

Municipal Contract

— Allied Waste —  
Contract

THIS CONTRACT, made and entered into this 24<sup>th</sup> day of January, 2012, by and between the City of Blue Island Illinois (hereinafter called the "City"), represented herewith by its duly elected Mayor, Donald Peloquin, and Allied Waste Transportation Inc., a Delaware corporation qualified to do and actually doing business in the State of Illinois (hereinafter called "Contractor"), herein represented by Roger Groen, its duly qualified and acting Agent.

WITNESSED, THAT in consideration of the covenants and agreements herein contained, to be performed by the parties hereto and of the payments hereinafter agreed to be made, it is mutually agreed as follows:

1. The Contractor is hereby granted the sole and exclusive franchise, license and privilege within the territorial jurisdiction of the City and shall furnish all personnel, labor, equipment, trucks, and all other items necessary to collect waste materials during term of this Contract for the following areas:
  - Residential and Small Multi Family Units
  - Municipal Facilities
  - Recyclables
2. The Contract Documents shall include the following documents, and this Contract does hereby expressly incorporate same herein as fully as if set forth verbatim in this Contract:
  - a. Exhibit A - General Specifications
  - b. Exhibit B - Insurance Requirements
  - c. Exhibit C - Contractor's Proposal/Pricing
  - d. This Instrument
  - e. Any addenda or changes to the foregoing documents agreed to by the parties hereto.
3. All provisions of the Contract Documents shall be strictly complied with and conformed to by the Contractor, and no amendment to this Contract shall be made except upon written consent of the parties. No amendment shall be construed to release either party from any obligation of the Contract Documents except as specifically provided for in such amendment.
4. The initial term if this Contract shall be from July 1, 2012 (the "Effective Date") until June 30, 2017.
5. At the mutual option of the City and Contractor, this Contract may be extended for up to five years by either party giving written notice to the other party of its desire to so extend the Contract no later than one hundred eighty (180) days prior to the end of the initial or any extended period hereunder. Upon receipt of such written request, the receiving party may agree to such extension by providing written notice to the other party within thirty (30) days after receipt of the other party's written request for such extension. The terms and conditions as applicable to the initial term shall apply to the extended terms except for the pricing which shall be as provided in the pricing Exhibit to this Contract, and, such other changes as may be mutually agreed upon by the City and the Contractor. Absent either the timely written request from either party, or the timely written response from the other party agreeing to extend the term of this Contract, the Contract shall terminate on its scheduled expiration date.

IN

JAN 18 2013

FINANCE DEPARTMENT

IN WITNESS HEREOF, Donald Peloguin, Mayor of the City of Blue Island, hereunto subscribed his name, and Roger Groen, Authorized Agent of Allied Waste Transportation Inc. has also hereunto subscribed his name on the days and dates set forth after their various signatures.

WITNESSES:

City of Blue Island

\_\_\_\_\_

BY: Donald E. Peloguin  
Donald Peloguin, Mayor

\_\_\_\_\_

ON: JANUARY 27, 2012

WITNESSES:

Contractor: Allied Waste Transportation Inc

[Signature]

BY: [Signature]  
Roger Groen, Area President

1-27-2012

ON: January 27, 2012

THUS DONE AND SIGNED in the presences of witnesses whose names are inscribed opposite each respective signature on and as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

WITNESS MY HAND AND SEAL OF OFFICE

\_\_\_\_\_  
NOTARY PUBLIC

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**EXHIBIT A**  
**GENERAL SPECIFICATIONS**

