

**SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX**

THIS SOLID WASTE SERVICES AGREEMENT (this "Agreement") is made on November 4, 2010 (the "Effective Date") by and between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and Allied Waste Transportation Inc., a Delaware corporation d/b/a Allied Waste Services of Phoenix (the "Contractor").

RECITALS

A. The Town issued a Request For Proposals, "Solid Waste Services (PZ2010-001)" (the "RFP"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, seeking proposals from vendors for residential curbside solid waste collection and disposal services, bulk waste collection and disposal services, residential recycling services, green waste services, Town facility solid waste services, Town facility recycling services and special event solid waste and recycling services within the corporate limits of the Town of Fountain Hills (the "Services").

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

AGREEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

1.12 “Construction and Demolition Waste” shall include Construction Debris and Demolition Debris.

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

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

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

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

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

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

1.19 “Expiration Date” means November 3, 2015 at 11:59 PM, Local Time.

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

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

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

1.23 “Local Time” means the time in Phoenix, Arizona.

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

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

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

1.27 “Multiple Day Collection” means collection of one Solid Waste Cart on two days per week in addition to the collection of one Recycling Cart on the same day as one of the Solid Waste Cart collection days.

1.28 “Nonprogram Recyclable” means any Recyclable Materials, excluding Program Recyclables, delivered to the Recycling Facility.

1.29 “Nonprogram User” means any generator of Nonprogram Recyclables.

1.30 “Non-recyclable Waste” means the portion of Solid Waste, exclusive of Hazardous Waste, that is not Program Recyclables.

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

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

1.33 “Processing Fee” means the per ton fee for receipt and processing of Program Recyclables.

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

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

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

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

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

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

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

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

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

1.43 “Residential Bulk Waste” means Bulk Waste that is generated and disposed of at a Residential Service Unit.

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

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

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

1.47 “Residential Recycling Collection Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units and the delivery of the Recyclable Materials to the Recycling Facility.

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

1.49 “Residential Services” means Residential Solid Waste Services, Residential Bulk Waste Collection Services, Residential Green Waste Services and Residential Recycling Services.

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

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

1.52 “Residential Solid Waste Collection Services” means the Collection of Solid Waste by the Contractor from Residential Service Units and delivery of the Solid Waste to the Disposal Facility.

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

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

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

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

1.57 “Solid Waste” means any garbage, trash, rubbish, waste tire, refuse, and other discarded material, including solid, liquid, semisolid or contained gaseous material unless otherwise excluded by the Arizona Revised Statutes.

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

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

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

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

1.62 “Source Separated Materials” means materials that are separated by material type by the generator.

1.63 “State” means the State of Arizona.

1.64 “Ton” means a unit of weight equal to 2,000 pounds.

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

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

1.67 “Town Facility Solid Waste Collection Services” means the Collection of Solid Waste by the Contractor from a Town Facility and delivery of the Solid Waste to the Disposal Facility.

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

## 2. Representations.

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

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

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

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

B. Recyclable Materials Processing. The Contractor has entered into a contract for Recyclable Materials processing and marketing services, a true and correct copy

of which is attached hereto as Exhibit F and incorporated herein by reference, for the Initial Term and Renewal Terms (as defined in Section 3 below).

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

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

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

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

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

### 3. Term of Agreement.

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

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

limits the Town’s right to terminate this Agreement at any time during the Term pursuant to the provisions in this Agreement.

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

4.1 Solid Waste.

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

B. Residential Bulk Waste Services. Contractor shall provide an on-call, fee-for-service process for collecting residential bulk waste of up to six cubic yards from each Residential Service Unit in the Town. Contractor shall also hold, not less than two times each year, on days chosen by the Town, Town-wide bulk waste drop-off events at not less than three locations as selected by the Town. Contractor shall deliver the Bulk Waste collected to the Recycling Facility or the Disposal Facility. If the Bulk Waste is delivered to the Recycling Facility, Contractor shall process and market the Bulk Waste at the Recycling Facility. If the Bulk Waste is delivered to the Disposal Facility, Contractor shall dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Bulk Waste Collection Services.

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

**Table 4.1**

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

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

4.2 Recycling.

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

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

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

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

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

<b>Neighborhood Recycling Drop-off Service Site</b>	<b>Address</b>
Town Civic Center	13001 N. La Montana Drive

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

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

4.4 Backdoor Collection Services. Contractor shall provide Backdoor Collection Services for Residential Solid Waste and Recyclable Materials from Residential Service Units if all adult occupants residing therein are handicapped, or due to age or verified physical limitations, cannot safely move Carts and if a request for Backdoor Collection Services has been made to and approved by the Contractor. In the event that a Customer makes a request to a representative of the

Town for Backdoor Collection Services, the Town's sole responsibility shall be to provide notice of such request to the Contractor. No additional monies shall be due to the Contractor for the provision of Backdoor Collection Services. Contractor shall provide Backdoor Collection Services on the same scheduled Collection day that Collection Services would otherwise be provided to the Residential Service Unit.

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

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

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

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

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

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

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

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

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

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

5. Inspection of Loads and Rejected Loads.

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

5.2 Unacceptable Loads. Contractor may not designate a load as an unacceptable load for any reason other than those identified in this Section. Prior to departure from the Recycling

Facility of the vehicle delivering Recyclable Materials to the Recycling Facility, Contractor may designate a load as a "Rejected Load" for the following reasons:

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

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

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

### 5.3 Procedure upon Rejection of Load.

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

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

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

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

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

such Hazardous Waste. The Town shall provide all reasonable assistance to Contractor to conduct an investigation to determine the identity of the depositor or generator of the Hazardous Waste.

6. Handling of Rejects and Residue.

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

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

7. Collection and Processing Equipment.

7.1 Collection Services Vehicles.

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

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

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

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

B. Subsequent Distribution, Maintenance and Storage. After the initial distribution of Carts, Contractor, at its sole cost, shall deliver Cart(s) to a Residential Service

Unit within two business days of the request by the Town. Contractor shall attach a program introduction notice to each Cart delivered.

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

D. Reserve Carts. Contractor shall maintain a minimum of 15 Solid Waste Carts, 15 Recycling Carts and 15 Green Waste Carts at a secure location within the corporate limits of the Town to ensure that extra or replacement Carts can be expeditiously provided upon the request of the Town.

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

### 7.3 Collection and Processing Equipment, Excluding Carts.

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

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

### 7.4 Ownership.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## 13.2 Reporting.

### A. Initial Reports.

1. Transition Plan. The Contractor shall provide a transition plan 90 calendar days prior to Commencement Date. This plan shall detail transition to the Contractor providing Solid Waste Service, Bulk Waste Service, Recycling Service and

Residential Green Waste Service. This transition plan will be submitted for approval by the Contract Administrator.

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

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

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

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

13.3 Audited Financial Statements. The Contractor will be required to submit audited financial statements prepared by an external accounting firm within 90 calendar days of the end of the Contractor's fiscal year end. The audited financial statements may be issued by either the Contractor, or by Republic Services, Inc. In the event Contractor is acquired, the Contractor shall notify the Town of the transfer in ownership, whereupon the Town shall have the option to require that the audited financial statements be submitted by the acquiring entity. The Contractor has provided a performance bond by Republic Services, Inc., a copy of which is attached hereto and incorporated herein as Exhibit H. In the event Contractor is acquired, the Town shall have the option to require that the acquiring entity provide a performance bond in a form acceptable to the Town Attorney. The financial basis records shall be kept in accordance with generally accepted accounting principles.

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

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

14.1 Customer List. On or prior to Effective Date, the Town shall provide Contractor with a Residential Service Unit customer list and a Town Facility customer list. Regardless of the customer list, Contractor shall provide Collection Services to all Residential Services Units in accordance with this Agreement.

14.2 Billing and Collection.

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

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

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

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

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

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

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

7. Protection of Privacy.

a. At the time of delivery of the Carts to a Residential Service Unit and at least once a year thereafter, Contractor shall provide notice in the form of

a separate, written statement to each Residential Service Unit that clearly and conspicuously informs the occupant of:

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

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

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

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

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

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

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

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

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

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

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

f. Contractor shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was

collected and there are no pending request or orders for access to such information under subsection 14.2(A)(7)(e) or pursuant to a court order.

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

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

#### 14.3 Town Payment to Contractor.

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

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

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

14.5 Annual Rate Adjustments. All costs proposed in Forms 5, 6, 7 and 8 (inclusive) shall remain fixed from the execution of this Agreement through June 30, 2014. On July 1, 2014 and every July 1st thereafter during the Term of this Agreement, all cost of Collection Services, excluding costs associated with Carts, costs associated with Containers, costs of disposal and costs of processing and marketing, shall be adjusted, increased or decreased, according to this Section. The annual adjustment shall be a composite of two indices, 85% of which will be the Consumer Price Index – All Urban Consumers, CUUSA429SA0, CWUSA429SA0, Not Seasonally Adjusted, Area: Phoenix-Mesa, Item: All items ("CPI") and 15 % of which will be the Diesel Fuel

price index by the United States Department of Energy (the “DOE”). The Diesel Fuel adjustment shall be based on the most recent price as of May 1st of the then-current year as compared to the same price as calculated one year ago for Diesel Fuel (cents per Gallon), U.S. The CPI adjustment shall be calculated by comparing the index as of July 1st of the then-current year with the same index as it existed on May 1st of the prior year.

*Example: Assume that the CPI-All Urban Consumers, CUUSA429SA0, CWUSA429SA0, Not Seasonally Adjusted, Area: Phoenix-Mesa, Item: All items for the first half of 2010 is 105.5 and the first half of 2011 is 110.5. Assume that the Diesel Fuel price index by the DOE for Diesel Fuel (cents per Gallon), U.S. in 2011 is 308.5 and change from a year ago was -21.5. The calculation is as follows:*

$$\begin{array}{rcl} \frac{110.5-105.5}{105.5} & \times & .85 & = & 4.03\% \\ & & \text{then} & & \\ \frac{308.5-(308.5-(-21.5))}{(308.5-(-21.5))} & \times & .15 & = & -0.98\% \\ & & \text{then} & & \\ 4.03\% + -0.98\% & = & 3.05\% & \text{annual rate adjustment} & \end{array}$$

Notwithstanding the result of the calculation for the composite indices, in no event shall the cumulative rate adjustment (the CPI plus the Diesel Fuel price index by the DOE) exceed 5% per year.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21. Taxes. Contractor shall be responsible for and shall pay all sales, consumer, use and other taxes. When equipment, materials or supplies generally taxable to the Contractor are eligible

for a tax exemption due to the nature of the item, Contractor shall assist Town in applying for and obtaining such tax credits and exemptions which shall be paid or credited to Town.

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

23. Town Inspection Rights.

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

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

24. Dispute Resolution.

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

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

submit a written request for final decision to the Contract Administrator. The written request shall set forth all the facts surrounding the controversy.

24.3 Process for Dispute Resolution. In connection with any claim under this clause, the Contractor, at the discretion of the Contract Administrator, may be afforded an opportunity to be heard and to offer evidence in support of its claim. The Contract Administrator shall render a written decision on all claims within 30 Business Days of receipt of the Contractor's written claim, unless the Contract Administrator determines that a longer period is necessary to resolve the claim. The decision shall be furnished to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. If a decision is not issued within 30 calendar days, the Contract Administrator shall notify the Contractor of the time within which a decision shall be rendered and the reasons for such time extension. Except as set forth below, the Contract Administrator's decision shall be final and conclusive; provided, however, that Contractor may, at its option, initiate litigation in Maricopa County, Arizona within 120 days if Contractor does not agree with the Contract Administrator's decision. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Agreement in accordance with subsection 24.4 below.

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

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

Disposal Facility or the Recycling Facility. In order to be entitled to the benefit of this Section, a party claiming an event of Force Majeure shall be required to give prompt written notice to the other party specifying in detail the event of Force Majeure and shall further be required to use its best efforts to cure the event of Force Majeure.

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

27. Insurance.

27.1 General.

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

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor.

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

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of

this Agreement are satisfactorily performed and completed, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured as set forth above in Section 27.1(C).

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

G. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

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

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

rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

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

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

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

c. Excess Liability - Follow Form to underlying insurance.

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

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

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

#### 27.2 Required Insurance Coverage.

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

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

C. Professional Liability. [Intentionally deleted].

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

27.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or materially change without 30 calendar days' prior, written notice to the Town.

28. Termination; Cancellation.

28.1 By the Town for Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Contractor which has not been remedied within 30 days after receipt of written notice from the Town specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Contractor has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner; provided further that such cure period shall not exceed 90 days), the Town, may if such breach or default is continuing, terminate this Agreement upon written notice to the Contractor. The following events shall, without limitation, constitute a Material Breach or a Material Default by Contractor for purposes of this Section: (i) contractor shall abandon as hereinafter defined, the performance of Collection Services for a period of five consecutive calendar days unless caused by event of Force Majeure. As used herein, the term "abandon" shall refer to voluntary cessation of performance of Collection Service or operation of the Disposal Facility or Recycling Facility; (ii) the failure of Contractor to process Program Recyclables for a period of five consecutive calendar days at any time after the Commencement Date; (iii) if the Contractor's hazardous substance contingency plan as required by this Agreement hereof shall fail to comply with all Federal and State regulations regarding the handling of hazardous waste; (iv) the failure of Contractor to pay amounts owed to the Town under the terms of this Agreement within 14 calendar days after such amounts become finally due and payable; (v) if Contractor shall be not paying its debts when they become due; shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall

consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take corporate action for the purpose of any of the forgoing; and (vi) the default by Contractor with respect to any obligation to any third party pertaining to the Contractor or to Collection Services, which may permit any third party, either immediately or following notice and/or the passage of time to accelerate the maturity of any obligation of the Contractor, to assume control of the Contractor or take possession of or to transfer or caused to be transferred to any third party any portion of the assets of the Contractor, but only if such default materially interferes with or prevents Contractor's performance under the terms of this Agreement.

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

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

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

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

28.2 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause 120 days after receipt by Contractor of written notice by the Town. In such instance, an adjustment shall be made to the Contractor for the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the Town to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the Town's election to terminate this contract in whole or in part for its convenience.

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

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

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

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

28.7 By Contractor For Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Town which has not been remedied within 30 days after receipt of written notice from the Contractor specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Town has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner), the Contractor, may if such breach or default is continuing, terminate this Agreement upon written notice to the Town. The following events shall, without limitation, constitute a Material Breach or a Material Default by Town for purposes of this Section: (i) The failure of Town to pay amounts owed to the Contractor under the terms of this Agreement within 45 days after such amounts become finally due and payable or (ii) If Town shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver,

trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take official action for the purpose of any of the foregoing.

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

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

29. Miscellaneous.

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

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

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

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

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

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

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

29.8 Independent Contractor. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an

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

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

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

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

29.12 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of and entry into this Agreement.

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

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

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

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

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

29.18 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

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

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

If to the Town: Town of Fountain Hills  
16705 East Avenue of the Fountains  
Fountain Hills, Arizona 85268  
Facsimile: (480) 816-0100  
Attn: Richard L. Davis, Town Manager

With copy to: GUST ROSENFELD, P.L.C.  
One East Washington Street, Suite 1600  
Phoenix, Arizona 85004-2327  
Facsimile: (602) 340-1538  
Attn: Andrew J. McGuire, Esq.

If to Contractor: Allied Waste Services of Phoenix  
4811 West Lower Buckeye Road  
Phoenix, Arizona 85043  
Facsimile: 602-237-2641  
Attn: Mark Creswell

With a copy to: Republic Services, Inc.  
18500 N. Allied Way  
Phoenix, Arizona 85054  
Facsimile: (480) 718-4274  
Attn: Vice President, Deputy General Counsel - Western  
Operations

or at such other address and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three Business Days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (C) the following Business Day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following Business Day, or (D) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

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

29.21 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices and any other supporting evidence

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

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

29.23 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 28.1 above.

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

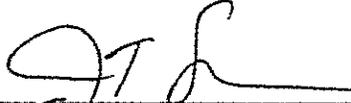
29.25 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the State of Arizona, Maricopa County.

[SIGNATURES ON FOLLOWING PAGE]

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

"Town"

TOWN OF FOUNTAIN HILLS, an Arizona  
municipal corporation



---

Jay F. Schlum, Mayor

"Contractor"

ALLIED WASTE TRANSPORTATION, INC.,  
a Delaware corporation d/b/a Allied Waste  
Services of Phoenix

By: 

---

Stephen Meyer, Area President

ATTEST:



---

Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGEMENTS)

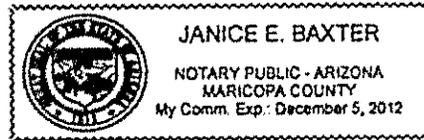
STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

This instrument was acknowledged before me on November 8, 2010, by Jay T. Schlum, the Mayor of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, on behalf of the Town of Fountain Hills.

Janice E. Baxter  
Notary Public in and for the State of Arizona

My Commission Expires:

12/5/2012



STATE OF Arizona )  
 ) ss.  
COUNTY OF Maricopa )

This instrument was acknowledged before me on November 3rd, 2010, by Stephen Meyer as Area President of ALLIED WASTE TRANSPORTATION, INC., a Delaware corporation d/b/a ALLIED WASTE SERVICES OF PHOENIX, on behalf of the corporation.

Natalie Parker  
Notary Public in and for the State of AZ

My Commission Expires:

8/4/2013



EXHIBIT A  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[RFP]

See following pages.

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

---

[RFP]

See following pages.



**REQUEST FOR PROPOSALS  
FOR  
SOLID WASTE SERVICES**

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

**SOLICITATION INFORMATION AND SELECTION SCHEDULE**

Solicitation Number: **PZ2010-001**

Release Date: **April 7, 2010**

Advertisement Dates: **April 7, 2010 – Fountain Hills Times  
April 8, 2010 – Arizona Business Gazette**

Final Date for Inquiries **May 20, 2010**

**MANDATORY**  
Pre-Submittal Conference: **May 6, 2010  
3:00 p.m. (local time, Phoenix, Arizona)  
Council Chambers  
16705 East Avenue of the Fountains  
Fountain Hills, Arizona 85268**

Due Date and Time: **June 9, 2010  
3:00 p.m. (local time, Phoenix, Arizona)**

Town Representatives: **Raymond Rees rrees@fh.az.gov  
480-816-5180  
Richard Turner rturner@fh.az.gov  
480-816-5191**

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# **SECTION A**

## **RFP Process**

## I. RFP PROCESS

1.1 Purpose. The Town of Fountain Hills (the “Town”) is issuing this Request for Proposals (this “RFP”) seeking proposals (each a “Proposal”) from qualified entities (each a “Proposer”) with demonstrated experience and qualifications to provide curbside solid waste collection and disposal services, bulk waste collection and disposal services, recycling services and green waste services within the corporate limits of the Town (the “Services”), as more particularly set forth below and described in the sample Solid Waste Services Agreement attached hereto and incorporated herein by reference. The Town will accept competitive sealed Proposals for the Services. The Town specifically reserves the right to award a contract for any portion of the Services, and Proposals must indicate the rate for Solid Waste Services both with and without recycling included.

1.2. Estimated Service Units. The estimated service units contained in this section represents, to the best of the Town’s knowledge, the estimated number of service units to be served under the terms of the Agreement. However, the number of service units to which Services are to be provided under the Agreement, are approximate and do not constitute a guarantee by the Town as to the exact number or category of service units to be served.

A. Residential Service Units. The Town estimates the total Residential Service Units in the Town that may be provided Residential Solid Waste Services, Residential Recycling Services and Residential Green Waste Services to be approximately 12,000. The Town’s estimates are not meant to be exact and no warranties or guaranties of any number customers or specific schedule for adding or subtracting customers is given. The Town may, in its sole discretion, change the numbers of customers to be served and the schedule for adding (or subtracting) customers and may expand or reduce service as the Town deems appropriate.

B. Grandfathered Areas. In order to minimize disruption to existing solid waste contracts between homeowner’s associations and their residents, some areas within the Town may be provided service at a later date. The Town shall provide the Contractor with written notification of the areas affected and the schedule for commencement of service for those areas to the Contractor not later than 60 days following the Effective Date, which information shall be included on the phase in schedule set forth in Exhibit E.

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

A. Irregular or Non-responsive Proposals. The Town shall consider as “irregular” or “non-responsive” and reject any Proposal not prepared and submitted in accordance with this RFP, or any Proposal lacking sufficient information to enable the Town to make a reasonable determination of compliance to the minimum qualifications. Unauthorized conditions, limitations, or provisions shall be cause for rejection.

B. Submittal Quantities. Interested parties must submit **one (1) original** and **seven (7) copies (eight (8) total submittals)** of the Proposal. In addition, interested parties must submit **one (1) original copy** of the Proposal on a CD-ROM (or electronic media approved by

the Town) in printable Adobe or Microsoft Word format (or other format approved by the Town). Failure to adhere to the submittal quantity criteria shall result in the Proposal being considered non-responsive.

