

APPENDIX B

SOLID WASTE SERVICES CONTRACT

For the Town of Vernon (LUG)

LUG Representative

Doug Salentine, W249 S8910 Center Drive, Big Bend WI 53103

**This sample contract is subject to Town legal review*

[Insert Name of Contractor] (“Contractor”)

Contractor Representative

[Insert name, address, phone #]

Contract Effective Date: January 1, 2016

TABLE OF CONTENTS

PART 1 – GENERAL TERMS AND CONDITIONS	3
ARTICLE 1 – DEFINITIONS AND INTERPRETATION.....	4
ARTICLE 2 – EXCLUSIVE CONTRACT	9
ARTICLE 3 – SERVICES PROVIDED	10
ARTICLE 4 – CONTRACTOR SERVICE FEE	18
ARTICLE 5 – COMPLIANCE WITH APPLICABLE LAW.....	21
ARTICLE 6 – RECORDS, REPORTING AND AUDITS	22
ARTICLE 7 – INDEMNITIES, INSURANCE, SURETY.....	26
ARTICLE 8 – BREACHES, DEFAULTS AND REMEDIES.....	31
ARTICLE 9 – SUSPENSION OR TERMINATION.....	39
ARTICLE 10 – TRANSFER OR ASSIGNMENT OF CONTRACT	43
ARTICLE 11 – INTERPRETATION OF CONTRACT	44
ARTICLE 12 – THE PARTIES.....	45
ARTICLE 13 – TERM OF CONTRACT	47
ARTICLE 14 – CHANGE IN SCOPE OF SERVICE	48
ARTICLE 15 - AMENDMENTS	50
ARTICLE 16 – NOTICES, CONSENTS, APPROVALS, ETC.....	50
ARTICLE 17 – EXECUTION OF CONTRACT	51
SCHEDULES	52
SCHEDULE 1 – CONTRACT SERVICES AND COST SUMMARY	53
SCHEDULE 2 – COLLECTION CONTRACT COMPLIANCE ITEMS RELATED TO RECYCLING CONTAINERS AND DELIVERY OF RECYCLABLES TO A DESIGNATED MRF	54
SCHEDULE 3 – CONTRACTOR FINANCIAL ASSURANCE.....	55

SCHEDULE 4 – CONTRACTOR EVIDENCE OF INSURANCE 56

SCHEDULE 5 – CONTRACTOR AFFIDAVIT CERTIFYING ACCESS TO SUFFICIENT
LANDFILL CAPACITY 57

SCHEDULE 6 – ANNUAL RATE ADJUSTMENT (CPI AND FUEL)..... 58

SCHEDULE 7 – SAMPLE MONTHLY INVOICE 61

SCHEDULE 8 – BULKY ITEM DIVERSION PROGRAM 62

SCHEDULE 9 – EMERGENCY BACK-UP COLLECTION SERVICE PLAN 63

SCHEDULE 10 – CUSTOMER COMPLAINT & BILLING DISPUTE RESOLUTION..... 64

SCHEDULE 11 – UNPERMITTED WASTE SCREENING PROTOCOL 65

SCHEDULE 12 – CONTRACTOR TRANSITION & CUSTOMER EDUCATION PLAN. 66

SCHEDULE 13 – ROUTE MAPS, SHEETS, AND CHANGE REQUESTS 67

SCHEDULE 14 – RECYCLING RECEPTACLES INVENTORY 68

SCHEDULE 15 – MONTHLY & ANNUAL REPORTS (SAMPLES)..... 69

SCHEDULE 16 – PROTOCOL FOR DELIVERY OF RECYCLABLES TO THE
DESIGNATED MRF 70

SCHEDULE 17 – VEHICLES, DRIVERS AND EQUIPMENT 71

THIS CONTRACT (“Contract”) is made and entered into this ____ day of _____, 2015, by and between the [Insert name of Local Unit of Government here] (hereinafter “LUG”) and [Insert name of Contractor here] (hereinafter “Contractor”).

PART 1. GENERAL TERMS AND CONDITIONS

RECITALS:

WHEREAS, the LUG recognizes that it is desirable that provisions be made for the regular and efficient Collection and Disposal of Solid Waste (including Refuse and Recyclables) within the legal boundary limits of the LUG; and

WHEREAS, the LUG desires that an independent Contractor be utilized to perform said Collection and Disposal services for properties within the legal boundary limits of the LUG and desires to enter into a Contract granting the Contractor the exclusive right to Collect the weekly generated Solid Waste materials from all single family and eligible multi-family Residential Customers within the LUG limits; and

WHEREAS, the LUG desires to reduce costs by minimizing the amount of Solid Waste being disposed in landfills, and increasing the amount of recyclable materials recovered within the LUG limits; and

WHEREAS, the LUG is the Responsible Unit for Recycling under Wisconsin Statutes § 287.09, must implement an “effective Recycling program” under Wisconsin Statutes § 287.11 for the benefit of it’s citizens, and has executed a public procurement process to obtain the services herein described; and

NOW, THEREFORE, in consideration of the premises set forth herein, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the parties agree as follows.

ARTICLE 1. DEFINITIONS AND INTERPETATION

1.01 INTERPRETATION

- A. **Plurality.** Words importing the singular number mean and include the plural number, and vice versa, unless the context demands otherwise.
- B. **Headings, Font.** Any caption or heading after the ATTACHMENT, EXHIBIT, ARTICLE, Section, lettered subsection, Arabic-numbered subsection or Roman-numbered subsection and numbered lists preceding the operative text of this Contract is for convenience of reference on and does in any way control or affect the scope, intent, meaning, construction, interpretation, or effect of this Contract.
- C. **Examples.** Examples are for purpose of illustration only. If any example is ambiguous or conflicts with the text that it illustrates, the text governs.

1.02 DEFINITIONS

Affiliate means a person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Contractor. For the purpose of this definition, “control” has the meaning provided in Rule 144 of the Securities Act of 1993.

Bulky Items means the following items generated at residential premises and discarded at residential Set-out Sites, with no one item exceeding 50 pounds in weight:

- furniture, including metal desks, mattresses and storage cabinets,
- tied rolls of carpeting meeting the following requirements:
 - not larger than 6 inches in diameter
 - no longer than 4 feet in length
- sinks, concrete laundry tubs, and cast iron plumbing fixtures,
- windows and doors,
- large toys,
- bicycles,
- dismantled swing sets,
- up to 5 securely tied bundles of lumber per Customer each month, meeting the following requirements:
 - not larger than 18 inches in diameter
 - no longer than 4 feet in length
 - free of nails or with nails bent over
 - from construction projects, including garages and sheds.
- lawn mowers and snow blowers with no gas or oil in them,
- any item (other than lumber) that can be cut or broken down meeting the following requirements: not longer than 6 feet in length.

Bulky Items does *not* mean any item weighing in excess of 50 pounds or any of the following:

- material generated at non-residential premises, including commercial business operations,
- Yard Waste and branches,
- sod, soil and stone,
- broken concrete and asphalt,
- brick, block, and stone,
- railroad ties or similar type of retaining wall timbers,
- remodeling debris, including shingles,
- animal waste,
- liquids, including paint,
- Hazardous Waste,
- fuel oil tanks,
- any automotive parts including vehicle batteries and tires.

Collect, Collection, Collecting or other form thereof means any or all Solid Waste pickup(s) made by Contractor as required by this Contract.

Contract Service Area means the land within the political boundaries of the LUG.

Contract Service Assets means all property, both tangible and intangible (such as facility leases or equipment installment purchase agreements), used directly or indirectly in performing Contract services, including vehicles, Receptacles, operation / maintenance equipment and facilities, and administrative/office equipment (such as computer hardware and software, telephones/telefax) and offices.

Contractor Documentation means all documents, papers or other which the Contractor is obligated to provide to the LUG.

Contractor Payment Obligations means amounts due and payable by Contractor to LUG, including liquidated damages, compensatory damages, as provided in this Contract.

Contractor Representative means the person named by Contractor and identified on the Contract Cover page and Section 16.01 to fulfill the requirements of Section 12.07(B).

Contractor's Related Parties means Contractor's employees, partners, officers, agents, subcontractors, attorneys, consultants, licensees, invitees, and Affiliates. Contractor's Related Parties are third party beneficiaries of provisions that reference them.

County means the County of Waukesha, WI.

Customer or **Customers** means a person for whom the LUG is arranging for Solid Waste Collection services from Contractor.

Designated MRF means the Material Recovery Facility located at [insert address here] where all collected recyclable material is delivered for processing and marketing.

Disposal or **Dispose** or other form thereof means final deposition or destruction of materials in accordance with this Contract.

Diversion or **Divert** means activities that reduce or eliminate the amount of Solid Waste from land Disposal.

Elderly or Handicapped means any Residential Customer who meets the following criteria:

- A. has handicapped status recognized by the Wisconsin Department of Motor Vehicles, or
- B. is over 65 years old as evidenced by birth date on driver's licenses, birth certificates, passports, green cards, or other documentation issued by a regulatory authority, and
- C. provides written representation that he or she is functionally unable to roll his or her refuse cart to the curb, and that there is no one else residing in that customer's premises who is functionally able to roll that refuse cart to the curb.

Goods or services means Contract Service Assets used to provide Contract services, including labor, leases and subleases, equipment, supplies, capital, insurance, bonds or other credit support if the provider is an Affiliate or under control of Contractor or any Affiliate; and legal, risk management, general and administrative services.

Hazardous Waste means any material or substance which, as of the Contract Date, and for the duration of this Contract (adopting any future changes in the statutory definitions of the following statutes or regulations or any newly promulgated statutes or regulations), and by reason of its composition or characteristics is (a) Hazardous Waste, substance or material as defined in the Solid Waste Disposal Act, 42 USC §6901 et seq., as amended, replaced or superseded, and the regulations implementing same; (b) material the Disposal of which is regulated by the Toxic Substances Control Act, 15 USC §2601, et seq., as amended, replaced or superseded, and the regulations implementing same; (c) special nuclear or by-products material within the meaning of the Atomic Energy Act of 1954; (d) Hazardous Waste substance or material as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §6901 et seq. as amended, replaced or superseded, and the regulations implementing same; or (e) treated as Hazardous Waste or substance or material under applicable federal, state, or local law.

Holidays means the following days:

- New Year's Day,
- Memorial Day,
- Independence Day,
- Labor Day,
- Thanksgiving Day, and
- Christmas Day.

LUG means Town of Vernon, and for purpose of Indemnities, LUG's Related Parties.

LUG Business Day means any day on which LUG administration office is open to do business with the public.

LUG Governing Body means the Vernon Town Board of the LUG.

LUG Representative means the person named by LUG as required by Section 16.01 and identified on the front page of this Contract.

LUG's Related Parties means LUG's officers, employees, agents, representatives, servants, assigns, volunteers and each and every one of them, which are third party beneficiaries of provisions in this Contract that reference them.

Own, Owner, or Ownership or other variation thereof has the meaning provided in the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the Contract Execution Date, except that

- A. 10% is substituted for 50% in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof;
- B. Section 318(a)(5)(C) is disregarded, and
- C. ownership interest of less than 10 percent is disregarded and percentage interests is determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

Performance Obligations means each and every obligation and liability of Contractor under this Contract.

Receptacle means any can, cart, bin, or other container (such as bags) for storing discarded Refuse or Recyclables.

Records means information relating to Contract services and other Performance Obligations, including documentation enumerated in Article 6, ledgers, books of account, invoices, vouchers, canceled checks, logs, correspondence, computations, files, plans, correspondence, reports, data, and photographs, and all information required by Wisconsin Administrative Codes NR § 502.06 (4)(g) and NR § 544.07.

Recyclables means ferrous metal cans (including steel and bi-metals), aluminum containers, glass, PET and HDPE bottles and containers (grades 1 and 7) , mixed plastics (grades 2, 4, 5), rigid plastics, aseptic and gable top containers, newsprint, phone books, corrugated paper, magazines and catalogs, office paper, junk mail, mixed residential paper (including boxboard), as amended from time to time by statute.

Recycle, Recycling, or recyclable means the process of Collecting, sorting, cleansing, treating, and reconstituting materials (including Recyclables) that would otherwise be Disposed of as Refuse and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the market place.

Refuse means Solid Waste comprised of rubbish, trash, and garbage, excluding Recyclables,

Yard Waste, and Bulky Items that are Diverted for reuse or Recycling.

Residential Customers means those in single-family dwelling units, owner occupied multi-family dwelling units and multi-family rental or leased dwelling units with 4 or less dwelling units per building who receive Solid Waste Collection service from the LUG under this Contract.

RFP means Request for Proposal, and all subsequent amendments, for Residential and Municipal Refuse, Recycling and Yard Waste Collection, released on July 15, 2015 by the LUG.

Set-out Site means the location where Customer must place Receptacles and Bulky Items for Collection, generally located near the back of the residence, near the garage, near other out buildings or for Bulky Items at the curb adjacent to the road edge.

Solid Waste means those items Collected by Contractor under this Contract in the Contract Service area, including:

- A. Refuse,
- B. Recyclables, and
- C. Bulky Items,
- D. and *excluding* Unpermitted Waste.

Solid Waste Management Facility means the following facilities, individual and together, as the context demands:

- A. Designated MRF,
- B. Refuse Disposal facility, and
- C. any transfer facility.

State means the State of Wisconsin.

State Tip Fee (also known as the Wisconsin Landfill Disposal Surcharge Fee) means the fee imposed on all Solid Waste disposed in Wisconsin landfills as defined in Wisconsin Statute § 287.645, and as of the date of the execution of this agreement is \$12.997 per ton.

Ton (or Tonnage) means 2,000 pounds.

Uncontrollable Circumstance(s) means any of the following events:

- A. any natural disaster such as landslide, lightning, earthquake, fire, flood, (other than reasonably anticipated weather conditions for the geographic area of LUG);
- B. sabotage, explosion;

- C. insurrection, riot or civil disturbance, war or other emergency affecting LUG declared by the President of the United States or Congress of the United States, the Governor of Wisconsin or the LUG Governing Body;
- D. failure of public agency or private utility to provide and maintain water, power, or service at Contractor's operations and maintenance yard or administrative offices;
- E. other catastrophic events beyond the reasonable control of that Party and not the result of willful or negligent action or inaction of that party (other than the contesting in good faith or the failure in good faith to contest that action or inaction), which materially and adversely affects the ability of either party to perform any obligation under this Contract despite that party's exercise of due diligence.

Unpermitted Waste means materials that cannot be Disposed of in landfill under applicable law of the state, including Hazardous Waste, Yard Waste, and major appliances. Major appliances means items banned from landfill Disposal under Wisconsin Statute § 287.07, including air conditioners, clothes washers and dryers, dishwashers, refrigerators, freezers, stoves, ovens, dehumidifiers, furnaces, boilers, water heaters, and microwave ovens (unless the capacitor has been removed).

ARTICLE 2. EXCLUSIVE CONTRACT

2.01 Exclusive Right and Privilege. The LUG hereby grants to Contractor the exclusive right and privilege, and Contractor hereby accepts the obligation to provide Recycling Receptacles and to Collect, transport, and Dispose all Solid Waste generated by Residential Customers within the legal boundary limits of the LUG as its legal limits may be modified from time to time by annexation during the term of this Contract. Customers can, however, contract with any licensed hauler for the collection, transportation, and disposal of materials not covered by this Contract. Contractor shall comply with the requirements of Schedule 2 in providing Recycling services.

