

**COMPREHENSIVE GARBAGE, RECYCLABLES AND  
COMPOSTABLES COLLECTION AGREEMENT**

**City of Kirkland  
and  
Waste Management of Washington, Inc.**

**July 1, 2011 – June 30, 2018**

**COMPREHENSIVE GARBAGE, RECYCLABLES AND  
COMPOSTABLES COLLECTION CONTRACT**

**TABLE OF CONTENTS**

**RECITALS ..... 1**

**DEFINITIONS ..... 1**

**1. TERMINATION OF PREVIOUS CONTRACT/TERM OF NEW CONTRACT ..... 6**

**2. SCOPE OF WORK..... 6**

    2.1 General Collection System Requirements ..... 6

        2.1.1 City Service Area..... 7

        2.1.2 Annexation..... 7

        2.1.3 Unimproved Public Streets and Private Roads ..... 8

        2.1.4 Hours/Days of Operation ..... 8

        2.1.5 Employee Conduct..... 9

        2.1.6 Disabled Persons Service..... 9

        2.1.7 Holiday Schedules ..... 10

        2.1.8 Inclement Weather and Other Service Disruptions ..... 10

        2.1.9 Suspending Collection from Problem Customers..... 11

        2.1.10 Missed Collections..... 11

        2.1.11 Same Day Collection ..... 12

        2.1.12 Requirement to Recycle and Compost..... 12

        2.1.13 Routing, Notification and Approval ..... 13

        2.1.14 Equipment Age/Condition ..... 14

        2.1.15 Container Requirements and Ownership ..... 15

            2.1.15.1 Micro-Cans, Mini-Cans and Garbage Cans ..... 15

            2.1.15.2 Garbage, Recyclables and Compostables Carts..... 16

            2.1.15.3 Detachable and Drop-Box Containers ..... 17

            2.1.15.4 Recycling Carts ..... 18

            2.1.15.5 Ownership..... 19

            2.1.15.6 Container Colors and Labeling ..... 20

            2.1.15.7 Container Weights ..... 20

        2.1.16 Spillage ..... 20

        2.1.17 Pilot Programs..... 21

        2.1.18 Disruption Due to Construction..... 22

        2.1.19 Contractor Planning Assistance ..... 22

        2.1.20 Safeguarding Public and Private Facilities ..... 22

        2.1.21 Company Name ..... 23

        2.1.22 Transition and Implementation of Contract..... 23

        2.1.23 Ongoing Coordination with City and Performance Review ..... 25

        2.1.24 Disposal Restrictions and Requirements ..... 26

        2.1.25 Direct Payment of Disposal Fees by City ..... 27

        2.1.26 Alternative Fuels: Biodiesel and Compressed Natural Gas (CNG)..... 27

2.1.27	Violation of Ordinance .....	28
2.2	Collection Services .....	28
2.2.1	Single-Family Residence Garbage Collection .....	28
2.2.1.1	Subject Materials .....	28
2.2.1.2	Collection Containers.....	28
2.2.1.3	Specific Collection Requirements.....	29
2.2.2	Single-Family Residence Recyclables Collection .....	30
2.2.2.1	Subject Materials .....	30
2.2.2.2	Containers .....	32
2.2.2.3	Specific Collection Requirements.....	32
2.2.3	Compostables Collection .....	34
2.2.3.1	Subject Materials .....	34
2.2.3.2	Containers .....	34
2.2.3.3	Specific Collection Requirements.....	35
2.2.3.4	Food Scraps Collection .....	35
2.2.4	Single Family Bulky Waste Collection.....	36
2.2.4.1	Subject Materials .....	36
2.2.4.2	Specific Collection Requirements.....	36
2.2.5	Multi-Family Complex and Commercial Customer Garbage Collection ....	36
2.2.5.1	Subject Materials .....	36
2.2.5.2	Containers .....	36
2.2.5.3	Specific Collection Requirements.....	37
2.2.6	Multi-Family Complex Recyclables Collection .....	38
2.2.6.1	Subject Materials .....	38
2.2.6.2	Containers .....	38
2.2.6.3	Specific Collection Requirements.....	39
2.2.6.4	Multi-Family Recycling Outreach and Incentives.....	39
2.2.7	Commercial Recycling Collection.....	40
2.2.7.1	Subject Materials .....	40
2.2.7.2	Containers .....	41
2.2.7.3	Specific Collection Requirements.....	41
2.2.8	Multi-Family Complex and Commercial Customer Compostables Collection .....	42
2.2.8.1	Subject Materials .....	42
2.2.8.2	Containers .....	42
2.2.8.3	Specific Collection Requirements.....	43
2.2.9	Drop-Box Container Garbage Collection .....	43
2.2.9.1	Subject Materials .....	43

2.2.9.2	Containers .....	44
2.2.9.3	Specific Collection Requirements.....	44
2.2.10	Temporary Container Customers .....	44
2.2.11	Municipal Services.....	45
2.2.11.1	Street Litter and Recycling .....	45
2.2.11.1.1	Garbage and Recycling Kiosks .....	45
2.2.11.1.2	Collection Frequency .....	45
2.2.11.2	City Facilities .....	45
2.2.11.3	City Parks Services .....	46
2.2.12	Other Solid Waste Collection Services.....	47
2.3	Management.....	48
2.3.1	Responsibility of Participants .....	48
2.3.1.1	Contractor’s Responsibilities .....	48
2.3.1.2	City’s Responsibilities .....	50
2.3.2	Customer Service .....	51
2.3.2.1	Office Location .....	51
2.3.2.2	Customer Service Requirements.....	51
2.3.2.2.1	Customer Service Representative Staffing .....	51
2.3.2.2.2	Service Recipient Complaints and Requests.....	52
2.3.2.2.3	Handling of Customer Calls.....	53
2.3.2.2.4	Corrective Measures .....	54
2.3.2.2.5	Internet Website .....	54
2.3.2.2.6	Full Knowledge of Programs Required .....	55
2.3.3	Contractor’s Customer Billing Data Responsibilities.....	55
2.3.3.1	Single Family Residential Billing.....	56
2.3.3.2	Multifamily and Commercial Billing.....	58
2.3.4	Reporting.....	59
2.3.4.1	Monthly Reports .....	59
2.3.4.2	Annual Reports .....	60
2.3.4.3	Ad Hoc Reports.....	61
2.3.5	Promotion and Education.....	61
2.3.6	Field Monitoring .....	62
2.3.7	Transition to Next Contractor .....	63
3.	<b>COMPENSATION .....</b>	<b>63</b>
3.2	Compensation to the Contractor .....	63
3.3	Compensation Adjustments .....	64
3.3.1	Annual Rate Adjustment.....	64
3.3.2	Disposal Fee Adjustments.....	64

3.3.3	Changes in Recyclables or Compostables Processing Sites and Tipping Fees and Changes in Disposal Location.....	65
3.3.4	Other Modifications .....	65
3.4	Change in Law .....	66
4.	FAILURE TO PERFORM, REMEDIES, TERMINATION.....	66
4.2	Performance Fees.....	66
4.3	Contract Default.....	69
4.4	Availability of Collection Vehicles .....	70
5.	NOTICES.....	71
6.	GENERAL TERMS.....	71
6.2	Collection Right .....	71
6.3	Access to Records .....	72
6.4	Contractor to Make Examinations .....	73
6.5	Insurance .....	73
6.5.1	Minimum Scope of Insurance .....	73
6.5.2	Minimum Amounts of Insurance .....	74
6.5.3	Deductibles and Self-Insured Retentions.....	75
6.5.4	Other Insurance Provisions .....	75
6.5.5	Acceptability of Insurers.....	75
6.5.6	Verification of Coverage.....	75
6.5.7	Subcontractors.....	76
6.5.8	ACORD Form.....	76
6.6	Performance Bond .....	76
6.7	Indemnification.....	76
6.7.1	Indemnify and Hold Harmless .....	76
6.7.2	Notice to Contractor; Defense .....	77
6.7.3	Industrial Insurance Immunity Waiver .....	77
6.8	Payment of Claims .....	77
6.9	Confidentiality of Information.....	78
6.10	Assignment of Contract .....	78
6.10.1	Assignment or Pledge of Moneys by the Contractor .....	78
6.10.2	Assignment, Subcontracting, Delegation of Duties and Change in Control	78
6.11	Laws to Govern/Venue .....	79
6.12	Compliance With Law .....	79
6.13	Non-Discrimination .....	79
6.14	Permits and Licenses.....	80
6.15	Relationship of Parties .....	80
6.16	Contractor's Relationship with Customers .....	80
6.17	Bankruptcy.....	81
6.18	Right to Renegotiate/Amendment.....	81
6.19	Force Majeure .....	81

6.20 Illegal Provisions/Severability ..... 82  
6.21 Waiver..... 82  
6.22 Entirety..... 82

- Attachment A: Service Area Map
- Attachment B: Contractor Initial Rates
- Attachment C: Rate Modification Example

**This solid waste collection contract is entered into by and between the City of Kirkland, a municipal corporation of the State of Washington (“City”), and Waste Management of Washington, Inc., a Washington corporation (“Contractor”) to provide for collection of Garbage, Compostables, and Recyclables from Single-Family Residences, Multi-Family Complexes and Commercial Customers located within the City Service Area. (Each capitalized term is hereinafter defined.)**

**The parties, in consideration of the promises, representations and warranties contained herein, agree as follows:**

## **RECITALS**

WHEREAS, the Contractor represents that it has the experience, resources and expertise necessary to perform the contract services; and

WHEREAS, the Contractor currently provides solid waste service under contract with the City which will expire September 30, 2012; and

WHEREAS, the City and Contractor have negotiated this new agreement with enhanced services to replace and supersede the previous contract prior to the previous contract’s termination; and

WHEREAS, the City desires to enter into this contract with the Contractor for the Garbage, Recyclables and Compostables collection services;

NOW, THEREFORE, in consideration of the mutual covenants, agreements and promises herein contained, the City and Contractor do hereby agree as follows:

## **DEFINITIONS**

### **Call Center Definitions:**

**Average Speed to Answer (ASA%):** The average amount of time a Customer is on “hold” BEFORE for a customer service representative (CSR) has answered the call.

**Call Abandon Rate (ABA%):** The percentage of Customers who abandon the queue (hang up) while waiting for a CSR to answer.

**In Queue:** Where the phone call waits on “hold” BEFORE for a customer service representative (CSR) has answered the call, resulting in the Average Speed to Answer score.

**On Hold:** The amount of time a customer is on hold AFTER the customer service representative has answered the call. For example, a Customer may be put on hold while a CSR researches information or asks a supervisor to assist with the call.

**Change in Control:** Change in Control means any sale, merger, policy of assets, the issuance of new shares, any change in the voting rights of existing shareholders, or other change in ownership which transfers the 25% or more of the beneficial interest therein from one entity to

another. Provided, however, that intracompany transfers, such as transfers between different subsidiaries or branches of the parent corporation of the Contractor, or transfers to corporations, limited partnerships, or any other entity owned or controlled by the Contractor upon the effective date of this contract shall not constitute a change in control.

**City:** The word “City” means the City of Kirkland, King County, Washington. As used in the Contract, it includes the official of the City holding the office of the City Manager or her/his designated representative, such as the City’s Director of Public Works.

**City Service Area:** The initial City Service Area shall be the corporate limits of the City as of June 1, 2011, including the Juanita, Finn Hill, and Kingsgate annexation area effective that date.

**Commercial Customer:** The term “Commercial Customer” means non-residential Customers including businesses, institutions, governmental agencies and all other users of commercial-type Garbage collection services.

**Commercial Recyclables:** The term “Commercial Recyclables” means aluminum cans and foil; corrugated cardboard; glass containers; recyclable plastic containers that have contained non-hazardous products, Mixed Paper; newspaper; polycoated and aseptic cartons; tin cans; and such other materials that the City and Contractor determine to be recyclable.

**Compostables:** The word “Compostables” means Yard Debris and Food Scraps separately or combined.

**Compostables Cart:** The term “Compostables Cart” means a Contractor-provided 35-, 64- or 96-gallon wheeled cart provided to Compostables collection Customers for the purpose of containing and collecting Compostables.

**Container:** The word “Container” means any Micro-Can, Mini-Can, Cart, Detachable Container or Drop-Box Container owned and provided by the Contractor.

**Contractor:** The word “Contractor” means Waste Management of Washington, Inc., which has contracted with the City to collect and dispose of Garbage and to collect, process, market and transport Recyclables and Compostables.

**Curb or Curbside:** The words “Curb” or “Curbside” mean on the homeowners' property, within five (5) feet of the Public Street or Private Road without blocking sidewalks, driveways or on-street parking. If extraordinary circumstances preclude such a location, Curbside shall be considered a placement suitable to the resident, convenient to the Contractor’s equipment, and mutually agreed to by the City and Contractor.

**Customer** means all users of solid waste services, including property owners, property managers and tenants.

**Detachable Container:** The term “Detachable Container” means a watertight metal or plastic Container equipped with a tight-fitting cover, capable of being mechanically unloaded into a collection vehicle, and that is not less than one (1) cubic yard or greater than eight (8) cubic yards in capacity.



**Drop-Box Container:** The term “Drop-Box Container” means an all-metal Container with ten (10) cubic yards or more capacity that is loaded onto a specialized collection vehicle, transported to a disposal or recycling site, emptied and transported back to the Customer’s site.

**Extra Unit:** The term “Extra Unit” means excess material which does not fit in the Customer’s primary Container. In the case of Garbage Containers under one cubic yard in capacity, an Extra Unit is 32-gallons, and may be contained in either a plastic bag or Garbage Can. In the case of Containers one cubic yard or more in capacity, and Extra Unit is one cubic yard. In the case of Residential Compostables collection, an Extra Unit shall be 32-gallons.

**Food Scraps:** The term “Food Scraps” mean all Compostable pre- and post-consumer Food Scraps placed in a Compostables Cart, such as whole or partial pieces of produce, meats, bones, cheese, bread, cereals, coffee grounds or egg shells, and food-soiled paper such as paper napkins, paper towels, paper plates, coffee filters, paper take-out boxes, pizza boxes, or other paper or biodegradable products specifically accepted by the Contractor’s selected composting site. Food Scraps shall not include large dead animals, plastics, diapers, cat litter, liquid wastes, pet wastes or other materials prohibited by the selected composting facility. The range of materials handled by the Compostables collection program may be changed from time to time upon the approval of the City to reflect those materials allowed by the Seattle-King County Health Department for the frequency of collection provided by the Contractor.

**Garbage:** The word “Garbage” means all putrescible and nonputrescible solid and semi-solid wastes, including, but not limited to, rubbish, ashes, industrial wastes, swill, demolition and construction wastes, and discarded commodities that are placed by Customers of the Contractor in appropriate bins, bags, cans or other receptacles for collection and disposal by the Contractor. The term Garbage shall not include Hazardous Wastes, Special Wastes, Source-Separated Recyclables or Compostables.

**Garbage Can:** The term “Garbage Can” means a City-approved Container that is a water-tight galvanized sheet-metal or sturdy plastic Container not exceeding four (4) cubic feet or thirty-two (32) gallons in capacity; fitted with two (2) sturdy looped handles, one on each side; and fitted with a tight cover equipped with a handle. All Containers shall be rodent and insect proof.

**Garbage Cart:** The term “Garbage Cart” means a Contractor-provided 20-, 35-, 64- or 96-gallon wheeled cart suitable for household deposit, storage and Curbside placement and collection of Garbage. Garbage Carts shall be rodent and insect proof and kept in sanitary condition at all times.

**Hazardous Waste:** The term “Hazardous Waste” means any substance that is:

- A. Defined as hazardous by 40 C.F.R. Part 261 and regulated as Hazardous Waste by the United States Environmental Protection Agency under Subtitle C of the Resource Conservation and Recovery Act (“RCRA”) of 1976, 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments (“HSWA”) of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; or any other federal statute or regulation governing the treatment, storage, handling or disposal of waste imposing

special handling or disposal requirements similar to those required by Subtitle C of RCRA.

- B. Defined as dangerous or extremely hazardous by Chapter 173-303 WAC and regulated as dangerous waste or extremely Hazardous Waste by the Washington State Department of Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute or regulation governing the treatment, storage, handling or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW.

**King County Disposal System:** The term “King County Disposal System” means the real property owned, leased or controlled by the King County Solid Waste Division, King County, Washington for the disposal of Garbage, or such other site as may be authorized by the then current King County Comprehensive Solid Waste Management Plan.

**Micro-Can:** The term “Micro-Can” means a water-tight plastic Container not exceeding ten gallons in capacity; fitted with two sturdy handles, one on each side; and fitted with a tight cover.

**Mini-Can:** The term “Mini-Can” means a water-tight plastic Container not exceeding twenty gallons in capacity; fitted with two sturdy handles, one on each side; and fitted with a tight cover. A 20-gallon Garbage Cart shall be considered a “Mini-Can” level of service.

**Mixed Paper:** The term “Mixed Paper” means magazines, junk mail, phone books, bond or ledger grade paper, cardboard, paperboard packaging, paper cups and other fiber-based materials meeting industry standards. Tissue paper, paper towels, food-contaminated paper or paper packaging combined with plastic, wax or foil are excluded from the definition of Mixed Paper.

**Mixed-Use Building:** The term “Mixed-Use Building” means a structure inhabited by both Residential and Commercial Customers.

**Multi-Family Complex:** The term “Multi-Family Complex” means a multiple-unit Residence with three or more attached units and billed collectively for collection service.

**Private Road:** The term “Private Road” means a privately owned and maintained way that allows for access by a service truck and that serves multiple Residences.

**Public Street:** The term “Public Street” means a public right-of-way used for public travel, including public alleys.

**Recycling Cart:** The term “Recycling Cart” means a Contractor-provided 35-, 64- or 96-gallon wheeled cart suitable for household collection, storage and Curbside placement of Source-Separated Recyclables.

**Recycling Container:** The term “Recycling Container” means a Contractor-provided Container suitable for on-site collection, storage and placement of Source-Separated Recyclables at Multi-Family Complexes and Commercial Customer locations.

**Residence/Residential:** The words “Residence” or “Residential” mean a living space, with a kitchen, individually rented, leased or owned.

**Residential Recyclables:** The term “Residential Recyclables” means aluminum cans and foil; corrugated cardboard; glass containers; Mixed Paper; motor oil, newspaper; recyclable plastic containers that have contained non-hazardous products; polycoated or aseptic cartons; scrap electronics, compact fluorescent bulbs and tubes, Scrap Metals and tin cans. Scrap electronics, and compact fluorescent bulbs are accepted with advance arrangement and if prepared in accordance with Section 2.2.2.1

**Scrap Metals:** The term “Scrap Metals” means ferrous and non-ferrous metals, not to exceed two (2) feet in any direction and thirty-five (35) pounds in weight per piece.

**Single-Family Residence:** The term “Single-Family Residence” means all one-unit houses, duplexes, and mobile homes that are billed for collection service individually and located on a Public Street or Private Road.

**Source-Separated:** The term “Source-Separated” means certain reclaimable materials that are separated from Garbage by the generator for recycling or reuse, including, but not limited to Recyclables, Compostables and other materials.

**Special Waste:** The term “Special Waste” means polychlorinated biphenyl (“PCB”) wastes, industrial process wastes, asbestos containing materials, petroleum contaminated soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris and other materials requiring special handling in accordance with applicable federal, state, county or local laws or regulations.

**Yard Debris:** The term “Yard Debris” means leaves, grass and clippings of woody, as well as fleshy, plants. Unflocked, undecorated holiday trees are acceptable. Materials larger than four (4) inches in diameter or four (4) feet in length are excluded. Bundles of Yard Debris up to two feet by two feet by four feet (2’ x 2’ x 4’) in dimension shall be allowed and shall be secured by degradable string or twine, not nylon or other synthetic materials. Kraft paper bags, untied reusable plastic-mesh bags, or Garbage Cans labeled “Yard Debris” may also be used to contain extra Yard Debris. Shredded Compostable Mixed Paper may be included in Compostables Carts.

## **COMPREHENSIVE GARBAGE, RECYCLABLES AND COMPOSTABLES COLLECTION AGREEMENT**

This agreement (hereafter, "Contract") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2011, by and between the City of Kirkland, a municipal corporation (hereafter, "City"), and Waste Management of Washington, Inc, a Washington corporation (hereafter, "Contractor").

### **1. TERMINATION OF PREVIOUS CONTRACT/TERM OF NEW CONTRACT**

The previous contract between the City and Contractor for Contractor to provide collection services to the City beginning October 1, 2003, and as thereafter amended is terminated as of 11:59 p.m the day before the Start Date of this Contract.

The term of this Contract is seven years, starting July 1, 2011 (the "Start Date"), and expiring June 30, 2018. The City may, at its sole option, extend the agreement for up to two (2) extensions, each of which shall not exceed two (2) years in duration. Any such extension shall be under the terms and conditions of this Contract, as amended by the City and Contractor from time to time. To exercise its option to extend this Contract, notice shall be given by the City to the Contractor no less than ninety (90) days prior to the expiration of the Contract term or the expiration of a previous extension.

Notwithstanding the foregoing, the Start Date of this Contract in the Juanita, Finn Hill and Kingsgate annexation areas currently scheduled to be annexed to the City as of June 1, 2011, which were previously serviced by Allied Waste, will be extended for up to 60 days, if necessary, to allow for the transition from collection service being provided by Allied Waste to Contractor pursuant to the terms of the Agreement between the City of Kirkland, the City of Bellevue, the Rabanco Companies and Waste Management of Seattle dated January, 1991 and expiring December 31, 2015 ("the 4 Way Agreement"), herein incorporated by reference. The Start Date in those annexation areas, as applicable, will then be that date determined by the City and the Contractor, which should be concurrent with completion of the transition pursuant to the 4 Way Agreement. Any delay in the Start Date with respect to these annexation areas will not alter the term, ability to extend and notice requirements of this Contract as set forth in the preceding paragraph. Notice of a delay in the start date will be determined no later than April 1, 2011, to allow for accurate customer notification.