C. Required Submittal. The Proposal shall be submitted with a cover letter with an **original ink** signature by a person authorized to bind the Proposer. Proposals submitted without a cover letter with an **original ink signature** by a person authorized to bind the Proposer shall be considered non-responsive. The Proposal shall be a maximum of **fifteen (15)** pages to address the Proposal criteria (excluding resumes, the required Forms and safety and health evaluations, but including the materials necessary to address project understanding, general information, organizational chart, photos, tables, graphs and diagrams). Each page side (maximum 8 1/2" x 11") with criteria information shall be counted. A cover, a back, a table of contents and tabs may be used and shall not be included in the page count, unless they include additional project-specific information or Proposal criteria responses. The minimum allowable font for the Proposal is **11 pt**. Failure to adhere to the page limit and size criteria and font shall size result in the Proposal being considered non-responsive. Telegraphic (facsimile), electronic (e-mail) or mailgram Proposals will not be considered.

D. Proposer's Responsibilities. All Proposers shall (A) examine the entire RFP, (B) seek clarification of any item or requirement that may not be clear, (C) check all responses for accuracy before submitting a Proposal and (D) submit the entire Proposal by the Proposal Due Date and Time. Late Proposals will not be considered. A Proposer submitting a late Proposal shall be so notified. Negligence in preparing a Proposal confers no right of withdrawal after the Proposal Due Date and Time. Each Proposer shall make its own examination, investigation and research regarding the proper method of performing the Services, including all conditions affecting the work to be done, the labor, equipment and materials and the quantity of the work to be performed. The Proposer agrees that it has satisfied itself by Proposer's own investigation and research regarding all of such conditions and that Proposer's conclusion to enter into the Agreement and execution of the Agreement is based upon such investigation and research and that Proposer shall make no claim against the Town because of any of the estimates, statements or interpretations made by any officer or agent of the Town which may prove to be erroneous in any respect.

E. Sealed Submittals. All Proposals shall be sealed and clearly marked with the RFP number and title, **Solid Waste Services (PZ2010-001)**, on the lower left hand corner of the mailing envelope. A return address must also appear on the outside of the sealed Proposal. The Town is not responsible for the pre-opening of, post-opening of, or the failure to open, any Proposals not properly addressed or identified.

F. Pricing. The Proposer shall submit the same number of copies of the Pricing as described in subsection 1.3(B) above in a separate, sealed envelope enclosed with the Proposer's Proposal. Pricing shall be inclusive of all of the Services and shall be detailed in the cost forms required to be submitted in conjunction with a Proposal.

G. Delivery/Mailing Address. All Proposals shall be directed to the following address: Town Clerk, 16705 East Avenue of the Fountains, Fountain Hills, Arizona,

85268, or hand-delivered to the Town Clerk's office by the Proposal Due Date and Time indicated on the cover page of this RFP.

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

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

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

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

1.5 Inquiries.

A. Written/Verbal Inquiries. Any question related to the RFP shall be directed to one of the Town Representatives whose names appear on the cover page of this RFP. Questions shall be submitted in writing or via e-mail by the final date for inquiries indicated on the cover page of this RFP or submitted verbally at the Pre-Submittal Conference on the date indicated on the cover page of this RFP. In the event the Town offices are closed on the final date for inquiries indicated on the cover page of this RFP, the Proposer shall submit the question(s) via e-mail to one of the Town Representatives. Any inquiries related to this RFP shall refer to the number and title, page and paragraph. However, the Proposer shall not place the RFP number and title on the outside of any envelope containing questions, because such an envelope may be identified as a sealed Proposal and may not be opened until after the RFP's Due Date and Time.

B. Inquiries Answered. Written questions will be read and answered at the Pre-Submittal Conference on the date indicated on the cover page of this RFP. Verbal or telephone inquiries directed to Town staff **will not be answered**. Within two business days following the Pre-Submittal Conference, answers to all questions received in writing or via e-mail or verbally at the Pre-Submittal Conference will be mailed, sent via facsimile and/or e-mailed to all parties who obtained an RFP package from the Town and who legibly provided their mailing addresses, facsimile and/or e-mail addresses to the Town. No questions will be accepted after the final date for inquiries listed on the cover of this RFP.

1.6 Payment Requirements; Payment Discounts. Any Proposal that requires payment in less than 30 calendar days shall not be considered. Payment discounts of 30 calendar days or more will be deducted from the Proposal price in determining the low Proposal. However, customers shall be entitled to take advantage of any payment discount offered by the Proposer provided payment is made within the discount period.

1.7 Federal Excise Tax. The Town is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.

1.8 Public Record. All Proposals shall become the property of the Town and shall become a matter of public record available for review, subsequent to the award notification.

1.9 Confidential Information. If a Proposer believes that a Proposal or protest contains information that should be withheld from the public record, a statement advising the Town Representative of this fact shall accompany the submission and the information shall be identified. The information identified by the Proposer as confidential shall not be disclosed until the Town Representative makes a written determination. The Town Representative shall review the statement and information and shall determine in writing whether the information shall be withheld. If the Town Representative determines to disclose the information, the Town Representative shall inform the Proposer in writing of such determination.

1.10 Proposer Licensing and Registration. Prior to the award of the Agreement, the successful Proposer shall (A) be licensed with the Arizona Corporation Commission to do business in Arizona and (B) have a Town of Fountain Hills business license on file with the Town Financial Services Department. The Proposer shall provide licensure information with the Proposal. Corporations and partnerships shall be able to provide a Certificate of Good Standing from the Arizona Corporation Commission.

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

A. Familiarity with Laws, Ordinances, Rules and Regulations. The submission of a Proposal on the Services requested herein shall be considered as a representation that the Proposer is familiar with all Federal, State and local laws, ordinances, rules and regulations which affect those engaged or employed in the provision of such Services, or equipment used in the provision of such Services, or which in any way affects the conduct of the provision of such Services. If the Proposer discovers any provision in the RFP documents that it believes are contrary to or inconsistent with any law, ordinance, or regulation, Proposer shall report it to the Town in writing without delay.

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

C. No Discrimination. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11456.

D. No Gratuity. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special

discount, trip, favor or service to a Town employee, officer or agent in connection with the submitted Proposal. It (including the Proposer's employees, representatives, agents, lobbyists, attorneys and subcontractors) has refrained, under penalty of disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process, including the Selection Committee, elected officials, the Town Manager, Deputy Town Manager, Department Heads and other Town staff. All contact must be addressed to the Town Representative listed on the cover of this RFP. Any attempt to influence the selection process by any means shall void the submitted Proposal and any resulting Agreement.

E. Fair Trade Certifications.

1. Independent Prices. The prices have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such prices with anyone.

2. No Disclosure. Unless otherwise required by law, the prices which have been quoted in its Proposal have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by Proposer prior to opening.

3. Influence on Competition. No attempt has been made or will be made by the Proposer to induce any other person or firm to submit or not to submit a Proposal for the purpose of restricting competition.

F. Sample Solid Waste Services Agreement. In addition to reviewing and understanding the RFP submittal requirements, it has reviewed the attached sample Solid Waste Services Agreement including the Scope of Work and other Exhibits and accepts all of the terms and conditions set forth therein.

1.12. No Signature/False or Misleading Statement. Failure to sign the Proposal, or signing it with a false or misleading statement, shall void the submitted Proposal and any resulting Agreement.

II. PROPOSAL FORMAT; SCORING

2.1 Proposal Evaluation. A Selection Committee comprised of representatives from the Town will conduct the selection process according to the schedule listed on the cover page of this RFP. Upon receipt of a Proposal, each submittal will be reviewed for compliance with the Proposal requirements by the Selection Committee. Proposals shall be organized and submitted in the format as outlined below. Failure to conform to the designated format, standards and minimum requirements shall result in a determination that the Proposal is non-responsive. Proposals shall be opened at the time and place designated on the cover page of this RFP. The name of each Proposer and the identity of the RFP for which the Proposal was submitted shall be publicly read and recorded in the presence of witnesses. PRICES SHALL NOT BE READ. The Selection Committee will evaluate and award points to each Proposal based upon the scoring criteria as outlined in this document. Points listed below are the maximum number of points possible for each criteria and not the minimum number that the Selection Committee may award.

The Selection Committee will conduct oral interviews with at least three, but not more than five, of the highest ranked Proposers based upon the Proposal submittal scoring; provided, however, that fewer than three may be interviewed in the event that less than three qualified Proposals are received. After the Town has entered into an Agreement with the successful Proposer, the successful Proposal and the scoring documentation shall be open for public inspection.

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

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

2.3 Content. The proposal shall contain all of the following information.

**A. Chapter 1: General Information 5 pts**

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

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

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

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

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

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

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

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

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

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

4. Disclosure of Preclusion from Participating in Public Procurement. If the firm, business or person submitting this Proposal has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Proposer shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Proposal. The Proposer shall include a letter with its Proposal setting forth the name and address of the governmental entity, the effective date of this suspension or debarment, the duration of the suspension or debarment and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.

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

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

**C. Chapter 3: Financial Statement 10 pts**

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

**D. Chapter 4: Method of Approach 40 pts**

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

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

b. Collection Route Schedules and Maps. Proposer shall include a proposed route schedule and maps.

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

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

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

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

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

- Aluminum cans and foil.
- Steel/tin cans
- Glass food and beverage containers (flint, amber and green)
- Newspaper, slick paper inserts
- Magazines, paperback books
- Residential mixed paper, junk mail inserts
- Telephone books and Yellow Pages
- Cardboard (corrugated, chipboard)
- Aerosol cans
- Plastic bottles and containers (Recycling logo #1 through #6)

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

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

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

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

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

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

g. RecycleBank. Proposer shall incorporate the RecycleBank program into its Proposal to allow for recycling rewards to Town residents. Proposer shall separately contract with RecycleBank to ensure that the service is available on the first day Recycling Services are provided to the Town. The Proposer shall describe, in detail, the method of calculation of a per-ton payment for each ton of recyclable materials processed at the processing facility, which reflects revenues from the sale of recyclable materials less processing costs, profit and other expenses. This per-ton payment is to be presented by the Proposer on Forms 5 and 7. The Proposal shall propose a method to periodically adjust the per-ton payment and such method shall address changes to market prices for recyclable materials and processing costs over the term of the Agreement. The Town will consider an index pricing structure versus a flat rate per ton price. The Proposer shall provide the formula and the current index rates for any index price structure proposed. In lieu of payment of the per-ton amount directly to the Town, the Proposer shall set forth in its Proposal its method for offsetting the amount that would otherwise be paid to the Town against the costs associated with (a) the Town Facility Solid Waste Services and (b) the Residential Solid Waste Services.

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

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

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

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

4. Residential Bulk Waste Services. Proposer shall describe the method for performing Residential Bulk Waste Services on (i) an on-call, fee-per-service basis and (ii) a twice per year basis by a Town-wide bulk waste drop off event at not less than three locations chosen by the Town. Proposer shall describe how Bulk Waste in excess of the allotted amount shall be handled and other pertinent information.

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

- Name, location and description of the disposal facility where recyclable materials will be handled.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the disposal facility is the same as the Proposer, a related-party entity, or subcontractor.
- Contact name and phone number of the disposal facility site manager.

- The contract with the disposal facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the sorting equipment used to segregate and consolidate recyclable materials.

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

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

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

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

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

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

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

**E. Chapter 5: Billing 5 pts**

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

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

Proposer shall complete the forms set forth below:

1. Residential Services. Each Proposer submitting a Proposal for Residential Solid Waste Services, Residential Bulk Waste Services and Residential Recycling Services, Proposer shall complete Form 5 (including 5.1, 5.2 and 5.3).

2. Town Facility Services and Special Event Services. Each Proposer submitting a Proposal for Town Facility Solid Waste Services, Town Facility Recycling Services, Special Events Solid Waste Services and Special Events Recycling Services shall complete Form 6 (including 6.1, 6.2 and 6.3).

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

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

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

**III. ORAL INTERVIEWS; SCORING**

Proposing firms selected for oral interviews will be invited to participate in discussions with the Selection Committee on the date indicated on the cover page of this RFP, or at other such date as indicated by the Town and awarded points based upon the criteria as outlined below. Proposing firms may be given additional information for these oral interviews. These discussions will relate less to the past experience and qualifications already detailed in the Proposals and relate more to (i) identifying the Proposing firms' program approach and to an appraisal of the people who would be directly involved in this Services for this RFP and (ii) exploring with the Proposer the scope and nature of the project, the Proposer's proposed method of performance and the relative utility of alternate methods of approach.

**Oral Interview**

General Information	10
Experience and Qualifications of the Vendor	25
Key Positions	20
Proposed Services Provided	35
Favorable Evaluation by Maricopa County Department of Environmental Health Service	10
<b>Total Possible Points for Oral Interview</b>	<b>100</b>

**Total Points Possible for Proposal: 200**

**IV. AWARD OF AGREEMENT**

4.1 Multiple Award. The Town reserves the right to award by individual Service Option, by group of Service Options, or as a total, whichever is deemed most advantageous to the Town. The Town also reserves the right to choose the Billing Option at its sole discretion.

A. Scoring. To determine whether a single agreement or multiple agreements are awarded, the Town shall compare the average scores of each of the highest scoring for each proposed Service Option separately, the highest scoring proposed for each combination of Service Options, and the highest scoring proposed for all Service Options taken together.

B. Flexibility in Proposal Approaches. The Town is aware of the complexity of the services to be provided and the fact that there is more than one approach to satisfying some of the minimum specifications or that more than one solution or method may be applied to meet a given requirement. The evaluation program is designed to allow a certain amount of freedom in how to accomplish the task, as long as the Town's functional requirements are met. Proposals will be evaluated in accordance with the factors set forth below and ranked, according to the total number of points each individual proposal earned, based on the stated maximum point allowance per factor.

4.2 Waiver; Rejection; Reissuance. Notwithstanding any other provision of this RFP, the Town expressly reserves the following rights:

A. Cancel RFP. To cancel this RFP for any reason, with or without the substitution of another RFP.

B. Other Actions. To take any action affecting this RFP, this RFP process, or the services to this RFP that would be in the best interests of the Town.

C. Additional Information. To issue additional requests for information.

D. Supplemental Information; Clarifications. To require one or more of the Proposers to supplement, clarify or provide additional information in order for the Town to evaluate the Proposals submitted. Clarification means a communication with a Proposer for the sole purpose of eliminating ambiguities in the Proposal and does not give the Proposer the opportunity to revise or modify its Proposal.

E. Investigation; Inspection. To conduct investigations with respect to the qualifications and experience of each Proposer and to inspect Proposer(s) facilities during normal working hours.

F. Waive Defect. To waive any defect or irregularity in any Proposal.

G. Reject Proposals. To reject any or all Proposals.

H. Flexible Award. To award all, none, or any Service Option that is in the best interest of the Town to one or more of the Proposers.

I. Discussions. To discuss and negotiate with selected Proposer(s) any terms and conditions in the Proposal including, but not limited to, financial terms.

J. Sole Discretion. To be the sole judge of the respective Proposals received.

By submitting a Proposal for the services, all Proposers acknowledge and agree that (1) no enforceable agreement arises until the Town signs the Solid Waste Services Agreement(s), (2) no action shall require the Town to sign such agreement(s) at any time and (3) each Proposer waives all claims to damages, lost profits, costs, expenses, reasonable attorneys fees, etc., as a result of the Town not signing such agreement(s).

4.3 Protests. Any Proposer may protest this RFP issued by the Town, the proposed award of a Solid Waste Services Agreement, or the actual award of a Solid Waste Services Agreement.

4.4. Offer. A Proposal is an offer to contract with the Town based upon the terms, conditions and specifications contained in this RFP, the Solid Waste Services Agreement and the Proposer's responsive Proposal, unless any of the terms, conditions, or specifications is modified by a written addendum or agreement amendment. Provided, however, that no contractual relationship shall be established until the Proposer has signed, and the Town has approved, a Solid Waste Services Agreement between the Town and the Proposer in the form acceptable to the Town Attorney. A sample Solid Waste Services Agreement is included herein. This RFP does not constitute an offer by the Town and does not commit the Town to accept a Proposal. No binding agreement, obligation to negotiate, or any other obligation shall be created on the part of the Town unless the Town and Proposer(s) execute the agreement(s). No recommendations or conclusions from this RFP process concerning Proposer(s) shall constitute a right (property or otherwise) under federal or State law.

## V. FORMS

[SEE FOLLOWING PAGES]

**FORM 1: STATEMENT OF ORGANIZATION**

**1. PROPOSER**

Full Name of Business: \_\_\_\_\_

Principal Business Address: \_\_\_\_\_

Principal Phone Number: \_\_\_\_\_

Local Business Address: \_\_\_\_\_

Local Business Contact Person: \_\_\_\_\_

Local Business Fax: \_\_\_\_\_

Local Business E-Mail: \_\_\_\_\_

Type of Organization: \_\_\_\_\_

Tax ID #: \_\_\_\_\_

License #: \_\_\_\_\_

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

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

**2. SERVICE OPTIONS**

Service Options Proposed (check all that apply):

\_\_\_\_\_ Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services.

\_\_\_\_\_ Town Facility Solid Waste Services

\_\_\_\_\_ Neighborhood Recycling Drop-off Services

\_\_\_\_\_ Residential Green Waste Services

**3. SUBCONTRACTOR**

List of all firms participating in this Proposal:

Name	Address	Area of Responsibility
------	---------	------------------------

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

(d) \_\_\_\_\_

**FORM 2: CERTIFICATE OF INSURABILITY**

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

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

\_\_\_\_\_  
Signature of Proposer

\_\_\_\_\_  
Printed Name of Signee

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Date



**FORM 4: EXPERIENCE**

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

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

**FORM 4: EXPERIENCE (continued)**

4. Name of Public Agency: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Year Contract Initiated: \_\_\_\_\_  
Number of Residential Units Served: \_\_\_\_\_  
Description of Services: \_\_\_\_\_  
\_\_\_\_\_
5. Name of Public Agency: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Year Contract Initiated: \_\_\_\_\_  
Number of Residential Units Served: \_\_\_\_\_  
Description of Services: \_\_\_\_\_  
\_\_\_\_\_

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

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

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

- [1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.
- [2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.
- [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, in its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

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

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

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

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

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

- [1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

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

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

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

- [1] Proposer shall list the type of Recyclable Material.
- [2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
- [3] Flat per Ton Payment is a flat payment that, in the absence of participation in the RecycleBank (or equivalent) program, would be paid by the Contractor to the Town for Recyclable Materials.
- [4] Revenue Share means the percent of revenues from the sale of Recyclable Materials that, in the absence of participation in the RecycleBank (or equivalent) program, would be paid to the Town and the percent of revenues from the sale of Recyclable Materials paid to the Contractor.
- [5] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
- [6] Outgoing Tons means the tons of Recyclable Materials sold.

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

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

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

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

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

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

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

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

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

<b>Solid Waste</b>			
<b>Roll-off Size</b>	<b>Collection Rate</b>	<b>Disposal Rate</b>	<b>Container Rental Rate</b>
10 CY	\$ /Container/Pull	\$ /Ton	\$ /Container
20 CY	\$ /Container/Pull	[1]	\$ /Container
30 CY	\$ /Container/Pull	[1]	\$ /Container
40 CY	\$ /Container/Pull	[1]	\$ /Container

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

<b>Special Event Recycling Services</b>		
<b>Collection Frequency</b>	<b>Collection Rate</b>	<b>Processing/Marketing Fee</b>
1 x per event	\$ /96 Gallon Cart/Event	[1]
2 x per event	\$ /96 Gallon Cart/Event	[1]
3 x per event	\$ /96 Gallon Cart/Event	[1]
4 x per event	\$ /96 Gallon Cart/Event	[1]
5 x per event	\$ /96 Gallon Cart/Event	[1]
6 x per event	\$ /96 Gallon Cart/Event	[1]
7 x per event	\$ /96 Gallon Cart/Event	[1]

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

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

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

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

- [1] Neighborhood Recycling Drop-off Services shall be provided via Containers as set forth in the Solid Waste Services Agreement.
- [2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

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

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

- [1] Proposer shall list the type of Recyclable Material.
- [2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
- [3] Flat per Ton Payment is a flat payment that, in the absence of participation in the RecycleBank (or equivalent) program, would be paid by the Contractor to the Town for Recyclable Materials.
- [4] Revenue Share means the percent of revenues from the sale of Recyclable Materials that, in the absence of participation in the RecycleBank (or equivalent) program, would be paid to the Town and the percent of revenues from the sale of Recyclable Materials paid to the Contractor.
- [5] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
- [6] Outgoing Tons means the tons of Recyclable Materials sold.

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

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

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

# **SECTION B**

## **Sample Solid Waste Services Agreement**

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

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This SOLID WASTE SERVICES AGREEMENT (this "Agreement") is made on \_\_\_\_\_, 2010 (the "Effective Date") between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and \_\_\_\_\_, a(n) \_\_\_\_\_ (the "Contractor").

RECITALS

A. The Town issued a Request For Proposals, "Solid Waste Services (PZ2010-001)" (the "RFP"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, seeking proposals from vendors for residential curbside solid waste collection and disposal services, bulk waste collection and disposal services, residential recycling services, green waste services, Town facility solid waste services, Town facility recycling services and special event solid waste and recycling services within the corporate limits of the Town of Fountain Hills (the "Services").

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

AGREEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.12 “Construction and Demolition Waste” shall include Construction Debris and Demolition Debris.

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

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

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

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

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

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

1.19 “Expiration Date” means June 30, 20\_\_ at 11:59 PM, Local Time.