**1.0 DEFINITIONS OF ITEMS INCLUDED IN THIS CONTRACT**

- 1.01 Bags – Plastic sacks designed to store refuse with sufficient wall strength to maintain physical integrity when lifted by the top. Total weight of a bag and its contents shall not exceed 35 lbs.
- 1.02 Bin – Metal receptacle designed to be lifted and emptied mechanically for use primarily at selected Municipal Facilities and Large Commercial and Industrial Units.
- 1.03 Bundle – Tree, shrub and brush trimmings or newspapers and magazines securely tied together forming an easily handled package not exceeding four (4) feet in length or thirty-five (35) lbs. in weight.
- 1.04 City – City of Blue Island, Illinois.
- 1.05 Container for Garbage, Rubbish & Yard Waste Collection – A receptacle with the capacities designated on the exhibits hereto that is designed for the purpose of curbside collection of Garbage, Rubbish and Yard Waste and is constructed of plastic, metal or fiberglass, having handles of adequate strength for lifting, and having a tight fitting lid. The mouth of a container shall have a diameter greater than equal to that of the base. The weight of a container and its contents shall not exceed 35 lbs.
- 1.06 Container for Recycling – A receptacle with the capacities designated on the exhibits hereto that is designed for the purpose of curbside collection of Recyclable Materials and is constructed of plastic, metal or fiberglass, having handles of adequate strength for lifting, and having a tight fitting lid. The mouth of a container shall have a diameter greater than equal to that of the base. The weight of a container and its contents shall not exceed 35 lbs.
- 1.07 Disposal Site – A Waste Material depository designated by Contractor, including but not limited to sanitary landfills, transfer stations, incinerators, recycling facilities and waste processing/separation centers licensed, permitted or approved by all governmental bodies and agencies having jurisdiction and requiring such licenses, permits or approvals to receive for processing or final disposal of Waste Material and Small Dead Animals.
- 1.08 Garbage – Any and all Small Dead Animals; every accumulation of waste (animal, vegetable and/or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning, storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers; and all putrescible or easily decomposable waste animal or vegetable matter which is likely to attract flies or rodents); except (in all cases) any matter included in the definition of Excluded Waste.
- 1.09 Multi-Family – The term multi-family shall refer to all residential dwelling units of more than one (1) unit considered to be condominiums, apartment houses or grouped housing.
- 1.10 Municipal Facilities – Means only those specific municipal
- 1.11 Producer – An operator or occupant of a commercial or industrial facility or a Residential Unit who generates Garbage, Rubbish, Yard Waste or Recyclable Materials.

- 1.12 Recycling – The collection of and the delivery of Recyclable Materials pursuant to the Contract Documents.
- 1.13 Recyclable Materials – The following items are classified as Recyclable Materials under this Contract:
- Glass – Clean unbroken glass containers, bottles/jars.
  - Cans – Clean aluminum, tin/steel containers.
  - Newspaper – Clean, dry, unsoiled newspaper.
  - Plastic – PETE & HDPE containers (milk jugs & soft drink containers)
- 1.14 Residential Unit – A dwelling within the corporate limits of the City occupied by a person or group of persons comprising not more than four families. A Residential Unit shall be deemed occupied when either water or domestic light and power services are being supplied thereto. A condominium dwelling, whether of single or multi-level construction, consisting of four or less contiguous or separate single-family dwelling units, shall be treated as a Residential Unit, except that each single-family dwelling within any such Residential Unit shall be billed separately as a Residential Unit.
- 1.15
- 1.16 Rubbish – All waste wood, wood chips, shavings, sawdust, printed matter, paper, pasteboard, rags, straw, used and discarded mattresses, used and discarded clothing, used and discarded shoes and boots, combustible waste pulp and other products such as are used for packaging, or wrapping crockery and glass, ashes, cinders, floor sweepings, glass, mineral or metallic substances, and any and all other waste materials not included in the definition of Excluded Waste.
- 1.17 Small Dead Animals – Animals or portions thereof less than ten pounds (10 lbs.) in weight that have expired from any cause, except those slaughtered or killed for human use.
- 1.18 Solid Waste – useless, unwanted or discarded materials with insufficient liquid content to be free-flowing, that result from domestic, industrial, commercial, agricultural, governmental and community operations which require proper storage, collection, transportation and disposal to prevent environmental pollution inimical to public health, safety and welfare. Solid Waste does not include sewage, earth or material used to fill land in accordance with construction codes, mining residues, slag, dissolved or suspended solids in industrial waste water effluents which are not acceptable for disposal in sanitary sewage treatment system or any material included in the definition of Excluded Waste.
- 1.19 Waste Material. Waste Material is all nonhazardous, Solid Waste (including Garbage, Rubbish, Yard Waste and Recyclable Materials) generated at Residential Units that is not excluded by this Contract. Waste Material shall not include any Excluded Waste.
- 1.20 Yard Waste – Grass, leaves, flowers, stalks, stems, tree trimmings, branches, and tree trunks. For yard waste collection services, grass, pine needles, leaves, flowers, stalks, stems, and small tree trimmings (less than two (2) feet in length and less than two (2) inches in diameter) shall be in a container, bag or box the weight of which shall not exceed thirty-five (35) pounds. Larger tree trimmings shall be laid neatly in piles at curbside. The maximum weight of any item placed out for yard waste collection shall be thirty-five (35) pounds. Branches in excess of two (2) feet in length may, but are not required to be, in a container bag or box.