### **2. SCOPE OF WORK**

#### **2.1 General Collection System Requirements**

The Contractor shall collect, take title to and dispose of Garbage, Recyclables and Compostables according to the terms and conditions of this agreement; provided, that the Contractor shall not knowingly or as a result of gross negligence collect or dispose of Hazardous Waste or Special Waste as those terms are defined herein. The Contractor shall indemnify the City for any City damages cause by violation of this Section. To the extent identifiable, Customers shall remain responsible for any

Hazardous Waste or Special Waste inadvertently collected and identified by Contractor.

2.1.1 City Service Area

The Contractor shall provide all services pursuant to this Contract throughout the entire City Service Area.

2.1.2 Annexation

The Contractor further agrees that the transition of such annexed areas previously serviced by Allied Waste into the City Service Area shall be managed in accordance with the 4 Way Agreement and all necessary actions under that Agreement to begin providing service within the entire City Service Area will be completed before the Start Date or such other Start Date as agreed to pursuant to Section 1 herein.

The Contractor shall develop and implement a detailed contract transition plan for the City Service Area, subject to review and approval by the City. The Contractor and the City agree to meet regularly to monitor progress of the transition plan.

If additional territory is added to the City through annexation or other means within which the Contractor has an existing WUTC certificate or other franchise for solid waste collection at the time of annexation, the Contractor shall make collection in such annexed area in accordance with the provisions of this Contract at the unit prices set forth in this Contract. This Contract is in lieu of a franchise as provided in RCW 35A.14.900 for such future areas. The Contractor agrees that their certificate applicable to those future annexation areas shall be cancelled effective the date of annexation by the City. The Contractor expressly waives and releases its right to claim any damages or compensation from the City, its officers, agents, or assigns arising out of the cancellation of any pre-existing permit or franchise held by the Contractor prior to annexation, and further specifically waives the right to receive any additional compensation or any rights of collection in the newly annexed territory beyond what is provided herein. The term during which the Contractor will service any future annexation areas under this paragraph shall be seven (7) years, notwithstanding the term set forth in Section 1 of this Agreement.

If, during the life of the Contract, additional territory is added to the City through annexation within which the Contractor does not have an existing WUTC certificate or other franchise for Garbage or other collections, then, upon written notice from the City should the City so choose Contractor agrees to make collections in such future annexed areas in accordance with the provisions of this Contract at the unit prices set forth in this Contract. If a party other than the Contractor holds the WUTC certificate for any

such future annexed territory, the City will indemnify, hold harmless and defend the Contractor from any and all claims, actions, suits, liability, loss, costs, expenses and damages, including costs and attorney fees, arising out of Contractor's service in such annexed territory under this Contract.

The City acknowledges that equipment, such as trucks, carts and Containers, may take time to procure for distribution, and therefore, shall not penalize the Contractor for reasonable delays in the provision of services to annexed areas covered by this Contract due to procurement delays that are not within the control of the Contractor.

Annexed areas Customers shall receive the same Containers as used elsewhere in the City, in accordance with the provisions of this Contract. In the event where an annexed area is being serviced with Containers different from the City's program, the Contractor shall be responsible for timely Customer notification, removal and recycling of existing Containers and delivery of appropriate Containers to those Customers.

#### 2.1.3 Unimproved Public Streets and Private Roads

The Contractor shall offer drive-in service to residences that allow safe access, turn-around space, and clearance for service vehicles. Residences located in an area that does not allow safe access, turn-around or clearance for service vehicles will be provided service if materials are set out adjacent to the nearest Public Street or Private Road that provides safe access.

In the event that the Contractor believes that a Private Road or Drive cannot be safely negotiated or that providing drive-in service for Residential Customers is impractical due to distance or unsafe conditions, the Contractor and the City will evaluate on-site conditions and make a determination of the best approach for providing safe and appropriate service to the customer. The Contractor and the City shall present feasible service options to the Customer and negotiate the nearest safe and mutually convenient pick up location. The City's decision shall be final, provided that the Contractor shall not be required to endanger workers, equipment or property.

If the Contractor believes that there is a probability of Private Road damage, the Contractor shall inform the respective Customers. Contractor may require a damage waiver agreement or decline to provide service on those Private Roads. The City shall review and approve the damage waiver form prior to its use with the Contractor's Customers.

#### 2.1.4 Hours/Days of Operation

All collections in Single-Family Residence, Multi-Family Complex and Mixed-Use Building areas shall be made on Monday through Friday, between the hours of 7:00 a.m. and 6:00 p.m. The City may authorize a temporary extension of hours or days. Saturday collection is allowed to the extent consistent with make-up collections, and holiday and inclement weather schedules.

All collection from Commercial Customers shall be made Monday through Saturday, between the hours of 5:00 a.m. and 5:00 p.m. with the exception of Customers near areas zoned Residential, which shall be made only between the hours of 7:00 a.m. and 6:00 p.m. Exemptions may be granted in writing by the City to accommodate the special needs of Customers. City code noise restrictions, as amended from time to time, shall be applicable to collection services provided under this contract.

#### 2.1.5 Employee Conduct

The Contractor's employees collecting Garbage, Recyclables and Compostables shall at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, employees shall follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Employees shall not trespass or loiter, cross flower beds, hedges or property of adjoining premises, or meddle with property that does not concern them or their task at hand. While performing work under the Contract, employees shall wear a professional and presentable uniform with an identifying badge with photo and company emblem visible to the average observer.

If any person employed by the Contractor to perform collection services is, in the opinion of the City, incompetent, disorderly or otherwise unsatisfactory, the City shall promptly document the incompetent, disorderly or unsatisfactory conduct in writing and transmit the documentation to the Contractor with a demand that such conduct be corrected. The Contractor shall investigate any written complaint from the City regarding any unsatisfactory performance by any of its workers. If the offending conduct is repeated, the City may require that the person be removed from all performance of additional work under this Contract. Removal shall be addressed by the Contractor immediately, and related documentation shall be provided to the City.

#### 2.1.6 Disabled Persons Service

The Contractor shall offer carry-out service for Garbage, Recyclables and Compostables to households lacking the ability to place Containers at the Curb, at no additional charge. The Contractor shall use qualification

criteria that are fair and meet the needs of the City's disabled residents. These criteria shall comply with all local, state and federal regulations, and shall be subject to City review and approval prior to program implementation.

#### 2.1.7 Holiday Schedules

The Contractor shall observe the same holiday schedule as do King County Transfer Stations (New Years Day, Thanksgiving Day, and Christmas Day).

When the day of regular collection is a King County Transfer Station holiday, the Contractor shall reschedule the remainder of the week of regular collection to the next succeeding workday, which shall include Saturdays. The Contractor shall not collect Residential Garbage, Recyclables or Compostables earlier than the regular collection day due to a holiday. Commercial collections shall be made one day early only with the consent of the Commercial Customer.

#### 2.1.8 Inclement Weather and Other Service Disruptions

When weather or other route conditions are such that continued operation would result in danger to the Contractor's staff, area residents or property, the Contractor shall collect only in areas that do not pose a danger to residents, Contractor staff and equipment. The Contractor shall notify the City of its collection plans and outcomes for each day that severe inclement weather is experienced as soon as practical that same business day.

The Contractor shall collect Garbage, Recyclables and Compostables from Multifamily and Commercial Customers as soon as safely possible.

In the event that collection services are interrupted for one week for one or more Single-family Customers, the Contractor shall collect Garbage, Recyclables and Compostables from those Customers with interrupted service on their next regular collection day on the following week.

In the event that collection services are interrupted for two or more weeks for one or more Single-family Customers, the Contractor shall provide temporary Residential Garbage and Recycling collection sites on the day of the second missed day using driver-staffed Drop Box Containers or other suitable equipment, with no extra charge assessed for such temporary service.

For all Customers, the Contractor shall collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from Customers at no extra charge.



All holiday and weather policies shall be included in program information provided to customers. On each inclement weather day, the Contractor shall release notices to the local newspapers and radio stations (including the Kirkland Reporter and the Seattle Times newspapers and KING AM, KIRO, and KOMO radio stations) notifying residents of the modification to the collection schedule. Upon City request, the Contractor shall use automated dialing services to inform Customers at the route level about service changes, provided that Customers shall be provided the option of opting out of automated calls.

When closure of roadways providing access or other non-weather related events beyond the Contractor's control prevent timely collection on the scheduled day, the Contractor shall make collections on the first day that regular service to a Customer resumes, collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from Customers at no extra charge.

Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 6:00 pm and/or on Saturdays following disruptions in order to finish collection routes. Delayed or interrupted collections as described in this Section are not considered service failures for purposes of Section 4.1.

#### 2.1.9 Suspending Collection from Problem Customers

The City and Contractor acknowledge that, from time to time, some Customers may cause disruptions or conflicts that make continued service to that Customer unreasonable. Those disruptions or conflicts may include, but not be limited to, repeated damage to Contractor-owned Containers, repeated refusal to position Garbage, Recycling and Compostables Carts properly, repeated suspect claims of timely set-out followed by demands for return collection at no charge, repeated claims of Contractor damage to a Customer's property, or other such problems.

The Contractor shall make every reasonable effort to provide service to those problem Customers. However, the Contractor may deny or discontinue service to a problem Customer if reasonable efforts to accommodate the Customer and to provide services fail. If the Customer submits a written letter to the City appealing the Contractor decision, the City may, at its discretion, intervene in the dispute. In this event, the decision of the City shall be final. The City may also require the denial or discontinuance of service to any Customer who is abusing the service or is determined to be ineligible.

#### 2.1.10 Missed Collections

If Garbage, Recyclables or Compostables Containers are set out inappropriately, improperly prepared or contaminated with unacceptable materials, the Contractor shall place in a prominent location a notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection. Failure to provide proper notification to Customers of the reason for rejecting materials for collection shall be considered a missed collection and/or subject to performance fees due to lack of proper Customer notification.

The failure of the Contractor to collect Garbage, Recyclables or Compostables that has been set out by a Customer in the proper manner shall be considered a missed pick-up, and the Contractor shall collect the materials from the Customer within twenty-four (24) hours of the Contractor's receipt of notification of the missed pick-up. If the Contractor is notified of a missed pick-up by 9:00 a.m. the following business day, the missed pick-up shall be collected that same day, provided that the Contractor may ask Customers contacted on a Saturday whether Monday collection would be acceptable, at the Customer's option. The Contractor shall maintain an electronic database of all missed pick-ups (whether reported by telephone call or e-mail) and Contractor shall routinely note and provide corrective action to those Customers who experience repeated missed pick-ups. Such records shall be made available for inspection upon request by the City and shall be included with monthly reports unless otherwise directed by the City.

In the event that the Contractor fails to collect the missed pick-up within twenty-four (24) hours of receipt of notice (or on Monday in the event of notification after 4:00 p.m. on Friday), the Contractor shall collect the materials that day and shall be subject to performance fees. If the Contractor is requested by the Customer to make a return trip due to no fault of the Contractor, the Contractor shall be permitted to charge the Customer an additional fee for this service (a "return trip fee" at the rate specified in Attachment B), provided the Contractor notifies the Customer of this charge in advance.

#### 2.1.11 Same Day Collection

Garbage, Recyclables and Compostables collection shall occur on the same regularly scheduled day of the week for Single-Family Residence Customers. The collection of Garbage, Recyclables and Compostables from Multi-Family Complexes and Commercial Customers need not be scheduled on the same day.

#### 2.1.12 Requirement to Recycle and Compost

The Contractor shall recycle or compost all loads of Source-Separated Recyclables and Compostables collected, unless express prior written

permission is provided by the City. The disposal of contaminants separated during processing is acceptable to the extent that it is unavoidable and consistent with industry standards. The Contractor's residuals from the overall processing operations at the facility (including both City and non-City material) shall not exceed five (5) percent. Recyclables in residual stream shall not exceed five (5) percent of the inbound Recyclables. If more than five (5) percent of inbound materials are found to be contaminants, the Contractor will develop a plan to determine which Customers are adding contaminants in their Recyclables and then provide a public education program to remedy the situation.

The Contractor shall process Recyclables in such a manner as to minimize out-throws and prohibitives in baled material. Out-throws shall be less than eight (8) percent, prohibitives less than one (1) to two (2) percent by weight of outgoing materials or meet market requirements. The Contractor shall remove 90 percent or more of the inbound contaminants for disposal.

City staff shall be provided unannounced access to the Contractor's processing facilities at any time for the purposes of periodically monitoring the facilities' performance under this Section, and provided that the City shall comply with all applicable safety protocols and procedures in place at Contractor's facilities. Monitoring may include, but not limited to, taking samples of unprocessed Recyclables, breaking selected bales and measuring the out-throws and prohibitives by weight, taking samples of processed glass and metals, reviewing actual markets and use of processed materials, and other activities to ensure the Contractor's performance under this Section and to ensure that misdirected Recyclables and contamination are minimized.

Obvious contaminants included with either Source-Separated Recyclables or Compostables shall not be collected, and shall be left in the Customer's Container with a prominently displayed notification tag (per Section 2.1.10) explaining the reason for rejection.

If Contractor fails to meet the targets set forth in this Section due to the composition of materials being provided by Customers, then before the City imposes any performance fees under Section 4.1, the Parties shall meet and confer in good faith on potential solutions to reduce contamination from Customers.

#### 2.1.13 Routing, Notification and Approval

The Contractor shall indicate, on a detailed map acceptable to the City, the day of the week Garbage, Recyclables and Compostables shall be collected from each Single-Family Residence.

The Contractor may change the day of collection by giving notice at least forty-five (45) days prior to the effective date of the proposed change and must obtain advance written approval from the City. On the City's approval, the Contractor shall provide affected Customers with at least fourteen (14) days written notice of pending changes of collection day. The Contractor shall obtain the prior written approval from the City of the notice to be given to the Customer, and such approval shall not be unreasonably withheld.

#### 2.1.14 Equipment Age/Condition

The Contractor shall replace the existing fleet with new vehicles by July 31, 2012 and all vehicles shall meet model year 2012 or later model year emissions standards by such date. During the interim period between July 1, 2011 and July 31, 2012, the Contractor shall continue to use collection vehicles meeting the standards contained in the previous contract for those service areas and shall use collection vehicles no older than model year 1999 for the new annexation areas of Juanita, Finn Hill, and Kingsgate first serviced by Contractor on July 1, 2011. Should any such vehicles used during the interim period fail to meet these requirements and yet, in the Contractor's opinion, still be in safe working order, the Contractor must receive written approval from the City to continue to operate the subject vehicle,

Back-up vehicles used fewer than thirty (30) operating days per calendar year shall not be subject to the age and emission standards that apply to regularly-used vehicles, but shall be presentable, in safe working order and shall be subject to all other conditions of this Section. The accumulated annual use of individual back-up vehicles shall be reported in the Contractor's monthly report.

All vehicles used in the performance of this Contract shall be maintained in a clean and sanitary manner, and shall be thoroughly washed at least once each week. Vehicles shall be repainted as needed and/or at the request of the City.

All collection equipment shall have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with current statutes, rules and regulations. Equipment shall be maintained in good condition at all times. All parts and systems of the collection vehicles shall operate properly and be maintained in a condition satisfactory to the City. The Contractor shall maintain collection vehicles to ensure that no liquid wastes (such as Garbage or Compostables leachate) or oils (lubricating, hydraulic or fuel) are discharged to Customer premises or City streets. Any equipment not meeting these standards shall not be used within the City until repairs are made. All liquid spills will be immediately cleaned to the City's and

Customer's satisfaction and reported to the City per Section 2.1.16. Unremediated spills and failure to repair vehicle leaks shall be subject to performance fees as provided in Section 4.1.

All collection vehicles shall be labeled with signs on both the front and driver's side door and the rear of the vehicle which clearly indicate the vehicle inventory number. The Customer service telephone number shall be labeled on the side of the vehicle. Signs shall use lettering not less than four (4) inches high and shall be clearly visible from a minimum distance of twenty (20) feet. Signs, sign locations and the telephone number shall be subject to approval by the City. No advertising shall be allowed on Contractor vehicles other than the Contractor's name, logo and Customer service telephone number and website address. Special promotional messages may be permitted, upon the City's prior written approval. In addition, any vehicle regularly used in the City shall include a placard clearly visible at the rear of the vehicle. This placard will show, in lettering at least 6" high, an abbreviated truck designation number specific to Kirkland, for example SK-1, SK-2, etc., limited to a two digit numeral to aid in rapid identification of vehicles to allow more precise reporting and correction of any unsatisfactory condition related to specific vehicles. All Contractor route, service and supervisory vehicles shall be equipped with properly licensed two-way communication equipment. The Contractor shall maintain a base station or have communication equipment capable of reaching all collection areas.

#### 2.1.15 Container Requirements and Ownership

The Contractor shall procure and maintain a sufficient quantity of Containers to service the City's Customer base, including seasonal and economic variations in Container demand. Failure to have a Container available when required by a Customer shall subject the Contractor to performance fees, as provided in Section 4.1.

Customers may elect to own or secure Compostables Carts from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account. However, Carts owned or secured by Customers must be capable of being serviced safely by the Contractor's collection vehicles to be eligible for collection. The Contractor shall provide labels and collection service for compatible Customer-owned Carts. The Contractor is not required to service Customer Carts that are not compatible with the Contractor's equipment. In the event of a dispute as to whether a particular Container is compatible, the City shall make a final determination. Contractor Containers must be used by Customers for a Customer's initial Garbage or Recycling Container.

##### 2.1.15.1 Micro-Cans, Mini-Cans and Garbage Cans

Customers shall use a Contractor-owned Micro-Can, Mini-Can or Cart for small Container Garbage collection service. Plastic bags and Garbage Cans may be used for overflow volumes of Garbage, but not as a Customer's primary Container.

If a Customer uses their own Container for excess Garbage, Contractor crews shall be expected to handle the Container in such a way as to minimize undue damage. The Contractor shall be responsible for unnecessary or unreasonable damage to Customer-owned Containers, wear and tear excepted.

#### 2.1.15.2 Garbage, Recyclables and Compostables Carts

The Contractor shall provide Micro-Cans, Mini-Cans, and 35-, 64- and 96-gallon Garbage Carts for the respective level of Garbage collection; 35-, 64- or 96-gallon Recyclables Carts; and 35, 64- and 96-gallon Compostables Carts. All Carts shall be manufactured from a minimum of 10 percent (10%) post-consumer recycled plastic, with a lid that will accommodate a Contractor affixed instructional label. Carts shall be provided to requesting Customers within seven (7) days of the Customer's initial request. Failure to do so will result in performance fees as provided in Section 4.1. All wheeled cart manufacturers, styles and colors shall be approved in writing by the City prior to the Contractor ordering a cart inventory. All Carts must have materials preparation instructions and telephone and website contact information that visually depicts allowed and prohibited materials suitable for the designated Cart either screened or printed on a sticker affixed to the lid.

All Contractor-owned wheeled carts shall: be maintained by the Contractor in good condition to allow material storage, handling, and collection; contain no jagged edges or holes; be equipped with functional wheels or rollers for movement; and be equipped with an anti-skid device or sufficient surface area on the bottom of the Container to prevent unwanted movement. The carts shall be labeled with instructions for proper use, including any Customer actions that would void manufacture warranties (such as placement of hot ashes in the Container causing the Container to melt or burn).

Contractor personnel shall note any damaged hinges, holes, poorly functioning wheels and other similar repair needs on Contractor-owned carts (including those for Garbage, Recycling and Compostables) and forward repair notices to the Contractor's service personnel. Cart repairs shall then be made within seven (7) days at the Contractor's expense. Any Cart

that is damaged or missing on account of accident, act of nature or the elements, fire, or theft or vandalism by other members of the public shall be replaced no later than three (3) business days after notice from the Customer or City. Replacement Carts may be new or used and reconditioned, and all Carts shall be clean and appear presentable when delivered. Unusable carts shall be retrieved by Contractor, cleaned (if necessary) and recycled to the extent possible.

In the event that a particular Customer repeatedly damages a Cart or requests more than one replacement Cart during the term of the Contract due solely to that Customer's negligence or intentional misuse, the Contractor shall forward in writing the Customer's name and address to the City. The City shall then attempt to resolve the problem. In the event that the problem continues and upon City-approval, the Contractor may charge the Customer a City-approved Cart destruction fee no greater than half of the current new Cart replacement cost.

#### 2.1.15.3 Detachable and Drop-Box Containers

The Contractor shall furnish, deliver, and properly locate 1-, 1.5-, 2-, 3-, 4-, 6- and 8-cubic yard Detachable Containers, and 10-, 20-, 30- or 40-cubic yard uncompacted Drop-Box Containers to any Customer who requires their use for storage and collection of Garbage, Recyclables or Compostables within three (3) days of the request.

Containers shall be located on the premises in a manner satisfactory to the Customer and for safe and efficient collection by the Contractor. Containers shall not be placed by Contractor, or kept for use by Customer, in any City Public Street. Any Container located in any City Public Street at any time is at the Contractor's risk and not the City's. Any Container located in City Public Right of Way is in violation of this section, and shall immediately be removed upon request by the City.