2.02 Disposal Requirements.

- A. **Recyclables.** Contractor shall transport Recyclables to the Designated MRF for processing and marketing of material. Contractor shall not Dispose of any Recyclables anywhere else without prior LUG permission. Contractor shall comply with the Designated MRF delivery protocol.
- B. **Refuse.** Contractor shall Dispose of Refuse in a licensed facility. Proof that Contractor has access to a facility with sufficient capacity shall be attached as Schedule 5.

2.03 Comingling prohibited. Contractor shall not comingle Solid Waste from the LUG with Solid Waste from other municipalities.

2.04 Natural/Man-Made Disaster Collection Service

- A. **Nature of Emergency services.** Contractor shall have the first opportunity to provide emergency services beyond the scope of the contracted services, including providing

drivers, vehicles, and other equipment and personnel to cleanup Solid Waste and other debris resulting from natural disasters such as earthquakes, storms, tornadoes, floods, riots, and civil disturbances, for which Contractor shall be reimbursed by the LUG separately from this Contract. Within 24 hours of receipt of electronic notification from the LUG, followed as soon as practicable by written notice, Contractor shall propose a plan, including cost in writing. Should LUG accept Contractor's plan, Contractor shall commence implementing the approved plan as established under the accepted plan.

- B. **Reporting.** Should LUG accept Contractor's plan, Contractor shall cooperate with LUG, the State, and Federal officials in filing information related to a regional, state, or federal declared state of emergency or disaster as to which Contractor has provided services under this section.

ARTICLE 3. SERVICES PROVIDED

3.01 General.

- A. **Collection.** Contractor shall Collect Solid Waste from all Residential Customers within the LUG for Disposal or Recycling as appropriate and required by law and this Contract. Service provided shall be automated curbside pickup, as described in the RFP. Any service required by Residential Customers beyond what is provided in this Contract shall be arranged by the Residential Customer and the Contractor directly at the Residential Customer's sole cost.
- B. **Contractor Supplied Receptacles.** The Contractor shall provide one Receptacle for Recyclables to each Residential Customers, including new Customers during the term of the Contract, as specified herein on a lease basis. The cost of the Receptacle shall be charged to the LUG as a monthly fee on a per Receptacle basis. The Contractor shall deliver a new Recycling Receptacle to new households during the term of the Contract upon notice from the LUG.
- C. **Emergency Backup Service Plan.** Contractor shall have an emergency backup service plan which Contractor shall implement if, due to Uncontrollable Circumstances or for any reason whatsoever, Contractor fails, refuses, or is unable for a period of 48 hours to Collect and/or at any time to transport Solid Waste or debris, or any portion thereof to a licensed Disposal facility, and the LUG determines there is a danger to public health, safety, or welfare. The Emergency Backup Service Plan is located at Schedule 9.
- D. **Bulky Item Diversion.** Contractor shall Divert all Bulky Item materials that it Collects to appropriate Recycling outlets. Contractor shall transport and deliver Bulky Items and excess Refuse that cannot be Diverted to a Recycling facility to a licensed Disposal facility.

3.02 Solid Waste Collection

A. **Mandatory Residential Collection.** Beginning on the service commencement date, Contractor shall Collect all Refuse and Recyclables placed inside Receptacles at a Residential Set-out Site on the regularly scheduled Collection day for that Set-out Site.

1. **Bulky Items.** Contractor shall Collect Bulky Items curbside weekly on the Resident's regularly scheduled Collection day. Pick-up shall be initiated by Residential Customer or driver call in. Drivers must notify the dispatcher of Bulky Item discard they observe on routes. The Bulky Item truck driver must also pick up any other Bulky Items discarded at residential curbside set out that he or she observes on the Bulky Item route.
2. **Missed Pickups.** Absent Collection Service Exceptions, on the next service day following notice to Contractor, Contractor shall Collect, without charge, any Receptacle, and/or the contents therein or Bulky Items that the Contractor should have Collected, delivered, exchanged, or repaired but did not Collect, deliver, exchange, or repair. If Contractor does not provide a Contract service in a timely manner, the LUG may provide the Contract service itself or through a third party and Contractor shall reimburse the LUG's incremental costs thereof.
3. **Collection Service Exceptions.** Contractor is not obligated to Collect Solid Waste in the event of any Service Exception, but must complete and leave a non-Collection notice securely attached to a Receptacle at or near the Set-out Site.
 - i. In its next monthly report, Contractor shall inform LUG of each Customer to which Contractor gave a non-Collection notice.
 - ii. Collection Service Exceptions means the following:
 1. Solid Waste Not Properly Placed in Receptacles: other than any Bulky Item.
 2. Receptacles in Excess of Weight Limits: a Receptacle or bag (Collected manually) that weighs more than 50 pounds.
 3. Receptacle or Bulky Items Not Placed at Proper Set-out Site: a Receptacle not positioned at the Set-out Site, or a Bulky Item or excess Refuse is not discarded at the Set-out Site.
 4. Unsafe Condition: the Set-out Site is not safely accessible to vehicles or Contractor's employees.
 5. Unpermitted Waste or Unsafe Materials: Contractor observes Unpermitted Waste in a Receptacle or at the Set-out Site.
 6. Contamination of Recyclables: Contractor observes the following materials: Refuse or Yard Waste in a Recyclables Receptacle in amounts that, in the judgment of Contractor, will prevent processing or Diversion of Recyclables.

4. **Call Back Collection.** In the event a resident fails to set out Solid Waste or Bulky Items by 7:00 a.m. or fails to place them in an allowable location, the Residential Customer may request special Collection from the Contractor rather than wait for the next scheduled Collection. The Contractor shall bill this service directly to the Residential Customer and the Residential Customer shall remit payment for such service directly to the Contractor.

B. Service Days and Hours & Regular Schedule.

1. Contractor shall provide Collection to Residential Customers on the same day each week, except for Holidays. Contractor shall provide Collection scheduled for a Holiday on the weekday or Saturday immediately following the Holiday and all remaining Collection days in the week one day later than scheduled.
2. Contractor may not change a regularly scheduled Collection day without LUG approval except for severe and/or extreme weather events that prevent the Contractor from performing services, in which case any change in Collection days shall be approved by the LUG Representative. Approval for a permanent change shall be requested not less than 60 days prior to Contractor's proposed date of change. Approval may be given by the LUG's Representative. If approved, the Contractor shall notify each Customer of the change in that Customer's regularly scheduled Collection day in writing by first class mail at least 2 weeks prior to the change. Contractor is responsible for notifying Designated MRF of any route changes approved by the LUG.
3. Contractor shall not begin actual Collection before 7:00 a.m. nor continue after 6:00 p.m., unless authorized by the LUG Representative.

3.03 Customer Service.

- A. The Contractor shall provide a toll-free number, emergency number, answering service for after-hours emergencies and email access with trained Customer service representatives to resolve Customer issues. Contractor office hours for Customer service shall be 7:00 a.m. to 4:00 p.m., local time, Monday through Friday, Holidays excepted, and 8:00 a.m. to 12:00 noon, local time on those Saturdays when service is provided.
- B. **Complaints.** Contractor shall respond to all Customer inquiries and complaints, including any inquiry or complaint left with the telephone answering service, within 1 LUG Business Day following notice to Contractor and handle complaints substantially as required by the Customer complaint and billing dispute protocol attached Schedule 10.
- C. **No referral to LUG.** Contractor shall not refer or forward Customers to LUG for resolution of complaints or answers to inquiries unless Customer insists, in which event Contractor shall refer Customers to the LUG's Representative.

- D. **Employee Training.** Contractor shall train its Customer service employees to follow the Customer complaint and billing dispute protocol upon starting work and periodically thereafter.
- E. **Records.** Contractor shall maintain a daily electronic log of every inquiry and complaint received by Contractor, including: date and time of inquiry or complaint, inquirer's or complainant's name and address (if the individual is willing to give this information), description of the inquiry or complaint, date and description of response taken or the reason for non-response, and answer to inquiry or resolution of complaint.

3.04 Collection at Municipal Buildings and Designated Sites

- A. Beginning on the service commencement date, Contractor shall Collect all Refuse and Recyclables placed inside Receptacles at a Set-out Site located at municipal buildings or facilities in the service area as scheduled without charge to the LUG as found on Schedule 1. Contractor shall provide LUG with Receptacles in sufficient number and capacity to contain Refuse and Recyclables. Recyclables Collected from the various municipal service Receptacles are not required to be transported to the Designated MRF.
- B. Within the first year of the Contract term, Contractor shall conduct a Receptacle audit to assess whether the Receptacles are sufficient in the LUG to hold the volume of material being discarded. Contractor shall communicate findings of the audit to the LUG Representative, and propose appropriately sized Receptacles as necessary.

3.05 Receptacle Standards.

- A. **Size.** The standard size Receptacle for curbside pickup shall be 96-gallon containers for recycling and 96-gallon containers for refuse.
- B. **Warranty.** The Receptacle will be from a major U.S. manufacturer and shall carry a 10-year warranty from manufacturer defects. They must be made from high density plastics containing post-consumer recycled content and be recyclable. Minimum wall thickness for Receptacles must be .175 inches and Minimum Resin Weight (not assembled) 9.6 pounds.
- C. **Contractor contact information and Disposal prohibitions.** Contractor will affix to each Receptacle, by decal, stencil, or other means approved by the LUG, the following text
- Contractor's name and toll-free phone number,
 - Hazardous Waste Disposal prohibitions on the inside of the Receptacle lid in substantially the following form: "*State law prohibits Disposal of grass, leaves, and hazardous materials (such as batteries, paint, and motor oil) in your trash or Recycling. If these items are identified in, your Receptacles they will be tagged and not Collected. For safe and lawful Disposal options, call XXX.*"

- any Discard weight limitations.

Contractor may combine the text of these items in one or more decals placed inside the lid of the Receptacle or hot stamped on the Receptacle. Contractor will document any hot stamps in purchase orders to Receptacle manufacturers and provide those purchase orders in Contractor Documentation.

3.06 Maintenance and Delivery of Receptacles. The Contractor shall be responsible for the maintenance, repair, asset tracking, and delivery/retrieval of Receptacles to the Residential Customers by the date specified in the Transition Plan at Schedule 12. The Contractor shall repair or replace the Receptacle, upon receiving notice from the LUG's Representative, or Customer, of the need for repair, or if the Receptacle is identified as being unserviceable by the Contractor by the Customer's next regularly scheduled Collection day, without charge, unless there is proven Customer negligence.

3.07 Retrieval of Receptacles. Upon notice of Contract termination, Contractor shall retrieve all Recycling Receptacles within 15 LUG Business Days of the completion of the Contract scope of service.

3.08 Contract Service Standards:

- A. **General.** Contractor will perform all Contract services in a prompt, thorough, comprehensive, reliable, courteous, and professional manner so that Customers receive high-quality Contract service at all times. Contractor must perform Contract services regardless of weather conditions except as noted and regardless of difficulty of Collection, subject to Collection Service Exceptions and Uncontrollable Circumstances.
- B. **Inadvertent Collection and Delivery of Unpermitted Waste.** Contractor shall have an Unpermitted Waste Protocol, a copy of which shall be located at Schedule 11. If the Contractor Collects and delivers Unpermitted Waste in violation of the Unpermitted Waste Protocol, then Contractor shall be responsible for and shall pay the costs to identify and remove the Unpermitted Waste for proper disposal.
- C. **Litter and Leaks.**
 - 1. **Set-out Sites.** Contractor will clean up litter in the following places:
 - a) anywhere, if done by Contractor's employees (*for example when Collecting Receptacles at a Set-out Site*), and
 - b) Contractor will Notify Customer of all instances of repeated litter by that Customer and document each instance.
 - 2. **Transportation**

- a) **Litter.** Contractor will transport Solid Waste only in covered Collection vehicles. Contractor will prevent Solid Waste from escaping, dropping, spilling, blowing, or scattering from vehicles during Collection and transportation. Contractor will not transfer loads from one vehicle to another on any public street, unless necessitated by mechanical failure or accidental damage. Contractor will immediately clean up any Solid Waste that it spills or scatters, including Solid Waste tracked onto any alley, street, or public place when transporting Solid Waste.
- b) **Leaks.**
 - i. Contractor will prevent oil, hydraulic fluid, paint, or other liquid from leaking out of vehicles. Contractor will train its employees to, and its employees shall, immediately cover leaked fluids with absorbent materials, remove those materials from the ground, and apply cleaning agent to cleanse the soiled spot.
 - ii. Contractor will keep a log of spills that indicate the material spilled, quantity, and remedial actions taken. Contractor will immediately report any spills entering or endangering any waterway or storm drain.
3. **LUG Reimbursement Costs.** If Contractor fails to clean up Solid Waste or liquids within 2 hours after receiving notice from the LUG of the spill or leak, LUG may clean up the spill or leak. Upon the LUG's request, Contractor will reimburse LUG for LUG's reasonable costs of cleaning up the spill or leak.
4. **Vehicle equipment.** Contractor will equip each Collection vehicle with the following items for cleaning up litter and leaks:
 - a) broom,
 - b) rake,
 - c) shovel,
 - d) petroleum absorbent materials, and
 - e) cleaning agents.

D. Respect for Property

1. **Private Property.** Contractor will use due care collecting solid wastes under this contract, avoiding damage to private property. Within 2 LUG Business Days, upon receiving notice of any damage to Customer's property by phone or other medium, Contractor will determine whether or not the damage to Customer's property was caused by the inattention, carelessness, or negligence of Contractor's employees. If

Contractor determines that it was responsible for damage, within 5 LUG Business Days of making its determination, Contractor will reimburse Customer the Customer's reasonable and direct costs of repair or replacement of damaged property to the extent damaged by the Contractor. If Contractor determines that it was *not* responsible for damage, within 5 LUG business days of making its determination, Contractor will provide the Customer and LUG with reasons for its determination and documentation supporting that determination. If Contractor and Customer are unable to agree on the determination of responsibility for damages, the LUG may resolve the dispute at LUG's discretion.

2. **Receptacles.** Contractor will handle Receptacles with due care. Contractor will not throw or drop Receptacles from trucks or roughly handle, damage, or break them. Contractor will return Receptacles to within 5 feet of the location from where they were picked up by Contractor's employees, upright, with lid closed, without obstructing any passable driveway, sidewalk, or street.
3. **Pavement.** Contractor is responsible for damage to driving surfaces or other pavement (including curbs), other than ordinary wear and tear, if LUG or Customer can demonstrate the following to satisfaction of LUG:
 - a) that the damage is the result of Collection vehicles exceeding the legal maximum weight limits allowed under applicable law, or
 - b) Contractor negligently operated vehicles or moved Receptacles.

However, Contractor may secure a waiver of damage liability and/or Indemnity in a form satisfactory to LUG if Customer specifically directs Contractor to drive on private driveways or pavement in the course of providing Collection.

4. **Utilities.** Contractor is responsible for damage to public and private utilities and pavement, whether located on public streets or property or private property, when LUG or Customer can demonstrate to satisfaction of LUG that the damages are the result of the inattention, carelessness, or negligence of Contractor. LUG or Customer, as the case may be, may direct Contractor to as soon as practicable based on the nature of the damage, repair or replace the damaged pavement or utilities to satisfaction of Customer or LUG, as the case may be, or repair and replace them itself or through a third party. In that event, Contractor will reimburse Customer the Customer's reasonable and direct costs of repair or replacement and LUG its reimbursement costs of repair or replacement, as the case may be.

E. Vehicles and Drivers. Contractor's vehicles and Drivers shall comply with the requirements found at Schedule 18.

3.09 Title to Solid Waste. This Contract does not purport to grant Contractor ownership over Solid Waste. The right to possession or ownership of Solid Waste discarded at the Set-out Site for Collection, including Recyclables, will be determined as required by applicable law and not

as a result of this Contract.

3.10 Personnel.

- A. **Identification, Appearance, Conduct.** Contractor will train and require each of its personnel to:
1. present a neat, tidy and orderly appearance with uniforms preferred.
 2. conduct his or her self in a courteous manner.
 3. refrain from using loud or profane language.
 4. perform Collection as quietly as possible.
- B. **No Gratuities.** Contractor will not permit its personnel to demand or solicit, directly or indirectly, any additional compensation or gratuity from Customers or any members of the public.

3.11 Responsiveness to LUG.

- A. **Phone calls.** Contractor will return telephone calls from LUG to the individual who made that call no later than the next LUG business day.
- B. **Meetings.** Within one week of oral or written direction by LUG, Contractor will meet with the LUG during LUG office hours at the offices directed by that LUG.
1. **E-mails.** Contractor will respond to all e-mails from LUG within 48 hours of receipt *except* on weekends and Holidays.
 2. **Written correspondence.** Contractor will respond to written correspondence from LUG within one week of receipt or other time specified by LUG.

3.12 Cooperation with Waste Studies. Contractor will cooperate with LUG on all waste composition studies conducted no more frequently than once each Contract year, at no cost to LUG, including modification of routes, separate Collection of an individual Customer's Solid Waste, and delivering targeted loads of Solid Waste to a location or locations designated by the LUG.

3.13 Disposal of Solid Waste from Multi-family Properties Served by Dumpsters. Contractor shall Collect and Dispose of Solid Waste from multifamily properties served by dumpsters instead of containers at the rate established in Schedule 1 for each location. Contractor is encouraged to take Recyclables from these locations to the Designated MRF.

ARTICLE 4. CONTRACTOR SERVICE FEE

4.01 Contractor Service Fee. The LUG will compensate Contractor the Contractor service fee for providing Contract services in compliance with all Performance Obligations. The LUG shall pay Contractor as provided on Schedule 1, Items A.1, A.2, A.3.a. B.1.a., C.1-C.3, D.1 and Items 1-13. The monthly total charged for Collection and Receptacles shall reflect changes to the number of Residential Customers. The rate shall be adjusted annually as provided in this Article.

4.02 Inclusiveness. Contractor service fee includes all Contractor's direct costs, indirect costs, plus profit or return of investment for providing Contract services, including:

- A. labor (including wages and fringe benefits), including drivers, Customer service personnel, supervisors, and administrators,
- B. acquisition, repair, and maintenance of Contract Service Assets (including but not limited to vehicles, equipment, buildings and grounds, and Receptacles),
- C. tools and supplies,
- D. fuel and utilities,
- E. insurance premiums and fees for the letter of credit, performance bond or any further assurance of performance,
- F. taxes,
- G. securing and maintaining permits and complying with applicable law,
- H. fines and penalties for violation of permits or applicable law,
- I. following all Contractor established protocols,
- J. Contractor's negligence or misconduct,
- K. fees imposed by regulatory agencies, which are included in the Contract fee,
- L. fees charged by Solid Waste Management Facilities, such as State Tip Fee, also known as the Wisconsin Landfill Disposal Surcharge Fee, which is the fee imposed on all Solid Waste Disposed in Wisconsin landfills as defined in Wisconsin Statute § 287.645, and as of the date of the execution of this agreement is \$12.997 per Ton, and
- M. any other cost of providing Contract services not explicitly compensated by surcharge to Residential Customer or charge to the LUG.

Reference in this Contract to providing Contract services "without surcharge" or similar

language does not infer that absence of such reference elsewhere in this Contract means Contractor is entitled to compensation in addition to the Contractor service fee listed on the Contractor service fee schedule or explicit reference to reimbursement of direct costs or Contractor's reimbursement costs.

4.03 Annual Rate Adjustment. The actual annual rate adjustment will be calculated as described in § 4.04 below, but shall not exceed the maximum annual rate adjustment of three (3) percent (%) as provided by the Contractor's proposal. Should the published CPI be more than two (2) percent (%) greater than the Contractor's proposed maximum annual rate adjustment for eighteen (18) consecutive months, the Contractor can request an adjustment to the maximum annual rate adjustment. Only one adjustment to the maximum annual rate adjustment will be allowed during the term of the Contract.

4.04 Calculation of Annual Rate Adjustment. The method used to calculate the annual rate adjustment will depend whether the Contractor is utilizing a diesel-fueled fleet of trucks, or a compressed natural gas fueled (CNG) fleet. If during the term of the Contract, the Contractor converts his fleet fuel, the method of calculating the annual rate adjustment will be changed on August 1st of the year following the conversion.

A. Diesel Fueled Fleets.

The annual rate adjustment (ARA) will be a blended calculation comprised of the changes in the CPI and fuel cost indices over the prior year, and computed as follows:

$$\text{ARA} = ((\text{CPI} * \text{X}) + (\text{FPI} * \text{Y}))$$

Where:

CPI = Annual Consumer Price Index Adjustment

$$\text{CPI} = ((\text{CPI2} - \text{CPI1}) / \text{CPI1})$$

CPI1 = published CPI-U for the first half of the prior year

CPI2 = published CPI-U for the first half of the current year

CPI-U = Consumer Price Index for the Milwaukee-Racine Metro Area, All Items, All Urban Wage Earners and Clerical Workers, published by the US Department of Labor, Department of Labor Statistics. <http://www.bls.gov/ro5/cpimilw.htm>

FPI = Annual Fuel Adjustment - Diesel Fuel Only

FPI_d = Fuel Price Index for Diesel Fuel*

$$\text{FPI} = ((\text{FPI}_{d2} - \text{FPI}_{d1}) / \text{FPI}_{d1})$$

FPI_{d1} = average published monthly diesel price from July-June of prior year

FPI_{d2} = average published monthly diesel price from July-June of the most current 12 months.

*The FPI_d shall be based on the Diesel Fuel Price Index for Midwest (PADD 2) No. 2 Diesel Ultra Low Sulfur (0-15ppm) Retail Prices (Cents per Gallon) published indices, from the U.S. Department of Energy, Energy Information Administration. http://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r20_m.htm

B. Natural Gas Fueled Fleets. The annual rate adjustment will be the CPI.

C. Rounding.

1. **Calculations.** Calculations must be rounded up or down to the nearest 1/100th decimal place (*for example, 17.674 is rounded to 17.67; 17.678 is rounded to 17.68*). 5 must be rounded down (*for example, 101.965 to 101.96*).
2. **Dollars.** Adjustment in Contractor service fee must be rounded to nearest penny.

D. Effective date of Rate Adjustment Beginning August 1, 2017, Contractor's service fees will be adjusted annually based on changes in the Consumer Price Index (CPI) for the Milwaukee-Racine Metro Area (All Items = All Urban Wage Earners and Clerical Workers, published by the US Department of Labor, Department of Labor Statistics), and published fuel price indices over the prior year, using weighted percentages provided in Schedule 1.

E. Submission of Annual Rate Adjustment. Contractor will prepare a statement setting forth Contractor's detailed calculation of Contractor's requested annual rate adjustment in Contractor service fee using the computer spreadsheet described in Schedule 6, or other format prescribed by LUG and submit the same no later than August 15th.

F. Applicable Cost Components. The annual rate adjustment will apply only to that portion of the total fee associated with Collection, transportation, and Disposal of materials. The annual rate adjustment will not apply to the State Tipping Fee or monthly charges related to the provision of Receptacles.

4.05 Invoices.

A. Invoices shall be submitted by the Contractor for Service provided through the end of the month, on a form to be specified by the LUG. A sample invoice is provided in Schedule 7, which shall be subject to change, as determined by the LUG. The application for payment shall identify any changes to the scope of services, such as number of households, during the month.

B. The LUG's Representative will review invoices for payment and contact Contractor regarding discrepancies or errors. LUG will pay invoice 30 days from receipt except for any unresolved discrepancies or errors. LUG shall not pay invoice with a credit card and if so chooses, shall reimburse Contractor all transaction fees associated with transaction.

C. The LUG's Representative's approval of any invoice, shall constitute a representation to the LUG's Governing Body that the conditions precedent to the Contractor being entitled to payment as set forth herein have been fulfilled. The LUG may refuse to approve, in whole, or in part, a payment application, if, in his/her opinion, he/she is unable to make the representation to the LUG's Governing Body that all conditions

precedent to the Contractor being entitled to payment have been satisfied. The LUG's Representative may also refuse to approve any such payments, or, because of subsequently discovered evidence or the results of subsequent inspections or tests, nullify any previous approval of such payment, to such extent as may be necessary in his/her opinion to protect the LUG from loss because:

-the work is defective,

-claims have been filed or there is reasonable evidence indicating the possible filing thereof; or

-the Contract fee has been reduced because of a change, or modification, of the Performance Obligation.

- D. Any reimbursement due to the LUG, other than Liquidated or Compensatory Damages, shall be subtracted from the amount owed to Contractor when paying the invoice. The reason or purpose for the reimbursement shall be explained in writing by the LUG along with the LUG's payment.

ARTICLE 5. COMPLIANCE WITH APPLICABLE LAW

5.01 Compliance. Contractor shall comply with all applicable laws, including securing and maintaining all permits. No Performance Obligation may be construed to relieve Contractor of any obligations imposed by applicable law. Contractor will apply and pay for any permits at Contractor's sole cost. Contractor will show proof of permits and will demonstrate compliance with the terms and conditions of permits promptly at the request of LUG.

5.02 References. References in this Contract to particular provisions or requirements of applicable law may not be construed to limit Contractor's obligation to comply with all provisions of applicable law. Those references are intended to facilitate Contractor's satisfaction of its Performance Obligations and LUG's administration and specific enforcement of this Contract and may not be construed to constitute lack of obligation to comply with other provisions or requirements of applicable law not specifically referred to or cited in this Contract. If any provision of this Contract is more stringent than applicable law, Contractor will comply with that provision, unless preempted by that law.

5.03 Fines and Penalties. Contractor is solely liable for all fines and penalties that are imposed on Contractor or due to Contractor's actions, including fines and penalties that are the result of Contractor's violation of applicable law (including permits). Contractor will not seek reimbursement from LUG or any Customer for any fines or penalties.

5.04 LUG's Protection of Public Safety, Health, and Welfare. Contractor warrants and represents that it is fully acquainted with the provisions of the LUG Code. No provision in this Contract may be deemed to limit LUG's police power to take any action that LUG deems necessary or appropriate in its sole discretion to protect the public's safety, health, and welfare.

ARTICLE 6. RECORDS, REPORTING AND AUDITS

Contractor acknowledges LUG's right to review Records and receive reports, for the purposes of enforcing Customers' rights, evaluating Contractor's performance under and compliance with this Contract, exercising LUG's rights to perform, or cause a third person to perform, Contractor's Performance Obligations in certain events, such as defaults and Uncontrollable Circumstances; and determining and corroborating the amount of any Contractor Payment Obligation.

6.01 Records

- A. **Maintenance.** Contractor will keep accurate and complete Records. Contractor will grant access to those Records to any person duly authorized by LUG.
- B. **Preservation and Retention.** Contractor shall accurately preserve and retain Records for 7 years in accord with 19.21, Wis. Stats. Any Record which is still required to be retained at the termination of this Contract or any extension thereof, shall be turned over to the LUG at that time.
- C. **Response to Open Records Request.**
1. Pursuant to the requirements of §19.36 (3), Stats., that the LUG shall make available for inspection and copying under §19.35 (1), Stats., any record produced or collected under a Contract entered into by the authority with a person other than an authority to the same extent as if the record were maintained by the authority except for the inspection or copying of a record under § 19.35 (1) (am), Stat., the Contractor shall provide to LUG within 7 LUG Business Days any Record it requests so that the LUG can comply with an Open Records request.
 2. **Indemnification.** In addition to, and not to the prejudice or exclusion of anything under this Agreement or any documents incorporated by reference in this Agreement, Contractor will indemnify and save LUG harmless from, accept tender of defense of LUG, and pay to LUG, all liabilities and losses asserted against or imposed on the LUG or LUG Related Parties based on any of the following:
 - a. Contractor failing to provide LUG with requested Records upon LUG request, or
 - b. LUG failing to timely respond to a Records request due to Contractor's failure to timely provide Records under this Article.
- D. **LUG Custody.** If the LUG has reason to believe that records may be lost, discarded or destroyed for any reason, the LUG may require that Contractor give LUG custody of any or all Records related to this Contract.

E. LUG Inspection and Audit.

1. **Location.** Upon 3 LUG Business Days advance telephonic or written request by LUG, Contractor will provide copies of Records to LUG and its designees for inspection, review, or audit at the LUG's offices. If Contractor cannot provide the LUG with copies of Records within 3 LUG Business Days, Contractor will make those Records available to the LUG or its designees for inspection, review, or audit at Contractor's office during Contractor's office hours.

2. **Scope of inspection or audit.** LUG may do any or all of the following:

- a.) inspect and review Records at any time following notice under subdivision (1) above, or
- b.) audit Records once each Contract year,

including verification of any of the following:

- a.) any Contract fees,
- b.) Solid Waste Tonnage Collected, processed, Diverted, or Disposed,
- c.) Customer complaint logs, and
- d.) other Records that confirm compliance with Performance Obligations.

Upon request, Contractor will provide LUG or its designees with any additional information (such as primary Records supporting reports) relevant to this Contract within 5 LUG Business Days.

3. **LUG's Audit Reimbursement Costs.** The Contractor will reimburse the LUG the costs it incurs for conducting an audit in the following instances. For purposes of this paragraph, "discrepancy" means the difference between Records and the following:

- a) any amounts Contractor paid to the LUG or
- b) Tonnage or amounts of Solid Waste (by type) that Contractor reported to the LUG for a Contract year.
 - **Discrepancy 3% or more.** If the discrepancy is 3% or more, Contractor will pay LUG's reimbursement costs for the audit.
 - **Discrepancy less than 3% but more than 1%.** If the discrepancy is less than 3% but more than 1%, Contractor will pay ½ of LUG's reimbursement costs for the audit.
 - **Discrepancy 1% or less.** If the discrepancy is 1% or less, Contractor is not obligated to reimburse LUG's costs for the audit.

- c) In the case of a discrepancy, the LUG shall share the results of its audit with Contractor and the parties shall refund or reimburse the other for over/under charges in the next monthly invoice after the audit is complete and given to the Contractor.