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

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

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

1.23 “Local Time” means the time in Phoenix, Arizona.

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

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

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

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

1.28 “Nonprogram User” means any generator of Nonprogram Recyclables.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.49 “Residential Service Unit” mean residential dwellings and establishments identified by the Town to receive Residential Services from the Contractor and utilizing (i) a Solid Waste Cart for the accumulation and set-out of Residential Solid Waste and (ii) a

Recycling Cart for the accumulation and set-out of Residential Recyclable Materials. Town, at its sole discretion, may add or delete Residential Units.

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

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

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

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

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

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

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

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

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

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

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

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

1.62 “State” means the State of Arizona.

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

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

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

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

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

## 2. Representations.

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

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

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

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

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

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

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

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

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

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

### 3. Term of Agreement.

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

3.2 Option to Renew. After the Initial Term, Town shall have the option at its sole discretion to renew this Agreement for up to three additional one-year terms (each, a “Renewal Term”). The Initial Term and any Renewal Terms shall be collectively referred to herein as the “Term.” To exercise its option, Town shall provide written notice to Contractor not later than 30 calendar days preceding the scheduled date of expiration of the then-current Term. This provision in no way limits the Town’s right to terminate this Agreement at any time during the Term pursuant to the provisions in this Agreement.

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

4.1 Solid Waste.

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

B. Residential Bulk Waste Services. Contractor shall provide an on-call, fee-for-service process for collecting residential bulk waste of up to six cubic yards from each Residential Service Unit in the Town. Contractor shall also hold, not less than two times each year, on days chosen by the Town, Town-wide bulk waste drop-off events at not less than three locations as selected by the Town. Contractor shall deliver the Bulk Waste collected to the Recycling Facility or the Disposal Facility. If the Bulk Waste is delivered to the Recycling Facility, Contractor shall process and market the Bulk Waste at the Recycling Facility. If the Bulk Waste is delivered to the Disposal Facility, Contractor shall dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Bulk Waste Collection Services.

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

**Table 4.1**

<b>Town Facilities</b>	<b>Address</b>	<b>Container Size</b>	<b>Collection Frequency</b>

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

4.2 Recycling.

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

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

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

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

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

<b>Neighborhood Recycling Drop-off Service Site</b>	<b>Address</b>

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

4.3 Residential Green Waste Collection. Contractor shall collect, once per week on a scheduled day, all Green Waste via Residential Green Waste Cart from each Residential service Unit in the Town that has selected the green waste option and has agreed to

pay the additional cost of same. Contractor shall deliver all Green Waste collected from Green Waste Carts at Residential service Units to a Green Waste processing facility.

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

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

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

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

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

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

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

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

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

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

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

5. Inspection of Loads and Rejected Loads.

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

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

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

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

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

5.3 Procedure upon Rejection of Load.

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

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

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

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

5.4 Procedure upon Rejection of Load due to Hazardous Waste.

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

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

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

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

6. Handling of Rejects and Residue.

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

6.2 Handling of Residue. Contractor shall be solely responsible for ensuring that Residue which is culled from Program Recyclables accepted by Contractor or which is the result of processing activity shall not exceed the overall annual Residue Allowance of 15%. If the residue exceeds the Residue Allowance, Town may assess liquidated damages in accordance

with Section 18 of this Agreement. Contractor, at its sole expense, shall bear costs of transporting and disposal of all Residue.

7. Collection and Processing Equipment.

7.1 Collection Services Vehicles.

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

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

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

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

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

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

D. Reserve Carts. Contractor shall maintain a minimum of 15 Solid Waste Carts, 15 Recycling Carts and 15 Green Waste Carts at a secure location within the corporate limits of the Town to ensure that extra or replacement Carts can be expeditiously provided upon the request of the Town.

E. Replacement of Carts. Upon notification to Contractor by the Town or a customer that a Cart has been lost, destroyed, stolen or that it has been damaged

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

### 7.3 Collection and Processing Equipment, Excluding Carts.

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

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

### 7.4 Ownership.

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

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

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

8. Personnel. Contractor shall assign a qualified person or persons who will be charge of its operations within the Town and authorized to make decisions on Contractor's

behalf and shall provide the name, office telephone number, mobile phone number, email address and facsimile number of Contractor's representatives and key personnel to the Contract Administrator. Contractor agrees that the Town shall have 24 hour access to said representative via a non-toll call from the corporate limits of the Town. Such records shall be updated as personnel or contact information changes. In addition, Contractor shall adhere to the following requirements:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10.2 Work Order Reporting. Upon resolution of the customer complaint, Contractor will close the work order and resubmit it to the Town. The closed work order will

include (A) Contractor's determination as to legitimacy of the complaint, (B) the date, time and action taken to resolve complaint and (C) the name of responsible contact at Contractor's location regarding the complaint.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### 13.2 Reporting.

#### A. Initial Reports.

1. Transition Plan. The Contractor shall provide a transition plan 90 calendar days prior to Commencement Date. This plan shall detail transition to the Contractor providing Solid Waste Service, Bulk Waste Service, Recycling Service

and Residential Green Waste Service. This transition plan will be submitted for approval by the Contract Administrator.

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

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

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

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

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

13.4 Report Format. Within 14 days after the Commencement Date, the Contractor will be required to submit to the Town for its approval the format and sample

contents of the records to be maintained and the reports to be generated in fulfillment of the requirements of the Agreement. Contractor shall submit all reports in electronic format approved by the Town and in hard copy.

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

14.1 Customer List. On or prior to \_\_\_\_\_, 20\_\_, the Town shall provide Contractor with a Residential Service Unit customer list and a Town Facility customer list. Regardless of the customer list, Contractor shall provide Collection Services to all Residential Services Units in accordance with this Agreement.

14.2 Billing and Collection.

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

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

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

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

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

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

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

7. Protection of Privacy.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### 14.3 Town Payment to Contractor.

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

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

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

information or reports as may be requested by the Town from time to time to comply with the requirements of the variance.

14.5 Annual Rate Adjustments. All costs proposed in Forms 5, 6, 7 and 8 (inclusive) shall remain fixed from the execution of this Agreement through June 30, 20\_\_\_. On July 1, 20\_\_\_ and every July 1st thereafter during the Term of this Agreement, all cost of Collection Services, excluding costs associated with Carts, costs associated with Containers, costs of disposal and costs of processing and marketing, shall be adjusted, increases or decreased, according to this Section. The annual adjustment shall be a composite of two indices, 85% of which will be the Consumer Price Index – All Urban Consumers, CUUSA429SA0, CWUSA429SA0, Not Seasonally Adjusted, Area: Phoenix-Mesa, Item: All items (“CPI”) and 15 % of which will be the Diesel Fuel price index by the United States Department of Energy (the “DOE”). The Diesel Fuel adjustment shall be based on the most recent price as of July 1st of the then-current year as compared to the same price as calculated one year ago for Diesel Fuel (cents per Gallon), U.S. The CPI adjustment shall be calculated by comparing the index as of July 1st of the then-current year with the same index as it existed on July 1st of the prior year.

*Example: Assume that the CPI-All Urban Consumers, CUUSA429SA0, CWUSA429SA0, Not Seasonally Adjusted, Area: Phoenix-Mesa, Item: All items for the first half of 2010 is 105.5 and the first half of 2011 is 110.5. Assume that the Diesel Fuel price index by the DOE for Diesel Fuel (cents per Gallon), U.S. in 2011 is 308.5 and change from a year ago was -21.5. The calculation is as follows:*

$$\frac{110.5-105.5}{105.5} \times .85 = 4.03\%$$

*then*

$$\frac{308.5-(308.5-(-21.5))}{(308.5-(-21.5))} \times .15 = -0.98\%$$

*then*

**4.03% + -0.98% = 3.05% annual rate adjustment**

Notwithstanding the result of the calculation for the composite indices, in no event shall the cumulative rate adjustment (the CPI plus the Diesel Fuel price index by the DOE) exceed 5% per year.

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

15.1 Distribution of Program Introduction Notice. Contractor shall distribute, at Contractor’s own expense, a program introduction notice for each Residential Service Unit for which Contractor delivers a Cart. The program introduction notice shall be delivered to each Residential Service Unit twice before Collection begins. Contractor shall deliver the first notice via first class mail not later than 60 days prior to the Commencement Date. Thereafter,

Contractor shall attach a program introduction notice via a non-adhesive means to each Cart delivered to a customer or picked up by a customer at the Contractor's office.

15.2 Development, Printing and Distribution of Improper Set-out Notice.

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

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

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

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

18.1 Missed Collection. \$25 for each Missed Collection above two misses per Collection day, to be assessed at the end of each Collection month. A Missed Collection occurs when (A) a resident reports that their material was set at the curb by 6:00 AM, Local Time and was not collected (B) the address was not reported by the Contractor as a late set-out or an

improper set-out. Contractor may dispute the designation as a Missed Collection to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a set-out is a Missed Collection.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

the claims and the amount of available insurance and performance bonds pursuant to this Agreement.

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

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

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

23. Town Inspection Rights.

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

23.2 Town's Rights to Inspect Facilities and Equipment. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to inspect

Contractor's facilities, including the Disposal Facility and Recycling Facility if operated by the Contractor, and equipment and perform such inspections, as Town deems reasonably necessary, to determine whether the services required to be provided by Contractor under this Agreement conform to the terms hereof and/or the terms of this Agreement. Town shall conduct the inspection of facilities and equipment during hours of operation. Contractor shall make available to Town all reasonable facilities and assistance to facilitate the performance of inspections by Town's representatives.

#### 24. Dispute Resolution.

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

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

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

24.4 Operations during Dispute. In the event that any dispute arises between Town and Contractor relating to this Agreement performance or compensation hereunder, Contractor shall continue to render service and receive compensation in full compliance with all terms and conditions of this Agreement as interpreted, in good faith, by the Town, regardless of such dispute. The Contractor expressly recognizes the paramount right and duty of Town to provide adequate services to its residents and further agrees, in consideration of the execution of this Agreement, that in the event of such a dispute, if any, it will not seek injunctive relief in any

court without first negotiating with Town in good faith for an adjustment on the matter or matters in dispute and, upon failure of said negotiations to resolve the dispute shall present the matter to mediation in the courts of Arizona. If mediation fails, Contractor shall present the matter to a court in Arizona. Notwithstanding the other provisions in this subsection, Town reserves the right to terminate this Agreement at any time whenever the service provided by Contractor fails to meet reasonable standards of the trade, after Town provides written notice to Contractor pursuant to Section 28 of this Agreement. Upon termination, Town may call the performance bond and apply the cash and surety bond for the cost of service in excess of that charged to Town by the firm engaged for the balance of the Agreement period.

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

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

27. Insurance.

27.1 General.

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

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

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

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

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

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

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

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

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

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

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

- a. Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 or equivalent.
- b. Auto Liability - Under ISO Form CA 20 48 or equivalent.
- c. Excess Liability - Follow Form to underlying insurance.

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

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

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

#### 27.2 Required Insurance Coverage.

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

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

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the

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

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

27.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or materially change without 30 calendar days' prior, written notice to the Town.

28. Termination; Cancellation.

28.1 By the Town for Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Contractor which has not been remedied within 30 days after receipt of written notice from the Town specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Contractor has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner; provided further that such cure period shall not exceed 90 days), the Town, may if such breach or default is continuing, terminate this Agreement upon written notice to the Contractor. The following events shall, without limitation, constitute a Material Breach or a Material Default by Contractor for purposes of this Section: (i) contractor shall abandon as hereinafter defined, the performance of Collection Services for a period of five consecutive calendar days unless caused by event of Force Majeure. As used herein, the term "abandon" shall refer to voluntary cessation of performance of Collection Service or operation of the Disposal Facility or Recycling Facility; (ii) the failure of Contractor to process Program Recyclables for a period of five consecutive calendar days at any time after the Commencement Date; (iii) if the Contractor's hazardous substance contingency plan as required by this Agreement hereof shall fail to comply with all Federal and State regulations regarding the handling of hazardous waste; (iv) the failure of Contractor to pay amounts owed to the Town under the terms of this Agreement within 14 calendar days after such amounts become finally due and payable; (v) if Contractor shall be not paying its debts when they become due; shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take corporate action for the purpose of any of the foregoing; and (vi) the default by Contractor

with respect to any obligation to any third party pertaining to the Contractor or to Collection Services, which may permit any third party, either immediately or following notice and/or the passage of time to accelerate the maturity of any obligation of the Contractor, to assume control of the Contractor or take possession of or to transfer or caused to be transferred to any third party any portion of the assets of the Contractor, but only if such default materially interferes with or prevents Contractor's performance under the terms of this Agreement.

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

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

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

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

28.2 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by Contractor of written notice by the Town. In such instance, an adjustment shall be made to the Contractor, for the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the Town to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the Town's election to terminate this contract in whole or in part for its convenience.

28.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently

abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

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

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

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

28.7 By Contractor For Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Town which has not been remedied within 30 days after receipt of written notice from the Contractor specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Town has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner), the Contractor, may if such breach or default is continuing, terminate this Agreement upon written notice to the Town. The following events shall, without limitation, constitute a Material Breach or a Material Default by Town for purposes of this Section: (i) The failure of Town to pay amounts owed to the Contractor under the terms of this Agreement within 45 days after such amounts become finally due and payable or (ii) If Town shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar

powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take official action for the purpose of any of the foregoing.

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

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

29. Miscellaneous.

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

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

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

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

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

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

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

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

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

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

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

29.12 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of and entry into this Agreement.

29.13 Assignment. No right or interest in this Agreement shall be assigned by Contractor without prior, written permission of the Town signed by the Town Manager and no delegation of any duty of Contractor shall be made without prior, written permission of the Town signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor. This Agreement

and the rights and obligation contained herein shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

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

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

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

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

29.18 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

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

29.19 Notices and Requests. Unless a specific time frame for notice is otherwise specifically set forth in this Agreement (including, but not limited to Subsections 5.3, 5.4, 6.1, 9.4, 23.1, 25 and 29.21), any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or

certified, return receipt requested, to the address set forth below, (C) given to a recognized and reputable overnight delivery service, to the address set forth below or (D) delivered by facsimile transmission to the number set forth below:

If to the Town:           Town of Fountain Hills  
                                  16705 East Avenue of the Fountains  
                                  Fountain Hills, Arizona 85268  
                                  Facsimile: (480) 816-0100  
                                  Attn: Richard L. Davis, Town Manager

With copy to:            GUST ROSENFELD, P.L.C.  
                                  201 East Washington Street, Suite 800  
                                  Phoenix, Arizona 85004-2327  
                                  Facsimile: (602) 340-1538  
                                  Attn: Andrew J. McGuire, Esq.

If to Contractor:        \_\_\_\_\_  
                                  \_\_\_\_\_  
                                  \_\_\_\_\_  
                                  Facsimile: \_\_\_\_\_  
                                  Attn: \_\_\_\_\_

or at such other address and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three Business Days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (C) the following Business Day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following Business Day, or (D) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

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

29.21 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the

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

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

29.23 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term “scrutinized business operations” shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 28.1 above.

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

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

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

“Town”

“Contractor”

TOWN OF FOUNTAIN HILLS, an Arizona  
municipal corporation

\_\_\_\_\_,  
a(n) \_\_\_\_\_

\_\_\_\_\_  
Jay T. Schlum, Mayor

By: \_\_\_\_\_

ATTEST:

Name: \_\_\_\_\_

\_\_\_\_\_  
Bevelyn J. Bender, Town Clerk

Its: \_\_\_\_\_

(ACKNOWLEDGEMENTS)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 2010,  
by Jay T. Schlum, the Mayor of the TOWN OF FOUNTAIN HILLS, an Arizona municipal  
corporation, on behalf of the Town of Fountain Hills.

\_\_\_\_\_  
Notary Public in and for the State of Arizona

My Commission Expires:

\_\_\_\_\_

STATE OF \_\_\_\_\_)  
  ) ss.  
COUNTY OF \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2010,  
by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_, a(n) \_\_\_\_\_, on behalf of the corporation.

\_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_

My Commission Expires:

\_\_\_\_\_

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

---

[Contractor's Proposal]

See following pages.

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

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[Fee Proposal – Completed Forms 5 - 7]

See following page(s).

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

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[Phase-in Schedule/Map]

See following page(s).

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

---

[Materials Acceptance Protocol]

See following page(s).

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

---

[Recycling Materials Processing Contract]

See following page(s).

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

---

[Disposal Services Contract]

See following page(s).

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

---

[Guaranty Agreement]

See following page(s).



# REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

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

## ADDENDUM NO. 1

Date: May 13, 2010  
From: Raymond Rees, Environmental Planner  
Subject: Addendum No. 1 (this "Addendum")  
Request for Proposals PZ2010-001 (the "RFP")

### SCOPE

This Addendum forms a part of the RFP and the resulting Solid Waste Services Agreement (the "Agreement") and clarifies, corrects, or modifies the original RFP documents prepared by the Town of Fountain Hills. Any capitalized terms used herein and not otherwise defined shall have the meanings set forth in the RFP. Please acknowledge receipt of this addendum in the space provided on the attached form. This acknowledgement and addendum must accompany the submitted proposal. Failure to do so may subject the bidder to disqualification.

This Addendum No. 1 consists of responses to clarification questions posed at the Mandatory Pre-Submittal Conference held in the Town Council Chambers on May 6, 2010. Where responses have resulted in changes to the RFP forms (including the draft form of agreement), such changes are set forth below. The clarifications set forth below are not in chronological order, but rather follow the order of the questions presented at the Pre-Submittal Conference. In the event of a conflict between the terms of the original RFP documents and this Addendum, the terms of this Addendum shall prevail.

### ADDENDUM

1. A Town map is attached hereto as Exhibit 1. The estimated 12,000 total residential units within the corporate limits of the Town should be used for the purpose of preparing proposals. A more detailed residential unit list will be made available prior to execution of the Agreement.

2. The Town is currently aware of three existing contracts with homeowners' associations (Sunridge Canyon, FireRock and Eagle Mountain) that have expiration dates in 2012. These three associations comprise a substantial portion of the single family homes in

Fountain Hills that are governed by a single homeowners' association. Prior to the time the Agreement is executed, as complete a list of all associations and their respective contracts as practicable will be provided and included in the Agreement as Exhibit E.

3. The Town estimates that 30% of Fountain Hills residents are part-time based upon data utilized by the Fountain Hills Sanitary District. The Town has not independently verified this estimate. The Town is also not able to provide information as to how many of the part-time residents live in single family detached homes (requiring individual Carts) as opposed to multifamily homes that do not utilize individual Carts for the residents.

4. The Agreement has not been modified to allow for collection six days per week, and shall be governed by Subsections 9.1 and 9.7 of the Agreement. Regular collection shall occur Monday through Thursday, with Friday collection allowed only to accommodate a Holiday occurring on Thursday of that same week.

5. The Disposal Facility and the Recycling Facility are required to be open seven days per week for the convenience of the residents of Fountain Hills, and such requirement is not related to the required days for Collection (Monday – Thursday).

6. The selected Contractor will be responsible for all compliance monitoring and inspection necessary pursuant to the Town's variance with the Maricopa County Environmental Services Division.

7. The Contractor will only be required to provide two sizes of Carts (65 & 96 Gallon). Recycling Carts shall be standard blue with white recycling logo unless a comparable alternate design is approved by the Town. Forms 5.1 and 5.2 of the RFP are hereby deleted in their entirety and replaced with the new Forms 5.1 and 5.2 (including changes for Cart size and Recycling Cart color) attached hereto as Exhibit 2.

8. Subsection 2.3(B)(5), on page A-8 of the RFP is hereby deleted in its entirety and replaced with the following:

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

9. Subsection 2.3(D)(2)(g), on page A-10 of the RFP, is hereby deleted in its entirety and replaced with the following:

g. Recycling Rewards Program.

(i) RecycleBank. Proposer shall incorporate the RecycleBank program into its Proposal to allow for recycling rewards to Town residents. Proposer shall separately contract with RecycleBank to ensure that the service is available on the first day Recycling Services are provided to the Town. The Proposer shall describe, in detail, the method of calculation of a per-ton payment for each ton of recyclable materials processed at the processing facility, which reflects revenues from the sale of recyclable materials less processing costs, profit and other expenses. This per-ton payment is to be presented by the Proposer on Forms 5 and 7. The Proposal shall propose a method to periodically adjust the per-ton payment and such method shall address changes to market prices for recyclable materials and processing costs over the term of the Agreement. The Town will consider an index pricing structure versus a flat rate per ton price. The Proposer shall provide the formula and the current index rates for any index price structure proposed. In lieu of payment of the per-ton amount directly to the Town, the Proposer shall set forth in its Proposal its method for offsetting the amount that would otherwise be paid to the Town against the costs associated with (a) the Town Facility Solid Waste Services and (b) the Residential Solid Waste Services.

(ii) Alternative Rewards Program. The Proposer may, as an alternative to the RecycleBank program requirement above, submit for the Town's consideration an alternative recycling rewards program that is substantially similar in scope and benefits to the RecycleBank program. The Town may approve or reject such alternative recycling rewards program at its sole discretion. In the event the Town rejects the alternative offered by the Proposer, the Proposer may (1) withdraw its proposal or (2) within 20 days following the notice of rejection by the Town, submit a revised Proposal including RecycleBank.

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

11. Subsection 3.2 of the Agreement, on page B-9 of the RFP, is hereby deleted in its entirety and replaced with the following:

3.2 Option to Renew. After the Initial Term, Town shall have the option to request renewal of this Agreement for up to three additional one-year

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

12. Subsection 14.2(A)(8), on page B-24 of the RFP, is hereby deleted in its entirety and replaced with the following:

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

13. Subject to space availability, the Town can accommodate the reserve Solid Waste Carts, Recycling Carts and Green Waste Carts at its Street Yard, located at 17137 Falcon Drive, which Carts shall be accessible to the Contractor during the Town's normal business hours.

14. Subsection 7.5, on page B-15 of the RFP, is hereby deleted in its entirety (including all subsections) and replaced with the following:

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

15. Subsection 1.56, on page B-6 of the RFP will remain unchanged as it has been determined to be consistent with the definition in State law.

16. Subsection 18.9, on page B-27 of the RFP, is hereby deleted in its entirety and replaced with the following:

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

17. Subsection 18.10, on page B-27 of the RFP, is hereby deleted in its entirety and the remainder of Section 18 is renumbered accordingly.

18. Subsection 18.18 (the number assigned to it prior to the renumbering set forth in Section 17 of this Addendum), on page B-28 of the RFP, is hereby deleted in its entirety and replaced with the following:

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

19. With respect to Form 5.3 and Form 7.2, columns 3 and 4 thereof (relating to revenue to the Town from recycling) have not been removed, but have been clarified. The intent of these columns is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues and shall be responsible for all costs associated with participating in a recycling rewards program.

20. A performance bond shall be required as set forth in Section 20 of the Agreement.

21. The first partial paragraph of Subsection 29.19 of the Agreement (the portion above the notification addresses for the Parties and their respective counsel), on page B-41 of the RFP, is hereby deleted in its entirety and replaced with the following:

29.19 Notices and Requests. Unless a specific time frame for notice is otherwise specifically set forth in this Agreement (including, but not limited to Subsections 5.3, 5.4, 6.1, 9.4, 23.1, 25 and 29.21), any notice or other

communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, (C) given to a recognized and reputable overnight delivery service, to the address set forth below or (D) delivered by facsimile transmission to the number set forth below:

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

EXHIBIT 1  
TO  
ADDENDUM NO. 1  
TO  
REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

[Town Map]

See following page.

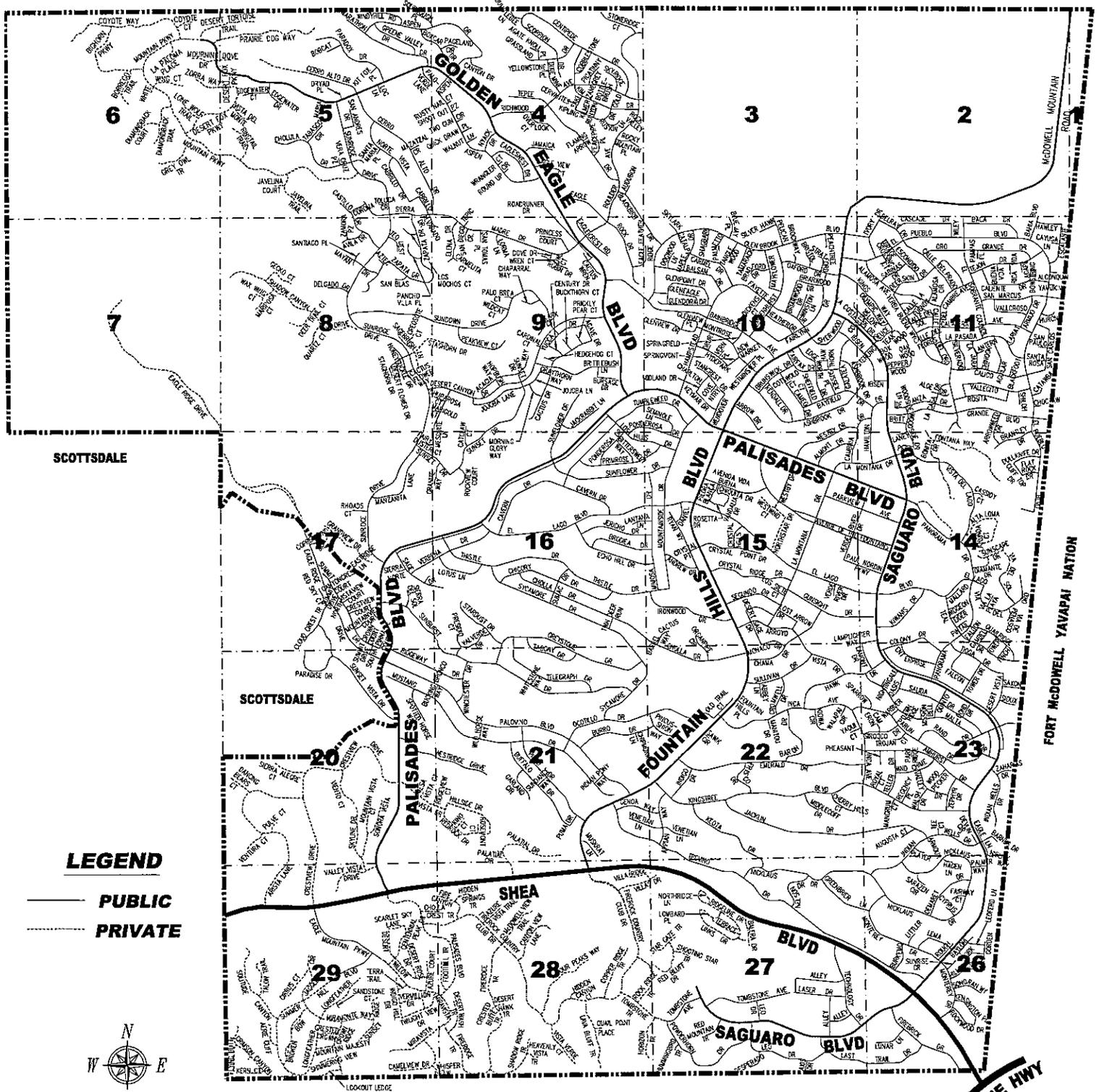


# Town of Fountain Hills

## STREET MAP

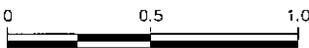
UPDATED: June 15, 2009

MC DOWELL MOUNTAIN PARK



### LEGEND

- PUBLIC
- PRIVATE



SALT RIVER PIMA MARICOPA INDIAN COMMUNITY

BEELINE HWY

Abbey Lane	22	Catalpa Plaza	11	Escalanle Drive	11	<i>La Ronda Court</i>	14	Peachtree Lane	10	Sonoran Way	26	Winchester Drive	21
Acacia Way	9	Calclaw Court	9,16	Escondido Drive	11	Lamont Drive	23	Peakview Court	9	<i>Sonoran Vista</i>	20	Windchime Drive	23
<i>Aerie Cliff</i>	29	Cavern Drive	16	Fairfax Drive	10	Lamplighter Way	14	Pelican Drive	10	Sourdough Place	5	Windyhill Road	5
Agape Court	11	Cayuga Lane	11	Fairynn Drive	10	Laney Court	14	Pepperwood Circle	11	Sparrow Lane	23	Winston Lane	10
Agate Knoll Place	4	<i>Centennial Peak Drive</i>	29	Fainway Court	26	Lantana Lane	15,16	Peso Plaza	14	Spotted Horse Way	20	Woodpecker Bay	23
Agave Drive	9	Centipele Drive	4	Fairy Duster Court	16,17	Lantern Lane	11	Pheasant Plaza	23	Springfield Way	10	Woodside Drive	11
Aguilar Drive	11	Century Drive	9	Falcon Drive	23	Lariat Lane	11	Picaltunny Way	4	Springmont Drive	10	Woodside Lane	11
Alamosa Avenue	11	Cerro Alto Drive	5	Fayette Drive	10	Lark Court	9	Piedra Blanca Way	15	<i>**Staghorn Drive</i>	8,9	Wrangler Court	4
Alamosa Circle	11	Cervantes Court	4	Finch Drive	23	Laser Drive	27	Pincushion Way	22	<i>*Star Gaze Trail</i>	27	Wren Court	9
Algonquin Court	11	Chama Drive	15,22	<i>*Fire Canyon</i>	28	Last Trail Drive	26,27	Pinnacle Court	17	Stancress Court	10	Yamu Kiwa Circle	11
Almont Drive	15	Chaparral Way	9	Firebrick Drive	26	<i>*Lava Bluff Trail</i>	28	Pintail Court	14	Starclust Drive	16	Yaqui Circle	22
Albe Drive	11	Charlton Court	10	<i>*FireRidge Trail</i>	28	Ledford Lane	26	Pinto Drive	21	Sterling Way	11	Yellowstone Place	4
<i>*Alta Loma North</i>	14	Cherry Hills Court	22	<i>*FireRock CC Drive</i>	28,29	Lema Circle	26	Player Court	23	Stoneridge Court	4	Yerba Buena Way	11
<i>*Alta Loma South</i>	14	Chicoy Drive	16	Flaming Arrow Court	4	Leo Drive	27	Ponderosa Drive	16	Stratford Circle	10	Yucca Drive	9
Alvarado Drive	5	Chinook Plaza	11	Flat Rock Drive	14	<i>*Links Drive</i>	27	Powderhorn Drive	27	Sullivan Way	22	Zaharias Drive	23
Amhurst Drive	23	Chipmunk Lane	21	<i>*Flying Butte</i>	29	Littler Place	26	<i>*Prairie Dog Trail</i>	5,6	Sumac Drive	16	Zamora Plaza	4
Andrew Drive	15	Chiquita Drive	15	<i>*Fontana Way</i>	14	Log Lane	5	Presidio Court	16	<i>**Summer Hill Boulevard</i>	29	Zane Grey Lane	8
Appian Way	22	Choctaw Circle	11	<i>*Foothill Trail</i>	28	<i>*Lombard Place</i>	27	Prickly Pear Court	9	(Summit Drive)	17	Zapata Drive	8
<i>*Arista Lane</i>	20	<i>*Cholla Crest Trail</i>	28,29	Fountain Hills Boulevard	10,15,21,22	<i>*Lone Wolf Trail</i>	6	Princess Court	9	(Summit Drive North)	17	Zephyr Drive	23
Armiyo Drive	11	Cholla Drive	15,16,22	Fountain Hills Plaza	22	<i>*Longfeather</i>	29	Pimrose Drive	15,16	(Summit Drive South)	17	<i>*Zorra Way</i>	5,6
Armour Circle	23	Cholula Drive	5	<i>*Four Peaks Way</i>	22	<i>*Lookout Ledge</i>	29	<i>*Pulve Court</i>	20	Sunburst Drive	16,17,21		
Arrow Drive	10	Chuparosa Court	9	Fiscoo Drive	28	Lorna Lane	9	Puma Drive	21	Sundance Way	21		
Arrowweed Drive	11,14	<i>*Circus Court</i>	29	Galatea Drive	10	Los Mochos Court	8	<i>*Quail Point Place</i>	28	Sundown Drive	8,9		
Arroyo Vista Drive	15,22	Cliff Top Drive	14	Gambel Drive	14	Los Siete Court	15	<i>*Quail Ridge Drive</i>	14	Sunflower Drive	15,16		
Ashbrook Drive	10	(Cloud Crest Trail)	17	Garland Circle	21	Lost Arrow Drive	15	<i>*Quartz Court</i>	8	Sunridge Drive	5,8,17		
Aspen Drive	4,5	Cobblestone Lane	4	<i>*Gecko Court</i>	8	Lost Hills Drive	15	Quick Draw Place	4	Sunrise Circle	26		
Audubon Place	4	Colony Drive	14	Genoa Way	21,22	Lotus Lane	16	Quinto Drive	23	<i>**Sunscape Drive</i>	14		
Augusta Court	23	<i>*Copper Ridge Trail</i>	28	Glenbrook Boulevard	10	Love Court	10,11	Rand Drive	23	Sunset Drive	9,16		
Avenida Vida Buena	15	<i>*Copperwyoed Drive</i>	17	Glendora Drive	10	Lunar Lane	26	<i>*Red Bluff Drive</i>	27,28	<i>*Sunset Ridge</i>	29		
Avenue of the Fountains	14,15	Corona Drive	5	Glendale Drive	10	Mallard Drive	14	Red Mountain Trail	27	(Sunset Vista Drive)	17,20		
Avila Drive	8	Costa Drive	11	Glenpoint Drive	10	Malla Drive	23	(Red Sky Court)	17	Sussex Place	10		
Axis Drive	27	Colswold Court	10	Glenview Drive	10	Manangum Court	23	<i>*Redrock Drive</i>	23	Sycamore Drive	16,21		
Aztec Place	8	Council Court	11	Glorview Place	10	Manitou Drive	22	Regency Place	23	Tabasco Circle	5		
<i>*Azure Court</i>	29	Courtside Drive	11	Gold Court	4	Manzanilla Lane	17	Rhoads Drive	17	Tacony Drive	21		
<i>*Azure Vista Trail</i>	26	Coventry Circle	10	Golden Eagle Blvd.	4,5,9	Maple Drive	10	Rica Vida Way	11	<i>*Talon Trail</i>	29		
Baca Drive	11	<i>*Coyote Court</i>	6	Gorden Drive	26	Marathon Drive	5	Richwood Avenue	4	Tamarack Lane	10		
Bahia Boulevard	11	<i>*Coyote Way</i>	6	Grande Boulevard	11	Maria Court	5	<i>*RidgeLine Drive</i>	27	Tanglewood Court	10		
Bainbridge Avenue	9,10	<i>*Crososote Court</i>	8	<i>*Grandview Drive</i>	17	Marigold Court	9	<i>*Ridgeview Court</i>	21	<i>*Teakwood Lane</i>	11		
<i>*Baiera Drive</i>	27	<i>*Crested Butte Trail</i>	28	Granite Way	16	<i>*Mariposa Court</i>	8	Ridgeway Drive	20,21	Teal Drive	14,23		
Balsam Drive	10	<i>*Crested Crown</i>	29	Grassland Drive	4	Mayan Drive	8	<i>*Ringtail Trail</i>	5	Technology Drive	27		
Barnes Drive	23	(Cresview Court)	17	Graythorn Way	9	Mayflower Drive	10	Roadrunner Drive	9	Teo Court	23		
Baron Drive	22	<i>*Crestview Drive</i>	20,29	Greenbrier Lane	26,27	Mazatzal Circle	5	Robin Drive	9	Tevin Drive	11		
Barrel Cactus Way	15	<i>*Crimson Canyon</i>	29	Greene Valley Drive	5	McDowell Mtn Road	2	<i>*Rock Ridge Trail</i>	27,28	Telegraph Drive	21		
Bayfield Drive	10	Cromwell Drive	22	Greenhurst Avenue	10	<i>*McDowell View Trail</i>	28	Rock Valley Plaza	4	Teller Drive	23		
Baylor Drive	26	(Crown Court)	17	<i>*Grey Owl Trail</i>	6	<i>*Masa Vista Court</i>	20,21	Rockview Court	16	Tepee Drive	4		
<i>*Bighorn Parkway</i>	6	<i>*Crown Ridge</i>	29	Greyslone Drive	16,21	Mesquite Lane	9,16	Rockwood Drive	26	Topic Lane	9		
Bittersweet Way	16	Crystal Hills Drive	15	Gunsight Drive	14,15	Middlecoff Court	22	Rocky Mountain Place	4	Tequesla Court	8		
Blackbird Drive	4,10	Crystal Point Drive	15	Hagen Lane	26	Midland Drive	10	<i>*Rosemont Court</i>	21	<i>*Terra Trail</i>	29		
Blackfoot Lane	11	Crystal Ridge Drive	15	Hamilton Drive	11,14	Mimosa Drive	15	Rosella Drive	15	<i>*Terrace Lane</i>	27		
Bluejay Way	10	Cyprus Point Court	26	Hampstead Drive	10	Mirage Crossing Court	11	Rosita Drive	11	Thistle Drive	15,16		
Bobcat Plaza	5	<i>*Dancing Bears Court</i>	20	Hawk Drive	22,23	<i>*Miramonte Way</i>	28,29	Rough Circle	26	Tioga Drive	23		
Bond Drive	23	Daniel Drive	15	Hawley Drive	11	<i>*Miravista</i>	28,29	Round Up Circle	4	Toluca Circle	5		
<i>*Bonita Drive</i>	14	Dawn Ridge Court	23	Hawthorn Court	10	Mission Bell Court	23	Royal Court	23	Tombstone Avenue	27		
<i>*Borrego Trail</i>	6	De Anza Drive	11	Heather Drive	10	Monaco Drive	15	Runyon Place	4	<i>*Tombstone Trail</i>	27,28		
Botlebrush Way	4	<i>*Deer Trail Court</i>	8	<i>*Heavenly Vista Trail</i>	28	Monterey Drive	26	Ruskin Lane	4	Tower Drive	23		
Boulder Drive	4	Deerskin Drive	11	Hedgehog Court	9	Montrose Drive	10	Rusty Nail Court	4	Trevino Drive	21,27		
Bowstring Plaza	11	Del Cumbre Avenue	11	<i>*Hidden Canyon Court</i>	28	Morning Glory Way	9	Ryan Way	15	Trojan Court	23		
Boxcar Drive	4,5	Delgado Drive	8	<i>*Hidden Springs Trail</i>	28	<i>*Mountain Majesty</i>	29	Sabinas Drive	11	Tumbleweed Drive	16		
<i>*Boxwood Lane</i>	11	Delray Drive	11	Hillcrest Drive	26	<i>*Mountain Parkway</i>	5,6	Sage Drive	17	<i>*Twilight View Drive</i>	29		
Bradford Drive	10	Demaret Drive	26	<i>*Hillside Drive</i>	21	<i>*Mountain Vista Court</i>	20	<i>*Sagebrush Lane</i>	8	Twin Deer Run	16		
Branlley Drive	14	Desert Canyon Drive	9	Honeysuckle Drive	8	Mountainside Drive	15	Saguaro Boulevard	10-17	Two Gun Circle	4		
Brianwood Drive	10	Desert Flower Drive	8	Hopbush Way	9	(Mountainview Court)	17	Saki Drive	4	Vallecito Drive	11		
Bristol Bay	10	<i>*Desert Fox Parkway</i>	5,6	<i>*Horizon Trail</i>	27,28	<i>*Mourning Dove Drive</i>	5,6	Salida Drive	23	Valley Drive	23		
Britl Court	10	<i>*Desert Hawk Trail</i>	28	Hummingbird Trail	27	Muskrat Lane	21	San Andres Drive	5	<i>*Valley Vista Drive</i>	29		
Britlebrush Lane	9	<i>*Desert Rose Drive</i>	29	Huron Lane	11	Mustang Drive	20,21	San Blas Circle	8	Valloroso Drive	11		
Brockway Lane	10	Desert Sage Drive	15	Hyde Park Drive	10	Nelson Drive	27	San Carlos Drive	11	Valverde Drive	16		
Brodlea Drive	16	<i>*Dredie Tontoise Trail</i>	5,6	Ibsen Drive	10,11	Newmarket Court	10	San Diego Circle	9	Vandalia Way	15		
<i>*Broken Bow</i>	29	Desert Vista	23	Inca Avenue	22,23	Niblick Way	23	San Marcus Drive	11	Venetian Lane	21,22		
Brunswick Drive	10	<i>*Desert Wash Trail</i>	28	Indian Pony Way	21	Nicklaus Drive	26,27	San Paulo Place	11	<i>*Ventura Court</i>	20		
Bucking Bronco Way	21	<i>*Desert Willow Drive</i>	29	Indian Wells Drive	23	Nightingale Circle	23	San Tomas Place	9	Venacruz Plaza	5		
Buckthorn Court	9	Desperado Court	27	Indigo Drive	22	North Vista	5	<i>*Sandstone Court</i>	29	Verbera Drive	16,17		
Buena Vida Court	11	Deuce Court	11	<i>*Indigo Hill Drive</i>	29	<i>*Northridge Lane</i>	27	Santa Maria Place	5	Verde River Drive	14,15		
Buffalo Drive	21	Devlin Circle	23	Ironwood Drive	15	<i>*Northstar Drive</i>	15	Santa Rosa Lane	11	<i>*Vermillion Drive</i>	29		
Bumblebee Lane	4	<i>*Diamante Drive</i>	14	Ivory Drive	11	Nyack Drive	4	Santiago Place	8	Vern Place	10		
Burkemo Drive	26	<i>*Diamondback Court</i>	6	Jacklin Drive	22,23	<i>*Oakwood Lane</i>	11	Sarazen Circle	26	Via Da Pemasco	14		
Burro Drive	21,22	<i>*Diamondback Trail</i>	6	Jackrabbit Lane	9,16	Oasis Drive	23	Sawik Circle	22	Via Del Oro	14		
Bursage Drive	9	Dickens Court	10	<i>*Jagged Circle</i>	29	Ocotillo Drive	21,22	Saxon Drive	23	<i>**Via Del Sol</i>	14		
Cabrillo Drive	5	Dixie Mine Trail	4	Jamaica Lane	4	Old Trail Court	22	<i>*Scarlet Sky Lane</i>	29	Via La Playa	14		
Cactus Drive	9	Dogwood Lane	10	<i>*Javelina Court</i>	5	Olympic Way	10,11	Scorpion Drive	4	<i>*Vierto Court</i>	20		
Cactus Flower Way	8	Dove Drive	9	<i>*Javelina Trail</i>	5	Organspipe Circle	15,22	Segundo Drive	15	<i>*Villa Ridge Court</i>	27,28		
Cactus Wren Court	9	Drury Lane	10	Jericho Drive	16	Oro Grande Drive	11	Seminole Lane	10	<i>*Villas Drive</i>	27,28		
Calaveras Avenue	11	Drayd Place	5	Jojoba Lane	9	Overlook Court	4	<i>*Shadow Canyon Drive</i>	8	Vista Del Lago	14		
Calico Drive	11	Dull Knife Drive	14	Kendall Drive	10	Owl Court	9	<i>*Shadow Ridge Trail</i>	28	<i>*Vista Del Monte</i>	5		
Caliente Drive	11	Eagle Crest Road	9	Kensington Place	26	Oxford Drive	10	Shagbark Court	10	<i>*Vista Drive</i>	20,21		
Calle Del Flores	11	Eagle Feather Ridge	9	Keota Drive	22,27	Pageland Circle	4	Shea Boulevard	26-29	<i>*Vista Verde Court</i>	28		
Calle Del Oro	11	Eagle Lane	23	<i>*Kem Court</i>	29	<i>*Palatal Circle</i>	21	Sheffield Court	10	(Vistaview Court)	17		
Calle Del Prado	11	<i>**Eagle Mountain Pkwy</i>	29	Keymar Drive	10	<i>*Palatal Drive</i>	21,28	Sherwood Drive	10	Walapai Circle	22		
Calle Del Sol	11	(Eagle Ridge Drive)	7,17,20	Kilmar Court	4	<i>**Palisades Boulevard</i>	9-17	Shiloh Way	11	Walnut Lane	4		
Calle La Fuenda	11	Eagle Rock Drive	4,9	Kim Drive	4	Palmer Way	26	<i>*Shimmering View</i>	29	Walsh Drive	23		
Cambria Drive	15	Eagle View Court	4	Kings Way	11	Palmetto Way	10	Shoot Out Plaza	4	Warbler Way	23		
<i>*Camelview Drive</i>	29	Eagles Nest Drive	4	Kingsrae Boulevard	22,23	Palo Brea Court	9	<i>*Shooting Star Trail</i>	27	<i>*Wax Wing Court</i>	6		
Cameo Drive	10	<i>*East Ridge Lane</i>	17	<i>*Kino Court</i>	21	Palo Verde Lane	5	<i>*Sierra Alegre Court</i>	20	Wendover Drive	10		
Cameron Court	23	Echo Hill Drive	16	Kiowa Circle	22	Palomino Blvd.	20,21	Sierra Del Sol	17	Westby Drive	15		
(Canyon Crest Court)	17	Edgewater Court	5	Kipping Drive	4	Pampas Place	11	Sierra Madre Drive	4,5,9	Westminster Place	10		
Canyon Drive	4	Edgewater Drive	5	Kirk Lane	26	Pancho Villa Place	8	Sierra Norte	17	Westridge Drive	20,21		(Scottsdale Streets)
<i>*Canyon View Lane</i>	28	Edgeworth Drive	10	Kit Fox Place	5	Panorama Drive	14,23	Silver Hawk Court	10	<i>*Westwind Court</i>	15		
Cardinal Court	9	Elder Court	14	Kwanis Drive	14	(Paradise Drive)	20	Silverado Drive	11	<i>*Whisper Draw</i>	28,29		** Private/Public
Carmel Drive	10	El Lago Boulevard	14-16	La Casa Drive	11	Paradox Drive	5	Sioux Drive	23	Whitestone Way	21		* Private Streets
Carmelita Court	9	El Pueblo Boulevard	10,11,14	La Costa Drive	10,11	Parkview Avenue	14,15	Sirocco Drive	23	<i>*White Wing Court</i>	6		
Cascade Drive	11	El Sobrante Avenue	11	La Jara Drive	11	Parlin Drive	23	Skyark Circle	20	Widgeon Court	14		
Cassidy Court	14	Elena Drive	4,9	La Montana Drive	14,15	Partridge Place	23	Skyridge Lane	4	Wild Horse Way	21		
Castillo Drive	5	Emerald Drive	22	<i>*La Paloma Place</i>	6	Paul Nordin Parkway	14,15	<i>*Skyline Drive</i>	20,29	Wildcat Court	9		Updated 06-15-2009
Catalpa Place	10	Enterprise Drive	23	La Pasada Drive	11	Peace Pipe Place	4	<i>*Solitude Canyon</i>	29	Wiley Drive	11		

EXHIBIT 2  
TO  
ADDENDUM NO. 1  
TO  
REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

[Forms 5.1 and 5.2]

See following page.

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

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

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

- [1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.
- [2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.
- [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, in its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

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

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

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

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

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

- [1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

**FOUNTAIN HILLS  
ACKNOWLEDGMENT OF ADDENDA RECEIVED  
INVITATION FOR BIDS**

**REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES**

**Addendum No. 1**

\_\_\_\_\_, affirms that ADDENDUM No. 1 has  
(Name of Vendor/Designee)  
been received and that the information contained in ADDENDUM No. 1 has been incorporated  
in formulating its Proposal.

\_\_\_\_\_, 2010  
Signed Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

END OF ADDENDUM No. 1



# REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

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

## ADDENDUM NO. 2

Date: May 27, 2010

From: Raymond Rees, Environmental Planner

Subject: Addendum No. 2 (this "Second Addendum")  
Request for Proposals PZ2010-001 (the "RFP")

### SCOPE

This Second Addendum forms a part of the RFP and the resulting Solid Waste Services Agreement, and clarifies, corrects, or modifies the RFP documents prepared by the Town of Fountain Hills, as amended by Addendum No. 1 issued May 13, 2010 (the "First Addendum"). Any capitalized terms used herein and not otherwise defined shall have the meanings set forth in the RFP, as modified by the First Addendum. Please acknowledge receipt of this Second Addendum in the space provided on the attached form. This acknowledgement and Second Addendum must accompany the submitted proposal. Failure to do so may subject the bidder to disqualification.

This Second Addendum consists of responses to written clarification questions submitted by (i) Republic Services, Inc. on May 11, 2010 (the "Republic Questions"), a true and correct copy of which is attached hereto as Exhibit 1 and incorporated herein by reference and (ii) Waste Management of Arizona on May 20, 2010 (the "Waste Management Questions"), a true and correct copy of which is attached hereto as Exhibit 2 and incorporated herein by reference. The clarifications set forth below are not in chronological order, but rather follow the order of the questions included in the Republic Questions and the Waste Management Questions, respectively. Because the Republic Questions were submitted prior to the issuance of the First Addendum, where appropriate, the answers shall refer to those already issued in the First Addendum. In the event of a conflict between the terms of the original RFP documents, the First Addendum and this Second Addendum, the terms of this Second Addendum shall prevail.

## **ADDENDUM**

### **Answers To Republic Questions**

1. See Clarification 10 of the First Addendum.
2. See Clarification 10 of the First Addendum.
3. See Clarifications 2 and 3 of the First Addendum.
4. Townhomes and patio homes are included in the estimated 12,000 residential units within Fountain Hills.
5. All Fountain Hills residents living in homes that receive curbside Collection shall be required to participate in recycling.
6. A resident cannot opt out of recycling, but may receive additional Solid Waste Carts so long as such additional Carts are picked up on the same day as the initial Solid Waste Cart. The Contractor shall propose a price for additional Solid Waste Carts. See Forms 5.1 and 5.2.
7. Fountain Hills has approximately eight locations for front loading containers, including local parks, municipal buildings and two fire stations. The Town may sponsor one or two special events each year (i.e. St. Patrick's Day celebration) that would require large front loading containers.
8. See Clarification 13 of the First Addendum.
9. See Agreement Subsection 4.3, on page B-10.
10. See Agreement Subsection 4.6, on page B-11.
11. See Agreement Subsection 5.4, on page B-13, which clearly sets forth the Town's expectations with respect to hazardous materials.
12. Contractor makes the determinations as to Cart replacement. See Clarification 22 of the First Addendum.
13. The average age of the fleet of vehicles used in Fountain Hills must be not more than three years, but in certain circumstances an individual truck can be as old as seven years.

14. The Town is seeking to manage its costs with respect to the resulting Agreement and, therefore, wants to ensure that staff is available during normal business hours to handle any of the duties assigned to the Town in the Agreement.

15. See Clarification 5 of the First Addendum.

16. Community drop-off services are intended to provide recycling opportunities to residents living in multifamily homes not otherwise served by curbside pick up.

17. Neighborhood drop-off bins would be at the request of citizens for neighborhood clean-up activities. These would be pay-for-use by the requesting Fountain Hills citizens.

18. No longer applicable. See Clarification 17 of the First Addendum.

19. The Town intends to mandate Solid Waste Services and Recycling Services; Green Waste Services are required to be offered by the Contractor, but participation by residents is voluntary.

20. See Clarification 7 of the First Addendum.

21. The Town will not consider centralized billing through the Town. The Contractor is solely responsible for the billing and collecting system.

#### **Answers to Waste Management Questions**

1. The Town hereby confirms that the information requested in Subsection II(B)(6) of the RFP, on page A-8, is limited to those facilities that the Contractor reasonably anticipates could be used for service to the Town pursuant to the Agreement.

2. Subsection 4.2(I) should not, under any circumstances, be interpreted as (i) modifying Subsection 1.11(F) or (ii) in any way inviting any changes to the form of Agreement included in the RFP. The Contractor shall not propose any changes to the Agreement as part of its Proposal.

3. Official immediate written notice may also be accomplished by hand delivery, but the Contractor should additionally take all commercially reasonable steps necessary to ensure that the prompt notice intent of the Agreement is met.

4. The 12,000 unit estimate includes multifamily homes, some of which very likely will not require service. The Town has not independently verified how many such multifamily homes currently exist.

5. Yes, the reference in Clarification 16 of the First Addendum should reference page 28 instead of page 27. We apologize for the error.

6. The import fees language is intended to have the Contractor describe to the Town any import fees that might affect the revenue typically generated from a particular recyclable material. The Town is not currently aware of any such fees locally. However, as the Town is neither in the solid waste business nor aware of the final destination of any recyclable materials collected in the Town, the Town must rely on the Contractor to disclose any such fees.

7. Form 6.2 will not be amended. It is important to the Town that residents can clearly see the revenue that the Town is foregoing in an effort to keep the monthly charges as low as possible.

8. Form 7.2 will not be amended for the same reasons set forth in Clarification 7 above. As an additional note, the information required on Form 5.2 is intended for comparison purposes only, so that the Town can evaluate whether there is additional cost associated with providing one recycling and one solid waste pick up each week as opposed to two solid waste pick ups each week.

9. Forms 5.1 and 5.2 of the RFP currently have the pricing set at a cost per six cubic yards, without regard to the number of pick ups necessary.

10. Subsection 28.2 of the Agreement is required to ensure that the Agreement is in compliance with the Arizona Budget Law. This provision is applicable during all years of the Term.

EXHIBIT 1  
TO  
ADDENDUM NO. 2  
TO  
REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

[Republic Questions]

See following pages.



1855 E Deer Valley Rd ♦ Phoenix ♦ AZ ♦ 85024

May 11<sup>th</sup>, 2010

Raymond Rees/Environmental Planner  
Town of Fountain Hills  
16705 East Avenue of the Fountains  
Fountain Hills, AZ 85268

Re: **Questions for PZ2010-001 – Fountain Hills**

- 1) What is the start date of the contract?
- 2) What is the term of the agreement?
- 3) How many of the 12,000 residents are under the HOA contract? Is the Town able to provide house counts within an HOA contract and contract expiration date?
- 4) Are townhomes or patio homes included in the 12,000-home count?
- 5) Will everyone be required to participate in the recycling program? If not, would the hauler be able to charge a different rate for homeowners who opt out of the recycling program?
- 6) If a homeowner opts out of the recycling program, may the hauler charge for 2 cans to be serviced the same day?
- 7) What are the locations for Town Facilities? What and when are the special events?
- 8) Why does the Town require a staged area for additional residential containers? Will the site be provided by the Town?
- 9) What do you anticipate in a weekly green waste program?
- 10) What is the expectation for service for part-time residents?
- 11) We do not take hazardous waste and aerosol cans and your bid includes this in the language. Will you send out a revised copy of the RFP with this eliminated?
- 12) How or who determines cart replacement?
- 13) Please clarify the language describing the average age of the service vehicles.
- 14) Why is the Town opposed to Friday service?
- 15) Why do you require the disposal facility open seven days per week?



1855 E Deer Valley Rd ♦ Phoenix ♦ AZ ♦ 85024

- 16) If you are offering home owners recycling service, why would you have community drop off services?
- 17) Are the neighborhood drop-off bins for the parks and recreation areas?
- 18) Who is responsible for placing recyclable material in Solid Waste carts?
- 19) What service does the Town intend to mandate?
- 20) Will the Town consider revising container sized to 2 sizes?
- 21) Would you consider having a centralized bill go to the Town directly?

EXHIBIT 2  
TO  
ADDENDUM NO. 2  
TO  
REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

[Waste Management Questions]

See following pages.

# **WMM** **WASTE MANAGEMENT**



**May 20, 2010**

Town of Fountain Hills  
16705 E. Ave of the Fountains  
Fountain Hills, AZ 85268  
Raymond Rees  
Stormwater/Environmental Planner

Dear Mr. Rees;

As indicated in your e-Mail yesterday, today is the last day for questions. Below are the last few questions I have:

1. During the bidder's conference, we received clarification that the compliance information requested at II(B)(6) can be limited to history specifically involving the facilities that would perform the services under the proposed contract. Because this clarification does not appear in Addendum No. 1, would the City please confirm the revision to this aspect of the proposal requirements as discussed in the bidder's conference?"
2. Section 1.11.F (page A-5) says that by submitting a proposal, contractor "accepts all of the terms and conditions set forth therein." But in Section 4.2.I (page A-15) the Town reserves the right to discuss and negotiate any terms and conditions in the proposal. Does the Town prefer that the Proposer's requested modifications to the sample Solid Waste Services Agreement be (1) noted in the Proposal for discussion and negotiation after award or (2) addressed in the Proposal with proposed alternative language?
3. In Addendum No. 1, No. 21, the Town revised Section 29.19 (page B-41) regarding notice. For clarification regarding the subsections listed in the new Section 29.19 that require immediate written notice, is notice to be given only by fax?
4. Is 12,000 the number of single-family homes? Does this number include any multi-family homes that do not require service?
5. Page 5 of the addendum No. 16 Did you mean on page 28 not 27 of the original bid?

6. Page A-10 f. Please explain import fees?
7. Form 6.2 if the town does not intend to receive rebates, please remove rebate area.
8. Form 7.2 if the town does not intend to receive rebates, please remove rebate area.
9. How do you want bulk rate priced, per home or per pick-up?
10. Page, B-37 No. 28.2 this was brought up in the pre-bid meeting. Please explain, is this after the initial term or is it any time during the contract?

Thank you in advance for addressing the questions:

Sincerely,

*William Day Jr.*

William Day Jr.  
Territory Manager  
Public Sector Services  
Waste Management of Arizona  
602-721-4018  
Bday2@wm.com

**FOUNTAIN HILLS  
ACKNOWLEDGMENT OF ADDENDA RECEIVED  
INVITATION FOR BIDS**

**REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES**

**Addendum No. 2**

\_\_\_\_\_, affirms that ADDENDUM No. 2 has  
(Name of Vendor/Designee)  
been received and that the information contained in ADDENDUM No. 2 has been incorporated  
in formulating its Proposal.

\_\_\_\_\_, 2010  
Signed Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

END OF ADDENDUM No. 2



# REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

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

## ADDENDUM NO. 3

Date: August 19, 2010

From: Raymond Rees, Environmental Planner

Subject: Addendum No. 3 (this "Third Addendum")  
Request for Proposals PZ2010-001 (the "RFP")

### SCOPE

This Third Addendum forms a part of the RFP and the resulting Solid Waste Services Agreement, and clarifies, corrects or modifies the RFP documents prepared by the Town of Fountain Hills, as amended by Addendum No. 1, issued May 13, 2010 (the "First Addendum") and Addendum No. 2, issued May 27, 2010 (the "Second Addendum"). Any capitalized terms used herein and not otherwise defined shall have the meanings set forth in the RFP, as modified by the First Addendum and the Second Addendum. Please acknowledge receipt of this Third Addendum in the space provided on the attached form. This acknowledgement and Third Addendum must accompany the submitted proposal. Failure to do so may subject the bidder to disqualification.

This Third Addendum is issued for the purpose of requesting additional information with respect to Form 5, as submitted by the bidders. Specifically, the bidders are requested to provide the Town with the information required on Form 5.1.A, attached hereto as Exhibit 1 and incorporated herein by reference, setting forth the various costs associated with "Multiple Day Collection." As used herein, "Multiple Day Collection" means two Solid Waste pick-ups in each week, with recycling picked up on the same day as one of the two Solid Waste pick-ups. In the event of a conflict between the terms of the original RFP documents, the First Addendum, the Second Addendum and this Third Addendum, the terms of this Third Addendum shall prevail.

EXHIBIT 1  
TO  
ADDENDUM NO. 3  
TO  
REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES

[New Form 5.1.A]

See following page.

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

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

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

- [1] Multiple Day Collection means Contractor shall perform, for each Residential Service Unit, Residential Solid Waste Services on two days each week and Residential Recycling Services on the same day of the week as one of the Residential Solid Waste Services days.
- [2] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [3] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [4] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [5] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [6] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [7] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, at its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Contractor grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [8] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

**FOUNTAIN HILLS  
ACKNOWLEDGMENT OF ADDENDUM RECEIVED  
REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES**

**Addendum No. 3**

\_\_\_\_\_, affirms that ADDENDUM No. 3 has  
(Name of Vendor/Designee)  
been received and that the information contained in ADDENDUM No. 3 has been incorporated  
in completing its Proposal.

\_\_\_\_\_, 2010  
Signed Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Address

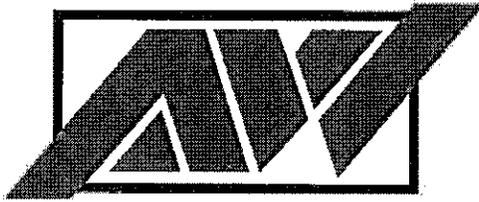
\_\_\_\_\_  
City, State, Zip Code

END OF ADDENDUM No. 3

EXHIBIT B  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Contractor's Proposal]

See following pages.



**TOWN OF FOUNTAIN HILLS, ARIZONA**

**Proposal for**

**Solid Waste Services**

**Solicitation No.: PZ2010-001**

**Submitted by:**

**ALLIED WASTE SERVICES OF PHOENIX**

**June 9, 2010**



***A REPUBLIC SERVICES COMPANY***

# TOWN OF FOUNTAIN HILLS

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June 8, 2010

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

Dear Sir or Madam:

Enclosed please find Allied Waste Transportation, Inc., dba Allied Waste Services of Phoenix (AWS-Phoenix) response to the Town of Fountain Hills Request for Proposal for Solid Waste Services (PZ2010-001). The enclosed proposal is a binding offer for a period of one hundred eighty (180) calendar days from the opening date as specified in Section 2.3 of the RFP.

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

AWS Phoenix is part of the Republic Services family of companies that is headquartered in Phoenix, AZ.

I am confident that we can provide exceptional residential, commercial and industrial service to the Town of Fountain Hills and its community.

The management team at AWS Phoenix would welcome the opportunity to discuss how we can best service the Town of Fountain Hills in more detail. Please feel free to contact me to schedule a time to discuss.

I appreciate your consideration of our proposal and look forward to the opportunity to provide service to the Town.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Creswell', written over a horizontal line.

Mark Creswell  
General Manager  
Allied Waste Services of Phoenix

**FORM 1: STATEMENT OF ORGANIZATION**

**1. PROPOSER**

Full Name of Business: Allied Waste Transportation Inc., dba AWS-Phoenix  
Principal Business Address: 4811 W. Lower Buckeye Rd., Phoenix, Arizona 85043  
Principal Phone Number: 602-237-2078  
Local Business Address: 4811 W. Lower Buckeye Rd., Phoenix, Arizona 85043  
Local Business Contact Person: Mark Creswell  
Local Business Fax: 602-442-5987  
Local Business E-Mail: mcreswell@republicservices.com  
Type of Organization: Solid Waste and Recycling Services  
Tax ID #: 52-2044848  
License #: 07560767

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

- (a) Mark Creswell
- (b) \_\_\_\_\_
- (c) \_\_\_\_\_

**2. SERVICE OPTIONS**

Service Options Proposed (check all that apply):

- Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services.
- Town Facility Solid Waste Services
- Neighborhood Recycling Drop-off Services
- Residential Green Waste Services

**3. SUBCONTRACTOR**

List of all firms participating in this Proposal:

Name	Address	Area of Responsibility
(a) <u>N/A</u>	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

## CERTIFICATE

The undersigned certifies that she is the duly elected, qualified and acting Secretary of **ALLIED WASTE TRANSPORTATION, INC.**, a Delaware corporation (the "Corporation") and that attached hereto as Schedule A is a true and correct copy of resolutions duly adopted by the Board of Directors of the Corporation, and that such resolutions have not been amended or rescinded and are in full force and effect on the date hereof.

