "Recycling Facility" means a Solid Waste Facility that is owned, operated or used for the storage, treatment or processing of Recyclable Materials and that handles wastes that have a significant adverse effect on the environment.

1.37 "Recycling Services" means the Collection of Recyclable Materials by the Contractor from Residential Service Units and Town Facilities in the Town, delivery of Recyclable Materials to Recycling Facility, and processing and marketing of Recyclable Materials at the Recycling Facility.

1.38 "Rejects" means material other than Residue, such as Non-recyclable Waste or materials other than those defined in the MAP, which is delivered with Recyclable Materials and which shall be handled and accounted for separately from Recyclable Materials and Residue.

1.39 "Residential Bulk Waste" means Bulk Waste that is generated and disposed of at a Residential Service Unit.

1.40 "Residential Bulk Waste Collection Service" means the Collection of Bulk Waste by the Contractor from Residential Service Units and the delivery of the Bulk Waste to the Disposal Facility or Recycling Facility.

1.41 "Residential Green Waste Service" means the Collection of Green Waste by the Contractor from Residential Service Units and the delivery of Green Waste to a green Waste processing facility.

1.42 "Residential Recyclable Materials" means any Recyclable Materials that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.43 "Residential Recycling Collection Services" means the Collection of Recyclable Materials by the Contractor from Residential Service Units and the delivery of the Recyclable Materials to the Recycling Facility.

1.44 "Residential Recycling Services" means the Collection of Recyclable Materials by the Contractor from Residential Service Units, delivery of the Recyclable Materials to the Recycling Facility and processing and marketing of the Recyclable Materials at the Recycling Facility.

1.45 "Residential Services" means Residential Solid Waste Services, Residential Bulk Waste Collection Services, Residential Green Waste Services and Residential Recycling Services.

1.46 "Residential Service Unit" mean residential dwellings and establishments identified by the Town to receive Residential Services from the Contractor and utilizing (i) a Solid Waste Cart for the accumulation and set-out of Residential Solid Waste and (ii) a Recycling Cart for the accumulation and set-out of Residential Recyclable Materials. Town, at its sole discretion, may add or delete Residential Units.

1.47 "Residential Solid Waste" means any garbage, Green Waste or rubbish that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.48 "Residential Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from Residential Service Units and delivery of the Solid Waste to the Disposal Facility.

1.49 "Residential Solid Waste Services" means the Collection of Solid Waste by the Contractor from Residential Service Units, delivery of the Solid Waste to the Disposal Facility, and disposal of the Solid Waste at the Disposal Facility.

1.50 "Residue" means that portion of the Recyclable Materials accepted by the Contractor which is not converted to Recovered Materials due to spoilage, breakage, contamination and/or transportation or processing inefficiencies, other than Rejects.

1.51 "Residue Allowance" means that portion of incoming Program Recyclables defined as Residue and shall not exceed the overall annual Residue Allowance of 15%.

1.52 "Scavenging" means the unauthorized removal of Recyclable Material after the generators thereof divest control physically or as a matter of appropriate law, rule or regulation.

1.53 "Solid Waste" means any garbage, trash, rubbish, waste tire, refuse, sludge from a waste treatment plant, water supply treatment plant or pollution control facility and other discarded material, including solid, liquid, semisolid or contained gaseous material unless otherwise excluded by the Arizona Revised Statutes.

1.54 "Solid Waste Cart" means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Residential Solid Waste. All such Solid Waste Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.55 "Solid Waste Facility" means a transfer facility and any site owned, operated or utilized by any person for the storage, processing, treatment or disposal of solid waste, conditionally exempt small quantity generator waste or household hazardous waste unless otherwise excluded by Arizona Revised Statutes.

1.56 "Special Event Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from special events as requested by the Town and delivery of the Solid Waste to the Disposal Facility.

1.57 "Special Event Recycling Collection Services" means the Collection of Recyclable Materials from special events as requested by the Town via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.58 "Source Separated Materials" means materials that are separated by material type by the generator.

1.59 "State" means the State of Arizona.

1.60 "Ton" means a unit of weight equal to 2,000 pounds.

1.61 "Town Facility" means any Town-owned or operated facility designated by the Town for Town Facility Recycling Services. The Town has the sole authority to add or eliminate Town Facilities.

1.62 "Town Facility Recycling Collection Services" means the Collection of Recyclable Materials from Town Facilities via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.63 "Town Facility Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from a Town Facility and delivery of the Solid Waste to the Disposal Facility.

1.64 "Town Revenue Rate" means the minimum payment by Contractor to Town per ton of Recyclable Materials received at the Recycling Facility.

2. Representations.

2.1 Relationship of the Parties. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any Town payments issued hereunder and Contractor agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Agreement.

2.2 Representations by Town. The Town represents to the Contractor that the Town is duly organized and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement. The Town further represents that the person signing on its behalf has been properly authorized and empowered to enter into this Agreement. The Town acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

2.3 Representations by Contractor. The Contractor represents to the Town that at the time of execution of this Agreement:

A. Authority. The Contractor is duly qualified and in good standing to do business in the State and is duly qualified and in good standing to do business wherever necessary to carry on the business and operations contemplated by this Agreement. The Contractor further represents that the person signing on its behalf has been properly authorized and empowered to enter this Agreement. The Contractor further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

B. Recyclable Materials Processing. The Contractor has the right to receive Recyclable Materials processing and marketing services from its affiliate, River Recycling, LLC, as attested to in the affidavit attached hereto as Exhibit F and incorporated herein by reference, for the Initial Term and Renewal Terms (as defined in Section 3 below).

C. Solid Waste Disposal. The Contractor has entered for the right to receive Disposal Services at the Cave Creek Transfer Station (which the Contractor owns and operates), as attested to in the affidavit attached hereto as Exhibit G and incorporated herein by reference, for the Initial Term and Renewal Terms.

D. Licenses; Materials. The Contractor has obtained all applicable environmental and other governmental permits, licenses, permits and authorizations that are (1) necessary for providing the Services and (2) required to be issued under Federal, State, local law, regulation, rule or ordinance. Contractor shall maintain in current status all Federal, State and local licenses, permits and authorizations required for the operation of the business conducted by the Contractor. The Town has no obligation to provide Contractor, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Consultant.

E. Insurance/Bonds. The Contractor has obtained and submitted to the Town certificates of insurance for all required insurance coverages specified in this Agreement.

F. No Legal Action Pending. To the best of the Contractor's knowledge, there is no action, suit or proceeding, at law or equity, before or by any court or government authority, pending or threatened against the Contractor, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the Contractor of its obligation hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement, or any other contract or instrument entered into by the Contractor in connection with the transactions contemplated hereby.

Contractor agrees that it shall take all steps necessary to ensure that the representations set forth in this Section 2.3 shall remain true and correct for the entire Term of this Agreement.

3. Term of Agreement.

3.1 Initial Term. Unless sooner terminated in accordance with the provisions in this Agreement, the term of this Agreement shall commence on the Commencement Date and shall continue in effect until the Expiration Date (the "Initial Term").

3.2 Option to Renew. After the Initial Term, the parties shall have the option upon written agreement to renew this Agreement for up to three additional one-year terms (each, a "Renewal Term"). The Initial Term and any Renewal Terms shall be collectively referred to herein as the "Term." To exercise its option, Town shall provide written notice to Contractor (each an "Option Notice") not later than 60 calendar days preceding the scheduled Expiration Date of the then-current Term. The Contractor shall, within 15 calendar days following receipt of the Town's Option Notice, either accept or reject the Town's request. If the Contractor fails to accept or reject the Town's renewal request within 15 days following receipt of the Town's Option Notice, the Contractor shall be deemed to have consented to renewal of the

Agreement for one year. This provision in no way limits the Town's right to terminate this Agreement at any time during the Term pursuant to the provisions in this Agreement.

4. Solid Waste Services, Bulk Waste Services and Recycling Services. The Contractor shall begin providing the services set forth in this Section on their respective Commencement Dates, as determined on the days set forth on the map included on Exhibit D, and the Contractor shall change rates for such services not greater than as set forth on Exhibit C.

4.1 Solid Waste.

A. Residential Solid Waste Services. Contractor shall collect, once per week on a scheduled day, all Solid Waste Carts from each Residential Service Unit in the Town. Contractor shall deliver the Residential Solid Waste collected to the Disposal Facility and dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Solid Waste Cart collection and non-collection day Collection Services.

B. Annual Residential Bulk Waste Services. Contractor shall provide a process for collecting residential bulk waste of up to six cubic yards from each Residential Service Unit in the Town once per year by routes/areas on dates and in the sequence approved in writing by the Town. Contractor shall provide notice Contractor shall deliver the Bulk Waste collected to the Recycling Facility or the Disposal Facility. If the Bulk Waste is delivered to the Recycling Facility, Contractor shall process and market the Bulk Waste at the Recycling Facility. If the Bulk Waste is delivered to the Disposal Facility, Contractor shall dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Bulk Waste Collection Services.

C. Town Facility Solid Waste Services. Contractor shall collect, not less than once per week, all Solid Waste in Solid Waste Carts or Containers at Town Facilities shown in the table below:

**Table 4.1**

| Town Facilities | Address | Container Size | Collection Frequency |
|---|---|---|---|
| Town Civic Center | 13001 La Montana | 8 YD | Twice per week |
| Streets Department | 17137 Falcon Dr. | 6 YD | Twice per week |
| Fountain Park | 13000 Saguaro Blvd. | 8 YD | Once per week |
| Four Peaks Park | 17300 Calaveras Ave. | 6 YD | Once per week |
| Golden Eagle Park | 14725 Golden Eagle | 4 YD(1); 6 YD(2) | Once per week |
| Desert Vista Park | 11800 Desert Vista | 6 YD | Once per week |

D. Special Event Solid Waste Services. Upon request of the Town, the Contractor shall deliver Solid Waste Carts or containers to the site of a special event and shall collect and dispose of Solid Waste collected in such Solid Waste Carts or Containers.

4.2 Recycling.

A. Residential Recycling Services. Contractor shall collect, once per week on a scheduled day, all Recyclable Materials via single stream in a Residential Recycling Cart from each Residential Service Unit in the Town. Contractor shall deliver the Recyclable Materials collected to the Recycling Facility. In addition, Contractor shall process and market the Recyclable Materials delivered to the Recycling Facility.

B. Town Facility Recycling Collection. Contractor shall collect, on a frequency solely decided by the Town, all Recyclable Materials from each Town Facility listed in Table 4.1 above. Contractor shall deliver the Recyclable Materials collected to the Recycling Facility. In addition, Contractor shall process and market the Recyclable Materials delivered to the Recycling Facility.

C. Special Events Recycling Collection. Upon request of the Town, Contractor shall deliver Recycling Carts to the site of a special event and shall collect and process all Recyclable Materials collected by such Recycling Carts, the frequency of which shall be at the Town's sole discretion.

E. Disposal Prohibited. The Contractor shall be prohibited from (1) disposal of and/or landfilling of any Recyclable Materials accepted or processed at the Recycling Facility or (2) marketing Recyclable Materials to markets that the Contractor knows or reasonably should have anticipated will dispose of and/or landfill the Recyclable Materials, except when approved in writing by the Town.

4.3 Residential Green Waste Collection. Contractor shall collect, once per week on a scheduled day, all Green Waste via Residential Green Waste Cart from each Residential service Unit in the Town that has selected the green waste option and has agreed to pay the additional cost of same. Contractor shall deliver all Green Waste collected from Green Waste Carts at Residential service Units to a Green Waste processing facility.

4.4 Backdoor Collection Services. Contractor shall provide Backdoor Collection Services for Residential Solid Waste and Recyclable Materials from Residential Service Units if all adult occupants residing therein are handicapped, or due to age or verified physical limitations, cannot safely move Carts and if a request for Backdoor Collection Services has been made to and approved by the Town, in the manner required by the Town. The Town shall notify the Contractor in writing of any Residential Service Unit requiring Backdoor Collection Services. No additional monies shall be due to the Contractor for the provision of Backdoor Collection Services. Contractor shall provide Backdoor Collection Services on the same scheduled Collection day that Collection Services would otherwise be provided to the Residential Service Unit.

4.5 Manner of Providing Services. Unless otherwise stated in this Agreement, the Contractor shall be solely responsible for all aspects of the management, operations and maintenance and equipment relating to the Services including, but not limited to, the following:

A. Rejected Loads. Transportation and disposal of Rejected Loads (as defined in subsection 5.2 below) at the Recycling Facility to the Disposal Facility.

B. Residue and Rejects. Transportation and disposal of Residue and Rejects at the Recycling Facility to the Disposal Facility.

C. Recovered Materials. The shipping and marketing of Recovered Materials processed at the Recycling Facility.

D. Records. The maintenance of complete and accurate records and the provision of reports to the Town in accordance with the requirements of this Agreement.

E. Maintenance. The preventive maintenance, maintenance and repair of systems and equipment including vehicles, buildings, grounds and other equipment.

F. Clean-up. The prevention and clean-up of litter, spillage, dust and odor as set-forth in this Agreement.

G. Personnel. The recruitment, hiring and training of all managerial, supervisory and operating personnel providing the Services.

H. Carts. Cart maintenance and delivery of new Solid Waste Carts, Recycling Carts and Green Waste Carts, as applicable. Contractor shall also be solely responsible for Storage of unused Carts.

4.6 Part-Time Residents. Contractor shall provide each Residential Unit the opportunity to annually stop service temporarily for a period of up to six continuous months upon notification by the resident.

4.7 Annual Household Hazardous Materials Collection. Contractor shall provide a household hazardous waste (*i.e.,* paints, solvents, pesticides, herbicides, oils, etc.) collection events to occur at least once per calendar year.

4.8. Annual Electronics Recycling Event. Contractor shall provide electronic recycling (including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires/cables/power cords, power tools, printers, routers, DVD players and video game equipment) events to occur at least once per calendar year, as set forth in Exhibit B, or as otherwise pre-approved in writing by the Town.

5. Inspection of Loads and Rejected Loads.

5.1 Contractor's Right to Inspect Loads. The Contractor may inspect each delivery of Recyclable Materials prior to and upon their discharge at the Recycling Facility for consistency with the MAP.

5.2 Unacceptable Loads. Contractor may not designate a load as an unacceptable load for any reason other than those identified in this Section. Prior to departure from the Recycling Facility of the vehicle delivering Recyclable Materials to the Recycling Facility, Contractor may designate a load as a "Rejected Load" for the following reasons:

A. Excessive Non-Recyclable Waste. A load of Recyclable Materials contains more than 15% Non-recyclable Waste by weight.

B. Public Health Danger. A load of Recyclable Materials presents a substantial endangerment, such as disease or death, to the public or employee health or safety.

C. Hazardous Waste. A load contains Hazardous Waste that cannot be easily separated from acceptable materials.

5.3 Procedure upon Rejection of Load.

A. Notice of Rejected Load. If the Contractor designates a load as a Rejected Load for the reasons set forth in subsections 5.2(A) and (B) above, Contractor must immediately provide written notice to the Town, including the reason the load was designated a Rejected Load. If Contractor fails to provide notice in accordance with this subsection, Contractor shall accept the load.

B. Right to Inspect Rejected Loads. Upon receipt of the notice by the Town in accordance with subsection 5.3(A) above, Contractor shall retain the Rejected Load for an additional 24 hours to allow the Town a right to inspect the load. The Town may waive the right to inspect the load. Failure to inspect the load within 24 hours of receipt of notice shall be deemed a waiver of the right to inspect the load.

C. Dispute or Acceptance of Designation as Rejected Load. If the Town inspects the load, the Town may dispute or accept the designation as a Rejected Load. If the Town disputes the rejection of the load for the reasons set forth in Section 5.2(A) or (B) above, the Contract Administrator's decision as to whether the load will or will not be accepted shall be final and conclusive. If the load is not deemed a Rejected Load by the Contract Administrator, the Contractor shall accept and process the load as long as it does not contain Hazardous Waste (which is covered by Section 5.4 below).

D. Costs for Rejected Loads not due to Hazardous Waste. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejected Loads for the reasons set forth in subsections 5.2(A) and (B) above.

5.4 Procedure upon Rejection of Load due to Hazardous Waste. If Contractor discovers Hazardous Waste before collecting it, Contractor may refuse to collect the entire Recycling Cart or Solid Waste Cart of waste. In such situations, Contractor shall contact the generator of such waste to remove and dispose of it properly. If any Hazardous Waste is not discovered by Contractor before it is collected, Contractor may, in its sole discretion, (A) remove, transport and dispose of such Hazardous Waste at a location authorized to accept such Hazardous Waste in accordance with all applicable laws and (B) charge the depositor or

generator of such Hazardous Waste all direct and indirect costs incurred due to removal, remediation, handling, transportation, delivery and disposal of such Hazardous Waste. The Town shall provide all reasonable assistance to Contractor to conduct an investigation to determine the identity of the depositor or generator of the Hazardous Waste.

6. Handling of Rejects and Residue.

6.1 Handling of Rejects. The Contractor shall segregate and store all Rejects and shall notify the Town prior to their removal for disposal to permit the Town's inspection thereof. The Town shall have the right to inspect such Rejects within 24 hours of notification and to make its own determination as to whether such materials are in fact Rejects, as defined herein. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejects.

6.2 Handling of Residue. Contractor shall be solely responsible for ensuring that Residue which is culled from Program Recyclables accepted by Contractor or which is the result of processing activity shall not exceed the overall annual Residue Allowance of 15%. If the residue exceeds the Residue Allowance, Town may assess liquidated damages in accordance with Section 18 of this Agreement. Contractor, at is sole expense, shall bear costs of transporting and disposal of all Residue.

7. Collection and Processing Equipment.

7.1 Collection Services Vehicles.

A. Appearance of Collection Services Vehicles. Contractor shall paint all Collection Service vehicles uniformly with the name of Contractor, customer service office telephone number and the unique identification number of the vehicle in letters not less than six inches high on each side and the rear of the vehicle. All Collection Services vehicles shall be uniquely numbered and a record kept of the vehicle to which each number is assigned. No advertising shall be permitted on vehicles, except for events sponsored by the Town, which shall be advertised on request of the Town.

B. Age of Collection Services Vehicles. Contractor shall provide all Collection Services pursuant to this Agreement with Collection vehicles **less than seven years** of age. The **average age** for the Collection vehicles to be used for performance of Collection Services provided pursuant to this Agreement **shall not exceed three years of age.**

7.2 Collection Services Carts. Town shall have the sole decision in determining the appearance of the Carts.

A. Purchase and Initial Distribution of Carts. The Contractor, at its sole cost, shall purchase all Carts required for the provision of Collection Services pursuant to this Agreement. In addition, the Contractor, at its sole cost, shall deliver one Solid Waste Cart, one Recycling Cart and one Green Waste Cart (for Residential Service Units choosing the optional Green Waste Service) to each Residential Service Unit prior to the Commencement Date, unless instructed otherwise by the Town. The Contractor shall attach a program introduction notice to each Cart delivered.

B. Subsequent Distribution, Maintenance and Storage. After the initial distribution of Carts, Contractor, at its sole cost, shall deliver Cart(s) to a Residential Service Unit within two business days of the request by the Town. Contractor shall attach a program introduction notice to each Cart delivered.

C. Cart Care and Maintenance. Contractor's employees shall take care to prevent damage to Carts by unnecessarily rough treatment. Contractor shall be solely responsible for Cart maintenance.

D. Reserve Carts. Contractor shall maintain a minimum of 15 Solid Waste Carts, 15 Recycling Carts and 15 Green Waste Carts at a secure location within the corporate limits of the Town to ensure that extra or replacement Carts can be expeditiously provided upon the request of the Town. Subject to space availability, the Town can accommodate the reserve Solid Waste Carts, Recycling Carts and Green Waste Carts at its Street Yard, located at 17137 Falcon Drive, which Carts shall be accessible to the Contractor during the Town's normal business hours.

E. Replacement of Carts. Upon notification to Contractor by the Town or a customer that a Cart has been lost, destroyed, stolen or that it has been damaged beyond repair, Contractor shall purchase, if necessary, and deliver a replacement Cart to such customer within two business days. At the expense of the Contractor, each Residential Service Unit shall be entitled to unlimited replacements of destroyed or damaged beyond repair Cart(s) for the life of the Agreement at no cost to the Town or the customer if determined by the Contract Administrator or authorized designee that such destruction or damage was caused by the Contractor or Contractor's employees or equipment. For additional replacements beyond those as provided in this Agreement or for Carts purchased by written authorization of the Town Manager, Town shall reimburse Contractor the purchase cost paid by Contractor for the Cart.

7.3 Collection and Processing Equipment, Excluding Carts.

A. Purchase, Operation and Maintenance. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for all costs of purchasing, operating and maintaining Collection and processing equipment for the Term of this Agreement. Town, at its sole discretion, shall determine whether the Contractor is or is not properly maintaining the Collection and processing equipment. If the Town determines the Contractor is not properly maintaining the Collection and/or processing equipment, Contractor shall replace such equipment in accordance with this Agreement and Town may assess liquidated damages in accordance with Section 18 of this Agreement.

B. Replacement. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for the replacement of Collection and processing equipment if such equipment is lost, stolen or damaged beyond normal wear and tear. If Contractor or Town determines that Collection and/or processing equipment requires replacement, Contractor shall replace such equipment within 14 calendar days with comparable equipment. Contractor shall be responsible to make the appearance of the replacement equipment in adherence with the requirements of this Section.

7.4 Ownership.

A. Collection Services Equipment other than Carts and Containers. Ownership of Collection Services Equipment other than Carts shall rest with Contractor.

B. Carts and Containers. Ownership of Carts and containers shall rest with the Contractor during and after the term of the Agreement.

7.5 Disposal Facility and Recycling Facility Equipment. The Disposal Facility, Recycling Facility and any other processing center used to perform the Services shall be equipped with adequately sized truck scales and computerized record-keeping systems for weighing and recording all incoming and outgoing delivery vehicles and vehicles transporting Recyclable Materials to markets. Contractor shall separately weigh, record and tabulate each load from Town.

8. Personnel. Contractor shall assign a qualified person or persons who will be charge of its operations within the Town and authorized to make decisions on Contractor's behalf and shall provide the name, office telephone number, mobile phone number, email address and facsimile number of Contractor's representatives and key personnel to the Contract Administrator. Contractor agrees that the Town shall have 24 hour access to said representative via a non-toll call from the corporate limits of the Town. Such records shall be updated as personnel or contact information changes. In addition, Contractor shall adhere to the following requirements:

8.1 Key Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. Contractor agrees to assign specific individuals to key positions. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without written notice to the Town, which Contractor will endeavor to make prior to the removal or replacement of such key personnel. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel of substantially equal or superior ability and qualifications. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels.

8.2 Uniforms. Contractor shall furnish each employee involved in the performance of this Contract with a uniform and safety vest, shirt or jacket which clearly displays the name of Contractor. Such uniforms and safety equipment shall make the employee readily visible to other motorists. Contractor's employees shall wear complete uniforms and safety vest, shirt or jacket at all times.

8.3 Safety Training. Contractor shall provide regularly scheduled, on-going operating and safety training for all employees. In addition, Contractor's employees shall be trained to perform their duties to maximize the Town's recycling rate, minimize contamination

and promote recycling at all times. Such meetings shall be mandatory for all Collection and supervisory personnel and held not less than once per month. All temporary and newly hired permanent Collection personnel and supervisory employees must receive comprehensive safety and operational training prior to working on the Collection vehicles or performing duties under this Agreement. Training manuals and schedules shall be maintained at the local office of Contractor and available for review at any time by Contract Administrator.

8.4 General Training. All employees involved in the performance of this Agreement including office and all Collection personnel, must be provided adequate training before and during their employment with the Contractor. This training shall familiarize employees with the required duties and standards of performance, specific requirement on routes to which they will be assigned, teach the route layouts previously established and approved and provide necessary knowledge to eliminate delays and Missed Collections. All supervisory and Collection employees must be provided equipment and supplies prior to and during the performance of their duties. All Collection, administrative, supervisory and customer service personnel must receive customer service training prior to and during the time they are employed by the Contractor.

8.5 Contact with Others. Contractor's employees shall treat all customers, co-workers, Town employees and any individual with whom they come in contact in the performance of their duties in a polite and courteous manner. Rudeness, belligerence and the use of profanity are strictly prohibited. The Town reserves the right to direct Contractor to remove any employee who violates this policy from providing services to the Town, pursuant to this Agreement.

8.6 Compliance with Laws, Monitoring and Inspections. In performance of Collection Services, Contractor's employees must adhere to applicable municipal, Town, State and Federal laws. Town reserves the right to make a complaint regarding any employee of the Contractor who violates any provision herein, or who is wanton, negligent or discourteous in the performance of his/her duties. The Town may recommend appropriate action be taken by the Contractor and may require the Contractor to remove any unacceptable employee, as determined by the Town, from service to the Town. Contractor will be responsible for all compliance monitoring and inspection necessary pursuant to the Town's variance with the Maricopa County Environmental Services Division with respect to the services provided under this Agreement.

9. Hours of Operation and Holidays. Contractor shall not make any changes to the hours of operation as provided in this Section without the prior, written approval of the Contract Administrator.

9.1 Residential Collection Services. Excluding Holidays (as defined in subsection 9.7 below), Contractor shall provide Residential Collection Services from **Monday through Friday, 6:00 AM, Local Time to 5:00 PM**, Local Time. Residential Collection Services that fall on a Holiday shall be collected as set forth in Section 9.7 below.

9.2 Town Facility Recycling Services. Excluding Holidays, Contractor shall provide Town Facility Recycling Services from **Monday through Friday, 6:00 AM, Local**

**Time to 5:00 PM**, Local Time. Town Facility Recycling Services that fall on a Holiday shall be collected on the following day.

9.3 Town Facility Solid Waste Services. Excluding Holidays, Contractor shall provide Town Facility Solid Waste Services **from Monday through Friday, 6:00 AM, Local Time to 5:00 PM**, Local Time. Town Facility Solid Waste Services that fall on a Holiday shall be collected on the following day.

9.4 Extension of Collection Services Hours of Operation. If the Contractor determines that the Collection Services will not be completed by 5:00 PM, Local Time on the scheduled Collection day, the Contractor shall notify the Town by 3:00 PM, Local Time and request an extension of the Collection hours. The Contractor shall inform the Town of the areas not completed, the reason for non-completion and the expected time of completion. The Town must approve any extension of hours of operation.

9.5 Disposal Facility. Excluding holidays as defined in subsection 9.7 below, Contractor shall maintain, or cause its provider to maintain, the Disposal Facility open and available to receive Solid Waste **seven days per week between 7:00 AM, Local Time to 6:00 PM**, Local Time.

9.6 Recycling Facility. Excluding Holidays, Contractor shall maintain or cause its provider to maintain the Recycling Facility open and available to receive Recyclable Materials seven days per week between 7:00 AM, Local Time to 6:00 PM, Local Time.

9.7 Holidays. The Town, at its sole discretion, may add or delete holidays. If the Town elects to add or delete holidays, the Town will provide the Contractor notice in accordance with the provisions of this Agreement. If a holiday occurs on a scheduled Collection day, Contractor shall perform the scheduled Collection for the holiday on the next calendar day after the scheduled Collection day. For purposes of this Agreement, "Holidays" shall include the following:

A. New Year's Day
B. Independence Day
C. Thanksgiving Day
D. Christmas Day

10. Customer Service Complaints; Billing. Contractor and Contractor's employees understand that customer service is of great importance to the Town. Contractor and its employees will work diligently to provide high quality customer services to the Town and all customers.

10.1 Customer Service Complaint Resolution Procedure. All customer service complaints shall initially be directed to the Contractor. The Contractor will generate an electronic work order outlining all legitimate complaints received. The work order will contain (A) date and time of call, (B) customer name, address and phone number and (C) type of complaint. A copy of the work order will then be electronically submitted to the Town,

including a schedule for resolution. The Contractor will resolve each customer complaint in a timely manner as set forth below:

A. Same Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block on that same day if the complaint is received by the Contractor prior to 11:00 AM, Local Time.

B. Next Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block before 5:00 PM, Local Time on the next calendar day if the complaint is received by the Contractor after 11:00 AM, Local Time.

C. Other Complaints. If the complaint other than a Missed Collection or Missed Block, Contractor shall resolve the complaint within 24 hours of written notice of such complaint to Contractor.

10.2 Work Order Reporting. Upon resolution of the customer complaint, Contractor will close the work order and resubmit it to the Town. The closed work order will include (A) Contractor's determination as to legitimacy of the complaint, (B) the date, time and action taken to resolve complaint and (C) the name of responsible contact at Contractor's location regarding the complaint.

11. Damage to Property. The Contractor shall take all necessary precautions to protect public and private property during the performance of this Contract. Except for reasonable wear and tear, the Contractor shall repair or replace any private or public property that is damaged by the Contractor. Such property damages shall be addressed for repair or replacement, at no charge to the property owner, within 48 hours with property of the same or equivalent value at the time of the damage. If the Contractor fails to address the repair or replacement of damaged property within 48 hours, the Town may, but shall not be obligated to, repair or replace such damaged property and the cost of doing so (A) shall be paid by the Contractor to the Town within 30 days of receipt of demand therefore or (B) may be deducted by the Town from only amounts owing to the Contractor.

12. Spillage and Leakage, Litter, Dust and Odor.

12.1 Spillage and Leakage. Contractor shall clean up any spilled or blowing materials as well as fluids spilled or leaked from Contractor's vehicles by the Contractor, Contractor's employees or authorized person or entity providing service to the Contractor. During transport, all materials shall be contained, covered and enclosed so that leaking, spilling and blowing of materials does not occur. Contractor shall perform all cleanups within two hours of the spillage or leakage.

12.2 Litter. If Contractor operates the Disposal Facility, the Recycling Facility or the processing facility for Green Waste, the Contractor shall be required to pick up any and all litter (including any glass spillage) which blows or falls from the Disposal Facility, Recycling Facility or Green Waste facility onto the site or adjoining or surrounding property by the end of

each workday or by the end of the first shift, if operated for more than ten hours per day. All on-site parking areas and roadways shall be swept at least once per month.

12.3 Dust and Odor. If Contractor operates the Disposal Facility, the Recycling Facility or Green Waste facility the Disposal Facility, Recycling Facility and Green Waste facility shall be operated to prevent the escape of dust and odors. The Contractor shall routinely clean the tip floor and the process and storage areas.

13. Recordkeeping, Reporting, Audited Financial Statements and Reporting Format.

13.1 Recordkeeping. The Contractor shall create, maintain and make available records as defined in, and required by, all applicable local, State and Federal laws, rules and regulations and any reports as are reasonably necessary to:

A. Deliveries. Document Recyclable Materials deliveries, Residential Solid Waste deliveries, time delivered to Recycling Facility, time delivered to Disposal Facility, tonnage of material delivered, Rejected Loads by date collected and other information as requested by Contract Administrator (a monthly summary shall also be submitted to the Town).

B. Missed Collections; Problem Set-out. Document Missed Collections, consistent Late Set-outs and consistent Improper Set-outs on a daily basis including the address, time and date for each and the reason, photograph and notice for Improper Set-outs (a monthly summary shall also be submitted to the Town).

C. Recovered Material. Provide averages from the Recycling Facility of Recovered Material from Recyclable Materials tons marketed by commodity, entity marketed to, price paid by the end market and other information as reasonably requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

D. Recyclable Materials. For Recyclable Materials, document incoming tonnages, residue tonnages, rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity. Contractor shall provide an explanation if incoming tonnages does not equal the total of rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity (a monthly and annual summary shall also be submitted to the Town).

E. Hazardous Waste. Document Hazardous Waste including the source, tonnage, date received, disposal facility and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

F. Other Regulatory Documents. Such other documents and reports as the Town may reasonably require to verify compliance with the Agreement or to meet the Town's reporting requirements with the State (a monthly and annual summary shall also be submitted to the Town).

G. Residue; Rejects. Document Residue and Rejects separately including tonnage, description of material, source of material (i.e. Recyclable Materials, hauler,

etc.), disposition and other information as requested by Contract Administrator. A monthly and annual summary shall also be submitted to the Town.

H. Availability of Documents. All of Contractor's records shall be available to Town and its representatives at reasonable times and places throughout the term of this Agreement and for a period of five years after last or final payment.