F. **Updated Inventory.** Within 10 Days of LUG request, Contractor will update all or a portion of its inventory of Contract Service Assets included in Contractor Documentation to reflect acquisition or replacement of Contract Service Assets.

6.02 Service Materials Use by LUG. LUG may use without restriction the work product, whether computerized, written, printed, or photographic, that Contractor develops in connection with Contract services, including route plans, reports, and public education / community relations materials.

6.03 Reporting.

- A. **Monthly.** Contractor will deliver a complete monthly report to the LUG [and the County] in a single submission and in a form prescribed by the LUG no later than the 20th day of the following month, including, but not limited to the information required by Wisconsin Administrative Codes NR 502.06(4)(g) and NR 544.10(2)(d), utilizing the forms found at Schedule 15.
- B. **Annual.** Contractor will submit a complete Annual Report to the LUG [and the County] in a single submission and in form prescribed by the LUG no later than 45 days after the end of each year, including the information required by Wisconsin Administrative Code NR 544.10(2)(d), for the preceding Contract year utilizing the forms found at Schedule 15.
- C. **Additional Information.** Contractor will incorporate into future reports additional information as requested by the LUG.
- D. **LUG Reports.** Each month the LUG shall provide the Contractor the address for each new Residential Customer so that Contractor can deliver Recycling Receptacle to Customer by next Collection day. The LUG shall also notify the Contractor if there is a decrease in Residential Customers due to the termination of residential use.

6.04 Financial Records and Reports.

A. Maintenance of Records.

1. **Content.** Contractor will maintain accurate and complete financial Records of the following:

- a.) payments to LUG including Contractor Payment Obligations
- b.) costs and expenses associated with providing Contract services, whether by

Contractor or an Affiliate.

Contractor may maintain financial Records associated with Goods or services provided by an Affiliate in the office of the Affiliate but will provide LUG with a copy of those Records within 10 LUG Business Days of LUG request.

2. **Form.** Contractor will maintain its financial Records on an accrual basis and as required by generally accepted accounting principles.

B. Contractor's audited financial statements.

1. **Contractor's annual submission.** Together with the annual report, Contractor will deliver to LUG 1 copy of Contractor's most recent audited financial statements, including the following:

- a.) any accompanying statement or opinion by the accountant who prepared them respecting that accountant's audit,
- b.) representation and warranty of a knowledgeable financial officer of Contractor that the information is accurate and complete and does not contain any material misstatements or omissions, and
- c.) representation and warranty of a knowledgeable officer of Contractor that there is no then existing breach other than any disclosed breaches.

- C. **Review and meet.** LUG and its designees may review the accountant's audit plan and work papers. Contractor and its accountant(s) will meet with LUG and its designees, to answer questions or discuss differences of opinion within two (2) weeks of LUG's request.

6.05. RIGHT TO INSPECT AND AUDIT OPERATIONS

The LUG reserves the right to inspect and/or audit all Contractors operations, vehicles, equipment and routes related to the performance of this Contract. Such inspections shall only be undertaken by LUG to assure that the Contractor is complying with the terms of the Contract, applicable law, and applying best efforts to attain the goals of this Contract as stated in the Request for Proposal. For any inspection of the Contractors' facilities, the LUG will provide five (5) LUG Business Days notice.

6.06 Customers' Privacy.

A. Protection of Customer privacy.

1. **Non-Disclosure.** Contractor will not disclose to any person other than the LUG or its designee any information identifying the following:

- a) an individual Customer, or

- b) the composition or contents of a Customer's Solid Waste,
unless
 - a) upon the authority of a law or order or request of a regulatory or government entity, or
 - b) pursuant to written authorization of the Customer or the LUG.
- 2. **No marketing.** Contractor will not market or distribute mailing lists with the name or address of Customers.
- B. **Cooperation with LUG.** Subsection (1) may not be construed to preclude Contractor from doing any of the following:
 - 1. preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses that may be required by the LUG or applicable law,
 - 2. assisting LUG to meet the requirements of the recycling program and applicable law,
 - 3. keeping Records,
 - 4. providing the LUG with a copy of Records or discussing those Records with the LUG,
 - 5. allowing the LUG to review or audit Records, or
 - 6. making reports.

ARTICLE 7. INDEMNITIES, INSURANCE, SURETY

7.01 Insurance

- A. **Coverage Requirements.** Without limiting its Indemnities, Contractor will secure and maintain insurance coverage meeting the requirements in this section. The LUG, its boards, commissions, agencies, officers, employees and representatives must be named as additional insured with respects to the coverage and so stated on the certificate of insurance for all policies.
 - i. Worker's Compensation and Employer' Liability insurance – Statutory worker's compensation benefits and employers' liability insurance with a limit of liability not less than \$100,000 each accident. Contractor shall require subcontractors not protected under its insurance to take out and maintain such insurance.

- ii. Commercial General Liability insurance– Policy shall provide coverage for premises and operations, products and completed operations, personal injury and blanket Contractual coverage. Limits of liability are not less than \$1,000,000 per occurrence and aggregate. No claims-made policies will be accepted.
- iii. Automobile Liability insurance – Business automobile policy covering all owned, hired and non-owned private passenger autos and commercial vehicles. Limit of liability not less than \$1,000,000 combined single limit. Policy shall be issued with a Symbol 1.
- iv. Umbrella Liability insurance – Coverage to be in excess of employers’ liability, commercial general liability and automobile liability insurance required above. Limits of liability not less than \$5,000,000 each occurrence, \$5,000,000 aggregate.

B. Insurer qualifications. Contractor will secure insurance provided by an insurer meeting the following qualifications:

1. is acceptable to the LUG,
2. is an admitted company in Wisconsin,
3. has a size category of VII or larger by A.M. Best Company, Inc., and
4. has a rating of A or better by A.M. Best Company, Inc.

C. Insurance Coverage Requirements for Subcontractors. Contractor will ensure each subcontractor performing Collection by providing evidence that either:

1. Contractor is maintaining insurance required by this section covering the activities of the subcontractor, or
2. the subcontractor is maintaining that insurance itself.

D. Evidence of Coverage. Contractor will provide endorsements, schedules, and other evidence of coverage as listed below with respect to Contractor and any subcontractor requested by and acceptable to the LUG, at the following times:

- a. on or before the Contract execution date,
- b. within two weeks upon renewal of policies, and
- c. within 10 LUG Business Days of the LUG’s request.

- a) **Certificates of insurance.** Contractor will provide certificates (or other evidence of coverage) containing at a minimum, the following information with respect to Contractor and any subcontractor:
- (1) **Contract name:** explicitly identifying this Contract (for example, UNDER DESCRIPTION OF OPERATIONS), and if necessary to secure Contractual liability coverage as an “insured Contract” or otherwise, including a schedule or endorsement that specifically identifies this Contract;
 - (2) **Types, policy numbers, policy effective / expiration dates and limits:** explicitly reference each type and corresponding limit of coverage required under this Contract, together with the following:
 - policy numbers,
 - effective / expiration dates, and
 - The certificate of insurance must specifically reference the required type of coverage (such as “pollution liability” under TYPE OF INSURANCE – OTHER) together with a summary description of its coverage (such as “pollution conditions caused by transported cargo” under SPECIAL PROVISIONS);
 - (3) **30 days’ cancellation or non-renewal notice:** containing the express condition that LUG must be given written notice by mail at least 30 days in advance of cancellation or non-renewal for all policies evidenced on the certificate of insurance. Certificate of insurance cannot contain mere "best effort" modifiers or relieve the insurer from its responsibility to give that notice and the CANCELLATION information on the certificate of insurance must delete language such as “failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents, or representatives”.
 - (4) **Deductibles and self-insured retentions:** identifying any deductible and self-insured retention. Upon LUG request, Contractor will reduce any self-insured retention as it applies to any LUG or provide a letter of credit, certificate of deposit, or other financial assurance acceptable to LUG guaranteeing payment of all retained losses and related costs and expenses related to investigations, claims administrations, and legal defense. The letter of credit or certificate of deposit must be provided by a bank satisfactory to LUG; and
- b) **Endorsements:** Contractor must provide copies of the following endorsements applicable to all policies except workers compensation and employer’s liability with respect to Contractor and any subcontractor satisfactory to the LUG:
- (1) additional insured endorsement to each liability policy, explicitly adding LUG’s Related Parties as additional insured;

(2) waiver of subrogation;

(3) insurance is primary and not contributory with any other insurance or self-insurance programs maintained by LUG and its officers and employees;

(4) providing dedicated limits under a liability policy in favor of LUG.

c) **Schedules:** Contractor must provide schedules or other evidence that liability policies of Contractor and any subcontractor provide Contractual liability coverage for indemnities, such as listing this Contract as an “insured Contract.”

d) **Signature verification.** At LUG’s request, Contractor must provide documentation verifying that the individual signing or countersigning the certificates, policies, endorsements, or other evidence of coverage of Contractor and any subcontractor is authorized to do so and identifies his or her company affiliation and title. The LUG may require complete, certified copies of Contractor's insurance policies at any time.

C. **Notice of claims.** If any Person makes a claim against Contractor or any subcontractor relating to the provision of services under this Contract exceeding the amount of any deductibles or self-insured retentions, Contractor will notify the LUG of the claim within 5 LUG Business Days.

7.02 Contractor Indemnity, Defense, and Release

A. **Liabilities and Losses** means liabilities; lawsuits; claims; complaints; causes of action; citations; investigations; demands; clean-up orders; damages (*including* actual, special, consequential, and punitive) whether in Contract or in tort, such as natural resource, property, and personal injury damages; costs and expenses, *including* (1) all costs and expenses of litigation, mediation or arbitration, attorney’s fees (whether LUG’s or Contractor’s staff attorneys or outside attorneys), expert witness fees, accountant’s fees, engineer’s fees, consultant’s fees, and court costs, and (2) response remediation and removal costs; losses; debts; liens; mediation, arbitration, legal, or administrative proceedings; interest; fines, charges, and penalties; and other detriments of every nature and description, whether under state or federal law.

B. **General.** To the extent allowable under applicable law, Contractor shall indemnify, defend with counsel approved by the LUG, release, and hold harmless LUG and LUG’s Related Parties from and against all liabilities and losses paid, incurred, or suffered by, or asserted against, LUG or LUG’s Related Parties, but *only* to the extent that those liabilities and losses are caused by the following:

1. **Contractor Negligence or Misconduct.** The wrongful, willful, or negligent act, error or omission, or the misconduct of Contractor;

2. **Non-Customer Materials.** The Collection, transporting, delivery, Recycling, processing, composting, Disposal, or other handling by Contractor of Solid Waste and Unpermitted Waste that Contractor Collects outside the Contract Service Area or from persons other than Customers;
3. **Failure to Comply with Unpermitted Waste Screening Protocol.** The failure of Contractor to train its employees as required by applicable law and the Unpermitted Waste screening protocol;
- d. **Contractor-identified Unpermitted Waste.** The improper or negligent Collection, handling, delivery, processing, Recycling, composting, or Disposal by Contractor of Unpermitted Waste that Contractor inadvertently Collects but that Contractor identifies as Unpermitted Waste before its delivery, processing, Recycling, composting, or Disposal.

LUG acknowledges that the mere presence of Hazardous Waste in Solid Waste will not constitute negligence or in and of itself create any liability on the part of Contractor absent any of the circumstances described in items (1) through (4) of this subsection.

- C. **LUG Negligence Excluded.** Contractor is not required to reimburse or indemnify LUG to the extent any liabilities or losses are due to the negligence of LUG with respect to Contract services.
- D. **Indemnity During Term Only.** Contractor's Indemnity is limited to liabilities and losses resulting from Contract services provided by Contractor from the Contract execution date through the termination date. However, CONTRACTOR'S OBLIGATIONS UNDER THIS SECTION WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS CONTRACT
- E. **Statutory Agreement.** Contractor's Indemnity described under this section is intended to operate as an agreement under 42 U.S.C. Section 9607(e) and any corresponding applicable law provisions of Wisconsin, to insure, release, protect, hold harmless, and indemnify LUG from liabilities and losses as required by this section. *(for example, a driver accepting a Customer bribe and illegally disposing of Unpermitted Waste that upon identification thereof, must be segregated and transported as required by applicable law).*
- F. **Reimbursement of Enforcement Costs.** If Contractor fails to pay any indemnities and that failure results in any costs to LUG, within 15 LUG Business Days of LUG request, Contractor will reimburse the LUG for those costs.

7.03 Surety Instrument. Contractor will provide for either a) the issuance of an irrevocable standby Letter of Credit by a bank approved by the LUG in its sole discretion, for the benefit of LUG, or b) a performance bond (Bond) from an insurance company licensed to transact business in the State of Wisconsin. The surety instrument must authorize the beneficiary LUG to draw, in one or more drawings, not less than 12 months of the estimated service costs of the LUG. LUG

may draw on the surety as evidenced to the satisfaction of the LUG when there is a default as in §8.02.

The surety instrument must expire on the date on which the Bank or insurance receives a certificate from the LUG saying that:

- A. this Contract has expired, or
- B. this Contract has been terminated for a period of 180 days or other preference period provided under applicable law with respect to bankruptcy or insolvency, or
- C. Contractor has substituted an alternative letter of credit, performance bond, or other security document acceptable to the LUG in the LUG's sole discretion, and
- D. Contractor does not owe LUG any money.

THIS SECTION WILL SURVIVE THE TERMINATION OF THIS CONTRACT. The surety instrument must be transferable to any successor or assigns of the LUG.

7.04 Assurance of Performance. In its sole discretion and in addition to all other remedies it may have, LUG may demand from Contractor reasonable assurances of full satisfaction of Performance Obligations by a specified date, in any or all of the following events:

- A. **Labor unrest:** Contractor is the subject of any labor unrest (including work stoppage or slowdown, sick-out, picketing, lock-out, or other concerted job action) in excess of 6 days;
- B. **Monetary judgments:** Contractor is the subject of fines, penalties, or civil or criminal judgment or order entered by a regulatory authority, which judgment is in excess of the past 12 months' Contractor service fees or requires estimated expenditure by Contractor in excess of those 12 months' Contractor service fees.

ARTICLE 8. BREACHES, DEFAULTS AND REMEDIES

Contractor acknowledges that LUG may enforce this Contract and exercise its remedies under this Contract in its sole discretion.

8.01 Certain Breaches, Liquidated Damages, and Specific Compensatory Damages

- A. **Notice.** If LUG determines that Contractor is in breach, LUG may assess compensatory damages or liquidated damages after giving notice to Contractor identifying and describing the breach. Contractor will pay damages within 20 days of receiving the notice of assessment.
- B. **Dispute.** Contractor may dispute the assessment of compensatory damages or liquidated damages by notice to LUG within 20 days of receiving the notice of assessment, but will pay assessed compensatory damages or liquidated damages pending resolution of its

dispute. In that notice of dispute, Contractor must describe the basis for its dispute and include relevant documentation. The chief administrative officer of LUG or his or her designee will review the notice of dispute and make a determination as soon as practicable. His or her determination will be final. If he or she determines that the LUG should not have assessed all or a portion of the compensatory damages or liquidated damages, the LUG will return all or a portion of the compensatory damages or liquidated damages to Contractor. Contractor acknowledges that compensatory damages and liquidated damages do not constitute fines and penalties imposed by LUG as a governmental or regulatory entity, but as a Contracting party.

8.02 Defaults. Each of the following acts or omissions described in this Section constitutes a default under this Contract:

A. Contract Service Defaults:

1. **Uncured Breach:** Contractor breaches this Contract; and
 - a) the LUG notifies Contractor that an identified breach has occurred; and
 - b) Contractor does not correct that breach within 20 days of receiving the LUG's notice.

If Contractor believes that it cannot cure the breach within 20 days, Contractor

- a) may notify the LUG within 5 days of receiving the LUG's notice, explaining why Contractor believes it needs additional time to effectuate a cure and proposing schedule for cure, and
- b) will diligently proceed to cure the breach within that schedule.

The LUG, in its sole discretion, may take any of the following acts:

- a) accept Contractor's proposed schedule of cure, or
 - b) make a written demand that Contractor cure the breach within an alternative time period set by the LUG, or
 - c) exercise any remedies under this Contract, including terminating this Contract at the end of the 20 day period.
2. **Repeated Breach.** Contractor repeatedly or habitually breaches this Contract, as determined in the sole discretion of the LUG.
 3. **Contract Service Failures**
 - a) Contractor fails to Collect the following percent of pickups (regularly scheduled

or by appointment) at Customers' Set-out Sites (subject to Collection Service Exceptions):

(1) 10% or more for more than 7 consecutive days,

(2) 5% or more during a 12-month period; LUG does not have to wait until the end of the 12-month period to declare this Default, or

4. **Failure to Comply With Law:**

a) **Violation**

(1) Contractor does not cure any violation of applicable law to the satisfaction of the LUG or applicable regulatory authority within 30 days of the notice, assessment, or determination of that violation of applicable law; or

(2) **Repeated.** Contractor repeatedly, in judgment of LUG, receives a notice, assessment, or determination of the same or different violation of applicable law.

b) **Contests.** If Contractor is entitled to contest, and in good faith does contest a notice, assessment, or determination of violation of applicable law, no default will be deemed to have occurred until a final decision adverse to Contractor is entered.

5. **Criminal Activity:** Contractor fails to effectuate cures or to timely terminate and/or replace any Contractor Representative under Section 8.02.

6. **Failure to Timely Pay Contractor Payment Obligation:** Contractor fails to pay any Contractor Payment Obligation within 15 days of the date it is due and payable.

7. **Failure to Allow LUG to Perform Contract Service:** Contractor fails to timely allow LUG to exercise any of LUG's rights in connection with performing Contract services under § 8.09.

B. **Performance Assurance Defaults**

1. **Failure to Provide Performance Assurance:** Contractor fails to provide any performance assurance.

2. **Seizure, Attachment:** Any Contract Service Asset is seized, attached, or levied upon (other than a pre-judgment attachment) so as to substantially impair Contractor's ability to timely and fully perform Contract services, and which cannot be released, bonded, or otherwise lifted within 48 hours, excepting weekends and holidays.

3. **Insolvency, Bankruptcy, Liquidation:**

a) Contractor:

- (1) files a voluntary claim for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, *unless* Contractor retains full control of Contract Service Assets throughout the pendency of that claim, or
- (2) consents to the appointment of or taking of possession by a receiver, liquidator, assignee (other than as a part of a transfer of Contract Service Assets no longer used to provide Contract services), trustee (other than as security of an obligation under a deed of trust), custodian, sequestration, administrator (or similar official) of Contractor for any part of Contractor's operating assets, or any substantial part of Contractor's property, or
- (3) makes any general assignment for the benefit of Contractor's creditors, or
- (4) fails general to pay Contractor's debts as they become due, or
- (5) takes any action in furtherance of any of the foregoing.

b) Court Ordered:

- (1) a court having jurisdiction enters a decree or order for relief in respect of this Contract, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or
 - (2) Contractor consents to or fails to oppose any similar proceeding, or
5. (3) any court having jurisdiction enters a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator, administrator (or similar official) of Contractor or for any part of Contractor's operating equipment or assets, or orders the winding up or liquidation of the affairs of Contractor. **Transfer**: Contractor makes a Transfer without LUG consent required by § 10.02.
6. **Subcontract**: Contractor engages a subcontractor or enters into a subcontract without LUG knowledge and consent and does not terminate that subcontract within 15 LUG business days of LUG notice.

C. False Representations; Breach of Warranties.

1. **Under this Contract.**

- a) Contractor makes a **representation or certification** in or under this Contract, which Contractor knows, or in the course of diligently conducting business and providing Contract services should have known, is untrue on the date Contractor made it.

- b) Contractor breaches a warranty under this Contract.
2. **As inducement to enter into this Contract.** Contractor makes a representation or fails to make a disclosure, whether within this Contract or otherwise, to LUG in connection with or as a material inducement to entering into this Contract or any future amendment to this Contract, which representation or failed disclosure is false or misleading in any material respect when made.

8.03 Breaches and Defaults Excused

A. **Uncontrollable Circumstance/prevention and mitigation.** To the extent that the default is due to an Uncontrollable Circumstance, Contractor will not be deemed in default for breach of its Performance Obligations under the following sections:

1. Section 8.02(A)(1) and (2) (uncured breach; repeated breach), except to the extent that a breach constitutes a default otherwise itemized in Section 8.02, or
2. Section 8.02(A)(3) (contract service failures)

if Contractor exerted the following best efforts:

1. to prevent the breach, and
2. to mitigate the effects of the Uncontrollable Circumstance.

For example, if Contractor breaches the Contract by failing to provide insurance, which breach constitutes a specific default under Section 8.02B, that breach is not excused by an Uncontrollable Circumstance.

B. **Contractor notice of Uncontrollable Circumstance.** Contractor will give immediate notice of an Uncontrollable Circumstance to the LUG, including:

1. Describing the breach for which Contractor seeks to be excused;
2. the expected duration of the Uncontrollable Circumstance;
3. the extent to which Contractor may curtail Contract services;
4. any requests or suggestions to mitigate the adverse effects of the Uncontrollable Circumstance.

C. **LUG's Rights.**

1. **Perform Contract services.** Notwithstanding that a breach due to Uncontrollable Circumstances does not constitute a default, after the continuance of the breach for 48

hours LUG may nevertheless, in its sole discretion, perform Contract services in the Contract Service Area itself as allowed by § 8.09.

2. **Exercise other remedies.** After the continuance of any breach for 30 days, LUG may, in its sole discretion, exercise any other remedy under this Contract, including suspending or terminating this Contract as provided in § 9.01.

8.04 Remedies

- A. **As provided by law.** Either party may exercise any and all remedies available under law or equity for the other party's breach of this Contract. A party's exercise of any one remedy, including LUG's assessing liquidated damages, is not an election of remedies but is cumulative with any other available remedies.
- B. **LUG's additional remedies.** In addition to exercising any remedy available under law or equity, upon occurrence of a default, LUG, in its sole discretion, may exercise any or all of the following additional remedies:
 1. **Terminate** this Contract or any portion of Performance Obligations as authorized by § 9.01(A);
 2. **Suspend** this Contract or any portion of Performance Obligations as authorized by § 9.01(B);
 3. **Perform Contract services** as allowed by § 8.09;
 4. **Injunctive Relief / Damages** seek to obtain injunctive relief and/or damages;
 5. **Damages:** assess liquidated damages, compensatory damages and any other damages under law, and
 6. **Financial Assurances:** drawing on the Letter of Credit or Bond, demanding payment under indemnities, or submitting claims under insurance.
- D. **Contractor Payment Obligations.** LUG may Collect Contractor Payment Obligations due and owing by Contractor to LUG by any or all of the following means:
 1. demanding payment from Contractor,
 2. drawing on the Letter of Credit or Bond if Contractor fails to pay an undisputed Payment Obligations within 15 days after notice from the LUG,
 3. submitting claims as an additional insured under insurance policies or under Contractual liability provisions of insurance policies, and

- E. **Dispute Resolution.** The Parties available legal remedies notwithstanding, the Parties agree to participate in good faith to resolve any dispute, claim or controversy arising out of or relating to this Contract. If the dispute, claim or controversy is not resolved by negotiation, the Parties may agree to participate in mediation in good faith prior to exercising legal remedies. The Parties shall share equally in the cost of mediation.

8.05 Additional Compensatory Damages. Without limiting the LUG's rights to seek compensatory damages under § 8.01 or law, LUG may seek the following compensatory damages:

- A. Amounts equal to any Contractor Payment Obligations or other amounts that Contractor has previously paid to LUG but are subsequently recovered from that LUG by a trustee in bankruptcy as preferential payments or otherwise;
- B. If LUG terminates this Contract for default, that LUG's reimbursement costs to provide or re-procure services in lieu of Contract services; and
- C. If LUG terminates this Contract for default, LUG's projected direct costs of replacing services in excess of Contractor service compensation for the balance of the term remaining if this Contract had not been terminated, as based on service fees under replacement agreements for those services.

THIS SECTION WILL SURVIVE THE TERMINATION OF THIS CONTRACT FOR 180 DAYS OR OTHER PREFERENCE PERIOD PROVIDED UNDER APPLICABLE LAW WITH RESPECT TO BANKRUPTCY OR INSOLVENCY. LUG may draw upon the Letter of Credit, Bond, or any other available performance assurance to pay compensatory damages.

8.06 Waivers

- A. **Waiver of Breach.** No waiver of any breach or default constitutes a waiver of any other breach or default. Failure of LUG to enforce any provision of this Contract may not be construed as a waiver of LUG's enforcement rights. LUG's subsequent acceptance of any damages or other money paid by Contractor may not be deemed to be a waiver by LUG of any pre-existing or concurrent breach or default.

8.07 Jurisdiction; Venue, Costs

- A. **Jurisdiction.** Parties will bring any lawsuit arising out of this Contract in Wisconsin State courts, which will have exclusive jurisdiction over those lawsuits.
- B. **Venue.** Venue is made in and will be performed in courts sitting in Waukesha, WI, to the extent permitted by Applicable law.

8.08 Enforcement Costs. Contractor will reimburse LUG upon request for either or both of the following LUG's reimbursement costs:

- A. investigating any alleged breach, when such investigation concludes that Contractor was in breach, when appropriate in LUG's judgment, or
- B. incurred by LUG as a consequence of a breach.

8.09 LUG Right to Perform

- A. **Events.** LUG may perform, or provide for the performance of, any or all Performance Obligations such as Collection, transportation, and delivery of Solid Waste to the Disposal facility upon the occurrence of either of the following events determined by the LUG in its sole discretion:
 - 1. **Failure to Collect for 48 hours:** Contractor, due to Uncontrollable Circumstances or for any reason whatsoever, fails, refuses, or is unable to Collect any Solid Waste and transport it to the Disposal facility or the designated Recyclables drop-off site, for a period of 48 hours after the Collection was required under this Contract, and the LUG determines in its sole discretion that there is a danger to the public health, safety, or welfare; or
 - 2. **Suspension or termination of Contract:** LUG suspends or terminates all or a portion of this Contract.
- B. **Continuation.** LUG has no obligation to continue performing or providing for the performance of any or all Performance Obligations and may at any time, in its sole discretion, cease to provide any or all Performance Obligation. However, LUG's right to perform or provide for the performance of any or all Performance Obligations will continue until either of the following:
 - 1. **Resumption of Service:** Contractor can demonstrate to the LUG's satisfaction that Contractor is ready, willing, and able to resume timely and full performance of all Performance Obligations, or
 - 2. **Alternative service arrangements:** LUG can make alternative arrangements for providing services, in its judgment comparable to Contract services in scope and price, which may include Contracting with another service provider.
- C. **Notice.** The LUG may give Contractor 24 hour oral notice that LUG is exercising any or all of LUG's rights under this Section. The oral notice will be effective immediately, but within another 24 hours, LUG must confirm that oral notice with written notice.
- E. **Records.** At the LUG request, Contractor will immediately provide the LUG or its designees with immediate access to Contractor's office at any time LUG it is exercising its rights under this section with respect to those Records related to routing and Customers' frequency and level of Contract Service.

8.10 Liquidated Damages: Acknowledgement, Agreement and Confirmation.

Termination of this Contract for default and other remedies provided in this Contract are, at best, a means of future correction and not remedies that make LUG whole for past breaches therefore, the following liquated damages are available to the LUG.

	Performance Standard	Monetary Penalty
1	Failure to respond to Customers' complaint(s) within the specified time frame	\$25 per occurrence per day
2	Reporting unresolved complaints as resolved	\$100 per occurrence
3	Chronic service failures - three (3) or more instances of the same or similar problem at the same service address within any ninety (90) day period.	\$150 upon the 3rd occurrence; \$50 per occurrence thereafter
4	Commingling of Refuse, program Recyclables, Yard Waste, or any other materials, unless approved by the LUG's Representative	\$1,000 per occurrence. LUG also reserves the right to recover excess State Tipping Fee if a chronic pattern of commingling is established.
5	Failure to deliver any Recycling Collected to the Designated MRF	\$1,000 per occurrence; repeat occurrences may also result in termination of agreement.
6	Failure to clean spillage or leakage (oil, hydraulic fluid, Solid Waste, Recyclables, etc.) immediately or within 2 hours of LUG notification.	\$250 per occurrence in addition to reimbursement §3.08.C.
7	Failure to repair or replace a Recycling Receptacle within three (3) days of notification of disrepair	\$100 per occurrence
8	Failure to provide a Recycling Receptacle to a new account within 5 LUG Business Days of notification	\$100 per occurrence
9	Failure to submit reports within required timeframes	\$100 per day

8.11 Compensatory Damages. If Contractor fails to deliver Recyclables to the Designated MRF as required by §2.02, then in addition to assessing liquidated damages, LUG may in its sole discretion assess the following compensatory damages, and Contractor will pay LUG the following compensatory damages:

- A. LUG's reimbursement cost of enforcing or securing specific performance of Contractor's delivery obligation.
- B. LUG's reimbursement cost of State Tipping Fee.

ARTICLE 9. SUSPENSION OR TERMINATION

9.01 LUG Right to Suspend or Terminate

A. **Termination Events.** LUG may, in its sole discretion, terminate this Contract in whole or in part, in the following termination events:

1. **Default**: the occurrence of a default;
2. **Uncontrollable Circumstances**: the occurrence and continuance of an Uncontrollable Circumstance under § 8.03(C);

B. **Suspension Events.** LUG may in its sole discretion suspend this Contract, in whole in or in part, upon the occurrence of any Termination Event for no longer than 30 days. During the suspension period Contractor will have the opportunity to demonstrate to the satisfaction of LUG that Contractor can once again fully perform Contract services. If Contractor so demonstrates to satisfaction of LUG in its sole discretion, LUG's right to suspend or terminate this Contract will cease and Contractor may resume providing Contract services. If Contractor does not so demonstrate, LUG may terminate this Contract and exercise its additional rights and remedies.

C. **Notice.** LUG will give Contractor a notice of termination or suspension effective at the following times:

1. immediately or upon other period stated by LUG with respect to the following defaults described in Section 7.02:
 - a) insurance), and
 - b) insolvency, bankruptcy, liquidation, to the extent permitted by applicable law (*insolvency, bankruptcy, liquidation*), or
2. upon Contractor's receipt of notice with respect to any of the following all other defaults, *unless* LUG specifies an alternative date in the notice;
3. a date LUG specifies in the notice.