Dated: June 4, 2010.



---

Eileen B. Schuler  
Secretary

## SCHEDULE A

**RESOLVED**, that the Corporation is hereby authorized to submit a bid or proposal (the "Bid") to the Town of Fountain Hills (the "Town") in the State of Arizona, for *Solid Waste Services*, substantially in the form presented to the Corporation, with such changes as may be approved by the officers or such other persons authorized to execute same and such actions are hereby approved, adopted, ratified and confirmed;

**FURTHER RESOLVED**, that the Corporation is hereby authorized and directed to execute and deliver the Bid, and such other applications, exhibits, agreements or attachments necessary in connection with the Bid and in connection with the performance of the Corporation's obligations and agreements as set forth therein;

**FURTHER RESOLVED**, that **MARK CRESWELL**, as an authorized agent for the Corporation, or any officer of the Corporation, is hereby authorized and directed to execute and deliver the Bid to the Town and to execute any and all other documents on behalf of the Corporation required by the Town in connection with the Bid and in connection with the performance of the Corporation's obligations and agreements set forth therein, and to execute a contract with the Town for such services should the bid be awarded to the Corporation; and

**FURTHER RESOLVED**, that the Secretary, or any other officer of the Corporation, is hereby authorized to certify to the adoption of the foregoing resolutions as may be required.

**FORM 2: CERTIFICATE OF INSURABILITY**

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

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

  
\_\_\_\_\_  
Signature of Proposer

Mark Creswell

\_\_\_\_\_  
Printed Name of Signee

Allied Waste Transportation, Inc. dba. AWS-Phoenix

\_\_\_\_\_  
Company Name

June 8, 2010

\_\_\_\_\_  
Date

**FORM 3: ACKNOWLEDGEMENT OF ADDENDA:**

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

<b>Addendum Number</b>	<b>Description of Addendum</b>
1	Addendum No. 1 May 13th, 2010
2	Addendum No. 2 May 27th, 2010

**FOUNTAIN HILLS  
ACKNOWLEDGMENT OF ADDENDA RECEIVED  
INVITATION FOR BIDS**

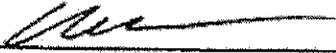
**REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES**

**Addendum No. 1**

Allied Waste Transportation, Inc.  
dba. AWS-Phoenix

(Name of Vendor/Designee)

\_\_\_\_\_, affirms that ADDENDUM No. 1 has been received and that the information contained in ADDENDUM No. 1 has been incorporated in formulating its Proposal.

  
Signed \_\_\_\_\_ Date June 8 \_\_\_\_\_ 2010

Mark Creswell

Print Name

General Manager

Title

Allied Waste Transportation, Inc.  
dba. AWS-Phoenix

Company Name

4811 W. Lower Buckeye Road

Address

Phoenix, AZ 85043

City, State, Zip Code

END OF ADDENDUM No. 1

**FOUNTAIN HILLS  
ACKNOWLEDGMENT OF ADDENDA RECEIVED  
INVITATION FOR BIDS**

**REQUEST FOR PROPOSALS FOR SOLID WASTE SERVICES**

**Addendum No. 2**

Allied Waste Transportation, Inc.  
dba. AWS-Phoenix

\_\_\_\_\_, affirms that ADDENDUM No. 2 has  
(Name of Vendor/Designee)  
been received and that the information contained in ADDENDUM No. 2 has been incorporated  
in formulating its Proposal.

  
Signed \_\_\_\_\_ Date June 8 \_\_\_\_\_ 2010

Mark Creswell  
Print Name

General Manager  
Title

Allied Waste Transportation, Inc.  
dba. AWS-Phoenix  
Company Name

4811 W. Lower Buckeye Road  
Address

Phoenix, AZ 85043  
City, State, Zip Code

END OF ADDENDUM No. 2

**FORM 4: EXPERIENCE**

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

1. Name of Public Agency: City of Phoenix  
Address: 101 S. Central Ave Ste #300  
Phoenix, Arizona 85004  
Phone Number: 602-534-5483  
Contact Person: Carl Smith  
Year Contract Initiated: 6/1/03  
Number of Residential Units Served: 80,000  
Description of Services: Residential MSW & recycling, bulk  
removal and disposal
  
2. Name of Public Agency: Town of Buckeye  
Address: 423 Arizona Eastern Avenue  
Buckeye, Arizona 85326  
Phone Number: 623-349-6805  
Contact Person: Beth Biggins-Ramer  
Year Contract Initiated: 11/1/97  
Number of Residential Units Served: 14,000  
Description of Services: Residential, Commercial, Roll Off  
Recycling and disposal
  
3. Name of Public Agency: City of Lake Havasu  
Address: 2330 N. McCulloch Blvd  
Lake Havasu City, Arizona 86403  
Phone Number: 928-855-2116  
Contact Person: Mark Clark  
Year Contract Initiated: 7/1/07  
Number of Residential Units Served: 26,640  
Description of Services: Residential trash & recycling,  
commercial, roll off, landfill operations  
& recycling center

**FORM 4: EXPERIENCE (continued)**

4. Name of Public Agency: City of Bullhead City  
Address: 2355 Trane Road  
Bullhead City, Arizona 86442  
Phone Number: 928-763-0123  
Contact Person: Brenda Richardson  
Year Contract Initiated: 1/1/00  
Number of Residential Units Served: 17,100  
Description of Services: Residential trash collection,  
commercial & roll off
5. Name of Public Agency: Community of Anthem  
Address: 3701 W. Anthem Way Suite 102  
Anthem, Arizona 85086  
Phone Number: 623-742-6129  
Contact Person: Neil Shearer  
Year Contract Initiated: 6/1/98  
Number of Residential Units Served: 8,000  
Description of Services: Residential, recycling and  
disposal

## KEY PERSONNEL

### Mark Creswell – General Manager

Mark has been with Allied Waste since 1989. Mark has held a variety of positions during his career with Allied, gaining extensive knowledge in the collection, transfer and disposal of solid waste and recyclables. Mark has been in his current position of General Manager since 2006. In his position, Mark is responsible for all of the Phoenix Metro collection operation. He may be reached at 602-442-7285.

### Ted Sholeff – Division Manager

Ted has over 20 years experience in the solid waste industry. He joined Allied Waste in 1996 and is currently responsible for managing the North and East Valley hauling facilities. During his tenure with Allied Waste, Ted has been involved in the integration of numerous municipal contracts and new acquisitions. He may be reached at 623-241-8401.

### Kevin Flanagan – Operations Manager

Kevin is the Operations Manager for Allied Waste's North Phoenix location. In this capacity, he is responsible for managing all of the North Valley collection operation including routes within the Town of Fountain Hills. Kevin has been with Allied Waste for 7 years. Kevin may be reached at 623-241-8404.

### Steve Bullard – Maintenance Manager

Steve has over 20 years experience in heavy equipment maintenance. He joined Allied Waste in 2005 and is currently responsible for managing the maintenance of the North and East Valley fleet. He may be reached at 480-222-8422.

## **STATEMENT OF INDEPENDENCE**

Allied Waste Services is currently under contract with various Homeowners Association (HOA) within the Town of Fountain Hills for their solid waste collection and disposal. Per the RFP, the HOA contracts are considered "Grandfathered Areas", therefore, do not constitute a conflict of interest relative to performing the Services sought in this RFP.

## **DISCLOSURE OF PRECLUSION FROM PARTICIPATING IN PUBLIC PROCUREMENT**

Allied Waste Transportation, Inc., dba Allied Waste Services of Phoenix (AWS-Phoenix), has not been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government.

**LITIGATION, REGULATORY ACTIONS AND PAYMENT OF LIQUIDATED  
DAMAGES HISTORY**

Please see attached.

City of Fountain Hills RFP  
Litigation Disclosure

May 7, 2010

Matter Name	Summary of Dispute/ Cause of Action/ Matter Description	Substantive Law	Start Date	State	Date Resolved	Description of Resolution
451 Management Group, LLC v. Republic Services, Inc. (correct legal entity: Allied Waste Transportation, Inc. d/b/a Republic Services of Denver and Allied Waste Services of Denver); Arapahoe County District Court, Colorado	Complaint alleges, among other things, breach of contract, civil theft and fraud, in connection with the Company's contract with the Plaintiff for commercial trash removal services. According to the complaint, the Plaintiff transferred its operations to a new location, requested the Company transfer the containers and the service to the new location, and that the Company has been erroneously billing the Plaintiff for services to the old location and the new location.	Commercial Law	01/11/2010	Colorado	04/06/2010	Settled and the case Dismissed With Prejudice.
CFWS, Inc. v. Allied Waste Transportation, Inc., (Paradise Waste Services, Inc.) # 76 181 0006B 06 ANXI, American Arbitration Association	The Plaintiff, CFWS, Inc. alleges that the Defendant, Allied Waste Transportation, Inc. ("Allied") breached the terms of the Service Agreement that they entered into with CFWS, Inc. when Allied refused to accept new customers.	Commercial Law	12/26/2007	Arizona	06/30/2008	Arbitrator awarded Paradise Waste costs and fees.
City of Chandler v. Allied Waste Transportation, Inc. Administrative Hearing, PLT# 10031185	In July 1989, Allied Waste Transportation, Inc., (predecessor Laidlaw), entered into contracts with the City of Chandler to operate at the City's Landfill and perform other ancillary duties. Subsequent contracts with the City did not allocate payments between excavation/cell formation work and other services. The City conducted an audit of the books and records beginning 8/1/89 through 8/3/00. The audit concluded that the operation site qualified as taxable construction contracting.	Commercial Law	08/15/2002	Arizona	04/03/2007	Settled.
Downtown on Third, LLC v. Allied Waste Transportation, Inc. d/b/a Allied Waste Services of Phoenix	Downtown on Third, LLC alleges that Allied Waste Transportation, Inc. received payment for waste disposal services that were not provided.	Commercial Law	01/03/2008	Arizona	06/19/2008	Settled.
Secretary of Labor v. Allied Waste Transportation, Inc.	The Occupational Safety and Health Administration ("OSHA") cited BFI Waste Systems of North America, Inc. ("BFI") for allegedly violating regulations of the Occupational Safety and Health Act 1970. OSHA alleges that BFI's Lockout/Tagout written program does not meet OSHA regulations. (Correct Legal Entity: Allied Waste Transportation, Inc.)	Employment- Workplace Safety/OSHA	07/19/2007	Colorado	12/19/2008	Case settled with OSHA.
Arizona Department of Environmental Quality - Notice of Violation/Allied Waste Transportation, Inc., d/b/a Allied Waste Services of Phoenix and d/b/a Paradise Waste Transfer Station (Div. 753)	ADEQ - Notice of Violation, dated March 27, 2009, issued to the Paradise Waste Transfer Station for waste oil products being allowed to drain into a storm retention area, and from there into dry wells located in the storm water retention basin.	Environmental Law	04/07/2009	Arizona		

## COMPLIANCE RECORDS

Please see attached.

Republic Services response to this question is, to the best of its knowledge, complete and accurate. Republic Services obtained information responsive to this question from a review of available corporate records and reasonable inquiry. The information provided refers to activities of the Republic Service entities submitting this proposal. Any such information required for other affiliates or related Republic Services entities that are not involved with this proposal will be provided at the customer's request.

Facility Name	Facility State	Facility Type	Violation Type	Action Caption	Action Date	Resolution Date	Case/ID# Number	Violation Description	Violation Reference	Enforce	Action Description	Violation Status	Resolution Type	Fine	Issuing Agency	Resolution ID
Paradise Waste TS	Arizona	Transfer Station	Administrative	NOV	4/3/2009	12/24/2008		1) Operation of a facility which adds a pollutant to a dry well without an aquifer protection permit. 2) Operation of a surface impoundment without an aquifer protection permit.		1) A.R.S. 49-241(B)(9) 2) A.R.S. 49-241(B)(1)	1) Observed pollutants (e.g., waste oil) discharged into two drywells which were being operated on the facility property without an aquifer protection permit. 2) Evidence of discharged pollutants into an unlined surface impoundment (e.g., detention basin) which was being operated on the facility property without an aquifer protection permit.	Resolved	Return to Compliance	\$0.00	Arizona Department of Environmental Quality	5078
Allied Waste Services of Phoenix	Arizona	Hauling Facility	Administrative	Violation Notice/Notice of Violation	2/8/2010	1/25/2010	726977; OAC #17-034-18-004	Failure to clean the interior, or cover the cargo compartment with a tarp or other suitable closure, of an empty haul truck (prior to entering paved areas accessible to the public).	Haul truck was observed on the project site then observed exiting from the project site without tarping the truck or cleaning the interior.  Haul vehicle observed USDOT 704220, MC42-1	Permit Conditions 28.a.8, Rule 310, Section 305.1b	2/25/2010 - Order of Abatement by Consent issued.	Resolved	Administrative Order of Consent	\$1,759.00	Maricopa County Air Quality Department	7120
Allied Waste Services of Mesa	Arizona	Hauling Facility	Administrative	NOV	4/13/2006	12/08/2005		Failed to submit new UST corrosion requirements.		R18-12-270A		Resolved	Return to Compliance	\$0.00	Arizona Department of Environmental Quality	4286
<b>FINES PAID</b>																
Allied Waste Services of Phoenix	Arizona	Hauling Facility	Administrative	Violation Notice/Notice of Violation	2/8/2010	1/25/2010	726977; OAC #17-034-18-004	Failure to clean the interior, or cover the cargo compartment with a tarp or other suitable closure, of an empty haul truck (prior to entering paved areas accessible to the public).	Haul truck was observed on the project site then observed exiting from the project site without tarping the truck or cleaning the interior.  Haul vehicle observed USDOT 704220, MC42-1	Permit Conditions 28.a.8, Rule 310, Section 305.1b	2/25/2010 - Order of Abatement by Consent issued.	Resolved	Administrative Order of Consent	\$1,759.00	Maricopa County Air Quality Department	7120
Norwin TS	Illinois	Transfer Station	Administrative	ADM	6/14/2006	12/27/2005		Waste left on and away from tipping floor/operators after permitted hours in 2001 and 2002.				Resolved	Resolved Pursuant to Settlement Agreement	\$7,500.00	Attorney General	4362

**FINANCIAL STATEMENT**

Please see enclosed "Republic Services 2009 Annual Report"

## METHOD OF APPROACH

### 1a. Description of Collection Equipment

Allied Waste, Transportation Inc. dba AWS Phoenix, is committed to utilizing the following equipment in order to perform the contracted services for the Town of Fountain Hills. Containers, designed for automated curbside collection, will be available in 65 and 95 gallon capacity. Automated side load style trucks will be used to service the municipal solid waste, recyclable materials, and green waste. Residential style front load trucks will be used to service the bulky item collection. The specifications for this equipment will be described in detail below.

**Automated side load containers** will be purchased from Otto Environmental. The style of container will be the Edge series MSD-95 E and MSD-65 E

Model	Height	Width	Depth	Load Rating	Wheel Size
MSD-95 E	45 3/8" 27 1/2"	33 1/4"	335 LBS.	12"	
MSD-65 E	42 3/8" 25 1/8" 29 1/2"		230 LBS	10"	

Available Colors: Allied/Republic Blue, Dark Blue, Light Blue, Green, Forest Green, Dark Gray, Light Grey, Beige, Brown and Black.

**Automated side load trucks** will be utilized from our existing fleet. The trucks are Mack chassis and are equipped with 28 to 31 cubic yard McNeilus, AutoReach automated side loader bodies. AWS Phoenix currently has 14 automated side load trucks less than three years of age in the market that will be available for utilization on this contract. During the life of this contract, as trucks exceed the age requirements, new trucks will be purchased and assigned as replacements.

**The residential front load trucks** will also be utilized from our existing fleet. The trucks are 2006 model AutoCar chassis and are equipped with a 28 cubic yard Heil bodies.

All of the equipment AWS of Phoenix intends to use for servicing the Town of Fountain Hills will be uniform in color, have proper permits, registration, and insurance requirements. The truck bodies will be adequately sealed to prevent fluid leaks. Two-way radios are a standard feature for every unit and allow for easy communication. Lastly, all of our collection vehicles have the latest computer technology located in the cab of the trucks for service verification purposes. These on-board computers allow drivers to easily communicate with our dispatch office by way of placing notes on particular accounts while linked with a GPS system that accurately identifies the location of the truck. Most importantly, these On-board computers allow for improved efficiencies, and safer, more reliable customer service.

### 1b. Collection Route Schedules and Maps

In order to provide the town with the most efficient means of collection AWS Phoenix has segmented the town into four sections. The (Attachment A), "Collection Schedule and Map" identifies the collection days and service types for each area within the town. The Collection Schedule and Map may change as more information from the town is provided regarding the house counts per grid identified on Addendum 1, Exhibit 1.

### **1c. Disposal and processing contracts**

See attached letter from Salt River Pima-Maricopa Indian Community (Attachment B).

### **1d. Approach to Minimize Container Damage**

AWS Phoenix is committed to working with the Town of Fountain Hills to provide the most convenient, non obstructed service to its residents. AWS will take direction from the town to provide service from the curbside (street) location or the curbside (sidewalk) location. Once this location has been determined AWS will work with the truck manufacturer to make the proper adjustments on the lifting mechanism on the collection vehicles. By doing so, the container life will be extended dramatically. Proper maintenance on the lifting mechanism will also take place on a regular basis to ensure that the adjustments are made as needed. If AWS identifies any collection vehicle that is doing unnecessary damage to the containers, we will remove the equipment from route and make the proper adjustments before returning the equipment into service.

### **1e. Self-haulers**

AWS Phoenix, will work diligently to provide a variety of collection services, that meets the needs of the residents of the Town of Fountain Hills. By providing weekly solid waste, recyclable material, green waste and an on-call bulky item collection program to the residents; we hope to minimize the need for residents to self haul materials. In the event a resident has extra material and desires to utilize the AWS disposal facility, the following procedure will take place. All self hauled loads should be tarped prior to entering the disposal location. The self hauler must show proof of primary residence in the Town of Fountain Hills. All self haulers must adhere to the safety rules and regulations posted at the disposal site. The designated disposal site for self hauled loads from the Town of Fountain Hills will be the Cave Creek Transfer Station. Cave Creek Transfer Station is located at 1855 E. Deer Valley Road in Phoenix. The special gate rate for Fountain Hills residents will be \$25.00 per ton with a one ton minimum charge.

## **2. Recycling Service Proposal Requirements**

AWS Phoenix has the experience and knowledge to service all of the residential dwelling units within the Town of Fountain Hills with curbside recycling collection. In addition, AWS is enthusiastic about working with the Town to ensure that all of the Town Facilities are equipped with containers and adequate recycling service. Furthermore, AWS will make necessary arrangements so that Neighborhood Recycling Drop-off and or Special Event Recycling Services will be accommodated. The use of roll-off containers, enclosed roll-off recycling containers with access doors, front load style containers, "special event" 95 gallon barrels, and "special event" recyclable cardboard boxes are the types of containers available to meet the Town's needs.

### **2a. Recyclable Material to be Collected**

AWS, Phoenix has reviewed the Town of Fountain Hills recommended recyclable item list and is mutually agreed to the listed items. These items include the following:

- Aluminum cans and foil
- Steel/tin cans

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

In the event additional items are deemed to be recyclable by a processing facility, we will be proactive in our efforts to divert this material from the landfills. In the event the processing facility deems item(s) to be non-recyclable, AWS Phoenix will work diligently with the town representatives to educate residents.

#### **2b. Recyclable Materials Accepted by the Processing Facility**

AWS has an excellent professional relationship with Hudson Baylor facilities. Hudson Baylor accepts all of the above listed materials. AWS will continue to work with Hudson Baylor for processing of this material.

#### **2c. Approach to Minimize Over-Compaction of Recyclable Material**

Traditionally, with other municipal agreements the municipality has required haulers to limit loads to 8 tons for 28-32 cubic yard truck bodies. 8 ton load limits reduce the over-compaction issues and typically keep the glass from breaking and contaminating the loads. AWS will monitor loads and implement procedures with equipment operators to educate them on load limits. In addition, equipment hydraulic PSI will be monitored to make sure proper manufacture specifications are followed.

#### **2d. Processing Site Information**

Hudson Baylor is the owner and operator of the River Recycling facility and is conveniently located at the Salt River Pima Maricopa Indian Community Landfill, 13602 N. Beeline Highway, Scottsdale, Arizona, 85256. Hudson Baylor specializes in providing processing services for recyclables and will be the designated processing site of Allied Waste for this proposal. The Arizona Operations Manager for Hudson Baylor is Tom Van Tassel, and he can be reached at River Recycling, at 480-850-1224. Please review the attached commitment letter from Hudson Baylor (Attachment C).