Detachable Containers shall be: watertight and equipped with tight-fitting metal or plastic covers, which covers shall be closed by Contractor after every service; have four (4) wheels for Containers 2-cubic yards and under; be in good condition for Garbage, Recyclables or Compostables storage and handling; and, have no leaks, jagged edges or holes. Drop-Box Containers shall be all-metal, and if requested by a Customer, equipped with a tight-fitting screened or solid cover operated by a functional winch system that is maintained in good repair.

Each type of Detachable Container (i.e. Recyclables, Compostables or Garbage) shall be painted a color consistent with the program it is used for, subject to the requirements of Section 2.1.15.6, with color changes subject to the City's prior written approval. Detachable containers shall be repainted as needed, or upon notification from the City.

Detachable Containers shall be cleaned, reconditioned and repainted (if necessary) before being initially supplied, or returned after repair or reconditioning, to any Customer. The Contractor shall provide an on-call Container cleaning service to Customers. The costs of on-call cleaning shall be billed directly to the Customer in accordance with Attachment B.

Containers on Customers' premises are at the Contractor's risk and not the City's. The Contractor shall repair or replace within twenty-four (24) hours any Container that was supplied by the Contractor if the City or a Health Department inspector determines that the Container fails to comply with reasonable standards or in any way constitutes or contributes to a health or safety hazard.

Customers may elect to own, or self-provide, Containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account. However, any Containers owned or self-provided by Customers must be compatible with Contractor's standard front load or Drop-Box Container collection vehicles. The Contractor is not required to empty or service Customer Containers that present a safety hazard or that are not compatible with the Contractor's equipment.

In the event that a particular Customer repeatedly damages a Container due to that Customer's negligence or intentional misuse, the Contractor shall forward in writing the Customer's name and address to the City. The City shall then attempt to resolve the problem. In the event that the problem continues, the Contractor may discontinue service to that Customer, on the City's prior approval.

#### 2.1.15.4 Recycling Carts

The Contractor shall provide Recycling Carts to new Customers within the City Service Area, including new Residences and annexation areas, as well as replacement Carts to existing Customers who request them because of loss, theft



or damage. Carts shall be provided within seven (7) days of a Customer request.

All distributed Recycling Carts shall include information materials describing material preparation and collection requirements. Any materials published by the Contractor must be reviewed and approved by the City prior to printing and distribution by the Contractor. All Recycling Carts shall be labeled with materials preparation instructions that visually depict allowed and prohibited materials suitable for the designated Cart either screened or printed on a sticker affixed to the lid, along with telephone and website contact information. All Recycling Carts shall be provided at the Contractor's sole expense.

The Contractor shall provide 35- or 96-gallon Recycling Carts on request to those residents requiring less capacity than provided by the default 64-gallon Recycling Cart.

In the event that a Customer intentionally damages or misuses their Recycling Cart, the Contractor may discontinue recycling service to that Customer. On the City's prior approval and/or may charge the Customer a City-approved Cart destruction fee no greater than half of the current new Cart replacement cost.

#### 2.1.15.5 Ownership

On the termination of this Contract for any reason, all Contractor-supplied Garbage Carts, Recycling Carts, Compostables Carts and Garbage/Recyclables kiosks purchased or obtained by the Contractor in performance of this contract, shall, at the option of the City, revert to City ownership without further compensation to the Contractor. Upon written notice, the City may elect to assign this ownership option to a third party.

Detachable Containers and Drop-Box Containers shall be purchased, delivered and maintained by the Contractor during the term of this Contract. On the termination of this Contract for any reason, the City may, at its option, purchase or assign the right to purchase the Contractor's in-place inventory of Detachable Containers or Drop-Box Containers for use by the successive contractor. In the event that Contractor's Containers are purchased or assigned, the sale price shall equal fifty percent (50%) of the average new price for each Container, based on the average price from three (3) manufacturers at the time of the termination. For the purposes

of this transaction, the average prices shall include transportation from the manufacturer to the Contractor's closest service yard, but shall exclude sales or use taxes.

#### 2.1.15.6 Container Colors and Labeling

New and replacement Contractor-provided Recycling Carts shall be blue, Compostables Carts shall be grey, and Garbage Carts shall be green. Detachable Containers used for Garbage shall be green and all Detachable Containers used for Recyclables shall be blue starting August 1, 2011 for Multi-Family and Commercial Customers. The color requirements apply to both Cart bodies and lids.

The City may direct changes to cart colors at any time prior to the Contractor ordering initial or replacement carts provided the new direction from the City does not require replacement of existing inventories and the cost per unit does not increase to the Contractor. Specific Container colors shall be approved by the City prior to the Contractor's order of new Containers.

All Containers shall be labeled with up-to-date instructional information and contact information prior to delivery, including both a customer service phone number and a website address. All label designs shall be approved by the City prior to ordering by the Contractor. The location of the label on the Containers shall be subject to the City's prior approval. Labels shall be replaced by the Contractor at no additional charge when faded, damaged, out-of-date, or upon City or Customer request.

#### 2.1.15.7 Container Weights

Micro-Cans shall not exceed twenty 20 pounds, Mini-Cans and 20-gallon Garbage Carts shall not exceed forty (40) pounds and Garbage Cans shall not exceed sixty (60) pounds in weight. Cart weights shall not exceed sixty (60) pounds for the 35-gallon size, one hundred-twenty (120) pounds for the 64-gallon size and one hundred-eighty (180) pounds for the 96-gallon size. No specific weight restrictions are provided for Detachable Containers, however, the Contractor shall not be required to lift or remove materials from a Detachable Container exceeding the safe working capacity of the collection vehicle. The combined weight of Drop-Box and contents must not cause the collection vehicle to exceed legal road weights.

#### 2.1.16 Spillage

All loads collected by the Contractor shall be completely contained in collection vehicles at all times, except when material is actually being loaded. Hoppers and tippers on all collection vehicles shall be operated so as to prevent any blowing or spillage of materials. Any blowing or spillage of materials either caused by Contractor or that occurs during collection shall be immediately cleaned up by the Contractor at Contractor's expense. Prior to any collection vehicle leaving a collection route and/or operating on any roads with a speed limit higher than 25 miles per hour, Contractor shall completely close any collection vehicle openings where materials may blow out, and thoroughly inspect for and contain any collected materials inadvertently spilled on top of the collection vehicle to prevent release or littering this material. Spillage not immediately cleaned up shall be cause for performance fees, as described in Section 4.1.

All vehicles used in the performance of this Contract shall be required to carry regularly-maintained and fully-functional spill kits. At a minimum, spill kits shall include absorbent pads or granules, containment booms, storm drain covers, sweepers and other similar materials sufficient to contain, control and, for minor events, appropriately clean-up any spillage or release of wind-blown materials, litter, or leaks of Contractor vehicle fluids or leachate. The Contractor shall notify the City via e-mail within two hours of any major spill or any spill that leaves a noticeable stain on City Roads or private property. Spill kits shall also include employee spill containment instructions and procedures as well as a regularly updated list of emergency contacts. The Contractor shall develop spill response procedures for review and approval by the City before initiating any work under this Contract. Prior to operating any vehicle in the City, all Contractor vehicle drivers shall be provided with hands-on training on the location, maintenance, and use of spill kits and associated containment and notification procedures. Such training shall be provided to all vehicle drivers at least annually.

All Drop-Box loads (both open and compactor) shall be properly and thoroughly covered or tarped to prevent any spillage of material prior to Contractor vehicle entering any Private Road or Public Street.

#### 2.1.17 Pilot Programs

The City may wish to test and/or implement one or more changes to waste stream segregation, materials processing or collection technology, promotion of services, or collection frequency at some point during the term of the Contract. The City shall notify the Contractor in writing at least ninety (90) days in advance of its intention to implement a pilot program or of its intentions to utilize a new technology system on a City-wide basis. The costs (or savings) accrued by any City-initiated pilot programs shall be negotiated prior to City-wide implementation. The

Contractor shall coordinate with the City and participate fully in the design, roll-out, operation and troubleshooting of such pilot programs.

Contractor-initiated pilot programs shall require prior written notification and approval by the City. Contractor-initiated pilot programs shall be performed at no additional cost to the City or the Contractor's Customers; however, savings accrued may be subject to negotiations prior to City-wide implementation at the City's request.

Contractor-initiated surveys are allowed of businesses and/or Residences to gather information about generic service preferences or to access pilot program options or outcomes, provided that all related data and analysis is shared with the City.

#### 2.1.18 Disruption Due to Construction

The City reserves the right to construct any improvement or to permit any such construction in any street or alley in such manner as the City may direct, which may have the effect for a time of preventing the Contractor from traveling the accustomed route or routes for collection. However, the Contractor shall, by the most expedient manner, continue to collect Garbage, Recyclables and Compostables to the same extent as though no interference existed upon the streets or alleys normally traversed. This collection shall be done at no extra expense to the City or the Contractor's Customers.

#### 2.1.19 Contractor Planning Assistance

The Contractor shall, upon request and without additional cost, make available site planning assistance to either the City and/or property owners or their representatives. The site planning assistance shall be available for all new construction or remodeling of buildings and structures within the City Service Area, and shall address the design and planning of Garbage, Recyclables and Compostables removal areas and their location upon the site of the proposed construction or remodeling project. Contractor planning assistance for optimizing loading docks, enclosures, compactor equipment, and other similar structures or areas shall also be available for existing Customers when adjusting Garbage, Recyclables and Compostables services. Contractor planning assistance shall be provided within two working days.

#### 2.1.20 Safeguarding Public and Private Facilities

The Contractor shall be obligated to protect all public and private improvements, facilities and utilities whether located on public or private property, including street Curbs. If such improvements, facilities, utilities or Curbs are damaged and such damage is primarily attributable to the Contractor's operations, the Contractor shall notify the City immediately in

writing of all damage, and the Contractor shall repair or replace the same. If the Contractor fails to do so promptly, as determined by the City, the City shall cause repairs or replacement to be made, and the cost of doing so shall be billed to and become the responsibility of the Contractor.

2.1.21 Company Name

The Contractor shall not use a firm name containing any words implying municipal ownership without prior written permission from the City.

2.1.22 Transition and Implementation of Contract

The Contractor shall work with the City to design and distribute promotional materials to Customers throughout the City. This information is designed to provide information about the City's programs (and any service changes) and to inspire interest from the community in actively participating in the programs. The Contractor shall, at its expense, provide the following:

(1) Single Family Residential Customers.

- a. By May 1, 2011 the Contractor shall mail a letter and a brochure describing the City's services, rates, and the mandatory garbage collection requirement set forth in the Kirkland Municipal Code to all Residential Customers in the City, including customers in the Juanita, Finn Hill, and Kingsgate annexation area. Specific emphasis will be placed on the City's Compostables collection program. This brochure shall also include waste reduction information and alternatives for hard-to-recycle materials.

(2) Multi-Family Customers.

- a. Site Visits. By December 31, 2011, the Contractor will have contacted, by direct mail, telephone or site visit, each Multi-Family Complex and/or property manager in the City. The Contractor will work with the City to ensure communication with each complex or property manager by December 31 of each year of the contract. This might be through a mailing or on-site visit, with up to ten (10) percent of complexes provided with on-site visits or trainings each year. The Contractor will provide information about the City's recycling programs and will work to obtain/distribute contact information for ongoing/follow-up visits. During these site visits or trainings, the Contractor will:
  - i. Audit service levels and provide information on potential cost savings associated with increased recycling.

- ii. Assess the potential for establishing food scrap recycling service in compliance with the City's Multifamily Food Scrap Recycling Program standards.
  - iii. Ensure that all recycling and Garbage Carts and Detachable Containers are labeled correctly.
  - iv. Arrange for the replacement of any green or gray Recycling Carts or Detachable Containers with blue Recycling Carts or Detachable Containers.
  - v. Provide recycling related posters and brochures for Multi-Family Complexes.
  - vi. Update or establish contact information for ongoing communication.
  - vii. Provide the City with a report of the outcomes from these site visits.
- b. Public Education. By July 1, 2011, WM will develop specific public education materials for Multi-Family Complexes. This information will be delivered during site audits and mailed to managers, as appropriate.
- (3) Other.
- a. Additional staffing shall be provided for Contractor Customer service lines to accommodate Customer questions, Residential service level shifting requests, and Commercial Customer Container orders during the transition period.
  - b. The Contractor will implement and provide the City with average market rates for Commercial Recycling fees (for Customers subscribing to service volumes exceeding 150 percent of the Customer's garbage collection volume).
  - c. By July 31, 2012, the Contractor will provide a detailed analysis of current level of compliance with "Evergreen Fleets" and current fleet equipment age, condition, fuel type, and emissions control compliance to allow the City to assess and track Contractor progress toward achieving equipment requirements as specified in Section 2.1.14 and 2.1.26.
  - d. Provide for City review the initial draft Annual Service Updates in accordance with Section 2.3.5 before September 1, 2011

The above dates may be shifted earlier upon permission of the City, provided that Customers receive new Containers in a way to minimize confusion.

All Container decals, cart imprints and materials provided by the Contractor to Customers shall be reviewed and approved by the City in advance of production or distribution.

#### 2.1.23 Ongoing Coordination with City and Performance Review

The Contractor's supervisory staff shall be available to meet with the City at the City's offices on request as well as on a quarterly schedule to discuss and resolve operational and Contract issues. The City may, at its option, conduct periodic performance reviews of the Contractor's performance under this Contract. The City may perform the review to confirm various aspects of the Contractor's operations and compliance with this Contract. City staff or contracted consultants may provide the review at the City's direction. The Contractor shall fully cooperate and assist with all aspects of the performance review, including access to Contractor's route and Customer service data, billing information, safety records, equipment, facilities and other applicable items. The City's scope of review under this provision is intended to focus on analysis of the Contractor's performance and Contract compliance.

The results of the performance review shall be presented to the Contractor and a plan for addressing any deficiencies shall be provided to the City within two (2) weeks of the Contractor's receipt of the review. The Contractor shall analyze and correct in good faith any deficiencies found in its performance under this Contract, including broader implementation of corrections that extend beyond the limited data or scope of a performance review to bring Contractor into more complete Contract compliance.

The Contractor's corrective plan shall address all identified deficiencies and include a timeline for corrective actions. The Contractor's corrective plan shall be subject to review and approval by the City. Upon approval of the plan, the Contractor shall implement and sustain actions that correct deficiencies. Failure to complete correction of deficiencies as outlined in the plan and/or failure to initiate good faith corrective actions within thirty (30) days shall constitute a failure to perform subject to performance fees as defined in 4.1.

The Contractor shall continually monitor and evaluate all operations to ensure compliance with this Contract. At the request of the City, the Contractor shall report its own findings from internal monthly performance measures for collection, customer service and maintenance functions. The City shall determine which of the Contractor internal performance management measures are relevant to addressing any particular

deficiencies and the Contractor shall continue to report those measures until notified in writing by the City.

In addition, Contractor personnel involved in the collection of Compostables and/or Recyclables will be required to attend a minimum of one (1) training per year to allow City and Contractor representatives to present highlights of promotional and service initiatives, while providing personnel an opportunity to offer feedback or suggest improvements based on their own observations.

#### 2.1.24 Disposal Restrictions and Requirements

All Garbage collected under this Contract, as well as residues from processing Recyclables and Compostables, shall be delivered to the King County Disposal System, unless otherwise directed in writing by the City.

Garbage containing obvious amounts of Yard Debris shall not knowingly be collected and instead prominently tagged with a notice informing the Customer that King County does not accept Yard Debris mixed with Garbage for collection. Contractor's knowing collection of Garbage mixed with visible Yard Debris shall be grounds for performance fees as provided in Section 4.1.

The Contractor shall not be required to collect hazardous materials that are either restricted from disposal or would pose a danger to collection crews. If materials are rejected for this reason, the Contractor shall leave a written notice with the rejected materials listing why they were not collected and providing the Customer with a contact for further information about proper disposal options. The Customer shall remain responsible for all costs associated with handling and disposal of hazardous materials inadvertently collected by Contractor.

Garbage collected by the Contractor may be processed to recover Recyclables, provided that the residual is disposed in accordance with the City's Interlocal Agreement with King County. In the event the Contractor elects to haul Garbage to a private processing facility, the Contractor shall charge the Customer no more than the equivalent Garbage disposal fee at a King County Disposal System transfer station and shall charge hauling fees no higher than provided for in Attachment B.

In the event that the City wishes to conduct a waste composition analysis, the Contractor shall deliver collected Garbage from one or more routes to the designated sorting site and shall coordinate with the City's consultant to ensure successful sampling. In the event that the sorted Garbage requires delivery to a County authorized disposal site, the City shall pay the Contractor for that delivery based on the Contractor's standard Container rental and hauling rates.



#### 2.1.25 Direct Payment of Disposal Fees by City

Upon 180 days written notice, the City may elect to pay disposal directly fees directly to King County, subject to approval by the County and the City's compliance with any County requirements regarding billing and payment. If the City elects to pay disposal fees directly, the Contractor shall:

- (1) Ensure that Garbage routes serving City Customers handle only City Garbage and not Garbage from Customers in other jurisdictions;
- (2) Properly train and supervise its collection crews to properly use City disposal cards at County facilities, and to reconcile loads delivered by Contractor's crews with the disposal invoice provided by King County
- (3) Track and report disposal quantities by route and average Container weights by Container size each month;
- (4) Formalize a separate billing agent addendum to this Contract which details the financial and legal relationship between the Contractor (billing agent) and the City (client), including how receivables are handled and how the City handles disbursement to the Contractor and the County;
- (5) Reduce its overall compensation for each service level by 110% of the amount of the disposal fee component plus the then-current business and occupation tax, based on the unit weights listed in the then-current Attachment B of this Contract; and
- (6) Participate in a City funded and managed Container weight study to be conducted no more than once every three years of the Contract, the results of which will be used to update the disposal components listed in Attachment B of this Contract.

If the City elects to pay disposal directly, the City shall release and indemnify the Contractor from financial and legal responsibility for disposal payments for City Garbage (and any taxes or other fees related thereto), provided that the Garbage has been collected only from applicable City Customers in accordance with this Contract.

#### 2.1.26 Alternative Fuels: Biodiesel and Compressed Natural Gas (CNG)

The Contractor shall use 20 percent sustainable-rated biodiesel fuel in its diesel vehicles used in the performance of this Contract. The percentage requirement may be met either by using a 20 percent blend fuel in all diesel vehicles during March-October and five (5) percent during November-

February, or using a higher percentage in specific vehicles to achieve the same result.

The Contractor may request permission from the City to temporarily or permanently discontinue biodiesel use if the Contractor is unable to reasonably obtain biodiesel or has continued unresolvable operating problems directly related to the use of biodiesel. The City shall consider the request, provide its own investigations and provide a response to the Contractor within thirty (30) days of receiving the Contractor's request.

The Contractor shall maintain all vehicles used in Kirkland in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs, and fuel use. By July 31, 2012, the Contractor's entire fleet used in Kirkland shall meet certification criteria established via the Puget Sound Clean Air Agency Evergreen Fleets Program.

Upon request, the Contractor shall provide documentation and/or provide access for verification that its fleet meets the requirements of this section.

#### 2.1.27 Violation of Ordinance

The Contractor shall report in writing immediately to the City any observed violation of the City's ordinances providing for and regulating the Containerization, collection, removal and disposal of Garbage, Recyclables and Compostables.

### 2.2 Collection Services

#### 2.2.1 Single-Family Residence Garbage Collection

##### 2.2.1.1 Subject Materials

The Contractor shall collect all Garbage placed Curbside for disposal by Single-Family Residence Customers in and adjacent to Micro-Cans, Mini-Cans, Garbage Cans (for Extra Units) or plastic bags (for Extra Units) and/or Contractor-owned Garbage Carts. The Contractor shall offer carry-out service to disabled Customers at no charge (per Section 2.1.6) and to all other Customers for the appropriate service level rate, plus the carry-out surcharge, in accordance with Attachment B. If a Customer is either eligible for, or subscribes to, carry-out service, carry-out service shall be provided for all three collection streams (Garbage, Recyclables, and/or Compostables) without duplicate surcharges.

##### 2.2.1.2 Collection Containers

The Customer's primary Container must be a Micro-Can, Mini-Can or Garbage Cart. Garbage Cans and Plastic bags may only be used for Extra Units, not as the Customer's primary Container. Micro-Can, Mini-Can and Cart rental fees shall be embedded in the respective rate charged for the level of service and not separately charged or itemized.

Micro-Cans, Mini-Cans and Garbage Carts shall be delivered by the Contractor to Single-Family Residence Customers within seven (7) days of the Customer's initial request.

#### 2.2.1.3 Specific Collection Requirements

The Contractor shall offer regular weekly collection of the following service levels:

- (1) One 10-gallon Micro-Can
- (2) One 20-gallon Mini-Can or Garbage Cart;
- (3) One 35-gallon Garbage Cart;
- (4) One 64-gallon Garbage Cart; and
- (5) One 96-gallon Garbage Cart;

The Contract shall also offer a "super recycler" service of once per month collection of non-putrescible waste in a 35-gallon Cart.

Carry-out charges shall be assessed only to those Customers who choose to have the Contractor move Containers to reach the collection vehicle at its nearest point of access. An Extra Unit charge may be assessed for materials loaded so as to lift a Cart lid in excess of six (6) inches from the normally closed position. The Contractor may charge for an overweight Container at the Extra Unit rate, provided that the Customer agrees in advance to pay for the Extra Unit rate, otherwise, the Container shall be left at the Curb with Customer notification as to why it was not collected. The Contractor shall maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Unit fees. All Extra Units from Customers with a history of disputed charges shall be documented with a date and time stamped photograph. Customers shall be allowed to specify that no Extra Units be collected without prior Customer notification, which shall be provided by the Customer no less than twenty-four (24) hours prior to that Customer's regular collection.

Collections shall be made from Single-Family Residences on a regular schedule on the same day and as close to a consistent time as possible. The collection days provided to Juanita, Finn Hill, and Kingsgate annexation area customers shall remain the same, to the extent feasible. Customers shall place Containers on or abutting Public Streets or Private Roads. The Contractor may tag inappropriately placed Containers not placed out in accordance with Kirkland Municipal Code. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers, in an upright position, with lids closed and attached, to their set out location and will not place Containers on streets, sidewalks, public pathways, or in places that block vehicle access to any driveways, mailboxes, or similar structures.

The Contractor shall change from weekly to every-other-week collection of Single-Family Garbage upon at least 180 days prior written notice from the City. In the event that the City elects to reduce collection frequency, the Contractor's rates for Single-Family Garbage collection shall be reduced by \$2.11 per household per month for all Single-Family Garbage service levels, as annually adjusted by the provisions of Section 3.3.1, starting the first month of the changed service. In the event that every-other-week collection does not work as intended, the City may change service back to weekly, and the parties shall negotiate in good faith to develop mutually acceptable terms regarding the timing and cost of a return to weekly service.

## 2.2.2 Single-Family Residence Recyclables Collection

### 2.2.2.1 Subject Materials

The defined list of Residential Recyclables shall be collected from all participating Single-Family Residences as part of basic Garbage collection services, without extra charge. The Contractor shall collect all Residential Recyclables from Single-Family Residences that are placed in Contractor owned Carts or are boxed or placed in a paper bag next to the Customers' Recycling Cart. Recyclables must be prepared as follows and uncontaminated with food or other residues:

- |                       |  |
|-----------------------|--|
| Aluminum Cans:        | All aluminum cans and foil that are placed in the Recycling Cart.  |
| Corrugated Cardboard: | All corrugated cardboard boxes smaller than three (3) feet square, and placed in or next to the Customer's Recycling Cart. |

	Corrugated cardboard boxes larger than three (3) feet square must be flattened by Customer prior to collection.
Fluorescent Lights	All compact fluorescent bulbs packaged in a contractor-provided storage container.
Glass Containers:	All colored or clear jars and bottles that are rinsed and have lids removed. Ceramics and window glass are excluded.
Mixed Paper:	All Mixed Paper.
Motor Oil:	Up to three gallons of motor oil that is free from contaminants and placed in screw-top plastic jugs, labeled with the Customer's address and placed next to the Customer's Recycling Cart.
Newspaper:	All newspaper and advertising supplements that are delivered with newspapers.
Plastic Bags:	All clean dry plastic bags bagged together, securely tied, and placed in the Recycling Cart.
Plastic Containers:	All plastic bottles, cups, jugs and tubs. Other plastics, automotive or other hazardous product containers, and lids are excluded.
Polycoated Cartons and Boxes:	All plastic coated and aseptic cartons and boxes that are flattened.
Scrap Electronics:	Scrap electronics that are no bigger than 2 feet by 2 feet per unit in size and less than 60 pounds per unit, including computer equipment, VCRs, audio equipment, televisions, cell phones and other equipment containing circuit boards that are placed next to the Recycling Cart. Scrap electronics do not include speakers, kitchen appliances, or other household products as defined in the Contractor's promotional materials.

- Scrap Metal: All ferrous and non-ferrous Scrap Metal that is free of wood, plastic, rubber and other contaminants; and meets the size requirements defined for Scrap Metals. Scrap Metal shall include small appliances such as microwave ovens and toasters provided they meet the size requirements.
- Tin Cans: All food and beverage tin cans with labels removed.

#### 2.2.2.2 Containers

The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining adequate inventories of, and distributing and maintaining Recycling Carts. The default Recycling Cart size shall be 64-gallons for new Customers, provided that the Contractor shall offer and provide 35- or 96-gallon Recycling Carts on request to those Customers requiring either less or additional capacity than provided by the standard 64-gallon Recycling Cart. Recycling Carts shall include a recycling/program brochure when distributed.

Recycling Carts shall be delivered by the Contractor to new Customers or those Customers requesting replacements, within seven (7) days of the Customer's initial request.

#### 2.2.2.3 Specific Collection Requirements

Single-Family Residence Recyclables collection shall occur weekly on the same day as each household's Garbage and Compostables collection. Single-Family Residence Recyclables collection shall occur during the hours and days specified in Section 2.1.4. Collections shall be made from Residences on a regular schedule on the same day and as close to a consistent time as possible. The Contractor shall collect on Public Streets and Private Roads in the same location as Garbage collection service is provided. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers with their lids closed and attached to their set out location in an orderly manner.

The Contractor shall collect all properly prepared Single-Family Residence Recyclables from Garbage Customers. No limits shall be placed on set-out volumes, except in the case

when extremely large quantities of commercially-generated materials are consistently set out at a Single-Family Residence. In this case, the Contractor shall request the resident to use a larger Recycling Cart or use commercial recycling services for the excess volumes. If the resident continues to set out commercial quantities of Recyclables, the Contractor shall notify the City for further action. In the event that large quantities of Residentially-generated cardboard (e.g. moving boxes) are set out for collection, the Contractor may collect the excess materials the following day in a separate truck, provided that clear written notification of the collection delay is provided to the Customer.

The Contractor shall collect properly packaged used motor oil from Single-Family Residential Customers. The Contractor may refuse to collect used motor oil from any Customer for any one of the following reasons: 1) the oil was not packaged in a leak proof, plastic jug or bottle, securely sealed with a screw-cap; 2) the packaged oil contained substances other than used motor oil; 3) the packaged oil leaks in any way 4) the Container is not properly labeled with the Customer's name and address; or 5) there is spillage at the Customer location which is not caused by the Contractor's employees. Should the Contractor reject used motor oil for any of these reasons, a tag outlining the reason for rejection shall be left with the oil.

Upon City direction, the Contractor shall provide a requesting Single-family Residential Customer with a special bag to safely contain compact fluorescent bulbs (CFLs) for collection. The bags shall be mailed to the requesting Customer within three (3) days of City notification to the Contractor. The Contractor shall collect and properly recycle CFLs contained in the specialized bag and placed on top of the participating Customer's Recycling Cart. The City shall pay the Contractor the flat rate specified in Attachment B for each bag mailed to a Customer upon City direction. The City may discontinue the bag distribution program upon sixty (60) day's notice, however, the Contractor shall continue to collect set-out bags as long as Customers set them out.

The City and Contractor shall cooperate on monitoring the quality of Recyclables set out for collection. Either party may inspect or sample set-out or collected Recyclables. Any deficiencies in Recyclables quality observed by City or Contractor's staff shall require educational follow-up by the Contractor to encourage maximum quality and marketability. Educational follow-up shall range from a minimum of a notice

ticket or “oops tag” to involvement of management staff from either the City or Contractor as appropriate.

The Contractor shall change from weekly to every-other-week collection of Single-Family Residence Recyclables upon at least 180 days prior written notice from the City. In the event that the City elects to reduce collection frequency, the Contractor’s rates for Single-Family Garbage collection shall be reduced by \$1.71 per household per month for all Single-Family Garbage service levels, as annually adjusted by the provisions of Section 3.3.1, starting the first month of the changed service. In the event that every-other-week collection does not work as intended, the City may change service back to weekly and the parties shall negotiate in good faith to develop mutually acceptable terms regarding the timing and cost of a return to weekly service.

## 2.2.3 Compostables Collection

### 2.2.3.1 Subject Materials

Compostables shall be collected each collection cycle from all Single-Family Residences as a part of basic Garbage collection services, without extra charge.

Contaminated or oversized Compostables materials rejected by the Contractor at the Curb shall be tagged in a prominent location with an appropriate problem notice explaining why the material was rejected.

### 2.2.3.2 Containers

A 96-gallon Compostables Cart shall be provided to all Single-Family Residences. The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Compostables Carts. Compostables Carts shall be labeled with instructional information, in accordance with Section 2.1.15.6. The default Compostables Cart size shall be 96-gallons, with 35- and 64-gallon sizes available upon request.

Extra Yard Debris material that does not fit in the initial Compostables Cart shall be bundled or placed in Kraft bags or Customer-owned Garbage Cans labeled for Yard Debris. Customers choosing to use their own Containers for excess Yard Debris shall be provided durable stickers by the



Contractor that clearly identify the Container's contents as Yard Debris.

Compostables Carts shall be delivered by the Contractor to Customers within seven (7) days of the Customer's initial request. The Contractor may charge a ten dollar (\$10.00) Compostables Cart cleaning and deodorizing fee, per occurrence, for each Compostables Cart cleaned and redelivered to Customers upon their request.

#### 2.2.3.3 Specific Collection Requirements

Compostable materials shall be collected weekly on the same scheduled service day as Garbage collection. Compostables in excess of 96 gallons may be charged as Compostables Extra Units in 96 gallon increments in accordance with Attachment B.

Unflocked, undecorated, natural Christmas trees will be collected at no additional cost on the first and second full weeks of scheduled Compostable materials collection each year from all Single-Family and Multifamily Residences in the City. Customers shall be required to cut the trees into sections no longer than four feet and place trees in Compostable Carts wherever possible. Trees collected under this program shall not be considered Yard Debris "extras" subject to additional fees.

The Contractor shall collect on Public Streets and Private Roads, in the same location as Garbage collection is provided. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers in an upright position, with lids attached, to their set out location and will not place Containers on streets, sidewalks, public pathways, or in places that block vehicle access to any driveways, mailboxes, or similar structures.

Information detailing collection and service schedules as specified in Section 2.2.2.3 and Section 2.2.3.3 shall be included in the Annual Service Update as specified in Section 2.3.5.

#### 2.2.3.4 Food Scraps Collection

The Contractor shall accept uncontaminated Food Scraps included and/or mixed with Yard Debris ("Compostables") in Yard Debris Carts. The Contractor shall provide and deliver kitchen Food Scrap Containers to Single-Family Customers

upon request. The range of materials handled by the Food Scraps collection program may be changed from time to time upon the approval of the City to reflect those materials allowed by the Seattle-King County Health Department for the frequency of collection provided by the Contractor.

## 2.2.4 Single Family Bulky Waste Collection

### 2.2.4.1 Subject Materials

On-call Bulky Waste collection shall be offered, and shall be provided at the rates listed in Attachment B. Collected oversized items shall be recycled by the Contractor to the extent possible. The Contractor shall maintain a separate log listing service date, materials collected, Customer charges, and whether the item was recycled or disposed. This log shall be provided to the City on a monthly basis.

### 2.2.4.2 Specific Collection Requirements

On-call collection services of bulky waste such as couches, mattresses, white goods and other oversized materials must occur during the hours and days specified in Section 2.1.4, with the exception that Saturday collection is permissible if it is more convenient for Customers. The Contractor's crews shall make collections in an orderly and quiet manner.

## 2.2.5 Multi-Family Complex and Commercial Customer Garbage Collection

### 2.2.5.1 Subject Materials

The Contractor shall collect all Garbage set out for disposal by Multi-Family Complex and Commercial Customers in acceptable Containers as designated in Section 2.2.5.2.

### 2.2.5.2 Containers

The Contractor shall provide Containers meeting the standards described in Section 2.1.15. Multi-Family Complex and Commercial Customers shall be offered a full range of Containers and service options, including Garbage Carts, one (1) through six (6) cubic yard compacted and one (1) through eight (8) cubic-yard non-compacted Detachable Containers, and compacted or non-compacted Drop-Box Containers. The Contractor may also lease or sell compacted Drop-Box Containers and Drop-Box and Detachable Container Compactors to Customers outside of this Contract at rates negotiated between the Customer and the Contractor.

Materials in excess of Container capacity or the subscribed service level shall be collected and properly charged as Extra Units at the rates listed in Attachment B. The Contractor shall develop and maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Units and documentation of service irregularities such as damaged or blocked Containers. All Extra Units and service irregularities shall be documented with a date and time stamped photograph.

The Contractor may use either or both front-load or rear-load Detachable Containers to service Multi-Family Complex and Commercial Customers. However, not all collection sites within the City Service Area may be appropriate for front-load collection due to limited maneuverability or overhead obstructions. The Contractor shall provide Containers and collection services capable of servicing all Customer sites, whether or not front-load collection is feasible at that Customer's site.

Contractor-owned Containers shall be delivered by the Contractor to requesting Multi-Family Complex and Commercial Customers within three (3) days of the Customer's initial request. Customers shall properly care for Containers on the Customer's property, shall use reasonable efforts to protect such Containers from graffiti or negligent misuse, and shall not use such Containers for other than their intended purpose.

#### 2.2.5.3 Specific Collection Requirements

Commercial Garbage collection shall be made available to Multi-Family Complex and Commercial Customers daily, Monday through Saturday, during the times specified in Section 2.1.4. Collection at Multi-Family sites shall be limited to the same hours as Single-Family Residence collection. Collections shall be made on a regular schedule on the same day and as close to a consistent time as possible to minimize Customer confusion. The Contractor shall collect from areas mutually agreed upon by the Contractor and Customer with the least slope and best truck access possible. Containers shall be replaced after emptying in the same location as found.

The Contractor shall not charge delivery fees for Detachable Containers or Carts, except in the case of temporary Detachable Container service and Detachable Containers redelivered to customers restarting service after having service suspended and containers removed for non-payment. The redelivery fee, as listed in Attachment B, shall not apply to

Recycling or Yard Debris containers at any time. The Contractor shall unlock containers without extra charge. Roll-out charges shall be assessed in ten (10) foot increments only to those customers for whom the Contractor must move a container over twenty-five (25) feet to reach the collection vehicle at its nearest point of access.

Extra charges may be assessed for opening gates and for excess materials loaded so as to lift the Garbage Can, Garbage Cart or Detachable Container lid more than six (6) inches from the normally closed position.

Customers may request extra collections and shall pay a proportional amount (e.g. one pick-up per week rate divided by 4.33 weeks per month) of their regular monthly rate for that service.

## 2.2.6 Multi-Family Complex Recyclables Collection

### 2.2.6.1 Subject Materials

The Contractor shall provide adequate Container capacity and collect all Recyclables from Multi-Family Complexes that are prepared in a manner similar to that described for Single-Family Residence Recyclables in Section 2.2.2.1., with the exception of used motor oil and compact fluorescent bulbs and tubes. This embedded recycling collection shall occur at no extra charge from base Garbage collection. The Contractor will tag contaminated Containers, but will not collect the contaminated load as Garbage and not charge the resident or property manager a fee for contamination unless notification and correction procedures as specified by the City are completed.

### 2.2.6.2 Containers

The Contractor shall use Detachable Containers for recycling collection at Multi-Family sites wherever practicable and shall use Recycling Carts only at tri-plexes, four-plexes and other sites where site constraints limit the use of Detachable Containers.

The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Detachable Containers and Recycling Carts. The default Recycling Cart size shall be 96-gallons, provided that the Contractor shall offer and provide

32- or 64-gallon Recycling Carts on request to those complexes requiring either less or additional capacity than provided by the standard 96-gallon Recycling Cart. Recycling Carts shall be labeled with recycling collection requirements in accordance with Section 2.1.15.6 when distributed. The City may require that combination or common-keyed locks and multiple keys be provided by Contractor at no extra charge to limit contamination of Recycling Carts or Recycling Detachable Containers.

Recycling Carts and Containers shall be delivered by the Contractor to requesting Customers within three (3) days of the Customer's initial request. Multi-Family Complex Recycling Carts shall be relabeled periodically in accordance with Section 2.1.15.6.

#### 2.2.6.3 Specific Collection Requirements

Multi-Family Complex recycling collection shall occur weekly or more frequently, as needed, during the hours and days specified in Section 2.1.4 for Multi-Family Complex collection. Collections shall be made on a regular schedule on the same day(s) of the week to minimize Customer confusion. The Contractor shall collect from areas mutually agreed upon by the Contractor and Customer with the least slope and best truck access possible. After emptying Containers shall be replaced in the same location as found. Multi-Family Complex Recycling Customers shall not be charged lock, gate or roll-out fees.

When space constraints limit the provision of Containers appropriately-sized for weekly collection, the Contractor shall provide more frequent collection, as necessary, of smaller Containers to provide adequate total recycling capacity for the Multi-Family Complex site.

#### 2.2.6.4 Multi-Family Recycling Outreach and Incentives

The Contractor shall provide ample copies of current recycling guidelines upon request of the City or Customer. The Contractor shall assist the City in the development and implementation of an annual recycling outreach and incentive plan. The plan shall include, at a minimum, a description of planned programs, tasks assignments between the City and Contractor and support costs where appropriate.

Public Education will play an important role in this process. The Contractor and the City shall work together to conduct workshops, visit with Customers, and develop and implement a high quality public education campaign. The outcomes and results of these efforts will be tracked and reported to the City by the Contractor.

## 2.2.7 Commercial Recycling Collection

The defined list of Commercial Recyclables shall be collected from all participating Commercial Customers as part of basic Garbage collection services, without extra charge, subject to the limitations set forth in Section 2.2.7.3.

The Contractor shall collect all Commercial Recyclables from Commercial Customers that are prepared in a manner similar to that described for Single Family Residential Recyclables in Section 2.2.2.1.

### 2.2.7.1 Subject Materials

The defined list of Commercial Recyclables shall be collected from all participating Commercial Customers as part of basic Garbage collection services, without extra charge subject to the limitations in Sections 2.2.7 and 2.2.7.3.

The Contractor shall collect all Commercial Recyclables from Commercial Customers that are prepared in a manner similar to that described for Single Family Residential Recyclables in Section 2.2.2.1. In the event of contaminated materials, the driver shall notify their dispatcher, and the dispatcher shall contact the Customer with specific instructions for Customer to prepare the rejected materials for collection service or authorization to collect the material as Garbage for the regular Garbage collection fee. Contractor shall notify the City immediately, through use of dispatch or route management staff, if repeated contamination occurs in Recyclables set out by any Commercial or Multi-Family Customer.

Contractor shall notify the City immediately when any Commercial or Multi-Family Customer requests reduction or elimination of any Recyclables collection service, to afford the City the opportunity to act as a customer retention agent on behalf of the Contractor. Contractor is required to remind such Customers that recycling service is included in the Customer's garbage service at no additional cost and City resources are available to help resolve recycling service issues. Contractor

shall not discontinue these services or remove Containers from Customer premises until the City has reviewed conditions and provided suggestions for retaining the Customer.

#### 2.2.7.2 Containers

Contractor-supplied Recycling Containers shall be used for collecting Commercial Recyclables. Recycling Carts and Recycling Detachable Containers shall be distinguished from Compostables or Garbage Container colors per Section 2.1.15.6 and shall include prominent identifying labels that provide directions for the preparation of the materials to be placed in the Cart or Container.

At larger businesses, the Contractor may use Detachable Containers or Drop-Box Containers for Recyclables collection provided that they are distinguished from Containers used for Garbage collection and are equipped with prominent identifying labels.

Contractor-owned Containers shall be delivered by the Contractor to requesting Customers within three (3) days of the Customer's initial request.

#### 2.2.7.3 Specific Collection Requirements

Commercial Recyclables collection shall be offered weekly during the hours and days specified in Section 2.1.3. Collections shall be made on a regular schedule on a consistent day and as close to a consistent time as possible to minimize Customer confusion. The Contractor shall collect in alleys where practical, and on streets where no alleys are present. Containers shall be replaced in the same location after emptying.

When providing recycling service to a particular Commercial Customer using Detachable Containers, the Contractor shall not be required to provide weekly recycling container capacity greater than 150 percent of that Customer's weekly Garbage collection volume. For example, a Customer with a weekly four (4) cubic yard Garbage container would be provided up to six (6) cubic yards of weekly recycling container capacity. Commercial Customers using Drop Boxes for Garbage collection, are eligible to receive up to 8 yards of Commercial recycling service as part of their basic Garbage collection service. Any additional recycling for either Detachable Container or Drop-box Garbage Customers beyond the levels

stated above shall be fee-based as referenced and provided in accordance with Section 2.1.22 (3)(b).

Commercial Recyclables collection Containers and service may be ordered by the Commercial Customer, the City, or the City's contracted technical assistance consultant, provided that the Contractor shall not be required to provide Commercial Recyclables collection to an unwilling party.

## 2.2.8 Multi-Family Complex and Commercial Customer Compostables Collection

### 2.2.8.1 Subject Materials

The Contractor shall provide Cart-based Compostables collection services to requesting Multifamily Complexes and Commercial Customers upon specific approval of each Customer by the City. The Contractor shall offer regular weekly or semi-weekly collection of the following service levels, at the rates set forth in Attachment B:

- (1) One 64-gallon cart
- (2) Two 64-gallon carts
- (3) One 96-gallon cart

For Multi-Family Customers, each service level shall be provided at each Garbage enclosure/collection site as determined and requested by the City.

If additional capacity is required, the Customer may arrange for that service privately, either through the Contractor or another party. The provision of fee-based Commercial Compostables collection in Detachable Containers by the Contractor shall comply with the service and billing standards of this Contract, even through rates are not regulated by this Contract.

Contaminated or oversized Compostables materials rejected by the Contractor shall be tagged in a prominent location with an appropriate problem notice explaining why the material was rejected. The Contractor's dispatcher will contact Customers with specific instructions for Customer to make the rejected materials suitable for collection service.

### 2.2.8.2 Containers



The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Compostables Carts and Detachable Containers.

Compostables Carts and Detachable Containers shall be delivered by the Contractor to new Multi-Family Complexes or Commercial Customers within three (3) days of the City's request, following the City's provision of technical assistance to the Customer to set up the program.

#### 2.2.8.3 Specific Collection Requirements

Compostables shall be collected weekly or semi-weekly from Multi-Family Complex and Commercial Customers based upon a Customer's subscribed service level. Collections shall be made on a regular schedule on the same day(s) and as close to a consistent time as possible. Carts shall be lined by the Contractor upon initial delivery as well as after each collection cycle. The liners shall be approved by the Contractor's composting facility and shall be provided at no additional cost to the Customer. The Contractor shall also provide free cleaning of containers for each customer at least once per year.

The Contractor shall collect Containers at defined Multi-Family Complex or Commercial Customer Container spaces. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers with their lids closed and attached to their set out location.

Commercial and Multi-Family Customers using Compostables Collection service for Food Scraps collection shall be consistent with Seattle-King County regulations for Commercial Food Scraps collection and the materials being Source-Separated must be identical to those accepted in the Residential Food Scraps collection program. Those regulations may include, but not be limited to, providing biodegradable kitchen Container bags, providing Cart liners or other methods to maintain Container cleanliness.

#### 2.2.9 Drop-Box Container Garbage Collection

##### 2.2.9.1 Subject Materials

The Contractor shall provide Drop-Box Container Garbage collection services to Multi-Family Complex and Commercial Customers, in accordance with the service level selected by the Customer.

#### 2.2.9.2 Containers

The Contractor shall provide Containers meeting the standards described in Section 2.1.15. Both Customer-owned and Contractor-owned Drop-Box Containers shall be serviced, including Customer-owned compactors.

Contractor-owned Containers shall be delivered by the Contractor to requesting Customers within three (3) days of the Customer's initial request.

#### 2.2.9.3 Specific Collection Requirements

Single-Family Residence, Multi-Family Complex and Commercial Customer Drop-Box Container collection must occur during the hours and days specified in Section 2.1.5. Collection of Drop-Box Containers in Single-Family Residence and Multi-Family Complex areas and multi-use buildings containing Multi-Family Complexes shall be limited to the same hours as Single-Family Residence collection.

The Contractor shall provide dispatch service and equipment capability to collect full Drop-Box Containers no later than the next business day after the Customer's initial call. The Contractor shall maintain a sufficient Drop-Box Container inventory to provide empty Containers to new and temporary Customers within three (3) business days after the Customer's initial call.

Mileage fees shall be assessed only when Customer-directed disposal/recycling sites are more than ten (10) road miles by the shortest route from a particular Customer's location, and then only on the additional mileage above twenty (20) miles round-trip. The Contractor shall obtain prior permission from the Customer to use disposal/recycling sites which would result in additional mileage charges.

#### 2.2.10 Temporary Container Customers

The Contractor shall provide temporary 2-, 4-, and 6-cubic yard Detachable Containers and 10-, 20-, 30-, and 40-cubic yard Drop-Boxes to Single-Family Residence, Multi-Family Complex and Commercial Customers on an on-call basis. Temporary service shall include all Customers requesting Container service of less than ninety (90) days duration, including existing Customers on permanent service who temporary request an extra Container for less than ninety (90) days. The charges for temporary Detachable Container service listed in Attachment B shall include deliver, collection and disposal. Disposal charges for temporary Drop-Box Containers shall

be billed in addition to the delivery, rental and hauling charges listed in Attachment B. Rental charges shall be itemized and charged separately, at the rates listed in Attachment B. The Contractor may charge a deposit to be paid in advance of service equal to the average disposal fee for the size of temporary Container ordered if the creditworthiness of the individual Customer is in doubt.

## 2.2.11 Municipal Services

### 2.2.11.1 Street Litter and Recycling

The Contractor shall provide weekly Garbage and Recyclables collection for street litter or recyclables receptacles (including the provision of plastic bags to line the receptacles) within the City, at no additional cost.

#### 2.2.11.1.1 Garbage and Recycling Kiosks

The Contractor shall purchase, deliver and install twenty-three (23) solar-powered Garbage/Recycling kiosks (“Big Bellies”) and twenty-three (23) stand-alone solar-powered Garbage compactor units within the first year of the Contract. Each compactor shall be equipped with wireless notification hardware. The compactors and kiosks shall be maintained and serviced by the Contractor in accordance with the manufacturer’s recommendations. The City may purchase appropriately-colored wraps prominently displaying the City of Kirkland and Contractor corporate logos for each Garbage compactor and Recycling receptacle. Ad panels for the compactors and kiosks shall be purchased by the City with the number purchased to be at the sole discretion of the City.

#### 2.2.11.1.2 Collection Frequency

Garbage and recycling collections shall be made at least once during the work week (Monday-Friday). If requested by the City, the Contractor shall make more or less frequent weekday collections based upon seasonal needs. If requested by the City, the Contractor shall make weekend collections to temporarily address garbage and/or recycling capacity issues, at no additional cost. Any temporary weekend collections shall cease once the Contractor makes adjustments to the regular weekday collection schedule to ensure adequate garbage and recycling capacity.

### 2.2.11.2 City Facilities

The Contractor shall provide weekly Garbage, Recyclables and Compostables collection to all City-owned municipal facilities without charge. Those facilities include, but are not limited to the following:

<b>FACILITY</b>	<b>ADDRESS</b>
<b>City Facilities:</b>	
Kirkland City Hall	123 Fifth Avenue
Kirkland Maintenance Center	915 8 <sup>th</sup> Street
Forbes Creek Fire Station #21	9816 Forbes Creek Drive
Houghton Fire Station #22	6602 108 <sup>th</sup> Avenue NE
North Rose Hill Fires Station #26	9930 124 <sup>th</sup> Avenue NE
Peter Kirk Community Center	352 Kirkland Avenue
Kirkland Teen Union Building	354 Kirkland Avenue
North Kirkland Community Cntr	12421 103 <sup>rd</sup> Avenue NE
Juanita Beach Park	9703 Juanita Drive NE
Marina Park	Downtown Kirkland
Kirkland Performance Center	350 Kirkland Avenue
505 Market Building	505 Market Street
Kirkland Municipal Court	11515 NE 118 <sup>th</sup> Street
Parks Maintenance Annex	1129 8 <sup>th</sup> Street
City Hall Annex	310 1 <sup>st</sup> Street
Fire Station #24	8411 NE 141 <sup>st</sup> Street
Fire Station #25	12033 76 <sup>th</sup> Place NE
Fire Station #27	11210 NE 132 <sup>nd</sup> Street
Public Safety Building	11831 120 <sup>th</sup> Ave NE

### 2.2.11.3 City Parks Services

The Contractor shall provide once-per-week neighborhood parks garbage can service for up to two cans per park (including the provision of plastic bags to line the receptacles). To facilitate collection, each receptacle shall be installed, at the City's expense, at a mutually agreed upon location no more than 20 feet from the City right-of-way.

The parks include, but are not limited to, the following:

<b>PARK</b>	<b>ADDRESS</b>
N. Kirkland Community Center	12421 103 <sup>rd</sup> Ave NE
Houghton Neighborhood	10811 NE 47 <sup>th</sup> St
Tot Lot	111 9 <sup>th</sup> Ave

N. Rose Hill Woodlands	9930 124 <sup>th</sup> Ave NE
Rose Hill Meadows	8212 124 <sup>th</sup> Ave NE
Edith Moulton	108 <sup>th</sup> Ave NE & NE 137 <sup>th</sup> St
McAuliffe	10824 NE 116 <sup>th</sup> St
Reservoir	1501 3 <sup>rd</sup> St
Spinney Homestead	11710 NE 100 <sup>th</sup> St
Terrace	10333 NE 67 <sup>th</sup> St
Highlands	11210 NE 102 <sup>nd</sup> St
Kiwanis	1405 10 <sup>th</sup> St W
Forbes Creek	11615 NE 106 <sup>th</sup> Lane
South Rose Hill	12730 NE 72 <sup>nd</sup> St
Carillon Woods	5429 106 <sup>th</sup> Ave NE
Brookhaven	9911 NE 128 <sup>th</sup> St
Watershed	4500 110 <sup>th</sup> Ave NE
Mark Twain	10625 132 <sup>nd</sup> Ave NE
Van Aalst	335 13 <sup>th</sup> Ave
Kingsgate	116 <sup>th</sup> Ave NE & NE 140 <sup>th</sup> St
Windsor Vista	NE 141 <sup>st</sup> St & 111 <sup>th</sup> Ave NE
Odhe Pea Patch	11425 Ohde Ave

At any time during the term of this Contract, the City may add facilities and parks in addition to those listed above. Additional municipal facilities and parks added during the term of the Contract shall also be provided collection, including new facilities developed within the City Service Area, as well as municipal facilities in future annexation areas covered by this Contract. In the event that the number of facilities or parks increases by more than ten (10) percent above those listed above, the Contractor's rates shall be adjusted to reflect the increased cost to Contractor in providing such services.

On occasion, the City will pay the Contractor in accordance with charges listed in Attachment B for services that involve a third party, when such third party accumulates Garbage as part of performing services for the City. For example, disposal of roof replacement debris removed from a City facility. Regular Garbage generated on an ongoing basis at all City facilities will otherwise be collected by the Contractor without charge to the City.

#### 2.2.12 Other Solid Waste Collection Services

The Contractor may occasionally provide other regularly scheduled services related to solid waste collection in the City not specifically delineated under this Contract. In that event, the Contractor shall use current rates approved by the WUTC under the Contractor's current Waste Management – Sno-King Tariff for the service provided. If the intended

services are not covered by either this Contract or the Contract's WUTC tariff, the Contractor shall notify the City and propose a Customer rate for the service. Upon approval of the City, the Contractor may proceed to offer that service. Upon City direction and in accordance with the terms of this Section, the Contractor shall directly bill Customers for non-standard services.

## 2.3 Management

### 2.3.1 Responsibility of Participants

#### 2.3.1.1 Contractor's Responsibilities

Consistent with the responsibilities set forth otherwise in this Contract, the Contractor shall be responsible for:

- Collecting Garbage in the City Service Area and delivering the Garbage to the King County Disposal System, unless otherwise directed by the City, and shall ensure that the Contractor handles Garbage in accordance with the City's interlocal agreements governing solid waste management.
- Collecting construction/demolition waste in the City Service Area and delivering the waste to fully permitted recycling, disposal or transfer sites in compliance with King County's Comprehensive Solid Waste Management Plan.
- Collecting, processing and marketing Recyclables and Compostables collected by the Contractor in the City Service Area.
- Providing cart and Container assembly, maintenance, painting, stickering/labeling and re-stickering/labeling and delivery services listed or required in this Contract.
- Performing customer service support, including answering telephone calls and e-mails, providing information on services, and providing appropriate Customer support as directed by the City.
- Procuring all equipment and bearing all start-up, operating maintenance, and transition costs for collection and processing or disposal of Garbage, Recyclables and Compostables, including proper safety equipment and insurance for vehicles and workers.

- Providing and supervising all labor to accomplish the scope of services required under this Contract, including labor to collect materials, maintain and distribute equipment and related customer service functions.
- Operating a maintenance facility to house and service collection equipment and acquiring all necessary land use, building, operating, and business permits and licenses.
- Submitting all informational materials for public release to the City for review and approval prior to release.
- Complying with all applicable laws.
- Meeting all non-discrimination and OSHA (Federal Occupational Safety and Health Act of 1970)/WISHA (Washington Industrial Safety and Health Act of 1973) standards, and all environmental standards and regulations.
- Providing a safe working environment and comprehensive liability insurance coverage as set forth in Section 6.4, and providing proof of this insurance to the City annually.
- Providing a valid Contractor's performance and payment bond in accordance with Section 6.5, and providing proof of this bond to the City annually.
- Securing the prior written approval of the City and surety before assigning or pledging money, or assigning, subcontracting or delegating duties.
- Providing route maps to the City indicating the day of week for each service.
- Submitting collection day changes to the City for review and approval prior to notice being provided to Customers and the change taking place.
- Submitting prompt notices to the media and the City regarding modifications to the collection schedule due to inclement weather.
- Maintaining Containers, vehicles and facilities in a clean, properly labeled and sanitary condition.
- Meeting all City reporting, inspection and review requirements.

- Providing outreach materials and programs, and assistance with distribution and outreach as required in this Contract.
- Providing operating and safety training for all personnel, including spill response training for all drivers.
- Notifying the City of intended changes in management not less than sixty (60) days prior to the date of change. New management shall also attend an introductory meeting scheduled by the City during the sixty (60) day notification period. Exception shall be made for termination for cause or voluntary termination, in which case the Contractor shall notify the City within twenty-four (24) hours of the termination.

#### 2.3.1.2 City's Responsibilities

Consistent with the responsibilities set forth otherwise in this Contract, the City shall be responsible for:

- Overall project administration and final approval of Contractor services and activities.
- Establishing Customer accounts, billing and receiving Customer payments.
- Reviewing and approving Contractor compensation adjustments due to changes in County disposal fees or price indices.
- Directing and overseeing public education and outreach with the cooperation and assistance of the Contractor.
- Monitoring and evaluating collection operations with the cooperation and assistance of the Contractor.
- Reviewing and approving all assignment, pledging, subcontracting or delegation of money or duties.
- Reviewing and approving collection days and rate changes.
- Reviewing and approving holiday schedule changes.
- Reviewing and approving all written or other informational materials used in the City by the Contractor.



- Conducting performance reviews of the Contractor with the Contractor's cooperation and assistance.
- Holding periodic operations meetings with the Contractor, as necessary.

### 2.3.2 Customer Service

The Contractor shall be responsible for providing customer service functions relating to service delivery including informing customers of potential service levels and charges, receiving and resolving customer complaints, dispatching Drop-box Containers and special collections, and referring billing questions to the City. These functions shall be provided at the Contractor's sole cost with such costs included in the Attachment C customer charges.

#### 2.3.2.1 Office Location

The Contractor shall maintain a principal office in King County within twenty (20) miles of the City limits. The Contractor's office and customer service assistance shall be accessible by a toll free phone number, specifically (800)592-9995 for use during this contract as the Contractor's primary customer service line. On the termination of this Contract for any reason, the Contractor shall relinquish its rights for use of this phone number to the City or its assignee, effective the day of termination, unless this toll-free number is also used by Waste Management customers from other municipalities. The Contractor's office hours shall be open at a minimum from 8 a.m. to 5 p.m. daily, except Saturdays, Sundays and recognized holidays. Representatives shall be available at the Contractor's local office during office hours for communication with the public and City representatives. Customer calls shall be taken during office hours by a person, not by voice mail.

The Contractor shall maintain an emergency telephone number for use by City staff outside normal office hours. The Contractor shall have a representative, or an answering service to contact such representative, available at said emergency telephone number during all hours other than normal office hours.

#### 2.3.2.2 Customer Service Requirements

##### 2.3.2.2.1 Customer Service Representative Staffing

During office hours, the Contractor shall maintain sufficient staff to answer and handle complaints and service requests from multiple incoming telephone calls simultaneously. If incoming telephone calls necessitate, the Contractor shall increase staffing levels as necessary to meet Customer service demands. The Contractor shall also maintain sufficient staff to answer and handle complaints and service requests made by letter or e-mail. If staffing is deemed to be insufficient by the City to handle Customer complaints and service requests, the Contractor shall increase staffing levels to meet contract performance criteria.

The Contractor shall provide additional staffing during the transition and implementation period, and especially from six (6) weeks prior to the commencement of new services, through the end of the fourth month after the commencement of new services, to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. The Contractor shall receive no additional compensation for increased staffing levels during the transition and implementation period. Staffing levels during the mobilization, transition and implementation period shall be subject to prior City review and approval.

#### 2.3.2.2.2 Service Recipient Complaints and Requests

The Contractor shall record action taken on all complaints and service requests, regardless of how received, including date, time, Customer's name and address (if the Customer is willing to give this information), method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Correspondences received without action taken will be logged specifically on the customer account and will subsequently only be available by specific request by the City. Any telephone calls received requiring action taken via the Contractor's non-office hours answering service shall be recorded in the log the following business day. The Contractor shall make a conscientious effort to resolve all complaints

within twenty-four (24) hours of the original call or e-mail, and service requests within the times established throughout this Contract for various service requests. If a longer response time is necessary for complaints or requests, the reason for the delay shall be noted in the log, along with a description of the Contractor's efforts to resolve the complaint or request.

The customer service log shall be available for inspection by the City, or its designated representatives, during the Contractor's office hours, and shall be in a format approved by the City. The Contractor shall provide a copy of this log in an electronic format to the City with the monthly report. The monthly report will include a rolling code description.

The Contractor shall provide sufficient field service/sales staff and route manager personnel to accurately set-up accounts and visit Customers at their service location as needed – for example during roll-out of service changes that impact multiple accounts, or during establishment of new Recycling or Compostables collection service changes. The Contractor's field service/sales staff shall be able to describe to Customers any related service procedures and Container or equipment needs, and be able to calculate any related rate impacts that would arise from implementing service change options. The Contractor's field service/sales staff shall also be responsible for completion of outreach and tracking specified in Section 2.3.5, including related required annual reporting.

#### 2.3.2.2.3 Handling of Customer Calls

All incoming telephone calls shall be answered promptly. Held calls shall be answered by a customer service representative with a (monthly) average speed of answer of forty (40) seconds or less. For calls placed in queue, no greater than (5) percent average shall abandon (ABA%) on a monthly basis. A summary of these discrete performance measures will be provided as part of required monthly reporting. A Customer shall be

able to talk directly with a customer service representative when calling the Contractor's Customer service telephone number during office hours. The Contractor shall provide multilingual support to non-English speaking Customers. An automated voice mail service or phone answering system may be used when the office is closed.

#### 2.3.2.2.4 Corrective Measures

Upon the receipt of Customer complaints in regards to busy signals or excessive delays in answering the telephone, the City may request and the Contractor shall submit a plan to the City for correcting the problem. Once the City has approved the plan, the Contractor shall have thirty (30) days to implement the corrective measures, except during the transition and implementation period, during which time the Contractor shall have one (1) week to implement corrective measures. Corrective measures shall be implemented without additional compensation to the Contractor. Failure to provide corrective measures shall be subject to performance fees.

#### 2.3.2.2.5 Internet Website

The Contractor shall provide a Customer-friendly Internet website accessible twenty-four (24) hours a day, seven (7) days a week, containing information specific to the City's collection programs, including at a minimum, contact information, collection schedules, material preparation requirements, available services and options, rates, inclement weather service changes and other relevant service information for its Customers. The website shall include an email function for Customer communication with the Contractor, and the ability for Customers to submit service requests on-line. E-mailed Customer service requests shall be answered the next business day after receipt. The website shall offer Customers the option to pay their service bills on-line through a secured bill payment system. Website content and design shall be submitted for City approval a minimum of three (3) days prior to planned roll-out of website

changes, and website content and design shall continue to be subject to the City's approval throughout the term of this Contract. The Contractor shall update the website monthly, and more often if necessary, and provide links to the City's website. The website shall include contact information translated into Spanish. The Contractor's website shall minimize "pop-up" windows, and not include adware or spyware.

#### 2.3.2.2.6 Full Knowledge of Programs Required

The Contractor's customer service representatives shall be fully knowledgeable of all collection services available to City Customers, including the various services available to Single-Family Residence, Multi-Family Complex and Commercial Customers. For new Customers, customer service representatives shall explain all Garbage, recycling, Compostables and Food Scrap collection options available depending on the sector the Customer is calling from. For existing Customers, the representatives shall explain new services and options, and resolve recycling issues, collection concerns, missed pickups, Container deliveries, and other Customer concerns. Customer service representatives shall be trained to inform Customers of all recycling, Compostables and Food Scrap preparation specifications. Policy questions resolvable by the City shall be immediately forwarded to the City for response. The Contractor's customer service representatives shall have instantaneous electronic access to customer service data and history to provide efficient and high-quality customer services.

#### 2.3.3 Contractor's Customer Billing Data Responsibilities

The Contractor shall be responsible for providing electronic customer billing data to the City in a format and on a schedule that is compatible with the City's billing system and procedures. The City bills its utility customers every two months. In order to manage the billing processes and cash flow, the City currently bills in six cycles (2, 3, 4, 5, 6, 8), subject to change by the City. Cycles 3, 6, 8 are billed every even month; Cycles 2, 4, 5 are billed every odd month. The Contractor shall supply information to the City sorted by the City's individual billing cycle. This format and

procedure may change during the term of the Contract and any such changes by the City shall be accommodated by the Contractor at its sole cost.

The Contractor shall be required to have procedures in place to minimize the potential for the loss or damage of the account servicing (customer service, service levels, and billing history) database. The Contractor shall ensure that a daily backup of the account servicing database is made and stored off-site. The Contractor shall also provide the City with a copy of the full customer service database via e-mail on a monthly basis. The City shall have unlimited rights to use the customer service database to develop targeted educational programs, analyze service level shifts or rate impacts, or to provide information to successor contractors.

Upon five (5) working days written notice, the Contractor shall provide the City with a paper and/or electronic copy of the requested customer information and history, including, but not limited to, customer addresses, service levels and current account status.

#### 2.3.3.1 Single Family Residential Billing

The City will prepare and send out bills to its residential customers. The Contractor shall provide the City with billing information that will be downloaded as specified in subsections (A), (B), and (C) as follows:

##### A. Residential Variable Rates

Each month, the City shall generate from its billing system a summary report of the number of Residential accounts at each Single Family Residential service level, as listed Attachment C. By the 20<sup>th</sup> of each month, the City will submit this report to the Contractor. The Contractor shall use this report to generate a monthly bill to the City and to verify the number of accounts at each service level. The Contractor shall compare the Contractor's and City's residential service level counts each month. If there are discrepancies between the City's and Contractor's records, the Contractor shall resolve these discrepancies with City Utility Billing staff within the billing period.

The Contractor shall work with the customer and the City regarding service disputes which affect billing and determine whether credits or adjustments are due to the City and forwarded to the customer. A report of all adjustments to customer accounts shall be submitted to the City on a monthly basis.

The Contractor shall submit on a monthly basis, a billing worksheet (electronic copy) to the City that shall include a listing of all City Single Family customers containing:

- Customer Name
- Service Address
- Contractor Reference Number
- City Reference Number
- Level of Service
- Contractor Cost
- City Cost
- Total Cost
- Number of “extra” Bags Collected in that Month.
- Number of CFL Bags Collected in that Month

#### B. Billing for “Extra” Garbage

The Contractor shall submit by the end of the day each Monday and at the end of each month, a text file of “extra” charges, both for extra bags of Garbage and extra bags of Compostable materials, recorded during the previous week and month. These weekly and monthly submittals must be sorted by the City’s billing cycles (currently six (6)), in individual files by cycle. The files shall include:

- Customer Name
- Service Address
- Level of Service
- Quantity of Extra Units of Garbage
- Quantity of Extra Units of Compostables
- Contractor Cost
- City Cost
- Total Cost
- Contractor Reference Number
- City Reference Number

#### C. Tracking and Communicating Customer Service Levels

The Contractor shall receive all customer service change information directly from existing customers, including receiving the customer’s request and logging the change. The Contractor shall submit by the end of the day each Monday, a text file of customer service changes recorded during the previous week and at the end of each month for changes recorded for the previous month. The City shall handle all *new* account set ups and will

communicate these to the Contractor similarly on a daily basis by service requests faxed to the Contractor.

The weekly service level change report must contain this information:

- City Reference Number
- Date Account Changed
- Account Number
- Customer Name
- Service Address
- Service Changed To
- Service Code
- Reason
- Description
- Billing Cycle

#### 2.3.3.2 Multifamily and Commercial Billing

The Contractor shall handle all multifamily and commercial billing requests including change of ownership (closing accounts, opening new accounts) and change of service levels. The Contractor shall accurately manage and communicate the multifamily and commercial customer service levels and billing information database for review by the City at any time. The Contractor shall submit a complete list of customers, their service address, and level of service in a monthly report to the City. Any changes from the previous month's report shall be highlighted on this report for easy retrieval.

Each account shall be assigned a city reference number. The Contractor shall ensure that all new accounts are assigned an appropriate City reference number and billing cycle by City billing staff and that this number is included in all relevant transactions.

Six (6) separate electronic text documents and one (1) hard copy document, all sorted by billing cycle (City reference number), shall be submitted to the City on a monthly basis. The number of files is subject to change based upon the number of billing cycles established. Information shall include:

- Business Customer Name
- Service Address
- City Reference Number
- Contractor reference number
- Level of Service



- Dates of Service
- Quantity
- Contractor Cost
- City Cost
- Total Cost

In addition to the above requirement, the contractor shall provide two (2) “exception” files to the City each month which list unidentified accounts (usually those with no City reference number) for (1) Multifamily and (2) Commercial Customers.

#### 2.3.4 Reporting

The Contractor shall provide monthly and annual reports to the City. In addition, the Contractor shall allow City staff access to pertinent operations information such as disposal facility certified weight slips and vehicle maintenance logs.

##### 2.3.4.1 Monthly Reports

On a monthly basis, by the 15th of each month, the Contractor shall provide a report containing information for the previous month. Reports shall be submitted in electronic format approved by the City and shall be certified to be accurate by the Contractor. At a minimum, reports shall include:

- (1) A log of complaints and resolutions for all collection services and sectors. At a minimum, the complaint log shall include Customer name and/or business name, Customer’s service address, contact telephone number, date of complaint, a description of the complaint, a description of how the complaint was resolved, the date of recovery/resolution and any additional driver’s notes or comments.
- (2) A tabulation of the number of single family, commercial and multi-family accounts by service level/Container size and service frequency.
- (3) A compilation of program participation statistics including: a summary of multi-family and commercial participation in recycling programs, set-out statistics for Residential Garbage, Compostables and Recyclables collection services, and log of bulky items.

- (4) A compilation of total monthly and year-to-date summaries of Garbage, Recyclables and Compostables quantities by collection sector.
- (5) A summary of Recyclables quantities by collection sector and by commodity, including processing residues disposed and market prices.
- (6) A summary of disposal or tipping facility locations and associated quantities for Garbage, Recyclables and Compostables as well as any changes in processing procedures, locations or tipping fees.
- (7) A description of any vehicle accidents infractions, or insurance claims against Contractor.
- (8) A description of any changes to collection routes, Containers, vehicles (including the identification of back-up vehicles not meeting contract standards with the truck number and date of use), customer service or other related activities affecting the provision of services; and
- (9) Call Center performance as outlined in Section 2.3.2.2.

If collection vehicles are used to service more than one Customer sector or jurisdiction, the Contractor shall develop an apportioning methodology that allows the accurate calculation and reporting of collection quantities. The apportioning methodology shall be subject to prior review and approval by the City and shall be periodically verified through field testing by the Contractor.

#### 2.3.4.2 Annual Reports

On an annual basis, by the last working day of January, the Contractor shall provide an electronic report containing the following information:

- (1) A consolidated summary and tabulation of the monthly reports, described above.
- (2) A discussion of highlights and other noteworthy experiences, along with measures taken to resolve problems, increase efficiency, and increase participation in Compostables and Recyclables collection programs.

- (3) A discussion of promotion and education efforts and accomplishments.
- (4) An inventory of current collection, delivery, spare and other major equipment, including make, model, year, and accumulated miles.
- (5) A list of multi-family and commercial recycling sites pursuant to Section 2.3.5.

#### 2.3.4.3 Ad Hoc Reports

The City may request from the Contractor up to six (6) ad-hoc reports each year, at no additional cost to the City. These reports may include customer service database tabulations to identify specific service level or participation patterns or other similar information. Reports shall be provided in the City-defined format and software compatibility. These reports shall not require the Contractor to expend more than one hundred (100) staff hours per year to complete.

If requested by the City, the Contractor shall provide daily route information for all service sectors and collection streams for the purpose of evaluating potential collection system changes during the term of the Contract. Information received by the City and in the Contractor's possession shall be subject to existing laws and regulations regarding disclosure, including the *Public Records Act*, Chapter 42.56 RCW, and shall also be subject to the provisions of Section 6.8 below.

#### 2.3.5 Promotion and Education

The City shall have primary responsibility for developing, designing and executing general waste reduction/recycling public education and outreach programs, with the assistance and cooperation of the Contractor. The Contractor shall have primary responsibility for providing service-oriented information and outreach to Customers and implementing on-going recycling promotion, at the direction of the City.

The Contractor shall maintain a complete list of all Multi-Family Complex sites within the City Service Area, and the status of each site's participation in Contractor-provided services. Upon City direction, the Contractor shall annually contact, by telephone or site visit, the manager or owner of each site to encourage participation and inform the manager or owner of all available services and ways to decrease Garbage generation. The City and the Contractor shall meet periodically to evaluate the effectiveness of the Multi-Family Complex education and outreach program. The City and the Contractor shall collaborate, as needed, to develop education and outreach

materials, strategies, and initiatives. Printed informational materials discussing waste prevention and recycling service options shall be prepared and distributed to support contact with Multi-Family Complex and Commercial Customer sites. This contact shall be coordinated with City and King County promotional efforts. The Contractor shall include with its annual report the list of Multi-Family Complex and Commercial Customer sites; Garbage, recycling and Compostables status; Container sizes, service frequency, and types; Customer contact dates and outcome of such contacts; and suggestions for increasing participation or other program improvements.

The Contractor shall keep the public informed of programs and encourage participation through an Annual Service Update. Each fall, the Contractor shall provide an Annual Service Update for each service sector, the format, content and timeframe of which shall be subject to prior review and approval by the City. The Annual Service Update shall be mailed to all Customers and, at a minimum, shall include an informational brochure indicating rates, all services available, preparation and other service requirements, contact information, inclement weather and other policies, a collection schedule calendar applicable to each recipient's routes and other useful Customer information.

The Contractor shall develop, print, periodically update and maintain sufficient quantities of new Customer information materials, the format and content of which shall be subject to prior review and approval by the City. Upon approval, materials shall be mailed or otherwise provided to every new Customer prior to the Customer's first billing and shall, at a minimum, include a statement of applicable rules and service policies, rates, services and preparation requirements, collection days in calendar format, Contractor customer service information and City contact information. Contractor's materials shall be TTY accessible and Contractor shall provide alternative language formats upon request.

The Contractor shall permit the City to insert, at no charge, single-sheet information bulletins into Customer bills. When the insert is beyond one page and increases Contractor cost, the City shall pay the incremental difference. The City and Contractor shall work cooperatively for timely inclusion of such materials.

#### 2.3.6 Field Monitoring

The City may periodically monitor collection system parameters such as participation, Container condition, Container weights, waste composition and Customer satisfaction. The Contractor shall assist the City by coordinating the Contractor's operations with the City's field monitoring to minimize inconvenience to Customers, the City and the Contractor.

### 2.3.7 Transition to Next Contractor

The Contractor shall be expected to work with the City and any successive contractor(s) in good faith to ensure a minimum of Customer disruption during the transition period. Container removal and replacement shall be coordinated between the Contractor and a successive contractor to occur simultaneously in order to minimize Customer inconvenience.

## 3. COMPENSATION

### 3.2 Compensation to the Contractor

The Contractor shall be paid monthly, by the fifteenth (15th) of the following month based on the verifiable Contractor collection records provided that month for Multi-Family and Commercial Customers and any extra charges and for Single-Family Residence Customers as outlined in Section 2.3.3.1(A) . These payments will comprise the entire compensation due to the Contractor for permanent collection services. The Contractor shall separately invoice and collect payment from customers for temporary Detachable Container and Drop-box Container services.

These charges provided in Attachment B, as such may be adjusted in accordance with this Contract, include the following components:

- a) The Contractor's Garbage collection fee for the particular service level
- b) A disposal fee component for the particular service level based on the container weights specified in the Contractor's proposal and listed in Attachment B. Actual certified load weight in tons multiplied by the King County tipping fee applicable to the Container contents multiplied by a factor of 1.15 shall be used for Drop-box Garbage Container services.
- c) Recycling collection charges for each sector (e.g. Single Family Residential, Multifamily Residential, and Commercial Customers)
- d) For Single Family rates only, Compostables collection costs
- e) The costs of Recycling Carts, Compostables Carts, Garbage Carts and Multifamily/Commercial Recycling Carts, and Detachable Containers used for Garbage or Commercial Recyclables, but not including Drop-boxes for which separate rental charges shall be assessed

Other ancillary services shall be charged at the rates shown in Attachment B, as such may be adjusted in accordance with this Contract.

City, County and State solid waste taxes shall be itemized separately and added to the charges listed in Attachment B, if applicable. The Contractor shall not charge

separately for Recyclables or Single Family Residential Yard Debris collection services, other than those beyond the limits set forth in this Contract.

Should the City initiate any program that bans materials (other than Yard Debris) or penalizes the customer for the composition of his waste stream, the rates shall be adjusted to make the effect on revenue neutral to the Contractor.

The Contractor shall be responsible for monitoring service level usage for all customers and subsequently billing the City based on that usage, in accordance with the fees provided in Attachment B, Contractor Charges. The City reserves the right to institute incentive rate structures for its customers independently of the fees paid to the Contractor for each service level.

The City is responsible for billing the Customer and assumes all collection risk and other bad debt. The City shall compensate the Contractor for the services actually performed by Contractor under this Contract, regardless whether the City obtains payment from the Customer.

### 3.3 Compensation Adjustments

#### 3.3.1 Annual Rate Adjustment

The Contractor's collection service charges, excluding waste disposal fees, for each level of service shall increase or decrease once every year by the percentage change in the Consumer Price Index CWURA423SAO for the Seattle-Tacoma-Bremerton Metropolitan Area for Urban Wage Earners and Clerical Workers, all items (Revised Series) (CPI-W 1982-1984) prepared by the United States Department of Labor, Bureau of Labor Statistics, or a replacement index (the "CPI Index").

Adjustments to the Contractor's collection service charge shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments.

Rates shall be adjusted annually, beginning January 1, 2012 (the "Adjustment Date"). The Contractor shall submit to the City for review and approval a Rate Adjustment Statement, calculating the new rates for the next year, by calculating the percentage change in the CPI Index for the most recent twelve (12) month period ending June prior to the Adjustment Date. The Contractor's calculations shall be provided to the City no later than 75 days prior to the Adjustment Date and the City shall have thirty (30) days to confirm the Contractor's rate modification calculations. On City approval, which shall not be unreasonably withheld or delayed, the new rates shall take effect on January 1st of that year.

#### 3.3.2 Disposal Fee Adjustments

Disposal Fee adjustments shall be made to Contractor collection rates to reflect increases or decreases in King County disposal fees for solid waste. In the event of a change in disposal fees, the disposal fee component of rates charged to Customers shall be adjusted, based on Container content weights specified in Attachment B of this Contract.

Specific examples of rate modifications due to Consumer Price Index and disposal fee changes are provided in Attachment C.

### 3.3.3 Changes in Recyclables or Compostables Processing Sites and Tipping Fees and Changes in Disposal Location

The Contractor assumes all risk for the processing and marketing of Recyclables and Compostables. If the Contractor is required by the City to use processing sites or markets other than those being used at the initiation of this Contract, the Contractor may submit a detailed proposal for a rate adjustment to reflect any additional costs or savings to the Contractor. The City and Contractor agree to negotiate in good faith any changes to the rates to offset these costs or savings.

If the County's Houghton Transfer Station becomes unavailable for more than one week and the Contractor is required to haul Garbage to an alternative County disposal location in excess of ten (10) miles from the intersection of NE 112<sup>th</sup> St and 108<sup>th</sup> Avenue NE, the Contractor shall be allowed additional compensation at the WUTC rate per mile per truck trip above the ten (10) mile limit. The amount of per mile compensation and the formula for how the compensation is applied (other than the ten (10) mile threshold) shall be applied in accordance with the then-current WUTC tariff for the Contractor's WM Sno-King WUTC tariff.

### 3.3.4 Other Modifications

The Contractor shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system. At the time of the City's decision to extend this Contract through invoking contract extension options, the Contractor can present a request for relief for any adverse market changes that have occurred during the previous period of the Contract. The City is under no obligation to give consideration for those adverse changes as a condition for invoking the contract extension option.

If new City, King County, Washington State or Federal taxes are imposed or the rates of existing taxes are changed after the execution date of this Contract, and the impact of these changes results in increased or decreased Contractor costs in excess of five thousand dollars (\$5,000) annually, the Contractor and City shall enter into good faith negotiations to determine whether compensation adjustments are appropriate and if so, to determine

the amount and the method of adjustment. Any adjustment in Contractor charges will coincide with the annual rate adjustment process described in this Section 3.3.

3.4 Change in Law

Changes in federal, state or local laws or regulations or a continuing Force Majeure event that results in a detrimental change in circumstances or a material hardship for the Contractor in performing this Contract may be the subject of a request by the Contractor for a rate adjustment, subject to review and approval by the City, at the City’s reasonable discretion. If the City requires review of the Contractor’s financial or other proprietary information in conducting its rate review, at the request of the Contractor, the City shall retain a third-party to review such information at the Contractor’s expense, and may take any other steps it deems appropriate to protect the confidential nature of the Contractor’s documents and preserve the Contractor’s ongoing ability to remain competitive.

4. FAILURE TO PERFORM, REMEDIES, TERMINATION

The City expects high levels of Customer service and collection service provision. Performance failures shall be discouraged, to the extent possible, through automatic and performance fees for certain infractions and through Contract default for more serious lapses in service provision. Section 4.1 details infractions subject to automatic or performance fees, and Section 4.2 details default provisions and procedures.

4.2 Performance Fees

The Contractor may be subject to performance fees for the following acts or omissions if documented in an incident report presented by the City to the Contractor. The City reserves the right to make periodic, unscheduled inspection visits or use other means to determine the Contractor’s compliance with the Contract. Deductions for misses will not be applied for collections prevented by weather or holiday rescheduling or collections missed due to labor disruptions during the first week of the disruption. Performance fees are as follows:

ACTION OR OMISSION	AMOUNT
Collection before or after the times specified in Section 2.1.4, except as expressly permitted by the City.	Two Hundred Fifty Dollars (\$250) per truck route (each truck on each route is a separate incident).
Repetition of complaints on a route after notification, including, but not limited to, failure to replace Containers in designated locations, spilling, not closing gates, not replacing lids, use of profanity, creation of	Twenty-Five dollars (\$25) per incident, not to exceed thirty (30) complaints per truck per day.



ACTION OR OMISSION	AMOUNT
excessive noise, collection of Commercial Containers outside hours specified herein for Residential areas, crossing or driving over planted areas, observed reckless driving, or similar violations.	
Failure to collect spilled materials.	Twice the cost of cleanup to the City or King County, plus Five Hundred Dollars (\$500) per incident.
Failure to maintain placards on service vehicles as required by Section 2.1.14	Two Hundred Fifty Dollars (\$250) per vehicle, per day.
Curable Leakage from Contractor vehicles or vehicle contents, observed by the City, its agents or photographed by Customers.	Two Hundred Fifty Dollars (\$250) per vehicle, per day, plus clean up costs.
Failure to collect missed materials within one (1) business day after notification.	One Hundred Dollars (\$100) per incident to a maximum of Five Hundred Dollars (\$500) per truck per day on Single-Family Residence routes and no maximum for Multi-Family Complex and Commercial Customer routes.
Missed collection of entire block segment of Single-Family Residences (excluding collections prevented by inclement weather).	One Hundred Fifty Dollars (\$150) per block segment if collection is performed the following day; Five Hundred Dollars (\$500) if not collected by the following day.
Collection as Garbage or disposal as Garbage of Source-Separated Recyclables or Compostables in clearly identified Containers, bags or boxes.	One Hundred Dollars (\$100) per incident, up to a maximum of One Thousand Dollars (\$1,000) per truck, per day.
Collection of Garbage containing visible quantities of Yard Debris.	Twenty-Five Dollars (\$25) per incident.
Rejection of Garbage, Recyclables or Yard Debris without providing documentation to the Customer of the reason for rejection.	Twenty-Five Dollars (\$25) per incident.
Failure to deliver Detachable Containers to	Fifty Dollars (\$50) per Container per day.

ACTION OR OMISSION	AMOUNT
new Commercial Customers within three (3) business days.	
Failure to deliver carts, Detachable Containers, or Drop-Box Containers within three (3) business days of request to Multi-Family Complex or Commercial Customers.	Fifty Dollars (\$50) per Container per day.
Failure to deliver Garbage, Recycling or Compostables Carts within seven (7) days of request to Single-Family Residence Customers.	Fifteen Dollars (\$15) per Container per day.
Delivery or use of incorrectly labeled or colored Container	Twenty-five Dollars (\$25) per Container per day.
Substantial misrepresentation by Contractor in records or reporting.	Five Thousand Dollars (\$5,000) per incident.
Failure to provide required reports on time.	Two Hundred Fifty Dollars (\$250) per incident.
Failure to maintain clean and sanitary Containers, vehicles, and facilities.	Fifty Dollars (\$50) per incident, up to maximum of One Thousand Dollars (\$1,000) per inspection.
Landfilling or incineration of Recyclables or Compostables in violation of Section 2.1.11 without the express written permission of the City.	One Thousand Dollars (\$1,000) per vehicle, per incident.
Failure to meet recycling processing performance requirements of Section 2.1.11.	One Thousand Dollars (\$1,000) per month, for any occurrence during that month.
Failure to meet Average Speed of Answer and Abandon % performance customer service requirements. These are based on monthly averages and monthly occurrences.	Two Hundred Fifty Dollars (\$250) per incident.
Failure to include instructional/promotional materials when Garbage, Recycling and/or Compostables Carts are delivered.	Fifty Dollars (\$50) per incident.

The parties acknowledge the difficulty in anticipating actual damages to remedy the damage. The parties further agree that the performance fees listed in this Section represent a reasonable estimate of the loss likely to result from the remedy for the damage.

Nothing in this Section shall be construed as providing an exclusive list of the acts or omissions of the Contractor that shall be considered violations or breaches of the Contract and, except for those listed breaches set forth above, the City reserves the right to exercise any and all remedies it may have with respect to these and other violations and breaches. The performance fees schedule set forth here shall not affect the City's ability to terminate this Contract as described in Section 4.2.

Performance fees, if assessed during a given month, shall be deducted from City payments to the Contractor. Performance fees may be levied only if documented in an incident report presented by the City to the Contractor. Performance fees shall only be assessed after the Contractor has been given the opportunity, but has failed to rectify the deficiencies of which it has been notified.

Any performance fees imposed under this Section may be appealed by the Contractor to the City. The Contractor shall be allowed to present evidence as to why the amount of performance fees should be lessened or eliminated. The decision of the City shall be final.

#### 4.3 Contract Default

The Contractor shall be in default of this Contract if it violates any provision of this Contract. In addition, the City reserves the right to declare the Contractor to be in default in the event of any violation, which shall include, but not be limited to, the following:

- (1) The Contractor fails to commence the collection of Garbage, Recyclables or Compostables, or fails to provide any portion of service under the Contract on July 1, 2011 or for a period of more than five (5) consecutive days at any time during the term of this Contract.
- (2) The Contractor fails to obtain and maintain any permit required by the City, King County, or any federal, state or other regulatory body in order to collect materials under this Contract.
- (3) The Contractor's noncompliance creates a hazard to public health or safety.
- (4) The Contractor repeatedly or persistently acts or fails to act in a manner that is subject to performance fees in excess of twenty-five thousand dollars (\$25,000.00) during any consecutive twelve (12) month period.
- (5) The Contractor fails to maintain, in good standing, surety and insurance required by this Contract.

The City reserves the right to pursue any remedy available at law for any default by the Contractor. In the event of default, the City shall give the Contractor ten (10) days prior written notice of its intent to exercise its rights, stating the reasons for such action. However, if an emergency shall arise that does not allow ten (10) days prior written notice, the City shall immediately notify the Contractor of its intent to exercise its rights immediately. If the Contractor cures the stated reason within the stated period, or initiates efforts satisfactory to the City to remedy the stated reason and the efforts continue in good faith, the City may opt to not exercise its rights for the particular incident. If the Contractor fails to cure the stated reason within the stated period, or does not undertake efforts satisfactory to the City to remedy the stated reason, then the City may at its option terminate this Contract.

If the Contractor abandons or violates any portion of this Contract, fails to fully and promptly comply with all its obligations, or fails to give any reason satisfactory to the City for noncompliance, and fails to correct the same, the City, after the initial ten (10) days notice, may declare the Contractor to be in default of this Contract and notify the Contractor of the termination of this Contract. A copy of said notice shall be sent to the Contractor and surety on its performance bond.

Upon receipt of such notice, the Contractor agrees that it shall promptly discontinue the services provided under this Contract. The surety may, at its option, within ten (10) days from such written notice, assume the services provided under this Contract that the City has ordered discontinued and proceed to perform same, at its sole cost and expense, in compliance with the terms and conditions of the Contract, and all documents incorporated herein. Pending consideration by the surety of said option to assume the services provided under this Contract, the City may employ such work force and equipment as it may deem advisable to continue the services provided under this Contract. The cost of all labor, equipment and materials necessary for such services provided under this Contract shall be paid by the Contractor in full.

In the event that the surety fails to exercise its option within the ten (10) day period, the City may complete the services provided under this Contract or any part thereof, either through its own work force or by contract, and to procure other vehicles, equipment and facilities necessary for the completion of the same, and to charge the same to the Contractor and/or surety, together with all reasonable costs incidental thereto.

The City shall be entitled to recover from the Contractor and its surety as damages all expenses incurred, including reasonable attorney's fees, together with all such additional sums as may be necessary to complete the services provided under this Contract, together with any further damages sustained or to be sustained by the City.

If City employees provide Garbage, Compostables and/or Recyclables collection, the actual incremental costs of City labor, overhead and administration shall serve as the basis for a charge to the Contractor.

#### 4.4 Availability of Collection Vehicles

All vehicles, Facilities, equipment and property used by the Contractor shall be listed in an inventory supplied to the City and updated annually (“Contractor’s Inventory”). Unless an approved replacement or substitute is provided, all vehicles, Facilities, equipment and property identified in the Contractor’s Inventory for use in the performance of this Contract shall be available for the City’s use in the case of default in collecting Solid Waste, Recyclables and Compostables in the City for the duration of this Contract; when provided, this Section applies to any replacement or substitute. Rent for the City’s use of Contractor’s Inventory shall be negotiated between the parties based upon the historical cost of the inventory less any accumulated depreciation. Disputes shall be resolved in accordance with this Contract.

## 5. NOTICES

All notices required or contemplated by this Contract shall be personally served or mailed (postage prepaid and return receipt requested), addressed to the parties as follows:

To City:                   Public Works Director  
                                  City of Kirkland  
                                  123 Fifth Avenue  
                                  Kirkland, WA 98033

To Contractor:       Municipal Contracts Manager  
                                  Waste Management of Washington Inc.  
                                  801 2<sup>nd</sup> Avenue, Suite 614  
                                  Seattle, WA 98104

## 6. GENERAL TERMS

### 6.2 Collection Right

The Contractor shall be the exclusive provider with which the City shall contract to collect Garbage, Compostables and Recyclables and construction/demolition materials placed in Contractor-owned Containers and set out in the regular collection locations within the City Service Area. When asked by the Contractor, the City shall make a good faith effort to protect this right of the Contractor; however, the City shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce its rights under this Contract against third party violators, including but not limited to seeking injunctive relief, and the City shall use good faith efforts to cooperate in such enforcement actions brought by Contractor (without obligating the City to join any such litigation). Such efforts may include but not be limited to cease and desist letters, assistance with documenting violations and other activities as City staff time allows.

This contract provision will not apply to: Garbage, Recyclables or Compostables self-hauled by the generator in accordance with Kirkland Municipal Code 16.08.30; Source-Separated Recyclables hauled by common or private carriers (including drop-off recycling sites) from Commercial premises that contain at least ninety percent

(90%) recyclable materials; construction/demolition waste hauled by self-haulers or construction contractors in the normal course of their business; Garbage, Recyclables or Compostables handled by retailers or maintenance services who provide ancillary services unrelated to Curb collection services (e.g. carpet installers, furniture delivery/pick-up, site clean-up services which include loading/sweeping, etc.); Compostables generated and hauled by private landscaping services; or Compostables hauled by common or private carriers from Commercial premises that contain at least ninety percent (90%) Compostable materials.

The Contractor shall retain responsibility for Garbage, Recyclables, construction/demolition materials and Compostables once these materials are placed in Contractor-owned Containers and the Contractor shall have no responsibility for these materials prior to the time they are placed in Contractor-owned Containers. The Contractor shall retain revenues it gains from the sale of Recyclables, construction/demolition materials or Compostables. Likewise, a tipping or acceptance fee charged for Recyclables, construction/demolition materials or Compostables shall be the financial responsibility of the Contractor.

The City shall work with the Contractor, other haulers and processors, and other regional governments to develop a reasonable definition of what constitutes legitimate construction/ demolition recycling for the purposes of interpreting collection authorities. Once a reasonable recycling threshold or “test” is developed with King County, the City and Contractor shall negotiate and amend this Agreement accordingly.

### 6.3 Access to Records

The Contractor shall maintain in its local office full and complete operations, Customer, financial and service records that at any reasonable time shall be open for inspection and copying for any reasonable purpose by the City. In addition, the Contractor shall, during the Contract term, and at least five (5) years thereafter, maintain in an office in Washington State reporting records and billing records pertaining to the Contract that are prepared in accordance with Generally Accepted Accounting Principles, reflecting the Contractor’s services provided under this Contract. Those Contractor’s accounts shall include but shall not be limited to all records, invoices and payments under the Contract, as adjusted for additional and deleted services provided under this Contract. The City shall be allowed access to these records for audit and review purposes.

The Contractor shall make available copies of certified weight slips for Garbage, Recyclables and Compostables on request within two (2) business days of the request. The weight slips may be requested for any period during the term of this Contract.

The Contractor shall allow the City to interview any person and to review any evidence in the Contractor’s possession or control that may assist the City in determining whether and by what amount: (1) the Contractor is entitled to reimbursement or increased rates under the contract; (2) the City is entitled to a

reduction in rates under the contract; or (3) the Contractor is in compliance with the contract.

#### 6.4 Contractor to Make Examinations

The Contractor has made its own examination, investigation and research regarding proper methods of providing the services required under this Contract, and all conditions affecting the services to be provided under this Contract, and the labor, equipment and materials needed thereon, and the quantity of the work to be performed as set forth by the Contract. The Contractor agrees that it has satisfied itself based on its own investigation and research regarding all of such conditions, that its conclusion to enter into this Contract is based upon such investigation and research, and that it shall make no claim against the City because of any of the estimates, statements or interpretations made by any officer or agent of the City that may be erroneous.

With the exception of Force Majeure events or as otherwise provided in this Contract, the Contractor assumes the risk of all conditions foreseen and unforeseen, and agrees to continue to provide services under this Contract without additional compensation under whatever circumstances may develop other than as provided herein.

#### 6.5 Insurance

The Contractor shall procure and maintain, for the duration of the Contract, insurance against claims for injuries to persons or damage to property that may arise from or in connection with the performance of the services provided under this Contract hereunder by the Contractor, their agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Contractor. Failure to make insurance payments and to keep policies current shall be cause for contract default in accordance with Section 4.2.

No Limitation. Contractor's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

##### 6.5.1 Minimum Scope of Insurance

Contractor shall obtain insurance that meets or exceeds the following of the types described below:

- (1) Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. The policy shall be endorsed to provide contractual liability coverage. The City shall be named as an additional insured under the Contractor's Automobile Liability insurance policy with respect to the work performed for the City, using ISO additional

insured endorsement CG 20 48 02 99 or a substitute endorsement providing equivalent coverage.

- (2) Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate per Project Endorsement ISO form CG 25 03 11 85. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City, using ISO additional insured endorsement CG 20 10 11 85 or a substitute endorsement providing equivalent coverage.
- (3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
- (4) Contractor's Pollution Liability Pollution Legal Liability insurance covering losses caused by pollution conditions that arise from the operations of the Contractor.
- (5) Hazardous Waste Hauling. To the Automobile Liability Minimum Scope of Insurance, add Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability-Broadened Coverage for Covered Autos Endorsement CA 99 48 and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

#### 6.5.2 Minimum Amounts of Insurance

Contractor shall maintain the following insurance limits:

- (1) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$5,000,000 per accident.
- (2) Commercial General Liability insurance shall be written with limits no less than \$5,000,000 each occurrence, \$5,000,000 general aggregate and a \$2,000,000 products-completed operations aggregate limit.
- (3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.



- (4) Contractor's Pollution Liability The Pollution Legal Liability insurance shall be written in an amount of at least \$3,000,000 per loss, with an annual aggregate of at least \$3,000,000. Coverage may be written on a claims-made basis.

#### 6.5.3 Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. In the event the deductibles or self-insured retentions are not acceptable to the City, the City reserves the right to negotiate with the Contractor for changes in coverage deductibles or self-insured retentions; or alternatively, require the Contractor to provide evidence of other security guaranteeing payment of losses and related investigations, claim administration and defense expenses.

#### 6.5.4 Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Commercial General Liability, and Contractor's Pollution Liability coverage:

- (1) The Contractor's insurance coverage shall be the primary insurance with respect to the City, its officials, employees and volunteers. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Contractor's insurance and shall not contribute with it.
- (2) Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (3) The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

#### 6.5.5 Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VIII.

#### 6.5.6 Verification of Coverage

The Contractor shall furnish the City with original certificates including, but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor before commencement of the work.

6.5.7 Subcontractors

The Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor before commencement of the work. All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Contractor.

6.5.8 ACORD Form

The policy shall be endorsed to provide the following revised language at the bottom of the ACORD Form:

Replace: "Should any of the above described policies be canceled before the expiration date thereof, the issuing company shall endeavor to mail thirty (30) days written notice to the below named Certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company."

With the following: "Should any of the above described policies be canceled, lapse, or be reduced as to coverage before the expiration date thereof, the issuing company shall mail thirty (30) calendar days prior written notice to the below named Certificate holder and Additional Insured, the City of Kirkland, by certified mail."

6.6 Performance Bond

The Contractor shall provide and maintain at all times a valid Contractor's Performance and Payment Bond or bonds, letter of credit or other similar instrument acceptable to and approved in writing by the City in the amount of five hundred thousand dollars (\$500,000.00). The bond, letter of credit or other similar instrument shall be issued for a period of not less than one year, and the Contractor shall provide a new bond, letter of credit or similar instrument, and evidence satisfactory to the City of its renewability, no less than sixty (60) calendar days prior to the expiration of the bond, letter of credit or other similar instrument then in effect. The City shall have the right to call the bond, letter of credit or other similar instrument in full in the event its renewal is not confirmed prior to five (5) calendar days before its expiration. Failure to make bond payments and to keep the bond current shall be cause for contract default in accordance with Section 4.2.

6.7 Indemnification

6.7.1 Indemnify and Hold Harmless

The Contractor shall indemnify, hold harmless and defend the City, its elected officials, officers, employees, volunteers, agents and representatives, from and against any and all claims, actions, suits, liability,

loss, costs, expenses, and damages of any nature whatsoever, including costs and attorney's fees in defense thereof, or injuries, sickness or death to persons, or damage to property, which is caused by or arises out of the Contractor's exercise of duties, rights and privileges granted by the Contract, provided, however, that the Contractor's obligation to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from concurrent willful or negligent acts or actions of the Contractor and the City shall apply only to the extent of the Contractor's negligence.

#### 6.7.2 Notice to Contractor; Defense

In the event an action is brought against the City for which indemnity may be sought against the Contractor, the City shall promptly notify the Contractor in writing. The Contractor shall have the right to assume the investigation and defense, including the employment of counsel and the payment of all expenses. On demand of the City, the Contractor shall at its own cost and expense defend, and provide qualified attorneys acceptable to the City under service contracts acceptable to the City to defend, the City, its officers, employees, agents and servants against any claim in any way connected with the events described in Section 6.6.1. The City shall fully cooperate with the Contractor in its defense of the City, including consenting to all reasonable affirmative defenses and counterclaims asserted on behalf of the City. The City may employ separate counsel and participate in the investigation and defense, but the City shall pay the fees and costs of that counsel unless the Contractor has agreed otherwise. The Contractor shall control the defense of claims (including the assertion of counterclaims) against which it is providing indemnity under this Section, and if the City employs separate counsel the City shall assert all defenses and counterclaims reasonably available to it.

#### 6.7.3 Industrial Insurance Immunity Waiver

With respect to the obligations to hold harmless, indemnify and defend provided for herein, as they relate to claims against the City, its elected officials, officers, employees, volunteers, agents and representatives, the Contractor agrees to waive the Contractor's immunity under industrial insurance, Title 51 RCW, for any injury, sickness or death suffered by the Contractor's employees that is caused by or arises out of the Contractor's negligent exercise of rights or privileges granted by the Contract. This waiver is mutually agreed to by the parties.

#### 6.8 Payment of Claims

The Contractor agrees and covenants to pay promptly as they become due all just claims for labor, supplies and materials purchased for or furnished to the Contractor in the execution of this contract. The Contractor shall also provide for the prompt and

efficient handling of all complaints and claims arising out of the operations of the Contractor under this contract.

## 6.9 Confidentiality of Information

Under Washington State law, the documents (including but not limited to written, printed, graphic, electronic, photographic or voice mail materials and/or transcriptions, recordings or reproductions thereof) prepared in performance of this Contract (the “documents”) are public record subject to mandatory disclosure upon request by any person, unless the documents are exempted from public disclosure by a specific provision of law.

If the City receives a request for inspection or copying of any such documents, it shall promptly notify the Contractor at the notice address set forth in Section 5 herein and upon the written request of the Contractor, received by the City within five (5) days of the mailing of such notice, shall postpone disclosure of the documents for a reasonable period of time as permitted by law to enable the Contractor to seek a court order prohibiting or conditioning the release of the documents. The City assumes no contractual obligation to enforce any exemption.

## 6.10 Assignment of Contract

### 6.10.1 Assignment or Pledge of Moneys by the Contractor

The Contractor shall not assign or pledge any of the moneys due under this Contract without securing the written approval of the surety on the performance bond and providing at least thirty (30) calendar days prior notice to the City of such assignment or pledge together with a copy of the surety's approval thereof. Such assignment or pledge, however, shall not release the Contractor or its sureties from any obligations or liabilities arising under or because of this Contract.

### 6.10.2 Assignment, Subcontracting, Delegation of Duties and Change in Control

The Contractor shall not assign or subcontract any of the work or delegate any of its duties under this Contract without the prior written approval of the City and submittal of proof of insurance coverage.

When requested, approval by the City of a subcontract or assignment shall not be unreasonably withheld. In the event of an assignment, subcontracting or delegation of duties, the Contractor shall remain responsible for the full and faithful performance of this Contract and the assignee, subcontractor, or other obligor shall also become responsible to the City for the satisfactory performance of the work assumed. The City may condition approval upon the delivery by the assignee, subcontractor or other obligor of its covenant to the City to fully and faithfully complete the work or responsibility undertaken.

In addition, the assignee, subcontractor or obligor shall sign a separate statement agreeing to abide by all terms and conditions of this Contract. The City may terminate this Contract if the assignee, subcontractor or obligor does not comply with this clause. Furthermore, the assignee, subcontractor or obligor shall be subject to a one (1) year evaluation period during which the City may terminate this Contract on the basis of any material breaches of the terms binding the Contractor.

For the purposes of this contract, any Change in Control of the Contractor shall be considered an assignment subject to the requirements of this section. Nothing herein shall preclude the City from executing a novation, allowing the new ownership to assume the rights and duties of the contract and releasing the previous ownership of all obligations and liability.

#### 6.11 Laws to Govern/Venue

This Contract shall be governed by the laws of the State of Washington both as to interpretation and performance. Venue shall be in Superior Court in the State of Washington for King County.

#### 6.12 Compliance With Law

The Contractor, its officers, employees, agents and subcontractors shall comply with applicable federal, state, county, regional or local laws, statutes, rules, regulations or ordinances, including those of agencies having jurisdiction over the subject matter of this Contract, in performing its obligations under the Contract. Such compliance shall include abiding by all applicable federal, state and local policies to ensure equal employment opportunity and non-discrimination. The Contractor shall comply with all applicable laws pertaining to employment practices, employee treatment and public contracts.

Conditions of the Federal Occupational Safety and Health Act of 1970 (OSHA), the Washington Industrial Safety and Health Act of 1973 (WISHA), and standards and regulations issued under these Acts from time-to-time must be complied with, including ergonomic and repetitive motion requirements. The Contractor must indemnify and hold harmless the City from all damages assessed for the Contractor's failure to comply with the Acts and Standards issued therein. The Contractor is also responsible for meeting all pertinent local, state and federal health and environmental regulations and standards applying to the operation of the collection and processing systems used in the performance of this Contract.

The Contractor is specifically directed to observe all weight-related laws and regulations in the performance of these services, including axle bridging and loading requirements.

#### 6.13 Non-Discrimination

The Contractor will not discriminate against any employee or applicant for

employment because of age, race, religion, creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, any required notices setting forth the provisions of this non-discrimination clause.

The Contractor understands and agrees that if it violates this non-discrimination provision, this Contract may be terminated by the City and further that the Contractor shall be barred from performing any services for the City now or in the future, unless a showing is made satisfactorily to the City that discriminatory practices have terminated and that recurrence of such action is unlikely.

#### 6.14 Permits and Licenses

The Contractor and subcontractors shall secure a City business license if required and pay fees and taxes levied by the City. The Contractor shall have or obtain all permits and licenses necessary to provide the services herein at its sole expense.

The Contractor shall be solely responsible for all taxes, fees and charges incurred, including, but not limited to, license fees and all federal, state, regional, county and local taxes and fees, including income taxes, property taxes, permit fees, operating fees, surcharges of any kind that apply to any and all persons, facilities, property, income, equipment, materials, supplies or activities related to the Contractor's activities under the Contract, business and occupation taxes, workers' compensation and unemployment benefits.

#### 6.15 Relationship of Parties

The City and the Contractor expressly agree that the full extent of the relationship between the Contractor and the City is that the Contractor is at all times an independent contractor of the City with respect to this Contract. The implementation of services shall lie solely with the Contractor. No agent, employee, servant or representative of the Contractor shall be deemed to be an employee, agent, servant or representative of the City.

#### 6.16 Contractor's Relationship with Customers

The Contractor shall not separately contract with Customers for any services covered under this contract. The Contractor is specifically allowed to negotiate separate agreements with Customers for compactor leasing, Commercial Compostables collection using Detachable Containers, Commercial Recycling in excess of the

thresholds set forth in this Contract, or other related services not included in this contract, provided that Customers are provided separate invoices for those services and that the Contractor makes it clear to Customers that those services are not provided under this City contract. These separate agreements must be in writing and shall in no way supersede this contract. These separate agreements cannot have durations any longer than the final date of this contract's term, if the City has the authority to regulate similar or identical services in the successor to this contract.

#### 6.17 Bankruptcy

It is agreed that if the Contractor is adjudged bankrupt, either voluntarily or involuntarily, then this Contract, at the option of the City, may be terminated effective on the day and at the time the bankruptcy petition is filed.

#### 6.18 Right to Renegotiate/Amendment

The City shall retain the right to renegotiate this Contract or negotiate contract amendments based on City policy changes, state statutory changes or rule changes in King County, Washington State or federal regulations regarding issues that materially modify the terms and conditions of the Contract. The City may also renegotiate this Contract should any Washington State, King County or City rate or fee associated with the Contract be held illegal or any increase thereof be rejected by voters. In addition, the Contractor agrees to renegotiate in good faith with the City in the event the City wishes to change disposal locations or add additional services to the Contract and to provide full disclosure of existing and proposed costs and operational impacts of any proposed changes.

This Contract may be amended, altered or modified only by a written amendment, alteration or modification, executed by authorized representatives of the City and the Contractor.

#### 6.19 Force Majeure

Provided that the requirements of this Section are met, Contractor shall not be deemed to be in default and shall not be liable for failure to perform under this Contract if Contractor's performance is prevented or delayed by acts of terrorism, acts of God including landslides, lightning, forest fires, storms, floods, freezing and earthquakes, civil disturbances, wars, blockades, public riots, explosions, unavailability of required materials or disposal restrictions, governmental restraint or other causes, whether of the kind enumerated or otherwise, that are not reasonably within the control of the Contractor ("Force Majeure"). If as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, it shall promptly give the City written notice of the Force Majeure event, describing it in reasonable detail. The Contractor's obligations under this Contract shall be suspended, but only with respect to the particular component of obligations affected by the Force Majeure event and only for the period during which the Force Majeure event exists.

6.20 Illegal Provisions/Severability

At the discretion of the City, if any provision of this Contract shall be declared illegal, void, or unenforceable, the other provisions shall not be affected, but shall remain in full force and effect.

6.21 Waiver

No waiver of any right or obligation of either party hereto shall be effective unless in writing, specifying such waiver, and executed by the party against whom such waiver is sought to be enforced. A waiver by either party of any of its rights under this Contract on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

6.22 Entirety

This Contract and the attachments attached hereto and incorporated herein by this reference, specifically Attachments A-C, represent the entire agreement of the City and the Contractor with respect to the services to be provided under this Contract. No prior written or oral statement or proposal shall alter any term or provision of this Contract except as provided herein.

WITNESS THE EXECUTION HEREOF on the day and year first herein above written.

WASTE MANAGEMENT OF  
WASHINGTON, INC.

CITY OF KIRKLAND

By: \_\_\_\_\_  
Dean Kattler, Vice President  
13225 NE 126<sup>th</sup> Place  
Kirkland, WA 98034

By: \_\_\_\_\_  
Kurt Triplett, City Manager  
123 5<sup>th</sup> Avenue  
Kirkland, WA 98033

ATTEST:

\_\_\_\_\_  
City Clerk, Kathi Anderson

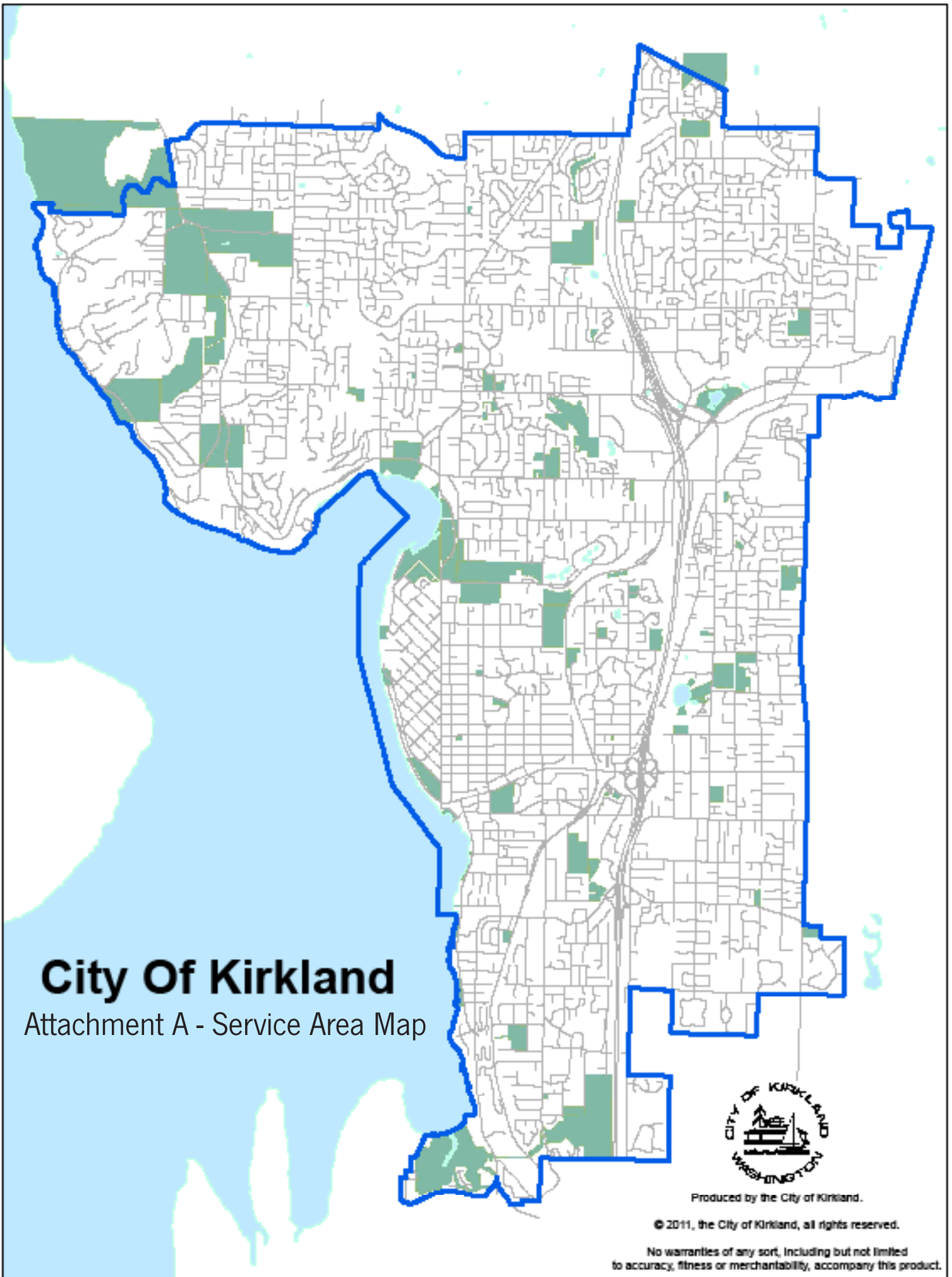
APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney, Robin Jenkinson



Attachments:

- A. Service Area Map
- B. Contractor Rates
- C. Rate Modification Examples



# City Of Kirkland

Attachment A - Service Area Map



Produced by the City of Kirkland.

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No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.

# Attachment B - Contract Initial Rates

SERVICE CLASS	Estimated # of Customers	Pounds Per Unit	(Monthly) Collection Fee	(Monthly) Disposal Fee	Total Service Fee
<b>Residential Services (including recycling and yard waste collection)</b>					
<b>Monthly Service</b>					
Monthly Service 35 Gal. Cart	396	21.25	\$ 5.66	\$ 1.01	\$ 6.67
<b>Weekly Service:</b>					
1 10 Gal. Mini-can	-	5.10	\$ 15.22	\$ 1.05	\$ 16.27
1 20 Gal. Mini-cart	1,314	10.20	\$ 16.36	\$ 2.10	\$ 18.46
1 35 Gal. Cart	8,834	17.00	\$ 17.59	\$ 3.50	\$ 21.09
1 64 Gal. Cart	7,438	20.15	\$ 21.76	\$ 4.15	\$ 25.91
1 96 Gal. Cart	2,579	30.23	\$ 23.77	\$ 6.22	\$ 29.99
1 32 gallon equivalent "extra"	446	12.75	\$ 4.39	\$ 0.61	\$ 5.00
<b>Extra Yard Debris Service:</b>					
Extra Yard Debris 32 gal. Can	300		\$ 3.30		\$ 4.55
Extra 96 Gal. YW Cart: rent+coll	123		\$ 7.53		\$ 12.11
<b>Miscellaneous Fees:</b>					
Return Trip					\$ 15.75
Drive-in Charge					\$ 7.14
Redelivery Fee (Carts)					\$ 21.48
Carry-out Surcharge (all service levels)					\$ 4.28
<b>On-Call Bulky Waste Collection:</b>					
Appliances (non-refrigerant)		150.00	\$ 51.17	\$ 7.13	\$ 58.30
Refrigerator/Freezer		250.00	\$ 49.48	\$ 11.88	\$ 61.36
Sofa		200.00	\$ 50.32	\$ 9.50	\$ 59.82
Chair		100.00	\$ 52.04	\$ 4.75	\$ 56.79
Mattress or Box Springs		100.00	\$ 52.04	\$ 4.75	\$ 56.79
Tires: Auto/Light Truck		20.00	\$ 27.73	\$ 0.95	\$ 28.68
Bus/Heavy Truck		70.00	\$ 32.53	\$ 3.33	\$ 35.86
Add'l for Rims or Wheels		15.00	\$ 20.80	\$ 0.71	\$ 21.51
Miscellaneous, per cubic yard		100.00	\$ 74.14	\$ 4.75	\$ 78.89
<b>Temporary Container Service:</b>					
Temp. 2 Yard Container		218.00	\$ 51.78	\$ 10.36	\$ 62.14
Daily Rent					\$ 1.41
Delivery Fee					\$ 54.42
Temp. 4 Yard Container		436.00	\$ 58.28	\$ 20.71	\$ 78.99
Daily Rent					\$ 1.76
Delivery Fee					\$ 54.42
Temp. 6 Yard Container		654.00	\$ 64.15	\$ 31.07	\$ 95.22
Daily Rent					\$ 2.13
Delivery Fee					\$ 54.42
Temp 100 yard Container		34,000.00	\$ 1,504.33	\$ 1,615.00	\$ 3,119.33
Daily Rent					

# Attachment B - Contract Initial Rates

SERVICE CLASS	# of Customers/ Containers	Pounds Per Unit	(Monthly) Collection Fee	(Monthly) Disposal Fee	Total Service Fee
<b>Commercial/Multifamily Cans &amp; Carts</b>					
<b>Weekly Service</b>					
1 20 Gal. Cart	9	10.20	\$ 11.97	\$ 2.10	\$ 14.07
1 35 Gal. Cart	581	17.00	\$ 14.20	\$ 3.50	\$ 17.70
1 64 Gal. Cart	258	20.15	\$ 17.35	\$ 4.15	\$ 21.50
1 96 Gal. Cart	385	30.23	\$ 19.44	\$ 6.22	\$ 25.66
"Extra" 32 Gal. Can/Bag ea.		12.75	\$ 3.30	\$ 0.61	\$ 3.91
<b>Miscellaneous Services (per event)</b>					
Return Trip					\$ 28.07
Carry-Out Service (per can)					\$ 3.13
Redelivery					\$ 39.51
Roll-Out Container					\$ 5.19
Unlock Container					\$ 1.77
Gate Opening					\$ 3.13
Steam Cleaning (per yd.)					\$ 18.71
<b>Comm./MF Uncompacted Containers</b>					
<b>1 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	87	86.53	\$ 59.16	\$ 17.81	\$ 76.97
2 Pickups/Week/Container	2	173.06	\$ 109.26	\$ 35.62	\$ 144.88
3 Pickups/Week/Container		259.59	\$ 159.38	\$ 53.43	\$ 212.81
4 Pickups/Week/Container		346.12	\$ 209.51	\$ 71.24	\$ 280.75
5 Pickups/Week/Container		432.65	\$ 259.62	\$ 89.05	\$ 348.67
6 Pickups/Week/Container		519.18	\$ 309.76	\$ 106.86	\$ 416.62
<b>1.5 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	47	129.80	\$ 64.65	\$ 26.72	\$ 91.37
2 Pickups/Week/Container	5	259.59	\$ 118.66	\$ 53.43	\$ 172.09
3 Pickups/Week/Container	1	389.39	\$ 172.66	\$ 80.15	\$ 252.81
4 Pickups/Week/Container		519.18	\$ 226.69	\$ 106.86	\$ 333.55
5 Pickups/Week/Container		648.98	\$ 280.69	\$ 133.58	\$ 414.27
6 Pickups/Week/Container		778.77	\$ 334.76	\$ 160.30	\$ 495.06
<b>2 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	170	173.06	\$ 69.41	\$ 35.62	\$ 105.03
2 Pickups/Week/Container	13	346.12	\$ 125.67	\$ 71.24	\$ 196.91
3 Pickups/Week/Container	12	519.18	\$ 181.92	\$ 106.86	\$ 288.78
4 Pickups/Week/Container		692.24	\$ 238.14	\$ 142.49	\$ 380.63
5 Pickups/Week/Container		865.30	\$ 294.41	\$ 178.11	\$ 472.52
6 Pickups/Week/Container		1,038.36	\$ 350.71	\$ 213.73	\$ 564.44
<b>3 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	190	259.59	\$ 75.79	\$ 53.43	\$ 129.22
2 Pickups/Week/Container	41	519.18	\$ 136.53	\$ 106.86	\$ 243.39
3 Pickups/Week/Container	11	778.77	\$ 197.23	\$ 160.30	\$ 357.53
4 Pickups/Week/Container		1,038.36	\$ 257.98	\$ 213.73	\$ 471.71
5 Pickups/Week/Container		1,297.95	\$ 318.69	\$ 267.16	\$ 585.85
6 Pickups/Week/Container	1	1,557.54	\$ 379.44	\$ 320.59	\$ 700.03
<b>4 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	208	346.12	\$ 82.82	\$ 71.24	\$ 154.06
2 Pickups/Week/Container	89	692.24	\$ 148.01	\$ 142.49	\$ 290.50
3 Pickups/Week/Container	19	1,038.36	\$ 213.22	\$ 213.73	\$ 426.95
4 Pickups/Week/Container	2	1,384.48	\$ 278.41	\$ 284.97	\$ 563.38
5 Pickups/Week/Container	4	1,730.60	\$ 343.61	\$ 356.21	\$ 699.82
6 Pickups/Week/Container	1	2,076.72	\$ 408.87	\$ 427.46	\$ 836.33
<b>6 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	132	519.18	\$ 95.02	\$ 106.86	\$ 201.88
2 Pickups/Week/Container	64	1,038.36	\$ 169.17	\$ 213.73	\$ 382.90
3 Pickups/Week/Container	5	1,557.54	\$ 243.31	\$ 320.59	\$ 563.90
4 Pickups/Week/Container	7	2,076.72	\$ 317.45	\$ 427.46	\$ 744.91
5 Pickups/Week/Container	-	2,595.90	\$ 391.60	\$ 534.32	\$ 925.92
6 Pickups/Week/Container	2	3,115.08	\$ 465.77	\$ 641.19	\$ 1,106.96

## Attachment B - Contract Initial Rates

SERVICE CLASS	# of Customers/ Containers	Pounds Per Unit	(Monthly) Collection Fee	(Monthly) Disposal Fee	Total Service Fee
<b>Comm./MF Uncompacted Containers</b>					
<b>8 Cu. Yd. Uncompacted</b>					
1 Pickup/Week/Container	84	692.24	\$ 106.38	\$ 142.49	\$ 248.87
2 Pickups/Week/Container	67	1,384.48	\$ 189.48	\$ 284.97	\$ 474.45
3 Pickups/Week/Container	24	2,076.72	\$ 272.57	\$ 427.46	\$ 700.03
4 Pickups/Week/Container	3	2,768.96	\$ 355.67	\$ 569.94	\$ 925.61
5 Pickups/Week/Container	5	3,461.20	\$ 438.75	\$ 712.43	\$ 1,151.18
6 Pickups/Week/Container		4,153.44	\$ 521.86	\$ 854.92	\$ 1,376.78
<b>Compacted Containers (weekly pulls)</b>					
1 Cu. Yd. Container		259.59	\$ 99.49	\$ 53.43	\$ 152.92
1.5 Cu. Yd. Container		389.39	\$ 119.10	\$ 80.15	\$ 199.25
2 Cu. Yd. Container	10	519.18	\$ 137.83	\$ 106.86	\$ 244.69
3 Cu. Yd. Container	5	778.77	\$ 171.36	\$ 160.30	\$ 331.66
4 Cu. Yd. Container	7	1,038.36	\$ 205.67	\$ 213.73	\$ 419.40
6 Cu. Yd. Container	9	1,557.54	\$ 519.44	\$ 320.59	\$ 840.03
<b>Extra Uncompacted Cubic Yard</b>					
		86.53	\$ 21.01	\$ 17.81	\$ 38.82
<b>Commercial/Multifamily Yard Debris</b>					
1 96 gallon cart, weekly collection		40.00	\$ 9.48		\$ 9.48
1 2 cubic yard container, weekly		160.00	\$ 72.61		\$ 72.61
1 extra cubic yard		80.00	\$ 22.62		\$ 22.62
Extra Yard Debris 32 gal. Can			\$ 3.34		\$ 3.34

SERVICE CLASS	# of Customers	# of Hauls/ Tons	Daily Rental	Monthly Container Rental	Charge per Haul
<b>Drop-box Collection</b>					
<b>Noncompacted Service</b>					
1 10 Cu. Yd. Container				\$ 40.80	\$ 128.23
1 15 Cu. Yd. Container				\$ 47.60	\$ 128.23
1 20 Cu. Yd. Container				\$ 61.21	\$ 128.23
1 25 Cu. Yd. Container				\$ 68.02	\$ 128.23
1 30 Cu. Yd. Container	25	600		\$ 74.82	\$ 128.23
1 40 Cu. Yd. Container				\$ 81.61	\$ 128.23
<b>Compacted Service</b>					
1 10 Cu. Yd. Container					\$ 141.89
1 15 Cu. Yd. Container					\$ 141.89
1 20 Cu. Yd. Container					\$ 141.89
1 25 Cu. Yd. Container					\$ 141.89
1 30 Cu. Yd. Container		950			\$ 141.89
1 40 Cu. Yd. Container					\$ 141.89
<b>Drop-box (Temp)</b>					
1 10 Cu. Yd. Container			\$ 1.59	\$ 47.60	\$ 135.05
1 15 Cu. Yd. Container			\$ 1.83	\$ 54.43	\$ 135.05
1 20 Cu. Yd. Container			\$ 2.09	\$ 62.58	\$ 135.05
1 25 Cu. Yd. Container			\$ 2.37	\$ 70.74	\$ 135.05
1 30 Cu. Yd. Container		130	\$ 2.60	\$ 77.53	\$ 135.05
1 40 Cu. Yd. Container			\$ 3.03	\$ 91.15	\$ 135.05
Delivery Fee - All Temporary Customers					\$ 98.57
					<b>Charge per Ton</b>
<b>Roll Off Disposal Fees (15% markup on King County Disposal Fees)</b>		5,127			\$ 109.25

# Attachment B - Contract Initial Rates

SERVICE CLASS		(Monthly) Collection Fee	(Monthly) Disposal Fee	Total Service Fee
<b>Additional Services</b>				
Additional Mileage Charge				
For Hauls to Other Sites				
Charge Per Mile		\$ 4.98		\$ 4.98
Return Trip		\$ 43.64		\$ 43.64
Solid Drop-box Lid Charge (per month)		\$ 43.64		\$ 43.64
Pressure Washing (per yd.)		\$ 9.97		\$ 9.97
Stand-By Time (per minute)		\$ 2.48		\$ 2.48
<b>Hourly Rates</b>				
Rear/Side Load Packer & Driver		\$ 130.94		\$ 130.94
Front Load Packer & Driver		\$ 130.94		\$ 130.94
Drop Box Truck & Driver		\$ 130.94		\$ 130.94
Additional Labor (per person)		\$ 62.36		\$ 62.36
<b>Multi-Family &amp; Commercial Organics Recycling</b>				
<b>Semi-Weekly Service</b>				
1 - 64 Gallon Cart (includes biodegradable liners)		\$ 45.49		\$ 45.49
2 - 64 Gallon Carts (includes biodegradable liners)		\$ 77.80		\$ 77.80
1 - 96 Gallon Cart (includes biodegradable liners)		\$ 53.37		\$ 53.37
Cart replacement, exchange or cleaning, per cart		\$ 11.30		\$ 11.30
<b>Weekly Service</b>				
1 - 64 Gallon Cart (includes biodegradable liners)		\$ 24.32		\$ 24.32
2 - 64 Gallon Carts (includes biodegradable liners)		\$ 40.71		\$ 40.71
1 - 96 Gallon Cart (includes biodegradable liners)		\$ 27.94		\$ 27.94

## Attachment C

### Rate Modification Examples

The collection and disposal components of the Customer charges listed in Attachment B will be adjusted separately, as appropriate. The collection component of Customer charges will be adjusted annually, pursuant to this Section and as described below. The disposal component of the Customer charges listed in Attachment B will be adjusted only if the City receives notification from the County of a pending disposal fee adjustment, and will not become effective until the new disposal charges become effective and are actually charged to the Contractor. Formulas for both collection and disposal rate adjustments are provided as follows:

#### Collection Component Adjustment

The collection component listed in Attachment B will be increased or decreased by the amount of the CPI change:

$$NCC = PCC \times 1 + \frac{nCPI - oCPI}{oCPI}$$

- Where
- NCC = The new collection charge component of the customer rate for a particular service level; and
  - PCC = The previous collection charge component of the Customer rate for a particular service level; and
  - nCPI = The most recent June CPI value; and
  - oCPI = The CPI value used for the previous rate adjustment or, in the case of the first contract adjustment, the CPI value reported at the end of June 2010.

#### Disposal Component Adjustment

In the case of a disposal fee modification at County disposal facilities, the disposal component of each service level will be adjusted as follows:

**Step 1:**

$$A = ODC \times \frac{NTF}{OTF}$$

**Step 2:**

$$NDC = A + [(A - ODC) \times CETR]$$

- Where
- NDC = The new disposal charge component of the customer rate for a particular service level; and

- NTF = The new disposal fee, dollars per ton; and
- ODC = The old disposal charge component of the customer rate for a particular service level;
- OTF = The old disposal fee, dollars per ton; and
- A = Pre-excise tax adjusted disposal component; and
- CETR = Current excise tax rate (the current State excise tax rate; 0.018 used for this example).

For example, using the initial one 35-gallon cart rate of \$21.09 per month: if the previous CPI is 143.2, the new CPI is 144.3 and the disposal fee will increase from \$95 to \$105 per ton starting on January 1, 2012, the old disposal component is \$3.50, and the State Excise Tax rate is 0.018, the January 1, 2012 Customer charge for one 35-gallon cart per week Residential Curbside service would be:

$$\text{New Collection Component} = \$17.59 \times \left[ 1 + \frac{(144.3-143.2)}{(143.2)} \right] = \$17.73$$

$$\text{New Disposal Component} = [\$3.50 \times (105/95)] \text{ plus excise tax adjustment of } \$0.01 = \$3.88$$

Thus, the new Customer charge for one 35-gallon cart per week Residential Curbside service will be \$17.73 plus \$3.88, equaling \$21.61.