13.2 Reporting.

A. Initial Reports.

1. Transition Plan. The Contractor shall provide a transition plan 90 calendar days prior to Commencement Date. This plan shall detail transition to the Contractor providing Solid Waste Service, Bulk Waste Service, Recycling Service and Residential Green Waste Service. This transition plan will be submitted for approval by the Contract Administrator.

2. Processing and Marketing Plan. The Contractor shall provide a processing and marketing plan 90 calendar days prior to Commencement Date. This plan shall detail the processing and marketing of all Recyclable Materials and Recyclable Materials at the site. This processing and marketing plan will be submitted for approval by the Contract Administrator.

3. Hazardous Waste Contingency Plan. The Contractor shall provide a Hazardous Waste contingency plan, 30 calendar days prior to the Commencement Date, to the Contract Administrator and to the Town's Risk Manager. This plan shall detail what actions shall be taken by the Contractor upon discovery of Hazardous Waste. This contingency plan will be reviewed by the Contract Administrator. The plan shall include a copy of a signed contract(s) with a permitted Hazardous Waste transporter(s) to handle any Hazardous Waste discovered. The plan must comply with all State and Federal regulations regarding the handling of Hazardous Waste. Non-conformance with any State or Federal regulation shall cause rejection of the plan. This Hazardous Waste contingency plan will be submitted for approval by the Contract Administrator.

B. Monthly Reports. Contractor shall submit all monthly reports required by this Agreement to the Town Manager or authorized designee within seven calendar days following the end of each calendar month.

C. Annual Reports. Contractor shall submit all annual reports required by this Agreement to the Towns Manager or authorized designee within 30 calendar days following the end of the Town's fiscal year.

13.3 Audited Financial Statements. The Contractor will be required to submit audited financial statements prepared by an external accounting firm within 90 calendar days of the end of the Contractor's fiscal year end. The audited financial statements may be issued by either the Contractor, or by Republic Services, Inc. In the event Contractor is acquired, the

Contractor shall notify the Town of the transfer in ownership, whereupon the Town shall have the option to require that the audited financial statements be submitted by the acquiring entity. The Contractor has provided a Guaranty Agreement by Republic Services, Inc., a copy of which is attached hereto and incorporated herein as Exhibit H. In the event Contractor is acquired, the Town shall have the option to require that the acquiring entity provide a Guaranty Agreement in a form acceptable to the Town Attorney. The financial basis records shall be kept in accordance with generally accepted accounting principles.

13.4 Report Format. Within 14 days after the Commencement Date, the Contractor will be required to submit to the Town for its approval the format and sample contents of the records to be maintained and the reports to be generated in fulfillment of the requirements of the Agreement. Contractor shall submit all reports in electronic format approved by the Town and in hard copy.

14. Billing and Collections, Payment and Annual Adjustments.

14.1 Billing and Collection.

A. Solid Waste, Bulk Waste, Recycling and Disposal Services. The Contractor shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the rate structure established on Forms 5, 7 and 8 respectively, attached hereto as a part of Exhibit C and as may subsequently be adjusted as set forth in this Agreement.

1. Understandable Bills. Bills will be clear, concise and understandable. Bills must be fully itemized, clearly delineating all activity during the billing period, including optional charges, rebates and credits.

2. Uniform Billing. Contractor shall bill all Residential Service Units in a uniform, non-discriminatory manner, regardless of level of service. Payment shall be due no sooner than the 15th day of each billing period, and the due date shall be listed on each bill. Bills shall be mailed no later than the first day of the billing period. Contractor shall provide a process to accept payments from a homeowners' association or its authorized representative for Service Units within that homeowners' association.

a. Town Materials and Announcements. Contractor shall include reasonable Town provided newsletters, announcements and similar materials and information at no additional cost to the Town. The Town and Contractor shall set the schedule and other reasonable parameters therefore.

b. Information Concerning Annual Residential Bulk Waste Service, Household Hazardous Waste Events and Electronic Recycling Events. At least 30 days before each scheduled: (i) Annual Residential Bulk Waste Service, (ii) Household Hazardous Waste Event and (iii) Electronic Recycling Event, Contractor will provide a pamphlet (approved in writing by the Town) in the bills sent to customers in the Town setting forth, as applicable: (i)

the routes and schedule for the Annual Residential Bulk Waste Service pickup, (ii) Household Hazardous Waste Event date, time and locations, and (iii) Electronic Recycling Event date time and location, together with requirements, limitation and answers to frequently asked questions related thereto. The same information shall be conspicuously and continuously posted on the Contractors website and on its billing page for customers within the Town.

3. Customer Dispute. In case of a bill dispute, the Contractor must respond to a written complaint from a resident within 15 days.

4. Refunds. Refund checks will be issued promptly, but no later than the next billing cycle following resolution of the request or 30 days, whichever is earlier. Credits for service will be issued no later than the next billing cycle following the determination that a credit is warranted.

5. Individual Rights. Contractor shall not deny service, deny access, or otherwise discriminate against citizens on the basis of race, color, religion, national origin, sex, age, or disability. Contractor shall comply at all times with all other applicable federal, state, and local laws and regulations, and as amended from time to time, relating to nondiscrimination.

6. Equal Opportunity. Contractor shall strictly adhere to applicable equal employment opportunity requirements of federal, state, and local regulations as amended from time to time.

7. Protection of Privacy. Except as provided in herein, Contractor shall not disclose personally identifiable information concerning any customer without the prior written or electronic consent of the customer concerned. Contractor may disclose such information if the disclosure is: (a) necessary to render, or conduct a legitimate business activity related to Services provided by the Contractor to the customer; or (b) made pursuant to a court order authorizing such disclosure, if the customer is notified of such order by the person to whom the order is directed.

8. Collection Matters. Contractor shall establish a procedure for addressing delinquent accounts and shall be solely responsible for courteous resolution of any collection matters. The Contractor shall be permitted to pick up the Solid Waste Cart, Recycling Cart and Green Waste Cart from any Residential Service Unit for which fees for service have become delinquent by more than 60 days after the first notice of delinquency by the Contractor to the customer. The Contractor shall not receive any payment from the Town on account of excessive delinquencies.

B. Recycling Facilities Processing and Marketing Services. Contractor shall submit a monthly bill on or before the 15th day of each month to the Town for all services performed during the immediate prior calendar month. Contractor shall ensure that each bill (1) describes services provided to the Town, (2) includes all charges for the prior month, and (3) includes any other information the Town requests. Contractor shall bill Town in

accordance with the Rate Structure established on Form 5 and as may subsequently be adjusted as set forth in this Agreement.

14.2 Town Payment to Contractor.

A. Town Facility Solid Waste Collection Services. Town shall pay Contractor for Town Facility Solid Waste Collection Services at the rates set forth on Form 6.1 in an amount equal to the Town's authorized Town Facility Solid Waste Collection Services minus any disputed amounts and minus any liquidated damages.

B. Town Facility Recycling Collection Services. Town shall pay Contractor for Town Facility Recycling Collection Services at the rates set forth on Form 6.2 in an amount equal to Town's authorized Town Facility Recycling Collection Services minus any disputed amounts and minus any liquidated damages.

14.3 Payment for Variance; Inspections. For the duration of this Agreement, Contractor shall be solely responsible for the costs associated with the request for and issuance of a variance by the Maricopa County Environmental Services Division with respect to services to be provided pursuant to this Agreement. Contractor shall also be responsible for conducting any inspections required as a condition upon the Town's variance. Contractor shall provide the Town with (A) quarterly reports detailing the inspections completed and (B) other such information or reports as may be requested by the Town from time to time to comply with the requirements of the variance.

14.4 Annual Rate Adjustments. All costs proposed in Form 6 shall remain fixed from the execution of this Agreement through January 14, 2024. Thereafter the costs shall be adjusted as set forth in Exhibit B, unless otherwise agreed to in writing by the Town. .

15. Public Education Activities. Contractor shall provide the following services associated with public education notices at no cost to the Town or the customer. Contractor will at no time place public education notices inside customers' mailboxes. Contractor shall not distribute any public education notices to Residential Service Units within the Service Area without written approval from Contract Administrator.

15.1 Development, Printing and Distribution of Improper Set-out Notice. Contractor shall develop, print and distribute, at Contractor's own expense, an improper set-out notice. The improper set-out notice shall be approved by the Town and shall include one original with two copies. The improper set-out notice shall include (A) the date (B) reason for non-Collection and (C) Contractor's customer service telephone number and (D) any other information the Town requests. Contractor shall attach the original improper set-out notice via a non-adhesive means to the handle of the Cart. Contractor shall take a digital photo of set-out that receives an improper set-out notice. Contractor shall maintain copies of improper set-out notices and digital photos in a format that enables Contractor to immediately retrieve a requested notice or photo by address. Contractor shall provide a monthly report of improper set-out notices as set forth in this Agreement.

16. Ownership of Solid Waste and Recyclable Materials. Title to Solid Waste, including Bulk Waste, shall pass to the Contractor once the Contractor takes possession of the materials at the Residential Service Unit. Title to Recyclable Materials shall remain with the Town until the Recyclable Materials are processed and sold. The risk of loss to the Recyclable Materials shall pass to Contractor at the time they are picked up by the Contractor. After the risk of loss passes to Contractor, if any Recyclable Materials are lost, damaged or scavenged, Contractor shall be liable to the Town for that sum of funds that would have been paid to the Town in accordance with the provisions of this Agreement. Title to and liability for Hazardous Waste shall at no time pass to the Town or the Contractor and shall, at all times, remain with the generator of the Hazardous Waste.

17. [Intentionally Deleted]

18. Liquidated Damages. Contractor understands that if Contractor does not timely perform its obligations pursuant to the terms of this Agreement, Town will suffer damages which are difficult to determine and adequately specify. The acts or omissions set forth in this Section 18 shall be considered a breach of the Contract. The Contractor shall be liable for liquidated damages amount(s) upon determination of the Town that performance has not occurred consistent with the provisions of the Agreement. The Town shall notify the Contractor in writing or electronically of each act or omission in this Agreement reported to or discovered by the Town. It shall be the duty of the Contractor to take whatever steps or action may be necessary to remedy the cause of the complaint. The Contractor agrees, in addition to any other remedies available to the Town, that the Town may deduct the full amount of any damages from any payment due to the Contractor. The remedy available to the Town under this paragraph shall be in addition to all other remedies which the Town may have under law or at equity.

18.1 Missed Collection. $25 for each Missed Collection above two misses per Collection day, to be assessed at the end of each Collection month. A Missed Collection occurs when (A) a resident reports that their material was set at the curb by 6:00 AM, Local Time and was not collected (B) the address was not reported by the Contractor as a late set-out or an improper set-out. Contractor may dispute the designation as a Missed Collection to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a set-out is a Missed Collection.

18.2 Missed Block. $250 for each incident of the Contractor failing to pick up material on a block. A Missed Block occurs when one side of a street between cross streets or an entire cul-de-sac where residents from at least three households on that street report that they had their material out before 6:00 AM, Local Time the material was not picked up, the material was properly sorted and the address was not reported by the Contractor as a late set-out. Contractor may dispute the designation as a Missed Block to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a block is a Missed Block.

18.3 Less than Majority Collected. $2,500 for each incident for failure to complete a majority (50%) of the Collections on a given day.

18.4 Failed Spill Clean-up. $250 for each incident for failure to clean up material spilled or littered by Contractor within six hours of verbal or written notification.

18.5 Failed Vehicle Maintenance. $100 for each incident for failure to maintain vehicle in manner which prevents nuisances such as leaky seals or hydraulics.

18.6 Failed Correction of Missed Collection. $250 for each incident for failure or neglect to collect materials from a Missed Collection location within the amount of time specified in this Agreement.

18.7 Failed Cart Maintenance. $100 for each incident for failure to maintain Carts or Containers in proper working order ten days after notice has been provided by the Town.

18.8 Fail to Timely Complete Reports. $250 for each incident for failure to timely provide a complete monthly or annual report.

18.9 Failure to Return Carts. $100 for each incident for failure to return Carts or Containers to their original locations after collection. For the purposes of this subsection, "original location" shall mean within ten feet of the location at which the Cart was placed immediately prior to the Contractor picking it up for service. Contractor shall not be penalized for any Carts returned to their original location which are subsequently moved by a third party.

18.10 Failure to Provide Updated Maps. $50 per day for each day beyond 30 days after change in routing for failure to provide updated route maps to Town after change in routing.

18.11 Failure to leave Education Tag. $100 for each incident for failure to leave an education tag when material that is inappropriately prepared is not collected.

18.12 Failure to Label. $100 for each incident for distributing Carts without labels that include text and graphics depicting what materials may be placed in the containers.

18.13 Failed Customer Complaint Response. $100 per Business Day thereafter per incident for failure to respond to any customer complaint received by the close of the following Business Day.

18.14 Failure to Document Customer Complaints. $50 per Business Day thereafter per incident for failure to provide the Town with the required resolved customer complaint documentation upon request of the Town.

18.15 Failure to Accept Materials. $3,000 for each day for failure to be able to accept materials on any day after the date upon which service begins on which materials are to be collected.

18.16 Failed Reject Handling. $500 for each occurrence for failure to handle Rejects in accordance with this Agreement.

18.17 Failure to Meet Residue Allowance. For Failure to meet annual Residue Allowance in accordance with this Agreement: (A) $500 for 0.01% to 5.00% over the Residue Allowance; (B) $1,000 for 5.01% to 10.00% over the Residue Allowance; (C) $1,500 for each 10.01% to 15.00% over the Residue Allowance; (D) $2,000 for 15.01% to 20.00% over the Residue Allowance; and (E) $2,500 for 20.01% or more over the Residue Allowance.

Exceptions: For the purposes of this Agreement, the Contractor shall not be deemed to be liable for penalties where its inability to perform Collection Service is the result of conditions of Force Majeure as set forth in Section 25 of this Agreement, inclement weather severe enough that trucks cannot safely take Collections, provided however, that the Contractor shall obtain the approval for the delay from the Town prior to 3:00 PM, Local Time of the scheduled Collection day.

19. Payment Withheld. In addition to express provisions elsewhere contained in this Agreement, Town may withhold from any payment otherwise due the Contractor such amount as determined necessary to protect the Town's interests on account of: (i) Unsatisfactory progress of the work not caused by condition beyond Contractor's control; (ii) Defective work not corrected; (iii) Contractor's failure to carry out instructions or orders of the Town or its representative; (iv) A reasonable doubt that the Agreement can be completed for the balance then unpaid; (v) Execution of work not in accordance with the Agreement; (vi) Claim filed by or against Contractor or reasonable evidence indicating problem filing of claims; (vii) Failure of Contractor to make payments to any subcontractor for material or labor; (viii) Damage to another contractor; (ix) Unsafe working conditions allowed to persist by Contractor; (x) Failure of Contractor to provide required reports and other reports as required by Town; (xi) Use of any subcontractors without the Town's prior, written approval; or (xii) Failure of Contractor to provide accurate invoices and supporting data as describe elsewhere in this agreement. When the foregoing defaults have been cured, payment shall be made for amounts withheld because of them and the Town shall never be liable for interest on any delayed or late payment. The Town's right to withhold payments under this Section will be reasonable in light of the nature of the claims and the amount of available insurance and performance bonds pursuant to this Agreement.

20. Performance Guaranty. Contractor shall furnish the Town with a Performance Bond covering faithful performance of this Agreement. The bond shall be submitted within 45 days following the Effective Date, but in no event later than the Commencement Date. The Bond shall be in an amount not less than annual value of this Agreement and in the form approved by the Town Attorney. The term of the Bond shall be not less than one year beginning on the Commencement Date. The Contractor shall furnish the Town with a renewal of the Bond for an additional term of not less than one year from the expiration date of the Bond then in effect for each year this Agreement is in effect. The renewal of the Bond shall be submitted at least 30 days prior to the expiration date of the Bond then in effect. Notwithstanding the foregoing, the Surety shall not be obligated to renew the Performance Bond for any successive year. Non-renewal shall not be construed as a default by the Contractor under the bond and shall not be actionable under any bond provided. The Performance Bond shall be limited to one and only one surety which shall be issued by a Surety Company authorized to do business in the

State of Arizona and have A.M. Best rating of "A" or better and the "T" Underwriting limitation is not exceeded by this Bond.

21. Taxes. Contractor shall be responsible for and shall pay all sales, consumer, use and other taxes. When equipment, materials or supplies generally taxable to the Contractor are eligible for a tax exemption due to the nature of the item, Contractor shall assist Town in applying for and obtaining such tax credits and exemptions which shall be paid or credited to Town.

22. Compliance with Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible remains in compliance with all rules, regulations, ordinances, statutes or laws affecting the Services including the following: (i) existing and future Town and County ordinances and regulations, (ii) existing and future State and Federal laws, (iii) existing and future Occupational Safety and Health Administration ("OSHA") standards, (iv) applicable laws, statutes, codes, rules and regulations related to or prohibiting discrimination in employment in the performance of its work under this Agreement and (v) requirements as established by the Congress of the United States in the Fair Labor Standards Act, as amended from time to time.

23. Town Inspection Rights.

23.1 Town's Right to Inspect Records, Books, Data and Documents. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to all books, records, data and documents of the Contractor related to the services provided under this Agreement for inspection and audit, at Town's expense. Additionally, the Contractor shall give the Town written notice of any other professional relationships it enters into with the Town or any of its agencies or component units during the period of this Agreement.

23.2 Town's Rights to Inspect Facilities and Equipment. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to inspect Contractor's facilities, including the Disposal Facility and Recycling Facility if operated by the Contractor, and equipment and perform such inspections, as Town deems reasonably necessary, to determine whether the services required to be provided by Contractor under this Agreement conform to the terms hereof and/or the terms of this Agreement. Town shall conduct the inspection of facilities and equipment during hours of operation. Contractor shall make available to Town all reasonable facilities and assistance to facilitate the performance of inspections by Town's representatives.

24. Dispute Resolution.

24.1 Interpretation of Agreement. Except as provided otherwise in this Agreement and to the extent permitted by law, the Contract Administrator shall be responsible for interpreting this Agreement to resolve disputes that may arise hereunder. The parties agree that any decision rendered by the Contract Administrator in connection with such matters shall be final and binding upon Contractor, the customer and the Town.

24.2 Definition of Claim. As used herein "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of the Agreement terms, or other relief, arising under or relating to this Agreement. A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim under this subsection. However, where the submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim for the purpose of this subsection. A claim by the Contractor shall be made in writing and submitted to the Contract Administrator. When a controversy cannot be resolved by mutual agreement, the Contractor shall submit a written request for final decision to the Contract Administrator. The written request shall set forth all the facts surrounding the controversy.

24.3 Process for Dispute Resolution. In connection with any claim under this clause, the Contractor, at the discretion of the Contract Administrator, may be afforded an opportunity to be heard and to offer evidence in support of its claim. The Contract Administrator shall render a written decision on all claims within 30 Business Days of receipt of the Contractor's written claim, unless the Contract Administrator determines that a longer period is necessary to resolve the claim. The decision shall be furnished to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. If a decision is not issued within 30 calendar days, the Contract Administrator shall notify the Contractor of the time within which a decision shall be rendered and the reasons for such time extension. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Agreement in accordance with subsection 24.4 below.

24.4 Operations during Dispute. In the event that any dispute arises between Town and Contractor relating to this Agreement performance or compensation hereunder, Contractor shall continue to render service and receive compensation in full compliance with all terms and conditions of this Agreement as interpreted, in good faith, by the Town, regardless of such dispute. The Contractor expressly recognizes the paramount right and duty of Town to provide adequate services to its residents and further agrees, in consideration of the execution of this Agreement, that in the event of such a dispute, if any, it will not seek injunctive relief in any court without first negotiating with Town in good faith for an adjustment on the matter or matters in dispute and, upon failure of said negotiations to resolve the dispute shall present the matter to mediation before a mediator of the parties' choosing. If mediation fails, Contractor shall present the matter to a court in Arizona. Notwithstanding the other provisions in this subsection, Town reserves the right to terminate this Agreement at any time whenever the service provided by Contractor fails to meet reasonable standards of the trade, after Town provides written notice to Contractor pursuant to Section 28 of this Agreement. Upon termination, Town may call the performance bond and apply the cash and surety bond for the cost of service in excess of that charged to Town by the firm engaged for the balance of the Agreement period.

25. Force Majeure. Except for any payment obligation by either party, if the Town or Contractor is unable to perform or is delayed in its performance of any of its obligations under this Agreement by reason of any event of force majeure, such inability or delay shall be excused at any time during which compliance therewith is prevented by such event and during such period thereafter as may be reasonably necessary for the Town or Contractor to correct the adverse effect of such event of force majeure. An event of "Force Majeure" shall mean the

following events or circumstances to the extent that they delay the Town or Contractor from performing any of its obligations (other than payment obligations) under this Agreement: acts of God, tornadoes, hurricanes, floods, sinkholes, fires and explosions (except those caused by negligence of Contractor, its agents and assigns), landslides, earthquakes, epidemics, quarantine, pestilence and extremely abnormal and excessively inclement weather, acts of public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrection, riots, civil disturbances or national or international calamities, suspension, termination or interruption of utilities necessary to the operation of either the Disposal Facility or the Recycling Facility. In order to be entitled to the benefit of this Section, a party claiming an event of Force Majeure shall be required to give prompt written notice to the other party specifying in detail the event of Force Majeure and shall further be required to use its best efforts to cure the event of Force Majeure.

26. Indemnification. To the fullest extent permitted by law, the Contractor, as Indemnitor, shall indemnify, defend and hold Town, its officers, officials, employees, agents and volunteers ("Indemnitees") harmless from and against any and all liability, claims, losses, suits, actions, damages and expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation (collectively "Claims") for any personal injury, bodily injury, loss of life or loss or damage to property or any violation of any Federal, state or local law or ordinance or other cause related to or arising out of Contractor's performance of its obligations pursuant to the terms of this Agreement, caused, in whole or in part by the negligent or intentional acts or omissions of Contractors, its owners, officers, directors, employees, subcontractors or agents or in the performance of this Agreement. This indemnity includes any claim or amount arising out of or recovered under the Workers Compensation Law or arising out of the failure of Indemnitor to conform to any Federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Indemnitor from and against any and all Claims. It is agreed that Contractor will be responsible for primary loss investigation defense and judgment costs where this indemnification is applicable. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

27. Insurance.

27.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with standard policies and ISO. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor. The Town reserves the right to review ACORD form certificates of insurance and/or applicable blanket-form endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in

this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Waiver. All policies, except for Professional Liability, if applicable, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written blanket-form endorsement thereto.

G. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

H. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

I. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the Town with suitable evidence of insurance in the form of ACORD certificates of insurance, issued by Contractor's insurance insurer(s) as evidence that policies are placed with insurers rated A-VIII (or higher) by A.M. Best as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. The Town shall reasonably rely upon the certificates of insurance as evidence of coverage but such acceptance

and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion of the Services and the Town's acceptance of the Contractor's work or services and as evidenced by annual certificates of insurance. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal certificates to the Town 15 days prior to the expiration date. All certificates of insurance shall be identified by referencing the RFP number and title or this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate RFP number and title or reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded. Certificates of insurance shall specifically include the following provisions:

1. The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

a. Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 04 13 or equivalent.

b. Auto Liability - Under ISO Form DA-9U74C or equivalent.

2. Contractor's insurance shall be primary insurance as respects performance of the Agreement.

3. All policies, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.

4. A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

27.2 Required Insurance Coverage.

A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than $3,000,000 for each occurrence, $5,000,000 Products and Completed Operations Annual Aggregate and a $5,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 0413 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this

Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 0413, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with a limit of $2,000,000 each occurrence on Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 1013 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA DA-9U74C or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than $500,000 for each accident, $500,000 disease for each employee and $1,000,000 disease policy limit.

27.3 Cancellation and Expiration Notice. Insurance required herein shall not be canceled, or materially changed without 30 calendar days' prior, written notice to the Town, other than Workers' Compensation.

28. Termination; Cancellation.

28.1 By the Town for Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Contractor which has not been remedied within 30 days after receipt of written notice from the Town specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Contractor has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner; provided further that such cure period shall not exceed 90 days), the Town, may if such breach or default is continuing, terminate this Agreement upon written notice to the Contractor. The following events shall, without limitation, constitute a Material Breach or a Material Default by Contractor for purposes of this Section: (i) contractor shall abandon as hereinafter defined, the performance of Collection Services for a period of five consecutive calendar days unless caused by event of Force Majeure. As used herein, the term "abandon" shall refer to voluntary cessation of performance of Collection Service or operation of the Disposal Facility or Recycling Facility; (ii) the failure of Contractor to process Recyclable Materials for a period of five consecutive calendar days at any time after the Commencement

Date; (iii) if the Contractor's hazardous substance contingency plan as required by this Agreement hereof shall fail to comply with all Federal and State regulations regarding the handling of hazardous waste; (iv) the failure of Contractor to pay amounts owed to the Town under the terms of this Agreement within 14 calendar days after such amounts become finally due and payable; (v) if Contractor shall be not paying its debts when they become due; shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take corporate action for the purpose of any of the forgoing; and (vi) the default by Contractor with respect to any obligation to any third party pertaining to the Contractor or to Collection Services, which may permit any third party, either immediately or following notice and/or the passage of time to accelerate the maturity of any obligation of the Contractor, to assume control of the Contractor or take possession of or to transfer or caused to be transferred to any third party any portion of the assets of the Contractor, but only if such default materially interferes with or prevents Contractor's performance under the terms of this Agreement.

A. Failure to Cure. If the Contractor shall fail to cure its Breach or Default as specified in this Section, the Town may terminate this Agreement upon ten days written notice. In such case, the Contractor shall not be entitled to receive further payment for services rendered from the effective date of the notice of termination.

B. Notice of Termination. Upon receipt of Notice of Termination, Contractor shall promptly discontinue all affected work unless the Notice of Termination directs otherwise, deliver or otherwise make available to Town all data, drawings, specifications, reports, estimates, summaries, such other information as may have been required under the terms of Agreement whether completed or in process.

C. Town's Right to Mitigate. In addition, Town may enter into a separate contract for the completion of the Agreement, according to its terms and provisions, or use such other methods as in Town's sole opinion shall be required for the completion of the Agreement. All damages, costs and charges incurred by Town, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Contractor. In case the damages and expenses so incurred by Town shall exceed the unpaid balance, then Contractor shall be liable and shall pay to Town the amount of such excess.

D. Contractor Not in Breach. If after Notice of Termination it is determined for any reason that Contractor was not in Breach or Default, then the rights and obligations of the Town and the Contractor shall be the same as if the Notice of Termination had not been issued pursuant to the termination for cause clause as set forth in paragraph 1 of this Section.

28.2 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause 120 days after receipt by Contractor of written notice by the Town. In such instance, an adjustment shall be made to the Contractor, for

the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the Town to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the Town's election to terminate this contract in whole or in part for its convenience.

28.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

28.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any Town or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

28.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is cancelled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor an amount equal to 150% of the gratuity.

28.6 Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by the Town shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The Town shall be the sole judge and authority in determining the availability of funds under this Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the Town to make any payment pursuant to this Agreement is a current expense of the Town, payable exclusively from such annual appropriations and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall relieved of any subsequent obligation under this Agreement.

28.7 By Contractor For Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Town which has not been remedied within 30 days after receipt of written notice from the Contractor specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such

breach or default which is not capable of being cured within 30 days, provided that the Town has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner), the Contractor, may if such breach or default is continuing, terminate this Agreement upon written notice to the Town. The following events shall, without limitation, constitute a Material Breach or a Material Default by Town for purposes of this Section: (i) The failure of Town to pay amounts owed to the Contractor under the terms of this Agreement within 45 days after such amounts become finally due and payable or (ii) If Town shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take official action for the purpose of any of the foregoing.

A. Failure to Cure. If Town shall fail to cure its Breach or Default as specified in subsection 28.7 hereof, the Contractor may terminate this Agreement upon ten days written notice. In such case, the Town shall not be entitled to receive further payment from the Contractor from the effective date of the Notice of Termination.

B. Damages. All damages, costs and charges incurred by Contractor, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Town. In case the damages and expenses so incurred by Contractor shall exceed the unpaid balance, then Town shall be liable and shall pay to Contractor the amount of such excess.

29. Miscellaneous.

29.1 Survival. Any rights either party may have in the event it terminates this Agreement pursuant to the terms hereof shall survive such termination.

29.2 Joint Preparation. The preparation of this Agreement has been a joint effort of the parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

29.3 Further Assurance. Contractor and Town agree to execute, acknowledge and deliver and cause to be done, executed, acknowledged and delivered all such further documents and perform such acts as shall reasonably be requested of it in order to carry out this Agreement and give effect hereto. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the parties declare their intention to cooperate with each other in effecting the terms of this Agreement.

29.4 Time of the Essence. For purposes herein, the parties agree that time shall be of the essence of this Agreement and the representations and warranties made are all material and of the essence of this Agreement.

29.5 Captions and Section Headings. Captions and section headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend, or limit the scope or intent of this Agreement, nor the intent of any provision hereof.

29.6 No Waiver. No waiver of any provision in this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

29.7 Exhibits. All Exhibits attached hereto contain additional terms of this Agreement and are incorporated into this Agreement by reference.

29.8 Independent Contractor. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. The Contractor and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Contractor meets the requirements of its agreed scope of work. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Contractor do not intend to nor will they combine business operations under this Agreement.

29.9 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

29.10 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will promptly be physically amended to make such insertion or correction.

29.11 Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect by a Court of competent jurisdiction, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein and the other provisions of this Agreement shall, as so amended, modified, or supplemented, or otherwise affected by such action remain in full force and effect.

29.12 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other

contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of and entry into this Agreement.

29.13 Assignment. No right or interest in this Agreement shall be assigned by Contractor without prior, written permission of the Town signed by the Town Manager and no delegation of any duty of Contractor shall be made without prior, written permission of the Town signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor. This Agreement and the rights and obligation contained herein shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

29.14 Subcontracts. This Agreement and any permits required for performance of the Agreement may not be assigned, subcontracted, conveyed, or otherwise disposed of without the prior, written approval of the Town, which will not be unreasonably withheld. No such assignment or subcontracting shall relieve Contractor of its liability under this Agreement. In the event Contractor elects to use any subcontractors, this does not relieve Contractor from any prime responsibility of full and complete satisfactory and acceptable performance under any awarded Agreement. However, the Agreement may be assigned for the purpose of financing after notification of the terms of such assignment to the Town Manager or authorized designee.

29.15 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

29.16 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

29.17 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

29.18 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor

owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

29.19 Notices and Requests. Unless a specific time frame for notice is otherwise specifically set forth in this Agreement (including, but not limited to Subsections 5.3, 5.4, 6.1, 9.4, 23.1, 25 and 29.21), any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if: (A) delivered to the party at the address set forth below; (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below; (C) given to a recognized and reputable overnight delivery service, to the address set forth below ;or (D) delivered by e-mail transmission, with receipt confirmation, to the e-mail address set forth below:

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| If to the Town: | Town of Fountain Hills<br>16705 East Avenue of the Fountains<br>Fountain Hills, Arizona 85268<br>E-mail: gmiller@fh.az.gov<br>Attn: Grady Miller, Town Manager |
| With copy to: | Pierce Coleman PLLC<br>4711 East Falcon Drive, Suite 111<br>Mesa, Arizona 85215<br>E-mail: aaron@piercecoleman.com<br>Attn: Aaron D. Arnson, Town Attorney |
| If to Contractor: | Republic Services of Phoenix<br>4811 West Lower Buckeye Road<br>Phoenix, Arizona 85043<br>Email: dhamblin@republicservices.com<br>Attn: David Hamblin, General Manager |
| With a copy to: | Republic Services, Inc.<br>18500 N. Allied Way<br>Phoenix, Arizona 85054<br>Attn: General Counsel |

or at such other address and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three Business Days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (C) the following Business Day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following Business Day, or (D) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above

governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

29.20 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement.

29.21 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Contractor and its subcontractors are complying with the warranty under subsection 29.22 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 29.22 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

29.22 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all Federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

29.23 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business

operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 28.1 above.

29.24 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the Agreement, the Scope of Work, the Fee Proposal, the RFP and the Contractor's Proposal, the documents shall govern in the order listed herein.

29.25 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the State of Arizona, Maricopa County.