## 2.0 DEFINITIONS OF ITEMS EXCLUDED FROM THIS CONTRACT

- 2.01 Bulky Waste (excluded from this Contract)– Stoves, refrigerators (with all CFC removed), water tanks, washing machines, furniture and other similar items, and, materials other than Construction Debris, Large Dead Animals, Hazardous Waste or Stable Matter with weights or volumes greater than those allowed for Bins or Containers, as the case may be.
- 2.02 Commercial and Industrial Refuse (excluded from this Contract)– All Bulky Waste, Construction Debris, Garbage, Rubbish and Stable Matter generated by a Producer at a Large Commercial and Industrial Unit.
- 2.03 Construction Debris (excluded from this Contract)– Waste building materials resulting from construction, remodeling, repair or demolition operations at a Residential Unit, Municipal Facility or Large Commercial and Industrial Unit.
- 2.04 Excluded Waste (excluded from this Contract)– Excluded Waste is all Bulky Waste, Commercial and Industrial Refuse, Construction Debris, Large Dead Animals, Institutional Solid Waste, Hazardous Waste, Offal Waste, Stable Matter, Vegetable Waste, and, Special Waste.
- 2.05 Hazardous Waste (excluded from this Contract)– Hazardous Waste is a form of Excluded Waste and is defined as any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, biohazardous, toxic or listed or characteristic Hazardous Waste as defined by federal, state, provincial or local law or any otherwise regulated waste. Hazardous Waste shall include, but not be limited to, any amount of waste listed or characterized as hazardous by the United States Environmental Protection Agency or any state agency pursuant to the Resource Conservation and Recovery Act of 1976, as amended, and including future amendments thereto, and any other applicable federal, state or local laws or regulations.
- 2.06 Institutional Solid Waste (excluded from this Contract)– Solid waste originating from education, health care and research facilities such as schools, hospitals, nursing homes, laboratories and other similar establishments.
- 2.07 Large Commercial and Industrial Unit (excluded from this Contract)– All premises, locations or entities, public or private, requiring Garbage and Rubbish collection within the corporate limits of City that are not classified as a Residential Unit or Municipal Facility.
- 2.08 Large Dead Animals (excluded from this Contract)– Animals or portions thereof equal to or greater than ten pounds (10 lbs.) in weight that have expired from any cause, except those slaughtered or killed for human use.
- 2.09 Offal Waste (excluded from this Contract)– Waste animal (land or marine) matter from establishments such as butcher shops, slaughterhouses, food processing and packing plants, rendering plants and fertilizer plants.
- 2.10 Special Waste (excluded from this Contract)– Special Waste is a form of Excluded Waste and is defined as nonhazardous, solid waste that is subject to additional governmental regulations or special handling requirements in collection, transportation, processing or disposal as a result of the characteristics of, or processes which generate, such waste. Special Waste includes, but is not limited to:
- (a) waste iron from a commercial or industrial activity;
  - (b) waste generated by an industrial process or a pollution control process;
  - (c) waste which may contain free liquids;

- (d) waste which may contain residue and debris from the cleanup of a spill of petroleum, chemical or commercial products or wastes, or contaminated residuals;
- (e) articles from the cleanup of a facility which generates, stores, treats, recycles or disposes of chemical substances, commercial products or wastes;
- (f) wastes which are nonhazardous as a result of proper treatment pursuant to Subtitle C of the Resource Conservation and Recovery Act of 1976 ("RCRA");
- (g) asbestos containing or asbestos bearing material that has been properly secured under existing federal, state, provincial and local laws, rules and regulations;
- (h) containers that once contained hazardous substances, chemicals, or insecticides so long as such containers are "empty" as defined by RCRA;
- (i) municipal or commercial solid waste that may have come into contact with any of the foregoing;
- (j) filter cake sludge wastes from waste water treatment processes;
- (k) wastes containing any regulated polychlorinated biphenyls; and,
- (l) ash, sludge, tires and powders.

2.11 Stable Matter (excluded from this Contract)– All manure and other waste matter normally accumulated in or about a stable, or any animal, livestock or poultry enclosure, and resulting from the keeping of animals, poultry or livestock.

2.12 Vegetable Waste (excluded from this Contract)– Putrescible solid waste resulting from the processing of plants for food by commercial establishments such as canneries. This definition does not include waste products resulting from the preparation and consumption of food in places such as cafeterias and restaurants.

### 3.0 SCOPE OF WORK

3.01 General. The work under this Contract shall consist of all the supervision, materials, equipment, labor and all other items necessary to collect and dispose of the Waste Material from all Residential Units and other specified locations in accordance with the Contract Documents.

3.02 Work Not Covered By Contract. The work under this Contract does not include:

3.02.1 the collection or disposal of construction or demolition debris from either residential, municipal or commercial locations;

3.02.2 the collection or disposal of Excluded Waste materials;

3.02.3 the collection or disposal of any waste materials or recyclable materials from Large Commercial and Industrial Units in the City.