D. **Suspension, Termination of a Portion of Performance Obligations: Reduction in Fee.** If LUG suspends a portion of this Contract or terminates some but not all Performance Obligations, Contractor will continue to fully perform its obligations under the remaining portions of this Contract which are not suspended or terminated, and the parties will mutually agree upon an adjustment to the Contractor service fee to reflect actual reductions in Performance Obligations.

9.015 Contractor's Right to Suspend or Terminate. Contractor may, in its sole discretion, terminate this Contract in whole or in part, if the LUG fails to provide payment for services under Article 4 for 3 or more consecutive months.

9.0155 General Suspension or Termination Events. Either party may request termination or suspension if the parties fail to agree on adjustments to Contractor service fee due to changes in law as provided in § 14.02 (D).

9.02 Criminal Activity

A. In this section the following terms are defined as follows:

Criminal Activity means any of the following:

- A. fraud or criminal felony offenses in connection with obtaining, attempting to obtain, procuring, or performing a public or private agreement related to Recyclables, Yard Waste, Refuse, construction and demolition debris, garbage, Refuse or any other Solid Waste, or MSW management services of any kind (including Collection, hauling, transfer, processing, composting, or Disposal), including this Contract ;
- B. bribery or attempting to bribe a public officer or employee of a regulatory authority; or
- C. embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification or destruction of Records, obstruction of justice, knowingly receiving stolen property, theft, or misprision (failure to disclose) of a felony; or
- D. unlawful Disposal of hazardous, designated, or other waste; or
- E. violation of the following:
 - 1. securities or antitrust laws (such as laws relating to price-fixing, bid-rigging, and sales and market allocation), and
 - 2. unfair and anti-competitive trade practice laws, including with respect to inflation of waste Collection, hauling, or Disposal fees.

Position of Influence means a position of authority or responsibility to directly or indirectly administer, manage, direct, supervise, or oversee Contract services or this Contract, including the following:

- A. supplying Goods or services,
- B. serving as a member of the governing body of directors of Contractor or an Affiliate,
- C. serving as an officer of Contractor or an Affiliate,
- D. reviewing or negotiating Contractor's Contracts (including this Contract),
- E. providing in-house legal services,

- F. providing captive insurance or other performance assurance or security, and
- G. providing Collection, Recycling, processing or Refuse Disposal, but
excluding the following:
 - A. monitoring Contractor's performance,
 - B. supervising Contractor's finance and capital budget decisions, and
 - C. articulating general policies and procedures not related to Criminal Activity.
- B. **Notice.** Contractor will immediately give notice to the LUG of either of the following with respect to Contractor or any Contractor Representative:
 - 1. conviction of a Criminal Activity or
 - 2. plea of "guilty", *nolo contendere* or "no contest" to a Criminal Activity.Contractor will promptly notify the LUG of any of those convictions or pleas with respect to a Contractor Representative in a position of influence.
- C. **Cure.** Upon the occurrence of any conviction or plea, Contractor immediately will do or cause to be done both of the following:
 - 1. terminate from present employment or remove from present office the offending Contractor Representative who is an individual, or, with respect to a Contractor Representative that is Contractor or an Affiliate, the individual or individuals responsible for the Criminal Activity, unless otherwise directed or ordered by a court or regulatory authority of competent jurisdiction and/or authority, and unless termination would subject Contractor, an Affiliate or any of its Contractor Representatives to substantial liability for breach of any labor agreement entered into before this Contract execution date, and
 - 2. refrain from employing or appointing that Contractor Representative who is an individual or, with respect to a Contractor Representative that is Contractor or Affiliates, the individual or individuals responsible for the Criminal Activity, from any other position of influence.
- D. **LUG remedies.** Upon the occurrence of either of the following events:
 - 1. Contractor or any Affiliate fails to effectuate the cure described in § 9.02(C), or
 - 2. the Criminal Activity is related to this Contract or occurs within the boundaries of LUG (incorporated or unincorporated),

LUG may take any or all of the following actions:

- a) suspend or terminate this Contract, or
- b) impose other sanctions (which may include financial sanctions and any other condition the LUG deems appropriate, short of suspension or termination) as it deems proper.

E. **Limitations on Contractor Representative.** No Contractor Representative may have previously:

1. been convicted of a Criminal Activity, or
2. plead “guilty”, “*nolo contendere*” or “no contest” to a Criminal Activity.

ARTICLE 10. TRANSFER OR ASSIGNMENT OF CONTRACT

10.01 LUG Transfer. LUG may transfer this Contract to any of the following persons without Contractor’s consent to a sanitation district, other joint power authority or other public entity succeeding to the major portion of LUG’s Solid Waste management rights and obligations.

10.02 Contractor Transfer.

A. In this subsection, the term **Transfer** means any of the following:

1. selling, exchanging, or otherwise transferring ownership or control of Contractor (through sale, exchange, or other transfer of outstanding stock, partnership shares, equity interest, or otherwise) except to an Affiliate;
2. issuing new stock or selling, exchanging, or otherwise transferring 20% or more of the then outstanding common stock of, or partnership shares or equity interest in, Contractor, except to an Affiliate;
3. any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, buy-out, or other transaction which results in a change of ownership or control of Contractor except to an Affiliate if pursuant to an internal corporate reorganization;
4. insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment of an execution, being levied against Contractor, appointment of a receiver taking possession of any of Contractor’s tangible or intangible property;
5. any sale or other transfer of 50% or more of the value of assets of Contractor *except* for sales or transfers to, an Affiliate, parents, grandparents, siblings, children, and grandchildren of persons having a shareholder, partnership or other equity interest in Contractor on the Contract execution date (“**Immediate Family**”) or trust created primarily to benefit members of the immediate family;

6. assumption of any of Contractor's rights under this Contract, or assumption by, delegation to, or takeover of any Performance Obligations or any other Contractor's duties or responsibilities under this Contract by any person other than Contractor (except to an Affiliate), whether by subcontract (unless approved by LUG under § 10.01) or any other mechanism.
- B. Contractor acknowledges that Contractor submitted evidence to LUG with respect to Contractor's experience, expertise, and qualifications to provide Contract services, and that Contractor's experience, expertise, and qualifications were material considerations of LUG in entering into this Contract with Contractor. Therefore, Contractor shall not without LUG consent, given in LUG's sole discretion, Transfer in whole or in part, voluntarily or involuntarily, any of the following:
- a) this Contract,
 - b) any rights or duties in this Contract or under the Contract,
- Contractor may not circumvent LUG's consent rights by securing goods or Contract services from a subcontractor.
- C. **Contractor request.** Without obligating LUG to give consent, Contractor will demonstrate to LUG's satisfaction that the proposed transferee has the operational and financial ability to satisfy Performance Obligations. LUG is not obligated to consider any proposed Transfer by Contractor if Contractor is in breach at any time during LUG's consideration.
- D. **Novation.** If LUG consents to Transfer of this Contract, it will execute a novation under which the person which is the transferee Contractor assumes all of the rights and Performance Obligations of the transferor Contractor.

ARTICLE 11. INTERPRETATION OF CONTRACT

11.01 Specifics no limitation on generalities. The mention of any specific duty or liability imposed upon Contractor may not be construed as a limitation or restriction of any general liability or duty imposed upon Contractor by this Contract or applicable law.

11.02 Integration. This Contract contains the entire agreement between the parties with respect to their rights and obligations under this Contract except as provided below, there are no Contracts or understandings between these Parties other than those written or specified in this Contract. The entire agreement of the Parties with respect to the transactions contemplated herein is contained in the documents listed below. The documents listed below are incorporated into and together comprise all terms of this Contract:

- (a) This Contract and all Schedules attached;
- (b) The Request for Proposal (RFP) including amendments thereto.

In the event of any conflict in any of the terms of the foregoing, the order of priority of such terms shall be in descending order of the above list.

11.03 Governing Law. This Contract is governed by, and construed and enforced as required by, the applicable laws of the State of Wisconsin.

11.04 Severability. If any clause, sentence, provision, subsection, section, or article of this Contract or exhibit or attachment to this Contract is ruled unconstitutional, illegal, invalid, non-binding, or unenforceable by any court of competent jurisdiction, then the parties will take the following actions:

- A. promptly meet and negotiate a substitute for the Contract provision and any related amendments, deletions, or additions to other provisions of this Contract which together effect the parties' original intent to the greatest extent allowable under applicable law; and
- B. if necessary or desirable to accomplish preceding item (1), apply to the court that declared said invalidity for a judicial construction of the substituted Contract provision and any amendments, deletions, or additions to this Contract.

The unconstitutionality, illegality, invalidity, non-binding nature, or unenforceability of any Contract provision will not affect any of the remaining provisions of this Contract. This Contract will be construed and enforced as if the Contract provision did not exist to the extent possible.

However, if any Contract provision with respect to LUG's direction to deliver Recyclables to the Designated MRF site is ruled unconstitutional, illegal, invalid, non-binding, or unenforceable by any court of competent jurisdiction, then LUG in its sole discretion may either sever that Contract provision and construe and enforce this Contract as required by this section or Terminate all or a portion of this Contract. Contractor agrees that it will not challenge the constitutionality, legality, validity, enforceability or binding nature of Contractor's obligation to deliver Recyclables to the Designated MRF.

11.05 Interpretation. This Contract must be interpreted and construed reasonably and neither for nor against either Party, regardless of the degree to which either party participated in its drafting. Contractor acknowledges that it determined to provide Contract services in LUG and execute this Contract upon its own choice and initiative and that it had the opportunity to submit comments, recommend changes, and take exception to the proposed provisions of this Contract during the procurement process. Each party represents and warrants that it has reviewed this Contract and has either commented upon this Contract or had the opportunity to do so, with advice of its attorneys. No provision in this Contract may be construed against LUG solely because the County assisted the LUG in preparing the form of this Contract.

ARTICLE 12. THE PARTIES

12.01. The Parties agree and the Contractor acknowledges as follows:

- A. Contractor will have the exclusive control over the manner and means of performing

Contract Service and over all persons performing Contract Service, except for LUG's right to change the scope of Contract service as described in Article 14.

- B. Contractor is solely responsible for the acts and omissions of its officers, employees, Contractors, subcontractors, and agents, none of whom is deemed to be an officer, agent, servant, or employee of LUG.
- C. Nothing in this Contract may be construed as creating an arrangement for handling Unpermitted Waste.
- D. Contractor bears the sole responsibility and liability for furnishing workers' compensation and all other benefits required by law to any individual for injuries arising from or connected with Contract services performed on behalf of Contractor under this Contract.
- E. Contractor's actions and Performance Obligations include reference to any subcontractor's actions under this Contract, as applicable, without specifying in each instance that Contractor must directly take those actions itself, or cause its subcontractors to take those actions on Contractor's behalf.

12.02 Parties in Interest – LUG. Nothing in this Contract, whether express or implied, is intended to confer any rights on anyone other than the parties and the parties' respective representatives, successors, and permitted assigns. LUG's Related Parties are third party beneficiaries of provisions in this Contract that reference them.

12.03 Binding on Successors. The provisions of this Contract will inure to the benefit of and be binding on the successors and permitted assigns of the parties.

12.04 Further Assurances. Each party agrees to execute and deliver any instruments and to perform any acts as may be necessary or reasonably requested by the other to give full effect to this Contract, including Contractor Documentation.

12.05 Actions of LUG in Its Governmental Capacity. Nothing in this Contract may be interpreted as limiting the rights and obligations of LUG in its governmental or regulatory capacity.

12.06 Contractor's Obligations Performed at Its Sole Expense. Contractor will perform Contract services solely for the compensation expressly provided for in this Contract.

12.07 Parties Representatives

- A. **LUG.** The LUG Representative is identified on the cover page of this Contract and at § 16.01
- B. **Contractor Representative.** Contractor Representative is named on the cover page of this Contract, at § 16.01 and in Contractor Documentation. Contractor Representative must have at least 5 years' experience in Solid Waste and Recycling Collection services

before being named Contractor Representative. Contractor Representative is authorized to act on behalf of Contractor in the satisfaction of all Performance Obligations and exercise of Contractor's rights and options under this Contract.

12.08 Due Diligence. Contractor acknowledges each of the following:

- A. services, including Contract Service, are highly regulated under applicable law,
- B. LUG may be subject to statutory fines, or withholding of funds, for failure to achieve mandated Diversion levels, and
- C. waste management is a public health and safety concern.

Contractor agrees that it will exercise due diligence in performing Contract Service.

12.09 No Use of LUG Name. Contractor will not do business as or use a corporate, partnership, venture, or other formal name, containing the name of LUG or implying government ownership.

12.10 Subcontractors.

- A. **Goods or services related to Collection, transportation, processing, or Diversion of Solid Waste.** Contractor shall not engage any subcontractor without LUG's prior approval of the subcontractor. Any subcontract entered into without LUG's approval of the subcontractor is a default. An approved subcontractor cannot Contract for the performance of its duties or obligations to the Contractor. Any such sub-subcontracting will be considered a default.
- B. **Contractor responsibility.** Contractor is solely responsible for directing the work of subcontractors and paying subcontractors' compensation.
- C. **Removal.** LUG may require Contractor to remove any approved subcontractor.

ARTICLE 13. TERM OF CONTRACT

13.01 Commencement and Expiration.

- A. **Contract execution date and expiration of term.** The Term for this Contract commences on January 1, 2016 and expires on December 31, 2018.
- B. **LUG options to extend term.** On or before 60 days prior to the expiration of the original term under subsection (A), LUG, may extend the term with three (2) two-year renewable options.

13.02 Survival of Certain Provisions. The following provisions of this Contract will survive the term:

- A. all acknowledgements, representations, and warranties of the parties in this Contract,
- B. all indemnities,
- C. **Contractor Payment Obligations** or claims therefore,
- D. all Contractor's Performance Obligations and LUG's rights with respect to Records, including the following:
 - 1. giving LUG a copy of Records, or allowing LUG to copy, inspect, and audit Records, including:
 - a) information with respect to Refuse Disposal and Solid Waste Management Facilities (*such as Disposed Tons of Solid Waste*),
 - b) certificates of insurance or other evidence of insurance coverage, and
 - c) Contract Service Asset inventory and Contract Service Asset documentation.
- E. All Contractor's Performance Obligations and LUG's rights with respect to reports; including submitting final reports.
- F. Any other provision of this Contract that expressly states that it survives termination.
- G. Any right of either party vested and any obligation of either parties accrued before the termination date.

After the termination date, Contractor has no other Performance Obligations or rights under this Contract.

13.03 Contractor's Obligations Upon Expiration or Termination: OBLIGATIONS IN THIS SECTION SURVIVE THE EXPIRATION OR TERMINATION OF THIS CONTRACT. If Contractor is not awarded an agreement to continue to provide MSW management services to LUG after the expiration or termination of this Contract, prior to and after that expiration or termination, Contractor will cooperate fully with LUG and the succeeding Contractor(s), licensee(s), permittee(s) or other person(s) providing services to assure a smooth, efficient, orderly, timely, and effective transition of and delivery of MSW management services to LUG's residential Customers, including providing LUG with Records as required under Article 6 upon request, in the format specified by LUG.

ARTICLE 14. CHANGE IN SCOPE OF SERVICE

14.01 Change in Performance Obligations

- A. **At LUG direction.** LUG may direct Contractor to implement a change of Performance Obligations, including Contract service specifications or Contract service standards, in

the Contract Service Area following request for, submission of, and review of Contractor's proposal under Section 14.02. Contractor will submit its proposal within 15 LUG Business Days of receiving LUG's request for proposal (or a longer period that LUG may designate in light of the complexity or magnitude of the directed change).

B. Upon Contractor Proposal. Contractor may propose to LUG a change in the scope of Contract services under Section 14.02, such as the following:

1. new developments in Collection technologies that would improve Contract Service efficiency and reduce the Contractor service fee, pollution, or environmental impact;
2. a program that would increase Diversion; and
3. changes in operations necessitated by a change in law.

14.02 Review and Comment

A. Proposal contents. In its proposal, Contractor must describe its detailed plan for implementing the requested or proposed change, including the following:

1. a task list and time-line implementation schedule,
2. Goods or services (including any subcontractor) necessary to implement the change, and
3. any change in Contractor service fee and cost substantiation therefore, including Contractor's changes in direct costs (taking into account both incremental direct costs and savings offsets) such as:
 - a) modifying vehicle(s);
 - b) adding Receptacle(s), vehicle(s) or routes;
 - c) shortening or extending route time;
 - d) laying off or supplementing labor; and
 - e) increasing transportation distance or time to a Solid Waste Management Facility.

Contractor will include documentation supporting its proposal satisfactory to the LUG.

B. LUG may withdraw the request for proposal at any time, for any reason, including receipt of a proposal from Contractor unsatisfactory to the LUG.

C. Offer. Contractor's proposal will be deemed Contractor's offer to LUG to implement the requested or proposed change. Contractor's proposal will remain binding for 60 days from the date submitted to the LUG.

D. Failure to agree.

1. **LUG-directed change.** If the parties cannot reach agreement on a proposal directed by the LUG, the LUG may implement the change itself or through another Person
2. **Contractor-initiated proposal *Changes in Law*.** If the parties cannot reach agreement on a proposal initiated by Contractor the proposal is deemed rejected and this Contract will not be amended except that if parties cannot reach agreement on a proposal initiated by Contractor due to a change in law, then Contractor may request binding dispute resolution..

ARTICLE 15. AMENDMENTS

15.01 Amendments

Any amendments to this Contract must be by written agreement of the Parties.

ARTICLE 16. NOTICES, CONSENTS, APPROVALS, ETC.

16.01 Notices, etc. notices must be given to the LUG at the following addresses:

LUG: Town of Vernon W249 S8910 Center Drive Big Bend WI, 53103 clerk@townofvernon.org 262-662-3510	Contractor: [insert name, address, phone, email, and FAX]
---	--

The notice may be provided in one or more of the following forms:

- A. by Email or facsimile;
- B. by personal delivery to a Contractor or LUG representative as the case may be;
- C. by deposit in the United States mail first class postage prepaid (certified mail, return receipt requested); or,
- D. by commercial delivery service providing delivery verification.

notice by LUG to Contractor of a missed pick-up or a Customer problem or complaint may be given to Contractor orally by telephone at Contractor's local office with written confirmation sent to Contractor promptly after the oral notification.

Parties must notify the other of a change of their address.

16.02 Writing Requirements. All notices, reports, demands, requests, directions, selections, option exercises, orders, proposals, reviews, comments, acknowledgments, approvals, agreements, consents, waivers, certifications, and other communications made under this Contract must be in writing, unless oral communication is explicitly authorized.

16.03 Exercise of Options. Parties will exercise any approval, disapproval, consent, acceptance, option, discretion, election, opinion, or choice under this Contract, make a requirement under this Contract, or interpret this Contract (“Discretionary Action”) reasonably. Recognizing the essential public health and safety protections this Contract serves, where this Contract specifically provides that the exercise of any “Discretionary Action” is in either party’s independent, sole, exclusive, or absolute discretion, control, or judgment, the other party will not question or challenge the other party’s exercise thereof. Parties will nevertheless exercise their rights and remedies in good faith as required by applicable law.

ARTICLE 17. EXECUTION OF CONTRACT

17.01 Execution in Counterparts. This Contract may be signed in any number of original counterparts. All counterparts will constitute but one and the same Contract.

17.02 Authority to Execute.

- A. **LUG.** LUG warrants that its officers listed below have been duly authorized to execute this Contract on its behalf.
- B. **Contractor.** Contractor warrants that the individuals listed below have been duly authorized to execute this Contract on its behalf.

<p>LUG- Town of Vernon</p> <p>Date: _____</p> <p>_____</p> <p>[Thomas G. Bird, Town Chairman]</p> <p>Attest:</p> <p>_____</p> <p>[Karen L. Schuh Town Clerk</p>	<p>[Name of Contractor]:</p> <p>Date: _____</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Attest:</p> <p>_____</p> <p>Name: _____</p> <p>Title: _____</p>
--	---

SCHEDULES

Contract Documentation Checklist.

	RFP REFERENCE
<input type="checkbox"/> Schedule 1: Contract Services And Cost Summary	Form 1A & IX
<input type="checkbox"/> Schedule 2: Collection Contract Compliance Items Related To Recycling Containers and Delivery of Recyclables to the Designated MRF	
<input type="checkbox"/> Schedule 3: Contractor Financial Assurance	XIII
<input type="checkbox"/> Schedule 4: Contractor Evidence Of Insurance	XIV
<input type="checkbox"/> Schedule 5: Contractor Affidavit Certifying Access To Sufficient Landfill Capacity	XVI
<input type="checkbox"/> Schedule 6: Annual Rate Adjustment (CPI And Fuel)	IX
<input type="checkbox"/> Schedule 7: Sample Monthly Invoice	
<input type="checkbox"/> Schedule 8: Bulky Item Diversion Program	VII.m.vi.
<input type="checkbox"/> Schedule 9: Emergency Back-Up Collection Service Plan	VII.j.
<input type="checkbox"/> Schedule 10: Customer Complaint & Billing Dispute Resolution Protocol	VII.k.
<input type="checkbox"/> Schedule 11: Unpermitted Waste Screening Protocol	VII.m.v.
<input type="checkbox"/> Schedule 12: Contractor Transition & Customer Education Plan	VII.a.i.ii.
<input type="checkbox"/> Schedule 13: Route Maps, Sheets, And Change Requests	VII.f.
<input type="checkbox"/> Schedule 14: Recycling Receptacles Inventory	VII.a.,g.
<input type="checkbox"/> Schedule 15: Monthly & Annual Reports (Samples)	VII.r.
<input type="checkbox"/> Schedule 16: Delivery Protocol For Designated MRF	
<input type="checkbox"/> Schedule 17: Vehicles, Drivers And Equipment	VII.s.

SCHEDULE 1

CONTRACT SERVICES AND COST SUMMARY (Excel File Provided)

[Insert table provided with all final negotiated pricing from Form 1A of the RFP. Include a schedule of costs for on-call bulk items (Schedule 1a), a schedule of emergency service costs (1b), and any other agreed services and pricing.]

SAMPLE

SCHEDULE 2

COLLECTION CONTRACT COMPLIANCE ITEMS RELATED TO RECYCLING CONTAINERS AND DELIVERY OF RECYCLABLES TO A DESIGNATED MRF

The Contractor shall comply with the provisions below, [these may vary based on the results the RFP, including the Designated MRF].

A. Recycling Container Provisions

1. Recycling Container Standards. All Recycling containers shall be for single sort Recycling and shall meet LUG standards for in-mold educational labeling, identifying recyclable and non-recyclable/hazardous materials. All containers shall have a 10-year warranty.
2. Distribution and Use of Recycling Containers. Contractor shall, by the dates specified in this Contract, distribute Recycling containers to each household/unit served under this Contract. Contractor shall ensure these containers are only used for Recycling. Contractor shall notify any non-complying household/unit at the time non-compliance is observed, and shall track and report a summary of non-compliance to the LUG monthly.
3. Distribution of Educational Materials. Contractor shall attach educational materials to the top of each Recycling container upon delivery of the containers, as noted above. [The educational materials may be provided to the Contractor by the County at no cost to the Contractor.]
4. Contractor Report on Containers. Contractor shall provide the LUG an annual report by February 1 each year on the number and size(s) of Recycling containers used within the LUG.

B. Direct Haul Provisions

1. Direct Haul. Contractor shall deliver all recyclable materials Collected under this Contract to the Designated MRF.
2. Delivery Protocol. Contractor shall comply with the delivery protocol of the Designated MRF and coordinate delivery times to maximize efficiencies at the truck scale and tip floor and minimize traffic back-ups.
3. Record Keeping and Reports. Contractor shall keep Records and provide all requested data and reports to the County as needed to administer recycling grants and maintain compliance with applicable state or local codes, program rules, and the protocol for delivery of Recyclables to the Designated MRF. This includes, but is not limited to, providing up-to-date information on haul routes, Collection days and times, and vehicles used to Collect Recyclables.
4. Alternate Processing. In the event the Designated MRF is unable to accept Recyclables, the Contractor shall deliver recyclable materials to an alternate location for a designated time, as directed by the LUG. [Note: Any additional transportation and processing costs will be covered by separate Contract.]

SCHEDULE 3

CONTRACTOR FINANCIAL ASSURANCES

[Insert Letter of Credit (LOC) or Performance Bond as required in Section 7.03 of this Contract]

SAMPLE

SCHEDULE 4

CONTRACTOR EVIDENCE OF INSURANCE

[Insert certification as required in Section 7.01 of this Contract]

SAMPLE

SCHEDULE 5

**CONTRACTOR AFFIDAVIT CERTIFYING ACCESS TO SUFFICIENT LANDFILL
CAPACITY**

[Insert certification as required in Section XVI in RFP]

SAMPLE

SCHEDULE 6

ANNUAL RATE ADJUSTMENT (Excel File Provided)

This Schedule provides the Contractor and LUG detailed instructions to utilize the Excel file, provided with this contract, ARA calculations based on Article 4 of this Contract.

ANNUAL RATE ADJUSTMENTS FOR DIESEL FUELED FLEETS

Sample Annual Fee Adjustment Calculations												
TABLE 1												
Annual Rate Adjustment Calculation - Diesel Fuel Fleet												
Current Service Fee for Bulky Item Collection (\$/HH/mo.)	Current Service Fee for Recycling Collection (\$/HH/mo.)	Current Service Fee for MF Dumpsters (\$/HH/mo.)	Current Disposal Fee excluding state tipping fee (\$/Ton)	Consumer Price Index (%)	Fuel Price Index (%)	Percent Subject to CPI (X)	Percent Subject to Fuel Price Index (Y)	Total Price Adjustment Factor (%)	Cap on Price Adjustment Factor (%)	New Service Fee for Refuse Collection (\$/HH/mo.)	New Service Fee for Bulky Item Collection (\$/HH/mo.)	New Service Fee for Recycling Collect (\$/HH/r)
\$0.00	\$3.00	\$10.89	\$25.00	1.15%	-1.19%	85%	15%	0.797%	3.000%	\$5.04	\$0.00	\$3.00
\$0.00	\$3.02	\$10.98	\$25.20	2.52%	2.68%	85%	15%	2.544%	3.000%	\$5.17	\$0.00	\$3.11
\$0.00	\$3.10	\$11.26	\$25.84	3.32%	3.13%	85%	15%	3.287%	3.000%	\$5.33	\$0.00	\$3.11
\$0.00	\$3.19	\$11.60	\$26.62	5.59%	9.09%	85%	15%	6.115%	3.000%	\$5.49	\$0.00	\$3.20
\$0.00	\$3.29	\$11.95	\$27.42	5.88%	1.11%	85%	15%	5.167%	5.500%	\$5.77	\$0.00	\$3.41
\$0.00	\$3.46	\$12.57	\$28.84	3.70%	4.40%	85%	15%	3.807%	5.500%	\$5.99	\$0.00	\$3.50
\$0.00	\$3.59	\$13.05	\$29.94	7.14%	5.05%	85%	15%	6.829%	5.500%	\$6.32	\$0.00	\$3.70
\$0.00	\$3.79	\$13.77	\$31.59	3.33%	0.20%	85%	15%	2.863%	5.500%	\$6.50	\$0.00	\$3.91
\$0.00	\$3.90	\$14.16	\$32.49	-100.00%	-100.00%	85%	15%	-100.000%	5.500%	\$0.00	\$0.00	\$0.00
#DIV/0!	#DIV/0!	\$0.00	\$0.00	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85%	15%	#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DIV/0!

[Note: the fields that have #DIV/0! will automatically calculate based on inputs.]

containers and State Tipping Fee are not included in this calculation since they are not subject to CPI type adjustments

Step 1: Enter current service year, Solid Waste current service fees for each category, X/Y factors and annual cap on price adjustments into Table 1 of the Excel spreadsheet. The State Tip Fee (currently \$12.997/Ton) should not be included in the disposal fee. [Note: the X/Y factors must remain the same each year of the Contract.]

Step 2: Calculate the CPI adjustment. Visit the United States Department of Labor, Bureau of Labor Statistics, Midwest Office, website: <http://www.bls.gov/ro5/cpimilw.htm>

Step 3: Enter in the semi-annual average index for All Items [Note: the CPI Adjustment will automatically calculate in Table 2 in the spreadsheet and copy over to Table 1.]

TABLE 2		
Consumer Price Index (CPI) Adjustment		
CPI1 (July - June) Yr. Prior	CPI2 (July - June) Current Yr.	(CPI2-CPI1)/CPI1
225.4170	228.0050	0.0115
228.0050	233.7500	0.0252
233.7500	241.5000	0.0332
241.5000	255.0000	0.0559
255.0000	270.0000	0.0588
270.0000	280.0000	0.0370
280.0000	300.0000	0.0714
300.0000	310.0000	0.0333
310.0000		-1.0000
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!

TABLE 3		
Fuel Adjustment - Diesel Fleet		
FPI1 (July-June) Yr. Prior	FPI2 (July-June) Current Yr.	(FPI2-FPI1)/FPI1
3.9427	3.8956	-0.0119
3.8956	4.0000	0.0268
4.0000	4.1250	0.0313
4.1250	4.5000	0.0909
4.5000	4.5500	0.0111
4.5500	4.7500	0.0440
4.7500	4.9900	0.0505
4.9900	5.0000	0.0020
5.0000		-1.0000
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!
0.0000		#DIV/0!

Step 4: Calculate the fuel adjustment. Visit the U.S. Energy and Information Administration, Petroleum and Other Liquids Data. http://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r20_m.htm

Step 5: Click view history and download the data set. Calculate and enter the average of July-June of the year prior to the adjustment and for July-June of the current year. [Note: the FPI Adjustment calculated in the spreadsheet will automatically calculate in Table 3 and copy over to Table 1.]

Step 6: Once all the data is entered in Table 1, 2 and 3 the new service fees for each category will be automatically calculated in the shaded columns of Table 1.

