

**SOLID WASTE AND RECYCLING  
COLLECTION  
FRANCHISE AGREEMENT**

Between

THE SOLID WASTE AUTHORITY OF PALM BEACH COUNTY

and

Service Area

Agreement No. 09-

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**SOLID WASTE AND RECYCLING COLLECTION  
FRANCHISE AGREEMENT**

**This Agreement** is hereby made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, between SOLID WASTE AUTHORITY OF PALM BEACH COUNTY, a special district created pursuant to Chapter 2001-331, Laws of Florida, (hereinafter referred to as "Authority") and \_\_\_\_\_ (hereinafter referred to as "Contractor").

In consideration of the mutual benefits, the parties herein agree as follows:

**1. TERM:**

The term of this Agreement shall be for the period beginning October 1, 2008, and expiring September 30, 2013.

**2. DEFINITIONS:**

To the extent the definitions contained herein conflict with similar definitions contained in any federal, state or local law, the definition herein shall prevail. However, nothing contained herein shall be interpreted to require the Contractor to undertake any conduct which is contrary to federal, state or local law.

**A. Authority** shall mean the Solid Waste Authority of Palm Beach County.

**B. Biohazardous or Biomedical Wastes** shall mean those wastes which may cause disease or reasonably be suspected of harboring pathogenic organisms; included, but not limited to, waste resulting from the operation of medical clinics, hospitals, and other facilities producing wastes which may consist of, but are not limited to, diseased human and animal parts, contaminated bandages, pathological specimens, hypodermic needles, contaminated clothing and surgical gloves.

**C. Bulk Trash** shall mean any non-vegetative item which cannot be containerized, bagged, or bundled; including, but not limited to, inoperative and discarded refrigerators, ranges, toilets, pool heaters, water softeners, pianos, washers, dryers, bath tubs, water heaters, sinks, bicycles, and other similar domestic appliances, household goods and furniture and shall not be commingled with Vegetative Waste. There shall be no weight limit for any item of Bulk Trash.

**D. Business Days** shall mean Monday through Saturday.

- E. Collection** shall mean the process whereby solid waste, Garbage, Trash, Bulk Trash, Vegetative Waste or Recyclable Material is removed and transported to a Designated Facility.
- F. Commercial Recycling Collection Service** shall mean the Collection of Recyclable Materials by the Contractor for entities within the Service Area that are not serviced by Residential Recycling Collection Service.
- G. Commercial Solid Waste** shall include any Garbage, Bulk Trash, Trash or Vegetative Waste that is not Residential Solid Waste. Substantial effort shall be made not to commingle Garbage, Trash or Bulk Trash with Vegetative Waste.
- H. Commercial Solid Waste Collection Service** shall mean the collection of Commercial Solid Waste within the Service Area. Such service includes both Containers and Compactors, but does not include Roll-off Collection Services.
- I. Compactor** shall mean any container which has compaction mechanism(s), whether stationary or mobile, all inclusive.
- J. Construction and Demolition Debris (C&D)** shall mean materials generally considered to be not water soluble and nonhazardous in nature, including, but not limited to, steel, glass, brick, concrete, roofing material, pipe, gypsum wallboard, and lumber from the construction or destruction of a structure as part of a construction or demolition project. Mixing of a de minimis amount of waste other than C&D from the construction site will not automatically cause it to be classified as other than C&D.
- K. Container** shall mean and include any container designed or intended to be mechanically dumped into a loader packer type truck or recycling vehicle. All Containers must be of the specifications as designated by the Contract Administrator, in writing.
- L. Containerized Residential Recycling Collection Service** shall mean the collection of Recyclable Materials by the Contractor from Dwelling Units in the Service Area that requires the use of Containers for the collection of Recyclable Materials and which also receive Residential Collection Service for solid waste, and the delivery of those Recyclable Materials to the Materials Recycling Facility.
- M. Containerized Residential Solid Waste Collection Service** shall mean solid waste collection service of all Dwelling Units whose Garbage, Trash, Bulk Trash or Vegetative Waste is collected by means of a central or shared Container and not by means of a Garbage Can. Vegetative Waste shall not be commingled with Garbage, Trash, or Bulk Trash.
- N. Contract** shall mean this Agreement.

- O. Contractor** shall mean that person or entity set out initially above that has entered into this Agreement to provide the services described herein for the Service Area.
- P. Contract Administrator** shall mean the person designated by the Authority who shall act as the Authority's representative during the term of this Agreement.
- Q. County** shall mean Palm Beach County.
- R. Curbside Residential Recycling Collection Service** shall mean the collection of Recyclable Materials by the Contractor from all Dwelling Units in the Service Area that also receive Curbside Residential Solid Waste Collection Service for Solid Waste and other Dwelling Units as are designated by the Authority, and the delivery of those Recyclable Materials to the Authority Materials Recycling Facility or designated Authority transfer station.
- S. Curbside Residential Solid Waste Collection Service** shall mean Residential Solid Waste and Vegetative Waste Collection service for all Dwelling Units whose Garbage is collected by means of a Garbage Can at curbside or roadway.
- T. Designated Facility** shall mean an Authority owned disposal, processing, recovery, recycling or transfer facility, or another facility if specifically designated in writing by the Contract Administrator to the Contractor.
- U. Dwelling Unit** shall mean any type of structure or building unit intended for or capable of being utilized for residential living other than a licensed Hotel or Motel unit.
- V. Fiscal Year** shall mean the period between October 1 of a given year and September 30 of the following year during this Contract.
- W. Garbage** shall mean all putrescible waste which generally includes but is not limited to kitchen and table food waste, animal, vegetative, food or any organic waste that is attendant with or results from the storage, preparation, cooking or handling of food materials whether attributed to residential or commercial activities. Vegetative Waste shall not be commingled with Garbage in the same collection. Garbage shall not include any material that falls within the definition of Special Waste.
- X. Garbage Can** shall mean any commonly available light gauge steel, plastic, or galvanized receptacle of a non-absorbent material, closed at one end and open at the other, furnished with a closely fitted top or lid and handle(s). A Garbage Can is also defined as a heavy duty, securely tied, plastic bag designed for use as a garbage receptacle. Such container including waste materials shall not exceed fifty (50) gallons in capacity or fifty (50) pounds in weight, unless a Contractor implements (with written authorization from the Contract Administrator or his designee) an automated or semi-automated collection system requiring the use of some other standard receptacle compatible with the Contractor's equipment supplied by the Contractor and approved by the Authority.

- Y. Hazardous Waste** shall mean solid waste as defined by the State of Florida Department of Environmental Regulation as a hazardous waste in the State of Florida Administrative Code, or by any future legislative action or by federal, state or local law.
- Z. Hotel or Motel** shall mean a structure or building unit(s) capable of being utilized for residential living where such unit or a group of such units is regularly rented to transients or held out or advertised to the public as a place regularly rented to transients for periods of seven days or less. To meet this definition, the Hotel or Motel must be licensed to operate as such. "Transient" has the meaning as defined in Chapter 509, Florida Statutes (1987), or its successor law.
- AA. Land Clearing** shall mean the removal of vegetation for the purpose of improving real property through remodeling, new construction or agricultural use. Land clearing shall include, but is not limited to, trees, brush, dirt, rocks or similar obstructions/materials being removed from a parcel of assessed residential land using mechanical devices such as a bobcat, backhoe, front-end loader, tractor, bulldozer, etc. Removal refers to the physical action of the equipment digging, scraping, bulldozing, and/or pulling debris from the ground. Transporting legally cut vegetation to the curb using a mechanical device does not constitute land clearing. A chainsaw is not to be considered a mechanical device in the removal process.
- BB. Materials Recycling Facility (MRF)** shall mean any facilities operated or managed by, for or on behalf of the Authority for the purpose of receiving, sorting, processing, storing, and/or preparing Recyclable Materials for sale, as specifically designated by the Contract Administrator, in writing.
- CC. Mixed Paper** shall be defined as a mixture of paper products including magazines, catalogues, phone books, cereal boxes, soda and beer can boxes, chipboard, file folders, envelopes, letter paper, junk mail, notebook paper and any other clean paper products.
- DD. Peak Times** shall mean the period between November 1 of a given year and April 30 of the following year, unless otherwise specified by the Authority.
- EE. Public Awareness Program** shall mean that program developed by the Authority to inform and encourage residential and commercial solid waste collection customers to use all solid waste and recycling collection services offered by the Authority through the Contract. It shall also mean information concerning level of service and changes in scope of service.
- FF. Recyclable Materials** shall mean those materials designated in writing by the Authority to the Contractor which are capable of being recycled and which would otherwise be processed or disposed of as solid waste. The materials initially designated by the Authority are newspapers (including inserts); magazines; catalogs; phone books; aluminum cans, foil, and pans; plastic containers #1 - #7 (except

styrofoam); glass bottles and jars; gable-topped containers; aseptic containers; corrugated cardboard; kraft bags; and steel and ferrous cans. The Authority reserves the right to designate Mixed Paper as a recyclable material at any time during the term of this Agreement upon written notice to the Contractor at no additional cost to the Authority or Customer.

- GG. Recycling Container** shall mean a rigid container made of plastic or other suitable substance that is used for the storage of Recyclable Materials.
- HH. Residential Recycling Collection Service** shall mean Curbside Residential Recycling Collection Services and Containerized Residential Recycling Collection Service.
- II. Residential Solid Waste** shall mean Garbage, Trash and Bulk Trash resulting from the normal housekeeping activities of a Dwelling Unit, but shall not include Vegetative Waste. Residential Solid Waste shall also mean Construction and Demolition Debris (C&D) resulting from minor home repair from the Dwelling Unit.
- JJ. Residential Solid Waste Collection Service** shall mean Curbside Residential Solid Waste Collection Service and/or Containerized Residential Solid Waste Collection Service.
- KK. Roll-off Collection Service** shall mean the Collection of C&D only roll-off containers, or the Collection of C&D by other mechanical means, within temporary locations in the Service Area, limited to new construction sites and remodeling or refurbishment sites. Permanent businesses or manufacturing companies that generate C&D on site as part of their operations may obtain roll-off containers from any source for the purpose of recycling the C&D material only provided they also have a container for all other Commercial Solid Waste which is collected exclusively by the Contractor.
- LL. Service Area** shall mean that portion of the unincorporated area of the County as described in Exhibit I, for which Contractor has been granted an exclusive franchise.
- MM. Sludge** shall mean a solid or semi-solid, or liquid generated from any waste water treatment plant, water supply treatment plant, air pollution control facility, septic tank, grease trap, portable toilets and related operations, or any other such waste having similar characteristics or effects.
- NN. Solid Waste Authority Disposal Facility** shall mean place or places specifically managed or operated by the Solid Waste Authority of Palm Beach County, unless otherwise directed by the Contract Administrator in writing.
- OO. Special Services** shall mean any services requested or required by the customer which are in addition to, or a change in, Residential Solid Waste Collection Service, Residential Recycling Collection Service, Commercial Recycling Collection Service and Commercial Solid Waste Collection Service as set out or similar to those listed

in Exhibit II.

- PP. Special Waste** shall include automobiles, boats, internal combustion engines, non-automobile tires, Sludge, dead animals, livestock waste, septic tank waste, Biohazardous or Biomedical Waste, liquid waste, and Hazardous Waste. Special Waste may also include items determined by the Contract Administrator to be reasonably unmanageable.
- QQ. Trash** shall mean all refuse, accumulation of paper, rags, wooden or paper boxes and containers, sweepings, broken toys, tools, utensils, and all other accumulations of a similar nature other than Garbage, which are usual to housekeeping and to the operation of stores, offices and other business places, but shall not include Vegetative Waste.
- RR. Uncontrollable Forces** shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the reasonable control of the nonperforming party. It includes, but is not limited to fire, flood, hurricanes, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, and governmental actions.
- SS. Vegetative Waste** shall mean any vegetative matter resulting from yard and landscaping maintenance by any party and shall include materials such as tree and shrub materials, grass clippings, palm fronds, tree branches and similar other matter usually produced as refuse in the care of lawns, landscaping and yards. All items other than palm fronds, tree branches and Christmas trees such as grass clippings, leaves, pine needles, and similar small loose items must be bagged or containerized with each filled container weighing less than 50 pounds.. Vegetative Waste, except palm fronds, must be no more than six (6) feet in length and no single item shall weigh more than 50 pounds, and shall be placed neatly at the curb. Natural Christmas trees will be collected as Vegetative Waste and any section must not be more than 8 feet in length or 50 pounds in weight.

- 3. SERVICES PROVIDED BY CONTRACTOR:** The Contractor shall provide mandatory Residential Solid Waste Collection Services and Residential Recycling Collection Service in the Service Area. The right to provide such Collection Services in the Service Area shall be exclusive to the Contractor. The Authority or its designee will be responsible for the billing and collection of payments for the mandatory Residential Solid Waste Collection Service and Residential Recycling Collection Service.

The Contractor shall provide Commercial Solid Waste Collection Services in the Service Area, which shall be an exclusive right to the Contractor. The Contractor shall be responsible for the billing and collection of Commercial Solid Waste Collection Services and disposal costs not being billed and collected by the Authority or its designee.

Roll-off Collection Services shall not be exclusive to the Contractor. Notwithstanding any other provision of this Agreement, collection of waste contained in roll-off containers

excluded from Roll-off Collection Services for businesses in the Service Area is exclusive to the Contractor.

No other person or entity except the Contractor may offer or provide Residential Solid Waste Collection Service, Residential Recycling Collection Service or Commercial Solid Waste Collection Service in the Service Area. The Authority agrees to assist the Contractor in taking timely action against any entity violating the provisions of this Section 3.

The Contractor shall provide Commercial Recycling Collection Services in the Service Area upon request by the Customer or the Authority, or through the solicitation efforts of the Contractor. However, Commercial Recycling Collection Services are not exclusive to the Contractor in the Service Area.

The Contractor shall use good faith and its best efforts to cooperate with any commercial recycling haulers providing recycling services to customers in the Service Area.

#### **4. SOLID WASTE AND VEGETATIVE WASTE COLLECTION SERVICE:**

**A. Curbside Residential Solid Waste and Vegetative Waste Collection Services:** The initial Curbside Residential Collection Service provided by this Agreement shall be as set forth in this Section 4A and shall continue until such time as the Contract is terminated.

**1. Conditions and Frequency of Service:** All Curbside Residential Solid Waste and Vegetative Waste shall be properly containerized in Garbage Cans or otherwise prepared for collection. Vegetative Waste shall be separated from Residential Solid Waste. All Curbside Residential Solid Waste Collection Service, except for permitted holidays, shall be provided twice per week, unless options of service (Exhibit II) are implemented, with not less than forty-eight (48) hours nor more than seventy-two (72) hours between regularly scheduled pick-up days. Missed Saturday Residential Solid Waste and Vegetative Waste must be collected by 2:00 p.m. on the following Monday. Vegetative Waste must be placed at an accessible pick-up location similar to the Garbage Can. If the customer has moderately commingled Residential Solid Waste and Vegetative Waste, the hauler shall separate the Residential Solid Waste from the Vegetative Waste and collect the materials separately.

Trash, Bulk Trash, and Construction and Demolition Debris (C&D) resulting from minor home maintenance and repair only will be collected at the curb. Contractor is not required to collect sections of fencing or debris resulting from the demolition of sheds, storage buildings and other like structures or debris generated by major remodeling/construction projects. C&D may include, but is not limited to, drywall, lumber, fencing, roofing material, concrete blocks and paneling. Collection of C&D shall be limited to no more than 2 cubic yards per collection per dwelling unit. Small pieces of C&D, such as tile or roofing material, shall be containerized and weigh not more

than 50 pounds per container. In the event Bulk Trash contains Chlorofluorocarbons (CFC's), the Contractor shall collect the Bulk Trash item separately, in a non-compacting vehicle, and deliver the item, with every attempt not to release the CFC's into the atmosphere, to the Authority landfill, the Belle Glade transfer station or to a scrap dealer located in Palm Beach County. There shall be no weight limit for any Bulk Trash item.

Every effort shall be made to have the Vegetative Waste service day on the first day of the two scheduled route days. Collection of Vegetative Waste shall be limited to no more than 6 cubic yards per week per dwelling unit. With the exception of palm fronds, tree branches and Christmas trees, all Vegetative Waste shall be bagged or containerized. Each container shall not exceed 50 pounds in weight or 50 gallons in capacity. Branches shall not exceed 6 feet in length or 50 pounds in weight. There is no length limitation on palm fronds. Christmas trees shall not exceed 8 ft in length or 50 pounds in weight.

2. **Accessibility:** The edge of all Residential Solid Waste and Vegetative Waste to be collected Curbside must be placed within six (6) feet of the curb, paved surface of the public road, closest accessible public right-of-way, or other such location agreed to by the Contractor that will provide a safe and efficient accessibility to the Contractor's collection crew and vehicle. In the event there is insufficient space between the curb and the sidewalk to place Residential Solid Waste and Vegetative Waste, the edge of all Residential Solid Waste and Vegetative Waste to be collected shall be within two (2) feet of the sidewalk. In the event there is no other accessible location available to customer, all Residential Solid Waste and Vegetative Waste placed under electrical wires, trees or other obstructions preventing the use of a vehicle with mechanical loading capability, shall be collected by means of a rear-load collection vehicle. Contractor may request, in writing, to have Contract Administrator or his designee meet with them to determine alternate Collection location. Contract Administrator's decision of suitable location shall be final. For purposes of this Agreement, public road or public right-of-way means a road owned and maintained by the County or special district, or a road on private property for which an easement has been granted to the public and such road is constructed and maintained to a standard whereby access is available by the collection vehicle. [Note: Exceptions listed for Service Area 8]

Where the resident of a dwelling unit is physically unable to deliver Residential Solid Waste to curbside and this is certified by the Contract Administrator, or the residential structure is located in such a manner as to provide non-accessibility to the Contractor's crew or vehicle, an alternative location may be arranged between the customer and the Contractor at no extra cost to the customer. Vegetative Waste must continue to be placed curbside. In the event an appropriate location cannot be agreed upon, the Contract Administrator shall mediate the dispute and designate the location

for pick-up. If the resident requests Special Services, such as back door service, these services shall be billed directly to customer by Contractor in accordance with Exhibit II. In the event that a Special Service request is not listed in Exhibit II, such charges shall then be established through negotiations between the Contractor and the customer. In the event the customer and the Contractor cannot reach an agreement on the cost, the Contract Administrator shall determine the cost.

- B. Containerized Residential Solid Waste Collection Services:** The Contractor shall provide Containerized Residential Solid Waste Collection Service to all Dwelling Units in the Service Area that are suitable to receive such service and request such service. Commercial Container rental rates, terms, and provisions contained in the Agreement shall also apply to Containers rented for residential service. Normal Collection service, not including Bulk Trash collection, shall be twice per week. However, the customer may elect to receive once a week service during off Peak Times of the year and up to three times per week Collection service during Peak Times, as required, at no additional cost to the customer (as long as the average is two times per week on an annual basis). The size and location of the Container and frequency of collection (more than the minimum of once per week) shall be determined by the Contractor and the residential complex in accordance with this Agreement. In case of an unresolved dispute, the Contract Administrator shall resolve such issue. The Contractor shall be paid the appropriate containerized unit collection rate in accordance with Exhibit II. Any service requested by the residential complex above three times per week or greater than the two times per week annual average, with the exception of Bulk Trash collection, shall also be paid in accordance with the “commercial solid waste collection” rates in Exhibit II.

The frequency of collection of Bulk Trash outside the container shall be no less than once per week unless otherwise agreed to by the customer and approved by the Contract Administrator. Any disputes as to the frequency of Bulk Trash collection shall be resolved by the Contract Administrator. In the event Bulk Trash contains Chlorofluorocarbons, (CFC’s), the Contractor shall collect the Bulk Trash item separately, in a non-compacting vehicle, and deliver the item, with every attempt not to release the CFC’s into the atmosphere, to the Authority landfill, the Belle Glade transfer station or to a scrap dealer located in Palm Beach County. There shall be no weight limit for any Bulk Trash item.

- 1. Conditions and Frequency of Service:** A minimum of once a week service is required of all customers, or such other minimum frequency as provided by law. Such service shall be provided by mechanical Container as defined herein. However, where a customer generates less than two (2) cubic yards per week of waste, alternate non-mechanical Containers may be utilized. The size of the Container and the frequency (above the minimum) of collection shall be determined between the customer and the Contractor. However, size and frequency shall be sufficient to provide that no Residential Solid Waste need be placed outside the Container. Storage capacity shall be suitable for the amount of waste generated by the customer. The Contractor

shall provide Containers at the approved rental rates as necessary, however, customers may own their Container provided that the customer is completely responsible for its proper maintenance. Such Containers shall be of a type that can be serviced by the Contractor's equipment. All Residential Solid Waste shall be placed in a Container or acceptable other Garbage Can. Vegetative Waste shall not be commingled with Garbage. Where Garbage Cans are used, they shall be placed at an accessible location or at such other single collection point as may be agreed upon between the Contractor and the customer. All Containers or Compactors shall be kept in a safe, accessible location agreed upon between the Contractor and the customer. Any Container or Compactor damaged by the Contractor shall be repaired or replaced by the Contractor within five (5) Business Days. All Containers and Compactors provided by the Contractor shall be in good condition. In the event a Compactor, which is provided by a source other than the Contractor, is damaged or in need of repair, Contractor shall provide front load Containers, within 24 hours of notification, sufficient to provide uninterrupted service to customer until Compactor is repaired or replaced. Contractor may charge customer for any Container rental in accordance with rates set forth in Exhibit II. In the event a Compactor, which is provided by the Contractor, is damaged or in need of repair, Contractor shall provide front load Containers within 24 hours of notification sufficient to provide uninterrupted services until Compactor is repaired or replaced at no charge to the customer. The Contractor shall have a regularly scheduled replacement program for all Containers to ensure Containers are in good condition. The Contractor shall replace any Container reported as in poor condition by the customer within five (5) Business Days.

2. **Method of Collecting:** Collection shall occur on a regular basis with a frequency of pick-up as provided herein and the size of the Container to be agreed upon between the Contractor and the customer.
3. **Service Interruption:** Contractor may not stop service to residential containerized customer for non-payment of fees for Container rental or special services without notification by certified letter to Contract Administrator or his designee and customer at which time Contract Administrator shall have five (5) Business Days to investigate and respond.

C. **Commercial Solid Waste Collection Service:** The Contractor shall collect and dispose of all Commercial Solid Waste in the Service Area, except Special Waste. Such Commercial Collection Service shall be governed by the following material terms:

1. **Conditions and Frequency of Service:** A minimum of once a week service is required of all commercial customers or such other minimum frequency as provided by law. However, customers utilizing a roll-off Compactor container shall have the ability to receive service on an on-call basis provided

roll-off Compactor is free from leaks or spillage. There shall be no odor at any time disseminating from the roll-off Compactor, or vermin in the immediate area. If complaints are received, or an inspection conducted by the Authority proves the roll-off Compactor violates any of the above criteria, Contract Administrator will determine the frequency of service. Such service shall be provided by mechanical Container as defined herein. However, where a customer generates less than one (1) cubic yard per week of waste, alternate non-mechanical Containers may be utilized (e.g., Garbage Can(s)). If the commercial customer generates less than one (1) cubic yard per week and uses a Garbage Can, the commercial customer shall be charged the monthly Residential Curbside Solid Waste Collection rate, as set out in Exhibit II. The size of the Container and the frequency of collection shall be determined between the customer and the Contractor. However, size and frequency shall be sufficient to provide that no Commercial Solid Waste need be placed outside the Container. Storage capacity shall be suitable for the amount of waste generated by the customer. The Contractor shall provide Containers as necessary, however, customers may own their Container provided that the customer is completely responsible for its proper maintenance. Such Containers shall be of a type that can be serviced by the Contractor's equipment. In the event the Contractor provides the Container, the Container shall be in good condition. All Commercial Solid Waste shall be placed in a Container, Compactor or acceptable other Garbage Can. Vegetative Waste shall not be commingled with Garbage. All Containers or Compactors shall be kept in a safe, accessible location agreed upon between the Contractor and the customer. Any Container or Compactor damaged by the Contractor shall be repaired or replaced by the Contractor within five (5) Business Days.

Compactors may be obtained by customers from any source provided that such Compactor must be of a type that can be serviced by the Contractor's equipment and the customer shall be completely responsible for its proper maintenance. Compactor frequency of collection shall be sufficient to contain the waste without spillage.

All Containers and Compactors provided by the Contractor shall be in good condition, painted and neatly labeled with the Contractor's name, phone number and size of Container. In the event a Compactor, which is provided by a source other than the Contractor, is damaged or in need of repair, Contractor shall provide front load Containers, within 24 hours of notification, sufficient to provide uninterrupted service to customer until Compactor is repaired or replaced. Contractor may charge customer in accordance with rates set forth in Exhibit II.

In the event a Compactor, which is provided by the Contractor, is damaged or in need of repair, Contractor shall provide front load Containers within 24 hours of notification sufficient to provide uninterrupted service until Compactor is repaired or replaced. Contractor may charge customer for

collection and disposal only in accordance with rates set forth in Exhibit II.

2. **Method of Collecting:** Collection shall occur on a regular basis with a frequency of pick-up as provided herein and the size of the Container to be agreed upon between the Contractor and the customer. Permanent roll-off and Compactor containers must be collected within 24 hours of customer request.
3. **Level, Type and Disclosure of Rates for Commercial Collection and Other Services:**
  - a. **Commercial Collection Service:** The Contractor shall only charge rates as set out in Exhibit II or as otherwise allowed by this Agreement. A written Agreement between the Contractor and the customer shall be entered into regarding the level and type of service to be provided and manner of collection of fees. The Contractor may not bill the customer more than thirty (30) days in advance unless otherwise requested by the customer. The terms and conditions of such Agreement shall be in compliance with all provisions of this Agreement and the term shall not extend beyond the term of this Agreement as stated in Section 1. The customer shall subscribe to a level of service sufficient to meet the needs of the customer in a sanitary and efficient manner. However, upon failure of the parties to reach such an Agreement, the Contract Administrator or his designee shall establish the level and type of service to be provided including the location, size of the Container and number of pick-ups per week and the "TOTAL RATE" to be charged within the approved rate limits contained in Exhibit II. The Contractor will be responsible for the billing and collection of Commercial Solid Waste Collection Services, disposal tipping fees, special service fees and Container rental charges except as otherwise provided in this Agreement.
  - b. **Disclosure:** By October 1<sup>st</sup> of each year of this Agreement, the Contractor shall provide the customer an annual disclosure statement which may be placed either directly on the billing statement generated by Contractor's billing system or on a separate cover letter included with the billing statement. Contractor shall send a commercial customer list to the Authority as well as a master copy of the disclosure statement which includes the following language:

**"REGULATION BY THE SOLID WASTE AUTHORITY"**

**The terms and conditions of this Commercial Solid Waste and Recycling Collection Service Agreement are regulated by a franchise granted by the Solid Waste Authority of Palm Beach County. Should the customer have any questions relating to the terms and conditions of this Agreement, the customer may call the Contract Administrator at 1-866-792-4636.**

### **"COMMERCIAL COLLECTION CONTAINERS"**

The commercial collection container shall be of a type that can be serviced by the Contractor's collection equipment. The customer may either purchase the commercial collection Container from any source or rent such Container from the Contractor at the rental rate as approved by the Authority. If the customer chooses to use a Compactor, the customer may rent, lease or own the Compactor from any source, provided that the Compactor can be serviced by the Contractor's collection equipment. Commercial collection Containers and Compactors shall be maintained in a serviceable, safe, and sanitary condition by the owner of the Container or Compactor. However, damage caused by the Contractor to a customer owned Container or Compactor shall be repaired at the cost of the Contractor.

### **"SPECIAL SERVICES"**

If the customer requests, the Contractor is required to provide special services for collection of solid waste such as rolling Containers out of storage areas, opening doors or gates for access, or other such special services. However, such special services may be provided by the customer, through its own or other personnel. If the Contractor provides special services, such charge must be separately stated under the "RATES FOR SERVICES" disclosure statement. The maximum for these special service rates are fixed by the Solid Waste Authority. A copy of these rates can be obtained from the Contractor or Contract Administrator.

The "RATES FOR SERVICES" statement shall incorporate or have attached a rate schedule which specifies the Collection Rate based on size of Container and frequency of service; TYPE indicating whether the Container is for Solid Waste or Recycling, DISPOSAL based on a cost per cubic yard; CONTAINER RENTAL expressed in a monthly flat rate based on the size of the Container; and the cost per month for each SPECIAL SERVICE REQUIRED BY THE CUSTOMER. The notification shall specify the size of Container and frequency of collection of each Container for each business, distinguishing between solid waste and recycling collection service. The notification shall specify in which Service Area the business is located. The notification shall itemize each cost individually. A sample notification shall be approved by the Contract Administrator or his designee before distribution to the customer.

- D. Method of Payment:** The Authority or its designee will be responsible for the billing and collection of payments for Residential Solid Waste Collection Service. Payments from the Authority to the Contractor will be due and paid no later than the tenth day of the month following service. The initial collection rate per unit per month shall be as set out in Exhibit II. This rate shall be adjusted in subsequent years in accordance with the Payment Adjustment Schedule (Exhibit III).
- E. Hours of Collection:** Curbside Residential Solid Waste Collection Service shall be provided between the hours of 6:00 a.m. and 5:00 p.m. Monday through Saturday. Dwelling Units receiving Containerized Residential Solid Waste Collection Service and non-residential collection sites located within 150 yards of residential uses shall be considered residential collection and shall only be collected between the hours of 7:00 a.m. and 5:00 p.m. Monday through Saturday. Other nonresidential locations may be collected at any time. The hours of collection may be extended due to extraordinary circumstances or conditions with the prior consent of the Contract Administrator.
- F. Routes and Schedules:** The Contractor shall provide the Contract Administrator, in a format acceptable to the Contract Administrator, the schedules for all Collection routes and keep such information current at all times.

Proposed route or schedule changes in Service Areas 5, 6, 7 and 11 affecting dwelling units currently serviced on Monday and Thursday or Tuesday and Friday that would result in Saturday services will not be approved. If Contractor desires to make subsequent changes in the curbside collection service routes or schedules that will result in a benefit to the community, a written request shall be made to the Contract Administrator not less than 60 days prior to the requested date of change. Such request shall include the proposed location and details of the route or schedule change, and the reason for change.

The Contract Administrator shall review requested route change(s) and approve or deny request within 10 Business Days. Contract Administrator's decision shall be final. In the event a requested route or schedule change is approved by the Contract

Administrator, Contractor shall notify the customer(s) affected in writing or other manner approved by the Contract Administrator not less than two (2) weeks prior to the change, at no cost to the Authority. Notification of day changes for Curbside Residential customers shall be by door hanger, unless otherwise approved by the Contract Administrator, and distributed by the Contractor at no cost to the Authority and the customer. Notification to Curbside customers shall be done twice - once two (2) weeks prior to the change and once one (1) week prior to the change. Contractor shall provide a draft copy of the route change notification to the Contract Administrator for review and approval not less than three (3) weeks prior to printing and distribution.

5. **RECYCLING COLLECTION SERVICE:** The Contractor shall provide Residential and Commercial Recycling Collection Service in the Service Area, as provided within the Agreement. The Authority or its designee shall be responsible for the billing and collection of payments for Residential Recycling Collection Services. The Contractor shall be responsible for billing and collection of Commercial Recycling Collection Service cost not being billed and collected by the Authority or its designee.

A. **Curbside Residential Recycling Collection Services** will be governed by the following terms and conditions:

1. **Conditions and Frequency of Service:** The Contractor shall provide Curbside Residential Recycling Collection Services to all Dwelling Units receiving Curbside Residential Solid Waste Collection Service located in the designated Service Area and to other such Dwelling Units as determined appropriate by the Contract Administrator. This service shall be provided once every week, unless otherwise specified by the Authority, on a scheduled route basis which shall coincide with one of the two regularly scheduled solid waste collection pick-up days.

Recyclable Materials shall not be commingled with other Residential Solid Waste. Contractor's collection personnel shall not knowingly collect Recyclable Materials and place in a solid waste collection vehicle or Garbage Can. Recyclable Materials set out for collection by Customers must be collected in a vehicle designated solely for the purpose of collecting Recyclable Material. Recycling vehicle shall contain signage designating vehicle as such and include the Authority's toll-free new bin telephone number. Commingling of solid waste with Recyclable Materials shall be subject to fines as set forth in this Agreement.

2. **Accessibility for and Manner of Curbside Recycling Collection:** All Recyclable Materials to be collected shall be in a Recycling Container, with the exception of cardboard and/or paper bag, and shall be placed within six (6) feet of the curb; paved surface of the public road, closest accessible public right-of-way, or other such location agreed to by the Contractor that will provide a safe and efficient accessibility to the Contractor's collection crew

and vehicle. The Contractor must collect as many Recycling Containers, bags, bundles, or flattened cardboard, as the customer sets out. Cardboard shall be collected if placed next to, or inside, the Recycling Container or Container. Where the resident is physically unable to deliver Recyclable Materials to curbside and this is certified by the Contract Administrator, or the Dwelling Unit is located in such a manner as to provide non-accessibility to the Contractor's crew or vehicle, an alternative location may be arranged between the customer and the Contractor at no extra cost to the customer. In the event an appropriate location cannot be agreed upon, the Contract Administrator shall mediate the dispute and designate the location for pick-up.

**Recycling Containers:** The Contractor shall ensure distribution of Recycling Containers as supplied by the Authority to each unit that is to receive Curbside Residential Recycling Collection Service in the Service Area. The title to these Recycling Containers shall be vested with the Authority. However, customers may use their own additional Recycling Containers or paper bags as long as they are similar and suitable for the service. Contractor shall deliver Recycling Containers within five (5) Business Days as requested by the customer or the Authority.

**B. Containerized Residential Recycling Collection Service** will be governed by the following terms and conditions:

- 1. Conditions and Frequency of Service:** The Contractor shall provide this service to Dwelling Units as are designated by the Authority that are located in the Service Area. This service shall be provided at least once every week on a scheduled route basis as set out in paragraph 2 below, and up to twice a week service as necessary during Peak Times of the year.

Any Container or Recycling Container damaged by the Contractor shall be repaired or replaced by the Contractor within five (5) Business Days. Any Container or Recycling Container needing replacement, as requested by the customer or the Authority, shall be replaced within five (5) Business Days.

- 2. Accessibility and Schedule for Containerized Residential Recycling Collection:** All Recyclable Materials, with the exception of cardboard, are to be collected in a Recycling Container or Container designated for Recyclable Materials which shall be located in such location and shall be collected on a schedule as mutually agreed to by the owner or governing association (of the multiple residential complex or development being serviced) and by the Contractor that will provide a safe and efficient accessibility to the Contractor's collection crew and vehicle. Cardboard shall be collected if placed next to, or inside, the Recycling Container or Container. If there is a large amount of cardboard placed outside of the Container (such as a 101 gallon Container), an alternate, larger Container shall be provided, upon agreement by the customer and the Authority. In the

event an appropriate location cannot be agreed upon, the Contract Administrator shall mediate the dispute and designate the location for pick-up.

**C. Commercial Recycling Collection Service:** The Contractor shall provide Commercial Recycling Collection Services on behalf of the Authority for any business in the Service Area where the Authority has arranged, negotiated or contracted for such service, and Contractor shall have the right to solicit Commercial Recycling Collection Service agreements with any business in the Service Area upon terms and conditions consistent with this Agreement.

**1. Conditions and Frequency of Service:** The Contractor shall provide Commercial Recycling Collection Services to all businesses or commercial entities located in the designated Service Area resulting from its own solicitation, by request of the customer, or where a contract meeting the terms and conditions of this Agreement is arranged by the Contract Administrator or his designee. The size and frequency of service of the Container designated for Recyclable Materials shall be determined by a waste audit and agreed to by the customer and the Contractor. However, size and frequency shall be sufficient to provide that no Recyclable Materials need be placed outside the Container. Storage capacity shall be suitable for the amount of Recyclable Materials generated by the customer. The Contractor shall provide Containers as necessary, however, customers may own their Container provided that the customer is completely responsible for its proper maintenance. Such Containers shall be of a type that can be serviced by the Contractor's equipment. Compactors may be obtained by customers from any source provided that such Compactor must be of a type that can be serviced by the Contractor's equipment and the customer shall be completely responsible for its proper maintenance. Compactor frequency of collection shall be sufficient to contain the waste without spillage. All Commercial Recyclable Materials shall be placed in a Container, Compactor or other acceptable Recycling Container. All Containers and Compactors provided by the Contractor shall be in good condition, painted and neatly labeled with the Contractor's name, phone number and size of Container.

Recyclable Material shall not be commingled with other solid waste. Contractor's collection personnel shall not knowingly collect Recyclable Materials and place in a solid waste collection vehicle. Recyclable Materials set out for collection by Customers must be collected in a vehicle designated solely for the purpose of collecting Recyclable Material. Recycling vehicle shall contain signage designating vehicle as such and include the Authority's toll-free new bin telephone number. Commingling of solid waste with Recyclable Materials shall be subject to fines as set forth in this Agreement. Where Recycling Containers are used, they shall be placed at an accessible location or at such other single collection point as may be agreed upon between the Contractor and the customer. All Containers shall be kept in a safe, accessible location agreed upon between

the Contractor and the customer. Any Container or Recycling Container damaged by the Contractor shall be repaired or replaced by the Contractor within five (5) Business Days.

**2. Level, Type and Disclosure of Rates for Commercial Recycling Collection and Other Services:** A written Agreement between the Contractor and the customer shall be entered into regarding the level and type of service to be provided and manner of collection of fees. The terms and conditions of such Agreement shall be in compliance with all provisions of this Agreement and the term shall not extend beyond the term of this Agreement as stated in Section 1. The customer shall subscribe to a level of service sufficient to meet the needs of the customer in a sanitary and efficient manner. However, upon failure of the parties to reach such an agreement, the Contract Administrator, or his designee, at the election of the customer and Contractor may establish the level and type of service to be provided including the location, size of the Container and number of pick-ups per week and the "TOTAL RATE" to be charged within the approved rate limits contained in Exhibit II. The Contractor will be responsible for the billing and collection of Commercial Recycling Collection charges except as otherwise provided in this Agreement. The written agreement between the Contractor and the customer shall be as specified in Section 4.C.3.b. In the event the customer cancels a contract with the Contractor for Commercial Recycling Collection Services, the Contractor is not obligated to provide Commercial Recycling Collections at the rates set forth in Exhibit II. Upon cancellation, the Contractor shall provide a written explanation, as provided by the Authority, of this policy. The Contractor shall allow the Customer three days to rescind the cancellation after the written notification is provided.

**3. Ownership:** Notwithstanding any other provision of this Agreement, a commercial generator of Recyclable Materials retains ownership of those materials until he or she donates, sells, or contracts for the donation or sale of those materials to another person or entity. Nothing in this Agreement shall prevent a person or entity engaged in the business of recycling, whether for profit or nonprofit, from accepting and transporting commercially generated, source separated Recyclable Materials from such commercial generator, provided however, that such activities are subject to applicable state and local public health and safety laws, and provided that the transporter must report such information to the Authority as may be necessary for the documentation of state mandated recycling or reduction goals.

**D. Method of Payment:** The Authority or its designee will be responsible for the billing and collection of payments for Residential Recycling Collection Service. Payments from the Authority to the Contractor will be due and paid no later than the tenth day of the month following service. The initial collection rate per unit per month shall be as set out in Exhibit II. This rate shall be adjusted in subsequent years in accordance with Section 6.

The Contractor shall be responsible for billing and collection of payments for Commercial Recycling Collection Service, not to exceed the rates as set out in Exhibit II. The rate set out in Exhibit II shall be adjusted in subsequent years in accordance with the Payment Adjustment Schedule (Exhibit III). The Authority shall provide recycling Containers for commercial customers utilizing a 95 or 101 gallon Container at no charge to the Contractor or customer. The Contractor may be asked to bill the Authority or the customer for all or a part of the Containers used by the customer for Commercial Recycling Collection Service, at the rate set out in Exhibit II, as determined by the Contract Administrator.

**E. Hours of Collection:** Residential Recycling Collection Service shall be conducted between the hours of 6:00 a.m. and 5:00 p.m., Monday through Saturday. Dwelling Units receiving Containerized Residential Recycling Collection Service and nonresidential collection sites located within 150 yards of residential uses shall be considered residential collection and shall only be collected between the hours of 7:00 a.m. and 5:00 p.m. Monday through Saturday. Other nonresidential locations may be collected at any time. The hours of collection may be extended due to extraordinary circumstances or conditions with the prior consent of the Contract Administrator.

**F. Routes and Schedules:** The Contractor shall provide the Contract Administrator, in a format acceptable to the Contract Administrator, the schedules for all collection routes and keep such information current at all times.

In the event a change in the current Residential Recycling Collection routes is desired that will alter the day of pick-up, the Contractor shall notify the Contract Administrator, in writing, not less than 60 days prior to desired change. The Contract Administrator shall review requested route change(s) and approve or deny request within 10 Business Days. Contract Administrator's decision shall be final. In the event a requested route change is approved by the Contract Administrator, the Contractor shall notify the customer(s) affected in writing, or other manner approved by the Contract Administrator not less than two (2) weeks prior to the change, at no cost to the Authority. Notification of day changes for Curbside Residential customers shall be by door hanger unless otherwise approved by the Contract Administrator, and distributed by the Contractor at no cost to the Authority and the customer. Notification to Curbside customers shall be done twice - once two (2) weeks prior to the change and once one (1) week prior to the change. Contractor shall provide a draft copy of the route change notification to the Contract Administrator for review and approval not less than three (3) weeks prior to printing and distribution. Notification includes any day changes, approved by the Contract Administrator, to the customer prior to the beginning of this Agreement on October 1, 2008.

**G. Replacement of Recycling Containers for Residential Dwelling Units:**

1. The Contractor will replace at his expense any Container or Recycling Container damaged through the fault or negligence of the Contractor or his

employees. Replacement Recycling Containers or Containers designated for Recycling for Residential Dwelling Units will be provided by the Authority with the cost deducted for replacement containers from the Contractor's monthly fees. The Contractor shall replace the Recycling Container within five (5) Business Days of request by the customer or the Authority.

2. The Authority, at its expense, will supply to the Contractor, for distribution to the customer, replacement Recycling Containers or Containers which were originally provided by the Authority and lost or damaged by the occupant of a Dwelling Unit. The Contractor shall replace the Recycling Container or Containers within five (5) Business Days of the request by the customer or the Authority.
3. The Contractor shall promptly deliver replacement Recycling Containers, or Containers damaged by its employees, or when notified by the Contract Administrator, or his designee, or the occupant of a Dwelling Unit where a Recycling Container or Container is damaged or missing, and shall monthly report all such replacements to the Authority. The Contractor shall also promptly deliver Recycling Containers or Containers as requested by the Authority on behalf of the residential customers for the purpose of excess Recyclable Materials or for new residential customers within five (5) Business Days of the request by the customer or the Authority.

**H. Manner of Collection:** The Contractor shall collect Recyclable Materials with as little disturbance as possible and shall leave the Recycling Container or Container housing Recyclable Materials at the same point it was collected. To be eligible for Curbside Residential Recycling Collection Service, Recyclable Materials must be put in a Recycling Container, or other acceptable Container, and placed at the usual accessible pick-up location for Curbside Residential Solid Waste Collection. All Recyclable Materials set out by the customer that meet these criteria shall be collected. In the event the customer places solid waste in the Recycling Container(s) or Container(s), the Contractor must collect all Recyclable Materials and leave the solid waste in the Recycling Container(s) or Container(s). The Contractor must then place a contamination sticker on the Recycling Container(s) or Container(s) advising the customer of the reason the solid waste was not collected. Contamination stickers will be provided to the Contractor by the Authority.

**I. Material Recycling Facility:** The Contractor shall deliver all Recyclable Materials collected from the Service Area to the Solid Waste Authority MRF or facility designated, in writing, by the Contract Administrator.

**J. Change in Scope of Recycling Collection Service:** From time to time, at the sole option of the Authority, it may be necessary to modify the scope of Recyclable Materials that will be included in Recycling Collection Service. Should this occur, the Authority and the Contractor agree to enter into good faith negotiations to amend this Agreement to reflect the impact of any such modification.

**6. CHARGES, RATES AND LEVEL OF SERVICES:**

- A. Solid Waste and Recycling Collection Rate Adjustments:** For all Collection services, the charges shall be initially based on the rates established in Exhibit II, and as subsequently adjusted pursuant to this Agreement. The Contractor shall receive an annual adjustment in the Residential Solid Waste Collection Service, Commercial Recycling Collection Service, Commercial Solid Waste Collection Service and Residential Recycling Collection Service rates. At the end of the first year of this Agreement, and each year thereafter, the adjustment shall be made based on the Refuse Rate Index ("RRI") as set out in Exhibit III.

No change in rates except for the Payment Schedule adjustment as provided by this Agreement shall be made without the approval of the Authority Board. Annual rate adjustments shall be effective the following October 1, unless otherwise mutually determined by the Authority and the Contractor.

**B. Authority's Obligation - Billing, Collection, Payments:**

1. The Authority will be responsible for the billing and collection of payments for those units included in the Authority's mandatory Residential Solid Waste Collection Services and the Residential Recycling Collection Services programs. The Authority shall make monthly payments in arrears to the Contractor for the Residential Solid Waste Collection Service and Residential Recycling Collection Services provided pursuant to this Contract. The Contractor shall be entitled to payment for services rendered irrespective of whether or not the Authority collects from customers for such service. Payments from the Authority to the Contractor will be due and paid no later than the tenth day of the month following the month during which services were rendered.

On or before October 1, and before commencement of work by the Contractor under the terms of this Agreement, the Authority shall provide to the Contractor the estimated total number of units to be serviced. By November 1 of each Fiscal Year, the Authority shall provide to the Contractor a copy of the annual assessment roll providing a detailed listing of all the units to receive these services. Thereafter and for the duration of this Agreement, the Authority shall promptly notify the Contractor of new residential units to be served and/or deleted and payments will be adjusted accordingly. New Dwelling Units which are added for service during the Authority's Fiscal Year will be added to the customer service list and payment will be paid by the Authority to the Contractor in the Contractor's monthly payment. Payment will be prorated based upon the day of Certificate of Occupancy and verification of the beginning of actual service, whichever is later. The payments from the Authority to the Contractor for units added by Certificate of Occupancy are paid no later than the tenth day of the month, two months following the month during which the Dwelling Unit is provided a Certificate of Occupancy. After the first year of the

Agreement, the Dwelling Unit becomes part of the total number of the subsequent year's total number of units, provided annually to the Contractor on or before October 1.

2. In the event the Contractor provides service to Dwelling Units whose parcel was not included on the annual assessment roll provided by the Authority, the Contractor must provide a written list of such Dwelling Units to the Contract Administrator within 90 days receipt of the assessment roll. Upon receipt of such written list by the Authority, the Contract Administrator will verify the customer address and that service to the unit is proper within 30 days, and if proper, shall remit monthly payments to the Contractor for such service effective as of October 1 of that Fiscal Year or the date service began, whichever is later. If the Authority has not received notification within 90 days by the Contractor, no adjustments to payment will be made until the next Fiscal Year annual roll is certified for the same units. However, the Authority reserves the right to correct any errors of omission or commission per the laws and rules that govern the Authority. In the event the Authority pays the Contractor for a residential unit in error for whatever reason, the Contractor shall notify the Contract Administrator. Upon determination of any overpayment, the Contract Administrator will verify the error and make appropriate adjustment to the Contractor's payment to correct the error.

**C. Solid Waste Disposal Costs:** Collection service costs and solid waste disposal costs shall be treated separately for the solid waste Collection services being provided pursuant to this Contract. The Contractor's payments for Collection are set out in Exhibit II. Residential and commercial solid waste disposal costs shall be separated from residential and commercial collection service costs as shown in Exhibit II. Residential disposal costs will be part of the special assessment billed by the Authority except as otherwise provided in this Agreement. The Contractor will be given a disposal credit for each residential unit as calculated in Exhibit II. The non-assessed portion of the commercial disposal costs will be part of the service charge billed by the Contractor. The Contractor shall pay the Authority for all solid waste disposal costs incurred for disposing of all solid waste at the Authority's Disposal Facilities except for the portion of disposal costs which have been separately credited by the Authority.

**D. Extraordinary Rate Adjustment:** The Contractor may petition the Authority at any time for an additional rate adjustment on the basis of extraordinary and unusual changes in the cost of operations that could not reasonably be foreseen by a prudent operator. The Contractor's request shall contain substantial proof and justification, as determined by the Contract Administrator, to support the need for the rate adjustment. The Authority may request from the Contractor, and the Contractor shall provide, such further information as may be reasonably necessary in making its determination. The Authority Board may approve or deny the request, in whole or in part, within 120 days of receipt of the request and all other additional information required by the Authority.

**E. Franchise Fee:** To compensate the Authority for the cost of administration, supervision and inspection rendered for the effective performance of this Agreement, as well as other costs related to Collection, the Contractor shall pay to the Authority a fee of three percent (3%) of all gross revenues charged, collected or received arising out of any services or operations conducted in the Service Area excluding revenues from Commercial Recycling Collection Service. Solid waste disposal costs paid by the Contractor to the Authority under this Agreement shall be deducted from the gross revenue total prior to applying the 3% for calculation of the franchise fee due to the Authority. Franchise fees shall be payable within forty-five (45) days of the last day of each calendar quarter. A late charge of 1.5% of the monies due for the Franchise fee shall be calculated monthly until payment is received. Misrepresentation of revenues by Contractor shall result in the following; 1) Contractor must pay the Authority the calculated difference determined from the misrepresentation within five (5) Business Days. 2) Contractor must also pay an additional 20% penalty fee of the misrepresented amount. 3) Contractor shall submit a Certified Financial Statement on a quarterly basis for the remainder of the Agreement. The report must include the opinion of a Florida Certified Public Accountant who has conducted an audit of the Contractor's books and records in accordance with generally accepted auditing standards which include tests and other procedures necessary, that the Financial Statements are fairly presented, in all material respects, in conformity with generally accepted accounting practices.

In the event that a new Authority facility opens within the Service Area during the term of this Agreement, Contractor's rate of pay at the time facility opens shall be reduced by 15% to reflect the reduction in hauling distances due to the additional facility(ies).

The Authority is currently designing and permitting a new transfer station to be located within the boundaries of Service Area 7 and anticipates that it will be open for operation on or about October 1, 2010. If it should become operational prior to that date the franchisee for Service Area 7 will continue to receive the rate bid as amended by all other provisions of this contract through September 30, 2010.

**7. HOLIDAYS:** The Contractor shall not be required to collect Commercial Solid Waste, Commercial Recycling, Residential Solid Waste, Vegetative Waste and Residential Recyclable Material or maintain office hours on Thanksgiving Day and Christmas Day. Residential Solid Waste, Recyclable Material and Vegetative Waste not collected on Thanksgiving Day and Christmas Day shall be collected on the next scheduled service day. The Contractor shall not be required to maintain office hours on Thanksgiving Day and Christmas Day. However, on all holidays except Thanksgiving Day and Christmas Day, the Contractor shall provide for operations personnel to accept calls from the Authority and the Contractor's customers.

**8. SPECIAL SERVICES:** Rates charged for Special Services may not exceed the special

service rates as listed in Exhibit II. In the event the requested special service is not included within Exhibit II, the Contractor may negotiate with the customer for the rate. Upon failure of the parties to reach an agreement on the rate, the Contract Administrator shall establish the rate. The Contractor shall be responsible for billing and collection of payment for all Special Services.

- 9. PUBLIC AWARENESS PROGRAM:** The Contractor shall assist the Authority with the Public Awareness Program by distributing door hangers, stickers, flyers or other medium to residential and commercial customers as requested by the Authority. Additionally it is the Contractor's responsibility to provide information about those customers who repeatedly do not prepare or set out their Recyclable Material or solid waste as specified within this Contract to the Authority.

The Commercial Recycling customer will also be notified, by the Authority through the Contractor, about special commercial recycling events, workshops, educational forums and symposiums and other activities, as needed. Authority personnel are available to assist the Contractor's marketing staff in expanding commercial marketing service.

- 10. MANNER OF COLLECTION:** The Contractor shall collect Residential Solid Waste, Vegetative Waste and Recyclable Materials and Commercial Solid Waste, Recycling and Vegetative Waste with as little disturbance as possible and shall leave any receptacle at the same point it was collected. Any Container or Recycling Container, with the exception of Garbage Cans, damaged by the Contractor will be replaced by the Contractor within five (5) Business Days at no cost to the customer, unless otherwise provided within this Agreement. Garbage Cans shall be replaced within three (3) Business Days. The replacement must be similar in style, material, quality and capacity. Throwing of any Garbage Can, Container or Recycling Container is prohibited. The Contractor shall neatly re-place the Container, Recycling Container and Garbage Can to the point of collection.

**11. PERSONNEL OF THE CONTRACTOR:**

- A. The Contractor shall assign a qualified person or persons to be in charge of the operations within the service area and shall give the name(s), office and cellular telephone numbers and, if applicable, email address of the person(s) to the Contract Administrator.
- B. Supervisory personnel must be present on all routes to direct operations in a safe and satisfactory manner. All supervisory personnel shall operate a non-collection vehicle that is clearly marked with Contractor's name and office telephone number.
- C. Contractor shall provide personnel sufficient to complete all routes. Supervisory personnel may temporarily operate collection vehicles in an emergency situation only with prior notification to and consent from the Authority.

- D. The Contractor shall keep all contact information provided to the Authority current at all times.
  - E. The Contractor's solid waste collection employees shall wear a uniform or shirt bearing the company's name during operations.
  - F. Each driver of a collection vehicle shall at all times carry a valid Florida driver's license for the type of vehicle that is being driven.
  - G. The Contractor's name and office telephone number shall be properly displayed on all solid waste and recycling collection vehicles and Containers provided by the Contractor. All vehicles utilized for the collection of Recyclable Material shall be clearly identified for that purpose.
  - H. The Contractor shall provide operating and safety training for all personnel.
  - I. The Contractor's employees shall treat all customers in a polite and courteous manner.
  - J. The Contractor shall provide emergency contact name(s), office, home and cellular telephone numbers and, if applicable, email address for all key personnel.
  - K. In the event of a dispute between customer and Contractor, key personnel of the Contractor shall be available to meet with Contract Administrator or his designee as requested by the Authority.
  - L. Any employee of the Contractor who removes or diverts solid waste or Recyclable Material without authorization shall be prohibited from providing solid waste or Recyclable Materials collection services under this Agreement. The Contractor shall immediately notify the Authority of any scavenging activity that comes to the Contractor's attention.
- 12. SPILLAGE:** The Contractor shall not litter or cause any spillage to occur upon the premises, roadway or the right-of-way wherein the collection shall occur. During hauling, all solid waste, Vegetative Waste and Recyclable Material shall be contained, tied, or enclosed so that leaking, spilling and blowing is prevented. In the event of any spillage or leakage, including but not limited to, hydraulic and other fluids from the collection vehicle or materials such as paint, by the Contractor, for any reason or source, the Contractor shall clean up all spillage and leakage at no cost to the Authority or the customer within two (2) Business Days unless otherwise specified within this Agreement.
- 13. SOLID WASTE AND MATERIAL RECYCLING FACILITIES:** All Residential Solid Waste, Commercial Solid Waste, Vegetative Waste and Recyclable Material shall be hauled to a Designated Facility. For all Service Areas except Service Area Seven (7), the

Contractor is free to use any suitable Designated Facility. However, no materials from Service Area Seven (7) shall be delivered to the Delray or Lantana transfer stations unless the West Central and the proposed Southwest transfer stations are simultaneously closed for repairs, and without written approval from the Contract Administrator.

The Contract Administrator may specify in writing facilities not owned by the Authority as Designated Facilities. These facilities are supplemental to the facilities owned by the Authority. The Authority does not guarantee the continued availability of facilities not owned by the Authority. In the event a Designated Facility not owned by the Authority is unavailable, closes, or has its Designated Facility status revoked, Contractor shall use an alternate Designated Facility at no charge to the Authority.

Facilities managed and operated by the Authority, with the exception of Delray and Lantana transfer stations are periodically closed for maintenance an average of 40 Business Days every five (5) years. Delray and Lantana transfer stations may be closed an average of 60 Business Days every five (5) years for maintenance. In the event a Designated Facility is closed, the Contractor shall take the solid waste, Vegetative Waste and Recyclable Materials to another Designated Facility at no charge to the Authority, except as limited herein.

Following completion of the Southwest County Transfer Station it is anticipated that the Delray Transfer Station will be closed for a period of one (1) year during the term of this Agreement for the purpose of renovations and Contractor will be required to utilize the Southwest County Transfer Station during this period.

In the event Lantana Transfer Station closes more than 60 Business Days in a five (5) year period, for all routes in Service Area Four (4), Service Area Five (5) and those in Service Area 11, that normally deliver to the Lantana Transfer Station, Contractor shall receive for the additional compensation for the additional travel time to an alternate Designated Facility. Contractor's rates shall be increased to 1.08 times the rate set out in Exhibit II, as adjusted by Exhibit III, if applicable, for each Business Day the Lantana Transfer Station is closed in excess of sixty (60) Business Days and for each type of waste or recyclable material for which acceptance is unavailable.

In the event that a load of Residential Collection Recyclable Materials delivered to the designated facility contains more than 12%, by volume of the total load, material which is not Recyclable Material or that there is more than 12% paper products within the other commingled Recyclable Material or 5% commingle by volume within a load of paper products, the Authority has the right to reject the load and to charge the Contractor the full disposal fee for each ton within the load. In the event the same vehicle delivers repeat loads of contaminated Recyclable Materials, Contractor shall be penalized the base fine of \$250.00 times the number of offenses (Example: 4 offenses = \$1000.00).

In the event that a load of Commercial Collection Recyclable Materials delivered to the designated facility contains more than 10% by volume of the total load of solid waste, trash or commingle within a load of paper products, the Authority has the right to reject the load and to charge Contractor the full disposal fee for each ton within the load. The Contractor may pass this cost through to a commercial customer in the event that the Contractor can

prove that the customer caused the contamination to the satisfaction of the customer. It is the responsibility of the Contractor to notify the Authority of any customer who has repeatedly contaminated the Recyclable Materials.

- 14. COLLECTION EQUIPMENT:** The Contractor shall have on hand at all times and in good working order such equipment as shall permit the Contractor to adequately and efficiently perform the contractual duties specified in this Agreement. Collection equipment utilized in this Agreement shall be not more than five (5) years old upon commencement of this Agreement. Upon execution of this Agreement and semi-annually thereafter, the Contractor shall provide in a format specified by the Contract Administrator a list of the equipment to be used by the Contractor to provide services relating to this Agreement. Solid waste collection equipment shall be of the enclosed loader packer type, or other equipment that meets industry standards and is approved by the Contract Administrator, unless otherwise provided within this Agreement. All Equipment shall be kept in good repair, appearance and in a sanitary, clean condition at all times. Recycling Materials collection equipment shall be of a dual compartment type (one compartment for paper products; one compartment for other Recyclable Material), separate trucks or other equipment that meets industry standards and is approved by the Contract Administrator, and must be compatible for unloading at the designated MRF or transfer station. In the event a compacting vehicle is used for the collection of Recyclable Materials, compaction pressure may not exceed 50 pounds per square inch for the commingled non-paper Recyclable Materials to avoid glass breakage. Equipment utilized for the collection of Recyclable Materials shall be clearly identified for that purpose. The Contractor shall have available reserve equipment which can be put into service within two (2) hours of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by the Contractor to perform the contractual duties. Contractor shall notify the Contract Administrator or his designee by phone within two hours of any equipment breakdown. If the public road or public right-of-way in the Service Area is substandard, as specifically designated by the Contract Administrator, in writing, the Contractor must provide lightweight equipment to service these roads.
- 15. VEGETATIVE WASTE:** All Vegetative Waste up to six (6) cubic yards shall be collected separately from Residential Solid Waste, Commercial Solid Waste and Recyclable Materials. All grass clippings, leaves, pine needles or other similar loose waste shall be bagged or containerized and not exceed 50 pounds in weight or 50 gallons in capacity, otherwise, Vegetative Waste must be no more than six (6) feet in length, with the exception of palm fronds and Christmas trees, and under 50 pounds per piece and placed neatly at the curb. The Contractor must sweep the street clean and rake up any remnants of vegetation remaining following any Vegetative waste not collected on the regular scheduled Collection day. Contractor is not required to collect debris generated by land clearing activity which includes but is not limited to stumps, tree trunks and logs.
- 16. SPECIAL WASTE, HAZARDOUS WASTE, BIOHAZARDOUS OR BIOMEDICAL WASTE AND SLUDGE:** The Contractor shall not be required to collect and dispose of

Hazardous Waste, Biohazardous or Biomedical Waste, or Sludge, but may offer such service in the Service Area. All such collection and disposal for those types of waste in this Section are not regulated or exclusive under this Agreement, but if provided by the Contractor shall be in strict compliance with all federal, state and local laws and regulations.

**17. OFFICE AND EQUIPMENT YARD:** The Contractor shall maintain an office within Palm Beach County where complaints shall be received. It shall be equipped with sufficient telephones, with no less than two phone lines, and shall be open during normal business hours and shall have a customer service representative to provide phone coverage from 8:00 a.m. to 5:00 p.m., Monday through Friday and from 8:00 a.m. to 2:00 p.m. on Saturday, with the exception of Thanksgiving Day and Christmas Day. The Contractor shall provide a fax machine with a dedicated fax line and computer to receive complaints from the Authority. If during the term of this Agreement, the transmission of complaints is through electronic media (email), Contractor must have a dedicated computer with internet access to receive, process, and respond to such communication in the same timely manner as when fax communication was utilized. The Contractor shall provide an answering machine during non-office hours for customer requests and questions to be responded to during the following Business Day. The Contractor shall provide a contact person for the Authority to reach during all non-office hours. The contact person must have the ability to authorize Contractor operation in the case of Authority direction or situations requiring immediate attention. An equipment yard must be established within Palm Beach County no later than September 1, 2008. Contractor may establish an equipment yard within Palm Beach County or utilize a yard located outside Palm Beach County provided it will increase efficiency of operations within their Service Area. Failure to establish an equipment yard may result in loss of franchise, pending the Contract Administrator's review of whether the Contractor is using his best efforts to establish an equipment yard in a timely manner. Equipment yard means a real property location that shall be utilized by the Contractor for the storage and keeping of all equipment needed by the Contractor to provide all services under this Agreement in the Service Area.

**18. COMPLAINTS:** All service complaints shall be directed to the Contract Administrator, or his designee. The complaint will be forwarded to the Contractor by telephone, computer or electronic media not less than twice daily where it shall be recorded on a complaint log by the Contractor. The complaint shall be resolved no later than 3:00 p.m. the next Business Day after it is received by the Contractor. When the complaint is received on a Saturday or the day preceding Thanksgiving Day and Christmas Day, it shall be resolved by the Contractor no later than the next regular working day.

When the Contract Administrator or designated agency notifies the Contractor of a complaint, the Contractor shall take the appropriate steps that may be necessary to resolve the complaint by 3:00 p.m. on the next Business Day after its receipt. If a complaint cannot be resolved by 3:00 p.m. on the next Business Day following scheduled Collection day, the Contract Administrator shall be notified in writing of reason for non-resolution of complaint.

Non-conforming solid waste, Recycling and Vegetation not properly tagged by the Contractor shall be collected by Contractor by 3:00 p.m. on the next Business Day following scheduled Collection day. Complaints of sloppy service provided by Contractor, including, but not limited to solid waste, Recyclable Materials or Vegetative Waste being left in the roadway or Garbage Cans not being returned to point of collection on scheduled Collection day shall be resolved by 5:00 p.m. on the same day.

The Contractor shall investigate and provide the Contract Administrator or his designated agency with a full written explanation of the disposition of any complaint involving a claim of damage to private or public property as a result of actions of the Contractor's employees, agent, or sub-contractors within 24 hours of receipt. The Contract Administrator will consider all documentation provided and make final determination of party responsibility. If the Contractor fails to provide a written explanation of disposition of such complaints within 24 hours of receipt, determination of responsibility shall be in favor of customer and Contractor shall be held liable for all necessary repairs. Any damage shall be repaired within five (5) Business Days, with the exception of mailboxes and Garbage Containers, which shall be repaired or replaced within three (3) Business Days. On an annual basis Contractor shall replace a minimum number of garbage Containers per Service Area as set forth in Exhibit V. Container shall be similar in size and style as that which was reported as damaged or missing and shall be replaced to the satisfaction of the customer within three (3) Business Days. Once the minimum number of Container(s) replacements as set forth in Exhibit V has been met, Contractor shall be responsible for replacing any additional Container(s) determined to be damaged or missing through negligence of Contractor's personnel (including agents, employees or subcontractors) however Contractor shall not be required to replace garbage Container(s) which exhibit signs of normal wear and tear. In the case of an unresolved dispute, the Contract Administrator's or his designee's decision shall be final.

- 19. QUALITY OF PERFORMANCE OF CONTRACTOR:** It is the intent of this Agreement to ensure that the Contractor provides a quality level of solid waste and recycling Collection services. To this end, all complaints received by the Contract Administrator, or his designee, and reported to the Contractor shall be promptly resolved pursuant to the provisions of Section 18 of this Agreement. Complaints shall not include customer informational requests or Recycling Container requests. A complaint not resolved by 5:00 p.m. on the next Business Day, unless otherwise provided in this Agreement, shall count as two complaints. In the event complaints received by curbside customers exceed any of the following percentage(s):

<u>Complaint Type</u>	<u>Annual %</u>	<u>Monthly %</u>
Garbage, Trash and Damage	4%	0.5%
Recycling	2%	0.25%
Vegetation	2.5%	0.35%

of the residential curbside customers within the Service Area served by the Contractor during any Authority Fiscal Year, the Contract Administrator shall levy \$100.00 per incident administrative charges for those actions related to service as listed within this Agreement

including:

1. Throwing of Garbage Cans or Recycling Containers
2. Failure to collect Recyclable Materials, solid waste or Vegetative Waste on schedule
3. Failure to replace Garbage Cans, Containers and Recycling Containers to the point of collection

Repeat offenses at the same location within a 12 month period shall constitute the base fine of \$100.00 multiplied by the number of offenses (Example: 4 offenses = \$400.00 fine).

The Contract Administrator may also levy administrative charges for all other infractions of this Agreement at \$100.00 per day per incident without regard to the percentage of customer complaints including but not limited to:

1. Failure to provide clean, safe, sanitary equipment
2. Failure to maintain office hours as required
3. Failure to provide documents and reports in a timely and accurate manner
4. Damaged residential containerized service and commercial Container(s) not replaced within three (3) Business Days (i.e., rust, holes, broken lids and wheels, etc.)
5. Failure to clean spillage other than the clean-up required by the Palm Beach County Health Department, as provided below
6. Failure to repair damage of Customer property
7. Failure to cover materials on collection vehicle(s)
8. Collection employees out of uniform
9. Name and phone number, and if applicable, size not displayed on equipment or Containers
10. Not providing schedule and route maps
11. Using improper truck to service commercial or residential customer
12. Failure to submit disclosure notice to either customer or Contract Administrator
13. Failure to report recycling activity monthly (on or before the 10th day of the following month), in the format determined by the Authority, for the purpose of tracking and verifying countywide recycling activity
14. Failure to collect Recyclable Materials, solid waste or Vegetative Waste on schedule for any customer who has been missed more than three times within a 12 month period
15. Failure to respond to customer calls, including all residential and commercial customers, in a timely and appropriate manner
16. Failure to place a contamination sticker in Recycling Containers, as necessary
18. Failure to replace or provide curbside garbage Container(s) within three (3) Business Days or Recycling Container(s) within five (5) Business Days.
19. Failure to repair damage to property, resulting from Contractor's (including agents, employees or subcontractors) equipment failure or negligence, within five (5) Business Days.
20. Failure to repair or replace Garbage Can or mailbox within three (3) Business Days

Commingling solid waste, Vegetative Waste and/or Recyclable Materials will result in the

following penalties:

1. First offense, \$5,000.00 fine
2. Second offense, \$10,000.00 fine
3. Third offense, \$25,000.00 fine
4. Fourth offense, \$50,000.00 fine

Changing routes, including starting point, without approval from the Authority or notification to the Authority and customer will result in a \$3,000.00 fine per incident. Contractor shall be required to return route(s) to previous schedule and notify customers in accordance with the requirements of this Agreement at no cost to the Authority or customer.

Providing exclusively prohibited service in another Contractor's area without approval from the Authority will result in a \$5,000 fine per incident.

Failure to clean up spillage of any substance required to be cleaned up by and in accordance with the Palm Beach County Health Department will result in a \$2,500.00 fine per day, per incident.

Failure to provide sufficient back-up equipment within two (2) hours of any equipment failure causing routes not to be completed by 5:00 p.m. shall constitute a \$2,500.00 fine in addition to the allowable fine for incomplete route.

Failure to deliver any Commercial or Residential Solid Waste, Vegetative Waste or Recyclable Materials to a Designated Facility will result in the following penalties:

1. First offense, \$25,000.00 fine.
2. Second offense, \$50,000.00 fine
3. Third offense, loss of franchise

Failure to complete, either partially or totally, a route or community on the regular scheduled pick-up day shall be \$1,000.00 for each route/community per day not completed. Each missed route/community shall be completed by 10:00 a.m. of the next Business Day following regular scheduled collection day. Failure to collect missed routes/communities by 10:00 a.m. as required will result in an additional \$2,500.00 fine for each route/community not completed.

Failure to complete, either partially or totally, a route on the regular scheduled pick-up day more than once within the same community within a 12 month period shall constitute the base fine of \$1,000.00 multiplied by the number of offenses.

For the purpose of this Section, the Contract Administrator may deduct any charges from payments due or to become due to the Contractor. In the event the Contractor fails to repair damages as a result of the Contractor's equipment failure or negligence within the time provided within this Agreement, the Contract Administrator may arrange for the repairs and assess the Contractor for the cost of the repairs and any applicable administrative charges. The Contract Administrator may assess administrative charges pursuant to this Section on a

monthly basis in connection with this Agreement and shall at the end of each month during the term of this Agreement notify the Contractor and the Authority in writing of the charges assessed and the basis for each assessment. In the event the Contractor wishes to contest such assessment it shall, within five (5) Business Days after receiving such monthly notice, request in writing an opportunity to be heard by the Authority and present its defense to such assessment. At the sole discretion of the Authority, Contract Administrator may secure the services of an alternate Contractor to provide collection services in the event Contractor fails or is unable to provide collection services as defined herein for a period that exceeds 48 hours after normally scheduled service. The cost to provide such "emergency service" by an alternate Contractor shall be paid by the Authority and such cost deducted from defaulting Contractor's next payment.

The Authority shall notify the Contractor in writing of any action taken with respect to Contractor's claims and the decision of the Authority will be final.

**A. Filing of Requested Information and Documents:**

1. In addition to any other requirements of this Agreement, the Contractor shall be required to file pertinent statistical and aggregate cost information pertaining to solid waste collection and recycling collection services that is requested by the Authority. The results of all recycling activity conducted by the Contractor in the Service Areas during each month, whether residential or commercial, shall be reported accurately to the Authority, in a format and with such dates as specified by the Authority, on or before the 10th day of the following month.
2. The Contractor shall file and keep current with the Authority all documents and reports required by this Agreement. By September 1st of each year this Agreement is in effect, the Contractor shall ensure and certify to the Authority that all required documents such as, but not limited to, certificates of insurance, audits, performance bond or letter of credit, route schedules and maps, drivers license certifications, and list of collection equipment vehicles, are current and on file with the Authority. Route maps shall be provided in a format as provided by the Authority. Failure to file any document or report within three (3) Business Days of the required filing date, except where granted an extension by the Contract Administrator, may result in the levy of an administrative fine as provided in Section 19.

**20. NATURAL DISASTERS:** In the event of a hurricane, tornado, major storm or other natural disaster, the Contractor's sole responsibility shall be to reestablish regular routes and schedules for the collection of solid waste, Recycling, and Vegetative Waste as soon after the natural disaster as possible. The collection and disposal of solid waste shall be the highest priority. The collection and disposal of debris generated by a natural disaster shall not be the responsibility of the Contractor. Under a separate Agreement, the Authority shall procure collection and disposal services for debris generated by a natural disaster. The Contractor agrees to provide full cooperation with the Authority and the

debris collection contractor in the aftermath of a natural disaster in an effort to return the county to its pre-disaster state, and resume normal collection services.

- 21. UNCONTROLLABLE CIRCUMSTANCES:** Neither the Authority nor Contractor shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to Uncontrollable Forces, the effect of which, by the exercise of reasonable diligence, the non-performing party could not avoid.

Neither party shall, however, be excused from performance if nonperformance is due to forces which are preventable, removable, or remediable and which the non-performing party could have, with the exercise of reasonable diligence, prevented, removed or remedied with reasonable dispatch. The non-performing party shall, within a reasonable time of being prevented or delayed from performance by an uncontrollable force, give written notice to the other party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

- 22. PERMITS AND LICENSES:** The Contractor shall obtain, at their own expense, all permits and licenses required by law or ordinance and maintain the same in full force and effect. Any changes of the licenses or permits shall be reported to the Authority within ten (10) Business Days of the change.

- 23. PERFORMANCE BOND:** The Contractor shall furnish to the Authority a performance bond executed by a surety company licensed to do business in the State of Florida and/or a clean irrevocable letter of credit issued by a bank within Palm Beach County to ensure the faithful performance of this Agreement and all obligations arising hereunder in the appropriate amount determined in accordance with Exhibit VI, attached. The clean irrevocable letter of credit or bond provided hereunder, each may be substituted for the other upon approval by the Authority. The form of this bond or letter of credit, and the Surety Company, shall be acceptable to the Authority attorney and the Contract Administrator and shall be maintained during the term of this Agreement as provided in Section 1. The bond(s) shall be endorsed to show the Authority as obligee and it shall provide that bond(s) shall not be canceled, limited or non-renewed until after thirty (30) days' notice has been given to the Authority. Current performance bonds evidencing required coverage must be in force and on file at the Authority at all times.

- 24. EMPLOYEE WAGES AND BENEFITS:** The Contractor shall comply with all applicable Local, State and Federal laws relating to wages, hours, overtime and all other applicable laws relating to the employment or protection of employees, now or hereinafter in effect. The Contractor shall provide, at a minimum, one week paid vacation leave, one week paid sick leave and paid holiday leave. The Contractor shall provide, at the Contractor's

expense, medical insurance benefits for its employees. Company funding shall be, at a minimum, 75 percent (75%) of all premiums, with no more than a \$400.00 per individual deductible. Conditions of employment shall be published and conspicuously posted so all employees may be informed. The Contractor shall furnish reasonable uniforms, rain gear and safety equipment at its expense.

**25. INSURANCE:**

**A. Worker's Compensation Insurance:** Worker's Compensation coverage must be maintained in accordance with statutory requirements as well as Employer's Liability Coverage in an amount not less than \$100,000.00 per each accident, \$100,000.00 by disease and \$500,000.00 aggregate by disease.

**B. Liability Insurance:** The Contractor shall, during the term of this Agreement, and any extensions hereof maintain in full force and effect commercial general liability insurance policy and automobile liability insurance policy, which specifically covers all exposures incident to the Contractor's operations under this contract. Such insurance shall be with a company acceptable to the Authority and each policy shall be in an amount of not less than \$1,000,000.00 Combined Single Limit for personal bodily injury, including death, and property damage liability and the general liability shall include but not be limited to coverage for Premises/Operations, Products/Completed Operations, Contractual, to support the Contractor's Agreement or indemnity and Fire Legal Liability. In addition to the above liability limits, the Contractor shall maintain a \$5,000,000.00 umbrella and/or excess liability coverage. Policy(ies) shall be endorsed to show the Authority, a political subdivision of the State of Florida, as an additional insured as its interests may appear: and shall also provide that insurance shall not be canceled, limited or non-renewed until after thirty (30) days' written notice has been given to the Authority. Current certificates of insurance evidencing required coverage must be on file with the Authority at all times. Contractor expressly understands and agrees that any insurance protection furnished by Contractor shall in no way limit its responsibility to indemnify and save harmless Authority under the provisions of Section 26 of this Agreement.

**26. INDEMNIFICATION:** The Contractor will hold the Authority harmless from any and all liabilities, losses or damages the Authority may suffer as a result of claims, demands, costs or judgments against the Authority arising out of the wrongful acts or omission of the Contractor or its employees, which said liabilities, losses, damages, claims, demands, costs or judgment arise directly out of the matters which are the subject of this Agreement and the work to be performed thereby. The Contractor shall not be responsible for nor be required to indemnify or hold the Authority harmless for any act, omission, negligence or other liability to the extent caused by the act or omission in whole or in part of the Authority or any one of its employees or agents.

**27. ACCESS AND AUDITS:** The Contractor shall maintain within Palm Beach County

adequate records of the solid waste collection and/or recycling services during the Fiscal Year and for one year following the end of each Fiscal Year of the Contract. The Authority or its designee shall have the right to review all records maintained by the Contractor upon 24 hours written notice.

**28. POINT OF CONTACT:** All dealings, contacts, notices, and payments between the Contractor and the Authority shall be directed by the Contractor to the Contract Administrator or designee.

**29. NOTICE:** Any notice, demand, communication, or request required or permitted hereunder shall be in writing and delivered in person or sent by certified mail, postage prepaid as follows:

**As to the Authority:**

**Solid Waste Authority of Palm Beach County  
7501 N. Jog Road  
West Palm Beach, Florida 33412**

**Attention: Contract Administrator**

**Copy to: Executive Director**

**As to the Contractor:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Notices shall be effective when received at the address as specified above. Changes in the respective address to which such notice is to be directed may be made from time to time by written notice. Facsimile transmission is acceptable notice effective when received, however, facsimile transmissions received (i.e.; printed) after 5:00 p.m. or on weekends or holidays, will be deemed received on the next Business Day. The original of the notice must additionally be mailed as required herein.

**30. DEFAULT OF CONTRACT:**

A. The Authority may cancel this Agreement, except as otherwise provided below in this section, by giving Contractor thirty (30) days advance written notice, to be served as hereafter provided, upon the happening of any one of the following events:

1. Contractor shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a

voluntary petition in bankruptcy or a petition or answer seeking an arrangement for its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any other law or state of the United States or any state thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

2. By order or decree of a Court, Contractor shall be adjudged bankrupt or an order shall be made approving a petition filed by any of its creditors or by any of the stockholders of the Contractor, seeking its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any law or statute of the United States or of any state thereof, provided that if any such judgment or order is stayed or vacated within sixty (60) days after the entry thereof, any notice of cancellation shall be and become null, void and of no effect; unless such stayed judgment or order is reinstated in which case, said default shall be deemed immediate; or
3. By or pursuant to or under authority of any legislative act, resolution or rule or any order or decree of any Court or governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the property of the Contractor, and such possession or control shall continue in effect for a period of sixty (60) days; or
4. The Contractor has defaulted, by failing or refusing to perform or observe the terms, conditions or covenants in this Agreement or any of the rules and regulations promulgated by the Authority pursuant thereto or has wrongfully failed or refused to comply with the instructions of the Contract Administrator relative thereto, whether such default is considered minor or major, and said default is not cured within thirty (30) days of receipt of written notice by Authority to do so, or if by reason of the nature of such default, the same cannot be remedied within thirty (30) days following receipt by Contractor of written demand from Authority to do so, Contractor fails to commence the remedy of such default within said thirty (30) days following such written notice or having so commenced shall fail thereafter to continue with diligence the curing thereof (with Contractor having the burden of proof to demonstrate [a] that the default cannot be cured within thirty [30] days, and [b] that it is proceeding with diligence to cure said default, and such default will be cured within a reasonable period of time).

- B. However, notwithstanding anything contained herein to the contrary, failure of Contractor to provide collection service for a period of two (2) consecutive scheduled Business Days, the Authority may secure the Contractor's billing records (at the request of the Authority, the Contractor shall immediately provide such records). On the third Business Day, in order to provide interim Contract collection services, the Authority may hire an alternate service provider until such time as the matter is resolved and the Contractor is again able to perform pursuant to this

Agreement; provided, however, if the Contractor is unable for any reason or cause to resume performance at the end of thirty (30) Business Days all liability of the Authority under this Agreement to the Contractor shall cease and this Agreement may be deemed immediately terminated by the Authority. The cost to provide interim Contract collection service shall be at the Contractor's expense, paid by the Authority and deducted from Contractor's payment(s).

- C. Notwithstanding the foregoing and as supplemental and additional means of termination of this Agreement under this Section, in the event that Contractor's record of performance shows that Contractor has frequently, regularly or repetitively defaulted in the performance of any of the covenants and conditions required herein to be kept and performed by Contractor, in the opinion of Authority and regardless of whether Contractor has corrected each individual condition of default, Contractor shall be deemed a "habitual violator", shall forfeit the right to any further notice or grace period to correct, and all of said defaults shall be considered cumulative and collectively, shall constitute a condition of irredeemable default. The Authority shall thereupon issue Contractor final warning citing the circumstances therefore, and any single default by Contractor of whatever nature, subsequent to the occurrence of the last of said cumulative defaults, shall be grounds for immediate termination of this Agreement. In the event of any such subsequent default, Authority may terminate this Agreement upon the giving of written Final Notice to Contractor, such cancellation to be effective upon the fifteenth consecutive calendar day following the date of Final Notice, and all contractual fees due hereunder plus any and all charges and interest shall be payable to said date, and Contractor shall have no further rights hereunder. Immediately upon receipt of said Final Notice, Contractor shall proceed to cease any further performance under this Agreement.
- D. In the event of any of the aforesaid events specified in paragraphs A, B, and C above and except as otherwise provided in said paragraphs, termination shall be effective upon the date specified in Authority's written notice to Contractor and upon said date this Agreement shall be deemed immediately terminated and upon such termination all liability of the Authority under this Agreement to the Contractor shall cease, and the Authority shall have the right to call the performance bond and shall be free to negotiate with other Contractors for the operation of the herein specified services. The Contractor for failure to perform shall reimburse the Authority all direct and indirect costs of providing interim collection service.

- 31. **PUBLIC WELFARE:** The Authority shall have the power to make changes in or to impose new and reasonable rules and regulations on the Contractor under this Agreement relative to the method of collection and disposal of Garbage, Trash, Bulk Trash, Vegetative Waste or Recyclable Materials as shall from time to time be necessary and desirable for the public welfare; provided, however, that any such rule or regulation shall be delivered to and receipted for by the Contractor, or if the Contractor is a corporation, by an officer thereof. The Authority shall give the Contractor reasonable notice of any proposed change and an opportunity to be heard concerning those matters. The method of collection and disposal of solid waste and recyclables set out herein shall also be liberally construed to include, but not

limited to, the manner, procedures, operations and obligations, financial or otherwise, of the Contractor. The Contractor shall be reasonably and appropriately compensated as determined by negotiation and Agreement between the Authority and the Contractor for any additional services or other obligations required of the Contractor due to any modification in the Agreement under this Section.

32. **RIGHT TO REQUIRE PERFORMANCE:** The failure of the Authority at any time to require performance by the Contractor of any provisions hereof shall in no way affect the right of the Authority thereafter to enforce the same. Nor shall waiver by the Authority of any breach of any provisions hereof be taken or held to be waived of any succeeding breach of such provisions or as a waiver of any provision itself.
  
33. **TITLE TO WASTE:** The Authority shall, at all times, hold title and ownership to all Commercial and Residential Solid Waste, Vegetative Waste, Trash, Recyclable Material and all other waste collected by the Contractor pursuant to this Agreement and the Contractor shall have no right to take, keep, process, alter, remove or otherwise dispose of any such materials without specific written authorization from the Contract Administrator.
  
34. **GOVERNING LAW AND VENUE:** This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County and the Agreement will be interpreted according to the laws of Florida.
  
35. **COMPLIANCE WITH LAWS:** The Contractor shall conduct operations under this Agreement in compliance with all applicable laws.
  
36. **SEVERABILITY:** The invalidity, illegality, or non-enforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of the Agreement. Any void provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The parties further agree to reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent the entire Agreement from being void should a provision which is of the essence of the Agreement be determined to be void.
  
37. **ASSIGNMENT AND SUBLETTING:** No assignment of this Agreement or any right occurring under this Agreement shall be made in whole or part by the Contractor without the express written consent of the Authority. The Authority shall have full discretion to approve or deny, with or without cause, any proposed assignment or assignment by the Contractor. Any assignment of this Agreement made by the Contractor without the express written

consent of the Authority shall be null and void and shall be grounds for the Authority to declare a default of this Agreement and immediately terminate this Agreement by giving written notice to the Contractor, and upon the date of such notice this Agreement shall be deemed immediately terminated, and upon such termination all liability of the Authority under this Agreement to the Contractor shall cease, and Authority shall have the right to call the performance bond and shall be free to negotiate with other contractors or any other person or company for the service of the franchise area which is the subject of this Agreement. In the event of any assignment, assignee shall fully assume all the liabilities of the Contractor.

It is the intent of the parties that no person, corporation or company, whether by themselves or through a relative, itself or through its parent(s), subsidiary(s) or holding companies, shall at any time hold or have control of more than six (6) Solid Waste and Recycling Collection Franchise Agreements with the Authority, nor 55% of the residential units of unincorporated Palm Beach County nor exceed this amount from the acquisition of an additional franchise.

For purposes of this section a parent subsidiary or holding company shall mean any person, corporation or company holding, owning or in control of more than 10% stock or financial interest of another person, corporation or company.

38. **MODIFICATION:** This Agreement constitutes the entire contract and understanding between the parties hereto, and it shall not be considered modified, altered, changed, or amended in any respect unless in writing and signed by the parties hereto. Such modification shall be in the form of an Amendment executed by both parties.
39. **INDEPENDENCE OF AGREEMENT:** It is understood and agreed that nothing herein contained is intended or should be construed as in any way establishing the relationship of co-partners between the parties hereto, or as constituting the Contractor as the agent, representative or employee of the Authority for any purpose whatsoever. The Contractor is to be and shall remain an independent contractor with respect to all services performed under this Agreement.
40. **ANNEXATIONS AND INCORPORATIONS:** Adjustments to Service Area boundaries and the rights of the parties to this Contract due to municipal annexation or contraction will be as provided by Florida Statutes Section 171.062, as amended, or its successor. Adjustments to Service Area boundaries and the rights of the parties to this Contract due to incorporation will be as provided by Florida Statutes Section 165.061, as amended, or its successor.
41. **CHANGE OF LAW:** The parties understand and agree that the Florida Legislature from time to time has made comprehensive changes in Solid Waste Management legislation and that these and other changes in law in the future, whether federal, state or local, which mandate certain actions or programs for counties or municipalities may require changes or

modifications in some of the terms, conditions or obligations under this Agreement. Nothing contained in this Agreement shall require any party to perform any act or function contrary to law.

To the extent that any law effective after the opening and awarding of bids for this Agreement is in conflict with, or requires changes in, the provisions of collection service or exclusive rights set out in this Agreement, the parties agree to enter into good-faith negotiations for the resolution of any such changes in this Agreement as a result of change in law.

**42. OTHER RATE ADJUSTMENTS:** The Authority will strictly enforce all of the provisions of the Franchise Agreement including penalty clauses for any performance quality problems. The Contractor shall not be allowed rate increases on the basis that the Contractor bid too low or agreed to do the work for a lower bidder's price. Non-performance of Franchise Agreement or a request for a rate increase, either of which are attributed to the Contractor accepting the Franchise Agreement award at an insufficiently low rate, shall result in cancellation of all solid waste and recycling collection service Franchise Agreements for all Service Areas entered into with the Contractor.

**43. MINORITY/WOMEN/SMALL BUSINESS ENTERPRISE (M/W/SBE) PLAN:** The Governing Board of the Authority has set 15% as the Authority's goal for minority participation in contracts and purchases. Contractor's submitted Plan showing how he/she will assist the Authority in achieving this goal is incorporated into this Agreement. The Authority will require periodic documentary proof, acceptable to the Authority, of the implementation, progress, and final outcome of the proposed Plan. Failure to implement the Plan, or achieve reasonable interim progress, or achieve the final goal reflected in the Plan may be considered by the Authority as failure to perform a material provision of the Contract.

At a minimum, the Contractor shall provide the Authority semi-annual reports on the progress of the proposed plan once the Franchise Agreement has been executed.

**44. PUBLIC ENTITY CRIMES:** No Contractor may be a person or affiliate identified on the Department of General Services "convicted vendor" list. This list is defined as consisting of persons and affiliates who are disqualified from public contracting and purchasing process because they have been found guilty of a public entity crime. The Contractor is required to comply with Florida Statutes Section 287.133, as amended, or its successor.

**45. SUBSTANTIAL COMPLIANCE:** The Contractor shall promptly collect all materials disposed of by the customer, provided the materials are prepared and placed within substantial compliance with the guidelines as set forth herein. Any dispute as to the standards of substantial compliance shall be determined by the Contract Administrator.

**46. COMPETENCY TO CONTRACT:** The Contractor expressly recognizes, acknowledges, and agrees the Solid Waste Authority of Palm Beach County is a legally constituted agency, that is, a dependent special district created by the Florida Legislature in Chapter 2001-331, Laws of Florida. Furthermore, the Contractor expressly admits, acknowledges, and recognizes the Authority's jurisdiction and ability to enter into collection franchise agreements in Palm Beach County. The Contractor hereby waives any legal causes of action regarding the Solid Waste Authority's competency and/or ability to enter into solid waste collection franchise agreements.

**47. COMMUNITY SERVICE:** The Contractor shall provide no less than one (1) roll-off Container, placement and collection pull service (with an average of two pulls per Container) per every four thousand (4,000) residential collection Dwelling Units per Service Area throughout each Fiscal Year, at no cost to the Authority or others, for special events, including, but not limited to the Great American Cleanup, and other events as requested by the Authority, not to exceed more than half of the roll-off Containers for any one special event, at any location requested by the Authority within Palm Beach County.

Contractor shall pay the cost of loading and transporting containers and/or debris to an Authority approved disposal facility. The Authority shall pay the cost of disposal.

**48. CONTRACT PREPARATION:** Prior to the commencement of the term of this franchise Agreement, the Contractor shall prepare for the collection services in the Service Area in a responsible manner and, at a minimum, shall adhere to the requirements as set out in Exhibit VII. In the event the Contractor fails to meet the deadlines of any one of the tasks outlined in Exhibit VII, the Authority has the right to fine and collect \$10,000 for each task deadline missed. Failure to meet the deadline of more than two tasks may lead to loss of the exclusive franchise for each Service Area.

In Witness Whereof, the Solid Waste Authority of Palm Beach County, at a regular meeting thereof, by action of the Authority Board authorizing and directing the foregoing be adopted, has caused these presents to be signed by the Authority's Executive Director, and the Authority's seal to be hereunto affixed, and \_\_\_\_\_, has executed this Agreement all as of the day and year first above written.

**SOLID WASTE AUTHORITY OF PALM BEACH COUNTY**

Witness:

1. \_\_\_\_\_

2. \_\_\_\_\_

By: \_\_\_\_\_  
Executive Director

(Seal)

Approved as to Form and Legal Sufficiency:

By: \_\_\_\_\_  
Authority Attorney

**Contractor:**

Attest:

\_\_\_\_\_ By: \_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_ Signature

(Seal)

Witness: Name: \_\_\_\_\_

1. \_\_\_\_\_ Title: \_\_\_\_\_

2. \_\_\_\_\_

Approved by S. W. A. Board on \_\_\_\_\_, 2008, Item \_\_\_\_\_ .

## **EXHIBITS**

## EXHIBIT I

Description of the boundaries of franchise known as Service Area 1 in Palm Beach County, Florida is as follows:

<u>Section</u>	<u>Township</u>	<u>Range</u>
25,26,27,34,35,36 32,33 (east of, and inclusive of the east side of the FL Turnpike)	40	42
1,2,3,4,9,10,11,12,13,14 15,16,17,20,21,22,23,24, 25,26,27,28,29,32,33,34 35,36 (east of, and inclusive of the east side of the FL Turnpike)	41	42
1,2,3,4,5,8,9,10,11,12, 13,14,15,16 (east of, and inclusive of the east side of the C-18 Canal)	42	42
30,31,32 (east of, and inclusive of the east side of the FL Turnpike)	40	43
5,6,7,8,17,18,19,20, 21,28,29,30,31,32,33	41	43
3,4,5,6,7,8,9,10,15,16, 17,18 (north of, and inclusive of the north side of, North Lake Boulevard)	42	43

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 2 in Palm Beach County, Florida is as follows:

<b><u>Section</u></b>	<b><u>Township</u></b>	<b><u>Range</u></b>
22,23,24,25,26,27, 34,35,36	42	42
1,2,3,11,12,13,14, 22,23,24 (east of, and inclusive of the east side of the FL Turnpike)	43	42
19,20,21,22,27,28, 29,30,31,32,33,34	42	43
3,4,5,6,7,8,9,10, 15,16,17,18,19,20, 21,22 (north of, and inclusive of the north side of Okeechobee Boulevard)	43	43

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 3 in Palm Beach County, Florida is as follows:

<u>Section</u>	<u>Township</u>	<u>Range</u>
10,15,16,19,20,21, 22 (west of, and inclusive of the west side of, the FL Turnpike) 25,26,27,28, 29,30,31,32, (north of, and inclusive of the north side of, Southern Blvd) 33,34,35,36	43	42
1,2,3,4,5,6,7,8,9,10,11,12, (north of, and inclusive of the north side of, Forest Hill Boulevard)	44	42
26,27,28,29,30,31,32, 33,34	43	43
3,4,5,6,7,8,9,10,(north of, and inclusive of the north side of, Forest Hill Boulevard)	44	43
1,12 (north of, and inclusive of the north side of, Forest Hill Boulevard)	44	41

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 4 in Palm Beach County, Florida is as follows:

<u>Section</u>	<u>Township</u>	<u>Range</u>
10, (south of and inclusive of the south side of Forest Hill Boulevard and east of and inclusive of the east side of Jog Road), 11, 12	44	42
13,14,15,22,27,34, (east of and inclusive of the east side of Jog Road), 23, 24, 25, 26, 35, 36	44	42
1,2,3, (east of and inclusive of the east side of Jog Road)	45	42
7,8,9,10 (south of, and inclusive of the south side of Forest Hill Boulevard)	44	43
15,16,17,18,19,20,21, 22,27,28,29,30,31,32, 33,34	44	43
3,4,5,6	45	43

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 5 in Palm Beach County, Florida is as follows:

<u>Section</u>	<u>Township</u>	<u>Range</u>
25,26,27,28,33,34 35,36 (south of, and inclusive of the south side of Boynton Beach Boulevard)	45	42
1,2,3,4,9,10,11,12, 13,14,15,16 (east of, and inclusive of the east side of the FL Turnpike and north of, and inclusive of the north side of Atlantic Avenue)	46	42
27,28,29,30,31,32,33,34 (south of and inclusive of the south side of Boynton Beach Boulevard)	45	43
3,4,5,6,7,8,9,10,15, 16,17,18 (north of, and inclusive of the north side of Atlantic Avenue)	46	43

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 6 in Palm Beach County, Florida is as follows:

<b><u>Section</u></b>	<b><u>Township</u></b>	<b><u>Range</u></b>
13,14,15,16 (south of, and inclusive of the south side of Atlantic Avenue)	46	42
21,22,23,24,25,26,27,28,33,34,35,36	46	42
1,2,3,4,9,10,11,12,13,14,15,16,21,22,23,24,25,26,27,28,33,34,35,36	47	42
15,16,17,18,19,20,21,28,29,30,31,32,33 (south of, and inclusive of the south side of Atlantic Avenue)	46	43
4,5,6,7,8,9,16,17,18,19,20,29,30,31,32	47	43

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 7 in Palm Beach County, Florida is as follows:

<b><u>Section</u></b>	<b><u>Township</u></b>	<b><u>Range</u></b>
1 thru 36	46	41
1 thru 30	47	41
5,6,7,8,17,18,19,20, 29,30,31,32	46	42
5,6,7,8,17,18,19, 20,29,30,31,32	47	42
7,8,17,18,19,20,29, 30,31,32	45	42
7 thru 36	45	41
1 thru 36	45	40
1 thru 36	46	40
1 thru 34	47	40

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 8 in Palm Beach County, Florida is as follows:

<u>Section</u>	<u>Township</u>	<u>Range</u>
31,32,33,34,35,36	40	40
1 thru 36	41	40
1 thru 36	42	40
1 thru 36	43	40
31 thru 36	40	41
1 thru 36	41	41
1 thru 36	42	41
1 thru 36 (north of, and inclusive of the north side of S R 80)	43	41
4,5,6,7,8,9,17,18	43	42
31,32 (west of, and inclusive of the west side of, the FL Turnpike)	40	42
4,5,6,7,8,18,19, 30,31	41	42
5,8,16 (west of, and inclusive of the west side of, the C-18 Canal) 6,7,17,18,19,20,21,28,29, 30,31,32,33 (north of, and inclusive of the north side of the Beeline Highway)	42	42
1 thru 36	44	40

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of the franchise known as Service Area 9 in Palm Beach County, Florida is as follows:

That parcel of land, bounded on the north by the Palm Beach/Martin County line; bounded on the east by the east line of range 39 bounded on the south by the Palm Beach/Broward County line; bounded on the west by the Palm Beach/Hendry County line. Less and excepting therefrom all incorporated areas.

Description of the boundaries of franchise known as Service Area 10 in Palm Beach County, Florida is as follows:

<b><u>Section</u></b>	<b><u>Township</u></b>	<b><u>Range</u></b>
2, 3, 4, 5, 6, 7, 8, 9, 10, 11 13 thru 40	44	41
9 (south of , and inclusive of, the south side of Forest Hill Boulevard), 10 (south of, and inclusive of, the south side of Forest Hill Boulevard and west of, and inclusive of, the west side of Jog Road)	44	42
15, 22, 27, 34 (west of, and inclusive of, the west side of Jog Road), 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, 33, 37, 38, 39, 40, 41, 42	44	42
1, 2, 3, 4, 5, 6	45	41
3, 4, 5, 6, (west of, and inclusive of, the west side of Jog Road)	45	42

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) as used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

Description of the boundaries of franchise known as Service Area 11 in Palm Beach County, Florida is as follows:

<b><u>Section</u></b>	<b><u>Township</u></b>	<b><u>Range</u></b>
9, 10, 11, 12, 13, 14, 15, 16, 20, 21, 22, 23, 24, (east of, and inclusive of, the east side of the FL Turnpike and north of, and Inclusive of, the north side of Boynton Beach Boulevard)	45	42
7, 8, 9, 10, 15, 16, 17, 18, 19, 20, 21, 22, (north of, and inclusive of, the north side of Boynton Beach Boulevard)	45	43

Less and excepting therefrom all incorporated areas.

All references are as to the Palm Beach County Property Appraiser's property control numbers (tax folio numbers) s used in reference to the Property Appraiser's assessor maps in Palm Beach County, Florida.

**EXHIBIT II**  
**Approved Rate Schedule**  
**Service Area \_\_**

**FY 2008-09 Monthly Rate**

**Residential Collection (per unit)**

Services	Curbside Service	Containerized Service
Solid Waste	\$_____ (2x/wk)	\$_____ (2x/wk avg)
Vegetative	\$_____ (1x/wk)	XXXXXXXX
Recycling	\$_____ (1x/wk)	\$_____ (1.5x/wk avg)
Total	\$_____	\$_____

**COMMERCIAL RECYCLING AND SOLID WASTE COLLECTION RATES**

Container Solid Waste Collection Rate	\$_____ per cubic yard
Compactor Collection Rate (8 cubic yards or less)	\$_____ (1.25x the container collection rate)
Compactor Collection Rate (greater than 8 cubic yards-Roll-off Compactors)	\$_____ per pull
Roll-off Collection Rate	\$_____ per pull

**Note: Commercial Solid Waste Collection Rate for commercial customers receiving Garbage Can Collection Service shall be the same as the Residential Solid Waste Collection Rate, above. If frequency of service is more or less than twice a week (2x/wk), then the commercial can collection rate shall be prorated accordingly.**

**Please note: In the event that a new Authority facility opens within the Service Area during the term of this Agreement, Contractor's rate of pay shall be reduced by 15% to reflect the reduction in hauling distance due to the additional facility(ies).**

**The Authority is currently designing and permitting a new transfer station to be located within the boundaries of Service Area 7 and anticipates that it will be open for operation on or about October 1, 2010. If it should become operational prior to that date the franchisee for Service Area 7 will continue to receive the rate bid as amended by all other provisions of this contract through September 30, 2010.**

**SPECIAL SERVICES RATES DETERMINED BY THE AUTHORITY**  
(NOT TO BE ADJUSTED DURING TERM)

<b>SERVICE</b>	<b>RATE PER SERVICE</b>
Rolling Out Commercial 95 or 101 Gallon container , with 10 or more feet per direction	\$1.00  (no charge for Residential regardless of distance, no charge for commercial less than 10 feet per direction)
Rolling Out Container (and returning it to original location)	\$2.70
Back Door Service (Residential Curbside Only)*	\$22.00 per dwelling unit
Opening (and closing) Doors or Gates	No Charge
Locks for Containers	\$9.00 (one time) Charge for Replacements based on cost +10%
Unlocking Containers	\$1.35
Supplying (and retrofitting) locking mechanism on container per customer request only	\$55.00
Adding wheels to or changing wheels on Containers	No Charge
Adding lids to or changing lids on Containers	No Charge
Moving Container Location Per Customer Request	No Charge
Changing Out Sizes (above twice per year)	\$25.00
Additional Scheduled Pick-ups for Residential Containerized Customers	Same as Applicable Commercial Collection Rates (No Disposal Charges)
Additional Unscheduled (picked up by end of business the following day but not including "on-call") Pick-ups for Commercial and Residential Containerized Customers	\$65.00 Special Service Fee Plus 2 times Applicable Commercial Collection Rates Per Dumpster (No Disposal Charges for Residential)
Special Service or special equipment required because of impaired accessibility	Negotiable
Turn around compactors (commercial customer only)	\$10.00 (No Charge for Multi-family)
Stump/Land Clearing Collection	Negotiable
Residential Vegetation Collection	\$65.00 Special Service Fee Plus \$18.00 Per CY
Residential Mixed Collection (vegetation with C&D and/or bulk)	\$65.00 Special Service Fee Plus \$22.00 Per CY

\* No charge for residents medically unable to bring solid waste or Recyclable Materials to curbside as delineated in Section 4.

**RATES DETERMINED BY THE AUTHORITY  
(NOT TO BE ADJUSTED DURING TERM)  
MONTHLY CONTAINER RENTAL RATES**

<b>CONTAINERS (NON-COMPACTING)</b>	
<b>SIZE (cubic yards)</b>	<b>RATE w/out locking mechanism</b>
1 YD	\$19.00
2 YD	\$20.00
3 YD	\$21.00
4 YD	\$22.00
6 YD	\$25.00
8 YD	\$27.00
Permanent Open-top Roll-off Container	\$75.00

Capacities in between these values can be obtained by interpolation.  
Capacities outside of these values can be obtained by extrapolation.

**Commercial Solid Waste and Vegetative Disposal Charge Calculation**

The Authority will determine the commercial disposal fee rates(\$/cubic yard) each Fiscal Year based on a calculation supplied by the Authority and the tipping fee. The calculation for non-compacted Garbage and Trash is 134 lbs/cubic yard times the Authority's tipping fee (\$/ton) times 1 ton/2000 lbs = \_\_\_\_\$/cy. Commercial non-compacted Vegetation is calculated at 275 lbs/cubic yard times the Authority's tipping fee (\$/ton) times 1 ton/2000 lbs = \_\_\_\_\$/cy. The compacted rate for commercial solid waste or vegetative waste may be billed at either actual expense or three times the rate for non-compacted solid waste or vegetative rate, respectively.

In the unlikely event the Authority charges a tipping fee for Recyclable Materials, the Contract Administrator will determine the conversion factor and calculate the factor times the tipping fee for Recyclable Materials. The Contractor will be responsible for billing Commercial Recycling Collection customers for the Recyclable Materials disposal fee.

### Residential Solid Waste Disposal Credit Calculation

Category	Type	Generation Factor (Tons/Year)	Times(x) Garbage Tipping Fee	Annual Credit per unit
I	Single Family	1.10	x	=
II	Multi-family, 4 or less units	0.67	x	=
III	Mobile Homes	1.10	x	=
IV	Multi-family, more than 4 units	0.74	x	=

### Residential Vegetative Waste Disposal Credit Calculation

Category	Type	Generation Factor (Tons/Year)	Times(x) Vegetation Tipping Fee	Annual Credit per unit
I	Single Family	0.85	x	=
II	Multi-family, 4 or less units	0	x	=
III	Mobile Homes	0.58	x	=
IV	Multi-family, more than 4 units	0	x	=

**EXHIBIT III**  
**Payment Adjustment Schedule**

The annual adjustment shall be applied to the base residential and commercial collection rates as shown in Exhibit II and as provided within this Agreement.

1) The following cost components and weights shall be used to calculate the annual adjustment:

Labor	35%
Fuel	10%
Vehicle Maintenance	05%
Maintenance	10%
Other/Administration	40%

2) The following indices are used to calculate the adjustment for each cost component category. The change in each index shall be calculated by dividing the average of the index over the twelve month period ending the December preceding the effective date of the adjustment by the average over the previous twelve month period.

**COST COMPONENT**

Labor	INDEX <b>Employment Cost Index</b> , Series ID CIU2015600000000I, Not Seasonally Adjusted; Compensation – Total Compensation; Sector – Private Industry; Periodicity – Quarterly Index Number; Industry/Occupation – Administrative and Support and Waste Management and Remediation Services (see Note 2 below)
Fuel	INDEX <b>Consumer Price Index - All Urban Consumers</b> , Series ID CUUR0000SETB01, Not Seasonally Adjusted; Area - U.S. City Average; Item - Gasoline (all types).
Vehicle Replacement	INDEX <b>Producer Price Index - Commodities</b> , Series ID WPU141106, Not Seasonally Adjusted; Group – Transportation Equipment; Item – Trucks over 14,000 lbs. GVW.
Maintenance	1/3 LABOR:  INDEX: <b>Producer Price Index - Commodities</b> , Series ID WPU141106, Not Seasonally Adjusted; Group – Transportation Equipment; Item – Trucks over 14,000 lbs. GVW.

2/3 PARTS:

INDEX:

**Consumer Price Index – All Urban Consumers**, Series ID CUUR0000SETC, Not Seasonally Adjusted; Area – U.S. City Average; Item – Motor Vehicle Parts and Equipment.

Other (Note 1)

INDEX

**75% of:**

**Consumer Price Index – All Urban Consumers**, Series ID CUUR0000SA0, Not Seasonally Adjusted; Area – U.S. City Average; Item – All Items.

Notes:

- (1) All indices as published by the United States Department of Labor, Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov)).
- (2) Use average of four quarterly periods. All others use average of twelve months.
- (3) The percentage weight for each cost component is multiplied times the change in each appropriate index to calculate a weighted percentage change for each component cost factor. The weighted percentage changes for each cost component are added together to calculate the Refuse Rate Index, as follows:

**RRI Sample**

Cost Component Chng	Weight	Source	%Change	%Weighted
Labor	35%	ECI	1.20%	0.42%
Fuel and Oil	10%	CPI	-9.17%	-0.73%
Vehicle Replacement	5%	PPI - Trucks	3.74%	0.19%
Maintenance Parts & Equipment	10%	2/3 CPI 1/3 ECI	3.21%	0.32%
Other	40%	CPI - All Items at 75%	1.84%	0.58%
Total	100%			0.78% RRI

**EXHIBIT IV**

**COLLECTION FRANCHISE AGREEMENT**

**PERFORMANCE BOND REQUIREMENT**

The annual performance bond due to the Authority from the Contractor is calculated as:

Gross Annual Revenues (Minus Disposal Fees paid to the Authority) x 1/3 = Performance Bond Required

Sample Performance Bond Requirement

Gross Revenue	\$2,450,000
Less Disposal Fees	<u>750,000</u>
	\$1,700,000

Annual Performance Bond Requirement =  $0.3333 \times \$1,700,000 = \$566,667$

**EXHIBIT V**

**Annual Garbage Can Replacement  
Minimum Requirements**

<b><u>Service Area</u></b>	<b><u>Number of Garbage Cans</u></b>
1	<b>50</b>
2	<b>10</b>
3	<b>80</b>
4	<b>70</b>
5	<b>70</b>
6	<b>50</b>
7	<b>150</b>
8	<b>80</b>
9	<b>5</b>
10	<b>70</b>
11	<b>70</b>

The replacement must be similar in style, material, quality and capacity to that which was damaged or reported as missing and replaced to the satisfaction of the customer within three (3) Business Days..

**EXHIBIT VI**

**MONTHLY FINANCIAL REPORTING FORMAT**

The Contractor shall submit to the Authority within forty-five (45) days of the end of each month a revenue statement prepared in accordance with general accepted accounting standards for each residential and commercial operation within each Service Area. Therefore, if a Contractor has two (2) Service Areas, four (4) separate monthly statements will need to be submitted; two (2) residential and two (2) commercial.

The Contractor shall disclose all methods of allocations used to distribute revenues between Service Areas and/or commercial and residential operations. The disclosure shall be in narrative form and include the basis for the allocation method.

The required format for monthly financial statement reporting in accordance with this franchise Agreement is shown below.

**(Contractor)**  
**Statement of Revenues and Disposal Expenses**  
**(Residential or Commercial) Service Area (#)**  
**For (month, year) ended (month, year)**

**Revenues:**

(list by type - commercial and residential,  
including collection rates, container rental,  
special service rates, etc.)

Total Revenue  
\$ \_\_\_\_\_

\$ \_\_\_\_\_

**Disposal Expenses:**

Disposal fees paid to the Authority

\$ \_\_\_\_\_

**Net**

\$ \_\_\_\_\_

**Franchise Fees (Net \* .03)**

\$ \_\_\_\_\_

"The Accompanying Notes are an Integral Part of this Statement"

**EXHIBIT VII  
CONTRACT PREPARATION**

<b>Task</b>	<b>Completion Deadline</b>
Hire Operations Manager and provide verification to SWA	6/2/08
Provide SWA with truck orders or verification of vehicle source(s)	6/2/08
Submit Residential Curbside Routing to SWA	6/2/08
Hire supervisors and provide verification to SWA	7/7/08
Secure container source and provide verification to SWA	7/7/08
Equipment yard and office sited and set up	8/25/08
Office and accounting staff hired and in place	8/25/08
Maintenance staff hired and in place	8/25/08
Disposal bond in place with SWA for October 1, 2003	8/25/08
Provide transition report to SWA outlining plan to minimize disruptions during transition period	9/1/08
Secure vehicles	9/1/08
Supervisors run routes	9/1/08 through 9/30/08
Drivers hired and in place	9/15/08
Drivers and supervisors run routes	9/15/08 through 9/30/08
Disclosure notices mailed to commercial customers	9/15/08