3.03 Additional Work Separately Contracted at Contractor's Election with Large Commercial and Industrial Units. Contractor may provide waste collection and disposal service, and/or recyclables collection services for Large Commercial and Industrial Units according to individual agreements negotiated between Contractor and such customers and under such terms and conditions as may be mutually agreed upon by Contractor and such customers. However, this Contract does not require such customers to use Contractor for such services.

3.04 Additional Work Separately Contracted at Contractor's Election with Residential Units and Municipal Facilities. Contractor may provide any other waste collection and disposal services and/or recyclable services to Residential Units and Municipal Facilities (e.g. collection and removal of construction debris, large dead animals, bulky items, etc.) that are not included within the scope of this Contract according to individual agreements negotiated between Contractor and such customers and under such terms and conditions as may be mutually agreed upon by Contractor and such

customers. However, this Contract does not require such customers to use Contractor for such services.

#### **4.0 COLLECTION OPERATIONS – GENERAL PROVISIONS**

##### **4.01 Location of Containers, Bags and Bundles for Collection**

Each Container, Bag and Bundle shall be placed at curbside for collection. Curbside refers to that portion of right-of-way adjacent to paved or traveled City roadways. Containers, Bags and Bundles shall be placed as close to the roadway as practicable without interfering with or endangering the movement of vehicles or pedestrians. When construction work is being performed in the right-of-way, Containers, Bags and Bundles shall be placed as close as practicable to an access point for the collection vehicle. Contractor may decline to collect any Container, Bag or Bundle not so placed or any Waste Material not in a Container, Bag or Bundle as specified in the applicable Exhibit hereto.

##### **4.02 Hours of Operation**

Collection of Waste Material shall not start before 6:00 A.M. or continue after 7:00 P.M. on the same day. Exceptions to collection hours shall be effected only upon the mutual agreement of the City and Contractor, or when Contractor reasonably determines that an exception is necessary in order to complete collection on an existing collection route due to unusual circumstances.

##### **4.03 Routes of Collection**

Residential Unit and Municipal Facilities collection routes shall be established by the Contractor. Contractor shall submit a map designating the Residential Unit and Municipal Facilities collection routes to the City at least two (2) weeks in advance of the commencement date for such route collection activity. The Contractor may from time to time make changes in routes or days of collection affecting Residential Units or Municipal Facilities, provided such changes in routes or days of collection are submitted to the City at least two (2) weeks in advance of the commencement date for such changes. City shall promptly give written or published notice to the affected Residential Units.

##### **4.04 Holidays – The following shall be holidays for purposes of this Contract:**

New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day

Contractor may decide to observe any or all of the above mentioned holidays by suspension of collection service on the holiday, but such decision in no manner relieves Contractor of his obligation to provide collection service at Residential Units at least once per week.

##### **4.05 Complaints – All complaints shall be made directly to the Contractor and shall be given prompt and courteous attention. In the case of alleged missed scheduled collections, the Contractor shall investigate and, if such allegations are verified, shall arrange for the collection of Waste Material or Recyclable Materials not collected within 24 hours after the complaint is received.**

##### **4.06 Collection Equipment – The Contractor shall provide an adequate number of vehicles meeting standards and inspection requirements as set forth by the laws of the State for regular municipal waste collection services. For Waste Material collection, all vehicles and other equipment shall be kept in good repair and appearance at all times. Each vehicle shall have clearly visible on each side the identity and telephone number of the Contractor.**

- 4.07 Office – The Contractor shall maintain an office or such other facilities through which it can be contacted by direct visit or by local (toll free) call from anywhere in the City. It shall be equipped with sufficient telephones and shall have a responsible person in charge from 8:00 A.M. to 5:00 P.M. on regular collection days.
- 4.08 Hauling – All Waste Material and Recyclable Material hauled by the Contractor shall be so contained, tied or enclosed that leaking, spilling or blowing are minimized.
- 4.09 Disposal – All Waste Material, other than Recyclable Materials, collected within the City under this Contract shall be deposited at any Disposal Site properly authorized by the State. The Contractor shall negotiate directly with the Owner/Operator of the Disposal Site for permission to use the Disposal Site and the Contractor shall bear all disposal costs.
- 4.10 Delivery – All Recyclable Materials collected for delivery and sale by the Contractor shall be hauled to a commodity buyer selected by the Contractor pursuant to the Contract Documents. The charge for delivery to the commodity buyer shall be included in the rates set forth for the Residential Units and Municipal Facilities serviced by the Contractor. Any revenue obtained by Contractor from the sale of the Recyclable Materials shall belong to Contractor.
- 4.11 Notification – The City shall notify all Producers at Residential Units about complaint procedures, rates, regulations, and day(s) for scheduled Waste Material and Recyclable Material collections.
- 4.12 Point of Contact – All dealing, contacts, etc., between the Contractor and the City shall be directed by the Contractor to the City's point of contact specified in the applicable Exhibit, and, by the City to the Contractor's General Manager or Operations Manager.
- 4.13 Litter or Spillage – The Contractor shall not litter premises in the process of making collections, but Contractor shall not be required to collect any Waste Material that has not been placed in approved containers or in a manner herein provided. During hauling, all Waste Material shall be contained, tied or enclosed so that leaking, spillage or blowing is minimized. In the event of spillage by the Contractor, the Contractor shall be required to clean up the litter caused by the spillage.