ANNUAL RATE ADJUSTMENTS FOR COMPRESSED NATURAL GAS FLEETS

This Schedule provides the Contractor and LUG detailed instructions to utilize the Excel file, provided with this contact, ARA calculations based on Article 4 of this Contract.

TABLE 4

Annual Rate Adjustment Calculation - CNG

Current Service Fee or Recycling Collection (\$/HH/mo.)	Current Service Fee for MF Dumpsters (\$/HH/mo.)	Current Disposal Fee excluding state tipping fee (\$/Ton)	Consumer Price Index (%)	Column Left Blank	Percent Subject to CPI (X)	Column Left Blank	Total Price Adjustment Factor (%)	Cap on Price Adjustment Factor (%)	New Service Fee for Refuse Collection (\$/HH/mo.)	New Service Fee for Bulky Item Collection (\$/HH/mo.)	New Service Fee Recy Colle (\$/HH/mo.)
\$3.00	\$10.89	\$25.00	1.15%		100%		1.15%	3.000%	\$5.06	\$0.00	\$3
\$3.03	\$11.02	\$25.29	2.52%		100%		2.52%	3.000%	\$5.19	\$0.00	\$3
\$3.11	\$11.30	\$25.93	3.32%		100%		3.32%	3.000%	\$5.35	\$0.00	\$3
\$3.20	\$11.64	\$26.71	5.59%		100%		5.59%	3.000%	\$5.51	\$0.00	\$3
\$3.30	\$11.99	\$27.51	5.88%		100%		5.88%	5.500%	\$5.81	\$0.00	\$3
\$3.48	\$12.65	\$29.02	3.70%		100%		3.70%	5.500%	\$6.03	\$0.00	\$3
\$3.61	\$13.12	\$30.09	7.14%		100%		7.14%	5.500%	\$6.36	\$0.00	\$3
\$3.81	\$13.84	\$31.74	3.33%		100%		3.33%	5.500%	\$6.57	\$0.00	\$3
\$3.94	\$14.30	\$32.80	-100.00%		100%		-100.00%	5.500%	\$0.00	\$0.00	\$0
\$0.00	\$0.00	\$0.00	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		100%		#DIV/0!	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	0.00%		100%		0.00%	5.500%	#DIV/0!	#DIV/0!	#DI
#DIV/0!	#DIV/0!	#DIV/0!	0.00%		100%		0.00%	5.500%	#DIV/0!	#DIV/0!	#DI

ate Tipping Fee are not included in this calculation since they are not subject to CPI type adjustments

[Note: the fields that have #DIV/0! will automatically calculate based on inputs.]

Step 1: Enter current service year, Solid Waste current service fees for each category, X/Y factors and annual cap on price adjustments. The State Tip Fee (currently \$12.997/Ton) should not be included in the disposal fee. [Note: the X/Y factors must remain the same each year of the Contract.]

Step 3: Calculate the CPI based on Step 3 above for Diesel Fueled Fleets and enter onto Table 4. [Note: the CPI Adjustment in the spreadsheet will automatically calculate in Table 2 and copy over to Table 4.]

Step 4: Once all the data is entered in Table 2 and 4, the new service fees for each category will be automatically calculated in the shaded columns of Table 4.

SCHEDULE 7

SAMPLE MONTHLY INVOICE (Excel File Provided)

Sample Monthly Invoice

Solid Waste and Recycling Collection Services

[Municipality Name here]

Invoice Date: **Invoice #:**

Service Period: [month/year]

Attention:

Remit Payment:

Make all checks payable to:

If you have any questions concerning this invoice, contact:

Service/Item	Service Description / (Fee Units)	Cost/Unit	Units this Period	Fee Amount
Refuse Collection	Weekly Up-the-Drive / (Households)	\$5.00	3,500	\$17,500.00
Bulky Item Collection	Weekly Curbside / (Households)	\$0.00	500	\$0.00
Recycling Collection	Including Transportation to Joint MRF / (HH)	\$3.00	3,500	\$10,500.00
Refuse Disposal	Landfill Fee excluding State Tip Fee / (Tons)	\$26.95	100.34	\$2,704.16
Refuse Disposal	State Tip Fee / (Tons)	\$12.997	100.34	\$1,304.12
Recycling Container Fee	96-Gallon container / (Households)	\$0.44	3,500	\$1,540.00
Dumpsters	Municipal locations	\$0.00	11	\$0.00
Dumpsters	Multi-family locations	\$8.48	219	\$1,857.12
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Subtotal	Total items: 8			\$35,405.40

Sales Tax Rate: 5.1%

Sales Tax	\$0.00
Less Deposit Received	
Invoice Total	\$35,405.40

Due Date

Thank you for your business!

SCHEDULE 8

BULKY ITEM DIVERSION PROGRAM

Insert the Bulky Item Diversion Program which should include, at a minimum, the following:

- 1) Provide a description of type of vehicles and process for Collection of Bulky Items.
- 2) Describe any Recycling of Bulky Items such as scrap metal, appliances, tires, wood, and furniture.

SAMPLE

SCHEDULE 9

EMERGENCY BACK-UP COLLECTION SERVICE PLAN

Insert the Emergency Service Plan which must include, at a minimum, the following:

1) **Emergency Backup Service Plan.**

- Contractor shall file with LUG an emergency backup service plan. Contractor shall implement that plan if, due to Uncontrollable Circumstances or for any reason whatsoever, Contractor fails, refuses, or is unable for a period of 48 hours to Collect and/or at any time to transport Solid Waste or debris, or any portion thereof to a licensed Disposal facility, and the LUG determines there is a danger to public health, safety, or welfare.
- 2) Provide planned location of dumpsters, Bins or roll-off Receptacles and costs where Customers may discard Refuse and other putrescible Solid Waste,
 - 3) Provide implementation timeframe in emergency event for commencement of services,
 - 4) Offer Customers the option of self-hauling Refuse and other putrescible Solid Waste to a transfer station or Disposal facility that is permitted in accordance with applicable law, with or without charge,
 - 5) Describe the procedures for handling putrescible Refuse, preventing litter and discouraging vectors (such as keeping Refuse Receptacles in their storage place and not at Set-out Sites, discarding excess Refuse in closed plastic bags and not loose in Refuse Receptacles),
 - 6) Describe any refund policy for missed Collection, and
 - 7) Provide replacements for drivers and other employees who are not providing Collection or performing other Performance Obligations (such as supervisory personnel or management, or employees of Affiliates or other Solid Waste management companies) and security for those drivers and other employees.

SCHEDULE 10

CUSTOMER COMPLAINT AND BILLING DISPUTE RESOLUTION

Insert the Customer complaint and billing dispute resolution protocol which must include, at a minimum, the following:

- 1) Description of how Contractor will fulfill obligations, such as missed pickups, logging complaint, complaint response time, record keeping requirements and prohibition against referrals to LUG.
- 2) Description of Customer service employee training program.
- 3) Maintenance of electronic log for Customer inquiry of complaint.
- 4) Date and time of inquiry or complaint.
- 5) Inquirers or complainant's name and address (if the individual is willing to give this information).
- 6) Description of the inquiry or complaint.
- 7) Date and description of response taken or the reason for non-response.
- 8) Answer to inquiry or resolution of complaint.

SAMPLE

SCHEDULE 11

UNPERMITTED WASTE SCREENING PROTOCOL

Insert the Unpermitted Waste Screening Protocol which must include, at a minimum, the following:

- 1) Requirements stated in Section VII. Scope of services in RFP #201507-01;
- 2) Mandatory personnel training:
 - a) for all **drivers**: training including hazard evaluation methods, emergency preparedness, and emergency response plan implementation techniques with the intent that they learn who, what and how to report on the incident;
 - b) for all **route supervisors**: training including hazard recognition and measurement and covers personal protective equipment and work practices in keeping with the risk level;
 - c) for all **drivers and route supervisors**, at least 8 hours of refresher training annually;
- 3) Means of driver inspection, such as visual inspection during tipping of Receptacles into Vehicles;
- 4) Immediate driver response, such as load segregation and notification procedures, including leaving Non-Collection notices, when safe;
- 5) Driver notification, such as calling Contractor's dispatcher or route supervisor;
- 6) Customer notification, including description of proper means to Dispose of Unpermitted Waste, by phone call and/or written material/tags;
- 7) Notification of appropriate local agency or department (with contact phone number);
- 8) Appropriate action, such as segregation and containerization for manifesting and transport for Disposal as required by applicable law or securing services of permitted handling and transport company;
- 9) Compliance with applicable law, including regulations of the federal Department of Transportation (DOT) (Title 49 CFR) and of the United States Environmental Protection Agency (Title 40 CFR); and
- 10) Form, content and placement of labels on Receptacles that prohibit discard of Unpermitted Waste.

SCHEDULE 12

CONTRACTOR TRANSITION AND CUSTOMER EDUCATION PLAN

Insert the Contractor transition and education plan which must include, at a minimum, the following:

- 1) Requirements stated in Section VII. Scope of services in RFP #201507-01:
 - a) Key implementation dates, including the Contract Service commencement date,
 - b) identification of any truck purchase commitment and delivery schedule,
 - c) identification of any Receptacle purchase commitment and delivery schedule,
 - d) community outreach and community relations plan including Customer notice,
 - e) Customer service plans,
 - f) Collection routing and schedules,
 - g) delivery of materials to Designated MRF
 - h) alternate processing of single stream materials (if necessary),
 - i) reporting plans (and sample reports),
 - j) coordination plans, and
 - k) transition staffing and training plans
- 2) Customer Education Plan
 - a) Distribution of instructions to Customers on how and when to set out Receptacles, what materials (Refuse, Paper Recyclables, Commingled Containers, Yard Waste) can be discarded (including a description and list of the respective materials), what type of service is provided i.e. curb/alley, and Contractor contact information (including toll-free telephone number and e-mail address).
 - b) Distribution to Customers of residential Recycling guide provided by LUG.
 - c) Distribution to Customers of new and replacement Receptacles.
 - d) Procedure for tagging improper Recycling or trash set-outs.
 - e) Special announcements or promotion to increase Recycling.

SCHEDULE 13

ROUTE MAPS, SHEETS, AND CHANGE REQUESTS

Insert Contractor route details which must provide, at a minimum, the following:

- 1) Requirements stated in Section VII. Scope of services in RFP #201507-01:
 - a. Map showing beginning and ending points for each route with route marked on a map.
 - b. Total number of Customers on each route, type and capacity of Collection Vehicle, assigned number of workers for each route, and worker's shift hours.
 - c. Day and approximate time (morning or afternoon) of pickup.
- 2) Day and approximate time of delivery to the Designated MRF.
- 3) Promptly upon LUG request, the name and address of each Customer.

SAMPLE

SCHEDULE 14

RECEPTACLES INVENTORY (optional)

Haulers are required, at a minimum, to provide the following:

- 1) Requirements stated in Section VII. Scope of services in RFP #201507-01.
- 2) Insert order information and inventory ID upon delivery.
- 3) Total number of households served and a quantity of each container size delivered.

SAMPLE

SCHEDULE 15

MONTHLY AND ANNUAL REPORTS (SAMPLES)

- 1) Requirements stated in Section VII. Scope of services in RFP #201507-01.
- 2) Monthly Reports Required:
 - A. Recycling, Solid Waste, Bulky Items Tonnage
 - B. Update all or a portion of its inventory of Contract Service Assets.
 - C. Any occurrences affecting the Contractor's performance;
 - D. Permit compliance status;
 - E. Documentation regarding Unpermitted Waste, if any, rejected, gathered, produced and/or retained at the Disposal Facility
 - F. Discussion operational problems and resolution thereof or planned, and
 - G. Additional information related to Performance Obligations requested by LUG.
- 3) Mandatory Annual Reports.
 - A. A collated summary of the information contained in any Monthly Reports, including reconciliation of any adjustments from prior Monthly Reports, and the following information and statements:
 - B. Total Tonnage for Recycling, Solid Waste, Bulky Item and Yard Waste (as applicable).
 - C. Updated Collection route maps as required
 - D. Complete inventory of Receptacles including total households and quantity of each size Receptacle.
 - E. A declaration describing the current status of any criminal or civil litigation pending against: (i) either Contractor or "Contractor Representatives" with respect to Criminal Activities, and (ii) against Contractor with respect to Solid Waste handling, Collection, Recycling or Disposal.
 - F. The name of all subcontractors, the amount of Goods or services that each subcontractor provides to Contractor, and a description of Contractor's relationships to each subcontractor (including ownership interests).
 - G. An update on remaining estimated capacity of the Contract Disposal Facility.
 - H. A review of any Change in Law that would increase or decrease operational costs of the Contract Disposal Facility i.e. state landfill environmental fees.

SCHEDULE 16

PROTOCOL FOR DELIVERY OF RECYCLABLES TO THE DESIGNATED MRF

[INSERT PROTOCOL HERE]

SAMPLE

SCHEDULE 17

VEHICLES, DRIVERS AND EQUIPMENT

i. Vehicles used must comply with all Wisconsin Department of Transportation and Municipal requirements (such as to properly contain materials).

ii. Specifications. Contractor shall acquire Collection vehicles of the manufacturer, model, type, and description detailed on the inventory list attached as Contractor Documentation, meeting the following specifications:

a) The bodies of any vehicle used in Collection pick-ups or transportation of Solid Waste must have watertight beds of metal or impervious material that can be cleaned.

b) Vehicles used in Collection pick-ups must be packer-type, completely enclosed vehicles unless other type of vehicles are required by terrain or type of Solid Waste to be hauled.

iii. Noise. The noise level generated by Collection vehicles using compaction mechanisms during the stationary compaction process shall not exceed 75 decibels at a distance of 25 feet from the vehicle measured at an elevation of 5 feet above ground level using the "A" scale of a standard sound level meter at slow response, or applicable law, whichever is more stringent.

iv. Vehicle Identification. On the left, right, and rear of each vehicle, in letters and numbers not less than 3 inches high and colors that contrast with the color of the body of the vehicle, Contractor shall display the following information; company name, toll-free telephone number, and vehicle number.

v. Vehicle Repair and Maintenance.

a) **Safety.** Contractor shall maintain all vehicles in good repair so that they operate properly and safely.

b) **Appearance.** Contractor acknowledges that it is important to LUG that Contractor presents a professional and pleasing image.

vi. Spare Vehicles. Contractor shall maintain in readiness at least one spare Collection vehicle, fueled, and ready to dispatch and replace any Collection vehicle which breaks down on route within reasonable time of a break down. Customers on that route shall receive Contract service before 8:00 p.m. that same day.

vii. Driver training. Contractor shall provide operational and safety training for all of its personnel, including those who drive Collection vehicles or operate other Collection equipment, such training shall include live, on-the-job-training by supervisors. Contractor shall train its drivers to identify Unpermitted Waste and comply with the Unpermitted Waste screening protocol.

viii. Route/Field Supervisor. During Collection, Contractor shall maintain on duty a site supervisor of field operations responsible for ensuring compliance with this Contract, including; observing Collection operations, identifying and correcting non-compliance with performance specifications and responding to and resolving Customer complaints. Contractor shall equip supervisor with a vehicle and equip that vehicle and each Collection Vehicle with 2-way radio or cell phones.