

CITY OF LEAGUE CITY
COMMERCIAL AND RESIDENTIAL
SOLID WASTE AND RECYCLING AGREEMENT

This Agreement is made and entered into as of October 26 2012, by and between the City of League City, Texas, a municipal corporation located principally in Galveston County; Texas ("CITY"), and BFI Waste Services of Texas, LP (dba Republic Services) with an effective date of February 1, 2013.

Section 1.
Definitions of Terms

Whenever in this Agreement the following terms are used, they shall be defined as follows:

Assistant City Manager ("ACM"). The City's Assistant City Manager or a person authorized to act for the ACM.

Bulky Waste. Solid Waste not easily containerized in a Cart such as, but not limited to appliances, furniture, and other Solid Waste. Bulky Waste shall not include Excluded Waste.

Bulky Waste Services. Collection of Bulky Waste and Disposal of Bulky Waste at a Disposal Site or Recycling of Bulky Waste at a Recycling Facility.

Bundle. Yard Trimmings securely tied together forming an easily handled package not exceeding five feet in length or 50 lbs. in weight.

Cart. A receptacle, equipped with wheels and a bar, with a capacity of approximately thirty-two (32), sixty-four (64), or ninety-six (96) gallons, designed to be mechanically dumped into a loader-packer type truck via a fully-automated truck arm or semi-automated truck tipper, purchased with a minimum ten (10) year manufacturer's warranty and approved in advance by the ACM.

City. Shall mean the City of League City, Texas, a home-rule municipal corporation of the State of Texas.

City Council. The governing body of the City.

City Event. An event designated by the City Staff to receive City Services. The City Staff has the sole authority to add or eliminate City Events.

City Facility. A City owned or operated facility. The City Staff has the sole authority to add or eliminate City Facilities to receive City Services.

Collect or Collection. The act of removing Solid Waste for transport to a Disposal Site, removing Recyclable Materials for transport to a Recycling Facility, removing Yard Trimmings for transport to a Yard Trimmings Facility, and removing Bulky Waste for transport to a Disposal Site or Recycling Facility.

Commercial and Industrial Refuse. All Bulky Waste, Construction Debris, Garbage and Rubbish generated by a Producer at a Large Commercial and Industrial Unit.

Commercial and Industrial Unit. All premises, locations or entities, public or private, requiring refuse collection within the corporate limits of the City that are not classified as a residential unit, Municipality or Light Commercial Unit.

Compactor. A compaction mechanism, whether stationary or mobile, designed to attach to a Roll-off.

Commercial Revenues. All revenues generated from this Agreement, excluding those generated in Section A, Exhibit B (Residential).

Contractor. Shall mean the person, corporation, or partnership performing solid waste collection and disposal along with recycling collection and processing.

Construction Debris. Shall mean waste building materials resulting from construction, remodeling, repair, or demolition operations, typically collected in roll-off bins without lids and which are typically disposed of at Type IV landfills.

Curbside. The location within three (3) feet of the curb of the street abutting such property that provides primary access to the Service Unit as designated by the City Staff unless such placement interferes with or endangers movement of vehicles and pedestrians.

Customer(s). An occupant of a Residential Unit or a Non-Residential Unit in the Contract Area, and that has a City utility account that is billed for Garbage service on a monthly basis.

Dead Animal. Animal or part of an animal equal to or greater than ten (10) pounds in weight that has expired from any cause except those slaughtered or killed for human use.

Disposal. In accordance with 30 Texas Administrative Code § 330.3, defined as "The discharge, deposit, injection, dumping, spilling, leaking, or placing of any solid waste or hazardous waste (whether containerized or uncontainerized) into or on any land or water so that such solid waste or hazardous waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including groundwater".

Disposal Site or Facility. All contiguous land, structures, other appurtenances, and improvements on the land that is licensed and permitted, as required by all governmental bodies having jurisdiction, for disposing of Solid Waste. A Disposal Site may be publicly or privately owned and may consist of several Disposal operational units.

Dumpster. A watertight receptacle, with a capacity of approximately two (2) cubic yards up to approximately ten (10) cubic yards, equipped with tight-fitting lid and designed to be mechanically dumped into a loader-packer type truck.

Excluded Waste. Includes but not limited to Hazardous Waste, tires, petroleum and petroleum products, natural gas and natural gas products, asbestos, lead and polychlorinated biphenyls, and any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, bi-hazardous or toxic waste, as defined by applicable federal, state or local laws or regulations.

Garbage. In accordance with 30 Texas Administrative Code § 330.3, defined as “Solid waste consisting of putrescible animal and vegetable waste materials resulting from the handling, preparation, cooking, and consumption of food, including waste materials from markets, storage facilities, handling, and sale of produce and other food products.”

Green Waste. Grass, leaves, tree trimmings, branches and other items derived from plants. This does not include tree trunks or root balls.

Hazardous Waste. In accordance with 30 Texas Administrative Code § 330.3, defined as “Any solid waste identified or listed as a Hazardous Waste by the administrator of the United States Environmental Protection Agency under the federal Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, 42 United States Code, §§6901 *et seq.*, as amended.”

Heavy Trash, refuse that is of such size and weight that it cannot be placed in a thirty-two (32) gallon container, or if it can be placed into a thirty-three (32) gallon container, its weight exceeds fifty (50) pounds. Heavy trash shall not include items or materials which cannot be safely lifted and placed upon a truck by two (2) people. Heavy trash shall include tree limbs less than five feet (5') in length and loose lumber less than six feet (6') in length provided the aggregate weight of such tree limbs and/or lumber does not exceed three hundred (300) pounds.

Light Commercial Unit. A commercial unit generating not more than seven (10) thirty-two (32) gallon containers of Commercial Refuse during a calendar week.

Program Recyclable Materials. Means the following:

Loose, bagged, or tied with string or twine, Kraft paper; Loose, bagged, or tied with string or twine corrugated containers that have liners of Kraft, jute, or test liner including dry food boxes, beer and soda carriers, shoe boxes; Loose, bagged, or tied with string or twine old newspaper including slick paper inserts; Other recyclable paper including paperboard, chipboard, junk mail, junk mail inserts, Residential mixed paper, bagged shredded paper, high-grade paper, white and colored ledger, copier paper, office paper, laser printer paper, computer paper including continuous-formed perforated white bond or green bar paper, book paper, cotton fiber content paper, duplicator paper, form bond, manifold business forms, mimeo paper, note pad paper (no backing), loose leaf fillers, stationery, writing paper, paper envelopes without plastic windows, carbonless (NCR) paper, tabulating cards, facsimile paper, manila folders, magazines, paperback books, small catalogs, telephone books and Yellow Pages; Any #1 through #7 rigid plastic bottle, container, jug; Beverage containers, steel “tin” food cans, bi-metal containers, aerosol cans, lids composed primarily of whole iron or steel and other recyclable material of a similar nature.

Recycling or Recycle. In accordance with 30 Texas Administrative Code § 330.3, defined as “A process by which materials that have served their intended use or are scrapped, discarded, used, surplus, or obsolete are collected, separated, or processed and returned to use in the form of raw materials in the production of new products. Except for mixed municipal solid waste composting, that is, composting of the typical mixed solid waste stream generated by Residential, commercial, and/or institutional sources, Recycling includes the composting process if the compost material is put to beneficial use.”

Recycling Cart. A Cart exclusively utilized for Recycling Services.

Recycling Facility. All contiguous land, structures, other appurtenances, and improvements on the land that is licensed and permitted, as required by all governmental bodies having jurisdiction, for Recycling of Recyclable Materials. A Recycling Facility may be publicly or privately owned and may consist of several Disposal operational units.

Refuse. A nonputrescible solid waste (excluding ashes), consisting of both combustible and noncombustible waste materials, combustible rubbish, including paper, rags, cardboard, cartons, wood, excelsior, furniture, rubber, plastics, yard trimmings, leaves, and similar materials; noncombustible rubbish, including glass, crockery, tin cans, aluminum cans, metal furniture and like materials which will not burn at ordinary incinerator temperatures (1600°F to 1800°F), but not including construction debris.

Resident. A person whom resides at a Residential Unit.

Residential Unit(s). An improved property which is used, or capable of being used, for domestic use by a single family, including a single-family dwelling, duplex, fourplex, townhouse, apartment or condominium unit. A Residential Unit shall be deemed occupied when either water or electric services are being supplied thereto. A townhouse, fourplex, duplex, or condominium dwelling, whether of single or multi-level construction, consisting of four or less contiguous or separate single family Dwelling Units, shall be treated as a Residential Unit, except that each Dwelling Unit within any such Residential Unit shall be billed separately as a Residential Unit. Those Residential Units designated by the City Staff to be served by a Dumpster or Roll-off Compactor shall not be included in this definition and shall be a Non-Residential Service Unit.

Residential Services. Solid Waste Services, Bulky Waste Services, Yard Trimmings Services, and Recycling Services for Residential Units.

Roll-off. A watertight receptacle, with a capacity of approximately ten(10) cubic yards up to approximately forty(40) cubic yards, intended to be loaded onto a motor vehicle.

Roll-off Compactor. A Roll-off with a Compactor.

Rubbish. In accordance with 30 Texas Administrative Code § 330.3, defined as "Nonputrescible solid waste (excluding ashes), consisting of both combustible and noncombustible waste materials. Combustible rubbish includes paper, rags, Cartons, wood, excelsior, furniture, rubber, plastics, brush, or similar materials; noncombustible rubbish includes glass, crockery, tin cans, aluminum cans, and similar materials that will not burn at ordinary incinerator temperatures (1,600 degrees Fahrenheit to 1,800 degrees Fahrenheit)."

Solid Waste. In accordance with 30 Texas Administrative Code § 330.3, defined as "Garbage, rubbish, refuse, sludge from a wastewater treatment plant, water supply treatment plant, or air pollution control facility, and other discarded material, including solid, liquid, semi-solid, or contained gaseous material resulting from industrial, municipal, commercial, mining, and agricultural operations and from community and institutional activities. The term does not include:

(A) solid or dissolved material in domestic sewage, or solid or dissolved material in irrigation return flows, or industrial discharges subject to regulation by permit issued under Texas Water Code, Chapter 26;

(B) soil, dirt, rock, sand, and other natural or man-made inert solid materials used to fill land if the object of the fill is to make the land suitable for the construction of surface improvements; or

(C) waste materials that result from activities associated with the exploration, development, or production of oil or gas or geothermal resources and other substance or material regulated by the Railroad Commission of Texas under Natural Resources Code, §91.101, unless the waste, substance, or material results from activities associated with gasoline plants, natural gas liquids processing plants, pressure maintenance plants, or repressurizing plants and is Hazardous Waste as defined by the administrator of the United States Environmental Protection Agency under the federal Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, as amended (42 United States Code, §§6901 *et seq.*)

(D) Excluded Waste.

Solid Waste Services. Collection of Solid Waste and Disposal of Solid Waste at a Disposal Site.

Yard Trimmings or Yard Waste. In accordance with 30 Texas Administrative Code § 330.3, defined as "Leaves, grass clippings, yard and garden debris, and brush, including clean woody vegetative material not greater than six inches in diameter, that results from landscaping maintenance and land-clearing operations. The term does not include stumps, roots, or shrubs with intact root balls."

Yard Trimmings Facility. All contiguous land, structures, other appurtenances, and improvements on the land that is licensed and permitted, as required by all governmental bodies having jurisdiction, for composting and/or mulching of Yard Trimmings. A Yard Trimmings Facility may be publicly or privately owned and may consist of several Disposal operational units.

Section 2. Scope of Services

The work to be done by the CONTRACTOR pursuant to this Agreement consist of providing "Take All" waste services which includes the collecting and processing or disposing, at its own cost and expense, Residential Refuse, Commercial Refuse, Green Waste, and/or Recyclables collected from every building used for residential purposes, and commercial refuse collected from every building used for commercial and industrial purposes within the corporate limits of the City as the present and future boundaries exist, and the furnishing of all labor, method or processes, tools equipment, and transportation necessary to provide the service and meet the requirements of the contract.

Section 3.
Vehicles and Equipment

CONTRACTOR shall provide and maintain a fleet of solid waste collection vehicles and equipment sufficient in number and capacity to perform the work and render the services required by this contract during peak and non-peak seasons. CONTRACTOR shall provide at all times, well maintained vehicles and equipment and keep them in good repair, clean and sanitary, and free of leaks and excessive emissions. CONTRACTOR shall contain, enclose, or tie all waste and refuse in a manner that prevents spilling, leaking or blowing. CONTRACTOR shall be responsible for immediate cleanup of all leakage, spillage, and blown debris resulting from equipment in compliance with all laws and manufacturers' specifications. CONTRACTOR's name and telephone number shall be clearly marked on both sides of each vehicle or equipment. CONTRACTOR shall provide the CITY with a list of vehicles and equipment that have been or shall be used to service this contract and shall notify the City of any deletions and additions as they occur. CONTRACTOR shall provide the year of manufacturer on all vehicles and equipment.

All Dumpsters and Roll-off Containers requested by commercial customers shall be maintained by CONTRACTOR in good condition. Dumpsters will be changed, as needed to maintain all health and safety concerns, free of charge. All other container movement will be as agreed by the CONTRACTOR and customer.

As of February 1, 2013 all Residential vehicles, Commercial Frontload vehicles, Commercial frontload containers, and compactors used to service this Agreement shall be new.

Section 4.
Collection Schedule and Frequency

1. Collections shall be scheduled by subdivision on either a Monday/Thursday or a Tuesday/Friday or Wednesday/Saturday cycle. No collection shall be made on Sundays unless the CONTRACTOR is directed to do so by the City. Residential collection shall occur between 7:00 a.m. and 7:00 p.m. on the scheduled collection day(s).
2. The CONTRACTOR shall discuss with each commercial business its collection days and frequency. No commercial collection will be made prior to 7:00 a.m. if such collection is in a neighborhood.
3. Collection shall be provided twice a week for Residential Waste Refuse and Green Waste, Bulky Waste and Appliances. Heavy trash may be picked up on the second day of the weekly collection.
4. Curbside Recycle collection shall be provided once a week, to all residential customers excluding Sundays.

Section 5.
Collection Days and Routing

1. Collection shall occur in a routine manner following established routes.
2. CONTRACTOR shall submit route maps to the City thirty (30) days prior to implementation of service. Maps will detail each collection route and show the starting point, general direction of travel and the ending points. Should a routing schedule change be approved, CONTRACTOR shall notify residents in the affected area of the change in schedule or routing and the anticipated affect on the collection time. Notification shall be by door hangers and letters mailed to the affected residents.
3. CONTRACTOR shall collect all items placed at the curb that are in compliance on the first pass by of the home, with the exception of heavy trash which may be picked up on the first or second pass.

Section 6.
Holiday Schedule

1. Solid Waste collection shall not be provided on the following holidays:

New Year's Day
Independence Day
Memorial Day
Labor Day
Thanksgiving Day
Christmas Day

2. CONTRACTOR shall provide each resident affected by a holiday at least one collection day during the Holiday week.
3. The CONTRACTOR shall request holidays to be observed each calendar year prior to October 1st of the prior calendar year for approval of the City.

Section 7.
Customer Service Office

1. CONTRACTOR shall provide and staff an office facility to receive customer calls and to provide face to face service.
2. CONTRACTOR shall maintain a dedicated local telephone line to receive customer complaints or comments from 8:00 AM until 5:00 PM, local time, Monday through Friday and until 12:00 PM on Saturdays. (713-726-7300)
3. CONTRACTOR shall maintain a dedicated internet email address to receive complaints or

comments from customers. (<http://www.republicservices.com/Corporate/home.aspx>).

Section 8. Performance Standards

CONTRACTOR and employees shall adhere to the following performance standards.

1. Garbage/refuse containers shall be replaced upright within two (2) feet of Customer's placement without obstructing traffic, driveways or damaging landscaping.
2. Dumpsters and Roll-off Compactors shall be replaced upright within eighteen inches (18") of the Customer's placement, without obstructing traffic or damaging landscape.
3. CONTRACTOR shall not leave loose material, which during collection may fall in the streets or property of Customers, and will collect any loose material that is generated during the collection operations;
4. CONTRACTOR shall maintain a consistent route schedule and comply with provisions related to hours of service;
5. Collection schedules shall be consistently performed as to morning or afternoon collection times;
6. Drivers are expressly forbidden to use their emergency brake to stop a moving vehicle, except in cases of emergencies;
7. CONTRACTOR will not use vehicles that leak oil, hydraulic fluid or other substances, or present an unhygienic or unsafe appearance.
8. CONTRACTOR shall propose and implement measures to prevent spillage with the mode of collection (automated/semi-automated) used by the CONTRACTOR and CONTRACTOR shall pick up any spillage.
9. Collection areas shall be free of litter and debris larger than three inches (3") within ten-foot radius of the garbage/refuse containers.

Section 9. Collections

It is hereby agreed, understood and contracted that the CONTRACTOR shall perform the following acts:

A. Commercial- CONTRACTOR shall collect from each Commercial Unit within the City and dispose of Commercial Refuse and Garbage in accordance with this paragraph. CONTRACTOR's collection of Commercial Refuse and Garbage from Commercial Units, with regard to size and number of bins and frequency of collection, shall occur according to directive of the Commercial Unit customer. CONTRACTOR shall provide all bins for use by all Commercial Units, which bins shall allow Commercial Refuse and Garbage to be contained, tied or enclosed so that leaking, spilling or blowing can be prevented. Commercial Units upon or within which food is prepared, processed or served shall be provided collection services not less than twice weekly, Except with the expressed written permission from the Assistant City Manager or her or his designee, the CONTRACTOR shall not place dumpsters on City right-of-way.

B. Light Commercial- CONTRACTOR shall at the option of the light commercial customer, once or twice each week, collect from each Light Commercial Unit within the City and dispose of Commercial Refuse and Garbage, but not exceeding seven (10) thirty-two (32) gallon containers thereof per week.

C. Residential- CONTRACTOR shall twice each week, collect from each Residential Unit within City and dispose of Residential Refuse placed in garbage and refuse containers not exceeding thirty-two (32) gallon in size or fifty (50) pounds in weight. CONTRACTOR shall, once each week, collect from each Residential Unit within City and dispose of Green Waste provided that such Green Waste is placed in bags of adequate strength, and that branches, bush and similar woody material are bundled and tied in lengths not exceeding five feet (5') or having diameters not exceeding eighteen inches (18"), except for emergencies resulting from force majeure events (described in Section 30) or Acts of God or when notified by the City to not pick up due to delinquent payment. CONTRACTOR shall additionally furnish Heavy Trash Pickup service on at least one (1) collection day per week. Household appliances shall mean television sets, furniture, refrigerators, washing machines, dryers, stove and the like. Household appliances using Freon shall not be required to be collected unless such Freon has been removed by a certified technician evidenced by a certificate attached to the appliance to such effect. CONTRACTOR shall provide one per week to each resident recyclable collection as defined in recyclable collection.

D. Additional Collections- In addition, CONTRACTOR shall collect and dispose of refuse at all City Facilities as requested by the City. Refuse at each site shall be placed in bins or dumpsters provided by the CONTRACTOR. CONTRACTOR shall collect all Program Recyclable Materials as requested at City facilities once a week. A list of facilities is provided in Exhibit A. These services shall be at no cost to the City.

E. Special Collections and Services- Upon written request and/or reasonable verbal notice from City, CONTRACTOR shall collect and dispose of Refuse and Garbage and perform similar services resulting from Special Events. Such events shall be civic oriented and will be held at various places and at various times of the year. Services for events may include roll-offs, dumpsters and trash boxes. This service shall be of no cost to the City.

F. Residential Recycling Collection and Processing- CONTRACTOR shall pick up all Residential Recyclables from every building use for residential purpose in city, once each week, except when a City holiday occurs during such week (in which event the pick-up scheduled for that day shall be postponed until the next scheduled recycle pick-up) CONTRACTOR shall provide a single plastic bin for each resident's use in the collection of recyclables. The recycling bins shall remain the property of the CONTRACTOR. The CONTRACTOR shall replace a recycling bin at no charge to the resident if the recycling bin has been damaged through no fault of the resident. If a resident loses their recycling bin, a replacement bin can be purchased by the resident at a price agreed upon between the City and the CONTRACTOR.

G. Roll-Off Services- CONTRACTOR shall provide collection service to each Commercial Account, Residential Customer, and/or Industrial customer electing "roll-off" container service. Customer shall rent a roll-off container from CONTRACTOR as shown in Exhibit B. Customers requiring roll-off compactor services will negotiate with the CONTRACTOR for monthly rental fee or provide their own compactor. Except with the expressed written permission from the Assistant City Manager or her or his designee, the CONTRACTOR shall not place roll-off containers on City right-of-way.

H. Non-Profit Civic Group Clean-up Efforts- CONTRACTOR shall make every reasonable effort to work with interested, responsible organizations to further the goals of keeping League City beautiful. CONTRACTOR shall work with non-profit, civic groups to organize citywide clean-ups.

Section 10. Rates and Fees

Subject to adjustments, as provided in Section 29 hereof, the CONTRACTOR offers to perform, and the City agrees to compensate CONTRACTOR for the Scope of Services identified in Section 2 herein in the ~~rates and fees~~ amount collectively stated in CONTRACTOR's competitive sealed proposal, as negotiated, to be an annual sum of Five Million Nine Hundred Twelve Thousand Two Hundred Thirty-Four and 04/100 Dollars (\$5,912,234.04) (the "Annual Rate"). ~~charged and received by the CONTRACTOR are listed in Exhibit B.~~ The CONTRACTOR and City mutually agree that on or before December 11, 2012, the parties shall determine a fixed allocation of pricing and fees to be charged and received by the CONTRACTOR for unit costs for residential and commercial solid waste services consistent with the form Exhibit B attached hereto, with the proviso that the collective sum of pricing and fees shall equal the Annual Rate for the CONTRACTOR'S estimated number of residential units, customer accounts, collection frequencies, rentals and/or quantities set forth in the Annual Bid Summary Schedule Summary contained in CONTRACTOR'S competitive sealed proposal. Upon reaching an agreement for allocation of pricing and fees among the various services constituting the Annual Rate, such terms shall be incorporated into the form Exhibit B, attached hereto in replacement of the form Exhibit B and serve as the completed Exhibit B upon mutual agreement of the parties.

Section 11. Waste

Title to Refuse and Dead Animals shall pass to the Contractor when placed in CONTRACTOR'S collection vehicle, removed by CONTRACTOR from a Bin or Containers, or removed by CONTRACTOR from the customer's premises, whichever last occurs. CONTRACTOR shall not be required to collect or dispose of any materials or substances that may not lawfully be disposed of at a Type I or Type IV Landfill permitted by the Texas Commission on Environmental Quality. Title to and liability for Excluded Waste shall at no time pass to Contractor.

Section 12. Impediments

CONTRACTOR shall be responsible for providing solid waste and recyclable collection service to households affected by collection impediments such as house repair/construction, street repair/construction, vehicles parked in the street, utility repair/construction. CONTRACTOR shall notify the City of such impediments that routinely hinder collection at specific locations.

Section 13. Safety

The CONTRACTOR shall perform the work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws, as they apply to its employees. The provisions in the Manual of Accident

Prevention and Construction of the Associated General Contractor of America shall not constitute the standard of care applicable on the project. The CONTRACTOR shall be responsible for instructing its employees in regard to safe working habits and shall be responsible for compliance with all Occupational Safety and Health Administration regulations.

Section 14. Insurance

The CONTRACTOR shall comply with each and every condition contained herein. The CONTRACTOR shall provide and maintain the minimum insurance coverage set forth below during the term of this Agreement with the City. Policy must be with an insurance company or companies, with an A rated best rated or better, licensed to write such insurance in the State of Texas.

1. Commercial General Liability Insurance, at minimum combined single limits of \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations, independent successful proposers, and contractual liability each at \$500,000 per occurrence. Coverage must be written on an occurrence form.
2. Automobile liability insurance shall be no less than \$1,000,000 combined single limit each accident for bodily injury and property damage, including owned, non-owned, and hired vehicle coverage.
3. Policies shall be endorsed to provide the City of League City a thirty-(30) day notice of cancellation, material change in coverage, or non-renewal of coverage. Applicable policies shall also be endorsed to name the City of League City as an additional insured on General Liability and Auto.
4. Waiver of Subrogation, in favor of the City, with respect to General Liability, Auto and Workers' Compensation (or equivalent).
5. Workers' Compensation Insurance (or equivalent) at statutory limits, including employer's liability coverage at minimum limits. In addition to these, the Proposer must meet each stipulation required by the Texas Workers Compensation Commission; (Note: if you have questions concerning these requirements should contact the TWCC at (512) 440-3789).

Section 15. Performance Bond

The CONTRACTOR shall maintain in full force and effect during the term of this Agreement a Performance Bond in the amount of \$250,000. The CONTRACTOR shall be responsible for any premium payment required for the Performance Bond and maintaining such Bond throughout the term of this Agreement. A certificate showing that the Performance Bond premiums are paid in full shall accompany the original Performance Bond to be filed with the City, and such certificate shall be submitted to the City on an annual basis. The surety that issues the Performance Bond shall be authorized to do business in the state of Texas.

**Section 16.
Remuneration**

The City shall bill residential units, and shall pay the Contractor on a monthly basis; such remittance to be received by Contractor by the 15th of the month following the month service was rendered. Contractor shall bill commercial customers directly.

1. CONTRACTOR shall pay the City monthly, \$5,000 for sale of recyclables.
2. CONTRACTOR shall remit to the City a monthly franchise fee of 7% within twenty (20) days of previous service month. This fee will be based on the gross Commercial revenues generated in the City. The franchise fee is subject to adjustment by the City during the term of this Agreement. In addition, the CONTRACTOR shall supply a report showing the gross revenues billed and used for calculating the franchise fee. Report shall also include a listing of dumpsters, roll off containers, and any other commercial collections by size, frequency, company name, location address and any other pertinent information. CONTRACTOR shall not discontinue service to any commercial customer except for delinquent payment and then only after written delinquent notice has been given to customer.

**Section 17.
Minimum Program Recyclable Materials**

CONTRACTOR shall, at a minimum, collect the following Program Recyclable Materials:

- a. Recyclable Paper: Kraft paper; corrugated containers that have liners of Kraft, jute, or test liner including dry food boxes, beer and soda carriers, shoe boxes; old newspaper including slick paper inserts; magazines; catalog; telephone books and Yellow Pages; paperback books; hard back books with covers removed; chipboard; and other mixed paper including but not limited to junk mail, junk mail inserts, Residential mixed paper, bagged shredded paper, high-grade paper, white and colored ledger, copier paper, office paper, laser printer paper, computer paper including continuous-formed perforated white bond or green bar paper, book paper, cotton fiber content paper, duplicator paper, form bond, manifold business forms, mimeo paper, note pad paper (no backing), loose leaf fillers, stationery, writing paper, paper envelopes without plastic windows, carbonless (NCR) paper, tabulating cards, facsimile paper, manila folders, and paperback books.
- b. Recyclable Plastics: #1 through #7 plastic bottles, containers, jugs and jars.
- c. Recyclable Aluminum and Steel: Any food and beverage containers, cans, bi-metal cans, or lids with or without paper labels, rings and lids composed primarily of whole iron, aluminum, steel, or other recyclable material of similar nature.

**Section 18.
Spillage**

It is understood and agreed that the CONTRACTOR shall not be required to clean up, collect or dispose of any loose or spilled Solid Waste or Recyclable Materials not caused by the Contractor rendering of the Services, or be required to collect and dispose of any excess Solid Waste or Recyclable Materials placed outside of the Containers by any Commercial, Industrial or Residential Unit. The CONTRACTOR may report the location of such conditions to the City so

that the City can issue proper notice to the owner or occupant of Commercial, Industrial or Residential Unit instructing the owner or occupant to properly contain such Solid Waste or Recyclable Materials. Should excess Solid Waste or Recyclable Materials continue to be placed outside the Containers, the City may require the Commercial, Industrial or Residential Unit to increase the frequency of collection of such or require Commercial, Industrial or Residential Unit to utilize a Container with sufficient capacity so that the excess Solid Waste or Recyclable Materials will be regularly contained. The CONTRACTOR shall be compensated for these additional services and shall be entitled to receive an extra collection charge for each additional Container requiring an extra collection

Section 19.
Litter and Odor Control

It is understood and agreed that the CONTRACTOR shall clean up any litter larger than three inches (3") within a ten-foot radius of Collection Area caused by the provision of services. Collection equipment shall be maintained as to prevent odors. The CONTRACTOR shall routinely clean collection equipment, so as to maintain a standard of cleanliness.

Section 20.
Disposal Site; Recycling Facility; Yard Trimmings Facility

A. Disposal Site

CONTRACTOR shall dispose of all solid waste and heavy trash collected in connection with this Agreement at a permitted Disposal Site. The Disposal Site shall be licensed and permitted as required by all governmental bodies having jurisdiction for disposing of solid waste.

B. Recycling Facility

CONTRACTOR shall process and market all Recyclable Materials collected at a Recycling Facility.

Section 21.
Personnel

The CONTRACTOR shall provide all personnel required to perform the scope of services. For the term of this Agreement, CONTRACTOR shall maintain the following personnel:

24 hour representative that is authorized to make decisions and act on its behalf, accessible to the City twenty-four (24) hours a day via a non-toll call from the City;

CONTRACTOR will hire and maintain Qualified personnel to provide the scope of services;

Personnel who normally or regularly come into direct contact with the public: the CONTRACTOR shall ensure such personnel bear some means of individual identification, such as uniform with name badges, name tags, or identification cards;

Personnel operating collection vehicles: the CONTRACTOR shall ensure such personnel have a valid commercial driver's license;

Temporary labor: the CONTRACTOR shall retain any and all such necessary temporary labor, if any.

All personnel shall serve the public in a courteous and helpful manner. The City may require that any personnel that is discourteous, belligerent, profane, or in any way intimidating toward Customers be barred from further work in connection with this Contract.

Section 22. Subcontractors

1. The CONTRACTOR shall not subcontract any task under the CONTRACT without the written consent of the City. The CONTRACTOR shall submit a list of potential subcontractors for advance approval of the City.
2. Subcontractors shall be considered employees of the CONTRACTOR under the terms of this Agreement. The CONTRACTOR shall properly supervise and instruct subcontractor to assure that the subcontractor complies with all requirements of this Agreement in performing any work hereunder.

Section 23. Recordkeeping and Reporting

The CONTRACTOR shall be responsible for maintaining and submitting monthly and annual reports to the City. Monthly reports shall be submitted to the City no later than twenty (20) days following the end of the reporting period. Reports will have information specified below and be in electronic format.

- a. Document solid waste and bulky waste tonnage delivered to disposal facility;
- b. Document recyclable materials delivered to recyclable processing facility;
- c. Document commercial collection activity by container size and frequency of pick up.
- d. Identify unaccepted loads by date collected, route, and facility;
- e. Document complaints, on a daily basis, including the address, time and date for each and the reason, and resolution;
- f. Such other documents and reports, as the City may reasonably require, to verify compliance with any Contract or to meet the City's reporting requirements.

Section 24. Complaints

1. CONTRACTOR shall manage customer complaints, including incoming phone calls, and emails addressing concerns, and resolving issues.
2. All Customer complaints about services shall be made and routed directly to the CONTRACTOR and shall be given prompt and courteous attention. CONTRACTOR shall resolve all complaints within twenty- four (24) hours of receipt of such complaint and report monthly to City.

3. In the case of alleged missed collections, the successful proposer shall make every effort to collect the material on the same day; but it must be collected within one business day after the complaint is received. Should the CONTRACTOR for any reason after being notified fail to make any collection, then the City, without further notice, may cause the same to be picked up and disposed of and shall deduct or bill to the Contractor the City's cost as well as bill or deduct the CONTRACTORS pro-rata unit charge or rate for providing the service.
4. Any complaint from a Customer that is not resolved to Customer's satisfaction may be managed by the City. City staff shall contact the CONTRACTOR to review the complaint. CONTRACTOR shall have five (5) business days from the date City staff contacted them to review the complaint to demonstrate that the complaint was resolved consistent with the performance standards outlined in Section 8. If the CONTRACTOR cannot demonstrate that it met the performance standards outlined in this Agreement within the five (5) business day period, then the complaint shall be considered by the City to be unresolved, and the City shall have the authority to impose an administrative penalty on the CONTRACTOR. The CONTRACTOR may appeal a penalty assessment to the ACM in writing within five (5) business days of the date of the decision of the City staff. The ACM's decision shall be final.

Section 25 Termination

A. Termination by City for Contractor's Default

1. Termination for Cause

a. The City may terminate the CONTRACTOR'S performance of services under this Agreement in the event of default by the CONTRACTOR and failure by the CONTRACTOR to cure such default after receiving notice thereof, as provided in this subsection. Default by the CONTRACTOR shall occur if the CONTRACTOR fails to observe or perform all of its duties under this Agreement. Should such a default occur, the City may deliver a written notice to the CONTRACTOR describing such default and the proposed date of termination. Such date may not be sooner than sixty (60) days following receipt of the notice. The City, at its sole option, may extend the proposed date of termination to a later date. If, thirty (30) days prior to the proposed date of termination, the CONTRACTOR cures such default to the satisfaction of the City, the proposed termination shall be ineffective. If the CONTRACTOR fails to cure such default to the satisfaction of the City prior to the proposed date of termination, this Agreement is deemed terminated on such date.

b. The following, by way of example, but not limitation may be considered grounds for cancellation, in whole or part:

- Failure of CONTRACTOR to perform or observe any of the obligations, agreement, and conditions required to be performed or observed by herein;
- Failure of the CONTRACTOR to commence work operations within the time specified in the Agreement;
- Failure of the CONTRACTOR to provide and maintain sufficient labor and equipment to properly execute working operations;

- Evidence that the CONTRACTOR has abandoned the work;
- Evidence that the CONTRACTOR has become insolvent, bankrupt, or otherwise financially unable to carry out the work satisfactorily;
- Failure on the part of the CONTRACTOR to comply with the terms of the Agreement or any requirements given by the City provided for in this document.
- Indication that the CONTRACTOR has made an unauthorized assignment of the Contract or any funds due there from for the benefit of any creditor or for any other purpose.

c. Upon the effective date of termination as contained in the notice, the CONTRACTOR shall, unless the notice directs otherwise, immediately discontinue all service in connection with this Agreement.

d. Within thirty (30) days after the date of termination, the CONTRACTOR shall submit a statement to the City showing in detail the services performed under this Agreement to the date of termination. The City agrees to compensate the CONTRACTOR for that portion of the prescribed charges for which the services were actually performed under this Agreement and not previously paid.

e. In addition to, or in lieu of, the termination procedure set forth above, the City may take any or all of the following actions in the event of a default by the CONTRACTOR.

- The City determines and notifies the CONTRACTOR, such default poses an immediate threat to the health or safety of any person or to any property interest, and if the CONTRACTOR has not cured such default within twenty-four (24) hours after receipt of such notice, the City shall have the right to perform or cause to be performed all or part of the work necessary to cure such default. In the event that the City performs such work, or caused it to be performed, the CONTRACTOR shall compensate the City for cost thereof. The City shall have the right to deduct any such compensation due to the City from any sums otherwise due and owing the CONTRACTOR
- The City may withhold all or part of any sums which would otherwise be due to the CONTRACTOR, but which relate to such default, either until such time as such default is cured or if such default cannot be cured, forever.
- In the event that the CONTRACTOR shall fail to perform any of the material provisions of this CONTRACT, the City shall promptly notify the CONTRACTOR of its noncompliance, stating with particularity the facts relating thereto and the period of time the CONTRACTOR has to comply. Thereafter, if the event or condition is not corrected or otherwise made to comply with the terms of this Agreement within the period of time specified by section 25 (A)(1) (a), the same shall constitute an act of noncompliance

- Seek reasonable damages and/or attorneys' fees (if damages have been incurred) for breach of agreement and apply the cash bond proceeds to said claims

B. Termination by CONTRACTOR for City's Default

The CONTRACTOR may terminate its performance under this Agreement only in the event of default by the City and a failure by the City to cure such default after receiving notice thereof. Default by the City shall occur if the City fails to observe any of its material duties under this Agreement. Should such a default occur, the CONTRACTOR may deliver a written notice to the City describing such default, specifying the provisions of the Contract under which the CONTRACTOR considers the City to be in default, giving sufficient details of the alleged breach to enable the City to cure and the proposed date of termination. Such date may not be sooner than sixty (60) days following receipt of the notice. The CONTRACTOR, at its sole option, may extend the proposed date of termination to a later date. If prior to the proposed date of termination the City cures such default, then the proposed termination shall be ineffective. If the City fails to cure such default prior to the proposed date of termination, the CONTRACTOR may terminate its performance under this Agreement as of such date.

C. Termination by City on other grounds

The CONTRACTOR expressly acknowledges that it has familiarized itself with the provisions of Section 2-34(i) of the Code of Ordinances of the City of League City, Texas, which provides, among other things, that if within two years after the commencement of this Agreement, the CONTRACTOR hires a city official, former city official, appointed city officer, former appointed city officer, appointed city executive employee, or former appointed city executive employee who, while acting in such capacity for the City, had substantial and personal involvement with the negotiation of this Agreement, then this Agreement shall, at the option of the City Manager, be cancelled and/or the CONTRACTOR shall be barred from additional contracting with the City of League City, Texas for a period of three years.

Section 26.

Sales Tax

CONTRACTOR agrees to provide the City with adequate assurance that all sales taxes collected in League City by the CONTRACTOR will be deposited with the State.

Section 27.

Permits, Penalties and Fines

A. Payment of Fines and Penalties

The Contractor shall pay any and all fines or penalties assessed against the City by any organization having jurisdiction for the CONTRACTOR'S violations for applicable laws, codes, regulations or orders arising in connection with the CONTRACTOR'S performance of service hereunder.

B. Licenses and Permits

The CONTRACTOR shall obtain and pay for all licenses, permits and certificates required by any statute, ordinance, rule or regulation of any regulatory body having jurisdiction over the conduct of the CONTRACTOR'S operation herein.

C. Permit

A permit process will be established whereby all commercial dumpsters and roll-off containers will be required to exhibit a permit issued by the City prior to delivery. Said permit to be displayed on dumpster or roll-off container.

**Section 28.
Term of Agreement**

The term of this Agreement shall be for a period of five (5) years, commencing on February 1, 2013 and concluding on January 31, 2018. At the expiration of the term of this Agreement, the City shall have the option to extend this Agreement for one additional period of five (5) years; provided that the City provides the CONTRACTOR with written notice of its intent to extend this Agreement at least 180 days prior to the expiration date of the Agreement, (January 31, 2018), by registered mail, return receipt requested, and CONTRACTOR has not provided prior written notice of its intent to terminate at least 180 days prior to expiration of the initial five year term of this Agreement (January 31, 2018).If the CONTRACTOR provides prior notice of termination for such purposes, or if the City fails to exercise its option to extend this Agreement for an additional five year term, this Agreement will cease to be renewed and will terminate on January 31, 2018 unless terminated early as provided herein. The City reserves the option to renew this Agreement for up to three (3) additional five (5) year terms in accordance with this Section 27.

The CONTRACTOR shall have the sole and exclusive right, license, and privilege to provide the services provided for in this Agreement within the geographic boundaries of the City, as those boundaries exist on the date of this Agreement. If the City annexes additional land into its corporate limits during the term of this Agreement and the annexed land has or will require such services, the CONTRACTOR shall, upon written request of the City, provide such services for the annexed land in accordance with the terms and conditions of this Agreement. It is provided, however, that Commercial Units and Light Commercial Units shall be permitted to independently contract with CONTRACTOR or any third party for the collection of Program Recyclable Materials. In no event shall any person be permitted to independently contract for the collection of Construction Debris.

**Section 29.
Increase in Fees**

Following the first year of this Agreement the CONTRACTOR may submit to the City a written proposal for a rate increase encompassing commercial services. Such proposals shall be based upon increases in the Consumer Price Index-All Urban Consumers, landfill fees charged to the Contractor or cost increases associated with the laws, ordinances or regulations adopted by local, state or federal agencies. The City shall have the right to accept or reject any or all of the proposed increases.

Following the second year of this Agreement the CONTRACTOR may submit to the City a written proposal for a rate increase encompassing residential services. Such proposals shall be based upon increases in the Consumer Price Index-All Urban Consumers, landfill fees charged to the Contractor or cost increases associated with the laws, ordinances or regulations adopted by local, state or federal agencies. The City shall have the right to accept or reject any or all of the proposed increases. If the City rejects such increase, then the CONTRACTOR shall have the option to terminate this Agreement on (120) days notice to the City.

Section 30.
Silence of Specifications

The apparent silence of these specifications as to any detail or the apparent omission from it of a detailed description concerning any point shall be regarded as meaning that only the best commercial practices are to prevail. All interpretation of these specifications shall be made on the basis of this statement.

Section 31.
Force Majeure

The performance of this Agreement may be suspended and the obligations hereunder excused in the event and during the period that such performance is prevented by a cause or causes beyond reasonable control of such party. The performance of this Agreement will be suspended and the obligations hereunder excused only until the condition preventing performance is remedied. Such conditions shall include, but not limited to, acts of God, acts of war, accident, explosion, fire, riots, sabotage, acts of terrorists, unusually severe weather, lack of adequate fuel, or judicial or governmental laws or regulations. In the event of a natural disaster or terrorist act, CONTRACTOR and the City shall negotiate the payment to be made to CONTRACTOR. Further, when the parties reach such agreement, the City shall grant CONTRACTOR variances in routes and schedules, as deemed necessary.

Section 32.
Governing Law

This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Texas, without giving effect to the conflict of laws rules thereof. The parties hereby irrevocably submit to the jurisdiction of the courts of the State of Texas and the Federal courts of the United States located in the State of Texas, solely in respect of the interpretation and enforcement of the provisions of this Agreement and venue for any legal action or proceeding arising under or relating to the Agreement herein shall lie exclusively in Galveston County, Texas. The CONTRACTOR agrees that the City has not, and does not, waive any immunities or exemptions, defenses, or sovereign immunity, to which the City, its officers and employees, are entitled by law.

Section 33.
Indemnity

The CONTRACTOR assumes all risks of loss or injury to property or persons caused by its willful or negligent acts or omissions in the performance of the Services. The CONTRACTOR agrees to indemnify and hold harmless the City and its agents, directors, employees, officers and servants from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, liabilities, losses or

expenses (include, but not limited to, reasonable attorneys' fees) caused by a willful or negligent act or omission of the CONTRACTOR, its officers and employees. However, the CONTRACTOR shall not be liable for any legal proceedings claims, demands, damages, costs, expenses and attorneys' fees caused by an exclusively willful or negligent act or omission of the City, its agents, directors, employees, officers and servants.

**Section 34.
Severability**

In the event any term, covenant, or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant, or condition herein contained, provided that such invalidity does not materially prejudice either the CONTRACTOR or the City in their respective rights and obligations contained in the valid terms, covenants, or conditions herein.

**Section 35.
Entire Agreement**

This Agreement constitutes the entire agreement of the parties. There have been no representations made other than those contained in this Agreement.

**Section 36.
Third Parties**

Nothing contained in the Agreement shall be constructed to provide rights to third parties.

**Section 37.
Notices**

All notices and reports require to be given hereunder shall be deemed given to the parties when mailed, postage prepaid, to the parties following the respective addresses:

When to the City:

City of League City
300 West Walker
League City, TX 77573
Attn: Assistant City Manager

When to the CONTRACTOR:

Republic Services
5301 Brookglen Drive
Houston, TX 77017
Attn: General Manager

When to the City for payment:

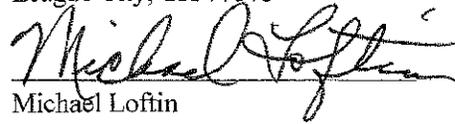
City of League City
300 West Walker
League City, TX 77573
Attn: Accounts Payable

Section 38.
Exhibits

Exhibit A – City Facilities
Exhibit B – Pricing and Fees

In witness hereof, CONTRACTOR and the CITY have executed this Agreement this 26 day of OCTOBER, 2012.

CITY OF LEAGUE CITY, TEXAS
300 West Walker
League City, TX 77573


Michael Loftin
City Manager

ATTEST:


Diana Stapp
City Secretary

BFI Waste Services of Texas, LP

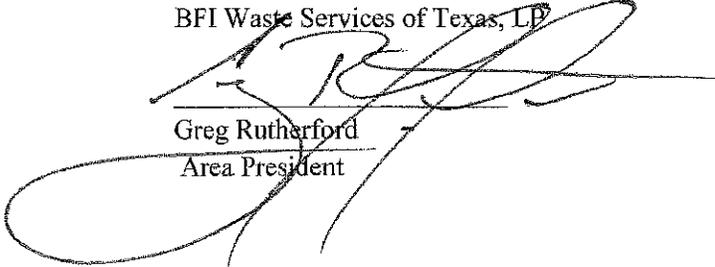

Greg Rutherford
Area President

EXHIBIT "A" CITY FACILITIES

CITY FACILITIES	
FACILITY	ADDRESS
Police Dept and Police Annex	500 & 600 West Walker
City Hall	300 W Walker
Public Works Facility	1535 Dickinson Ave
Vehicle Maintenance	1535 Dickinson Ave
Recycle Stations	1535 Dickinson Ave
Countryside Water Tower	5123 1/2 S. Candlewood
Eastside Water Tower	6060 South Shore Road
Dallas Salmon Plant (Control Building)	703 North Wisconsin
Fire Station #1	601 Second Street
Fire Station #2	2102 Hobbs Road
Fire Station #3	3575 Deke Slayton Highway
Fire Station #4	175 North Bay Area Blvd
Fire Station #5	2898 Bay Creek Drive
Drill Field	901 Kansas Street
EMS	260 FM 270
EMS Newport	409 Newport
Animal Control	821 North Kansas Street
Line Repair	1505 Dickinson Ave
Butler Museum (Heritage Park)	1220 Coryell
Sportsplex Building Maint. Bldg	1251 League City Parkway
Countryside Park Maintenance Building	100 Alderwood
Countryside Waste Water Treatment Plant	6125 W. Bay Area Blvd
League City Chamber of Commerce	260 Park Ave
League City Ball Park	Wilkens & Park
League City Girl Scouts	3102 McFarland
Eastern Regional Park	2105 Dickinson
Public Safety Building	501 Walker

D. COMMERCIAL

1. Roll off Container Fees

Roll-off Size ¹	Collection Rate (per collection) ²
20 CY	\$
30 CY	\$
40 CY	\$
Compactor	Collection Rate (per collection)
20 CY	\$
30 CY	\$
35 CY	\$
40 CY	\$
42 CY	\$
Miscellaneous Fees	
Roll-off delivery- one-time charge	\$ per delivery
Roll-off Rental Fee ³	\$ per month
Roll-off Rental Fee	\$ per day
Compactor Rental Fee ⁴	\$ per month *
Disposal Rate Type I Landfill per Ton	\$ per ton
Disposal Rate Type IV Landfill per cubic Yard	\$ per cubic yd
Notes:	
<ol style="list-style-type: none"> Proposer is required to provide pricing for 20 CY, 30 CY, 40 CY and Roll-off sizes of 20 CY, 30 Cy, 35 CY, 40 CY, and 42 CY compactor. Blank rows may be used to propose rates for additional Roll-off sizes. Proposal of additional Roll-off sizes is optional. Collection rate shall be the per-collection rate for collection of Roll-off and return of Roll-off. This rate is for the rental of the Roll-off, provided by the proposer to the Non-residential Service Unit Customer. This rate is for the rental of the Compactor, provided by the proposer to the Non-residential Service Unit Customer. <p><i>* This rate applies to compactors having a total purchase price of \$20,000.00 or less. For compactors costing above this, the monthly rental fee will be negotiated between the customer and Republic.</i></p>	

E. FUEL ADJUSTMENT TABLE

Fuel Fee Structure

Adjustment Period -

Once/Quarter(1st day of Qtr) Feb/May/Aug/Nov

			resi/home	comm/yd	ind/haul
	every \$0.25 decrease thereafter				
		additional	(\$0.10)	(\$0.10)	(\$2.00)
	\$1.50	\$1.74	(\$0.50)	(\$0.50)	(\$14.00)
	\$1.75	\$1.99	(\$0.40)	(\$0.40)	(\$12.00)
	\$2.00	\$2.24	(\$0.30)	(\$0.30)	(\$10.00)
	\$2.25	\$2.49	(\$0.20)	(\$0.20)	(\$8.00)
	\$2.50	\$2.74	(\$0.10)	(\$0.10)	(\$6.00)
base price	\$2.75	\$4.74	0	0	0
	\$4.75	\$4.99	\$0.10	\$0.10	\$6.00
	\$5.00	\$5.24	\$0.20	\$0.20	\$8.00
	\$5.25	\$5.49	\$0.30	\$0.30	\$10.00
	\$5.50	\$5.74	\$0.40	\$0.40	\$12.00
	\$5.75	\$5.99	\$0.50	\$0.50	\$14.00
	every \$0.25 increase thereafter				
		additional	\$0.10	\$0.10	\$2.00

F. Additional Fee Schedule

1. Commercial Dumpster – Extra Lift Fee \$85.00 per Extra Lift

2. Commercial Dumpster – Extra Yard Fee \$10.00 per Extra Yard
 *Additional waste outside of the container

3. Commercial Dumpster - Swap Fee \$75.00 per container
 *Customer Initiated Container Swap Fee due to graffiti, vandalism, defects outside of normal wear and tear, etc.

4. Commercial Dumpster – Blocked Stop Fee \$85.00 per Service
 *Applied if contractor has to return to service after scheduled service day due to a customer related issue; blocked by vehicle etc

5. Rolloff Container – Dry Run Fee \$120.00 per occurrence
 *Applied if contractor attempts to service as scheduled and cannot due to a customer related issue; blocked by vehicle, construction debris, etc.

ADDENDUM TO
CITY OF LEAGUE CITY
COMMERCIAL AND RESIDENTIAL
SOLID WASTE AND RECYCLING CONTRACT

This Addendum to Commercial and Residential Solid Waste and Recycling Contract is made and entered into as of December 11, 2012, by and between the City of League City, Texas, a municipal corporation located principally in Galveston County; Texas ("CITY"), and BFI Waste Services of Texas, LP (dba Republic Services) ("CONTRACTOR"), with an effective date of February 1, 2013.

WHEREAS, on October 26, 2012, CITY and CONTRACTOR entered into that certain Commercial and Residential Solid Waste and Recycling Agreement ("Agreement") whereby CONTRACTOR has agreed to provide, and CITY has agreed to accept, the performance of solid waste collection and disposal services for the CITY pursuant to the terms and conditions set forth in the Agreement; and

WHEREAS, pursuant to Section 10 of the Agreement, the CITY and CONTRACTOR have agreed on an Annual Rate for the CONTRACTOR's performance of the Scope of Services identified in the Agreement, with the mutual understanding that on or before December 11, 2012 the parties shall determine a fixed allocation of pricing and fees to be charged and received by the CONTRACTOR, the terms of which shall be incorporated into an Exhibit B to the Agreement; and

WHEREAS, the CITY and CONTRACTOR have reached an agreement on the allocation of pricing and fees to be charged and received by the CONTRACTOR for the performance of the Scope of Services as set forth more particularly in the Exhibit B attached to this Addendum, and wish to incorporate the Exhibit into the Agreement;

NOW THEREFORE IN CONSIDERATION OF THESE PREMISES, and for good and valuable consideration, the CITY and CONTRACTOR agree as follows:

I.

The document entitled Exhibit "B" – Pricing and Fees and attached hereto shall be incorporated into the Agreement in the place and stead of the blank form Exhibit B attached thereto. The new fees will be effective as of February 1, 2013.

II.

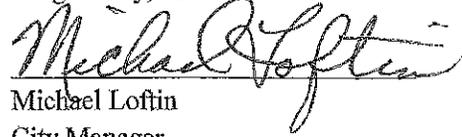
Those parts of the Agreement that are not expressly modified by this Addendum remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum consisting of the foregoing provisions and Exhibit B incorporated herein by this reference as of the date first above written.

CITY OF LEAGUE CITY, TEXAS

300 West Walker

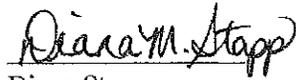
League City, TX 77573



Michael Loftin

City Manager

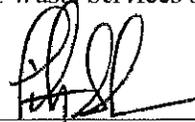
ATTEST:



Diana Stapp

City Secretary

BFI Waste Services of Texas, LP



Timothy Shreve

General Manager

**EXHIBIT "B" – PRICING AND FEES (10.99%)
FEBRUARY 1, 2013 – JANUARY 31, 2014**

Subject to adjustments, as provided in Section 29 hereof, the rates and fees to be charged and received by the CONTRACTOR are as following:

A. Residential Per Unit Cost

Base Residential Garbage Collection Fee (Republic's Fee)	\$10.40
City Administrative Processing Fee	0.30
Fuel Surcharge (Republic's Fee)	0.00
Sales Tax (Collected by the City)	<u>0.86</u>
Total Monthly Residential Garbage Fee	\$11.56

B. Light Commercial Units (Does not include sales tax or 7% franchise fee to be collected by Republic)

<i>1 X WEEK-maximum of 5 bags/cans per setout</i>	<u>\$ 20.00/month</u>
<i>2 X WEEK – maximum of 5 bags/cans per setout</i>	<u>\$ 30.00 /month</u>
<i>Cost per additional container</i>	<u>\$ 5.00 /month</u>

C. Commercial (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Commercial Dumpster Fees

Container Size	Weekly Collection Frequency					
	1	2	3	4	5	6
2 yd	\$58.96	\$72.96	\$89.63	\$114.96	\$140.96	\$166.96
3 yd	N/A	N/A	N/A	N/A	N/A	N/A
4 yd	\$67.96	\$108.61	\$153.41	\$194.83	\$237.45	\$278.45
6 yd	\$90.74	\$142.63	\$206.44	\$271.41	\$337.88	\$401.24
8 yd	\$104.01	\$179.61	\$269.88	\$359.27	\$449.54	\$534.50
10 yd	N/A	N/A	N/A	N/A	N/A	N/A

2. Commercial Recycling Fees

Container Size	Weekly Collection Frequency					
	1	2	3	4	5	6
2 yd	N/A	N/A	N/A	N/A	N/A	N/A
3 yd	N/A	N/A	N/A	N/A	N/A	N/A
4 yd	\$55.00	\$85.00	\$125.00	N/A	N/A	N/A
6 yd	\$60.00	\$95.00	\$135.00	\$170.00	\$205.00	N/A
8 yd	\$65.00	\$100.00	\$140.00	\$180.00	\$220.00	N/A
10 yd	N/A	N/A	N/A	N/A	N/A	N/A

D. COMMERCIAL (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Roll off Container Fees

Roll-off Size ¹	Collection Rate (per collection) ²
20 CY	\$175.00
30 CY	\$175.00
40 CY	\$175.00
Compactor	Collection Rate (per collection)
20 CY	\$200.00
30 CY	\$200.00
35 CY	\$200.00
40 CY	\$200.00
42 CY	\$200.00
Miscellaneous Fees	
Roll-off delivery - one-time charge	\$125.00 per delivery
Roll-off Rental Fee ³	\$100.00 per month
Roll-off Rental Fee	\$3.00 per day
Compactor Rental Fee ⁴	\$425.00 per month *
Disposal Rate Type I Landfill per Ton	\$30.00 per ton
Disposal Rate Type IV Landfill per cubic Yard	\$7.50 per cubic yd
Notes:	
<ol style="list-style-type: none"> 1. Proposer is required to provide pricing for 20 CY, 30 CY, 40 CY and Roll-off sizes of 20 CY, 30 CY, 35 CY, 40 CY, and 42 CY compactor. Blank rows may be used to propose rates for additional Roll-off sizes. Proposal of additional Roll-off sizes is optional. 2. Collection rate shall be the per-collection rate for collection of Roll-off and return of Roll-off. 3. This rate is for the rental of the Roll-off, provided by the proposer to the Non-residential Service Unit Customer. 4. This rate is for the rental of the Compactor, provided by the proposer to the Non-residential Service Unit Customer. <p><i>* This rate applies to compactors having a total purchase price of \$20,000.00 or less. For compactors costing above this, the monthly rental fee will be negotiated between the customer and Republic.</i></p>	

E. FUEL ADJUSTMENT TABLE (Does not include sales tax or 7% franchise fee to be collected by Republic)

Fuel Fee Structure

Adjustment Period -

Once/Quarter(1st day of Qtr) Feb/May/Aug/Nov

			<u>resi/home</u>	<u>comm/yd</u>	<u>ind/haul</u>
	every \$0.25 decrease thereafter				
	additional		(\$0.10)	(\$0.10)	(\$2.00)
\$1.50	\$1.74		(\$0.50)	(\$0.50)	(\$14.00)
\$1.75	\$1.99		(\$0.40)	(\$0.40)	(\$12.00)
\$2.00	\$2.24		(\$0.30)	(\$0.30)	(\$10.00)
\$2.25	\$2.49		(\$0.20)	(\$0.20)	(\$8.00)
\$2.50	\$2.74		(\$0.10)	(\$0.10)	(\$6.00)
base price	\$2.75	\$4.74	0	0	0
	\$4.75	\$4.99	\$0.10	\$0.10	\$6.00
	\$5.00	\$5.24	\$0.20	\$0.20	\$8.00
	\$5.25	\$5.49	\$0.30	\$0.30	\$10.00
	\$5.50	\$5.74	\$0.40	\$0.40	\$12.00
	\$5.75	\$5.99	\$0.50	\$0.50	\$14.00
	every \$0.25 increase thereafter				
	additional		\$0.10	\$0.10	\$2.00

F. Additional Fee Schedule (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Lift Fee Commercial Dumpster – Extra
\$85.00 per Extra Lift

2. Yard Fee Commercial Dumpster – Extra
\$10.00 per Extra Yard
 *Additional waste outside of the container

3. Fee Commercial Dumpster - Swap
\$75.00 per container
 *Customer Initiated Container Swap Fee due to graffiti, vandalism, defects outside of normal wear and tear, etc.

4. Blocked Stop Fee Commercial Dumpster –
\$85.00 per Service
 *Applied if contractor has to return to service after scheduled service day due to a customer related issue; blocked by vehicle etc.

5. Fee Rolloff Container – Dry Run
\$120.00 per occurrence
 *Applied if contractor attempts to service as scheduled and cannot due to a customer related issue; blocked by vehicle, construction debris, etc.

EXHIBIT "B" – PRICING AND FEES (19.74%)
FEBRUARY 1, 2014 – JANUARY 31, 2015
Subject to Annual CPI Adjustment as approved by Council

Subject to adjustments, as provided in Section 29 hereof, the rates and fees to be charged and received by the CONTRACTOR are as following:

A. Residential Per Unit Cost

Base Residential Garbage Collection Fee (Republic's Fee)	\$11.22
City Administrative Processing Fee	0.30
Fuel Surcharge (Republic's Fee)	0.00
Sales Tax (Collected by the City)	0.92
Total Monthly Residential Garbage Fee	\$12.44

B. Light Commercial Units (Does not include sales tax or 7% franchise fee to be collected by Republic)

<i>1 X WEEK-maximum of 5 bags/cans per setout</i>	<u>\$ 20.00/month</u>
<i>2 X WEEK – maximum of 5 bags/cans per setout</i>	<u>\$ 30.00 /month</u>
<i>Cost per additional container</i>	<u>\$ 5.00 /month</u>

C. Commercial (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Commercial Dumpster Fees

Container Size	Weekly Collection Frequency					
	1	2	3	4	5	6
2 yd	\$48.87	\$60.47	\$74.29	\$100.87	\$126.87	\$152.87
3 yd	N/A	N/A	N/A	N/A	N/A	N/A
4 yd	\$56.33	\$90.02	\$127.15	\$161.49	\$188.60	\$230.60
6 yd	\$75.21	\$118.22	\$171.11	\$224.95	\$280.05	\$332.57
8 yd	\$86.21	\$148.87	\$223.69	\$297.78	\$372.60	\$443.02
10 yd	N/A	N/A	N/A	N/A	N/A	N/A

2. Commercial Recycling Fees

Container Size	Weekly Collection Frequency					
	1	2	3	4	5	6
2 yd	N/A	N/A	N/A	N/A	N/A	N/A
3 yd	N/A	N/A	N/A	N/A	N/A	N/A
4 yd	\$55.00	\$85.00	\$125.00	N/A	N/A	N/A
6 yd	\$60.00	\$95.00	\$135.00	\$170.00	\$205.00	N/A
8 yd	\$65.00	\$100.00	\$140.00	\$180.00	\$220.00	N/A
10 yd	N/A	N/A	N/A	N/A	N/A	N/A

D. COMMERCIAL (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Roll off Container Fees

Roll-off Size ¹	Collection Rate (per collection) ²
20 CY	\$175.00
30 CY	\$175.00
40 CY	\$175.00
Compactor	Collection Rate (per collection)
20 CY	\$200.00
30 CY	\$200.00
35 CY	\$200.00
40 CY	\$200.00
42 CY	\$200.00
Miscellaneous Fees	
Roll-off delivery- one-time charge	\$125.00 per delivery
Roll-off Rental Fee ³	\$100.00 per month
Roll-off Rental Fee	\$3.00 per day
Compactor Rental Fee ⁴	\$425.00 per month [*]
Disposal Rate Type I Landfill per Ton	\$30.00 per ton
Disposal Rate Type IV Landfill per cubic Yard	\$7.50 per cubic yd
Notes:	
1. Proposer is required to provide pricing for 20 CY, 30 CY, 40 CY and Roll-off sizes of 20 CY, 30 Cy, 35 CY, 40 CY, and 42 CY compactor. Blank rows may be used to propose rates for additional Roll-off sizes. Proposal of additional Roll-off sizes is optional.	
2. Collection rate shall be the per-collection rate for collection of Roll-off and return of Roll-off.	
3. This rate is for the rental of the Roll-off, provided by the proposer to the Non-residential Service Unit Customer.	
4. This rate is for the rental of the Compactor, provided by the proposer to the Non-residential Service Unit Customer.	
<i>* This rate applies to compactors having a total purchase price of \$20,000.00 or less. For compactors costing above this, the monthly rental fee will be negotiated between the customer and Republic.</i>	

E. FUEL ADJUSTMENT TABLE (Does not include sales tax or 7% franchise fee to be collected by Republic)

Fuel Fee Structure

Adjustment Period -

Once/Quarter(1st day of Qtr) Feb/May/Aug/Nov

			<u>resi/home</u>	<u>comm/yd</u>	<u>ind/haul</u>
	every \$0.25 decrease thereafter				
		additional	(\$0.10)	(\$0.10)	(\$2.00)
	\$1.50	\$1.74	(\$0.50)	(\$0.50)	(\$14.00)
	\$1.75	\$1.99	(\$0.40)	(\$0.40)	(\$12.00)
	\$2.00	\$2.24	(\$0.30)	(\$0.30)	(\$10.00)
	\$2.25	\$2.49	(\$0.20)	(\$0.20)	(\$8.00)
	\$2.50	\$2.74	(\$0.10)	(\$0.10)	(\$6.00)
base price	\$2.75	\$4.74	0	0	0
	\$4.75	\$4.99	\$0.10	\$0.10	\$6.00
	\$5.00	\$5.24	\$0.20	\$0.20	\$8.00
	\$5.25	\$5.49	\$0.30	\$0.30	\$10.00
	\$5.50	\$5.74	\$0.40	\$0.40	\$12.00
	\$5.75	\$5.99	\$0.50	\$0.50	\$14.00
		every \$0.25 increase thereafter			
		additional	\$0.10	\$0.10	\$2.00

F. Additional Fee Schedule (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Lift Fee Commercial Dumpster – Extra
\$85.00 per Extra Lift

2. Yard Fee Commercial Dumpster – Extra
\$10.00 per Extra Yard
 *Additional waste outside of the container

3. Fee Commercial Dumpster - Swap
\$75.00 per container
 *Customer Initiated Container Swap Fee due to graffiti, vandalism, defects outside of normal wear and tear, etc.

4. Blocked Stop Fee Commercial Dumpster –
\$85.00 per Service
 *Applied if contractor has to return to service after scheduled service day due to a customer related issue; blocked by vehicle etc.

5. Fee Rolloff Container – Dry Run
\$120.00 per occurrence
 *Applied if contractor attempts to service as scheduled and cannot due to a customer related issue; blocked by vehicle, construction debris, etc.

EXHIBIT "B" – PRICING AND FEES (38.74%)
FEBRUARY 1, 2015 – JANUARY 31, 2018
Subject to Annual CPI Adjustment as approved by Council

Subject to adjustments, as provided in Section 29 hereof, the rates and fees to be charged and received by the CONTRACTOR are as following:

A. Residential Per Unit Cost

Base Residential Garbage Collection Fee (Republic's Fee)	\$13.00
City Administrative Processing Fee	0.30
Fuel Surcharge (Republic's Fee)	0.00
Sales Tax (Collected by the City)	<u>1.06</u>
Total Monthly Residential Garbage Fee	\$14.36

B. Light Commercial Units (Does not include sales tax or 7% franchise fee to be collected by Republic)

<i>1 X WEEK-maximum of 5 bags/cans per setout</i>	<u>\$ 20.00/month</u>
<i>2 X WEEK -- maximum of 5 bags/cans per setout</i>	<u>\$ 30.00 /month</u>
<i>Cost per additional container</i>	<u>\$ 5.00 /month</u>

C. Commercial (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Commercial Dumpster Fees

Container Size	Weekly Collection Frequency					
	1	2	3	4	5	6
2 yd	\$26.95	\$33.35	\$42.97	\$54.96	\$67.96	\$78.96
3 yd	N/A	N/A	N/A	N/A	N/A	N/A
4 yd	\$31.06	\$49.64	\$70.13	\$89.06	\$104.01	\$124.45
6 yd	\$41.35	\$65.20	\$94.37	\$124.06	\$154.45	\$183.41
8 yd	\$47.54	\$82.10	\$123.37	\$164.23	\$205.49	\$244.33
10 yd	N/A	N/A	N/A	N/A	N/A	N/A

2. Commercial Recycling Fees

Container Size	Weekly Collection Frequency					
	1	2	3	4	5	6
2 yd	N/A	N/A	N/A	N/A	N/A	N/A
3 yd	N/A	N/A	N/A	N/A	N/A	N/A
4 yd	\$55.00	\$85.00	\$125.00	N/A	N/A	N/A
6 yd	\$60.00	\$95.00	\$135.00	\$170.00	\$205.00	N/A
8 yd	\$65.00	\$100.00	\$140.00	\$180.00	\$220.00	N/A
10 yd	N/A	N/A	N/A	N/A	N/A	N/A

D. COMMERCIAL (Does not include sales tax or 7% franchise fee to be collected by Republic)

1. Roll off Container Fees

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Miscellaneous Fees	
Roll-off delivery- one-time charge	\$125.00 per delivery
Roll-off Rental Fee ³	\$100.00 per month
Roll-off Rental Fee	\$3.00 per day
Compactor Rental Fee ⁴	\$425.00 per month *
Disposal Rate Type I Landfill per Ton	\$30.00 per ton
Disposal Rate Type IV Landfill per cubic Yard	\$7.50 per cubic yd
Notes:	
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	\$2.25	\$2.49	(\$0.20)	(\$0.20)	(\$8.00)
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\$120.00 per occurrence
 *Applied if contractor attempts to service as scheduled and cannot due to a customer related issue; blocked by vehicle, construction debris, etc.