**5.0 BASIS OF PRICES AND METHOD OF PAYMENT**

**5.01 Waste Materials Collection and Disposal Rates (Exhibits C, E and F)**

- 5.01.1 The prices to be paid by the City for the collection and disposal of Waste Material from all Residential Units and Municipal Facilities shall be as shown on Exhibit C, as adjusted in accordance with Section 5.04 herein, and shall be computed based upon the actual number of Residential Units and specific Municipal Facilities to which Contractor provided such services during each month of this Contract. The City shall also pay Contractor the other costs and charges as specified in Section 5.03 herein.
- 5.01.2 The prices to be paid by the City for the collection and disposal of Waste Material from all small commercial facilities shall be as shown on Exhibit C, as adjusted in accordance with Section 5.04 herein, and shall be computed based upon the actual services provided by Contractor to such small commercial facilities during each month of this Contract. The City shall also pay Contractor the other costs and charges as specified in Section 5.03 herein. Contractor's invoice shall itemize each of those locations by name and total invoice amount.

5.02 (Include section only if recycling services are offered) Recyclable Materials Collection and Disposal Rates (Exhibits C, G and H)

- 5.02.1 The prices to be paid by the City for the collection and disposal of Recyclable Materials from all Residential Units and Municipal Facilities shall be as shown on Exhibit C, as adjusted in accordance with Section 5.04 herein, and shall be computed based upon the actual number of Residential Units and specific Municipal Facilities to which Contractor provided such services during each month of this Contract. The City shall also pay Contractor the other costs and charges as specified in Section 5.03 herein.
- 5.02.2 The prices to be paid by the City for the collection and disposal of Recyclable Materials from all small commercial facilities shall be as shown on Exhibit C, as adjusted in accordance with Section 5.04 herein, and shall be computed based upon the actual services provided by Contractor to such small commercial facilities during each month of this Contract. The City shall also pay Contractor the other costs and charges as specified in Section 5.03 herein. Contractor's invoice shall itemize each of those locations by name and total invoice amount.
- 5.02.3 In the event that any Recycled Material commodity collected by Contractor hereunder becomes no longer marketable and must therefore be disposed of at a Disposal Site, the City shall pay any such disposal cost to the Contractor and shall eliminate that commodity from the Recyclables Materials program and this Contract. Contractor does not guarantee the existence of a market or any commodity buyer at any time for Recyclable Material

5.03 Additional Costs and Charges

- 5.03.1 Change in Law. Contractor may pass through certain cost increases directly to the City to adjust for increases in cost to Contractor due to , changes in local, state, or federal rules, ordinances or regulations, and changes in taxes, fees or other governmental charges (other than income or real property taxes).
- 5.03.2 Except as provided expressly herein, the charges for Contractor's service with respect to this work shall include all taxes, transportation costs and disposal fees.

5.04 Modification to Rates

- 5.04.1 The fees in Exhibit C which may be charged by the Contractor for the second and subsequent years of the term hereof shall be adjusted by 3.8%.
- 5.04.2 In addition to the above, the Contractor may petition the City at any time for additional rate and price adjustments at reasonable times on the basis of unusual changes in its cost of operations, such as revised laws, ordinances, or regulations; changes in location of disposal sites, an increase in the number of Residential Units such as City growth or annexation; and for other reasons. Excluding increases in house counts, such rate adjustments shall be subject to the review and consent of the City.

5.05 City to Act as Collector – The City shall submit statements to and collect from all Residential Units for services provided by the Contractor pursuant to this Contract, including those accounts that are delinquent.

5.06 Delinquent and Closed Accounts The Contractor shall discontinue Waste Material collection service at any Residential Unit as set forth in a written notice sent to it by the City. Upon further notification by the City, the Contractor shall resume Waste Material collection on the next regularly scheduled collection day. The City shall indemnify and hold the Contractor harmless from any claims, suits, damages, liabilities or expenses (including but not limited to expenses of investigation

and attorney's fees) resulting from the Contractor's discontinuing service at any location at the direction of the City.