**[Signatures on following page]**

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

**"Town"**

TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation

Ginny Dickey

Ginny Dickey, Mayor

ATTEST:

Elizabeth A. Burke

Elizabeth A. Burke, Town Clerk

APPROVED AS TO FORM:

Aaron D. Arnson, Town Attorney

**"Contractor"**

ALLIED WASTE TRANSPORTATION, INC., a Delaware corporation

By: _____

Name: Tim Oudman

Its: Vice President

(ACKNOWLEDGEMENTS)

STATE OF ARIZONA )
) ss.
COUNTY OF MARICOPA )

This instrument was acknowledged before me on January 16, 2019, by Grady Miller the Mayor of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, on behalf of the Town of Fountain Hills.

Rhonda M. Brenneman
Notary Public in and for the State of Arizona

My Commission Expires:

RHONDA M. BRENNEMAN
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires June 30, 2019

STATE OF Arizona )
) ss.
COUNTY OF Maricopa )

This instrument was acknowledged before me on January 4, 2019, by Tim Oudman as Vice President of Allied Waste Transportation, a(n) _____, on behalf of the corporation.

Jeanne U Mount
Notary Public in and for the State of Arizona

My Commission Expires:

April 1, 2021

JEANNE MOUNT
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires
April 1, 2021

EXHIBIT A
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[RFP]

See following pages.

**TOWN OF FOUNTAIN HILLS**
**DEVELOPMENT SERVICES DEPARTMENT**
**PW 2018-02**

# REQUEST FOR PROPOSALS

Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268

## SOLICITATION INFORMATION AND SELECTION SCHEDULE

| | |
|---|---|
| Solicitation Title: | **Solid Waste Services** |
| Solicitation Number: | **PW2018-02** |
| Release Date: | **May 30, 2018** |
| Advertisement Dates: | **May 30, 2018 – Fountain Hills Times**<br>**May 31, 2018 – Arizona Business Gazette** |
| **MANDATORY**<br>Pre-Submittal Conference: | **June 12, 2018**<br>**3:00 p.m.** (local time, Phoenix, Arizona)<br>Fountain Hills Town Hall<br>Council Chambers<br>16705 East Avenue of the Fountains<br>Fountain Hills, Arizona 85268 |
| Final Date for Inquires | **July 5, 2018** |
| Proposal Due Date and Time: | **July 23, 2018**<br>**3:00 p.m.** (local time, Phoenix, Arizona) |
| Shortlist Announced for Oral Interviews: | **July 26, 2018** |
| Oral Interviews (if necessary) | **August 8, 2018** |
| Target Town Council Award Date: | **September 18, 2018** |
| Anticipated Agreement Start Date: | **TBD based upon award date** |
| Town Representative: | Raymond Rees rrees@fh.az.gov<br>480-816-816-5180 |

* In the event that a Vendor cannot be selected based solely on Proposals submitted, Oral Interviews may be conducted at the Town's sole discretion.

** The Town of Fountain Hills reserves the right to amend the solicitation schedule as necessary.

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# SECTION A

## I. RFP PROCESS; AWARD OF AGREEMENT

1.1 Purpose; Scope of Work. The Town of Fountain Hills (the "Town") is issuing this Request For Proposals (this "RFP") seeking proposals ("Proposals") from qualified, licensed firms ("Proposers") with demonstrated experience and qualifications to provide curbside solid waste collection and disposal services, bulk waste collection and disposal services, recycling services and green waste services within the corporate limits of the Town (the "Services"), as more particularly described in the Draft Solid Waste Services Agreement as Section B, and incorporated herein by reference.

A. A Town map is attached hereto as Attachment 1 and the estimated total number of curbside residential units serviceable units (including townhomes and patio homes multifamily homes, some of which may not require service) within the corporate limits of the Town is 9,300 and this number should be used in preparing the Proposal. The Town estimates that 30% of Fountain Hills residents are part-time based upon data utilized by the Fountain Hills Sanitary District. The Town has not independently verified this estimate. The Town is also not able to provide information as to how many of the part-time residents live in single family detached homes (requiring individual Carts) as opposed to multifamily homes that do not utilize individual Carts for the residents.

B. A resident cannot opt out of Waste Services and Recycling Services; Green Waste Services are required to be offered by the Contractor, but participation by residents is voluntary. Residents may receive additional Solid Waste Carts so long as such additional Carts are picked up on the same day as the initial Solid Waste Cart. The Proposer shall propose a price for additional Solid Waste Carts. See Forms 5.1 and 5.2.

C. Fountain Hills has approximately eight locations for front loading containers, including local parks, municipal buildings and two fire stations. The Town may sponsor one or two special events each year (*i.e.* St. Patrick's Day celebration) that would require large front loading containers.

1.2 Preparation/Submission of Proposal. Proposers are invited to participate in the competitive selection process for the Services outlined in this RFP. Responding parties shall review their Proposal submissions to ensure the following requirements are met.

A. Irregular or Non-responsive Proposals. The Town shall consider as "irregular" or "non-responsive" and may reject any Proposal not prepared and submitted in accordance with this RFP, or any Proposal lacking sufficient information to enable the Town to make a reasonable determination of compliance to the minimum qualifications. Unauthorized conditions, limitations, or provisions shall be cause for rejection. Proposals may be deemed non-responsive at any time during the evaluation process, without limitation, if, in the sole opinion of the Town Manager or authorized designee, any of the following are true:

(1) Proposer does not meet the minimum required skill, experience or requirements to perform or provide the Services.

(2) Proposer has a past record of failing to fully perform or fulfill contractual obligations.

(3) Proposer cannot demonstrate financial stability.

(4) Proposer's Proposal contains false, inaccurate or misleading statements that, in the opinion of the Town Manager or authorized designee, are intended to mislead the Town in its evaluation of the Proposal.

B. Submittal Quantities. Interested Proposers must submit **one original** and **four copies (five total submittals)** of the Proposal. In addition, interested parties must submit **one original copy** of the Proposal on a CD-ROM (or electronic media pre-approved in writing by the Town) in printable Adobe or Microsoft Word format (or other format pre-approved in writing by the Town). Failure to adhere to the submittal quantity criteria may result in the Proposal being considered non-responsive.

C. Required Submittal. The Proposal shall be submitted with a cover letter with an **original ink** signature by a person authorized to bind the Proposer. Proposals submitted without a cover letter with an **original ink signature** by a person authorized to bind the Proposer may be considered non-responsive. The Proposal shall be a maximum of **fifteen** pages to address the Proposal criteria (excluding resumes and the Proposer Information Form, but including the materials necessary to address project understanding, general information, organizational chart, photos, tables, graphs, and diagrams). Each page side (maximum 8 1/2" x 11") with criteria information shall be counted. However, one page may be substituted with an 11" x 17" sheet of paper, folded to 8 1/2" x 11", showing a proposed project schedule or organizational chart and only having information on one side. Cover, back, table of contents and tabs may be used and shall not be included in the page count, unless they include additional project-specific information or Proposal criteria responses. The minimum allowable font for the Proposal is **11 pt, Arial or Times New Roman**. Failure to adhere to the page limit, size and font criteria may result in the Proposal being considered non-responsive. Telegraphic (facsimile), electronic (e-mail) or mailgram Proposals will not be considered.

D. Proposer Responsibilities. All Proposers shall (1) examine the entire RFP, (2) seek clarification of any item or requirement that may not be clear, (3) check all responses for accuracy before submitting a Proposal and (4) submit the entire Proposal by the Proposal Due Date and Time. Late Proposals will not be considered. A Proposer submitting a late Proposal shall be so notified. Negligence in preparing a Proposal shall not be good cause for withdrawal after the Proposal Due Date and Time.

E. Sealed Submittals. All Proposals shall be sealed and clearly marked with the RFP number and title, (PW2018-002) Fountain Hills 2020 Solid Waste Services, on the lower left hand corner of the mailing envelope. A return address must also appear on the outside of the sealed Proposal. The Town is not responsible for the pre-opening of, post-opening of, or the failure to open, any Proposals not properly addressed or identified.

F. Pricing. The Proposer shall submit the same number of copies of the Fee Proposal as described in Subsection 1.2(B) (Submittal Quantities) in a separate, sealed envelope

enclosed with the Proposer's Proposal. Pricing shall be inclusive of all of the Services in the Scope of Work as described in the Draft Solid Waste Agreement in Section B. A sample Fee Proposal is attached to the Draft Solid Waste Agreement as Exhibit C. The estimated number of residential units set forth in Section 1.1 above should be used in submitting the Proposal, including pricing.

G. Address. All Proposals shall be directed to the following address: Town Clerk, 16705 East Avenue of the Fountains, Fountain Hills, Arizona 85268 or hand-delivered to the Town Clerk's office by the Proposal Due Date and Time indicated on the cover page of this RFP.

H. Pricing Errors. If price is a consideration and in case of error in the extension of prices in the Proposal, the unit price shall govern. Periods of time, stated as number of days, shall be calendar days.

I. Proposal Irrevocable. In order to allow for an adequate evaluation, the Town requires the Proposal to be valid and irrevocable for **180** days after the Proposal Due Date and Time indicated on the cover of this RFP.

J. Amendment/Withdrawal of Proposal. At any time prior to the specified Proposal Due Date and Time, a Proposer (or designated representative) may amend or withdraw its Proposal. Any erasures, interlineations, or other modifications in the Proposal shall be initialed in **original ink** by the authorized person signing the Proposal. Facsimile, electronic (e-mail) or mailgram Proposal amendments or withdrawals will not be considered. No Proposal shall be altered, amended or withdrawn after the specified Proposal Due Date and Time.

1.3 Cost of Proposal Preparation. The Town does not reimburse the cost of developing, presenting or providing any response to this solicitation. Proposals submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Proposer is responsible for all costs incurred in responding to this RFP. All materials and documents submitted in response to this RFP become the property of the Town and will not be returned.

1.4 Inquiries.

A. Written Inquiries. Any question related to the RFP, including any part of the Scope of Work, shall be directed to the Town Representative whose name appears on the cover page of this RFP. Questions shall be submitted in writing by the date indicated on the cover page of this RFP. In the event the Town offices are closed on the Final Date for Inquiries, the Proposer may submit the question(s) to the Town Representative via e-mail or voicemail. Any correspondence related to the RFP shall refer to the title and number, page and paragraph. However, the Proposer shall not place the RFP number and title on the outside of any envelope containing questions, because such an envelope may be identified as a sealed Proposal and may not be opened until the Proposal Due Date and Time.

B. Inquiries Answered. Verbal or telephone inquiries directed to Town staff **will not be answered**. Prior to the Proposal Due Date listed on the cover page of this RFP, or any amendment thereto, answers to properly and timely submitted questions received in writing or

via e-mail will be mailed, sent via facsimile and/or e-mailed to all parties who obtained an RFP package from the Town and who legibly provided a mailing address, facsimile and/or e-mail address to the Town. No questions, submitted in any form, will be answered after the Final Date for Inquiries.

C. Pre-Submittal Conference. A Pre-Submittal Conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this RFP. This conference may be designated as mandatory or non-mandatory on the cover page of this RFP. Additionally, if the Pre-Submittal Conference is designated as mandatory, failure to attend shall render that Proposer's Proposal non-responsive. Proposers are strongly encouraged to attend those Pre-Submittal Conferences designated as non-mandatory. The purpose of this conference will be to clarify the contents of this RFP in order to prevent any misunderstanding of the Town's requirements. Any doubt as to the requirements of this RFP or any apparent omission or discrepancy should be presented to the Town at this conference. The Town will then determine if any action is necessary and may issue a written amendment or addendum to the RFP. Oral statements or instructions will not constitute amendments or addenda to this RFP.

1.5 Addenda. Any addendum issued as a result of any change in this RFP shall become part of the RFP and must be acknowledged in the Proposal submittal. Failure to indicate receipt of the addendum may result in the Proposal being rejected as non-responsive. It shall be the Proposer's responsibility to check for addenda issued to this RFP. Any addendum issued by the Town with respect to this RFP will be available at:

Town of Fountain Hills Town Hall,
16705 East Avenue of the Fountains, Fountain Hills, Arizona 85268
Town of Fountain Hills website at: www.fh.az.gov/bids

1.6 Payment Requirements; Payment Discounts. Any Proposal that requires payment in less than 30 calendar days shall not be considered. Payment discounts of 30 calendar days or less will not be deducted from the Proposal Price in determining the low Proposal. The Town shall be entitled to take advantage of any payment discount offered, provided payment is made within the discount period. Payment discounts shall be indicated on Price Sheet.

1.7 Federal Excise Tax; Transaction Privilege Tax. The Town is exempt from Federal Excise Tax, including the Federal Transportation Tax. Transaction privilege tax, if any, shall be included in the unit price for each line item. It shall not be considered a lump sum payment item.

1.8 Public Record. All Proposals shall become the property of the Town and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the Town's Procurement Code.

1.9 Confidential Information. If a Proposer believes that a Proposal or protest contains information that should be withheld from the public record, a statement advising the RFP Administrator of this fact shall accompany the submission and the information shall be clearly identified. The information identified by the Proposer as confidential shall not be disclosed until the Procurement Agent makes a written determination. The Procurement Agent shall review the statement and information with the Town Attorney and shall determine in writing whether the

information shall be withheld. If the Town Attorney determines that it is proper to disclose the information, the RFP Administrator shall inform the Proposer in writing of such determination.

1.10 Proposer Licensing and Registration. Prior to the award of the Agreement, the successful Proposer shall be registered with the Arizona Corporation Commission and authorized to do business in Arizona. The Proposer shall provide licensure information with the Proposal. Corporations and partnerships shall be able to provide a Certificate of Good Standing from the Arizona Corporation Commission. A Town of Fountain Hills business license is also required.

1.11 Certification. By submitting a Proposal, the Proposer certifies:

A. No Collusion. The submission of the Proposal did not involve collusion or other anti-competitive practices.

B. No Discrimination. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.

C. No Gratuity. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor or service to a Town employee, officer or agent in connection with the submitted Proposal. It (including the Proposer's employees, representatives, agents, lobbyists, attorneys, and subcontractors) has refrained, under penalty of disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process, including the Selection Committee, elected officials, the Town Manager, Assistant Town Managers, Department Heads, and other Town staff. All contact must be addressed to the Town's Procurement Agent, except for questions submitted as set forth in Subsection 1.4 (Inquiries), above. Any attempt to influence the selection process by any means shall void the submitted Proposal and any resulting Agreement.

D. Financial Stability. It is financially stable, solvent and has adequate cash reserves to meet all financial obligations including any potential costs resulting from an award of the Agreement.

E. No Signature/False or Misleading Statement. The signature on the cover letter of the Proposal and the Proposer Information Form is genuine and the person signing has the authority to bind the Proposer. Failure to sign the Proposal and the Proposer Information Form, or signing either with a false or misleading statement, shall void the submitted Proposal and any resulting Agreement.

F. Draft Solid Waste Agreement. In addition to reviewing and understanding the submittal requirements, it has reviewed the attached sample Draft Solid Waste Agreement including the Scope of Work and other Exhibits.

G. Initial Term of Agreement. The Town's intent is that the Initial Term of the Agreement will be five years, with the three additional one-year option terms thereafter. Upon execution, the Effective Date and the Expiration Date will be established and set forth in the Agreement.

H. If a Proposer currently providing waste collection service within the corporate limits of the Town is awarded the contract, such hauler will not be required to replace every Cart already placed on each property.

1.12 Award of Agreement.

A. Selection. A Selection Committee composed of representatives from the Town will conduct the selection process according to the schedule listed on the cover page of this RFP. Proposals shall be opened at the time and place designated on the cover page of this RFP. The name of each Proposer and the identity of the RFP for which the Proposal was submitted shall be publicly read and recorded in the presence of witnesses. PRICES SHALL NOT BE READ. The Selection Committee shall award the agreement to the responsible and responsive Proposer whose Proposal is determined, in writing, to be the most advantageous to the Town and best meets the overall needs of the Town taking into consideration the evaluation criteria set forth in this RFP. The amount of applicable transaction privilege or use tax of the Town shall not be a factor in determining the most advantageous Proposal. After the Town has entered into an Agreement with the successful Proposer, the successful Proposal and the scoring documentation shall be open for public inspection.

B. Line Item Option. Unless the Proposal states otherwise, or unless otherwise provided within this RFP, the Town reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the Town.

C. Multiple Award. The Town, at its sole discretion, may elect to enter into Agreements with multiple Proposers who are qualified to provide the Services. The final terms and conditions of the proposed Agreement will be negotiated by the Town with the successful offerors.

D. Form of Agreement. The selected Proposer will be required to execute the Town's Draft Solid Waste Agreement in a form acceptable to the Town Attorney. A sample of the standard agreement is included with this RFP. If the Town is unsuccessful in negotiating an Agreement with the highest-scoring Proposer, the Town may then negotiate with the second, then third, highest-scoring Proposer until an Agreement is executed. Town Council approval may be required. The Town reserves the right to terminate the selection process at any time.

E. Waiver; Rejection; Reissuance. Notwithstanding any other provision of this RFP, the Town expressly reserves the right to: (1) waive any immaterial defect or informality, (2) reject any or all Proposals or portions thereof and (3) cancel or reissue an RFP.

F. Protests. Any Proposer may protest this RFP, the proposed award of an Agreement, or the actual award of an Agreement. All protests will be considered in accordance with the Town Procurement Code.

1.13 Offer. A Proposal is an offer to contract with the Town based upon the terms, conditions and specifications contained in this RFP and the Proposer's responsive Proposal, unless any of the terms, conditions, or specifications are modified by a written addendum or agreement amendment. Provided, however, that no contractual relationship shall be established until the

Proposer has signed, and the Town has approved (including approval by Town Council, where applicable) and properly executed, a Draft Solid Waste Agreement between the Town and the Proposer in the form acceptable to the Town Attorney. A sample Draft Solid Waste Agreement is included herein.

## II. PROPOSAL FORMAT; SCORING

2.1 Evaluation Process. Each submittal will be reviewed for compliance with the Proposal requirements by the Selection Committee. If necessary, the Selection Committee may conduct oral interviews with up to three of the highest ranked Proposers based upon the Proposal submittal scoring.

2.2 Proposal Format and Scoring. Proposals shall be organized and submitted in the format as outlined below. Failure to conform to the designated format, standards and minimum requirements may result in a determination that the Proposal is non-responsive. Additionally, the Selection Committee will evaluate and award points to each Proposal based upon the evaluation criteria as outlined in this document. Points listed below are the maximum number of points possible for each criteria; there is no minimum number that the Selection Committee must award.

2.2 Forms: Organization. Proposals shall be organized and submitted in the format indicated in the table below. The content of each chapter of the Proposal shall include the information described in subsection 2.3 below. The Proposer shall complete all forms in full. Forms not completed in full may result in disqualification. Forms 6, 7 and 8 allow the Proposer an opportunity to quote separate prices based on if Proposer is or is not awarded Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services. If there is any doubt to the meaning of the same, Proposer may submit an inquiry to the Town in accordance with the requirements as set forth in this RFP.

| Chapter | Content |
|---|---|
| Chapter 1 | Letter of Intent<br>Form 1: Statement of Organization<br>Form 2: Certificate of Insurability<br>Form 3: Acknowledgement of Addenda |
| Chapter 2 | Form 4: Experience<br>Key Personnel<br>Statement of Independence<br>Disclosure of Preclusion from Participating in Public Procurement<br>Litigation, Regulatory Actions and Payment of Liquidated Damages |
| Chapter 3 | Financial Statement |
| Chapter 4 | Method of Approach |
| Chapter 5 | Billing |
| Chapter 6 | Cost Information |

2.3 Content. The Proposal shall contain all of the following information, organized as set forth below.

**A: Chapter 1: General Information: 5 points**

1. Letter of Intent. One page cover letter as described in subsection 1.3(C). The cover letter shall include the following statements:

a. "Proposal is binding offer for a 180 calendar day period from the opening date as specified in this RFP."

b. "The information contained in this Proposal or any part thereof, including its exhibits, schedules and other documents and instruments delivered or to be delivered to the Town, are true, accurate and complete to the Proposer's knowledge. This Proposal includes all information necessary to ensure that the statements herein do not in whole or in part mislead the Town as to any materials facts."

2. Statement of Organization. Proposer must complete **Form 1**. Proposers are permitted to supply additional information that will assist the Town in understanding the legal organization of the Proposer. Include the legal name, address, identification number and legal form of the Proposer (e.g., partnership, corporation, joint venture, sole proprietorship). If a joint venture, identify the members of the joint venture and provide all of the information required under this section for each member. If the Proposer is a wholly owned subsidiary of another company, identify the parent company.

3. Certificate of Insurability. Proposer must complete **Form 2**. Failure to complete Form 2 may result in rejection of the Proposal.

4. Acknowledgement of Addenda. Proposer must complete **Form 3**. Failure to acknowledge all addenda may result in rejection of the Proposal.

**B: Chapter 2: Experience and Qualifications of the Proposer: 20 points**

1. Experience. Proposer must complete **Form 4**. Proposers are permitted to supply additional information that will assist the Town in understanding the Proposer's experience.

2. Key Personnel. Proposer shall provide an organization chart for key personnel and job descriptions indicating the qualifications and experience of key personnel the Proposer would assign to the transition team and to the ongoing management of the Services provided under the Agreement. For positions that are currently unfilled, identify minimum qualifications for that position. Specify the amount of time each individual will be dedicated to work on the Agreement. Provide resumes, names and phone numbers of municipal references of the key proposed management team members. At a minimum, key personnel shall include general manager, operations manager and maintenance manager or other personnel that will have regular contact with the Town.

3. Statement of Independence. The Proposer shall list and describe the Proposer's or the Proposer's subcontractor's professional relationships involving the Town or any of its agencies or component units for the past five years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the Services sought in this RFP.

4. Disclosure of Preclusion from Participating in Public Procurement. If the firm, business or person submitting this Proposal has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Proposer shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Proposal. The Proposer shall include a letter with its Proposal setting forth the name and address of the governmental entity, the effective date of this suspension or debarment, the duration of the suspension or debarment and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided. The Selection Committee will conduct oral interviews with at least three, but not more than five, of the highest ranked Proposers based upon the Proposal submittal scoring; provided; however, that fewer than three may be interviewed in the event that less than three qualified Proposals are received. After the Town has entered into an Agreement with the successful Proposer, the successful Proposal and the scoring documentation shall be open for public inspection.

5. Litigation, Regulatory Actions and Liquidated Damages History. Proposer shall describe all past and pending civil, legal, regulatory and criminal actions in which $2,500 or more was initially sought or ultimately obtained, that: (a) are (i) now pending or which have occurred in the past five years, (ii) against key personnel, Proposer, Proposer's subcontractors and all subsidiaries owned by Proposer and (iii) related to the scope of work described by this RFP and occurring within Arizona, New Mexico, California, Nevada, Utah or Colorado; or (b) involve a governmental entity as a party.

6. Compliance Records. In addition to the compliance information provided in response to other sections of this RFP, Proposer shall submit copies of all notices of violations, corrective action notices, enforcement actions or orders, warning notices or other forms of permit violation/non-compliance documentation that the Proposer and Proposer's subcontractors received in the past five years from public agencies for vehicles and other equipment and vehicle staging, maintenance, processing, green waste processing, transfer and disposal facilities in Arizona, which are owned or operated by the Proposer, Proposer's subcontractors, or Proposer's parent company and subsidiaries. In addition, provide a statement disclosing any and all fines, penalties, settlements, or damages of any kind paid by Proposer, Proposer's subcontractors, Proposer's parent company and subsidiaries, to public agencies in the past five years.

**C: Chapter 3: Financial Statement: 10 points**

Proposer shall furnish a copy of the Proposer's most recent audited financial statement. If In the event the Proposer does not have an audited financial statement, Proposer may substitute non-audited financial statement and complete federal tax return for the last two years.

**D: Chapter 4: Method of Approach: 40 points**

1. General Proposal Requirements. Proposers proposing on any Service Option must provide the following:

a. Description of Collection Equipment. Proposer shall describe the collection equipment that will be used to perform services. Proposer shall describe (*i.e.* manufacturer, capacity, color and other specifications) the Solid Waste Carts and Recycling Carts to be purchased. If requested, Proposer shall provide a sample of the Solid Waste Carts, Recycling Carts and Green Waste Carts. Proposer shall specify the number of collection vehicles, make, model, age, description of equipment and materials to be collected via the vehicle. The maximum age of a collection vehicle to be used within the corporate limits of the Town is seven years. Proposer shall describe the future equipment to be acquired and provide a timeline for acquisition of new equipment. Proposer shall identify if the collection service will be performed with one-person or two- person crews. Proposer shall state the average age of the collection vehicles to be used for the Agreement.

b. Collection Route Schedules and Maps. Proposer shall include a proposed route schedule and maps, detailing the collection areas and routes, sequence and corresponding days of the week.

c. Disposal and Processing Contracts. Proposer shall provide proof of disposal and processing contracts. If proposer owns the disposal and processing facilities, provide proof of ownership, along with proof of the processing facilities' capacity to handle solid waste from the Town.

d. Approach to Minimize Container Damage. Proposer shall describe procedures used to minimize damage to plastic refuse and recycling containers.

e. Self-haulers. Proposer shall state whether self-haulers will be permitted to deliver materials directly to the Disposal Facility and/or Recycling Facility. If self-haulers are able to deliver materials, Proposer shall state the days and hours that self-haulers may deliver materials, the process for delivery of materials, the costs for delivery of materials and other relevant information.

2. Recycling Service Proposal Requirements. In addition to the information required for all Proposers, Proposers bidding on Residential Recycling Services, Town Facility Recycling Services. Neighborhood Recycling Drop-off Services and/or Special Event Recycling Services must provide the following:

a. Recyclable Materials to be Collected. Proposer shall identify all Recyclable Materials to be collected. Town recommends the Proposer collect the following materials:

- Aluminum cans and foil.
- Steel/tin cans
- Glass food and beverage containers (flint, amber and green)

- Newspaper, slick paper inserts
- Magazines, paperback books
- Residential mixed paper, junk mail inserts
- Telephone books and Yellow Pages
- Cardboard (corrugated, chipboard)
- Aerosol cans
- Plastic bottles and containers (Recycling logo #1 through #6)

b. Recyclable Materials Accepted by Processing Facility. Proposer shall identify all Recyclable Materials accepted by the Processing Facility. If there are Recyclable Materials accepted by the Processing Facility that are not to be collected by the Proposer, Proposer shall explain the reason such recyclable materials are not to be collected.

c. Approach to Minimize Over-Compaction of Recyclables. Describe approach to reduce residual of recyclable loads delivered to processing center.

d. Processing Site Information. Provide the following information related to each processing facility:

- Name, location and description of the processing facility where recyclable materials will be handled.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the processing facility is the same as the Proposer, a related-party entity, or subcontractor.
- Contact name and phone number of the processing facility site manager.
- The contract with the processing facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the sorting equipment used to segregate and consolidate recyclable materials.

e. Permitted and Available Processing Capacity. Proposer shall state the daily and annual permitted capacity of the processing facility. If the processing facility is not owned and operated by the Proposer, provide a letter from the processing facility owner and operator that documents its commitment to provide the processing services proposed in the Proposal and guaranteeing the capacity required over the term of the Solid Waste Service Agreement. If the capacity guaranteed to the Town relies on development of a new facility or expansion of an existing facility, describe the development or expansion plans, additional capacity to be constructed, schedule for development/expansion and permitting status of the development/expansion plan.

f. Import Restrictions or Fees. Proposer shall list any import restrictions, taxes, or fees that will be applicable to the receipt of the Town's recyclable materials, specifying for each tax or fee the per-ton dollar amount of such fee. Proposer should describe any import fees that might affect the revenue typically generated from a particular recyclable material. The Town is not currently aware of any such fees locally.

However, as the Town is neither in the solid waste business nor aware of the final destination of any recyclable materials collected in the Town, the Town must rely on the Proposer to disclose any such fees. Proposer should discuss the ability of the host jurisdiction or state to increase or levy taxes, host fees, or other fees. If there is an import restriction on accepting materials from outside of the local jurisdiction, describe the process to have the import restriction waived.

3. Solid Waste Services. Proposer shall describe the method for performing Residential Solid Waste Services, Town Facilities Solid Waste Services and Special Event Solid Waste Services. Proposer shall describe whether the system shall be fully automated or semi-automated. In addition, Proposer shall describe how out of Cart set-out shall be handled and other pertinent information.

a. Disposal Site Information. Provide the following Information related to each disposal facility:

- Name, location and description of the disposal facility where recyclable materials will be handled.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the disposal facility is the same as the Proposer, a related-party entity, or subcontractor.
- Contact name and phone number of the disposal facility site manager.
- The contract with the disposal facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the sorting equipment used to segregate and consolidate recyclable materials.

b. Permitted and Available Disposal Capacity. Proposer shall state the daily and annual permitted capacity of the disposal facility. If the disposal facility is not owned and operated by the Proposer, provide a letter from the disposal facility owner and operator that documents its commitment to provide the disposal services proposed in the Proposal and guaranteeing the capacity required over the term of the Solid Waste Service Agreement. If the capacity guaranteed to the Town relies on development of a new facility or expansion of an existing facility, describe the development or expansion plans, additional capacity to be constructed, schedule for development/expansion and permitting status of the development/expansion plan.

4. Quarterly Residential Bulk Waste Services.

a. Proposer shall describe the method for performing Residential Bulk Waste Services on a quarterly basis (four times a year as approved by the Town) including routes, sequencing and proposed schedule. Proposer shall also describe: (i) the equipment, personnel and process to be utilized for the quarterly Residential Bulk Waster Services pickup (items for pickup cannot be placed on the streets because of lack of curbing and sidewalks); and (iii) how Bulk Waste in excess of the allotted amount shall be handled and other pertinent information.

b. Proposer shall also describe how it will communicate information concerning each scheduled quarterly Residential Bulk Waste Service to customers including, at a minimum, providing a pamphlet (approved in writing by the Town) in the bills sent to Residential Service Unit customers setting forth the routes and schedule for the Quarterly Residential Bulk Waste Service pickup, together with requirements, limitation and answers to frequently asked questions related thereto, and conspicuously and continuously posting on Proposer's website and on its billing page for customers within the Town.

5. Residential Green Waste Services Proposal Requirements. In addition to the information required for all Proposers, Proposers bidding on Residential Green Waste Services must provide the following:

a. Green Waste Processing Site Information. Provide the following information related to each processing facility to be used:

- Name, location and description of the green waste processing facility.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the processing facility is the same as the Proposer, a related-party, entity or subcontractor.
- Contact name and phone number of the site manager.
- The contract with the green waste processing facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the pre-processing activities, green waste processing methods.
- Marketing plans for finished products.

b. Permitted and Available Processing Capacity. State the daily and annual permitted capacity of the processing facility. If the processing facility is not owned and operated by the Proposer, provide a letter from the processing facility owner and operator that documents its commitment to provide the green waste processing services proposed in the Proposal and guaranteeing the capacity required over the term of the Agreement. If the capacity guaranteed to the Town relies on development of a new facility or expansion of an existing facility, describe the development or expansion plans, additional capacity to be constructed, schedule for development/expansion and permitting status of the development/expansion plan.

c. Materials Accepted for Processing. Provide a list of the materials accepted at the facility for green waste processing.

d. Import Restrictions or Fees. Proposer shall list any import restrictions, taxes, or fees that will be applicable to the receipt of the Town's green waste materials, specifying for each tax or fee the per-ton dollar amount of such fee. Discuss the ability of the host jurisdiction or state to increase or levy taxes, host fees, or other fees. If there is an import restriction on accepting materials from outside of the local jurisdiction, describe the process to have the import restriction waived.

6. Annual Household Hazardous Materials Collection. Each Proposer shall include in its Proposal a plan for household hazardous waste *(i.e.,* paints, solvents, pesticides, herbicides, oils, etc.) collection events to occur at leaser once per calendar year.

7. Annual Electronics Recycling Event. Each Proposer shall include in its Proposal a plan for electronic recycling (including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires / cables / power cords, power tools, printers, routers, DVD players and video game equipment) events to occur at least once per calendar year.

**E. Chapter 5: Billing** **5 points**

Proposer shall submit information related to its proposed method of billing. The proposed form of billing structure shall meet the minimum standards set forth in the sample Solid Waste Disposal Agreement.

**F. Chapter 6: Cost Information** **20 points**

Proposer shall complete the forms set forth below:

1. Residential Services. Each Proposer submitting a Proposal for Residential Solid Waste Services, Residential Bulk Waste Services and Residential Recycling Services, Proposer shall complete **Form 5**, including:

5.1 Costs for Residential Solid Waste Services – Solid Waste and Recycling collection on the same single day each week;

5.1.A Costs for Residential Solid Waste Services - Multiple Day Collection. "Multiple Day Collection" means two Solid Waste pick-ups in each week, with Recycling picked up on the same day as one of the two Solid Waste pick-ups.