Hudson Baylor inspects each load that is brought into the recycling facility. Upon inspection, any loads that are deemed as contaminated and/or hazardous are immediately staged separately and will be further examined and inspected by Hudson Baylor and Allied Waste.

#### **2e. Permitted and Available Processing Capacity**

River Recycling was designed to process recyclables at 25 tons per hour, using 25 staff members including office and plant management personnel. This indicates a design capacity of 104,000 tons per year, assuming an operation working 2 - 8 hour shifts per day. The tipping area is 11,000 square feet that receives incoming materials. Trucks

are backed into one of three bays where the recyclable materials are discharged. The Tipping area has storage capacity of approximately 500 tons, based on an average material density of 250lbs/cy and an average height of ten feet. In 2009, Hudson Baylor processed an excess of 80,000 tons of single stream residential material.

## **2f. Import Restrictions or Fees**

Allied Waste & Hudson Baylor will not impose any import restrictions, taxes or fees to the receipt of the Town's recyclable materials nor host jurisdiction, state, host fees or levy taxes increases. In addition, there will not be an import restriction on accepting materials from outside of the local jurisdiction.

## **2g. Republic Services & RecycleBank Rewards Program**

Republic Services has partnered with RecycleBank to implement an award winning incentive-based recycling program that encourages people to recycle. This program bases the value of the awards on the amount of material that is collected. Allied Waste will track the volume of material collected by each of the recycle routes and communicate that data to RecycleBank. RecycleBank will then assign points to each resident equally based on the volume collected by the route that services their home (example; if a route collects 1,000 pounds for 100 homes, each home will get credit for 10 pounds). Each resident will be awarded 2.5 points per pound collected. Residents will be able to redeem their points for discounts and rewards at various retail facilities the Phoenix Metro area. In an effort to help stimulate the local economy, RecycleBank will work with the Town of Fountain Hills to identify local business partners that would like to help support the program.

The bid rate for the collection of recycling materials is based on Allied Waste retaining all proceeds from the sale of the commodities. The majority of the proceeds will be used to fund the cost of the RecycleBank program. The remaining balance has been applied to the cost of recycling collection in order to discount the monthly rate to the resident. Allied Waste will receive payment for the commodities delivered to Hudson Baylor based on the following formula:

$$(((ONP*65%) + (OCC*10%)) + \$15 - \$65) / 2$$

The ONP and OCC rates will be the high side prices for each grade from the Official Board Markets, Los Angeles. Commodity proceeds will change each month based on the current market rates. The rates for May 2010 are \$140 and \$135, respectively. Allied Waste will assume all responsibility for any change in the market value of the commodities. The residents will be protected from market fluctuations as they will continue to earn points based on the volumes collected.

## **3. Solid Waste Services**

AWS Phoenix has the experience and knowledge to successfully accommodate all of the services required by the Town of Fountain Hills and its residents. Residential Solid Waste Service will be provided to the residents via fully automated Residential Side Load Trucks. In addition, we will provide bulky item (out of cart set out) collection to the residents utilizing semi-automated Residential Front Load Trucks. Depending on the

size and type of the container(s) requested by the town, Special Event and Town Facilities Solid Waste Services will be provided either by, fully automated Commercial Front Load Trucks, semi automated Residential Front Load Trucks, fully automated Residential Side Load Trucks or Roll Off Trucks. Each piece of equipment with the exception of the Residential Front Load Truck (bulk items only) requires its own style of container. These different style containers will be provided to the residents and town depending on the type of service that is requested. If requested, AWS Phoenix will provide more information for each individual piece of equipment in our Oral Presentation.

### **3a. Solid Waste Disposal Site Information**

Cave Creek Transfer Station  
1855 E Deer Valley Road  
Phoenix, AZ 85024

Cave Creek Transfer Station is owned and operated by Allied Waste, Transportation Inc. The facility is managed by our Operations Manager for the Transfer Station, Greg Czerniski. Greg Czerniski can be contacted at (602) 442-5986 (Attachment D).

Cave Creek Transfer Station opened for business in September of 2006. The buildings and infrastructure are constructed on approximately 12 acres of secured land in the city of Phoenix. The facility consists of a 7 bay transfer building and scale house. The transfer building is approximately twenty two thousand square feet (22,000) and is equipped with an odor and dust control misting system as well as doors for each bay. The scale house manages in and out bound solid waste via a network based disposal tracking system called Trux and two 60 ton scales.

### **Load Inspections and Hazardous Waste Handling**

The Cave Creek Transfer Station performs random inspections for all solid waste brought into the facility on a daily basis. Our Company Standard requires a minimum of 1 solid waste load inspection per day. This is a random selection that covers all loads (3<sup>rd</sup> Party and Inter Company) brought into the facility. The inspection is the responsibility of the Transfer Station Operations Supervisor but may be performed by other trained representatives of the company. Each inspection is formally documented and retained for our records (examples available upon request). In the event Hazardous - Nonconforming Waste is identified during an inspection, the inspector must also complete a Rejected Load Form (examples available upon request).

In the event Hazardous – Nonconforming Waste is identified the following will occur. For precautionary measures, at a minimum the area containing the hazardous waste will be sectioned off and / or the facility may be closed until the material is secured and removed. The Environmental Manager will be notified and will work with the identified source of the nonconforming waste and government agencies to remedy the incident. These processes involve concurrent tracks of investigation, reporting and compliance with local and government agencies, excavation or other remediation/response actions, as well as fixing and preventing such incidents from occurring in the future.

### **3b. Permitted and Available Disposal Capacity**

Cave Creek Transfer Station is fully developed and no additional expansion is permitted. The facility is permitted by Maricopa County with an annual capacity of up to seven hundred forty eight thousand eight hundred (748,800) tons or two thousand fifty one (2,051) tons per day of solid waste.

#### **4. Residential Bulk Waste Services**

Residential Bulk trash collection will take place in two separate applications. First, individual residents may call the AWS Customer Service Department to schedule an on-call, fee per service collection. Although the bulk waste services are on an on-call basis, residents should allow up to two (2) business days notice for collection. For example, if a resident calls on Monday for bulk waste services, they should expect the service to be scheduled for Wednesday. In the event AWS can collect the bulk waste service for the customer sooner, the collection will be expedited. Second, AWS will provide two annual bulk waste drop-off events at three strategic locations throughout the town. All materials collected must be non-hazardous, must not exceed 75 pounds, must be cut into three (3) foot lengths, and bundled for handling purposes. All on-call bulk waste collections must not exceed six (6) cubic yards of material. In the event that the material exceeds the recommended six (6) cubic yards, the customer will be charged an additional service fee.

#### **4a. Disposal Site Information for Bulk Waste Services**

Cave Creek Transfer Station  
1855 E Deer Valley Road  
Phoenix, AZ 85024

Cave Creek Transfer Station is owned and operated by Allied Waste, Transportation Inc. The facility is managed by our Operations manager for the Transfer Station, Greg Czerniski. Greg Czerniski can be contacted at (602) 442-5986 (Attachment D).

Cave Creek Transfer Station opened for business in September of 2006. The buildings and infrastructure are constructed on approximately 12 acres of secured land in the city of Phoenix and are fully self-contained. The facility consists of a 7 bay transfer building and scale house. The transfer building is approximately twenty two thousand square feet (22,000) and is equipped with an odor and dust control misting system as well as doors for each bay. The scale house manages in and out bound solid waste via a network based disposal tracking system called Trux and two 60 ton scales.

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In the event Hazardous -- Nonconforming Waste is identified the following will occur. For precautionary measures, at a minimum the area containing the hazardous waste will be sectioned off and / or the facility may be closed until the material is secured and removed. The Environmental Manager will be notified and will work with the identified source of the nonconforming waste and government agencies to remedy the incident. These processes involve concurrent tracks of investigation, reporting and compliance with local and government agencies, excavation or other remediation/response actions, as well as fixing and preventing such incidents from occurring in the future.

**4b. Permitted and Available Disposal Capacity**

Cave Creek Transfer Station is fully developed and no additional expansion is permitted. The facility is permitted by Maricopa County with an annual capacity of up to seven hundred forty eight thousand eight hundred (748,800) tons or two thousand fifty one (2,051) tons per day of solid waste material.

**5. Residential Green Waste Services Proposal Requirements**

AWS Phoenix is prepared to offer Residential Green Waste Services as a part of the proposal. Service will be provided for interested residents one time per week and will be offered utilizing 65 and 95 gallon automated containers.

**5a. Green Waste Processing Site Information**

Salt River Landfill located at 13602 N. Beeline Highway in Scottsdale, Arizona 85256. The mailing address is the same as the site address. Salt River Landfill and Green Waste Processing facility phone number is (480) 941-3427. The landfill is owned and managed by the Salt River Pima Maricopa Indian Community. AWS and the Salt River Pima Maricopa Indian Community are completely separate entities. Please see attached letter (Attachment B).

**5b. Permitted and Available Processing Capacity**

Please see attached letter (Attachment B)

**5c. Materials Accepted for Processing**

Please see attached letter (Attachment B)

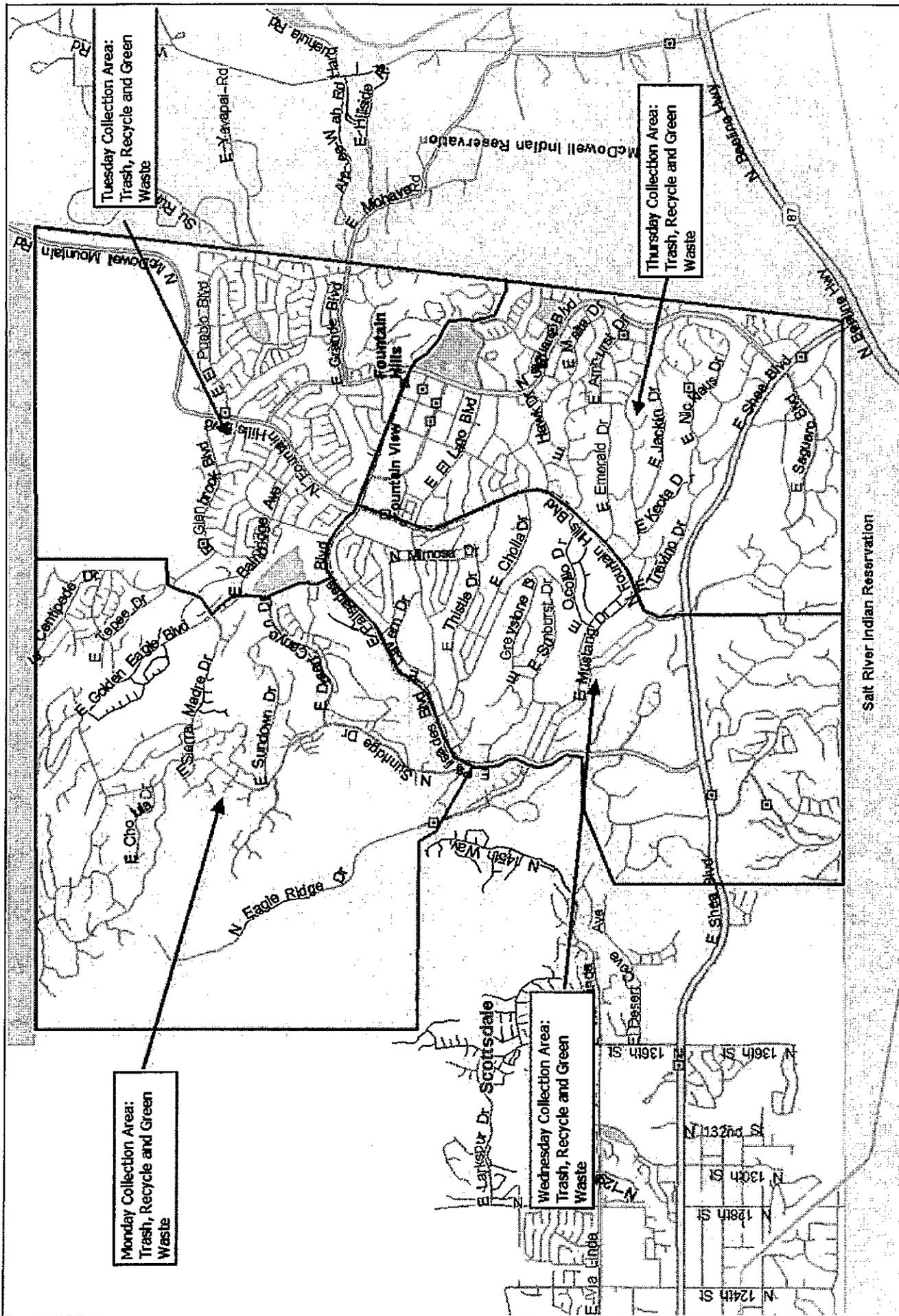
**5d. Import Restrictions or Fees**

Please see attached letter (Attachment B)

## **BILLING**

AWS-Phoenix shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the contracted rate structure. Residents may choose to be billed annually, semi-annually, or quarterly. Invoices will be clear, concise and understandable. Invoices will be itemized, clearly delineating all activity during the billing period, including optional charges and credits. Payment shall be due no sooner than the 15<sup>th</sup> day of the billing period, and the due date shall be listed on each invoice. AWS-Phoenix will accommodate to bill and accept payments from a homeowners' association or its authorized representative for Service Units within that homeowners' association.

Attachment A



**AFFIDAVIT**

STATE OF ARIZONA       )  
  ) ss.  
County of Maricopa       )

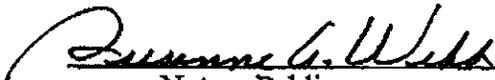
The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Secretary of Allied Waste Transportation, Inc., a Delaware corporation ("AWT");
2. AWT owns and operates a transfer station located at 1855 E. Deer Valley Road, Phoenix, Arizona, known as Cave Creek Transfer Station; and
3. Further Affiant sayeth naught.

DATE:       June 4, 2010.

  
 \_\_\_\_\_  
 Eileen E. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on June 4, 2010.

  
 \_\_\_\_\_  
 Notary Public

My Commission Expires: 9/17/12

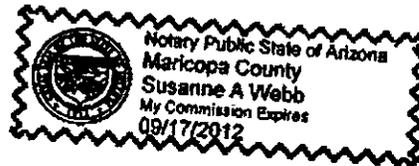


EXHIBIT C  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Fee Proposal – Completed Forms 5 - 8]

See following page(s).

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

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

Service Rate	Monday through Thursday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
<b>Residential Solid Waste Services</b>		
1. Solid Waste Collection Service Rate	\$ 7.49 /Unit/Month	\$ 7.49 /Unit/Month
2. Solid Waste Cart Rate [3] 65 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
3. Solid Waste Disposal Rate [4]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [5]	\$ 5.00 /Unit/Month	\$ 5.00 /Unit/Month
5. Additional Solid Waste Cart Rate [3][5]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [4][5]	0.00 [6]	0.00 [6]
7. Non-Collection Day Collection Rate [7]	\$ 25.00/Unit/Month	\$ 25.00/Unit/Month
8. Non-Collection Day Disposal Rate [4][7]	\$ 0.00 [6]	\$ 0.00 [6]
<b>Residential Bulk Waste Services</b>		
1. Bulk Waste Collection Rate	\$ 50.00 /6 CY	\$ 50.00 /6 CY
2. Bulk Waste Disposal Rate [4]	\$ 0.00/6 CY	\$ 0.00/6 CY
3. Semiannual Bulk Waste Event	\$ 0.00 /6 CY	\$ 0.00 /6 CY
<b>Residential Recycling Services</b>		
1. Recycling Collection Service Rate	\$ 3.95 /Unit/Month	\$ 3.95 /Unit/Month
2. Recycling Cart Rate [3][8] 65 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
<b>Residential Cart Change Rate [9]</b>	<b>\$ 25.00 /Cart</b>	<b>\$ 25.00 /Cart</b>

- [1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.
- [2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.
- [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, in its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

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

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

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

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

Service Rate	Monday through Thursday Collection Week
	Multiple Day Collection [1]
<b>Residential Solid Waste Services</b>	
1. Solid Waste Collection Service Rate	\$ 12.51/Unit/Month
2. Solid Waste Cart Rate [2]	
65 Gallon	\$ 0.09/Unit/Month
96 Gallon	\$ 0.00/Unit/Month
3. Solid Waste Disposal Rate [3]	\$ 0.00/Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [4]	\$ 5.00/Unit/Month
5. Additional Solid Waste Cart Rate [2][4]	\$ 0.00/Unit/Month
6. Additional Solid Waste Cart Disposal Rate [3][4]	\$ 0.00 [6]
7. Non-Collection Day Collection Rate [6]	\$ 25.00/Unit/Month
8. Non-Collection Day Disposal Rate [3][6]	\$ 0.00 [6]
<b>Residential Bulk Waste Services</b>	
1. Bulk Waste Collection Rate	\$ 50.00/6 CY
2. Bulk Waste Disposal Rate [3]	\$ 0.00/6 CY
3. Semiannual Bulk Waste Event	\$ 0.00/6 CY
<b>Residential Recycling Services</b>	
1. Recycling Collection Service Rate	\$ 3.95/Unit/Month
2. Recycling Cart Rate [2][7]	
65 Gallon	\$ 0.09/Unit/Month
96 Gallon	\$ 0.00/Unit/Month
<b>Residential Cart Change Rate [8]</b>	<b>\$ 25.00/Cart</b>

- [1] Multiple Day Collection means Contractor shall perform, for each Residential Service Unit, Residential Solid Waste Services on two days each week and Residential Recycling Services on the same day of the week as one of the Residential Solid Waste Services days.
- [2] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [3] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [4] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [5] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [6] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [7] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, in its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Contractor grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [8] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

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

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

Service Rate	Monday through Thursday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
<b>Residential Solid Waste Services</b>		
1. Solid Waste Collection Service Rate	\$ 7.49 /Unit/Month	\$ 7.49 /Unit/Month
2. Solid Waste Cart Rate [1][6] 65 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
3. Solid Waste Disposal Rate [2]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [3]	\$ 5.00 /Unit/Month	\$ 5.00 /Unit/Month
5. Additional Solid Waste Cart Rate [1][3]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [2][3]	0.00 [6]	0.00 [6]
7. Non-Collection Day Collection Rate [5]	\$ 25.00 /Unit/Month	\$ 25.00 /Unit/Month
8. Non-Collection Day Disposal Rate [2][5]	\$ 0.00 [6]	\$ 0.00 [6]
<b>Residential Bulk Waste Services</b>		
1. Bulk Waste Collection Rate	\$ 50.00 /6 CY	\$ 50.00 /6 CY
2. Bulk Waste Disposal Rate [2]	\$ 0.00 /6 CY	\$ 0.00 /6 CY
3. Semiannual Bulk Waste Event	\$ 0.00 /6 CY	\$ 0.00 /6 CY
<b>Residential Cart Change Rate [7]</b>	<b>\$ 25.00 /Cart</b>	<b>\$ 25.00 /Cart</b>

- [1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

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

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

Type of Recyclable Material [1]	Processing/Marketing Fee [2]	Flat per Ton Payment [3]	Revenue Share [4]
Please see NOTE below	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor

- [1] Proposer shall list the type of Recyclable Material.
- [2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
- [3] Flat per Ton Payment is a flat payment by the Contractor to the Town for Recyclable Materials.
- [4] Revenue Share means the percent of revenues from the sale of Recyclable Materials that, in the absence of participation in the RecycleBank program, would be paid to the Town and the percent of revenues from the sale of Recyclable Materials paid to the Contractor.
- [5] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
- [6] Outgoing Tons means the tons of Recyclable Materials sold.

*NOTE: Curbside commingled including all materials noted in Method of Approach section 2a and rebates as calculated in Method of Approach section 2g.*

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

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

	Rates	Collection Frequency per Week						
		1x	2x	3x	4x	5x	6x	7x
<b>Solid Waste Cart Service</b>								
96 gallons	Collection Rate [1]	\$7.49	\$12.49	\$17.49	\$22.49	\$27.49	\$32.49	N/A
	Disposal Rate [1] [2]	-	-	-	-	-	-	-
	Cart Rental Rate [1] [3]	-	-	-	-	-	-	-
<b>Container Service</b>								
2 CY	Collection Rate [1]	30.00	45.00	60.00	75.00	90.00	105.00	120.00
	Disposal Rate [1] [2]	-	-	-	-	-	-	-
	Container Rental Rate [1] [4]	-	-	-	-	-	-	-
4 CY	Collection Rate [1]	40.00	65.00	90.00	115.00	140.00	165.00	190.00
	Disposal Rate [1] [2]	-	-	-	-	-	-	-
	Container Rental Rate [1] [4]	-	-	-	-	-	-	-
6 CY	Collection Rate [1]	50.00	100.00	150.00	200.00	250.00	300.00	350.00
	Disposal Rate [1] [2]	-	-	-	-	-	-	-
	Container Rental Rate [1] [4]	-	-	-	-	-	-	-
8 CY	Collection Rate [1]	65.00	130.00	190.00	250.00	310.00	370.00	430.00
	Disposal Rate [1] [2]	-	-	-	-	-	-	-
	Container Rental Rate [1] [4]	-	-	-	-	-	-	-

[1] Collection Rate, Disposal Rate and Container Rental Rate shall be stated in \$/Container/Month.

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

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

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

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

Collection Frequency	Collection Rate	Processing/Marketing Fee	Container Rental Rate [2]
1 x per week	\$25.00/Container/Month	[3] 0	\$ 0.00/Container/Month
2 x per week	\$50.00/Container/Month	[3] 0	\$ 0.00/Container/Month
3 x per week	\$75.00/Container/Month	[3] 0	\$ 0.00/Container/Month
4 x per week	\$100.00/Container/Month	[3] 0	\$ 0.00/Container/Month
5 x per week	\$125.00/Container/Month	[3] 0	\$ 0.00 /Container/Month
6 x per week	N/A/Container/Month	[3] 0	\$ 0.00/Container/Month
7 x per week	N/A/Container/Month	[3] 0	\$ 0.00/Container/Month

[1] Town Facility Recycling Services shall be provided via Containers as set forth in the Solid Waste Service Agreement.

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

[3] Shall be equal to the fee for residential recycling processing and marketing as stated in table 5.2 above.

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

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

<b>Solid Waste</b>			
<b>Roll-off Size</b>	<b>Collection Rate</b>	<b>Disposal Rate</b>	<b>Container Rental Rate</b>
10 CY	\$ 75.00/Container/Pull	\$ 30.00/Ton	\$ 0/Container
20 CY	\$ 75.00/Container/Pull	[1]	\$ 0/Container
30 CY	\$ 75.00/Container/Pull	[1]	\$ 0/Container
40 CY	\$ 75.00/Container/Pull	[1]	\$ 0 /Container

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

<b>Special Event Recycling Services</b>		
<b>Collection Frequency</b>	<b>Collection Rate</b>	<b>Processing/Marketing Fee</b>
1 x per event	\$ 25.00/96 Gallon Cart/Event	[1]
2 x per event	\$ 50.00/96 Gallon Cart/Event	[1]
3 x per event	\$ 75.00/96 Gallon Cart/Event	[1]
4 x per event	\$ 100.00/96 Gallon Cart/Event	[1]
5 x per event	\$ 125.00/96 Gallon Cart/Event	[1]
6 x per event	\$ 150.00/96 Gallon Cart/Event	[1]
7 x per event	\$ 175.00/96 Gallon Cart/Event	[1]

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

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

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

Collection Frequency	Collection Rate	Container Rental Rate [2]
1 x per week 30 yd	\$ 200.00/Container/Month	\$ 0/Container/Month
2 x per week 30 yd	\$ 400.00/Container/Month	\$ 0/Container/Month
3 x per week 30 yd	\$ 600.00/Container/Month	\$ 0/Container/Month
4 x per week 30 yd	\$ 800.00/Container/Month	\$ 0/Container/Month
5 x per week 30 yd	\$ 1000.00/Container/Month	\$ 0/Container/Month
6 x per week 30 yd	\$ 1200.00/Container/Month	\$ 0/Container/Month
7 x per week 30 yd	\$ 1400.00/Container/Month	\$ 0/Container/Month

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

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

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

Type of Recyclable Material [1]	Processing/Marketing Fee [2]	Flat per Ton Payment [3]	Revenue Share [4]
Please see NOTE below	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___ % to Town and ___ % to Contractor

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

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

[3] Flat per Ton Payment is a flat payment by the Contractor to the Town for Recyclable Materials.

[4] Revenue Share means the percent of revenues from the sale of Recyclable Materials paid to the Town and the percent of revenues from the sale of Recyclable Materials paid to the Contractor.

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

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

*NOTE: Curbside commingled including all materials noted in Method of Approach section 2a and rebates as calculated in Method of Approach section 2g.*

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

<b>Service Rate</b>	<b>Monday through Thursday Collection Week</b>	
	<b>Same Day Collection [1]</b>	<b>Different Day Collection [2]</b>
<b>Residential Green Waste Services</b>		
<b>1. Residential Green Waste Collection Service Rate</b>	<b>\$ 15.00/Unit/Month</b>	<b>\$ 15.00/Unit/Month</b>
<b>2. Residential Green Waste Processing and Marketing Rate</b>	<b>\$ 0.00/Unit/Month</b>	<b>\$0.00 /Unit/Month</b>

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

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

EXHIBIT D  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Phase-in Schedule/Map]

See following page(s).

EXHIBIT D WILL BE INCLUDED HEREIN AFTER EXECUTION OF THIS AGREEMENT,  
UPON CONCURRENCE OF BOTH PARTIES.

EXHIBIT E  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Materials Acceptance Protocol]

See following page(s).

## **Reference Facility: River Recycling**

Hudson Baylor built its River Recycling facility, located at the Salt River Pima Maricopa Indian Community's landfill in 2000-2001, after winning a competitive bid to develop the recycling plant.

River Recycling provides residential recycling processing services to a number of cities and towns east of the City of Phoenix. The initial agreements that led to the development of the MRF were Inter-Governmental Agreements (IGA) between the Salt River Pima Maricopa Indian Community and the Cities of Scottsdale and Mesa. Under these IGA's, the municipalities bring recyclables to the landfill. River Recycling then has a contract with the Community to process these recyclables.

The initial agreement was put in place in 2000, and called for all of Scottsdale recyclables to be delivered to the MRF. In early 2001, the City of Mesa agreed to bring approximately half of their recyclables. Several other communities and commercial haulers in the region also bring single stream material to River. In 2004, River Recycling, through a competitive bid process, was awarded a direct contract to process the remaining half of the City of Mesa's residential recyclables. In early 2006, River Recycling won the contract to process the Town of Gilbert's recyclables through a competitive bid process.

As a result of this growth, River Recycling processed in excess of 83,200 tons of single stream residential material in 2008.

## **River Recycling Process Description**

River Recycling was designed to process recyclables at 25 tons per hour, using 25 staff, including office and plant management personnel. This indicates a design capacity of 52,000 tons per year, assuming a single shift operation working 8 run hours per day.

The system was manufactured by Machinex Technologies of Canada. It has subsequently been enhanced with TiTech optical sorting equipment, supplied and installed by Van Dyk Baler. River Recycling is one of the first single-stream MRF's in the US to use optical sorting for recovered paper production. This additional equipment has maintained our throughput capacity while improving quality and reducing headcount.

The Tipping area of over 11,000 square feet receives incoming materials. Trucks are backed into one of three large overhead doors where the recyclable materials are discharged. The Tipping Area has a storage capacity of approximately 500 tons, based on an average material density of 250lb/cy and an average height of ten feet.

Materials are immediately pushed into the system in-feed pit conveyor by front-end loader. The materials are then conveyed up an incline conveyor to a Pre-Sort conveyor where bulky metals and identified rejects are removed. This area is designed for maximum flexibility so that it can be manned to run at full capacity, or adjusted based on

speed and quality of material. Items sorted at pre-sort are dropped into roll-off containers below the pre-sort station for baling and/or disposal, depending on the material in question.

Materials are next conveyed to Machinex' Mach I Star Screen Technology, where commingled containers are separated from the fiber stream and oversize cardboard is mechanically sorted from the stream. The cardboard (OCC) floats over the top of the screen to a conveyor that sends the OCC to storage bunker prior to baling.

The remaining paper is comprised of old newspaper (ONP), mixed paper (MP) and white office paper (OP). This paper is separated into two streams to minimize burden depth, and then passes over an ONP screen system to remove any remaining containers. The newspaper that travels over the top of the screens then passes through the optical sorting units, to remove remaining contaminants. The remaining paper then passes over two quality sort belts, so that any necessary fiber impurities can be removed from the stream. Sorters can pull out MP, OP, and any chipboard, kraft bags, and small cardboard that remain with the stream. Since the application of the optical sorting units, very little manual labor is required to clean the sorted newspaper. There are bins under the sorting belts for each of these materials. The negative sort off the quality belts is ONP, which feed storage bins that empty directly to the baler in feed conveyors.

The mixed containers feed onto a transfer conveyor system that leads to a polishing screen that separates any remaining paper traveling with the containers, and also separates the heavy glass and fines from the plastic and metal containers. The plastic and metal containers continue on to a bottle and can sort line. The line includes a magnet to pull steel cans, an eddy current to sort aluminum, an optical sorting unit to capture PET plastic, and HD-Natural and HD-Colored plastics are manually sorted to bins.

Glass bottles are diverted to a separate sort line that allows for the color sorting of bottles. The sorted bottles are conveyed to crushers, and the resulting crushed glass is stored in outside storage bunkers that are accessible by front-end loader for shipping.

Fines (2" minus) are separated from the glass bottles by a screen and conveyed to a compactor outside.

The indoor bunkers that receive sorted materials have reversing floor conveyors, so that the materials may be baled to either of the two Bollegraaf balers at the plant. This allows continuous operation of the facility even during scheduled downtimes.

Subsequent to the initial construction of the facility, we have made continual process improvements to improve throughput, quality, and efficiency of the system. These improvements include rubberizing various components to minimize glass breakage; changing disc sizing on the newspaper screens to improve the quality of the ONP generated; and constant monitoring (direct and video) of the system to further fine tune the processing system.

# River Recycling, Scottsdale, Arizona

- **Services provided:** Municipal recycling (with contracts)
- **Type of facility:** Single-stream
- **Approximate facility size:** 38,000 square feet
- **Ownership:** Land owned by SRPMIC; Structure and equipment owned by Hudson Baylor
- **Commodities processed (2008):** 82,264
- **Products sold:** #8 News, OCC, Mixed Paper, PET, HD-Na; HD-Co; Aluminum, Steel, Flint, Green, and Amber Glass
- **Year opened:** 2002
- **Systems:** Machinex Sorting Systems (with OCC and ONP Star Screens as well as Angled Polishing Screen), Two Bollegraaf Balers, 3 Ti-Tech Optical Sorters
- **Areas served:** Cities of Mesa, Scottsdale, the town of Gilbert and other smaller communities in the area

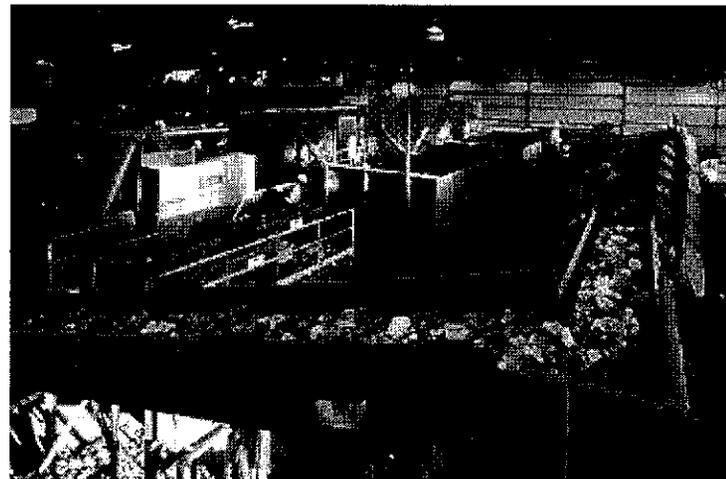
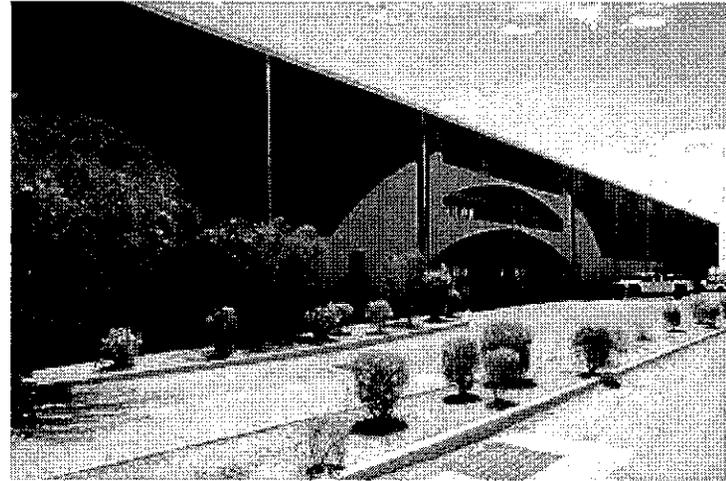


EXHIBIT F  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Recycling Materials Processing Contract]

See following page(s).



**SALT RIVER LANDFILL**  
**PIMA-MARICOPA INDIAN COMMUNITY**  
13602 N. Beeline Highway/SR 87 Phone: (480)941-3427  
Scottsdale, AZ 85256 Fax: (480)949-4261

June 1, 2010

Mr. Bret McClue  
Allied Waste Services  
Phoenix, AZ

**RE: Green Waste, Recycling Services and Solid Waste Disposal**

Dear Mr. McClue:

May this letter confirm the Salt River Landfill's ability and desire to accept and process the Town of Fountain Hill's green waste, recycling and/or solid waste as may be delivered by Allied Waste should they be awarded the bid. The Salt River Landfill does not have daily or annual permitted capacity restrictions.

Our commitment to recycling continues to be a priority for both the Salt River Indian Community and the Landfill Enterprise. Landfill capacity is a precious and valuable commodity, and it would be environmentally irresponsible to not divert such easily recyclable material.

Green waste recycling has been conducted here at the Salt River Landfill for over ten (10) years. Green waste is brought to our facility by Mesa, Scottsdale, SRP, East Valley residents and many landscapers/lawn maintenance companies. Accepting the Town of Fountain Hill's yard trash will not impact our current green waste operations. No expansion is necessary.

The acceptable materials include: tree, bush and grass clippings, tree trunks less than four feet in diameter, brush, leaves, twigs, branches, and unpainted and untreated lumber.

Blue Sky Environmental is the current vendor that processes the green waste and ships it to markets. The process involves grinding green waste into mulch, stockpiling it into manageable piles and loading it for transport to other facilities. Part of the material goes to local companies that further screen and/or compost prior to bagging. In the past year, some of the wood chip material is being transported to a power plant producing "green energy".

No import restrictions or fees exist.

If you have any questions, please contact me at 480-941-3427 ext. 480.

Sincerely,

Kevin W. McGrew  
Chief Executive Officer

June 4, 2010



237 Dupont Avenue  
P.O. Box 947  
Newburgh NY 12551-0947

Phone 845-561-0160  
Fax 845-562-8412  
www.hudsonbaylor.com

Raymond Rees  
Environmental Planner  
Town of Fountain Hills  
16705 East Avenue of the Fountains  
Fountain Hills, AZ 85268

RE: Request for Proposals for Solid Waste Services

Dear Mr. Rees:

Hudson Baylor Corporation is aware of and interested in your current Request for Proposals for Solid Waste Services. In particular, we are a recycling processor, and therefore we hope that you will select a contractor who will bring the recyclables collected as a result of this RFP to one of our processing locations. Our River Recycling facility, located at the Salt River Pima Maricopa Indian Community Landfill is approximately ten miles from downtown Fountain Hills, and we believe it is the most logical, economic, and environmentally responsible processing location in the Valley.

Hudson Baylor has in place an excellent working relationship with Allied Waste/Republic Services, including existing agreements to process recyclables they collect from several East Valley customers. We have sufficient capacity to handle the Town's recyclables and a nine year history at our River Recycling of safe and efficient processing operations.

We have provided our information to Republic Services with regard to recyclables we process, hours, operational details and procedures, and financial arrangements for processing. We will be happy to speak with the Town regarding our arrangement with Republic and the other work we do together to promote recycling in the region.

Sincerely,

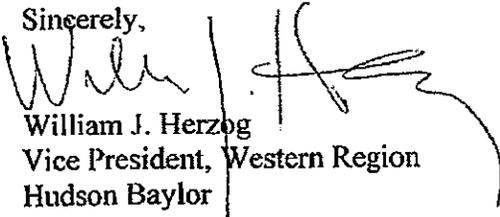
  
William J. Herzog  
Vice President, Western Region  
Hudson Baylor

EXHIBIT G  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Disposal Services Contract]

See following page(s).

COPY OF DISPOSAL SERVICES CONTRACT IS ON FILE WITH THE TOWN CLERK.

EXHIBIT H  
TO  
SOLID WASTE SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
ALLIED WASTE TRANSPORTATION, INC.  
D/B/A ALLIED WASTE SERVICES OF PHOENIX

[Performance Bond]

See following page(s).



Wells Fargo  
Insurance Services USA, Inc.  
15 South Main Street, 3rd FL (29601)  
Post Office Box 3478  
Greenville, SC 29602  
  
Tel: 864 233 9626  
Toll Free: 800 338 7154  
wellsfargo.com

October 19, 2010

Allied Waste Transportation, Inc  
Stacy Loveland

Re: Type of Bond: Non-Construction Contract Performance Bonds  
Bond Number: 8986543  
Obligee: Town of Fountain Hills  
Description: Residential & Recycling Collection & Disposal  
Bond Amount: \$2,000,000.00

Dear Stacy,

Enclosed please find the above referenced. Please mark your files accordingly before submitting to the appropriate contact with the obligee.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Sarabeth Scott

Enclosures

Together we'll go far





**PERFORMANCE BOND**  
**(Annual Form 1001)**

Bond No. 8986543

KNOW ALL MEN BY THESE PRESENTS, that we, Allied Waste Transportation, Inc  
as Principal, (hereinafter called the "Principal"), and Fidelity and Deposit Company of Maryland  
as Surety, (hereinafter called the "Surety"), are held firmly bound unto, Town of Fountain Hills  
as Obligee, (hereinafter called the "Obligee"),  
in penal sum of Two Million Dollars and 00/100  
Dollars (\$ 2,000,000.00) good and lawful money of the United States of America, for the payment of which,  
well and truly to be made, we bind ourselves, our heirs, administrators, executors, successors, assigns, jointly and  
severally, firmly by these presents.

WHEREAS, the Principal has entered into written contract with the Obligee, dated October 20, 2010  
(hereinafter called the "Contract"), which Contract is incorporated herein by reference and,

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall indemnify the Obligee for  
any and all loss that the Obligee may sustain by reason of the Principal's failure to comply with the terms and  
conditions of said Contract, then this obligation shall be null and void, otherwise it shall remain in full force and  
effect.

PROVIDED, HOWEVER, that:

1. The term of this bond is for the period commencing July 1, 2011 and expiring on  
June 30, 2012, unless released by the Obligee prior thereto. However, the term of  
this bond may be extended for an additional one-year period by the issuance of a Continuation Certificate by the  
Surety.
2. The liability of the Surety under this bond and all continuation certificates issued in connection therewith shall  
not be cumulative and shall in no event exceed the bond amount set forth above or in any additions, riders or  
endorsements properly issued by the Surety.
3. Non-renewal by the Surety nor failure of the Principal to provide the Obligee with a replacement bond shall not  
constitute default under this bond.
4. In the event the Principal shall be declared by the Obligee to be in default under the Contract, the Obligee shall  
provide the Surety with a written statement setting forth the particular facts of said default no later than thirty  
(30) days from the date of said default, which notice shall be sent to the Surety by registered mail to the address  
in stated in Section 6 below.
5. The Surety will have the right and opportunity, at its option, and in its sole discretion, to: a.) cure the default; b.)  
assume the remainder of the Contract and to perform or sublet same; c.) or to tender to the Obligee funds  
sufficient to pay the cost of completion less the balance of the Contract price up to an amount not to exceed the  
penal sum of the bond. In no event shall Surety be liable for fines, penalties, liquidated damages or forfeitures  
assessed against the Principal.
6. The Obligee's acceptance of this bond and reliance upon it as security constitutes its acknowledgement and  
agreement as to the terms under which it is offered and issued by the Surety.
7. All notices, demands and correspondence with respect to this bond shall be in writing and addressed to:

**The Surety, at the following address:**  
Fidelity and Deposit Company of Maryland  
3910 Keswick Road  
Baltimore, MD 21211



**The Principal, at the following address:**  
Principal Name Allied Waste Transportation, Inc  
Address 4811 W Lower Buckeye Rd  
City State Zip Phoenix, AZ 85041

**The Obligee, at the following address:**  
Obligee Name Town of Fountain Hills  
Address 16705 East Avenue of the Fountains  
City State Zip Fountain Hills, AZ 85268

Sealed with our seals and dated this 18th day of October, 2010.

Sherry Jones  
Witness

Allied Waste Transportation, Inc  
Principal Name  
[Signature]  
Principal

Sherry Jones  
Witness

Fidelity and Deposit Company of Maryland  
[Signature]  
Attorney-in-Fact Sarabeth Scott

\_\_\_\_\_  
Witness

**Obligee Acknowledgement**  
\_\_\_\_\_  
Name and Title:



**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by THEODORE G. MARTINEZ, Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof does hereby nominate, constitute and appoint **Johanne S. PUCKETT and Sarabeth SCOTT**, both of Greenville, South Carolina, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply to all intents and purposes, as if they had been duly executed and acknowledged by the regular, elected officers of the Company at its office in Baltimore, Md., in their own proper persons.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 15th day of October, A.D. 2008.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



*Eric D. Barnes*

Eric D. Barnes

Assistant Secretary

*Theodore G. Martinez*

By:

Theodore G. Martinez

State of Maryland }  
City of Baltimore } ss:

On this 15th day of October, A.D. 2008, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came THEODORE G. MARTINEZ, Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposed and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2011

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,....and to affix the seal of the Company thereto."

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company,

this 18th day of October, 2010

*Gregory F. Murray*

Assistant Secretary