- 5.07 Contractor Billings to City – The Contractor shall bill the City for Waste Material and Recyclable Material collection and disposal services rendered to Residential Units and Municipal Facilities within ten (10) days following the end of the month and the City shall pay the Contractor on or before the 15<sup>th</sup> day following the end of such month. Such billing and payment shall be based on the price rates and schedules set forth in the Contract Documents. The Contractor shall be entitled to payment for service rendered to Residential Units irrespective of whether or not City collects from the customer for such service. Payments not made by the City on or before their due date shall be subject to late fees of: a) the greater of five dollars (\$5) or one and one-half percent (1.5%) per month or portion thereof; or, b) the maximum allowed by law, if less than a). In the event the City withholds payment of a portion or whole of an invoice and it is later determined that a portion or all of such withheld amount is owed to Contractor, such amount shall be subject to the late fees provided herein from the original due date until paid by City.
- 5.08 Audit – The City may request and be provided with an opportunity to audit of all relevant books and records of Contractor which are used to support the calculations of the charges invoiced to the City under this Contract. Such audits shall be paid for by the City and shall be conducted under mutually acceptable terms at the Contractor's premises in a manner which minimizes any interruption in the daily activities at such premises. The scope of any such audit may encompass only the relevant books and records pertaining to charges which were invoiced to the City within ninety (90) days of any such audit request from the City.
- 5.09 House Count—The Contractor and the City shall, at a minimum conduct an annual house count for purposes of insuring that all Residential units are accounted for and that payment and billing reflect the proper house count figures.

## **6.0 COMPLIANCE WITH LAWS**

The Contractor shall conduct operations under this Contract in compliance with all applicable laws; provided, however, that the Contract shall govern the obligations of the Contractor where there exist conflicting ordinances of the City on the subject.

## **7.0 NON-DISCRIMINATION**

Contractor shall not discriminate against any person because of race, sex, age, creed, color, religion or national origin.

## **8.0 RISK ALLOCATION AND INDEMNITY**

- 8.01 Contractor shall be responsible for any and all claims for personal injuries or death, or the loss of or damage to property to the extent caused by Contractor's negligence or acts of willful misconduct or those of its subcontractors or agents.
- 8.02 City shall be responsible for any and all claims for personal injuries or death, or the loss of or damage to property to the extent caused by the City's negligence or acts of willful misconduct or those of its contractors or agents.

8.03 If Excluded Waste is discovered before it is collected by Contractor, Contractor may refuse to collect the entire Bin, Container, Bag or Bundle of waste. In such situations, Contractor shall contact the City and the City shall undertake appropriate action to ensure that such Excluded Waste is removed and properly disposed of by the depositor or generator of the waste. In the event any Excluded Waste is not discovered by Contractor before it is collected, Contractor may, in its sole discretion, remove, transport and dispose of such Excluded Waste at a location authorized to accept such Excluded Waste in accordance with all applicable laws and charge the depositor or generator of such Excluded Waste all direct and indirect costs incurred due to removal, remediation, handling, transportation, delivery and disposal of such Excluded Waste. The City shall provide all reasonable assistance to Contractor to conduct an investigation to determine the identity of the depositor or generator of the Excluded Waste and to collect the costs incurred by Contractor in connection with such Excluded Waste. Subject to the City's providing all such reasonable assistance to Contractor, Contractor shall release City from any liability for any such costs incurred by Contractor in connection with such Excluded Waste, except to the extent that such Excluded Waste is determined to be attributed to the City.

## **9.0 LICENSES AND TAXES**

The Contractor shall obtain all licenses and permits (other than the license and permit granted by this Contract) and promptly pay all taxes required by the City and by the State.

## **10.0 FORCE MAJEURE**

3.04.1 Except for City's obligation to pay amounts due to Contractor, any failure or delay in performance under this Contract due to contingencies beyond a party's reasonable control, including, but not limited to, strikes, riots, terrorist acts, compliance with applicable laws or governmental orders, fires, bad weather and acts of God, shall not constitute a breach of this Contract, but shall entitle the affected party to be relieved of performance at the current pricing levels under this Contract during the term of such event and for a reasonable time thereafter. The collection or disposal of any increased volume resulting from a flood, hurricane or similar or different Act of God over which the Contractor has no control, shall be included as part of the Contractor's service under this Agreement. In the event of such a flood, hurricane or other Act of God, the Contractor and the City shall negotiate the payment to be made to the Contractor. Further, when the City and the Contractor reach such agreement, then the City shall grant the Contractor variances in routes and schedules, as deemed necessary, of the Contractor.