5.2 Costs for Residential Solid Waste Services - without Recycling one day a week; and

5.3 Residential Recycling Processing and Marketing Rate and Town Facility Recycling Processing and Marketing Rate

2. Town Facility Services and Special Event Services. Each Proposer submitting a Proposal for Town Facility Solid Waste Services, Town Facility Recycling Services, Special Events Solid Waste Services and Special Events Recycling Services shall complete **Form 6**, including:

6.1 Costs for Town Facility Solid Waste Services;

6.2 Costs for Town Facility Recycling Services; and

6.3 Costs for Special Events Solid Waste Services and Special Events Recycling Services.

3. Neighborhood Recycling. Each Proposer submitting a Proposal for Neighborhood Recycling Drop-off Services shall complete **Form 7** (including 7.1 and 7.2).

4. Green Waste. Each Proposer submitting a Proposal for Residential Green Waste Services shall complete **Form 8**.

5. Pricing Escalator. Each Proposer shall provide any periodic price escalator on an annual basis for each of the intended five years in the initial term of the contract and provide an example demonstrating how the escalator would be applied.

**Total Possible Points for Written Submittal: 100**

## III. ORAL INTERVIEWS: SCORING

In the event that a Proposer cannot be selected based solely on the Proposals submitted, up to three Proposers may be selected for oral interviews. The selected Proposers will be invited to participate in discussions with the Selection Committee on the date indicated on the cover page of this RFP and awarded points based upon the criteria as outlined below. Proposers may be given additional information for these oral interviews. These discussions will relate less to the past experience and qualifications already detailed in the Proposals and relate more to: (i) identifying the Proposing firms' program approach and to an appraisal of the people who would be directly involved in this Services for this RFP: (ii) exploring with the Proposer the scope and nature of the project, the Proposer's proposed method of performance and the relative utility of alternate methods of approach; and (iii) an appraisal of the people who would be directly involved in this Services for this RFP.

**Oral Interview Points:**

| | |
|---|---|
| **General Information** | **10** |
| **Experience and Qualifications of the Proposer** | **25** |
| **Key Positions** | **20** |
| **Proposed Services Provided** | **35** |
| **Favorable Evaluation by Maricopa County Department of Environmental Health Service** | **10** |
| **Total Possible Points for Oral Interview** | **100** |

**TOTAL POINTS POSSIBLE FOR THIS RFP: 200**

## V. REQUIRED FORMS

### FORM 1: STATEMENT OF ORGANIZATION

**1. PROPOSER**

Full Name of Business: _____

Principal Business Address: _____

_____

Principal Phone Number: _____

Local Business Address: _____

_____

Local Business Contact Person: _____

Local Business Fax: _____

Local Business E-Mail: _____

Type of Organization: _____

Tax ID #: _____

License #: _____

Provide names of authorized representative(s) of the Proposer who has legal authority to bind the Proposer in contractual obligations:

(a) _____

(b) _____

(c) _____

**2. SERVICE OPTIONS**

Service Options Proposed (check all that apply):

_____ Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services.

_____ Town Facility Solid Waste Services

_____ Neighborhood Recycling Drop-off Services

_____ Residential Green Waste Services

**3. SUBCONTRACTOR**

List of all firms participating in this Proposal:

| | Name | Address | Area of Responsibility |
|---|---|---|---|
| (a) | | | |
| (b) | | | |
| (c) | | | |
| (d) | | | |

## FORM 2: CERTIFICATE OF INSURABILITY

By submitting a Proposal, the submitting Proposer certifies that it is fully aware that the Insurance Requirements contained in the Agreement apply whether awarded one or more Service Options pursuant to this RFP. Furthermore, the Proposer assures the Town of Fountain Hills that it is able to produce the insurance coverage required should it be selected for award of the Agreement.

Should the Proposer's firm be awarded the Agreement by the Town and then be unable to produce the insurance coverage specified within ten calendar days, it is fully aware and understands that it may not be considered for further projects by the Town of Fountain Hills.

_____
Signature of Proposer

_____
Printed Name of Signee

_____
Company Name

_____
Date

## FORM 3: ACKNOWLEDGEMENT OF ADDENDA:

By submission of this Proposal, Proposer hereby certifies receipt of all the addenda listed in the table below.

| Addendum Number | Description of Addendum |
|---|---|
| | |
| | |
| | |
| | |
| | |
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| | |

## FORM 4: EXPERIENCE

Proposer shall provide a minimum of five references of public agencies, cities, towns, private companies, contracts and communities presently being served by the Proposer with similar services to those being proposed in this proposal

1. Name of Public Agency: _____
   Address: _____
   _____
   _____
   Phone Number: _____
   Contact Person: _____
   Year Contract Initiated: _____
   Number of Residential Units Served: _____
   Description of Services: _____
   _____
   _____

2. Name of Public Agency: _____
   Address: _____
   _____
   _____
   Phone Number: _____
   Contact Person: _____
   Year Contract Initiated: _____
   Number of Residential Units Served: _____
   Description of Services: _____
   _____
   _____

3. Name of Public Agency: _____
   Address: _____
   _____
   _____
   Phone Number: _____
   Contact Person: _____
   Year Contract Initiated: _____
   Number of Residential Units Served: _____
   Description of Services: _____
   _____
   _____

## FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES

### Form 5.1 - Costs for Residential Solid Waste Services

| Service Rate | Monday through Friday Collection Week | |
|---|---|---|
| | Same Day Collection [1] | Different Day Collection [2] |
| **Residential Solid Waste Services** | | |
| 1. Solid Waste Collection Service Rate | $ /Unit/Month | $ /Unit/Month |
| 2. Solid Waste Cart Rate [3]<br>65 Gallon<br>96 Gallon | <br>$ /Unit/Month<br>$ /Unit/Month | <br>$ /Unit/Month<br>$ /Unit/Month |
| 3. Solid Waste Disposal Rate [4] | $ /Unit/Month | $ /Unit/Month |
| 4. Additional Solid Waste Cart Collection Service Rate [5] | $ /Unit/Month | $ /Unit/Month |
| 5. Additional Solid Waste Cart Rate [3][5] | $ /Unit/Month | $ /Unit/Month |
| 6. Additional Solid Waste Cart Disposal Rate [4][5] | [6] | [6] |
| 7. Non-Collection Day Collection Rate [7] | $ /Unit/Month | $ /Unit/Month |
| 8. Non-Collection Day Disposal Rate [4][7] | [6] | [6] |
| **Quarterly Residential Bulk Waste Services** | | |
| 1. Bulk Waste Collection Rate | $ /6 CY | $ /6 CY |
| 2. Bulk Waste Disposal Rate [4] | $ 6 CY | $ /6 CY |
| **Residential Recycling Services** | | |
| 1. Recycling Collection Service Rate | $ /Unit/Month | $ /Unit/Month |
| 2. Recycling Cart Rate [3][8]<br>65 Gallon<br>96 Gallon | <br>$ /Unit/Month<br>$ /Unit/Month | <br>$ /Unit/Month<br>$ /Unit/Month |
| **Residential Cart Change Rate [9]** | $ /Cart | $ /Cart |

[1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.

[2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.

[3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.

[4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.

[5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.

[6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.

[7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.

[8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, it its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

[9] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

## FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES

### Form 5.1.A - Costs for Residential Solid Waste Services

| Service Rate | Monday through Friday Collection Week<br>Multiple Day Collection [1] |
|---|---|
| **Residential Solid Waste Services** | |
| 1. Solid Waste Collection Service Rate | $ /Unit/Month |
| 2. Solid Waste Cart Rate [2]<br>65 Gallon<br>96 Gallon | <br>$ /Unit/Month<br>$ /Unit/Month |
| 3. Solid Waste Disposal Rate [3] | $ /Unit/Month |
| 4. Additional Solid Waste Cart Collection Service Rate [4] | $ /Unit/Month |
| 5. Additional Solid Waste Cart Rate [2][4] | $ /Unit/Month |
| 6. Additional Solid Waste Cart Disposal Rate [3][4] | [6] |
| 7. Non-Collection Day Collection Rate [6] | $ /Unit/Month |
| 8. Non-Collection Day Disposal Rate [3][6] | [6] |
| **Residential Bulk Waste Services** | |
| 1. Bulk Waste Collection Rate | $ /6 CY |
| 2. Bulk Waste Disposal Rate [3] | $ /6 CY |
| 3. Semiannual Bulk Waste Event | $ /6 CY |
| **Residential Recycling Services** | |
| 1. Recycling Collection Service Rate | $ /Unit/Month |
| 2. Recycling Cart Rate [2][7]<br>65 Gallon<br>96 Gallon | <br>$ /Unit/Month<br>$ /Unit/Month |
| **Residential Cart Change Rate [8]** | $ /Cart |

[1] Multiple Day Collection means Contractor shall perform, for each Residential Service Unit, Residential Solid Waste Services on two days each week and Residential Recycling Services on the same day of the week as one of the Residential Solid Waste Services days.

[2] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.

[3] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.

[4] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.

[5] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.

[6] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.

[7] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, it its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Contractor grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

[8] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

## FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES (continued)

### Form 5.2 - Costs for Residential Solid Waste Services WITHOUT RECYCLING

| Service Rate | Monday through Friday Collection Week | |
|---|---|---|
| | Same Day Collection [1] | Different Day Collection [2] |
| **Residential Solid Waste Services** | | |
| 1. Solid Waste Collection Service Rate | $ /Unit/Month | $ /Unit/Month |
| 2. Solid Waste Cart Rate [1][6]<br>65 Gallon<br>96 Gallon | <br>$ /Unit/Month<br>$ /Unit/Month | <br>$ /Unit/Month<br>$ /Unit/Month |
| 3. Solid Waste Disposal Rate [2] | $ /Unit/Month | $ /Unit/Month |
| 4. Additional Solid Waste Cart Collection Service Rate [3] | $ /Unit/Month | $ /Unit/Month |
| 5. Additional Solid Waste Cart Rate [1][3] | $ /Unit/Month | $ /Unit/Month |
| 6. Additional Solid Waste Cart Disposal Rate [2][3] | [6] | [6] |
| 7. Non-Collection Day Collection Rate [5] | $ /Unit/Month | $ /Unit/Month |
| 8. Non-Collection Day Disposal Rate [2][5] | [6] | [6] |
| **Quarterly Residential Bulk Waste Services** | | |
| 1. Bulk Waste Collection Rate | $ /6 CY | $ /6 CY |
| 2. Bulk Waste Disposal Rate [2] | $ /6 CY | $ /6 CY |
| **Residential Cart Change Rate [7]** | $ /Cart | $ /Cart |

[1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.

[2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.

[3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.

[4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.

[5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.

[6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

[7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

**FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES (continued)**

**Form 5.3 - Residential Recycling Processing and Marketing Rate and Town Facility Recycling Processing and Marketing Rate**

| Type of Recyclable Material [1] | Processing/Marketing Fee [2] | Flat per Ton Payment [3][7] | Revenue Share [4][7] |
|---|---|---|---|
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |

[1] Proposer shall list the type of Recyclable Material.
[2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
[3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
[4] Outgoing Tons means the tons of Recyclable Materials sold.
[5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

## FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL EVENTS SOLID WASTE SERVICES

### Form 6.1 - Costs for Town Facility Solid Waste Services

| | | Collection Frequency per Week | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Rates | 1x | 2x | 3x | 4x | 5x | 6x | 7x |
| Solid Waste Cart Service | | | | | | | | |
| 96 gallons | Collection Rate [1] | | | | | | | |
| | Disposal Rate [1] [2] | | | | | | | |
| | Cart Rental Rate [1] [3] | | | | | | | |
| Container Service | | | | | | | | |
| 2 CY | Collection Rate [1] | | | | | | | |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |
| 4 CY | Collection Rate [1] | | | | | | | |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |
| 6 CY | Collection Rate [1] | | | | | | | |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |
| 8 CY | Collection Rate [1] | | | | | | | |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |

[1] Collection Rate, Disposal Rate and Container Rental Rate shall be stated in $/Container/Month.
[2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste.
[3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Town Facilities at the expiration of the Agreement shall rest with the Contractor.
[4] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

### Form 6.2 - Costs for Town Facility Recycling Services [1]

| Collection Frequency | Collection Rate | Processing/Marketing Fee | Container Rental Rate [2] |
|---|---|---|---|
| 1 x per week | $ /Container/Month | [3] | $ /Container/Month |
| 2 x per week | $ /Container/Month | [3] | $ /Container/Month |
| 3 x per week | $ /Container/Month | [3] | $ /Container/Month |
| 4 x per week | $ /Container/Month | [3] | $ /Container/Month |
| 5 x per week | $ /Container/Month | [3] | $ /Container/Month |
| 6 x per week | $ /Container/Month | [3] | $ /Container/Month |
| 7 x per week | $ /Container/Month | [3] | $ /Container/Month |

[1] Town Facility Recycling Services shall be provided via Containers as set forth in the Solid Waste Service Agreement.
[2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.
[3] Shall be equal to the fee for residential recycling processing and marketing as stated in table 5.2 above.

## FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL EVENTS SOLID WASTE SERVICES (continued)

**Form 6.3 - Costs for Special Events Solid Waste Services and Special Events Recycling Services**

| Solid Waste | | | |
|---|---|---|---|
| **Roll-off Size** | **Collection Rate** | **Disposal Rate** | **Container Rental Rate** |
| 10 CY | $ /Container/Pull | $ /Ton | $ /Container |
| 20 CY | $ /Container/Pull | [1] | $ /Container |
| 30 CY | $ /Container/Pull | [1] | $ /Container |
| 40 CY | $ /Container/Pull | [1] | $ /Container |

[1] Disposal Rate shall be equal to Disposal Rate for a 10 CY.

| Special Event Recycling Services | | |
|---|---|---|
| **Collection Frequency** | **Collection Rate** | **Processing/Marketing Fee** |
| 1 x per event | $ /96 Gallon Cart/Event | [1] |
| 2 x per event | $ /96 Gallon Cart/Event | [1] |
| 3 x per event | $ /96 Gallon Cart/Event | [1] |
| 4 x per event | $ /96 Gallon Cart/Event | [1] |
| 5 x per event | $ /96 Gallon Cart/Event | [1] |
| 6 x per event | $ /96 Gallon Cart/Event | [1] |
| 7 x per event | $ /96 Gallon Cart/Event | [1] |

[1] Shall be equal to the fee for residential recycling processing and marketing as stated in Form 5 above.

## FORM 7: COST FORM FOR NEIGHBORHOOD RECYCLING DROP-OFF SERVICES

**Form 7.1 - Costs for Neighborhood Recycling Drop-off Services [1]**

| Collection Frequency | Collection Rate | Container Rental Rate [2] |
|---|---|---|
| 1 x per week | $ /Container/Month | $ /Container/Month |
| 2 x per week | $ /Container/Month | $ /Container/Month |
| 3 x per week | $ /Container/Month | $ /Container/Month |
| 4 x per week | $ /Container/Month | $ /Container/Month |
| 5 x per week | $ /Container/Month | $ /Container/Month |
| 6 x per week | $ /Container/Month | $ /Container/Month |
| 7 x per week | $ /Container/Month | $ /Container/Month |

[1] Neighborhood Recycling Drop-off Services shall be provided via Containers as set forth in the Solid Waste Services Agreement.

[2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

**Form 7.2 - Neighborhood Recycling Drop-off Services Processing and Marketing Rate**

| Type of Recyclable Material [1] | Processing/Marketing Fee [2] | Flat per Ton Payment [3][7] | Revenue Share [4][7] |
|---|---|---|---|
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |

[1] Proposer shall list the type of Recyclable Material.

[2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.

[3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.

[4] Outgoing Tons means the tons of Recyclable Materials sold.

[5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

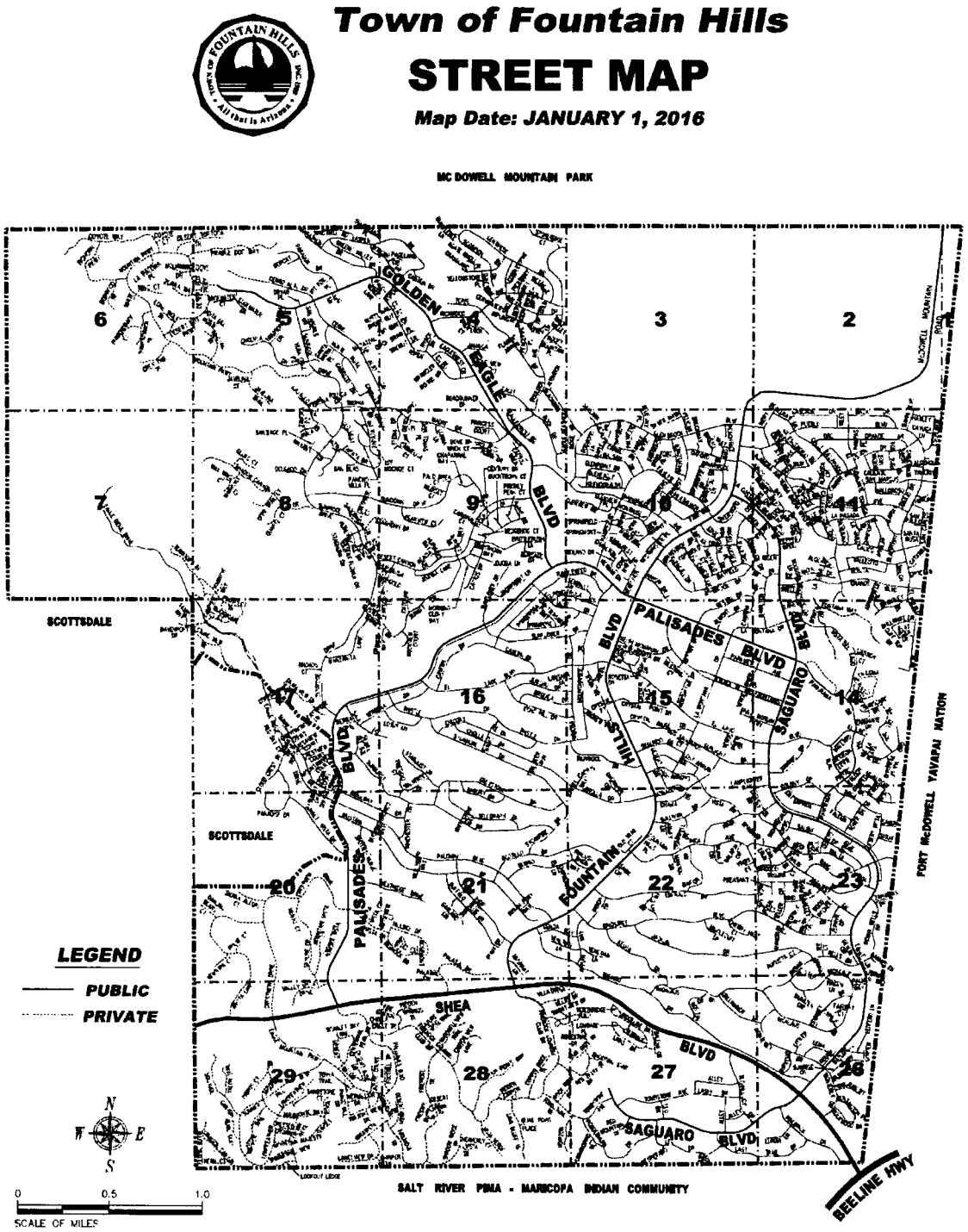
## FORM 8: COST FORM FOR RESIDENTIAL GREEN WASTE SERVICES

| Service Rate | Monday through Friday Collection Week | |
|---|---|---|
| | Same Day Collection [1] | Different Day Collection [2] |
| Residential Green Waste Services | | |
| 1. Residential Green Waste Collection Service Rate | $ /Unit/Month | $ /Unit/Month |
| 2. Residential Green Waste Processing and Marketing Rate | $ /Unit/Month | $ /Unit/Month |

[1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling services on the same day of the week for each Residential Service Unit.

[2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.

## V. ATTACHMENT 1 - TOWN MAP



# SECTION B

**Sample**
**Solid Waste Services Agreement**

# SAMPLE
# SOLID WASTE SERVICES AGREEMENT
# BETWEEN
# TOWN OF FOUNTAIN HILLS
# AND

_____

This SOLID WASTE SERVICES AGREEMENT (this "Agreement) is made on_____ _____, 2018 (the "Effective Date") between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and_____, a(n) _____ _____ (the "Contractor").

## RECITALS

A. The Town issued a Request For Proposals, "Solid Waste Services (PW2018-002)" (the "RFP"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, seeking proposals from vendors for residential curbside solid waste collection and disposal services, bulk waste collection and disposal services, residential recycling services, green waste services, Town facility solid waste services, Town facility recycling services and special event solid waste and recycling services within the corporate limits of the Town of Fountain Hills (the "Services").

B. The Contractor submitted a proposal in response to the RFP (the "Proposal"), which is attached hereto as Exhibit B and incorporated herein by reference, and the Town desires to enter into an Agreement with the Contractor for the Services.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Definitions. As used herein, and notwithstanding any other contrary definition given these terms under Arizona law, the parties hereto specifically agree that the terms defined below shall, for the purpose of this Agreement, have the meanings as set forth in this Section. The words "shall," "will" and "must" are always mandatory and not merely discretionary. The word "may" indicates something that is not mandatory but permissible. When not inconsistent with the context, words in the plural shall include the singular and vice versa, words importing persons shall include firms and corporations, words in the present tense shall include the future and use of the masculine gender shall include the feminine gender. The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of adoption of this Agreement; and the term "hereafter" shall mean after the initial date of adoption of this Agreement.

1.1 "Backdoor" means a location at the front, side or rear of a Residential Service Unit acceptable to both the Resident and Contractor as the location for Residential Collection Service. If an appropriate location cannot be agreed upon, the Contract Administrator shall designate the location for Residential Collection Service.

1.2 "Bulk Waste" means Solid Waste composed of materials not easily containerized in a Solid Waste Cart or Recycling Cart such as, but not limited to, Green Waste, furniture, cardboard and large appliances.

1.3 "Bulk Waste Collection Services" means Collection of Bulk Waste and delivery to the Disposal Facility or the Recycling Facility by the Contractor.

1.4 "Bulk Waste Services" means Bulk Waste Collection Services and the disposal of Bulk Waste at the Disposal Facility or recycling of Bulk Waste at the Recycling Facility.

1.5 "Business Day" means any day, Monday through Friday, from 5:00 AM, Local Time to 5:00 PM, Local Time.

1.6 "Cart" means a Recycling Cart, a Solid Waste Cart or a Green Waste Cart, as applicable.

1.7 "Council" means the Mayor and Town Council of the Town of Fountain Hills, Arizona.

1.8 "Collection" means the act of picking up Solid Waste or Bulk Waste from Residential Units and delivery of the Solid Waste or Bulk Waste to the Disposal Facility. Collection shall also mean the act of picking up Program Recyclables from Residential Units or Town Facilities and delivery of the Program Recyclables to the Recycling Facility.

1.9 "Collection Service" means Residential Solid Waste Collection Services, Residential Bulk Waste Collection Services, Residential Recycling Collection Services, Residential Green Waste Collection Services, Town Facility Solid Waste Collection Services, Town Facility Recycling Collection Services, Special Event Solid Waste Collection Services and Special Event Recycling Collection Services.

1.10 "Commencement Date" means the earliest date the Contractor shall commence the Collection Services in accordance with this Agreement and pursuant to the phase-in schedule set forth in Exhibit D, attached hereto and incorporated herein by reference.

1.11 "Construction Debris" means solid waste derived from the construction, repair or remodeling of buildings or other structures.

1.12 "Construction and Demolition Waste" shall include Construction Debris and Demolition Debris.

1.13 "Contamination" means the existence of any material or substance on or contained in Recyclable Materials that would result in failure to meet Recovered Material specifications.

1.14 "Contract Administrator" means the Town Manager of the Town, or his designee or designees, who shall represent the Town in the administration and supervision of this Agreement.

1.15 "Container" means any metal or plastic container, with a capacity of approximately 300 gallons designed to or intended to be mechanically dumped into a loader-packer type garbage truck and used for Town Facility Recycling Services. All such Containers must be clearly marked in a manner as approved by the Town.

1.16 "Demolition Debris" means solid waste derived from the demolition of buildings or other structures.

1.17 "Disposal Facility" means a facility, area of land or excavation in which Solid Waste and Bulk Waste are placed for permanent disposal. Disposal Facility does not include a land application unit, surface impoundment, injection well, compost pile or waste pile or an area containing ash from the on-site combustion of coal that does not contain household waste, household hazardous waste or conditionally exempt small quantity generator waste.

1.18 "Disposal Services" means the disposal of Solid Waste and Bulk Waste by the Contractor.

1.19 "Expiration Date" means June 30, 20__ at 11:59 PM, Local Time.

1.20 "Green Waste" means organic yard waste, including but not limited to, grass clippings, tree trimmings, brush clippings, and other similar material.

1.21 "Green Waste Cart" means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a load-packer type garbage truck and approved by the Town Manager or authorized designee for the Collection of Green Waste from Residential Service Units. All Green Waste Carts shall be green in color and clearly distinguishable from Solid Waste Carts.

1.22 "Hazardous Waste" means solid waste as described in 40 Code of Federal Regulations part 261, as amended.

1.23 "Local Time" means the time in Phoenix, Arizona.

1.24 "Materials Acceptance Protocol (MAP)" means the document which identifies the types and standards for the Recyclable Materials which are to be collected and processed under this Agreement. The MAP is attached hereto as Exhibit E and incorporated herein by reference.

1.25 "Missed Block" shall mean, as determined by three or more customers on a block, that each customer deems that her/his respective properly-prepared Cart that was set out at the Collection location on the scheduled Collection day was not picked up by the Contractor.

1.26 "Missed Collection" shall mean, as determined by the customer, a properly prepared Cart that was set out at the Collection location on the scheduled Collection day that was not picked up by the Contractor.

1.27 "Nonprogram Recyclable" means any Recyclable Materials, excluding Program Recyclables, delivered to the Recycling Facility.

1.28 "Nonprogram User" means any generator of Nonprogram Recyclables.

1.29 "Non-recyclable Waste" means the portion of Solid Waste, exclusive of Hazardous Waste, that is not Program Recyclables.

1.30 "Person" means an individual, corporation, company, association, partnership, unit of local government, state agency, Federal agency, or other legal entity.

1.31 "Process", "Processed" or "Processing" means the separation, sorting, crushing, baling, shredding, flattening or other treatment of Program Recyclables into Recovered Materials.

1.32 "Processing Fee" means the per ton fee for receipt and processing of Program Recyclables.

1.33 "Program Recyclables" means the Recyclable Materials as defined in the MAP originating from sources within the Town which are collected single stream and delivered by the Contractor or self haulers, delivered to the Recycling Facility, and processed and marketed by the Recycling Facility.

1.34 "Recovered Material(s)" means Recyclable Materials which have been processed at the Recycling Facility to market specifications.

1.35 "Recyclable Materials" means those materials which are capable of being recycled and which would otherwise be processed or disposed of as Solid Waste.

1.36 "Recyclable Materials Collection Services" means the provision of Residential Recycling Collection Service, Town Facility Recycling Collection Service and Special Event Recycling Collection Service by the Contractor.

1.37 "Recycling" means any process by which materials which would otherwise become Solid Waste are collected, separated, or processed and reused or returned to use in the form of raw materials or products.

1.38 "Recycling Cart" means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Program Recyclables from Residential Service Units, Town Facilities and special events. All such Recycling Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.39 "Recycling Facility" means a Solid Waste Facility that is owned, operated or used for the storage, treatment or processing of Recyclable Materials and that handles wastes that have a significant adverse effect on the environment.

1.40 "Recycling Services" means the Collection of Recyclable Materials by the Contractor from Residential Service Units and Town Facilities in the Town, delivery of Recyclable Materials to Recycling Facility, and processing and marketing of Recyclable Materials at the Recycling Facility.

1.41 "Rejects" means material other than Residue, such as Non-recyclable Waste or materials other than those defined in the MAP, which is delivered with Recyclable Materials and which shall be handled and accounted for separately from Recyclable Materials and Residue.

1.42 "Residential Bulk Waste" means Bulk Waste that is generated and disposed of at a Residential Service Unit.

1.43 "Residential Bulk Waste Collection Service" means the Collection of Bulk Waste by the Contractor from Residential Service Units and the delivery of the Bulk Waste to the Disposal Facility or Recycling Facility.

1.44 "Residential Green Waste Service" means the Collection of Green Waste by the Contractor from Residential Service Units and the delivery of Green Waste to a green Waste processing facility.

1.45 "Residential Recyclable Materials" means any Recyclable Materials that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.46 "Residential Recycling Collection Services" means the Collection of Recyclable Materials by the Contractor from Residential Service Units and the delivery of the Recyclable Materials to the Recycling Facility.

1.47 "Residential Recycling Services" means the Collection of Recyclable Materials by the Contractor from Residential Service Units, delivery of the Recyclable Materials to the Recycling Facility and processing and marketing of the Recyclable Materials at the Recycling Facility.

1.48 "Residential Services" means Residential Solid Waste Services, Residential Bulk Waste Collection Services, Residential Green Waste Services and Residential Recycling Services.

1.49 "Residential Service Unit" mean residential dwellings and establishments identified by the Town to receive Residential Services from the Contractor and utilizing (i) a Solid Waste Cart for the accumulation and set-out of Residential Solid Waste and (ii) a Recycling Cart for the accumulation and set-out of Residential Recyclable Materials. Town, at its sole discretion, may add or delete Residential Units.

1.50 "Residential Solid Waste" means any garbage, Green Waste or rubbish that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.51 "Residential Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from Residential Service Units and delivery of the Solid Waste to the Disposal Facility.

1.52 "Residential Solid Waste Services" means the Collection of Solid Waste by the Contractor from Residential Service Units, delivery of the Solid Waste to the Disposal Facility, and disposal of the Solid Waste at the Disposal Facility.

1.53 "Residue" means that portion of the Recyclable Materials accepted by the Contractor which is not converted to Recovered Materials due to spoilage, breakage, contamination and/or transportation or processing inefficiencies, other than Rejects.

1.54 "Residue Allowance" means that portion of incoming Program Recyclables defined as Residue and shall not exceed the overall annual Residue Allowance of 15%.

1.55 "Scavenging" means the unauthorized removal of Recyclable Material after the generators thereof divest control physically or as a matter of appropriate law, rule or regulation.

1.56 "Solid Waste" means any garbage, trash, rubbish, waste tire, refuse, sludge from a waste treatment plant, water supply treatment plant or pollution control facility and other discarded material, including solid, liquid, semisolid or contained gaseous material unless otherwise excluded by the Arizona Revised Statutes.

1.57 "Solid Waste Cart" means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Residential Solid Waste. All such Solid Waste Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.58 "Solid Waste Facility" means a transfer facility and any site owned, operated or utilized by any person for the storage, processing, treatment or disposal of solid waste, conditionally exempt small quantity generator waste or household hazardous waste unless otherwise excluded by Arizona Revised Statutes.

1.59 "Special Event Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from special events as requested by the Town and delivery of the Solid Waste to the Disposal Facility.

1.60 "Special Event Recycling Collection Services" means the Collection of Recyclable Materials from special events as requested by the Town via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.61 "Source Separated Materials" means materials that are separated by material type by the generator.

1.62 "State" means the State of Arizona.

1.63 "Ton" means a unit of weight equal to 2,000 pounds.

1.64 "Town Facility" means any Town-owned or operated facility designated by the Town for Town Facility Recycling Services. The Town has the sole authority to add or eliminate Town Facilities.

1.65 "Town Facility Recycling Collection Services" means the Collection of Recyclable Materials from Town Facilities via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.66 "Town Facility Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from a Town Facility and delivery of the Solid Waste to the Disposal Facility.

1.67 "Town Revenue Rate" means the minimum payment by Contractor to Town per ton of Program Recyclables received at the Recycling Facility.

2. Representations.

2.1 Relationship of the Parties. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any Town payments issued hereunder and Contractor agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Agreement.

2.2 Representations by Town. The Town represents to the Contractor that the Town is duly organized and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement. The Town further represents that the person signing on its behalf has been properly authorized and empowered to enter into this Agreement. The Town acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

2.3 Representations by Contractor. The Contractor represents to the Town that at the time of execution of this Agreement:

A. Authority. The Contractor is duly qualified and in good standing to do business in the State and is duly qualified and in good standing to do business wherever necessary to carry on the business and operations contemplated by this Agreement. The Contractor further represents that the person signing on its behalf has been properly authorized and empowered to enter this Agreement. The Contractor further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

B. Recyclable Materials Processing. The Contractor has entered into a contract for Recyclable Materials processing and marketing services, a true and correct copy of which is attached hereto as Exhibit F and incorporated herein by reference, for the Initial Term and Renewal Terms (as defined in Section 3 below).

C. Solid Waste Disposal. The Contractor has entered into a contract for Disposal Services, attached hereto as Exhibit G and incorporated herein by reference, for the Initial Term and Renewal Terms.

D. Licenses; Materials. The Contractor has obtained all applicable environmental and other governmental permits, licenses, permits and authorizations that are (1) necessary for providing the Services and (2) required to be issued under Federal, State, local law, regulation, rule or ordinance. Contractor shall maintain in current status all Federal, State and local licenses, permits and authorizations required for the operation of the business conducted by the Contractor. The Town has no obligation to provide Contractor, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Consultant.

E. Insurance/Bonds. The Contractor has obtained and submitted to the Town (1) certificates of insurance for all required insurance coverages specified in this Agreement and (2) documentation of performance bond as required by this Agreement.

F. No legal Action Pending. To the best of the Contractor's knowledge, there is no action, suit or proceeding, at law or equity, before or by any court or government authority, pending or threatened against the Contractor, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the Contractor of its obligation hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement, or any other contract or

instrument entered into by the Contractor in connection with the transactions contemplated hereby.

Contractor agrees that it shall take all steps necessary to ensure that the representations set forth in this Section 2.3 shall remain true and correct for the entire Term of this Agreement.

3. Term of Agreement.

3.1 Initial Term. Unless sooner terminated in accordance with the provisions in this Agreement, the term of this Agreement shall commence on the Commencement Date and shall continue in effect until the Expiration Date (the "Initial Term").

3.2 Option to Renew. After the Initial Term, Town shall have the option at its sole discretion to renew this Agreement for up to three additional one-year terms (each, a "Renewal Term"). The Initial Term and any Renewal Terms shall be collectively referred to herein as the "Term." To exercise its option, Town shall provide written notice to Contractor (each an "Option Notice") not later than 60 calendar days preceding the scheduled Expiration Date of the then-current Term. The Contractor shall, within 15 calendar days following receipt of the Town's Option Notice, either accept or reject the Town's request. If the Contractor fails to accept or reject the Town's renewal request within 15 days following receipt of the Town's Option Notice, the Contractor shall be deemed to have consented to renewal of the Agreement for one year. This provision in no way limits the Town's right to terminate this Agreement at any time during the Term pursuant to the provisions in this Agreement.

4. Solid Waste Services, Bulk Waste Services and Recycling Services. The Contractor shall begin providing the services set forth in this Section on their respective Commencement Dates, as determined by the phase-in schedule included on Exhibit D, and the Contractor shall change rates for such services not greater than as set forth on Exhibit C.

4.1 Solid Waste.

A. Residential Solid Waste Services. Contractor shall collect, once per week on a scheduled day, all Solid Waste Carts from each Residential Service Unit in the Town. Contractor shall deliver the Residential Solid Waste collected to the Disposal Facility and dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Solid Waste Cart collection and non-collection day Collection Services.

B. Quarterly Residential Bulk Waste Services. Contractor shall provide a process for collecting residential bulk waste of up to six cubic yards from each Residential Service Unit in the Town quarterly (four (4) times per year) by routes/areas on dates and in the sequence approved in writing by the Town. Contractor shall provide notice Contractor shall deliver the Bulk Waste collected to the Recycling Facility or the Disposal Facility. If the Bulk Waste is delivered to the Recycling Facility, Contractor shall process and market the Bulk Waste at the Recycling Facility. If the Bulk Waste is delivered to the Disposal Facility, Contractor shall dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt

of a written work order from the Town, Contractor shall provide additional Bulk Waste Collection Services.

C. Town Facility Solid Waste Services. Contractor shall collect, not less than once per week, all Solid Waste in Solid Waste Carts or Containers at Town Facilities shown in the table below:

**Table 4.1**

| Town Facilities | Address | Container Size | Collection Frequency |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

D. Special Event Solid Waste Services. Upon request of the Town, the Contractor shall deliver Solid Waste Carts or containers to the site of a special event and shall collect and dispose of Solid Waste collected in such Solid Waste Carts or Containers.

4.2 Recycling.

A. Residential Recycling Services. Contractor shall collect, once per week on a scheduled day, all Program Recyclables via single stream in a Residential Recycling Cart from each Residential Service Unit in the Town. Contractor shall deliver the Program Recyclables collected to the Recycling Facility. In addition, Contractor shall process and market the Program Recyclables delivered to the Recycling Facility.

B. Town Facility Recycling Collection. Contractor shall collect, on a frequency solely decided by the Town, all Program Recyclables from each Town Facility listed in Table 4.1 above. Contractor shall deliver the Program Recyclables collected to the Recycling Facility. In addition, Contractor shall process and market the Program Recyclables delivered to the Recycling Facility.

C. Special Events Recycling Collection. Upon request of the Town, Contractor shall deliver Recycling Carts to the site of a special event and shall collect and process all Program Recyclables collected by such Recycling Carts, the frequency of which shall be at the Town's sole discretion.

D. Neighborhood Recycling Drop-off Services. Contractor shall be solely responsible for providing single stream Collection, Processing and Marketing of Recyclable Materials generated and disposed of at the Neighborhood Recycling Drop-off Sites. The Town shall have the sole authority in determining the frequency of Collection for each Neighborhood Recycling Drop-off Sites.

**Table 4.2 – Neighborhood Recycling Drop-off Service Site**

| Neighborhood Recycling Drop-off Service Site | Address |
|---|---|
| | |
| | |
| | |

E. Disposal Prohibited. The Contractor shall be prohibited from (1) disposal of and/or landfilling of any Program Recyclables accepted or processed at the Recycling Facility or (2) marketing Program Recyclables to markets that the Contractor knows or reasonably should have anticipated will dispose of and/or landfill the Program Recyclables, except when approved in writing by the Town.

4.3 Residential Green Waste Collection. Contractor shall collect, once per week on a scheduled day, all Green Waste via Residential Green Waste Cart from each Residential service Unit in the Town that has selected the green waste option and has agreed to pay the additional cost of same. Contractor shall deliver all Green Waste collected from Green Waste Carts at Residential service Units to a Green Waste processing facility.

4.4 Backdoor Collection Services. Contractor shall provide Backdoor Collection Services for Residential Solid Waste and Recyclable Materials from Residential Service Units if all adult occupants residing therein are handicapped, or due to age or verified physical limitations, cannot safely move Carts and if a request for Backdoor Collection Services has been made to and approved by the Town, in the manner required by the Town. The Town shall notify the Contractor in writing of any Residential Service Unit requiring Backdoor Collection Services. No additional monies shall be due to the Contractor for the provision of Backdoor Collection Services. Contractor shall provide Backdoor Collection Services on the same scheduled Collection day that Collection Services would otherwise be provided to the Residential Service Unit.

4.5 Manner of Providing Services. Unless otherwise stated in this Agreement, the Contractor shall be solely responsible for all aspects of the management, operations and maintenance and equipment relating to the Services including, but not limited to, the following:

A. Rejected Loads. Transportation and disposal of Rejected Loads (as defined in subsection 5.2 below) at the Recycling Facility to the Disposal Facility.

B. Residue and Rejects. Transportation and disposal of Residue and Rejects at the Recycling Facility to the Disposal Facility.

C. Recovered Materials. The shipping and marketing of Recovered Materials processed at the Recycling Facility.

D. Records. The maintenance of complete and accurate records and the provision of reports to the Town in accordance with the requirements of this Agreement.

E. Maintenance. The preventive maintenance, maintenance and repair of systems and equipment including vehicles, buildings, grounds and other equipment.

F. Clean-up. The prevention and clean-up of litter, spillage, dust and odor as set-forth in this Agreement.

G. Personnel. The recruitment, hiring and training of all managerial, supervisory and operating personnel providing the Services.

H. Carts. Cart maintenance and delivery of new Solid Waste Carts, Recycling Carts and Green Waste Carts, as applicable, once the program begins. Contractor shall also be solely responsible for Storage of unused Carts.

4.6 Part-Time Residents. Contractor shall provide each Residential Unit the opportunity to annually stop service temporarily for a period of up to six continuous months upon notification by the resident.

4.7 Annual Household Hazardous Materials Collection. Contractor shall provide a household hazardous waste (*i.e.,* paints, solvents, pesticides, herbicides, oils, etc.) collection events to occur at least once per calendar year. Contractor shall

4.8. Annual Electronics Recycling Event. Contractor shall provide electronic recycling (including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires/cables/power cords, power tools, printers, routers, DVD players and video game equipment) events to occur at least once per calendar year, as set forth in Exhibit B, or as otherwise pre-approved in writing by the Town.

5. Inspection of Loads and Rejected Loads.

5.1 Contractor's Right to Inspect Loads. The Contractor may inspect each delivery of Program Recyclables prior to and upon their discharge at the Recycling Facility for consistency with the MAP.

5.2 Unacceptable Loads. Contractor may not designate a load as an unacceptable load for any reason other than those identified in this Section. Prior to departure from the Recycling Facility of the vehicle delivering Recyclable Materials to the Recycling Facility, Contractor may designate a load as a "Rejected Load" for the following reasons:

A. Excessive Non-Recyclable Waste. A load of Program Recyclables contains more than 15% Non-recyclable Waste by weight.

B. Public Health Danger. A load of Program Recyclables presents a substantial endangerment, such as disease or death, to the public or employee health or safety.

C. Hazardous Waste. A load contains Hazardous Waste that cannot be easily separated from acceptable materials.

5.3 Procedure upon Rejection of Load.

A. Notice of Rejected Load. If the Contractor designates a load as a Rejected Load for the reasons set forth in subsections 5.2(A) and (B) above, Contractor must immediately provide written notice to the Town, including the reason the load was designated a Rejected Load. If Contractor fails to provide notice in accordance with this subsection, Contractor shall accept the load.

B. Right to Inspect Rejected Loads. Upon receipt of the notice by the Town in accordance with subsection 5.3(A) above, Contractor shall retain the Rejected Load for an additional 24 hours to allow the Town a right to inspect the load. The Town may waive the right to inspect the load. Failure to inspect the load within 24 hours of receipt of notice shall be deemed a waiver of the right to inspect the load.

C. Dispute or Acceptance of Designation as Rejected Load. If the Town inspects the load, the Town may dispute or accept the designation as a Rejected Load. If the Town disputes the rejection of the load, the Contract Administrator's decision as to whether the load will or will not be accepted shall be final and conclusive. If the load is not deemed a Rejected Load by the Contract Administrator, the Contractor shall accept and process the load.

D. Costs for Rejected Loads not due to Hazardous Waste. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejected Loads for the reasons set forth in subsections 5.2(A) and (B) above.

5.4 Procedure upon Rejection of Load due to Hazardous Waste.

A. Notice of Rejected Load due to Hazardous Waste. If the Contractor designates a load as a Rejected Load for the reason set forth in subsection 5.2(C) above, Contractor must immediately provide written notice to the Town, including the reason the load was designated as containing Hazardous Waste. If Contractor fails to provide notice in accordance with this Section, Contractor shall accept the load.

B. Right to Inspect Hazardous Waste. Upon receipt of the notice by the Town in accordance with subsection 5.4(A) above, Contractor shall retain the load for an additional 12 hours to allow the Town to inspect the load. The Town may waive the right to inspect the load. Failure of the Town to inspect the load within 12 hours of receipt of notice shall be deemed a waiver of the right to inspect the load.

C. Dispute or Acceptance of Designation as Hazardous Waste. If the Town inspects the load, Town may dispute or accept the designation as containing Hazardous Waste. If the Town disputes the rejection of the load, the Contract Administrator's decision as to whether the load will or will not be accepted shall be final and conclusive. If the load is not

deemed a Rejected Load by the Contract Administrator, the Contractor shall accept and process the load.

D. Costs for Hazardous Waste. For costs related to disposal of Hazardous Waste that the Contractor fails to provide notice in accordance with subsection 5.4(A) above, Contractor shall, at Contractor's sole expense, handle and dispose of the Hazardous Waste. If Contractor provides notice in accordance with subsection 5.4(A) above as to a load with Hazardous Waste and the Town determines that the load does contain Hazardous Waste, Town shall have the right to (1) handle and dispose of the Hazardous Waste or (2) require the Contractor to handle and dispose of the Hazardous Waste. If Contractor provides notice in accordance with subsection 5.4(A) above and either the Town concurs that the load contains Hazardous Waste or the Contract Administrator concludes that the load contains Hazardous Waste, and the Town elects not to dispose of the Hazardous Waste as permitted in this subsection, Contractor may bill the source of the Hazardous Waste the cost of handling and disposal of the Hazardous Waste.

6. Handling of Rejects and Residue.

6.1 Handling of Rejects. The Contractor shall segregate and store all Rejects and shall notify the Town prior to their removal for disposal to permit the Town's inspection thereof. The Town shall have the right to inspect such Rejects within 24 hours of notification and to make its own determination as to whether such materials are in fact Rejects, as defined herein. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejects.

6.2 Handling of Residue. Contractor shall be solely responsible for ensuring that Residue which is culled from Program Recyclables accepted by Contractor or which is the result of processing activity shall not exceed the overall annual Residue Allowance of 15%. If the residue exceeds the Residue Allowance, Town may assess liquidated damages in accordance with Section 18 of this Agreement. Contractor, at is sole expense, shall bear costs of transporting and disposal of all Residue.

7. Collection and Processing Equipment.

7.1 Collection Services Vehicles.

A. Appearance of Collection Services Vehicles. Contractor shall paint all Collection Service vehicles uniformly with the name of Contractor, customer service office telephone number and the unique identification number of the vehicle in letters not less than six inches high on each side and the rear of the vehicle. All Collection Services vehicles shall be uniquely numbered and a record kept of the vehicle to which each number is assigned. No advertising shall be permitted on vehicles, except for events sponsored by the Town, which shall be advertised on request of the Town.

B. Age of Collection Services Vehicles. Contractor shall provide all Collection Services pursuant to this Agreement with Collection vehicles **less than seven years**

of age. The **average age** for the Collection vehicles to be used for performance of Collection Services provided pursuant to this Agreement **shall not exceed three years of age.**

7.2 Collection Services Carts. Town shall have the sole decision in determining the appearance of the Carts.

A. Purchase and Initial Distribution of Carts. The Contractor, at its sole cost, shall purchase all Carts required for the provision of Collection Services pursuant to this Agreement. In addition, the Contractor, at its sole cost, shall deliver one Solid Waste Cart, one Recycling Cart and one Green Waste Cart (for Residential Service Units choosing the optional Green Waste Service) to each Residential Service Unit prior to the Commencement Date, unless instructed otherwise by the Town. The Contractor shall attach a program introduction notice to each Cart delivered.

B. Subsequent Distribution, Maintenance and Storage. After the initial distribution of Carts, Contractor, at its sole cost, shall deliver Cart(s) to a Residential Service Unit within two business days of the request by the Town. Contractor shall attach a program introduction notice to each Cart delivered.

C. Cart Care and Maintenance. Contractor's employees shall take care to prevent damage to Carts by unnecessarily rough treatment. Contractor shall be solely responsible for Cart maintenance.

D. Reserve Carts. Contractor shall maintain a minimum of 15 Solid Waste Carts, 15 Recycling Carts and 15 Green Waste Carts at a secure location within the corporate limits of the Town to ensure that extra or replacement Carts can be expeditiously provided upon the request of the Town. Subject to space availability, the Town can accommodate the reserve Solid Waste Carts, Recycling Carts and Green Waste Carts at its Street Yard, located at 17137 Falcon Drive, which Carts shall be accessible to the Contractor during the Town's normal business hours.

E. Replacement of Carts. Upon notification to Contractor by the Town or a customer that a Cart has been lost, destroyed, stolen or that it has been damaged beyond repair, Contractor shall purchase, if necessary, and deliver a replacement Cart to such customer within two business days. At the expense of the Contractor, each Residential Service Unit shall be entitled to unlimited replacements of destroyed or damaged beyond repair Cart(s) for the life of the Agreement at no cost to the Town or the customer if determined by the Contract Administrator or authorized designee that such destruction or damage was caused by the Contractor or Contractor's employees or equipment. For additional replacements beyond those as provided in this Agreement or for Carts purchased by written authorization of the Town Manager, Town shall reimburse Contractor the purchase cost paid by Contractor for the Cart.

7.3 Collection and Processing Equipment, Excluding Carts.

A. Purchase, Operation and Maintenance. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for all costs of purchasing, operating and

maintaining Collection and processing equipment for the Term of this Agreement. Town, at its sole discretion, shall determine whether the Contractor is or is not properly maintaining the Collection and processing equipment. If the Town determines the Contractor is not properly maintaining the Collection and/or processing equipment, Contractor shall replace such equipment in accordance with this Agreement and Town may assess liquidated damages in accordance with Section 18 of this Agreement.

B. Replacement. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for the replacement of Collection and processing equipment if such equipment is lost, stolen or damaged beyond normal wear and tear. If Contractor or Town determines that Collection and/or processing equipment requires replacement, Contractor shall replace such equipment within 14 calendar days with comparable equipment. Contractor shall be responsible to make the appearance of the replacement equipment in adherence with the requirements of this Section.

7.4 Ownership.

A. Collection Services Equipment other than Carts and Containers. Ownership of Collection Services Equipment other than Carts shall rest with Contractor.

B. Carts and Containers. Ownership of Carts and containers shall rest with the Contractor during and after the term of the Agreement.

7.5 Disposal Facility and Recycling Facility Equipment. The Disposal Facility, Recycling Facility and any other processing center used to perform the Services shall be equipped with adequately sized truck scales and computerized record-keeping systems for weighing and recording all incoming and outgoing delivery vehicles and vehicles transporting Recyclable Materials to markets. The Recycling Facility shall be capable of recording the type of Recyclable Materials received for each incoming truck. Additionally, the Recycling Facility shall be capable of recording the weights of each type of Recyclable Material which are shipped. Contractor shall separately weigh, record and tabulate each load from Town.

8. Personnel. Contractor shall assign a qualified person or persons who will be charge of its operations within the Town and authorized to make decisions on Contractor's behalf and shall provide the name, office telephone number, mobile phone number, email address and facsimile number of Contractor's representatives and key personnel to the Contract Administrator. Contractor agrees that the Town shall have 24 hour access to said representative via a non-toll call from the corporate limits of the Town. Such records shall be updated as personnel or contact information changes. In addition, Contractor shall adhere to the following requirements:

8.1 Key Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. Contractor agrees to assign specific individuals to key positions. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the Town. If key personnel are

not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel of substantially equal or superior ability and qualifications. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels.

8.2 Uniforms. Contractor shall furnish each employee involved in the performance of this Contract with a uniform and safety vest, shirt or jacket which clearly displays the name of Contractor. Such uniforms and safety equipment shall make the employee readily visible to other motorists. Contractor's employees shall wear complete uniforms and safety vest, shirt or jacket at all times.

8.3 Safety Training. Contractor shall provide regularly scheduled, on-going operating and safety training for all employees. In addition, Contractor's employees shall be trained to perform their duties to maximize the Town's recycling rate, minimize contamination and promote recycling at all times. Such meetings shall be mandatory for all Collection and supervisory personnel and held not less than once per month. All temporary and newly hired permanent Collection personnel and supervisory employees must receive comprehensive safety and operational training prior to working on the Collection vehicles or performing duties under this Agreement. Training manuals and schedules shall be maintained at the local office of Contractor and available for review at any time by Contract Administrator.

8.4 General Training. All employees involved in the performance of this Agreement including office and all Collection personnel, must be provided adequate training before and during their employment with the Contractor. This training shall familiarize employees with the required duties and standards of performance, specific requirement on routes to which they will be assigned, teach the route layouts previously established and approved and provide necessary knowledge to eliminate delays and Missed Collections. All supervisory and Collection employees must be provided equipment and supplies prior to and during the performance of their duties. All Collection, administrative, supervisory and customer service personnel must receive customer service training prior to and during the time they are employed by the Contractor.

8.5 Contact with Others. Contractor's employees shall treat all customers, co-workers, Town employees and any individual with whom they come in contact in the performance of their duties in a polite and courteous manner. Rudeness, belligerence and the use of profanity are strictly prohibited. The Town reserves the right to direct Contractor to remove any employee who violates this policy from providing services to the Town, pursuant to this Agreement.

8.6 Compliance with Laws, Monitoring and Inspections. In performance of Collection Services, Contractor's employees must adhere to municipal, Town, State and Federal laws. Town reserves the right to make a complaint regarding any employee of the Contractor who violates any provision herein, or who is wanton, negligent or discourteous in the performance of his/her duties. The Town may recommend appropriate action be taken by the

Contractor and may require the Contractor to remove any unacceptable employee, as determined by the Town, from service to the Town. Contractor will be responsible for all compliance monitoring and inspection necessary pursuant to the Town's variance with the Maricopa County Environmental Services Division.

9. Hours of Operation and Holidays. Contractor shall not make any changes to the hours of operation as provided in this Section without the prior, written approval of the Contract Administrator.

9.1 Residential Collection Services. Excluding Holidays (as defined in subsection 9.7 below), Contractor shall provide Residential Collection Services from **Monday through Friday, 6:00 AM, Local Time to 5:00 PM**, Local Time. Residential Collection Services that fall on a Holiday shall be collected as set forth in Section 9.7 below.

9.2 Town Facility Recycling Services. Excluding Holidays, Contractor shall provide Town Facility Recycling Services from **Monday through Friday, 6:00 AM, Local Time to 5:00 PM**, Local Time. Town Facility Recycling Services that fall on a Holiday shall be collected on the following day.

9.3 Town Facility Solid Waste Services. Excluding Holidays, Contractor shall provide Town Facility Solid Waste Services **from Monday through Friday, 6:00 AM, Local Time to 5:00 PM**, Local Time. Town Facility Solid Waste Services that fall on a Holiday shall be collected on the following day.

9.4 Extension of Collection Services Hours of Operation. If the Contractor determines that the Collection Services will not be completed by 5:00 PM, Local Time on the scheduled Collection day, the Contractor shall notify the Town by 3:00 PM, Local Time and request an extension of the Collection hours. The Contractor shall inform the Town of the areas not completed, the reason for non-completion and the expected time of completion. The Town must approve any extension of hours of operation.

9.5 Disposal Facility. Excluding holidays as defined in subsection 9.7 below, Contractor shall maintain, or cause its provider to maintain, the Disposal Facility open and available to receive Solid Waste **seven days per week between 7:00 AM, Local Time to 6:00 PM**, Local Time.

9.6 Recycling Facility. Excluding Holidays, Contractor shall maintain or cause its provider to maintain the Recycling Facility open and available to receive Program Recyclables seven days per week between 7:00 AM, Local Time to 6:00 PM, Local Time.

9.7 Holidays. The Town, at its sole discretion, may add or delete holidays. If the Town elects to add or delete holidays, the Town will provide the Contractor notice in accordance with the provisions of this Agreement. If a holiday occurs on a scheduled Collection day, Contractor shall perform the scheduled Collection for the holiday on the next calendar day after the scheduled Collection day. For purposes of this Agreement, "Holidays" shall include the following:

A. New Year's Day
B. Independence Day
C. Thanksgiving Day
D. Christmas Day

10. Customer Service Complaints; Billing. Contractor and Contractor's employees understand that customer service is of great importance to the Town. Contractor and its employees will work diligently to provide high quality customer services to the Town and all customers.

10.1 Customer Service Complaint Resolution Procedure. All customer service complaints shall initially be directed to the Contractor. The Contractor will generate an electronic work order outlining all legitimate complaints received. The work order will contain (A) date and time of call, (B) customer name, address and phone number and (C) type of complaint. A copy of the work order will then be electronically submitted to the Town, including a schedule for resolution. The Contractor will resolve each customer complaint in a timely manner as set forth below:

A. Same Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block on that same day if the complaint is received by the Contractor prior to 11:00 AM, Local Time.

B. Next Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block before 5:00 PM, Local Time on the next calendar day if the complaint is received by the Contractor after 11:00 AM, Local Time.

C. Other Complaints. If the complaint other than a Missed Collection or Missed Block, Contractor shall resolve the complaint within 24 hours of written notice of such complaint to Contractor.

10.2 Work Order Reporting. Upon resolution of the customer complaint, Contractor will close the work order and resubmit it to the Town. The closed work order will include (A) Contractor's determination as to legitimacy of the complaint, (B) the date, time and action taken to resolve complaint and (C) the name of responsible contact at Contractor's location regarding the complaint.

11. Damage to Property. The Contractor shall take all necessary precautions to protect public and private property during the performance of this Contract. Except for reasonable wear and tear, the Contractor shall repair or replace any private or public property that is damaged by the Contractor. Such property damages shall be addressed for repair or replacement, at no charge to the property owner, within 48 hours with property of the same or equivalent value at the time of the damage. If the Contractor fails to address the repair or replacement of damaged property within 48 hours, the Town may, but shall not be obligated to, repair or replace such damaged property and the cost of doing so (A) shall be paid by the

Contractor to the Town within 30 days of receipt of demand therefore or (B) may be deducted by the Town from only amounts owing to the Contractor.

12. Spillage and Leakage, Litter, Dust and Odor.

12.1 Spillage and Leakage. Contractor shall clean up any spilled or blowing materials as well as fluids spilled or leaked from Contractor's vehicles by the Contractor, Contractor's employees or authorized person or entity providing service to the Contractor. During transport, all materials shall be contained, covered and enclosed so that leaking, spilling and blowing of materials does not occur. Contractor shall perform all cleanups within two hours of the spillage or leakage.

12.2 Litter. If Contractor operates the Disposal Facility, the Recycling Facility or the processing facility for Green Waste, the Contractor shall be required to pick up any and all litter (including any glass spillage) which blows or falls from the Disposal Facility, Recycling Facility or Green Waste facility onto the site or adjoining or surrounding property by the end of each workday or by the end of the first shift, if operated for more than ten hours per day. All on-site parking areas and roadways shall be swept at least once per month.

12.3 Dust and Odor. If Contractor operates the Disposal Facility, the Recycling Facility or Green Waste facility the Disposal Facility, Recycling Facility and Green Waste facility shall be operated to prevent the escape of dust and odors. The Contractor shall routinely clean the tip floor and the process and storage areas.

13. Recordkeeping, Reporting, Audited Financial Statements and Reporting Format.

13.1 Recordkeeping. The Contractor shall create, maintain and make available records as defined in, and required by, all applicable local, State and Federal laws, rules and regulations and any reports as are reasonably necessary to:

A. Deliveries. Document Program Recyclables deliveries, Residential Solid Waste deliveries, time delivered to Recycling Facility, time delivered to Disposal Facility, tonnage of material delivered, Rejected Loads by date collected and other information as requested by Contract Administrator (a monthly summary shall also be submitted to the Town).

B. Missed Collections; Problem Set-out. Document Missed Collections, Late Set-outs and Improper Set-outs on a daily basis including the address, time and date for each and the reason, photograph and notice for Improper Set-outs (a monthly summary shall also be submitted to the Town).

C. Recovered Material. Document Recovered Material from Program Recyclables tons marketed by commodity, entity marketed to, price paid by the end market and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

D. Program Recyclables. For Program Recyclables, document incoming tonnages, residue tonnages, rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity. Contractor shall provide an explanation if incoming tonnages does not equal the total of rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity (a monthly and annual summary shall also be submitted to the Town).

E. Hazardous Waste. Document Hazardous Waste including the source, tonnage, date received, disposal facility and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

F. Other Regulatory Documents. Such other documents and reports as the Town may reasonably require to verify compliance with the Agreement or to meet the Town's reporting requirements with the State (a monthly and annual summary shall also be submitted to the Town).

G. Residue; Rejects. Document Residue and Rejects separately including tonnage, description of material, source of material (i.e. Program Recyclables, Nonprogram Recyclables, hauler, etc.), disposition and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

H. Recovered Materials Marketing. Report the activities to research, investigate and develop new markets for Recovered Materials (a monthly and annual summary shall also be submitted to the Town).

I. Availability of Documents. All of Contractor's records shall be available to Town and its representatives at reasonable times and places throughout the term of this Agreement and for a period of five years after last or final payment.

13.2 Reporting.

A. Initial Reports.

1. Transition Plan. The Contractor shall provide a transition plan 90 calendar days prior to Commencement Date. This plan shall detail transition to the Contractor providing Solid Waste Service, Bulk Waste Service, Recycling Service and Residential Green Waste Service. This transition plan will be submitted for approval by the Contract Administrator.

2. Processing and Marketing Plan. The Contractor shall provide a processing and marketing plan 90 calendar days prior to Commencement Date. This plan shall detail the processing and marketing of all Program Recyclables and Recyclable Materials at the site. This processing and marketing plan will be submitted for approval by the Contract Administrator.

3. Hazardous Waste Contingency Plan. The Contractor shall provide a Hazardous Waste contingency plan, 30 calendar days prior to the Commencement Date, to the Contract Administrator and to the Town's Risk Manager. This plan shall detail what actions shall be taken by the Contractor upon discovery of Hazardous Waste. This contingency plan will be reviewed by the Contract Administrator. The plan shall include a copy of a signed contract(s) with a permitted Hazardous Waste transporter(s) to handle any Hazardous Waste discovered. The plan must comply with all State and Federal regulations regarding the handling of Hazardous Waste. Non-conformance with any State or Federal regulation shall cause rejection of the plan. This Hazardous Waste contingency plan will be submitted for approval by the Contract Administrator.

B. Monthly Reports. Contractor shall submit all monthly reports required by this Agreement to the Town Manager or authorized designee within seven calendar days following the end of each calendar month.

C. Annual Reports. Contractor shall submit all annual reports required by this Agreement to the Towns Manager or authorized designee within 30 calendar days following the end of the Town's fiscal year.

13.3 Audited Financial Statements. The Contractor will be required to submit audited financial statements prepared by an external accounting firm for itself as a whole within 90 calendar days of the end of the Contractor's fiscal year end. The audited financial statements may be issued by either the Contractor, or by _____, and shall contain detailed information collection, processing and marketing of Recyclable Materials which shall include at a minimum Contractor's income statement and balance sheet; proof that all insurance policies relative to this Agreement are in effect; and information on any outstanding lawsuits that might adversely impact Town. In the event Contractor is acquired, the Contractor shall notify the Town of the transfer in ownership, whereupon the Town shall have the option to require that the audited financial statements be submitted by the acquiring entity. The Contractor has provided a Guaranty Agreement by _____, a copy of which is attached hereto and incorporated herein as Exhibit H. In the event Contractor is acquired, the Town shall have the option to require that the acquiring entity provide a Guaranty Agreement in a form acceptable to the Town Attorney. The financial basis records shall be kept in accordance with generally accepted accounting principles.

13.4 Report Format. Within 14 days after the Commencement Date, the Contractor will be required to submit to the Town for its approval the format and sample contents of the records to be maintained and the reports to be generated in fulfillment of the requirements of the Agreement. Contractor shall submit all reports in electronic format approved by the Town and in hard copy.

14. Customer List, Billing and Collections, Payment and Annual Adjustments.

14.1 Customer List. On or prior to _____, 20__, the Town shall provide Contractor with a Residential Service Unit customer list and a Town Facility customer list.

Regardless of the customer list, Contractor shall provide Collection Services to all Residential Services Units in accordance with this Agreement.

14.2 Billing and Collection.

A. Solid Waste, Bulk Waste, Recycling and Disposal Services. The Contractor shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the rate structure established on Forms 5 and 8 respectively, attached hereto as a part of Exhibit C and as may subsequently be adjusted as set forth in this Agreement.

1. Understandable Bills. Bills will be clear, concise and understandable. Bills must be fully itemized, clearly delineating all activity during the billing period, including optional charges, rebates and credits.

2. Uniform Billing. Contractor shall bill all Residential Service Units in a uniform, non-discriminatory manner, regardless of level of service. Payment shall be due no sooner than the 15th day of each billing period, and the due date shall be listed on each bill. Bills shall be mailed no later than the first day of the billing period. Contractor shall provide a process to accept payments from a homeowners' association or its authorized representative for Service Units within that homeowners' association.

a. Town Materials and Announcements. Contractor shall include reasonable Town provided newsletters, announcements and similar materials and information at no additional cost to the Town. The Town and Contractor shall set the schedule and other reasonable parameters therefore.

b. Information Concerning Quarterly Residential Bulk Waste Service, Household Hazardous Waste Events and Electronic Recycling Events. At least 30 days before each scheduled: (i) Quarterly Residential Bulk Waste Service, (ii) Household Hazardous Waste Event and (iii) Electronic Recycling Event, Contractor will provide a pamphlet (approved in writing by the Town) in the bills sent to customers in the Town setting forth, as applicable: (i) the routes and schedule for the Quarterly Residential Bulk Waste Service pickup, (ii) Household Hazardous Waste Event date, time and locations, and (iii) Electronic Recycling Event date time and location, together with requirements, limitation and answers to frequently asked questions related thereto. The same information shall be conspicuously and continuously posted on the Contractors website and on its billing page for customers within the Town.

3. Customer Dispute. In case of a bill dispute, the Contractor must respond to a written complaint from a resident within 15 days.

4. Refunds. Refund checks will be issued promptly, but no later than the next billing cycle following resolution of the request or 30 days, whichever

is earlier. Credits for service will be issued no later than the next billing cycle following the determination that a credit is warranted.

5. Individual Rights. Contractor shall not deny service, deny access, or otherwise discriminate against citizens on the basis of race, color, religion, national origin, sex, age, or disability. Contractor shall comply at all times with all other applicable federal, state, and local laws and regulations, and as amended from time to time, relating to nondiscrimination.

6. Equal Opportunity. Contractor shall strictly adhere to applicable equal employment opportunity requirements of federal, state, and local regulations as amended from time to time.

7. Protection of Privacy.

a. At the time of delivery of the Carts to a Residential Service Unit and at least once a year thereafter, Contractor shall provide notice in the form of a separate, written statement to each Residential Service Unit that clearly and conspicuously informs the occupant of:

(1) The nature of personally identifiable information collected or to be collected and the nature of the use of such information.

(2) The nature, frequency, and purpose of any disclosure which may be made of such information, including any identification of the types of persons to whom the disclosure may be made.

(3) The period during which such information will be maintained by the Contractor.

(4) The times and place at which the Customer may have access to such information in accordance with subsection 14.2(A)(7)(e) below.

(5) The limitations provided by this Section with respect to the collection and disclosure of information by Contractor and the right of the Customer to enforce such limitations.

b. For purposes of the subsection, the term "personally identifiable information" does not include any record aggregate data which does not identify particular persons.

c. Except as provided in herein, Contractor shall not disclose personally identifiable information concerning any customer without the prior written or electronic consent of the customer concerned.

d. Contractor may disclose such information if the disclosure is:

(1) Necessary to render, or conduct a legitimate business activity related to Services provided by the Contractor to the customer.

(2) Made pursuant to a court order authorizing such disclosure, if the customer is notified of such order by the person to whom the order is directed.

e. A customer shall be provided, free of charge, access to all personally identifiable information regarding that customer which is collected and maintained by Contractor. Such information shall be made available to the customer at reasonable times and at a convenient place designated by Contractor. A customer shall be provided reasonable opportunity to correct any error in such information.

f. Contractor shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending request or orders for access to such information under subsection 14.2(A)(7)(e) or pursuant to a court order.

8. Collection Matters. Contractor shall establish a procedure for addressing delinquent accounts and shall be solely responsible for courteous resolution of any collection matters. The Contractor shall be permitted to pick up the Solid Waste Cart, Recycling Cart and Green Waste Cart from any Residential Service Unit for which fees for service have become delinquent by more than 60 days after the first notice of delinquency by the Contractor to the customer. The Contractor shall not receive any payment from the Town on account of excessive delinquencies.

B. Recycling Facilities Processing and Marketing Services. Contractor shall submit a monthly bill on or before the 15th day of each month to the Town for all services performed during the immediate prior calendar month. Contractor shall ensure that each bill (1) describes services provided to the Town, (2) includes all charges for the prior month, and (3) includes any other information the Town requests. Contractor shall bill Town in accordance with the Rate Structure established on Form 5 and as may subsequently be adjusted as set forth in this Agreement.

14.3 Town Payment to Contractor.

A. Town Facility Solid Waste Collection Services. Town shall pay Contractor for Town Facility Solid Waste Collection Services at the rates set forth on Form 6.1 in an amount equal to the Town's authorized Town Facility Solid Waste Collection Services minus any disputed amounts and minus any liquidated damages.

B. Town Facility Recycling Collection Services. Town shall pay Contractor for Town Facility Recycling Collection Services at the rates set forth on Form 6.2 in an amount equal to Town's authorized Town Facility Recycling Collection Services minus any disputed amounts and minus any liquidated damages.

14.4 Payment for Variance; Inspections. For the duration of this Agreement, Contractor shall be solely responsible for the costs associated with the request for and issuance of a variance by the Maricopa County Environmental Services Division with respect to services to be provided pursuant to this Agreement. Contractor shall also be responsible for conducting any inspections required as a condition upon the Town's variance. Contractor shall provide the Town with (A) quarterly reports detailing the inspections completed and (B) other such information or reports as may be requested by the Town from time to time to comply with the requirements of the variance.

14.5 Annual Rate Adjustments. All costs proposed in Forms 5, 6, 7 and 8 (inclusive) shall remain fixed from the execution of this Agreement through June 30, 20___. Thereafter the costs shall be adjusted as set forth in Exhibit B, unless otherwise agreed to in writing by the Town. .

15. Public Education Activities. Contractor shall provide the following services associated with public education notices at no cost to the Town or the customer. Contractor will at no time place public education notices inside customers' mailboxes. Contractor shall not distribute any public education notices to Residential Service Units within the Service Area without written approval from Contract Administrator.

15.1 Distribution of Program Introduction Notice. Contractor shall distribute, at Contractor's own expense, a program introduction notice for each Residential Service Unit for which Contractor delivers a Cart. The program introduction notice shall be delivered to each Residential Service Unit twice before Collection begins. Contractor shall deliver the first notice via first class mail not later than 60 days prior to the Commencement Date. Thereafter, Contractor shall attach a program introduction notice via a non-adhesive means to each Cart delivered to a customer or picked up by a customer at the Contractor's office.

15.2 Development, Printing and Distribution of Improper Set-out Notice. Contractor shall develop, print and distribute, at Contractor's own expense, an improper set-out notice. The improper set-out notice shall be approved by the Town and shall include one original with two copies. The improper set-out notice shall include (A) the date (B) reason for non-Collection and (C) Contractor's customer service telephone number and (D) any other information the Town requests. Contractor shall attach the original improper set-out notice via a non-adhesive means to the handle of the Cart. Contractor shall take a digital photo of set-out that receives an improper set-out notice. Contractor shall maintain copies of improper set-out notices and digital photos in a format that enables Contractor to immediately retrieve a requested notice or photo by address. Contractor shall provide a monthly report of improper set-out notices as set forth in this Agreement.

16. Ownership of Solid Waste and Program Recyclables. Title to Solid Waste, including Bulk Waste, shall pass to the Contractor once the Contractor takes possession of the materials at the Residential Service Unit. Title to Program Recyclables shall remain with the Town until the Recyclable Materials are processed and sold. The risk of loss to the Recyclable Materials shall pass to Contractor at the time they are picked up by the Contractor. After the risk of loss passes to Contractor, if any Recyclable Materials are lost, damaged or scavenged, Contractor shall be liable to the Town for that sum of funds that would have been paid to the Town in accordance with the provisions of this Agreement.

17. Addition and Deletion of Recyclable Materials. The Town reserves the right to add or delete other Program Recyclables to the program or delete Recyclable Materials from the program if the contracting parties agree it is economically and technically feasible. Additional fees, if any, for recovery of additional Recoverable Materials may be negotiated and implemented as a change in service fee in an amendment to this Agreement.

18. Liquidated Damages. Contractor understands that if Contractor does not timely perform its obligations pursuant to the terms of this Agreement, Town will suffer damages which are difficult to determine and adequately specify. The acts or omissions set forth in this Section 18 shall be considered a breach of the Contract. The Contractor shall be liable for liquidated damages amount(s) upon determination of the Town that performance has not occurred consistent with the provisions of the Agreement. The Town shall notify the Contractor in writing or electronically of each act or omission in this Agreement reported to or discovered by the Town. It shall be the duty of the Contractor to take whatever steps or action may be necessary to remedy the cause of the complaint. The Contractor agrees, in addition to any other remedies available to the Town, that the Town may deduct the full amount of any damages from any payment due to the Contractor. The remedy available to the Town under this paragraph shall be in addition to all other remedies which the Town may have under law or at equity.

18.1 Missed Collection. $25 for each Missed Collection above two misses per Collection day, to be assessed at the end of each Collection month. A Missed Collection occurs when (A) a resident reports that their material was set at the curb by 6:00 AM, Local Time and was not collected (B) the address was not reported by the Contractor as a late set-out or an improper set-out. Contractor may dispute the designation as a Missed Collection to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a set-out is a Missed Collection.

18.2 Missed Block. $250 for each incident of the Contractor failing to pick up material on a block. A Missed Block occurs when one side of a street between cross streets or an entire cul-de-sac where residents from at least three households on that street report that they had their material out before 6:00 AM, Local Time the material was not picked up, the material was properly sorted and the address was not reported by the Contractor as a late set-out. Contractor may dispute the designation as a Missed Block to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a block is a Missed Block.

18.3 Less than Majority Collected. $2,500 for each incident for failure to complete a majority (50%) of the Collections on a given day.

18.4 Failed Spill Clean-up. $250 for each incident for failure to clean up material spilled or littered by Contractor within six hours of verbal or written notification.

18.5 Failed Vehicle Maintenance. $100 for each incident for failure to maintain vehicle in manner which prevents nuisances such as leaky seals or hydraulics.

18.6 Failed Correction of Missed Collection. $250 for each incident for failure or neglect to collect materials from a Missed Collection location within the amount of time specified in this Agreement.

18.7 Failed Cart Maintenance. $100 for each incident for failure to maintain Carts or Containers in proper working order ten days after notice has been provided by the Town.

18.8 Fail to Timely Complete Reports. $250 for each incident for failure to timely provide a complete monthly or annual report.

18.9 Failure to Return Carts. $100 for each incident for failure to return Carts or Containers to their original locations after collection. For the purposes of this subsection, "original location" shall mean within ten feet of the location at which the Cart was placed immediately prior to the Contractor picking it up for service. Contractor shall not be penalized for any Carts returned to their original location which are subsequently moved by a third party.

18.10 Failure to Provide Updated Maps. $50 per day for each day beyond 30 days after change in routing for failure to provide updated route maps to Town after change in routing.

18.11 Failure to leave Education Tag. $100 for each incident for failure to leave an education tag when material that is inappropriately prepared is not collected.

18.12 Failure to Label. $100 for each incident for distributing Carts without labels that include text and graphics depicting what materials may be placed in the containers.

18.13 Failed Customer Complaint Response. $100 per Business Day thereafter per incident for failure to respond to any customer complaint received by the close of the following Business Day.

18.14 Failure to Document Customer Complaints. $50 per Business Day thereafter per incident for failure to provide the Town with the required resolved customer complaint documentation.

18.15 Failure to Accept Materials. $3,000 for each day for failure to be able to accept materials on any day after the date upon which service begins on which materials are to be collected.

18.16 Failed Reject Handling. $500 for each occurrence for failure to handle Rejects in accordance with this Agreement.

18.17 Failure to meet Residue Allowance. For Failure to meet annual Residue Allowance in accordance with this Agreement: (A) $500 for 0.01% to 5.00% over the Residue Allowance; (B) $1,000 for 5.01% to 10.00% over the Residue Allowance; (C) $1,500 for each 10.01% to 15.00% over the Residue Allowance; (D) $2,000 for 15.01% to 20.00% over the Residue Allowance; and (E) $2,500 for 20.01% or more over the Residue Allowance.

Exceptions: For the purposes of this Agreement, the Contractor shall not be deemed to be liable for penalties where its inability to perform Collection Service is the result of conditions of Force Majeure as set forth in Section 25 of this Agreement, inclement weather severe enough that trucks cannot safely take Collections, provided however, that the Contractor shall obtain the approval for the delay from the Town prior to 3:00 PM, Local Time of the scheduled Collection day.

19. Payment Withheld. In addition to express provisions elsewhere contained in this Agreement, Town may withhold from any payment otherwise due the Contractor such amount as determined necessary to protect the Town's interests on account of: (i) Unsatisfactory progress of the work not caused by condition beyond Contractor's control; (ii) Defective work not corrected; (iii) Contractor's failure to carry out instructions or orders of the Town or its representative; (iv) A reasonable doubt that the Agreement can be completed for the balance then unpaid; (v) Execution of work not in accordance with the Agreement; (vi) Claim filed by or against Contractor or reasonable evidence indicating problem filing of claims; (vii) Failure of Contractor to make payments to any subcontractor for material or labor; (viii) Damage to another contractor; (ix) Unsafe working conditions allowed to persist by Contractor; (x) Failure of Contractor to provide required reports and other reports as required by Town; (xi) Use of any subcontractors without the Town's prior, written approval; or (xii) Failure of Contractor to provide accurate invoices and supporting data as describe elsewhere in this agreement. When the foregoing defaults have been cured, payment shall be made for amounts withheld because of them and the Town shall never be liable for interest on any delayed or late payment. The Town's right to withhold payments under this Section will be reasonable in light of the nature of the claims and the amount of available insurance and performance bonds pursuant to this Agreement.

20. Performance Guaranty. Contractor shall furnish the Town with a Performance Bond covering faithful performance of this Agreement. The bond shall be submitted within 45 days following the Effective Date, but in no event later than the Commencement Date. The Bond shall be in an amount not less than annual value of this Agreement and in the form approved by the Town Attorney. The term of the Bond shall be not less than one year beginning on the Commencement Date. The Contractor shall furnish the Town with a renewal of the Bond for an additional term of not less than one year from the expiration date of the Bond then in

effect for each year this Agreement is in effect. The renewal of the Bond shall be submitted at least 30 days prior to the expiration date of the Bond then in effect. Notwithstanding the foregoing, the Surety shall not be obligated to renew the Performance Bond for any successive year. Non-renewal shall not be construed as a default by the Contractor under the bond and shall not be actionable under any bond provided. The Performance Bond shall be limited to one and only one surety which shall be issued by a Surety Company authorized to do business in the State of Arizona and have A.M. Best rating of "A" or better and the "T" Underwriting limitation is not exceeded by this Bond.

21. Taxes. Contractor shall be responsible for and shall pay all sales, consumer, use and other taxes. When equipment, materials or supplies generally taxable to the Contractor are eligible for a tax exemption due to the nature of the item, Contractor shall assist Town in applying for and obtaining such tax credits and exemptions which shall be paid or credited to Town.

22. Compliance with Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible remains in compliance with all rules, regulations, ordinances, statutes or laws affecting the Services including the following: (i) existing and future Town and County ordinances and regulations, (ii) existing and future State and Federal laws, (iii) existing and future Occupational Safety and Health Administration ("OSHA") standards, (iv) applicable laws, statutes, codes, rules and regulations related to or prohibiting discrimination in employment in the performance of its work under this Agreement and (v) requirements as established by the Congress of the United States in the Fair Labor Standards Act, as amended from time to time.

23. Town Inspection Rights.

23.1 Town's Right to Inspect Records, Books, Data and Documents. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to all books, records, data and documents of the Contractor for inspection and audit, at Town's expense. Additionally, the Contractor shall give the Town written notice of any other professional relationships it enters into with the Town or any of its agencies or component units during the period of this Agreement.

23.2 Town's Rights to Inspect Facilities and Equipment. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to inspect Contractor's facilities, including the Disposal Facility and Recycling Facility if operated by the Contractor, and equipment and perform such inspections, as Town deems reasonably necessary, to determine whether the services required to be provided by Contractor under this Agreement conform to the terms hereof and/or the terms of this Agreement. Town shall conduct the inspection of facilities and equipment during hours of operation. Contractor shall make available to Town all reasonable facilities and assistance to facilitate the performance of inspections by Town's representatives.

24. Dispute Resolution.

24.1 Interpretation of Agreement. Except as provided otherwise in this Agreement and to the extent permitted by law, the Contract Administrator shall be responsible for interpreting this Agreement to resolve disputes that may arise hereunder. The parties agree that any decision rendered by the Contract Administrator in connection with such matters shall be final and binding upon Contractor, the customer and the Town.

24.2 Definition of Claim. As used herein "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of the Agreement terms, or other relief, arising under or relating to this Agreement. A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim under this subsection. However, where the submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim for the purpose of this subsection. A claim by the Contractor shall be made in writing and submitted to the Contract Administrator. When a controversy cannot be resolved by mutual agreement, the Contractor shall submit a written request for final decision to the Contract Administrator. The written request shall set forth all the facts surrounding the controversy.

24.3 Process for Dispute Resolution. In connection with any claim under this clause, the Contractor, at the discretion of the Contract Administrator, may be afforded an opportunity to be heard and to offer evidence in support of its claim. The Contract Administrator shall render a written decision on all claims within 30 Business Days of receipt of the Contractor's written claim, unless the Contract Administrator determines that a longer period is necessary to resolve the claim. The decision shall be furnished to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. If a decision is not issued within 30 calendar days, the Contract Administrator shall notify the Contractor of the time within which a decision shall be rendered and the reasons for such time extension. The Contract Administrator's decision shall be final and conclusive. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Agreement in accordance with subsection 24.4 below.

24.4 Operations during Dispute. In the event that any dispute arises between Town and Contractor relating to this Agreement performance or compensation hereunder, Contractor shall continue to render service and receive compensation in full compliance with all terms and conditions of this Agreement as interpreted, in good faith, by the Town, regardless of such dispute. The Contractor expressly recognizes the paramount right and duty of Town to provide adequate services to its residents and further agrees, in consideration of the execution of this Agreement, that in the event of such a dispute, if any, it will not seek injunctive relief in any court without first negotiating with Town in good faith for an adjustment on the matter or matters in dispute and, upon failure of said negotiations to resolve the dispute shall present the matter to mediation in the courts of Arizona. If mediation fails, Contractor shall present the matter to a court in Arizona. Notwithstanding the other provisions in this subsection, Town reserves the right to terminate this Agreement at any time whenever the service provided by Contractor fails to meet reasonable standards of the trade, after Town provides written notice to Contractor pursuant to Section 28 of this Agreement. Upon termination, Town may call the performance

bond and apply the cash and surety bond for the cost of service in excess of that charged to Town by the firm engaged for the balance of the Agreement period.

25. Force Majeure. Except for any payment obligation by either party, if the Town or Contractor is unable to perform or is delayed in its performance of any of its obligations under this Agreement by reason of any event of force majeure, such inability or delay shall be excused at any time during which compliance therewith is prevented by such event and during such period thereafter as may be reasonably necessary for the Town or Contractor to correct the adverse effect of such event of force majeure. An event of "Force Majeure" shall mean the following events or circumstances to the extent that they delay the Town or Contractor from performing any of its obligations (other than payment obligations) under this Agreement: acts of God, tornadoes, hurricanes, floods, sinkholes, fires and explosions (except those caused by negligence of Contractor, its agents and assigns), landslides, earthquakes, epidemics, quarantine, pestilence and extremely abnormal and excessively inclement weather, acts of public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrection, riots, civil disturbances or national or international calamities, suspension, termination or interruption of utilities necessary to the operation of either the Disposal Facility or the Recycling Facility. In order to be entitled to the benefit of this Section, a party claiming an event of Force Majeure shall be required to give prompt written notice to the other party specifying in detail the event of Force Majeure and shall further be required to use its best efforts to cure the event of Force Majeure.

26. Indemnification. To the fullest extent permitted by law, the Contractor, as Indemnitor, shall indemnify, defend and hold Town, its officers, officials, employees, agents and volunteers ("Indemnitees") harmless from and against any and all liability, claims, losses, suits, actions, damages and expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation (collectively "Claims") for any personal injury, bodily injury, loss of life or loss or damage to property or any violation of any Federal, state or local law or ordinance or other cause related to or arising out of Contractor's performance of its obligations pursuant to the terms of this Agreement, caused, in whole or in part by the negligent or intentional acts or omissions of Contractors, its owners, officers, directors, employees, subcontractors or agents or on account of the performance or character of this Agreement. This indemnity includes any claim or amount arising out of or recovered under the Workers Compensation Law or arising out of the failure of Indemnitor to conform to any Federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Indemnitor from and against any and all Claims. It is agreed that Contractor will be responsible for primary loss investigation defense and judgment costs where this indemnification is applicable. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

27. Insurance.

27.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

G. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect

to the policy limits provided to the Town. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

H. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

I. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Contractor's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion of the Services and the Town's acceptance of the Contractor's work or services and as evidenced by annual certificates of insurance. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing the RFP number and title or this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate RFP number and title or reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

1. The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

a. Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 or equivalent.

b. Auto Liability - Under ISO Form CA 20 48 or equivalent.

c. Excess Liability - Follow Form to underlying insurance.

2. Contractor's insurance shall be primary insurance as respects performance of the Agreement.

3. All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.

4. A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

27.2 Required Insurance Coverage.

A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than $3,000,000 for each occurrence, $5,000,000 Products and Completed Operations Annual Aggregate and a $5,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with a limit of $2,000,000 each occurrence on Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor shall maintain

Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or anyone for whose negligent acts, mistakes, errors and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of $2,000,000 each claim and $2,000,000 annual aggregate. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Services and the Contractor shall be required to submit certificates of insurance and a copy of the declaration page(s) of the insurance policies evidencing proper coverage is in effect as required above.

D. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than $500,000 for each accident, $500,000 disease for each employee and $1,000,000 disease policy limit.

27.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or materially change without 30 calendar days' prior, written notice to the Town.

28. Termination; Cancellation.

28.1 By the Town for Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Contractor which has not been remedied within 30 days after receipt of written notice from the Town specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Contractor has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner; provided further that such cure period shall not exceed 90 days), the Town, may if such breach or default is continuing, terminate this Agreement upon written notice to the Contractor. The following events shall, without limitation, constitute a Material Breach or a Material Default by Contractor for purposes of this Section: (i) contractor shall abandon as hereinafter defined, the performance of Collection Services for a period of five consecutive calendar days unless caused by event of Force Majeure. As used herein, the term "abandon" shall refer to voluntary cessation of performance of Collection Service or operation of the Disposal Facility or Recycling Facility; (ii) the failure of Contractor to process Program Recyclables for a period of five consecutive calendar days at any time after the Commencement Date; (iii) if the Contractor's hazardous substance contingency plan as required by this Agreement hereof shall fail to comply with all Federal and State regulations regarding the handling of hazardous waste; (iv) the failure of Contractor to pay amounts owed to the Town under the terms of this Agreement within 14 calendar days after such amounts become finally due and payable; (v) if Contractor shall be not paying its debts when they become due; shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar

powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take corporate action for the purpose of any of the forgoing; and (vi) the default by Contractor with respect to any obligation to any third party pertaining to the Contractor or to Collection Services, which may permit any third party, either immediately or following notice and/or the passage of time to accelerate the maturity of any obligation of the Contractor, to assume control of the Contractor or take possession of or to transfer or caused to be transferred to any third party any portion of the assets of the Contractor, but only if such default materially interferes with or prevents Contractor's performance under the terms of this Agreement.

A. Failure to Cure. If the Contractor shall fail to cure its Breach or Default as specified in this Section, the Town may terminate this Agreement upon ten days written notice. In such case, the Contractor shall not be entitled to receive further payment for services rendered from the effective date of the notice of termination.

B. Notice of Termination. Upon receipt of Notice of Termination, Contractor shall promptly discontinue all affected work unless the Notice of Termination directs otherwise, deliver or otherwise make available to Town all data, drawings, specifications, reports, estimates, summaries, such other information as may have been required under the terms of Agreement whether completed or in process.

C. Town's Right to Mitigate. In addition, Town may enter into a separate contract for the completion of the Agreement, according to its terms and provisions, or use such other methods as in Town's sole opinion shall be required for the completion of the Agreement. All damages, costs and charges incurred by Town, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Contractor. In case the damages and expenses so incurred by Town shall exceed the unpaid balance, then Contractor shall be liable and shall pay to Town the amount of such excess.

D. Contractor Not in Breach. If after Notice of Termination it is determined for any reason that Contractor was not in Breach or Default, then the rights and obligations of the Town and the Contractor shall be the same as if the Notice of Termination had not been issued pursuant to the termination for cause clause as set forth in paragraph 1 of this Section.

28.2 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by Contractor of written notice by the Town. In such instance, an adjustment shall be made to the Contractor, for the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the Town to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the Town's election to terminate this contract in whole or in part for its convenience.

28.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

28.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any Town or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

28.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is cancelled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor an amount equal to 150% of the gratuity.

28.6 Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by the Town shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The Town shall be the sole judge and authority in determining the availability of funds under this Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the Town to make any payment pursuant to this Agreement is a current expense of the Town, payable exclusively from such annual appropriations and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall relieved of any subsequent obligation under this Agreement.

28.7 By Contractor For Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Town which has not been remedied within 30 days after receipt of written notice from the Contractor specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Town has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner), the Contractor, may if such breach or default is continuing, terminate this Agreement upon written notice to the Town. The following events shall, without limitation, constitute a Material Breach or a Material Default by Town for purposes of this Section: (i) The failure of Town to pay amounts owed to the Contractor under the terms of this Agreement within 45 days after such amounts become finally due and payable or (ii) If Town shall have filed, or

consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take official action for the purpose of any of the foregoing.

A. Failure to Cure. If Town shall fail to cure its Breach or Default as specified in subsection 28.7 hereof, the Contractor may terminate this Agreement upon ten days written notice. In such case, the Town shall not be entitled to receive further payment from the Contractor from the effective date of the Notice of Termination.

B. Damages. All damages, costs and charges incurred by Contractor, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Town. In case the damages and expenses so incurred by Contractor shall exceed the unpaid balance, then Town shall be liable and shall pay to Contractor the amount of such excess.

29. Miscellaneous.

29.1 Survival. Any rights either party may have in the event it terminates this Agreement pursuant to the terms hereof shall survive such termination.

29.2 Joint Preparation. The preparation of this Agreement has been a joint effort of the parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

29.3 Further Assurance. Contractor and Town agree to execute, acknowledge and deliver and cause to be done, executed, acknowledged and delivered all such further documents and perform such acts as shall reasonably be requested of it in order to carry out this Agreement and give effect hereto. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the parties declare their intention to cooperate with each other in effecting the terms of this Agreement.

29.4 Time of the Essence. For purposes herein, the parties agree that time shall be of the essence of this Agreement and the representations and warranties made are all material and of the essence of this Agreement.

29.5 Captions and Section Headings. Captions and section headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend, or limit the scope or intent of this Agreement, nor the intent of any provision hereof.

29.6 No Waiver. No waiver of any provision in this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

29.7 Exhibits. All Exhibits attached hereto contain additional terms of this Agreement and are incorporated into this Agreement by reference.

29.8 Independent Contractor. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. The Contractor and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Contractor meets the requirements of its agreed scope of work. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Contractor do not intend to nor will they combine business operations under this Agreement.

29.9 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

29.10 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will promptly be physically amended to make such insertion or correction.

29.11 Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect by a Court of competent jurisdiction, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein and the other provisions of this Agreement shall, as so amended, modified, or supplemented, or otherwise affected by such action remain in full force and effect.

29.12 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of and entry into this Agreement.

29.13 Assignment. No right or interest in this Agreement shall be assigned by Contractor without prior, written permission of the Town signed by the Town Manager and no delegation of any duty of Contractor shall be made without prior, written permission of the Town signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor. This Agreement and the rights and obligation contained herein shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

29.14 Subcontracts. This Agreement and any permits required for performance of the Agreement may not be assigned, subcontracted, conveyed, or otherwise disposed of without the prior, written approval of the Town, which will not be unreasonably withheld. No such assignment or subcontracting shall relieve Contractor of its liability under this Agreement. In the event Contractor elects to use any subcontractors, this does not relieve Contractor from any prime responsibility of full and complete satisfactory and acceptable performance under any awarded Agreement. However, the Agreement may be assigned for the purpose of financing after notification of the terms of such assignment to the Town Manager or authorized designee.

29.15 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

29.16 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

29.17 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

29.18 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

29.19 Notices and Requests. Unless a specific time frame for notice is otherwise specifically set forth in this Agreement (including, but not limited to Subsections 5.3, 5.4, 6.1, 9.4, 23.1, 25 and 29.21), any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if: (A) delivered to the party at the address set forth below; (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below; (C) given to a recognized and reputable overnight delivery service, to the address set forth below ;or (D) delivered by e-mail transmission, with receipt confirmation, to the e-mail address set forth below:

If to the Town: Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268
E-mail: gmiller@fh.az.gov
Attn: Grady Miller, Town Manager

With copy to: Dickinson Wright PLLC.
1850 N. Central Ave., Suite 1400
Phoenix, Arizona 85004
E-mail: sholcomb@dickinsonwright.com
Attn: Scott Holcomb

If to Contractor: _____
_____
_____
E-mail:_____
Attn:_____

or at such other address and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three Business Days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (C) the following Business Day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following Business Day, or (D) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

29.20 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. Contractor also agrees that any

information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement.

29.21 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Contractor and its subcontractors are complying with the warranty under subsection 29.22 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 29.22 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

29.22 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all Federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

29.23 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 28.1 above.

29.24 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the Agreement, the Scope of Work, the Fee Proposal, the RFP and the Contractor's Proposal, the documents shall govern in the order listed herein.

29.25 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the State of Arizona, Maricopa County.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

**"Town"**

TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation

_____
_____, Mayor

ATTEST:

_____
Bevelyn J. Bender, Town Clerk

APPROVED AS TO FORM:

_____
Attorneys for the Town of Fountain Hills

**"Contractor"**

_____,
a(n) _____

By:_____

Name:_____

Its:_____

(ACKNOWLEDGEMENTS)

STATE OF ARIZONA )
) ss.
COUNTY OF MARICOPA )

This instrument was acknowledged before me on _____, 2018, by_____, the Mayor of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, on behalf of the Town of Fountain Hills.

_____
Notary Public in and for the State of Arizona

My Commission Expires:

_____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018, by _____ as _____ of _____ _____, a(n) _____, on behalf of the corporation.

_____
Notary Public in and for the State of _____

My Commission Expires:

_____

EXHIBIT B
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Contractor's Proposal]

See following pages.

PHOENIX 77018-1 466528v4

# TOWN OF FOUNTAIN HILLS, ARIZONA

Submitted by Allied Waste Transportation, Inc., dba Republic Services of Phoenix

REPUBLIC SERVICES

Proposal for Solid Waste Services
Soliciation PW 2018-02
**COPY**

REPUBLIC SERVICES

**LETTER OF INTENT**

July 23, 2018

Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268

Subject: *Response to Request for Proposal for Solid Waste Services, PW2018-02*

Dear Mr. Rees and Selection Committee,

Allied Waste Transportation, Inc., dba Republic Services of Phoenix is pleased to respond to the Town of Fountain Hills Request for Proposal for Solid Waste Services. As the Town's current recycling and waste services provider, we are confident our more than eight year track record of reliable service and our community partnership mindset will continue to create value for Fountain Hills, helping to strengthen the community and quality of life along the way.

By continuing our partnership, the Town's residents can continue to rely on Republic Services to handle their recycling and waste service needs in a way that is easy and effortless for them. Our drivers are deeply familiar with each neighborhood street and place safety and customer experience above all else. Residents and town staff will not have to worry about the disruption of cart removals and deliveries that comes with switching providers.

We are a committed community partner and greatly value being a good neighbor and supporting the communities where we live and work. This is why Republic centers our charitable giving around community development and neighborhood revitalization to help build stronger, safer communities. Our proposal includes not only what is required in the RFP, but also includes our continued partnership through community events sponsorships and Republic Rewards. This rewards program donates $10,000 annually to a Fountain Hills non-profit or charitable organization, most recently awarded to the Fearless Kitty Rescue.

The enclosed proposal is binding offer for a 180 calendar day period from the opening date as specified in this RFP. The information contained in this Proposal or any part thereof, including its exhibits, schedules and other documents and instruments delivered or to be delivered to the Town, are true, accurate and complete to the Proposer's knowledge. This proposal includes all information necessary to ensure that the statements herein do not in whole or in part mislead the Town as to any materials facts.

On behalf of more than 1,500 Republic employees that live and work in the greater Phoenix area, and our drivers who service Fountain Hills' residents each week, we appreciate the opportunity to keep your business through this submittal and look forward to a long and continued partnership for years to come.

Sincerely,

Tim Oudman
Vice President
Allied Waste Transportation, Inc., dba Republic Services of Phoenix

# CERTIFICATE OF SECRETARY

The undersigned, Secretary of Allied Waste Transportation, Inc., a Delaware corporation (the "Corporation"), does hereby certify on behalf of the Corporation, that **TIM OUDMAN** is a duly elected Vice President of the Corporation, that in such capacity he, the President or any other Vice President of the Corporation, can exercise such power and perform such duties as usually accompanies such offices, and implicit in such power is the authority to execute and submit a bid (the "Bid") to provide Solid Waste Services for the Town of Fountain Hills (the "Town") in the State of Arizona, and to execute a contract with the Town for such services should the Bid be awarded to the Corporation, and that there is no current intention to remove him from such office.

IN WITNESS WHEREOF, the undersigned has hereunto set her hand this 2nd day of July, 2018.

Eileen B. Schuler, Secretary

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## CHAPTER 1: GENERAL INFORMATION

### 1. LETTER OF INTENT

### 2. STATEMENT OF ORGANIZATION

**Form 1: Please See Attachment 1**

### 3. CERTIFICATE OF INSURABILITY

**Form 2: Please See Attachment 2**

### 4. ACKNOWLEDGMENT OF ADDENDA

**Form 3: Please See Attachment 3**

## CHAPTER 2: EXPERIENCE AND QUALIFICATIONS

### 1. EXPERIENCE

Form 4: Please See Attachment 4

### 2. KEY PERSONNEL

Our local team is vital to the continued successful delivery of this contract and its daily operations. This team's unique combination of collection experience, recycling expertise, and innovative management systems will ensure reliable service for the duration of the contract. Our local and area management teams have extensive industry experience in operating and managing solid waste companies and have substantial experience in the region.

Some of the key members of the local team have been servicing Fountain Hills since the conversion to single hauler system in 2011. The key positions and roles involved in the delivery of this contract are listed below:

**General Manager: Tricia Ponce de Leon** has been with Republic Services since 2004 and is responsible for leading the business unit in Metro Phoenix - North. Responsibilities include 200 employees, a transfer station, and 2 recycling centers. She is responsible for P&L Management, Operations, Risk Management, Customer Relations and Satisfaction, Sales, and Marketing Management. Tricia graduated from Arizona State University with a BA in Accounting. Tricia worked for Waste Management, Newell Rubbermaid and Phillip & Company, where she gained knowledge and experience in distribution, manufacturing, and service industries, in well-

established companies, start-ups and troubled companies and divisions. Tricia began her career with Republic Services in 2004, as Assistant District Controller for Allied Waste of Phoenix. She has held several positions with Republic Services including Division Controller, Operations Manager and Assistant General Manager, and General Manager in San Diego. Tricia moved back to Phoenix as General Manager in early 2016. Tricia will dedicate approximately 10% of her full time equivalent work week to this Agreement.

References:
Raymond Rees, Facilities/Environmental Supervisor
Town of Fountain Hills
480-816-5180

Robert van den Akker, Environmental Manager
City of Buckeye
623.349.6805

**Business Unit Controller: Jennifer Wilson** is currently responsible for all administrative, accounting and statistical reporting functions for Republic Services. She ensures that financial controls and records are maintained in accordance with company policy and legal requirements. She is responsible for providing and reviewing financial statements and variance analyses, billing, account reconciliation. In addition Ms. Wilson is responsible for providing analytical support and assistance for the division goals and action plans. She develops and coordinates the annual budget, negotiates contract rates for municipal bids, and manages and trains staff in the accounting department. Jennifer joined Republic Services in 2016. She has B.S. Degree in Business Finance and MBA from Regis University. Jennifer will dedicate approximately 10% of her full time equivalent work week to this Agreement.

**Operations Manager: Terrence Sims** manages the daily operations for the North Phoenix hauling division and ensures maximum productivity and route management systems for commercial, roll off and residential routes and establishes productivity improvement goals where needed. Responsibilities include the development of supervisory goals and objectives, management of labor hours, and disposal expenses. He manages the budget for the operations department, which includes approval of purchase orders and vendor pricing. He also interacts with customers and local, state and federal government employees to resolve customer service concerns and ensure regulatory compliance standards are met. Terrence joined Republic in 2017. He has gained his knowledge in Operations and Logistics from FedEx and DHL. Terrence will dedicate approximately 15% of his full time equivalent work week to this Agreement.

**Maintenance Manager: Wayne Kolacki** has been in the solid waste industry for over 20 years. He is responsible for overseeing all aspects of our fleet maintenance program. Mr. Kolacki ensures that all repair and maintenance work is performed in a safe, efficient and timely manner; reallocating resources among sites as appropriate. He oversees coordination, planning and scheduling of all repair work to increase productivity, while effectively managing the department's overtime. Wayne is a graduate of Allied Institute of Technology, Chicago, IL with a degree in Automotive and Diesel Technology. He is ASE Certified Heavy Truck Master Technician. Additional training includes DOT, Hazardous Materials Handling, OSHA, finance,

various tire testing seminars, and development courses through American Management Association. Wayne will dedicate approximately 10% of his full time equivalent work week to this Agreement.

**Operations Supervisor: James Ory** is responsible for route maps, route restructuring and supervision of employees providing waste collection and disposal. He is responsible for developing work schedules to match staffing levels, initiating work assignments and monitoring progress to improve work efficiencies. James joined Republic in 2017 and is focused on efficiency, customer satisfaction, and employee engagement. James will dedicate approximately 40% of his full time work week to this Agreement.

### 3. STATEMENT OF INDEPENDENCE

Republic Services has been very careful to maintain proper communications channels throughout this process and will continue to maintain appropriate relationships with elected official and town staff for the new agreement. We are not aware of any conflict that would preclude us from participating in this process or the subsequent contract.

### 4. DISCLOSURE OF PRECLUSION FROM PARTICIPATING IN PUBLIC PROCUREMENT

Allied Waste Transportation, Inc., dba Republic Services of Phoenix, has not been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government.

### 5. LITIGATION, REGULATORY ACTIONS AND LIQUIDATED DAMAGES HISTORY

Please See Attachment 5: Litigation

### 6. COMPLIANCE RECORDS

Please See Attachment 6: Compliance

## CHAPTER 3: FINANCIAL STATEMENT:

Republic Services is among the leading recycling and waste services companies in the United States. With annual revenues exceeding $10.0 billion, Republic is the largest Arizona based company. Our financial stability and local leadership will guarantee the financial strength and stability to exceed Town of Fountain Hill's expectations for the duration of the contract and beyond.

Republic Services' financial stability allows us to guarantee our commitments and obligations presented to the Town of Fountain Hills in our proposal. We have the capacity to continually

invest in equipment and preventative maintenance, as evidenced by the youngest fleet in the industry.

Republic Services' most recent audited Financial Statement is included in the enclosed copy of the 2017 Summary Annual Report. The Annual Report to Shareholders have been prepared in accordance with Securities and Exchange Commission requirements, with New York Stock Exchange Commission requirements, and in accordance with generally accepted accounting principles (GAAP).

## CHAPTER 4: METHOD OF APPROACH

Republic Services has been servicing the Town of Fountain Hills even before we were selected as the single hauler when the town decided to have single provider for residential trash and recycling service in 2011. Our management and employees have been long time members of this community. We work to exceed your expectations with continued outstanding customer service. **In a survey conducted by an independent polling firm in January 2018, a majority of residents polled thought it was a good decision that the town went to a single hauler, and almost 70% polled found Republic Services favorable provider.**

Successful collection operations begin with a skillful operations supervisor. Your Republic Services local operations supervisor is responsible for the day-to-day collection operations, including development and evaluation of routing (in conjunction with the general manager and operations manager), training and oversight of drivers, and implementation and enforcement of safety procedures.

We ensure our operations supervisors are not overloaded, nor tied to a desk. On average, we maintain a 15:1 ratio of routes to supervisor, which means that items needing attention are dealt with immediately, and that the supervisor knows your community intimately. In addition, our supervisors are out on the routes regularly. At least twice per week, they conduct ride-a longs with drivers on their routes. This creates great opportunities for driver mentoring, ensures quality control on the route, and keeps the supervisor directly aware and familiar with the nuances of the route and the community. Few if any other companies in the industry dedicate their operations staff to success in this manner.

Our Operations Team can communicate with the residents and commercial customers easily using several forms of technology. Our web and smartphone based app, called My Resource™, enables customers to see their accounts, make service requests, or raise issues for resolution. This app also enables our operations team to offer alerts or emails to customers regarding changes in service for holidays or inclement weather, or even holidays. We also employ a technology known as call-em-all, which is a phone- based capability for distributing operations updates when needed to customers on effected routes.

### 1 a. DESCRIPTION OF COLLECTION EQUIPMENT

Republic will continue to service all single-family containers using automated side load (ASL) truck. The ASL is proven to retrieve and return containers in even the most hard-to-reach

locations such as narrow streets, courts and alleyways, enabling the industry's most efficient, safe, and environmentally responsible curbside automated collection services. Each collection vehicle is operated by a single driver and is painted in a uniform manner, featuring our logo and company contact information.

We will continue to service the Town of Fountain Hills with the following trucks:

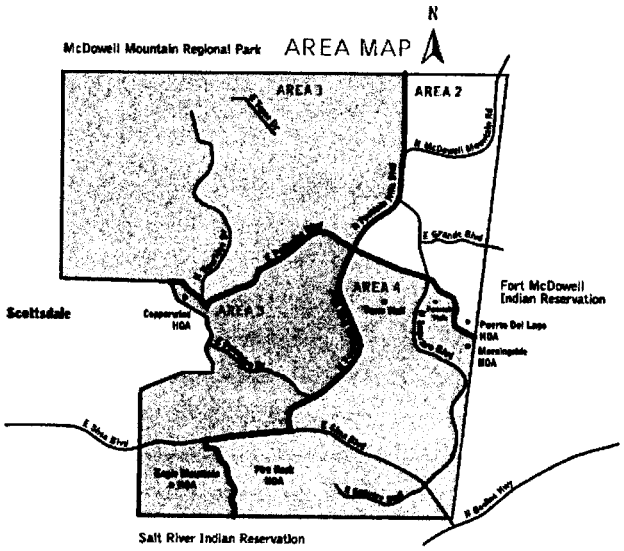
| Unit Number | Year | Make | Model | Body | Truck Type |
|---|---|---|---|---|---|
| 2500 | 2018 | Peterbilt | PB520 | McNeilus | Automated Side Load |
| 2501 | 2018 | Peterbilt | PB520 | McNeilus | Automated Side Load |
| 2502 | 2018 | Peterbilt | PB520 | McNeilus | Automated Side Load |
| 2503 | 2018 | Peterbilt | PB520 | McNeilus | Automated Side Load |
| 2506 | 2018 | Peterbilt | PB520 | McNeilus | Automated Side Load |
| 2017 | 2018 | Peterbilt | 2512 | McNeilus | Rear Load |

## 1 b. COLLECTION ROUTE SCHEDULES AND MAPS

Establishing the most optimized routes for a community has dramatic effects on the quality of service, safety and efficiency of the collection operation through shorter routes, safety in the neighborhoods, and ultimately the wear and tear on the streets in the municipality.

Collection routes will operate Monday through Friday except when certain holidays fall on Monday and all collection days are moved one day back with Friday being collected on Saturday. Solid waste and recyclables will be collected on the same day to minimize the effort from our residents.

As the current single provider of residential services, we have a proven route optimization process for your municipality, which involves collaboration between the local management team and our drivers. The Area Map shows current service areas. Each area represents different service days. We have planned routes to ensure that trucks are not conducting collection on streets during times that are known for congestion or traffic, such as art fairs and community events. To accommodate the change in service days from Monday through Thursday, to Monday through Friday, we will make the town's requested changes with the least disruption of day and time to residents.




## 1 c. DISPOSAL AND PROCESSING CONTRACTS

Garbage collected from the Town of Fountain Hills will be direct transferred to the Republic Services owned transfer station located at 1855 E Deer Valley Road, Phoenix. From there, the materials will be transferred and hauled to the Company owned Southwest Regional Municipal Solid Waste Landfill located at 24427 SR-85, Buckeye, AZ 85326. Recycling materials will be processed at River Recycling. Proof of Ownership for Disposal and Processing is attached as follows: Cave Creek Transfer Station - Attachment 7, Southwest Regional Landfill - Attachment 8, and River Recycling– Attachment 9.

## 1 d. APPROACH TO MINIMIZE CONTAINER DAMAGE

Republic Services maintenance team continues to work with the truck manufacturer to make the proper adjustments on the lifting mechanism on the collection vehicles. By doing so, the container life will be extended dramatically. Proper maintenance on the lifting mechanism will also take place on a regular basis to ensure that the adjustments are made as needed. The arm is buffered with a rubber lining and is in the drivers view while the cart is being serviced. When the driver or maintenance technician identifies any collection vehicle that is doing unnecessary damage to the containers, we will immediately make the proper adjustments to minimize container damage.

Republic Services will also maintain appropriate cart inventory to ensure replacement carts are available upon request of the Town. Each Residential Service Unit shall be entitled to unlimited replacements for destroyed or damaged carts for the life of the Agreement.

## 1 e. SELF-HAULERS

Republic Services will work diligently to provide a variety of collection services that meets the needs of the residents of the Town of Fountain Hills. By providing weekly solid waste, recyclable material, green waste and quarterly bulk collection program to the residents, we hope to minimize the need for residents to self-haul materials. In the event a resident has extra material and desires to self-haul, the following procedure will take place. All self-hauled loads should be tarped prior to entering the disposal location. The self-hauler must show proof of primary residence in the Town of Fountain Hills. All self-haulers must adhere to the safety rules and regulations posted at the disposal site. The designated disposal site for self-hauled loads from the Town of Fountain Hills will be the Cave Creek Transfer Station. Cave Creek Transfer Station is located at 1855 E. Deer Valley Road in Phoenix. The rate for Fountain Hills residents will remain at $25.00 per ton with a one ton minimum charge.

## 2. RECYCLING SERVICE PROPOSAL REQUIREMENTS

We will offer all single-family customers weekly, fully automated single-stream recycling collection services. Recycling containers will be serviced with the same equipment and manner as residential solid waste containers.

Furthermore, Republic Services will make necessary arrangements so that Neighborhood Recycling Drop-off and or Special Event Recycling Services will be accommodated. The use of roll-off containers, front load style containers, and "special event" recyclable cardboard boxes are the types of containers available to meet the Town's needs.

## 2a. RECYCLABLE MATERIALS TO BE COLLECTED

The following is a list of recyclable materials collected from the Town's residents that will be processed at Republic's recycling facility:

Aluminum cans and foil
Steel/tin cans
Glass food and beverage containers (flint, amber, and green)
Newspaper, slick paper inserts
Magazines, paperback books
Residential mixed paper, junk mail inserts
Telephone books and Yellow Pages
Cardboard (corrugated, chipboard)
Plastic bottles and containers (recycling logo #1 through #6)

In the event additional items are deemed to be recyclable by a processing facility, we will be proactive in our efforts to divert this material from the landfills. In the event the processing facility deems item(s) to be non-recyclable, Republic will work diligently with the town representatives to educate residents.

## 2b. RECYCLABLE MATERIALS ACCEPTED BY PROCESSING FACILITY

Recyclable materials collected from the Town of Fountain Hills will be consistent with materials accepted by the recycling facility.

## 2c. APPROACH TO MINIMIZE OVER-COMPACTION OF RECYCLABLES

Republic is committed to keeping contamination in recyclables at the absolutely lowest level possible. Reducing residue begins with education, limiting non-recyclable materials and contamination in recycling bins. The local management team will collaborate with Town staff to develop proactive public education programs to ensure the lowest level of contamination and the highest levels of diversion. Working with individual customers to reduce contamination in the materials set out for collection is one of the keys to collecting clean loads. Republic believes the success of its recycling program is due to consistent interaction with the individual customer. Customer education and Republic's involvement is vital in meeting and exceeding diversion requirements and establishing solid sustainability practices. By ensuring customers receive appropriate and easily accessible educational material we are able to deliver clean material to the recycling facility. There will be periodic and random cart and bin checks by our in-field supervisors to help identify contamination prior to collection. Republic drivers are trained to monitor loads to limit over-compaction of recyclable materials.

## 2d. PROCESSING SITE INFORMATION

We are committed to investing in recycling processing infrastructure where appropriate as evidenced by our recent acquisition of ReCommunity in 2017. Republic Services now owns and operates River Recycling facility and is located at the Salt River Pima Maricopa Indian Community Landfill, 13602 N. Beeline Highway, Scottsdale, Arizona, 85256. River Recycling's Plant Manager is Mike Howell. He may be reached at 760-457-6149.

River Recycling routinely inspects each load that is brought into the recycling facility. Upon inspection, any loads that are deemed as contaminated and/or hazardous are immediately staged separately and will be further examined and inspected.

Trucks tip their loads and materials are pushed by a loader into stockpiles in preparation for processing. The mixed material travels to a quality control station where contaminants and undesirable material are removed.

Republic has recently upgraded several pieces of equipment at River Recycling and will continue to upgrade machinery in the next year and in the future to ensure we increase efficiency and maximize our recycling efforts.

## 2e. PERMITTED AND AVAILABLE PROCESSING CAPACITY

River Recycling Facility is currently processing approximately 250 tons per day, and has an annual capacity of 80,000 tons. Republic continues to invest in proven technologies to control costs, increase capacity, and to simplify and streamline recycling for our customers.

## 2f. IMPORT RESTRICTIONS OR FEES

Republic Services has no import restrictions, taxes, or fees that will be applicable to the receipt of the Town's recyclable materials.

## 3. SOLID WASTE SERVICES

Republic Services has the experience and knowledge to successfully continue services and accommodate new services required by the Town of Fountain Hills and its residents. Residential Solid Waste Service will be provided to the residents via fully automated Residential Side Load Trucks. In addition, we will provide bulky item (out of cart set out) collection to the residents utilizing Residential Rear-Load Trucks. Depending on the size and type of the container(s) requested by the town, Special Event and Town Facilities Solid Waste Services will be provided either by, fully automated Commercial Front Load Trucks, fully automated Residential Side Load Trucks, Rear-load trucks or Roll Off Trucks. Each piece of equipment with the exception of the Rear Load Truck requires its own style of container. These different style containers will be provided to the residents and town depending on the type of service that is requested.

## 3a. DISPOSAL SITE INFORMATION

Cave Creek Transfer Station
1855 E Deer Valley Road
Phoenix, AZ 85024

Cave Creek Transfer Station is owned and operated by Allied Waste Transportation Inc. The facility is managed Jim O'Neal. Mr. O'Neal may be reached at 602-714-0168.

Cave Creek Transfer operators periodically inspects each load that is brought into the recycling facility. Upon inspection, any loads that are deemed as contaminated and/or hazardous are immediately staged separately and will be further examined and inspected.

## 3b. PERMITTED AND AVAILABLE DISPOSAL CAPACITY

Garbage collected from the Town of Fountain Hills will be hauled to the Republic Services owned Cave Creek Transfer at 1855 E. Deer Valley Road, Phoenix. From there, the materials will be transferred and hauled to the Company owned Southwest Regional Municipal Solid Waste Landfill located at 24427 SR-85, Buckeye, AZ 85326. Republic's Southwest Regional

Landfill has 85 years of remaining capacity and can accommodate all the solid waste disposal needs of the Town of Fountain Hills through the term of the contract.

## 4. QUARTERLY RESIDENTIAL BULK WASTE SERVICES

Republic Services will collect residential bulk waste of up to six cubic yards from each residential unit in the town once per quarter. We will work with town staff to establish quarterly bulk service schedule that supports the town's Growing Greener Initiatives.

## 4a. METHOD FOR PERFORMING RESIDENTIAL BULK WASTE SERVICES

Bulky Waste will be serviced using a two-person (driver and helper) Rear Load truck. Materials collected will be delivered to a disposal facility or recycling facility.

## 4b. RESIDENTIAL BULK WASTE COMMUNICATION

Pamphlets or brochures will be mailed to residents that will include pick-up schedule and section maps for the quarterly bulk waste service pickup. Requirements, limitations, and answers to frequently asked questions will also be included. The same information will be available on the Republic website. Maps and schedule magnets may also be provided.

## 5. RESIDENTIAL GREEN WASTE SERVICES PROPOSAL

We will offer all residential customers weekly, automated collection of accepted yard waste materials. Yard waste containers will be serviced with the same equipment and manner as residential solid waste and recycling containers.

## 5a. GREEN WASTE PROCESSING SITE INFORMATION

Salt River Landfill located at 13602 N. Beeline Highway in Scottsdale, Arizona 85256. The mailing address is the same as the site address. Salt River Landfill and Green Waste Processing facility phone number is (480) 941-3427. The landfill is owned and managed by the Salt River Pima Maricopa Indian Community.

## 5b. PERMITTED AND AVAILABLE PROCESSING CAPACITY

There is no daily and annual maximum capacity for Green waste Processing. Please see Attachment 10 – Letter from Salt River Landfill Green Waste Processing.

## 5c. MATERIALS ACCEPTED FOR PROCESSING

Acceptable materials include: tree, bush and grass clippings, tree trunks less than four feet in diameter, brush, leaves, twigs, branches, and unpainted and untreated lumber.

### 5d. IMPORT RESTRICTIONS OR FEES

No import restrictions or fees.

### 6. ANNUAL HOUSEHOLD HAZARDOUS MATERIALS COLLECTION

Household Hazardous Waste (HHW) is often trapped in residential garages, or thrown into the traditional waste stream, leading to contamination. Our HHW service offers a reliable and responsible solution to properly deal with this complicated waste stream.
Not all household products can be thrown in the regular garbage. You can rely on Republic Services to provide safe, convenient disposal options for household hazardous materials to prevent potential harm to the environment, our employees or others.
Residents may bring their household hazardous waste materials to an agreed upon designated location during the annual household hazardous waste event. Materials to be collected: Oil-based paint, paint thinners, solvents, paint removers, gasoline, diesel fuel, lighter fluid, waste oil, pesticides, fertilizers, drain and oven cleaners, adhesives, pool chemicals, aerosol cans.

### 7. ANNUAL ELECTRONICS RECYCLING EVENT

Republic Services has held several community electronics recycling events in the Phoenix Metro area. The annual electronics recycling event will be held in conjunction with the household hazardous waste event. Materials that will be collected are: including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires / cables / power cords, power tools, printers, routers, DVD players and video game equipment).

## CHAPTER 5

## BILLING

Republic Services shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the contracted rate structure. Residents may choose to be billed annually, semi-annually, or quarterly. Invoices will be clear, concise and simple to read. Invoices will be itemized, clearly delineating all activity during the billing period, including optional charges and credits. Payment shall be due no sooner than the 15th day of the billing period, and the due date shall be listed on each invoice. Republic Services will accommodate to bill and accept payments from a homeowners'

association or its authorized representative for Service Units within that homeowners' association.

## CHAPTER 6

**COST INFORMATION - FORM 5-8: Submitted in a separate, sealed envelope**

## ATTACHMENT 1

## FORM 1: STATEMENT OF ORGANIZATION

## V. REQUIRED FORMS

### FORM 1: STATEMENT OF ORGANIZATION

1. **PROPOSER**

Full Name of Business: Allied Waste Transportation, Inc.

Principal Business Address: 1855 E. Deer Valley Road
Phoenix, AZ 85024

Principal Phone Number: 602-442-7285

Local Business Address: 1855 E. Deer Valley Road
Phoenix, AZ 85024

Local Business Contact Person: Tricia Ponce de Leon

Local Business Fax: _____

Local Business E-Mail: tponcedeleon@republicservices.com

Type of Organization: Corporation

Tax ID #: 52-2044849

License #: 301

Provide names of authorized representative(s) of the Proposer who has legal authority to bind the Proposer in contractual obligations:

(a) Tim Oudman

(b) _____

(c) _____

2. **SERVICE OPTIONS**

Service Options Proposed (check all that apply):

✓ Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services.

✓ Town Facility Solid Waste Services

✓ Neighborhood Recycling Drop-off Services

✓ Residential Green Waste Services

3. **SUBCONTRACTOR**

List of all firms participating in this Proposal:

| | Name | Address | Area of Responsibility |
|---|---|---|---|
| (a) | | | |
| (b) | | | |
| (c) | | | |
| (d) | | | |

ATTACHMENT 2

FORM 2: STATEMENT OF INSURABILITY

## FORM 2: CERTIFICATE OF INSURABILITY

By submitting a Proposal, the submitting Proposer certifies that it is fully aware that the Insurance Requirements contained in the Agreement apply whether awarded one or more Service Options pursuant to this RFP. Furthermore, the Proposer assures the Town of Fountain Hills that it is able to produce the insurance coverage required should it be selected for award of the Agreement.

Should the Proposer's firm be awarded the Agreement by the Town and then be unable to produce the insurance coverage specified within ten calendar days, it is fully aware and understands that it may not be considered for further projects by the Town of Fountain Hills.

Signature of Proposer

Tim Oudman

Printed Name of Signee

Allied Waste Transportation, Inc.
dba Republic Services of Phoenix

Company Name

July 23, 2018

Date

ATTACHMENT 3

FORM 3: ACKNOWLEDGEMENT OF ADDENDA

## FORM 3: ACKNOWLEDGEMENT OF ADDENDA:

By submission of this Proposal, Proposer hereby certifies receipt of all the addenda listed in the table below.

| Addendum Number | Description of Addendum |
|---|---|
| 1 | Addendum 1 Dated July 18, 2018 - Inquiries and Responses |
| | |
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| | |
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| | |
| | |
| | |
| | |

# ADDENDUM NO. 1 DATED JULY 18, 2018
# TO REQUEST FOR PROPOSALS

## SOLICITATION TITLE: SOLID WASTE SERVICES
## SOLICITATION NUMBER: PW2018-02 ("RFP")

Pursuant to Sections 1.4(B) and 1.5 of the RFP, the Town of Fountain Hills, Arizona ("Town") issues this Addendum to provide clarification to the RFP in response to written inquires submitted to the Town. The RFP remains otherwise unchanged except as amended by prior Addenda (if any) issued by the Town pursuant to Section 1.5 of the RFP.

## INQUIRES AND RESPONSES

1. Will the Town award a commodity to different haulers, i.e., can a supplier win only Green Waste (Section 1.12(C))?

Town Response: No.

2. Should Section 5.2(A) of the Sample Solid Waste Services Agreement be changed to meet recent China contamination requirements of .05%?

Town Response: No.

3. May the due date for monthly reports referenced in Section 13.2(B) of the Sample Solid Waste Services Agreement be changed to thirty calendar days, rather than seven days, following the end of each calendar month?

Town Response: Yes

4. Is there a contradiction between Sections 6.2 and 18.17 of the Sample Waste Services Agreement concerning Residue Allowances and liquidated damages?

Town Response: No. Section 6.2 of the Sample Waste Services Agreement indicates that if the Residue Allowance is exceeded, the Town may impose damages that are calculated pursuant to Section 18.17. Section 18.17 sets forth dollar amounts in relation to the percentage of Residue over the Residue

Allowance. Section 6.2 sets the Residue Allowance to 15%. Section 18.17 indicates the liquidated damages for Residue amounts in excess of the Residue Allowance, or in other words, in excess of 15%.

5. If the supplier/vendor no-bids green waste, will the response be viewed as non-compliant?

Town Response: Yes

6. To prevent customer confusion and to offer the most competitive price, will the Town consider a bid for only 1&1 service (rather than 1&1, 2&1, 1x trash)?

Town Response: No

7. Is the Annual Household Hazardous Material Collection service (referenced in Section 4.7 of the Sample Waste Services Agreement) to be provided at a central location?

Town Response: Yes

8. Is the Annual Electronics Recycling Event (referenced in Section 4.8 of the Sample Waste Services Agreement) to be provided at a central location?

Town Response: Yes

9. In reference to the Annual Rate Adjustment, Section 14.5 of the Sample Waste Services Agreement indicates that all costs shall remain fixed from the execution of the Agreement, and thereafter all costs shall be adjusted as set forth in Exhibit B thereto. Is the supplier to establish annual increases at the outset of the contract?

Town Response: Yes

Will there be a separate adjustment for fuel?

Town Response: No

10. What is the Town's monetary expectations for marketing?

Town Response: The Town will evaluate marketing on a response-by-response basis.

11. Does the 15-page limit include the following?
    i. Cover/transmittal letter
    ii. Form 1: Statement of organization
    iii. Form 2: Certificate of insurability
    iv. Form 3: Acknowledgement of addenda
    v. Form 4: Experience
    vi. Form 5: Cost form for residential solid waste services, residential bulk waste services, residential recycling services and town facility recycling services
    vii. Form 6: Cost form for Town facility solid waste services and special events solid waste services
    viii. Form 7: Cost form for neighborhood recycling drop-off services
    ix. Form 8: Cost form for residential green waste services
    x. Attachments

Town Response: No

12. Since the Town is requesting quarterly pick up, should the pricing be /unit/month?

Town Response: Yes

13. What population growth does the Town expect over the next 5 years?

Town Response: 2016 Population = 24,483
2020 Est. Population: 25,900

14. Please confirm the current vacation hold process and billing status? Is there no charge or is the hauler able to continue to charge monthly/quarterly?

Town Response: No Charge.

15. If the supplier/vendor has comments or proposed changes to the Sample Solid Waste Services Agreement, does the Town want the supplier/vendor to submit them?

Town Response: Yes.

In what format?

Town Response: List form.

16. Does the Town intend to negotiate with the successful supplier/vendor?

Town Response: Depends on the impact to the contract.

17. If the supplier/vendor is a subsidiary of a public company that files a consolidated tax return on behalf of itself and all of its affiliates, can the supplier/vendor submit the parent company's financial statements?

Town Response: Yes.

## ACKNOWLEDGEMENT OF ADDENDA

Allied Waste Transportation, Inc.
dba Republic Services of Phoenix acknowledges that it has/they have received the
(Proposer name)

foregoing Addendum No. 1.

Date: July 23, 2018

By: _____

Name: Tim Oudman

Title: Vice President

PHOENIX 77018-1 479883v1

ATTACHMENT 4

FORM 4: EXPERIENCE

## FORM 4: EXPERIENCE

Proposer shall provide a minimum of five references of public agencies, cities, towns, private companies, contracts and communities presently being served by the Proposer with similar services to those being proposed in this proposal

1. Name of Public Agency: Buckeye, Arizona
   Address: 530 Monroe Ave., Buckeye, AZ 85325

   Phone Number: 623-349-6815
   Contact Person: Scott Lowe - Public Works Director
   Year Contract Initiated: 2008
   Number of Residential Units Served: 18,700
   Description of Services: Once per week automated trash and recycling service and quarterly bulk service

2. Name of Public Agency: Community of Anthem
   Address: 3701 W. Anthem Way, Suite 102
   Anthem, Arizona 85086

   Phone Number: 623-742-6129
   Contact Person: Neal Shearer - CEO
   Year Contract Initiated: 1998
   Number of Residential Units Served: 10,000
   Description of Services: Once per week automated trash and recycling service, quarterly bulk service, Annual Household Hazardous, electronics recycling event

3. Name of Public Agency: Lake Havasu City, AZ
   Address: 2330 McCullough Blvd N.,
   Lake Havasu, AZ 86403

   Phone Number: 928-855-2116
   Contact Person: Charlie Cassens - City Manager
   Year Contract Initiated: 1992
   Number of Residential Units Served: 27,500
   Description of Services: Converted from manual once weekly trash and recycle service to automated sideload

FORM 4: EXPERIENCE (continued)

| | |
|---|---|
| 4. Name of Public Agency | Huntington Beach, California |
| Address | 2000 Main Street 4th Floor |
| | Huntington Beach, California |
| Phone Number | 714-536-5511 |
| Contact Person | Fred Wilson - City Manager |
| Year Contract Initiated | 1982 |
| Number of Residential Units Served | 47,570 |
| Description of Services | Once per week automoated trash and recyling, bulk collection |
| | Commercial and industrial waste collection to all businesses |

| | |
|---|---|
| 5. Name of Public Agency | Chula Vista, California |
| Address | 276 Fourth Avenue |
| | Chula Vista, California |
| Phone Number | 619-585-5790 |
| Contact Person | Gary Halbert - City Manager |
| Year Contract Initiated | 1982 |
| Number of Residential Units Served | 56,000 |
| Description of Services | Exclusive automated residential trash, recycling, and yard waste |
| | Commercial and industrial waste collection to all businesses |

**ATTACHMENT 5**

**FORM 5: LITIGATION**

| Short Matter Name | Court Case Number | Matter: Open/Closed | Description | Filing Date | Organizational Unit > Org. Unit (w/ path) |
|---|---|---|---|---|---|
| Allstate, Lopez vs. Allied Waste | CC2013135358RC | Closed | Auto Liability/Insurance Defense | 07/30/2013 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Armstrong, Owen John vs Robert A Henson and AWIN Leasing Co, Inc | | Closed | Auto Liability/Insurance Defense | 12/15/2014 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Esposito, Anthony-Scappino, Sharon vs Celestina Castillo incl Allied Waste Svcs-Hargus Disp | CIVDS1402665 | Closed | Auto Liability/Insurance Defense | 03/06/2014 | Arizona > Allied Waste Transportation, Inc. > 785 Allied Waste Services of Bullhead City |
| Hill, Charles vs. Republic Services | CC2017039015SC | Closed | Auto Liability/Insurance Defense | 02/27/2017 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Husting, Michael vs Republic Services | CV2014091169 | Closed | Auto Liability/Insurance Defense | 08/22/2014 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| McGill, Lesley vs. Allied Waste Industries | 58015CV201800618 | Open | Auto Liability/Insurance Defense | 05/29/2018 | Arizona > Allied Waste Transportation, Inc. > 785 Allied Waste Services of Bullhead City |
| Passarelli, Kristine and Jacob(minor) vs. Tompkins and AWIN Leasing | CV2014052327 | Closed | Auto Liability/Insurance Defense | 02/13/2014 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Riley, Mike vs. Christopher Alan Skowera, Allied Waste | JCV201600661 | Closed | Auto Liability/Insurance Defense | 06/01/2016 | Arizona > Allied Waste Transportation, Inc. > 527 Allied Waste Services of Lake Havasu City |
| Soto, Lilia vs. Republic Services, Andrew Monroe | CV2017002659 | Closed | Auto Liability/Insurance Defense | 01/30/2017 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Stevenson, John vs. Republic Services, INC. | CV2018-00368 | Open | Auto Liability/Insurance Defense | 03/08/2018 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Villa Ocotillo vs Republic Services | CC2018046404 | Closed | Auto Liability/Insurance Defense | 03/07/2018 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |
| Wilson, Richard Ibarra vs. Central AZ College & Republic Services | CV20054350 | Closed | Auto Liability/Insurance Defense | 10/29/2015 | Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix |

# ATTACHMENT 6

## FORM 6: COMPLIANCE

| Company Name | Facility Name | Facility State | Violation Type | Action Caption | Action Date | Violation Date | Case Num | Violation Desc | Violation Status | Resolution Type | Issuing Agency |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Allied Waste Transportation, Inc. | Allied Waste Services of Mesa | Arizona | Area of Concern/Citations | Notification of Correction of Deficiencies | 9/25/2013 | 9/25/2013 | | Allegation that the facility failed to submit documentation regarding: 1) most current and complete information for facility; 2) 12 month sensor tests/ .2 gallon/hr automatic tank gauging test results for last 12 months; 3) operational test report for each automatic line leak detector; 4) line tightness report for eac line; 5) calibration, maintenance and repair of release detection equipment located on site; 6) financial assurance mechanism(s) to demonstrate financial responsibility. | Pending | | Arizona Department of Environmental Quality |
| Allied Waste Transportation, Inc. | Allied Waste Services of Phoenix | Arizona | Administrative | Notice of Violation | 7/18/2013 | 7/18/2013 | 0981280610 | Allegation that frontload bins were serviced outside of collection hours. | Resolved | Return to Compliance | City of Phoenix, Public Works Department, Solid Waste Field Services Division |
| Allied Waste Transportation, Inc. | Germann Transfer Station | Arizona | Area of Concern/Citations | Letter of Outstanding Violation | 3/8/2016 | 3/8/2016 | | Allegations the site is in violation of County stormwater quality control regulations by not posting the required construction permits. | Resolved | Return to Compliance | Maricopa County Environmental Services Department |

## ATTACHMENT 7

## AFFIDAVIT OF OWNERSHIP: CAVE CREEK TRANSFER STATION

**AFFIDAVIT**

STATE OF ARIZONA )
) ss.
County of Maricopa )

The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of Allied Waste Transportation, Inc., a Delaware corporation ("**AWT**");

2. AWT owns and/or operates a transfer station located at 1855 E. Deer Valley Road, Phoenix, Arizona, 85024, known as Cave Creek Transfer Station; and

3. Further Affiant sayeth naught.

DATE: July 16, 2018.

Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.

Notary Public

My Commission Expires: 11/11/18

Notary Public State of Arizona
Maricopa County
Andrea Wing
My Commission Expires 11/11/2018

ATTACHMENT 9

AFFIDAVIT OF OWNERSHIP: RIVER RECYCLING

**AFFIDAVIT**

STATE OF ARIZONA )
) ss.
County of Maricopa )

The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of River Recycling, LLC, a Delaware limited liability company ("**RR**");

2. RR owns and/or operates a material recycling facility located at 13602 N. Beeline Highway, Scottsdale, Arizona, 85256, known as Scottsdale River Recycling; and

3. Further Affiant sayeth naught.

DATE: July 16, 2018.

Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.

Notary Public

My Commission Expires: 11/11/19

ATTACHMENT 10

LETTER FROM SALT RIVER LANDFILL: GREEN WASTE PROCESSING

SALT RIVER LANDFILL
PIMA-MARICOPA INDIAN COMMUNITY
13602 E. Beeline Highway/SR 87 Phone: (480)941-3427
Scottsdale, AZ 85256 Fax: (480)949-4261

July 10, 2018

Tricia Ponce de Leon
General Manager
Republic Services
4811 W. Lower Buckeye Road
Phoenix AZ 85043

RE: Green Waste and Solid Waste Disposal Services

Dear Ms. Ponce de Leon:

May this letter confirm the Salt River Landfill's ability and desire to accept and process the Town of Fountain Hill's green waste and/or solid waste as may be delivered by Republic Services should they be awarded the bid. The Salt River Landfill does not have daily or annual permitted capacity restrictions.

Our commitment to recycling continues to be a priority for both the Salt River Pima-Maricopa Indian Community and the Landfill Enterprise. Landfill capacity is a precious and valuable commodity, and it would be environmentally irresponsible to not divert such easily recyclable material.

Green waste recycling has been conducted here at the Salt River Landfill for over 15 years. Green waste is brought to the facility by Mesa, Scottsdale, Salt River Project, East Valley residents and many landscaper/lawn maintenance companies. Accepting the Town of Fountain Hill's yard trash will not impact our current green waste operations. No expansion is necessary.

The acceptable materials include: tree, bush and grass clippings, tree trunks less than four feet in diameter, brush, leaves, twigs, branches, and unpainted and untreated lumber. Green waste must be separated from other wastes destined for landfill disposal prior to arriving at the facility. Contaminated green waste loads will be directed to disposal in the landfill.

Western Organics is the current vendor that processes the green waste and ships it to markets. The process involves grinding green waste into mulch, stockpiling it into manageable piles and loading it for transport to other facilities. The majority of the material is transported to Western Organic's Phoenix facility for further processing and then bagged and sold at various retail outlets. Some of the material is used as a wood chip material transported to a power plant producing "green energy".

SALT RIVER LANDFILL
PIMA-MARICOPA INDIAN COMMUNITY
*13602 E. Beeline Highway/SR 87 Phone: (480)941-3427*
*Scottsdale, AZ 85256 Fax: (480)949-4261*

Western Organics is always looking for outlets for processed green waste. If Fountain Hills is looking to be becoming a user of some of then end products (effectively completing the loop of recycling) we will be happy to facilitate discussions.

No import restrictions or additional fees exist.

If you have any questions, please feel free to contact me at 480-302-6473.

Sincerely,

Richard Allen

Richard Allen
CEO
Salt River Landfill

EXHIBIT C
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Fee Proposal – Completed Forms 5 - 8]

See following page(s).

## FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES

### Form 5.1 - Costs for Residential Solid Waste Services

| Service Rate | Monday through Friday Collection Week | |
|---|---|---|
| | Same Day Collection [1] | Different Day Collection [2] |
| **Residential Solid Waste Services** | | |
| 1. Solid Waste Collection Service Rate | $ 8.43 * /Unit/Month | $ 8.43 * /Unit/Month |
| 2. Solid Waste Cart Rate [3]<br>65 Gallon<br>96 Gallon | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month |
| 3. Solid Waste Disposal Rate [4] | $ 0.00 /Unit/Month | $ 0.00 /Unit/Month |
| 4. Additional Solid Waste Cart Collection Service Rate [5] | $ 0.00 /Unit/Month | $ 0.00 /Unit/Month |
| 5. Additional Solid Waste Cart Rate [3][5] | $ 5.00 /Unit/Month | $ 5.00 /Unit/Month |
| 6. Additional Solid Waste Cart Disposal Rate [4][5] | 0.00 [6] | 0.00 [6] |
| 7. Non-Collection Day Collection Rate [7] | $25.00 /Unit/Month | $ 25.00 /Unit/Month |
| 8. Non-Collection Day Disposal Rate [4][7] | 0.00 [6] | 0.00 [6] |
| **Quarterly Residential Bulk Waste Services** | | |
| 1. Bulk Waste Collection Rate | $ 50.00 /6 CY ** | $ 50.00 /6 CY ** |
| 2. Bulk Waste Disposal Rate [4] | $ 0.00 /6 CY | $ 0.00 /6 CY |
| **Residential Recycling Services** | | |
| 1. Recycling Collection Service Rate | $ 5.94 /Unit/Month | $ 5.94 /Unit/Month |
| 2. Recycling Cart Rate [3][8]<br>65 Gallon<br>96 Gallon | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month |
| **Residential Cart Change Rate [9]** | $ 25.00 /Cart | $ 25.00 /Cart |

[1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.

[2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.

[3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.

[4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.

[5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.

[6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.

[7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.

[8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, it its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

[9] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

*Quarterly bulk rate and annual household hazardous waste and electronics event is included in solid waste collection rate.

**Bulk waste and collection rate of $50.00/6CY is for residents who request pick-up more than the 4 quarterly pick-ups included in base rate

ALL RATES ARE SUBJECT TO A 3.5% INCREASE IN THE ANNIVERSARY DATE OF THE SIGNED AGREEMENT.

# FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES

## Form 5.1.A - Costs for Residential Solid Waste Services

| Service Rate | Monday through Friday Collection Week<br>Multiple Day Collection [1] |
|---|---|
| **Residential Solid Waste Services** | |
| 1. Solid Waste Collection Service Rate | $ 13.43 /Unit/Month |
| 2. Solid Waste Cart Rate [2]<br>65 Gallon<br>96 Gallon | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month |
| 3. Solid Waste Disposal Rate [3] | $ 0.00 /Unit/Month |
| 4. Additional Solid Waste Cart Collection Service Rate [4] | $ 5.00 /Unit/Month |
| 5. Additional Solid Waste Cart Rate [2][4] | $ 5.00 /Unit/Month |
| 6. Additional Solid Waste Cart Disposal Rate [3][4] | 0.00 [6] |
| 7. Non-Collection Day Collection Rate [6] | $25.00 /Unit/Month |
| 8. Non-Collection Day Disposal Rate [3][6] | 0.00 [6] |
| **Residential Bulk Waste Services** | |
| 1. Bulk Waste Collection Rate | $ 50.00** /6 CY |
| 2. Bulk Waste Disposal Rate [3] | $ 0.00 /6 CY |
| 3. Semiannual Bulk Waste Event | $ /6 CY |
| **Residential Recycling Services** | |
| 1. Recycling Collection Service Rate | $ 5.94 /Unit/Month |
| 2. Recycling Cart Rate [2][7]<br>65 Gallon<br>96 Gallon | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month |
| **Residential Cart Change Rate [8]** | $ 25.00 /Cart |

[1] Multiple Day Collection means Contractor shall perform, for each Residential Service Unit, Residential Solid Waste Services on two days each week and Residential Recycling Services on the same day of the week as one of the Residential Solid Waste Services days.

[2] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.

[3] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.

[4] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.

[5] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.

[6] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.

[7] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, it its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Contractor grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

[8] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

*Quarterly bulk rate and annual household hazardous waste and electronics event is included in solid waste collection rate.

**Bulk waste and collection rate of $50.00/6CY is for residents who request pick-up more than the 4 quarterly pick-ups included in base rate

ALL RATES ARE SUBJECT TO A 3.5% INCREASE IN THE ANNIVERSARY DATE OF THE SIGNED AGREEMENT.

## FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES (continued)

### Form 5.2 - Costs for Residential Solid Waste Services WITHOUT RECYCLING

| Service Rate | Monday through Friday Collection Week | |
|---|---|---|
| | Same Day Collection [1] | Different Day Collection [2] |
| **Residential Solid Waste Services** | | |
| 1. Solid Waste Collection Service Rate | $ 19.37/Unit/Month* | $ 19.37/Unit/Month * |
| 2. Solid Waste Cart Rate [1][6]<br>65 Gallon<br>96 Gallon | <br>$ 0.00/Unit/Month<br>$ 0.00/Unit/Month | <br>$ 0.00 /Unit/Month<br>$ 0.00 /Unit/Month |
| 3. Solid Waste Disposal Rate [2] | $ 0.00/Unit/Month | $ 0.00 /Unit/Month |
| 4. Additional Solid Waste Cart Collection Service Rate [3] | $ 5.00/Unit/Month | $ 5.00 /Unit/Month |
| 5. Additional Solid Waste Cart Rate [1][3] | $ 0.00 /Unit/Month | $ 0.00 /Unit/Month |
| 6. Additional Solid Waste Cart Disposal Rate [2][3] | 0.00 [6] | 0.00 [6] |
| 7. Non-Collection Day Collection Rate [5] | $ 25.00/Unit/Month | $ 25.00/Unit/Month |
| 8. Non-Collection Day Disposal Rate [2][5] | 0.00 [6] | 0.00 [6] |
| **Quarterly Residential Bulk Waste Services** | | |
| 1. Bulk Waste Collection Rate | $50.00/6 CY ** | $ 50.00/6 CY ** |
| 2. Bulk Waste Disposal Rate [2] | $ 0.00/6 CY | $ 0.00/6 CY |
| **Residential Cart Change Rate [7]** | $ 25.00 /Cart | $ 25.00 /Cart |

[1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.

[2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.

[3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.

[4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.

[5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.

[6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

[7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

*Quarterly bulk rate and annual household hazardous waste and electronics event is inlcuded in solid waste collection rate

**Bulk waste collection rate of $50.00/ 6CY is for residents who request pick up more than the 4 quarterly pick-ups included in base rate

ALL RATES ARE SUBJECT TO A 3.5% INCREASE ON THE ANNIVERSARY DATE OF THE SIGNED AGREEMENT.

**FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES (continued)**

**Form 5.3 - Residential Recycling Processing and Marketing Rate and Town Facility Recycling Processing and Marketing Rate**

| Type of Recyclable Material [1] | Processing/Marketing Fee [2] | Flat per Ton Payment [3][7] | Revenue Share [4][7] |
|---|---|---|---|
| Please see note below | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |

[1] Proposer shall list the type of Recyclable Material.
[2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
[3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
[4] Outgoing Tons means the tons of Recyclable Materials sold.
[5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

NOTE: Recycling materials collected from Fountain Hills will not be subject to a processing fee and no rebate will be paid to the town. Republic Rewards will continue to be available to residents who participate in the recycling program.

## FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL EVENTS SOLID WASTE SERVICES

### Form 6.1 - Costs for Town Facility Solid Waste Services

| | | Collection Frequency per Week | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Rates | 1x | 2x | 3x | 4x | 5x | 6x | 7x |
| Solid Waste Cart Service | | | | | | | | |
| 96 gallons | Collection Rate [1] | 8.43 | 13.43 | 18.43 | 23.43 | 28.43 | 33.43 | N/A |
| | Disposal Rate [1] [2] | - | - | - | - | - | - | - |
| | Cart Rental Rate [1] [3] | | | | | | | |
| Container Service | | | | | | | | |
| 2 CY | Collection Rate [1] | 30.00 | 45.00 | 60.00 | 75.00 | 90.00 | 105.00 | 120.00 |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |
| 4 CY | Collection Rate [1] | 40.00 | 65.00 | 90.00 | 115.00 | 140.00 | 165.00 | 190.00 |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |
| 6 CY | Collection Rate [1] | 50.00 | 100.00 | 150.00 | 200.00 | 250.00 | 300.00 | 350.00 |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |
| 8 CY | Collection Rate [1] | 65.00 | 130.00 | 190.00 | 250.00 | 310.00 | 370.00 | 430.00 |
| | Disposal Rate [1] [2] | | | | | | | |
| | Container Rental Rate [1] [4] | | | | | | | |

[1] Collection Rate, Disposal Rate and Container Rental Rate shall be stated in $/Container/Month.
[2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste.
[3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Town Facilities at the expiration of the Agreement shall rest with the Contractor.
[4] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

### Form 6.2 - Costs for Town Facility Recycling Services [1]

| Collection Frequency | Collection Rate | Processing/Marketing Fee | Container Rental Rate [2] |
|---|---|---|---|
| 1 x per week | $25.00/Container/Month | [3] | $ 0 /Container/Month |
| 2 x per week | $50.00/Container/Month | [3] | $ 0 /Container/Month |
| 3 x per week | $75.00/Container/Month | [3] | $ 0 /Container/Month |
| 4 x per week | $100.00/Container/Month | [3] | $ 0 /Container/Month |
| 5 x per week | $125.00/Container/Month | [3] | $ 0 /Container/Month |
| 6 x per week | $ N/A /Container/Month | [3] | $ 0 /Container/Month |
| 7 x per week | $ N/A /Container/Month | [3] | $ 0 /Container/Month |

[1] Town Facility Recycling Services shall be provided via Containers as set forth in the Solid Waste Service Agreement.
[2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.
[3] Shall be equal to the fee for residential recycling processing and marketing as stated in table 5.2 above.

## FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL EVENTS SOLID WASTE SERVICES (continued)

**Form 6.3 - Costs for Special Events Solid Waste Services and Special Events Recycling Services**

| Solid Waste | | | |
|---|---|---|---|
| **Roll-off Size** | **Collection Rate** | **Disposal Rate** | **Container Rental Rate** |
| 10 CY | $ 75.00 /Container/Pull | $ 30.00 /Ton | $ 0 /Container |
| 20 CY | $ 75.00 /Container/Pull | [1] | $ 0 /Container |
| 30 CY | $ 75.00 /Container/Pull | [1] | $ 0 /Container |
| 40 CY | $ 75.00 /Container/Pull | [1] | $ 0 /Container |

[1] Disposal Rate shall be equal to Disposal Rate for a 10 CY.

| **Special Event Recycling Services** | | |
|---|---|---|
| **Collection Frequency** | **Collection Rate** | **Processing/Marketing Fee** |
| 1 x per event | $ 25.00/96 Gallon Cart/Event | [1] |
| 2 x per event | $ 50.00/96 Gallon Cart/Event | [1] |
| 3 x per event | $ 75.00/96 Gallon Cart/Event | [1] |
| 4 x per event | $100.00/96 Gallon Cart/Event | [1] |
| 5 x per event | $125.00/96 Gallon Cart/Event | [1] |
| 6 x per event | $150.00/96 Gallon Cart/Event | [1] |
| 7 x per event | $175.00/96 Gallon Cart/Event | [1] |

[1] Shall be equal to the fee for residential recycling processing and marketing as stated in Form 5 above.

## FORM 7: COST FORM FOR NEIGHBORHOOD RECYCLING DROP-OFF SERVICES

**Form 7.1 - Costs for Neighborhood Recycling Drop-off Services [1]**

| Collection Frequency | Collection Rate | Container Rental Rate [2] |
|---|---|---|
| 1 x per week | $ 200.00 /Container/Month | $ 0 /Container/Month |
| 2 x per week | $ 400.00 /Container/Month | $ 0 /Container/Month |
| 3 x per week | $ 600.00 /Container/Month | $ 0 /Container/Month |
| 4 x per week | $ 800.00 /Container/Month | $ 0 /Container/Month |
| 5 x per week | $1000.00 /Container/Month | $ 0 /Container/Month |
| 6 x per week | $1200.00 /Container/Month | $ 0 /Container/Month |
| 7 x per week | $1400.00 /Container/Month | $ 0 /Container/Month |

[1] Neighborhood Recycling Drop-off Services shall be provided via Containers as set forth in the Solid Waste Services Agreement.

[2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

**Form 7.2 - Neighborhood Recycling Drop-off Services Processing and Marketing Rate**

| Type of Recyclable Material [1] | Processing/Marketing Fee [2] | Flat per Ton Payment [3][7] | Revenue Share [4][7] |
|---|---|---|---|
| Please see note below | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |
| | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | $ /Incoming Ton [5]<br>$ /Outgoing Ton [6] | ___% to Town and<br>___% to Contractor |

[1] Proposer shall list the type of Recyclable Material.

[2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.

[3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.

[4] Outgoing Tons means the tons of Recyclable Materials sold.

[5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

NOTE: Recycling materials collected from Fountain Hills will not be subject to a processing fee and no rebate will be paid to the town.

## FORM 8: COST FORM FOR RESIDENTIAL GREEN WASTE SERVICES

| Service Rate | Monday through Friday Collection Week | |
|---|---|---|
| | Same Day Collection [1] | Different Day Collection [2] |
| Residential Green Waste Services | | |
| 1. Residential Green Waste Collection Service Rate | $15.00/Unit/Month | $ 15.00/Unit/Month |
| 2. Residential Green Waste Processing and Marketing Rate | $ 0.00 /Unit/Month | $ 0.00 /Unit/Month |

[1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling services on the same day of the week for each Residential Service Unit.

[2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.

EXHIBIT D
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Map]

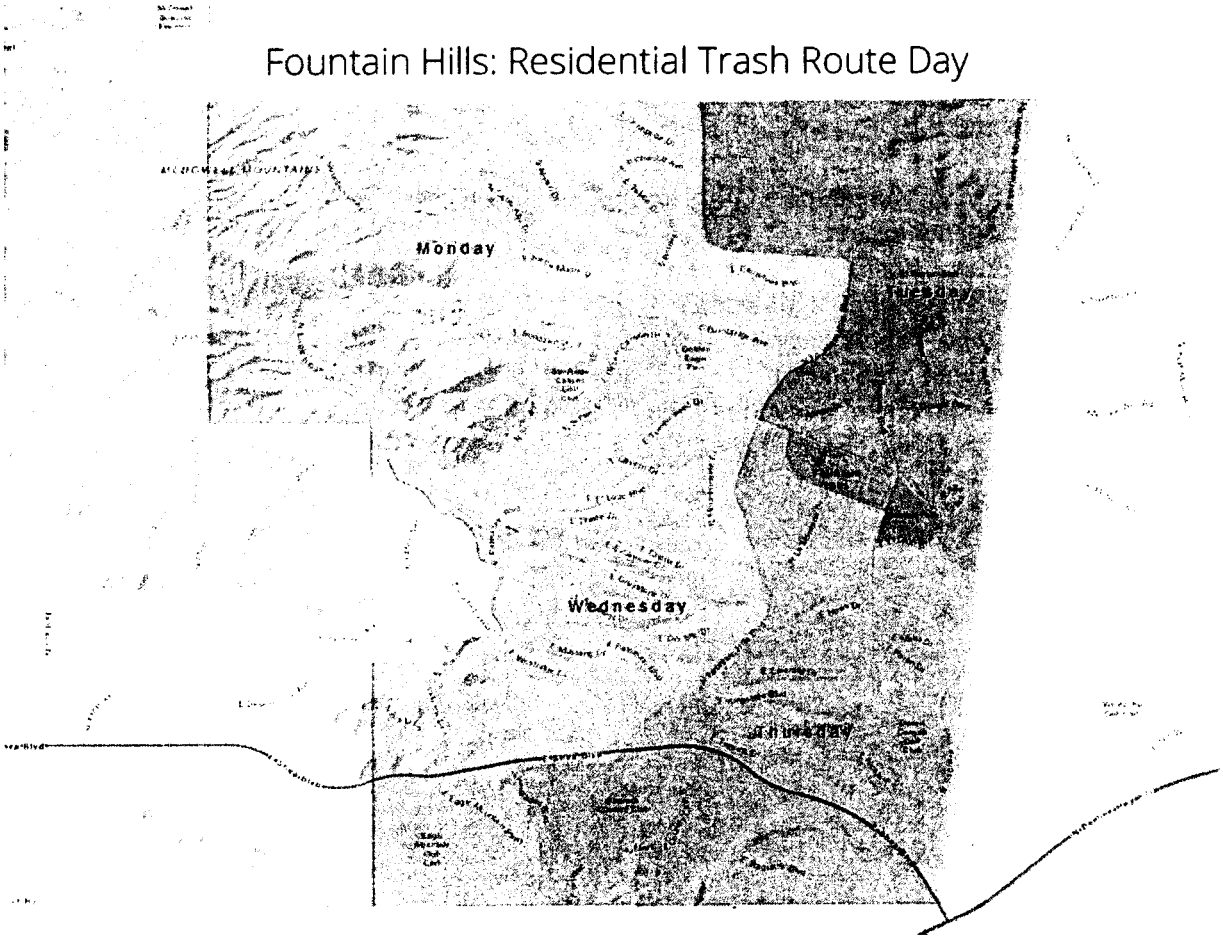

EXHIBIT E
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Materials Acceptance Protocol]

The following is a list of recyclable materials collected from the Town's residents that will be processed at Contractor's recycling facility:

Aluminum cans and foil
Steel/tin cans
Glass food and beverage containers (flint, amber, and green)
Newspaper, slick paper inserts
Magazines, paperback books
Residential mixed paper, junk mail inserts
Telephone books and Yellow Pages
Cardboard (corrugated, chipboard)
Plastic bottles and containers (recycling logo #1 through #6)

EXHIBIT F
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Recyclable Materials Affidavit]

See following page(s).

**AFFIDAVIT**

STATE OF ARIZONA )
) ss.
County of Maricopa )

The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of River Recycling, LLC, a Delaware limited liability company ("**RR**");

2. RR owns and/or operates a material recycling facility located at 13602 N. Beeline Highway, Scottsdale, Arizona, 85256, known as Scottsdale River Recycling; and

3. Further Affiant sayeth naught.

DATE: July 16, 2018.

Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.

Notary Public

My Commission Expires:

EXHIBIT G
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Disposal Services Affidavit]

See following page(s).

**AFFIDAVIT**

STATE OF ARIZONA )
) ss.
County of Maricopa )

The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of Allied Waste Transportation, Inc., a Delaware corporation ("**AWT**");

2. AWT owns and/or operates a transfer station located at 1855 E. Deer Valley Road, Phoenix, Arizona, 85024, known as Cave Creek Transfer Station; and

3. Further Affiant sayeth naught.

DATE: July 16, 2018.

Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.

Notary Public

My Commission Expires: 4/11/19

EXHIBIT H
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

_____

[Guaranty Agreement]

See following page(s).

# GUARANTY

THIS GUARANTY is made and entered into as of January 15, 2019 by Republic Services, Inc., a Delaware corporation ("Guarantor"), in favor of the Town of Fountain Hills, an Arizona municipal corporation (the "Guaranteed Party").

## Recitals

A. Allied Waste Transportation, Inc., a Delaware corporation d/b/a Republic Serivces of Phoenix ("Subsidiary"), and the Guaranteed Party are parties to that certain Solid Waste Services Agreement, dated as of January 15, 2019 (the "Agreement").

B. As an inducement to the Guaranteed Party to enter into the Agreement, Guarantor has agreed to guarantee the performance of Subsidiary's obligations under the Agreement.

In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## Agreement

1. Guaranty. Guarantor irrevocably and unconditionally guarantees to the Guaranteed Party the due and punctual performance of each obligation of Subsidiary contained in the Agreement in accordance with its terms and conditions. Guarantor agrees that if Subsidiary shall fail to perform any of its obligations under the Agreement when due in accordance with the terms of the Agreement, it shall, upon demand made by the Guaranteed Party, immediately perform the obligation, to the extent that such performance is required to be made or performed by Subsidiary. Notwithstanding anything to the contrary contained in this Guaranty, this Guaranty pertains only to those obligations owed by Subsidiary under the Agreement, and shall in no way alter or expand any obligation owing under the Agreement or diminish any defense available to Subsidiary under the Agreement. This Guaranty in no way alters the respective obligations, rights, defenses, setoffs, counterclaims, or privileges of the parties to the Agreement, all of which shall be equally available to Guarantor as to Subsidiary in the event the Guaranteed Party makes a claim under this Guaranty. The Guaranteed Party, however, may commence any action or proceeding based upon this Guaranty directly against Guarantor without making Subsidiary a party defendant in such action or proceeding and it shall not be necessary for the Guaranteed Party to bring any action or proceeding first against Subsidiary to recover from the Guarantor.

Guarantor agrees that the obligations of Guarantor pursuant to this Guaranty shall remain in full force and effect without regard to, and shall not be released, discharged or affected in any way by any of the following (whether or not Guarantor shall have any knowledge thereof):

(a) any termination, amendment, modification or other change in the Agreement;

(b) any failure, omission or delay on the part of Subsidiary, Guarantor, any or any other guarantor of Subsidiary's obligations to conform or comply with any term of the Agreement;

(c) any waiver, compromise, release, settlement or extension of time of performance or observance of any of the obligations or agreements contained in the Agreement;

(d) any dissolution of Guarantor or any voluntary or involuntary bankruptcy, insolvency, reorganization, arrangement, readjustment, assignment for the benefit of creditors, composition, receivership, liquidation, marshalling of assets and liabilities or similar events or proceedings with respect to Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations, as applicable, or any of their respective property or creditors, or any action taken by any trustee or receiver or by any court in any such proceeding;

(e) any merger or consolidation of Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations into or with any person, or any sale, lease or transfer of any of the assets of Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations to any other person; or

(f) any change in the ownership of the capital stock of Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations or any change in the relationship between Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations, or any termination of any such relationship.

2. Representations and Warranties. Guarantor represents and warrants to the Guaranteed Party that this Guaranty has been duly executed and delivered by Guarantor and constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

3. Miscellaneous

(a) Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of Arizona without reference to the choice of law principles thereof. Any legal action, suit or proceeding arising out of or relating to this Agreement shall be instituted exclusively in the state or federal courts of the State of Arizona.

(b) No Third Party Benefits. Nothing in this Guaranty is intended, and it shall not be construed, to confer any rights or benefits upon any person other than the Guaranteed Party and no other third party shall have any rights or remedies hereunder.

(c) Notices. All notices and other communications to Guarantor under this Guaranty shall be sufficiently given for all purposes hereunder if in writing and: (i) delivered personally; or (ii) sent by documented overnight delivery service, in each case, to the following:

Republic Services, Inc.
18500 North Allied Way
Phoenix, AZ 85054
Attn: General Counsel

or to such other address and/or to the attention of such other person as Guarantor may designate by written notice to the Guaranteed Party.

(d) Binding Effect; Assignment. This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that no party hereto may assign its rights or delegate its obligations under this Guaranty without the express written consent of the other party hereto.

(e) Headings. The headings contained in this Guaranty are inserted for convenience only and will not affect the meaning or interpretation of this Guaranty.

(f) Amendment; No Waiver. This Guaranty may not be modified or amended except by an instrument in writing signed by the party against whom enforcement of any such modification or amendment is sought. Any party hereto may, only by an instrument in writing, waive compliance by the other party hereto with any term or provision of this Guaranty. The waiver by any party hereto of a breach of any term or provision of this Guaranty shall not be construed as a waiver of any subsequent breach.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

Republic Services, Inc.

By: Nicole Giandinoto
Name: Nicole Giandinoto
Its: SVP Investor Relations and Treasurer