## **11.0 ASSIGNMENT OF CONTRACT**

Neither party shall assign this Contract in its entirety without the other party's prior written consent, which consent shall not be unreasonably withheld

## **12.0 EXCLUSIVE CONTRACT**

The Contractor shall have an exclusive franchise, license and privilege to provide Waste Material and Recyclable Material collection and disposal services within the corporate limits for and on behalf of the City to the designated Residential Units and Municipal Facilities covered by this Agreement.

### **13.0 TITLE TO WASTE AND RECYCLABLE MATERIALS**

Title to Waste Materials and Recyclable Materials shall pass to the Contractor when placed in Contractor's collection vehicle. Title to and liability for any Excluded Waste shall remain with the generator or depositor of such waste and shall at no time pass to Contractor.

### **14.0 TERMINATION OF CONTRACT**

14.01 In the event of a failure by Contractor to perform any material provision of this Contract, the City shall give written notice of such breach to the Contractor along with at least thirty (30) days (the "cure period") to correct such breach. City may terminate this Contract after such cure period if Contractor has not adequately corrected such breach in accordance with this Contract and City so notifies Contractor in writing of such termination action. At such time, City shall pay Contractor only all charges and fees for the services performed on or before such termination date. Thereafter, in the event such termination occurs during the initial term of this Contract, City, as its sole and exclusive remedy may exercise its rights under Contractor's performance bond, and procure the services of another waste services provider to complete the work covered under this Contract for the remainder of the time period covered by the initial term of this Contract. Except for such right during the initial term of this Contract, following any such termination and the final payment from the City to the Contractor, neither party shall have any further obligation under this Contract other than for claims for personal injuries or property damage as expressly provided in this Contract and arising prior to such termination date.

14.02 In the event of a failure by City to perform any material provision of this Contract, the Contractor shall give written notice of such breach to the City along with at least thirty (30) days (the "cure period") to correct such breach. Contractor may terminate this Contract after such cure period if City has not adequately corrected such breach in accordance with this Contract and Contractor so notifies City in writing of such termination action. At such time, City shall pay Contractor for all charges and fees for the services performed on or before such termination date. Thereafter, following any such termination and the final payment from the City to the Contractor, neither party shall have any further obligation under this Contract other than for claims for personal injuries or property damage as expressly provided in these terms and arising prior to such termination date.

### **15.0 CONTRACTOR'S PROPERTY**

All bins, containers, trucks and any other equipment that Contractor furnishes under this Contract shall remain Contractor's property. City shall be liable for all loss or damage to such equipment (except for normal wear and tear and for loss or damage resulting from Contractor's handling of the equipment). City and its residents shall use the equipment only for its proper and intended purpose and shall not overload (by weight or volume), move or alter the equipment. City shall fully reimburse Contractor for any and all claims resulting from personal injuries or death, or the loss of or damage to property (including the equipment) arising out of the use, operation or possession of the equipment by the City, or the City's residents, employees, agents, suppliers, or guests.

### **16.0 NEWLY DEVELOPED AREAS**

The Contractor will, within thirty (30) days of notification to the City provide Waste Material and Recyclable Material collection and disposal services of the same frequency and quality required by the Contract to newly developed areas within the City's current territorial limits. Any areas that may be annexed by the City which contain Residential Units which the City would like Contractor to service, shall be subject to negotiation of a mutually acceptable amendment to this Contract and possible adjustment to Contractor's pricing for such new areas.

## **17.0 MISCELLANEOUS TERMS**

- 17.01 Contractor shall not be responsible for any damages to City's property or equipment located adjacent to the collection receptacles (Bins, Containers, Bags or Bundles), nor to City's pavement, curbing or other driving surfaces resulting from Contractor's providing the services under this Contract.
- 17.02 Contractor may provide any of the services covered by this Contract through any of its affiliates or subcontractors, provided that Contractor shall remain responsible for the performance of all such services and obligations in accordance with this Contract.
- 17.03 Contractor shall have no confidentiality obligation with respect to any Waste Materials or Recyclable Materials collected pursuant to this Contract.
- 17.04 Except as may be specifically provided herein, Contractor provides no guarantees or warranties with respect to the work performed. No liquidated damages or penalties may be assessed against Contractor by City.
- 17.05 No intellectual property (IP) rights in any of Contractor's IP are granted to City under this Contract.
- 17.06 This Contract shall be binding upon and inure solely to the benefit of the parties and their permitted assigns.
- 17.07 If any provision of this Contract shall be invalid, illegal or unenforceable, it shall be modified so as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Contract. In either case, the validity, legality and enforceability of the remaining provisions of this Contract shall not in any way be affected thereby.
- 17.08 The failure or delay on the part of either party to exercise any right, power, privilege or remedy under this Contract shall not constitute a waiver thereof. No modification or waiver by either party of any provision shall be deemed to have been made unless made in writing. Any waiver by a party for one or more similar events shall not be construed to apply to any other events whether similar or not.
- 17.09 This Contract shall be interpreted and governed by the laws of the state where the work is performed.
- 17.10 This Contract sets forth the entire agreement of the parties and supersedes all prior agreements, whether written or oral, that exist between the parties regarding the subject matter of this Contract.
- 17.11 If any litigation is commenced under this Contract, the successful party shall be entitled to recover, in addition to such other relief as the court may award, its reasonable attorneys' fees, expert witness fees, litigation related expenses and court or other costs incurred in such litigation or proceeding.

**EXHIBIT B**  
**INSURANCE REQUIREMENTS**

During the term of this Contract, Contractor shall maintain in force, at its expense, insurance coverage with minimum limits as follows:

**Workers' Compensation**

Coverage A	Statutory
Coverage B - Employers Liability	\$1,000,000 each Bodily Injury by Accident \$1,000,000 policy limit Bodily Injury by Disease \$1,000,000 each occurrence Bodily Injury by Disease

**Automobile Liability**

Bodily Injury/Property Damage Combined – Single Limit	\$3,000,000 Coverage is to apply to all owned, non-owned, hired and leased vehicles (including trailers).
Pollution Liability Endorsement	MCS-90 endorsement for pollution liability coverage

**Commercial General Liability**

Bodily Injury/Property Damage Combined – Single Limit	\$2,500,000 each occurrence \$5,000,000 general aggregate
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All such insurance policies will be primary without the right of contribution from any other insurance coverage maintained by City. All policies required herein shall be written by insurance carriers with a rating of A.M. Bests of at least "A-" and a financial size category of at least VII. Upon City's request, Contractor shall furnish City with a certificate of insurance, evidencing that such coverage's are in effect. Such certificate: (i) will also provide for 30 days prior written notice of cancellation to the City; (ii) shall show City as an additional insured under the Automobile and General Liability policies; and, (iii) shall contain waivers of subrogation in favor of City (excluding Worker's Compensation policy) except with respect to the sole negligence or willful misconduct of City. In addition, the following requirements apply:

- The Commercial General Liability policy must include Contractual Liability coverage specifically covering Contractor's Indemnification of City herein.
- Coverage must be provided for Products/Completed Operations.
- The policy shall also contain a cross Liability/Severability of Interests provision assuring that the acts of one insured do not affect the applicability of coverage to another insured.

EXHIBIT C

**WASTE COLLECTION AGREEMENT**

This agreement will extend the existing Waste Collection Agreement and Transfer Station Service between the City of Blue Island and Allied Waste Transportation Inc.(AW), The effective date of the agreement will be July 1, 2012 and it will expire on June 30, 2017.

All terms and Conditions of our existing contracts will remain in full force with the following exceptions:

**TRASH TOTERS**

Upon the signing of this agreement AW will begin replacing all the multi colored trash toters in Blue Island. By Sept 30, 2012 all trash toters must be Blue in color with the appropriate Allied Waste/Republic Service Logo on the containers.

**RECYCLING TOTERS**

Prior to July 1, 2012 Allied Waste will deliver new 65 gallon Blue toters to each resident. These toters will be serviced from the alleys on an every other week basis. The brochures to educate the residents must be approved by the City of Blue Island, and the printing cost and distribution cost will be the responsibility of AW.

**ROLL OFF**

Allied Waste will continue to accept no/charge roll off volume at the Crestwood or Robbins Transfer up to 2400 tons per year. The cost for moving roll of boxes will be \$70.00 per load.

**YARD WASTS SERVICE**

Yard Waste Service will be serviced out of the alley with the Recycling and trash service

**PRICING**

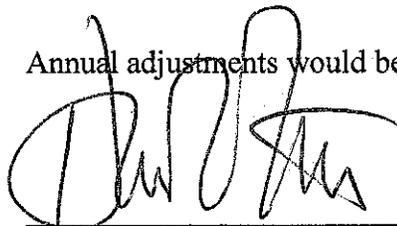
The pricing per unit effective 7-1-2012 will be:

Senior Units - \$13.74

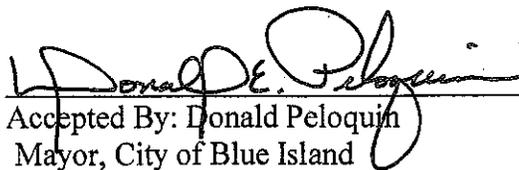
Multi Units - \$15.71

Single Family Homes - \$16.71

Annual adjustments would be 3.8% per year on all prices.



Proposed By: Hank Potts  
Municipal Services Manager



Accepted By: Donald Peloquin  
Mayor, City of Blue Island

1-27-2012  
Date:

Attest By: