EXCLUSIVE FRANCHISE AGREEMENT

FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF MUNICIPAL SOLID WASTE, CONSTRUCTION AND DEMOLITION WASTE, AND RECYCLABLE MATERIALS

IN THE CITY OF MANVEL, TEXAS

June 1, 2019

EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF MUNICIPAL SOLID WASTE, CONSTRUCTION AND DEMOLITION WASTE AND RECYCLABLE MATERIALS EXCLUSIVE FRANCHISE AGREEMENT
IN THE CITY OF MANVEL, TEXAS

STATE OF TEXAS

COUNTY OF BRAZORIA

THIS EXCLUSIVE FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of June 1, 2019, by and between Waste Connections of Texas, LLC, a Texas Corporation (the "Franchisee"), and the City of Manvel, Texas (the "City").

WHEREAS, the City and Franchisee entered into an Exclusive Franchise Agreement for the Collection, Hauling and Disposal of Municipal Solid Waste and Construction and Demolition Waste Exclusive Franchise Agreement in the City of Manvel, Texas, dated as of November 10, 2008 (the "Contract");

WHEREAS, on November 5, 2018, the City approved Resolution 2018-R-17 authorizing the City Manager to negotiate and execute a Franchise Agreement with Franchisee using Alternate Option #1 as set forth in Frachisee's response to that certain Request for Proposal Municipal Solid Waste and Recycling Services Exclusive Franchise Agreement; RFP #FY2018-0822-01 issued by the City; and

WHEREAS, the Contract between the Franchisee and the City is to terminate as of January 31, 2019, as may be extended in the interim;

WHEREAS, the Franchisee and the City mutually desire to renew and replace the Contract as further described herein; and

WHEREAS, the City, subject to the terms and conditions set forth herein and the ordinances and regulations of the City, desires to grant to the Franchisee the exclusive franchise, license and privilege to collect, haul and recycle or dispose of Municipal Solid Waste, Construction and Demolition Waste and Recyclable Materials (as such terms are defined herein) within the City's corporate limits.

NOW, THEREFORE, in consideration of the premises and the mutual promises, covenants and agreements set forth herein, the Franchisee and the City hereby agree as follows:

SECTION 1. DEFINED TERMS.

The following terms, as used herein, will be defined as follows:

Bag - Plastic sacks, secured at the top, designed to store refuse with sufficient wall strength to maintain physical integrity when lifted by the top. Total weight of a Bag and its contents shall not exceed 35 lbs.

Bulky Waste - stoves, refrigerators, water tanks, washing machines, other white goods, furniture, large volumes of containerized waste, and similar items.

Bundles – Any items including trees, shrub and brush trimmings, or newspapers and magazines neatly stacked, forming an easily handled package not exceeding forty-eight (48") inches in length or fifty (50) pounds in weight and which are securely fastened together.

Business Day - Any day that is not a Saturday, a Sunday, or other day on which banks are required or authorized by law to be closed in the City.

City – City of Manvel, Texas.

Collection – The act of removing garbage, trash and recycling from the storage point at the source.

Commercial Hand Collect Unit - A small Commercial Unit that requires no more than four (4) Roll-Outs for the collection of its Municipal Solid Waste each week.

Commercial Unit - Any non-manufacturing commercial facility that generates and accumulates Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials during, or as a result of, its business, including, but not limited to, restaurants, stores and warehouses.

Construction and Demolition Waste - Solid Waste resulting from construction or demolition activities or that is directly or indirectly the by-product of such activities, including, but not limited to, cartons, concrete, excelsior, gypsum board, metal, paper, plastic, rubber and wood products. Construction and Demolition Waste does not include Hazardous Waste, Municipal Solid Waste, Recyclable Materials or Bulky Waste.

Container - any receptacle, including, but not limited to, dumpsters, Roll-Offs and Roll-Outs, provided to the City by the Franchisee and utilized for collecting municipal solid waste, construction-demolition waste or recyclable materials.

Contract Year – Any one year period of time from July 1 to June 30 during the term of the Franchise Agreement.

Dead Animals – Animals or portions hereof less than ten (10 lbs.) pounds in weight that have expired from any cause, except those slaughtered or killed for human use.

Disposal Site – A refuse depository, including but not limited to sanitary landfills, transfer stations, incinerators, and waste processing/separation centers that are licensed, permitted, or approved by all governmental bodies and agencies having jurisdiction and requiring such

licenses, permits, or approvals that receives for processing or final disposal of Municipal Solid Waste.

Excluded Waste - wastewater treatment plant sludge, and any materials or substances that may not lawfully be disposed of at a Type I or Type IV landfill permitted by the TCEQ, including, but not limited to, petroleum and petroleum products, natural gas and natural gas products, asbestos, lead and polychlorinated biphenyls, and any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, biohazardous, toxic or hazardous waste substance or material, as defined by applicable federal state or local laws or regulations.

Franchisee – Waste Connections of Texas, LLC, the person, corporation, or partnership performing garbage, trash and recycling collection and disposal under contract with the CITY.

Fuel Year – Any one year period of time from May 1 to April 30 during the term of the Franchise Agreement.

Green Waste - Biodegradable waste that is composed of garden, yard or park waste, such as grass, leaves, flower trimmings, brush, tree trimmings and other clean woody vegetative material that results from landscaping maintenance and other land clearing operations.

Handicapped Residential Unit - Any residential dwelling that is inhabited by persons, all of whom are physically handicapped to the extent that they are unable to place Municipal Solid Waste or Recyclable Materials at the curbside, and that generates and accumulates Municipal Solid Waste and Recyclable Materials. The identities of the members of a Handicapped Residential Unit shall be certified by the City Manager and agreed to by the Franchisee.

Hazardous Waste - Waste identified or listed as a hazardous waste by the administrator of the United States Environmental Protection Agency (EPA) under the federal Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended, or so classified by any federal or State of Texas statute, rule, order or regulation.

Holidays - The following days:

(1) New Year's Day (January 1st)
(2) Independence Day (July 4th)
(3) Labor Day
(4) Thanksgiving Day
(5) Christmas Day (December 25th).
(6) Memorial Day, and any other day agreed to as a holiday by the City and the Franchisee in writing

Industrial Unit - Any manufacturing, mining or agricultural facility that generates and accumulates Municipal Solid Waste, Construction and Demolition Waste, or Recyclable Materials during, or as a result of, its operations.

Landfill - Any facility or area of land receiving Municipal Solid Waste or Construction and Demolition Waste and operating under the regulation and authority of the Texas Commission on Environmental Quality ("TCEQ") within the State of Texas, or the appropriate governing agency for landfills located outside the State of Texas.

Multi-Family Residential Unit - Any residential dwelling that is designed for, and inhabited by, multiple family units and that generates and accumulates Municipal Solid Waste and Recyclable Materials.

Municipal Solid Waste – Garbage and Rubbish, as defined below. Municipal Solid Waste does not include Construction and Demolition Waste, Green Waste, Excluded Waste, or Hazardous Waste.

(a) *Garbage* - all normal and usual household and institutional solid waste products that are placed in containers for collection purposes and are usually a mixture of putrescible, non-putrescible, and noncombustible materials, such as organic wastes from food preparation and consumption, wrapping and packaging materials, metal, glass, and plastic containers, and other similar items.

(b) *Rubbish* - all waste wood, wood products, tree trimmings, grass cuttings, dead plants, weeds, leaves, dead trees or branches thereof, chips, shavings, sawdust, printed matter, paper, pasteboard, rags, straw, used and discarded mattresses, used and discarded clothing, used and discarded shoes and boots, waste paper and other products such as those used for packaging or wrapping, crockery and glass, ashes, floor sweepings, and mineral or metallic substances.

Recyclable Materials -

(a) Newspapers, magazines, and catalogs, and other paper items such as mail, paper bags or other paper;

(b) Glass bottles and jars (excluding mirrors, windows, ceramics and other glass products);

(c) Metal cans composed of tin, steel or aluminum (excluding scrap metal); and

(d) Plastic containers including all varieties of the types designated as #1, #2, #3, #4, #5 and #7.

(e) Contractor and the City will jointly decide on description of and/or procedures with respect to removal of contaminants or preparation of recyclable materials. Once those are jointly decided, Customers and the City must comply with those descriptions and/or procedures. If any customer or the City fails to do so, Contractor may decline to collect such materials without being in breach of the Agreement. Contractor shall not be responsible for and has not made any representation regarding the ultimate recycling of such recyclable materials by any third party facilities.

Recycling Container – A Container with ninety-five (95) gallons of capacity and provided by the Franchisee for the collection of Recyclable Materials.

Residential Refuse – Municipal Solid Waste generated by an occupant of a Residential Unit, excluding Excluded Waste, but including household move-in cartons when collapsed and tied.

Residential Unit - Any residential dwelling that is either a Single-Family Residential Units or a Multi-Family Residential Units.

Roll-Off - A Container with twenty (20) cubic yards to forty (40) cubic yards of capacity.

Roll-Out - A Container with ninety-five (95) gallons of capacity. Per section 56-46(1) of the City Code, each roll-out shall be equipped with an appropriately sized lid which shall be securely attached when containing Municipal Solid Waste, and shall be equipped with wheels for ease of handling.

Single-Family Residential Unit - Any residential dwelling that is designed for, and inhabited by, a single person or family unit and that generates and accumulates Municipal Solid Waste and Recyclable Materials.

Solid Waste - As defined by the EPA under 40 C.F.R. § 261.2(a)(1), or by the State of Texas under the Solid Waste Disposal Act § 361.003(34) whether such waste is mixed with or constitutes Recyclable Materials.

Trees – Any part of a tree, not just limbs, that have been cut and bundled appropriately.

White Good - Any item not measuring in excess of either two (2) cubic yards in size or two-hundred (200) pounds in weight and that is manufactured primarily from metal, including, but not limited to, a bath tub, heater, hot water heater, refrigerator, sink or washer and dryer.

Yard Waste – Tree trimmings, grass cuttings, plants, weeds, leaves, dead trees or branches thereof, sawdust, limbs less than one (1") inch in diameter, brush or clippings.

SECTION 2. SINGLE-FAMILY RESIDENTIAL AND COMMERCIAL HAND COLLECT UNIT COLLECTIONS.

A. **Single-Family Residential Units.**

The Franchisee will collect Municipal Solid Waste twice per week and Recyclable Materials once per week from Single-Family Residential Units; provided, that:

(i) such Municipal Solid Waste is placed in Roll-Outs,
(ii) such Recyclable Materials are placed in Recycling Containers and
(iii) such Roll-Outs and Recycling Containers are placed within five (5) feet of the curbside or right of way adjacent to the Single-Family Residential Unit no later than

7:00 a.m. on the scheduled collection day. If construction work is being performed in the right-of-way, then such Roll-Outs and Recycling Containers shall be placed as close as practicable to an access point for the collection vehicle.

The Franchisee shall only be responsible for collecting, hauling and recycling or disposing of:

(i) Municipal Solid Waste placed inside the Roll-Outs, and

(ii) Recyclable Materials placed inside the Recycling Containers provided by the Franchisee. Municipal Solid Waste in excess of the Roll-Outs' limits, or placed outside or adjacent to the Roll-Outs, will not be collected by the Franchisee.

The CITY's minimum recycling participants shall consist of approximately 2,000-3,000 Residential Units. Recyclable Materials in excess of the Recycling Containers' limits, or placed outside or adjacent to the Recycling Containers, will not be collected by the Franchisee. However, such excess or misplaced Municipal Solid Waste and Recyclable Materials may be collected on occasion and within reason due to Holidays or other extraordinary circumstances as determined by the Franchisee in its sole discretion. If the excess or misplaced Municipal Solid Waste and/or Recyclable Materials continues, the City shall require the Single-Family Residential Unit to utilize an additional Container so that the excess or misplaced Municipal Solid Waste and/or Recyclable Materials will be regularly contained. The Franchisee shall be compensated for these additional Services (defined below) as provided for in Section 7.A. hereto.

Franchisee reserves the right, from time to time, to add to or delete items from the above list, for which no secondary market continues to exist or may be created after proper notice to the CITY. Franchisee has no control on market values of items collected and represents no assurance of the future viability of secondary markets.

B. **Handicapped Residential Units**.

Notwithstanding anything to the contrary contained herein, the Franchisee agrees to assist Handicapped Residential Units with house-side collection of their Roll-Outs and Recycling Containers; provided, that the Franchisee receives prior written notice from the Handicapped Residential Unit of such special need. The City shall be solely responsible for all other modifications and accommodations required by the Americans with Disabilities Act or any other applicable law or regulation in connection with the services provided hereunder to Single-Family Residential Units.

C. **Commercial Hand Collect Units**.

The Franchisee will collect Municipal Solid Waste and Recyclable Materials from Commercial Hand Collect Units twice per week (one Municipal Solid Waste collection and one Recyclable Materials collection each week); provided, that:

(i) such Municipal Solid Waste is placed in Roll-Outs provided by the Franchisee,

(ii) such Recyclable Materials are placed in Recycling Containers provided by the Franchisee and

(iii) such Roll-Outs and Recycling Containers are placed within five (5) feet of the curbside or right of way adjacent to the Commercial Hand Collect Unit no later than 7:00 a.m. on the scheduled collection day. If construction work is being performed

in the right-of-way, then such Roll-Outs and Recycling Containers shall be placed as close as practicable to an access point for the collection vehicle.

The Franchisee shall only be responsible for collecting, hauling and disposing of municipal solid waste placed inside the roll-outs provided by the Franchisee. The Franchisee shall only be responsible for collecting, hauling and disposing of Municipal Solid Waste and Recyclable Materials placed inside the Roll-Outs and Recycling Containers provided by the Franchisee. Municipal Solid Waste in excess of the Roll-Outs' limits, or placed outside or adjacent to the Roll-Outs, will not be collected by the Franchisee.

Recyclable Materials in excess of the Recycling Containers' limits, or placed outside or adjacent to the Recycling Containers, will not be collected by the Franchisee. If the excess or misplaced Municipal Solid Waste or Recyclable Materials continues, the City shall require the Commercial Hand Collect Unit to utilize an additional Roll-Out and/or Recycling Container so that the excess or misplaced Municipal Solid Waste and/or Recyclable Materials will be regularly contained. The Franchisee shall be compensated for these additional Services as provided for in Section 9.B. hereto.

D. **Added Roll-Outs and Recycling Containers**

Franchisee shall provide all Single-Family Residential and Commercial Hand Collect Units with one (1) Roll-Out and one (1) Recycling Container at no cost. A Single-Family Residential or Commercial Hand Collect Unit who wishes to exchange its Recycling Container for a second Roll-Out may do so, subject to availability, and at no additional cost.

SECTION 3. COMMERCIAL, INDUSTRIAL AND MULTI-FAMILY RESIDENTIAL UNIT COLLECTIONS.

The Franchisee will collect Municipal Solid Waste and Recyclable Materials from Commercial, Industrial and Multi-Family Residential Units as needed each week, as provided for in Section 9.C. hereof. The Franchisee shall only be responsible for collecting, hauling and recycling or disposing of Municipal Solid Waste and Recyclable Materials placed inside the Containers provided by the Franchisee.

However, the Franchisee shall be obligated to offer and provide sufficient service to Commercial, Industrial and Multi-Family Residential Units, and to increase or decrease, as necessary, the frequency of collection and the size or number of Containers so that Commercial, Industrial or Multi-Family Units' Municipal Solid Waste and Recyclable Materials will be regularly contained.

The Franchisee shall be compensated for these additional Services as provided for in Section 9.C. hereof. The parties acknowledge and agree that the Franchisee shall not be responsible for damage to any private pavement or accompanying sub-surface of any route reasonably necessary to perform the Services herein contracted and that the Commercial, Industrial or Multi-Family Residential Unit assumes all liabilities for damage to pavement or road surface.

Roll-Outs, Roll-Offs, Recycling Containers, and any other Containers used at Commercial or Industrial Units shall not be placed nearer than five (5) feet from buildings unless an exception therefor has been granted by the fire marshal due to fire safety considerations and standards.

SECTION 4. SPECIAL COLLECTIONS AND SERVICES.

A. **Municipal Locations**

The Franchisee will provide, at no cost to the City, up to an aggregate number of ten (10) Containers (each up to eight (8) cubic yards in size) to collect Municipal Solid Waste and/or Recyclable Materials at certain municipal locations within the City up to five times per week, as needed.

B. **City Roll-Offs**

The Franchisee will provide, at no cost to the City, up to an aggregate of fifty (50) Roll-Offs to collect Municipal Solid Waste at various City special events each Contract Year, with an aggregate of fifty (50) free hauls of such Roll-Offs each Contract Year. Any hauls in excess of fifty (50) during any Contract Year shall be charged to the City at the rates set forth in Section 9.F. hereof. The City shall give the Franchisee reasonable prior notice of the date(s) of such special events as well as the number of Roll-Offs that will be required.

C. **Disaster Relief Services**

Upon request by the City, the Franchisee may provide special collection and disposal services due to damage or destruction resulting from a flood, tornado, hurricane or other similar disaster. For the services provide under this Section 6.C., the Franchisee shall charge the City

(i) an amount equal to the rates and fees allowed under the Federal Emergency Management Agency's grant for the disaster relief services provided to the City under this Section 6.C., or

(ii) a rate mutually agreed upon by the City and the Franchisee.

Nothing contained herein shall be construed as to limit the City's ability to contract with additional vendors to provide the disaster relief services contained in this Section 6.C. Notwithstanding anything to the contrary contained herein, the Franchise Fee shall not apply to the disaster relief services provided for in this Section 6.C.

SECTION 5. BULKY WASTE, BUNDLES, GREEN WASTE AND WHITE GOODS.

A. **Bulky Waste, White Goods and Bundles Collections.**

In addition to the Services contained in Section 5 hereof, the Franchisee will collect the following from each Single-Family Residential Units once per month:

(i) either one (1) Bulky Waste item or one (1) White Goods item and

(ii) up to four (4) Bundles;

provided, that the Bulky Waste or White Goods Item, Bundles and/or White Good are placed at the curbside no later than 7:00 a.m. on the scheduled collection day, are reasonably contained, and are within the size and weight limitations as defined in Section 1 hereof. The Franchisee

shall only be responsible for collecting, hauling and recycling or disposing of Bulky Waste, White Goods and Bundles from those Single-Family Residential Units that have complied with Sections 1 and 7.A. hereof. White Goods containing refrigerants will not be collected by the Franchisee unless such White Goods have been certified in writing by a professional technician to have had all such refrigerants removed.

B. **Roll-Off Services for Excluded Waste and Oversized Items.**

It is understood and agreed that the service provided under Section 7.A. does not include the collection of Construction and Demolition Waste and other wastes excluded herein. Additionally, the Franchisee's services do not include the collection of Bulky Waste, Bundles, Green Waste, White Goods and any other waste that exceeds the size and weight limitations of collection for that category of waste. However, the Franchisee may negotiate an agreement on an individual basis with any customer regarding the collection of such items utilizing the Franchisee's Roll-Off services (the "Roll-Off Services").

C. **Green Waste Collections.**

In addition to the Services contained in Section 4 hereof, the Franchisee will collect Green Waste from Single-Family Residential Units once per month, as designated by the Franchisee; provided, that

(i) the Single-Family Residential Units requiring such collections notify the Service Provider no later than the end of the Business Day on the Friday immediately preceding the scheduled collection day, and

(ii) the Green Waste (A) is placed at the curbside no later than 7:00 a.m. on the scheduled collection day, (B) is reasonably contained, and (C) does not exceed three (3) cubic yards in total volume or have any individual item exceeding eight (8) feet in length. The Franchisee shall only be responsible for collecting, hauling and recycling or disposing of Green Waste from those Single-Family Residential Units that have complied with Sections 1 and 7.C. hereof.

D. **City Composting.**

In the event the City opts to purchase composting equipment and operate a composting yard within the City, the parties agree to negotiate in good faith any required modifications to be done under this Agreement as a result of such change, including, but not limited to, terms and conditions for the Service Provider to collect the Bundles and Green Waste for composting, as well as any necessary modifications to rates and fees contained herein resulting from this change in service.

SECTION 6. TITLE TO EQUIPMENT.

Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that all equipment, including, but not limited to, Containers, provided by the Franchisee in connection with the Services, shall at all times remain the property of the Franchisee.

SECTION 7. RATES AND FEES.

Subject to adjustment, as provided in Section 10 hereof, the rates and fees to be charged and received by the Franchisee are as follows (which rates and fees do not include any applicable Franchise Fee, Sales Tax, and/ or Administrative Billing Fees):

A. **Single-Family Residential Unit Services.**

For the Services provided to Single-Family Residential Units under Section 4.A. hereof, the Franchisee shall charge:

(i) **$20.15** per month for each Single-Family Residential Unit utilizing one (1) Roll-Out and one (1) Recycling Container, plus

(ii) **$13.00** per month for each additional Roll-Out utilized by such Single-Family Residential Unit, plus

(iii) **$13.00** per month for each additional Recycling Container utilized by such Single-Family Residential Unit. These rates apply to all Single-Family Residential Units that are located within the City's corporate limits and billed by the City for water and sewer services.

B. **Commercial Hand Collect Unit Services.**

For the Services provided to Commercial Hand Collect Units under Section 4.C. hereof, the Franchisee shall charge

(i) **$33.50** per month for each Commercial Hand Collect Unit utilizing one (1) Roll-Out and one (1) Recycling Container, plus

(ii) **$23.40** per month for each additional Roll-Out utilized by such Commercial Hand Collect Unit, plus

(iii) **$23.40** per month for each additional Recycling Container utilized by such Commercial Hand Collect Unit. These rates apply to all Commercial Hand Collect Units that are located within the City's corporate limits and billed by the City for water and sewer services.

C. **Commercial, Industrial and Multi-Family Residential Unit Services.**

For the Services provided to Commercial, Industrial and Multi-Family Residential Units under Section 5 hereof, the Franchisee shall charge per month for each Container utilized the following rates:

Container Size	1 Collection a Week	2 Collections a Week	3 Collections a Week	4 Collections a Week	5 Collections a Week	6 Collections a Week
2 Cubic Yards	66.00	$114.00	$166.00	$214.00	$279.00	$357.00
3 Cubic Yards	74.00	$127.00	$183.00	$227.00	$296.00	$374.00
4 Cubic Yards	83.00	135.00	$192.00	$244.00	$314.00	$409.00
6 Cubic Yards	$118.00	$192.00	$257.00	$314.00	$453.00	$574.00
8 Cubic Yards	$144.00	$240.00	$318.00	$400.00	$557.00	$735.00

For any collection that the Franchisee is required to make in excess of the above weekly figures, the Franchisee shall charge the following rates, per Container.

Size of Container	Extra Lifts
2 Cubic Yards	$40.00
3 Cubic Yards	$44.00
4 Cubic Yards	$53.00
6 Cubic Yards	$79.00
8 Cubic Yards	$105.00

The foregoing rates apply to all Commercial, Industrial and Multi-Family Residential Units that are located within the City's corporate limits and billed by the City for water and sewer services.

D. **Roll-Off Services.**

Subject to adjustment by the Franchisee in its sole discretion, for the Services provided under Sections 7.B. and 11 hereto, the Franchisee shall charge for each Roll-Off utilized the following fees:

Haul Rates	Haul	Delivery	Per Day Rental	Disposal/ Ton**	Deposit
20 yard	$250.00	$100.00	$6.60	$28.00	$550.00
30 yard	$250.00	$100.00	$6.60	$28.00	$550.00
40 yard	$250.00	$100.00	$6.60	$28.00	$550.00

The Franchisee will charge each Commercial, Industrial or Residential Unit on an individual basis regarding the Roll-Off Services to be provided. The Roll-Off Services will be billed directly to such Commercial, Industrial or Residential Unit and will be collected by the Franchisee. The Roll-Offs provided pursuant to this Section 7.D. must be located within the City in accordance with City ordinances and policies.

E. **Compactor Services.**

For Compactor Services provided to Commercial, Industrial and Multi-Family Residential Units hereunder, the Franchisee shall charge for each compactor utilized the following fees:

Haul Rates	Haul	Delivery	Per Day Rental	Disposal/ Ton**	Deposit
28 yard Compactors	$265.00	$100.00	$17.50	$28.00	$550.00
30 yard Compactors	$265.00	$100.00	$17.50	$28.00	$550.00
35 yard Compactors	$265.00	$100.00	$17.50	$28.00	$550.00
40 yard Compactors	$265.00	$100.00	$17.50	$28.00	$550.00
42 yard Compactors	$265.00	$100.00	$17.50	$28.00	$550.00

The Franchisee will charge each Commercial, Industrial or Multi-Family Residential Unit on an individual basis regarding compactor Services to be provided. The compactor Services will be billed directly to such Commercial, Industrial or Multi-Family Residential Unit and will be collected by the Franchisee. The compactors provided pursuant to this Section 7.E. must be located within the City in accordance with City ordinances and policies.

F. **City Roll-Off Services.**
For the Roll-Off services provided to the City in addition to or in excess of those provided for at no charge under Section 6.B. hereof, the Franchisee will charge for each Roll-Off utilized the fees listed in Section 7.D. above.

Notwithstanding anything to the contrary contained herein, the Franchise Fee (as defined herein) shall not apply to the services set forth in this Section 7.F.

G. Bulk Dedicated Services
Franchisee agrees to provide one monthly dedicated bulk service at no cost to the City on the first Monday and Tuesday of each month.

SECTION 8. RATE ADJUSTMENT.

A. **CPI-U Adjustment.** On each anniversary date of this Agreement, the Franchisee shall have the right, in its sole discretion and upon giving prior notice to the City, to increase or decrease the rates set forth in Section 7 hereof (the "Initial Rates") in accordance with the CPI-U. As used herein, "CPI-U" shall mean the revised Consumer Price Index rate for all urban consumers (all items included) for the nearest available metropolitan area, based on the latest available figures from the Department of Labor's Bureau of Labor Statistics (the "Bureau"). The CPI-U used will be the CPI-U published by the Bureau during the month ninety (90) days preceding the adjustment under this Section 8.A. The amount of the increase or decrease under this Section 8.A. shall be equal to the percentage that the CPI-U has increased or decreased over the previous twelve (12) month period.

B. **Operating Cost Adjustment**. In addition to the rate adjustments provided for in Section 8.A., at any time during the term of this Agreement, the Franchisee may petition the City for additional rate and price adjustments at reasonable times on the basis of material or unusual changes in its cost of operations not otherwise the basis of any other rate adjustments herein. At the time of any such petition, the Franchisee shall provide the City with documents and records in reasonable form and sufficient detail to reasonably establish the necessity of any requested rate adjustment. The City shall not unreasonably withhold, condition or delay its consent to any requested rate increase. In the event the City fails or refuses to consent to any such requested rate increase and the Franchisee can demonstrate that such rate increase is necessary to offset the Franchisee's increased costs in connection with performing the services under this Agreement not otherwise offset by any previous rate adjustments hereunder, the Franchisee may, in its sole discretion, terminate this Agreement upon ninety (90) days written notice to the City.

C. **Landfill Cost Adjustment.** The parties acknowledge that the Municipal Solid Waste and Construction and Demolition Waste covered by this Agreement will be disposed of by the

Franchisee at a Landfill(s) chosen by the Franchisee in its sole discretion (the "Initial Landfill(s)"). In the event that the Franchisee is unable to use the Initial Landfill(s) due to reasons out of its control, the Franchisee (i) shall have the right, in its sole discretion, to dispose of the Municipal Solid Waste and Construction and Demolition Waste covered by this Agreement at another Landfill of its choosing, and (ii) shall have the right, upon giving prior notice to the City, to increase the Initial Rates by an amount equal to the sum of (x) the amount, if any, that the disposal fees charged to the Franchisee at such other Landfill exceed those previously charged to the Franchisee at the Initial Landfill(s), and (y) the amount, if any, that the transportation costs incurred by the Franchisee in connection with transporting the Municipal Solid Waste and Construction and Demolition Waste to such other Landfill exceed those that would have been incurred by the Franchisee if such Municipal Solid Waste and Construction and Demolition Waste was transported to the Initial Landfill(s).

D. **Governmental Fees.** The parties acknowledge that the rates herein include all applicable fees, taxes or similar assessments incurred under federal, state and local laws, rules and ordinances (excluding sales taxes and taxes imposed on income) (the "Fees"). The parties acknowledge and understand that the Fees may vary from time to time, and, in the event any of such Fees are increased or additional Fees are imposed subsequent to the effective date of this Agreement, the parties agree that the rates herein shall be immediately increased by the amount of any such increase in Fees or additional Fees.

E. **Fuel Cost Adjustment.** Beginning on July 1, 2020, and on each July 1 of this Agreement thereafter, the Franchisee shall adjust all the rates herein for any Contract Year in which the average price of diesel fuel during the preceding Fuel Year exceeded $2.96 per gallon (the "Base Price"). The average price of diesel fuel will be determined by reference to the U.S. Energy Information Administration's published price for diesel fuel – Gulf Coast (PADD 3). The following website (or any successor website) will be the source for such information: http://www.eia.gov/petroleum/gasdiesel/. The average price of diesel fuel for each Fuel Year (each, an "Average Yearly Price") shall be the average of the weekly fuel prices published for each week during such Fuel Year.

The fuel cost adjustment for any Contract Year (each, a "Fuel Cost Adjustment") shall be the product of (i) 13.20% and (ii) a fraction the numerator of which is equal to the difference between the Base Price and the Average Yearly Price and the denominator of which is the Base Price. In the event the Average Yearly Price is greater than the Base Price, the Fuel Cost Adjustment for the following Contract Year shall be an upward adjustment to all rates herein. In the event the Average Yearly Price is less than the Base Price, the Fuel Cost Adjustment for the following Contract Year shall be a downward adjustment to all rates herein; provided, however, any Fuel Cost Adjustment shall never cause the rates to fall below the Initial Rates. Each Fuel Cost Adjustment shall be effective on each anniversary date of this Agreement for which such Fuel Cost Adjustment was determined. Notwithstanding anything to the contrary contained herein, the Franchise Fee shall not apply to the Fuel Cost Adjustment.

Formula:
[(Average Yearly Price – Base Price)/Base Price] x 13.20% = Fuel Cost Adjustment

As an Example only:
Assumptions:
The Average Yearly Price for the Fuel Year ending on April 30, 2020 was $3.06.The rate charged to each Single-Family Residential Unit utilizing one (1) Roll-Out and one (1) Recycling Container for the Contract Year ending on July 31, 2020 was $20.13 per month.

(3.06 – 2.96)/2.96 = .034 (rounded to nearest one thousandth) x 13.20% = 0.45% (rounded to nearest one hundredth of a percent) increase to all the rates contained in Section 7 hereof for the Contract year beginning on July 1, 2020..

$20.13 x 0.45% = $0.09 increase to the monthly rate for Single-Family Residential Units utilizing one (1) Roll-Out and on (1) Recycling Container.

The rate charged to each Single-Family Residential Unit utilizing one (1) Roll-Out and one (1) Recycling Container for the Contract Year beginning July 1, 2020 would be $20.22 for the Fuel Cost Adjustment only.

SECTION 9. EXCLUSIONS.

Notwithstanding anything to the contrary contained herein, this Agreement shall not cover the collection, hauling, recycling or disposal of any Excluded Waste, Hazardous Waste, animal or human, dead animals, auto parts or used tires from any Container provided by the Franchisee located at any Commercial, Industrial or Residential Unit; provided, however, that the Franchisee and the owner or occupant of a Commercial, Industrial or Residential Unit may negotiate an agreement on an individual basis regarding the collection, hauling or disposal of Construction and Demolition Waste, auto parts or used tires by utilizing the Franchisee's Roll-Off Services.

SECTION 10. TERM OF AGREEMENT.

The term of this Agreement shall be for a period of five (5) years, commencing on July 1, 2019 and concluding on June 30, 2024. At the expiration of the term of this Agreement, the Agreement will be extended for successive periods of five (5) years; provided, that neither party provides the other party with written notice of intent to terminate this Agreement at least 180 days prior to the expiration date of this Agreement or 180 days prior to any of the then applicable individual five-year extension periods. If either party provides such notice, this Agreement will cease to be renewed and will terminate at the end of either this five (5) year Agreement, or at the end of the subsequent five (5) year extension period, as applicable.

SECTION 11. ASSIGNMENT.

This Agreement shall not be assignable or otherwise transferable by the Franchisee without the prior written consent of the City; provided, however, that the Franchisee may assign this Agreement to any direct or indirect affiliate or subsidiary of the Franchisee or to any person or entity succeeding to all or substantially all of the Franchisee's assets (whether by operation of law, merger, consolidation or otherwise) without the City's consent.

SECTION 12. ENFORCEMENT.

During the term of this Agreement and any extension thereof, the City agrees to adopt and maintain ordinances and revise existing ordinances so as to enable the Franchisee to provide the Services set forth herein. The City shall take any action reasonably necessary to prevent any other solid waste collection company from conducting business in violation of the exclusive franchise granted herein. If the Franchisee experiences recurring problems of damage or destruction to or theft of the Containers provided by the Franchisee pursuant to this Agreement, the Franchisee may, prior to replacing or repairing such Containers, require security deposits from the Commercial, Industrial or Residential Units utilizing such Containers. To the maximum extent allowed by applicable law, the City also hereby grants to the Franchisee the right of ingress and egress from and upon the property of Commercial, Industrial and Residential Units for the purposes of rendering the Services contemplated hereby.

SECTION 13. EQUIPMENT AND PERSONNEL

Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that all equipment, including, but not limited to, Containers, provided by the Franchisee in connection with the Services, shall at all times remain the property of the Franchisee.

Franchisee shall furnish a sufficient number of packer type trucks, with sufficient operators and workmen for each, to collect and dispose of all Municipal Solid Waste from Residential Units. All equipment shall be in good working order and condition. All equipment shall bear the name of Franchisee and Franchisee's telephone number, which shall be displayed on such equipment in a clear, legible manner on each side. Though Franchisee may service two sides of a street simultaneously, trucks may not be operated by "zigzagging" from side to side on the streets within City.

Franchisee personnel on the service trucks must wear uniforms identifiable as Franchisee's employees, except during emergency situations (such as after a storm or other "Act of God" or immediately after a Holiday when trash volumes may run especially high and require the addition of temporary personnel in order to complete routes in a timely manner). Franchisee will assure the presence of at least one English speaking employee on each service truck. Franchisee's employees will not take breaks or lunch in City's subdivisions.

SECTION 14. PROCESSING, BILLING AND FEES.

A. Billings for Single-Family Residential Unit Services. On a quarterly basis, the Franchisee agrees to bill and collect the rates and fees charged under Section 7.A. hereto from all Single-Family Residential Units possessing active water meters within the City's corporate limits, as well as from all other Single-Family Residential Units requiring the collection, hauling, recycling and disposal of Municipal Solid Waste within the City's corporate limits (the "Residential Billing"), plus any applicable sales, use or services taxes assessed or payable in connection with the Services provided hereunder.

B. Billings for Commercial, Industrial and Multi-Family Residential Unit Services. On a monthly basis, the Franchisee agrees to bill and collect the rates and fees charged under Sections 7.B. and 7.C. hereof, from all Commercial, Industrial and Multi-Family Residential Units possessing active water meters within the City's corporate limits as well as from all other Commercial, Industrial and Multi-Family Residential Units requiring the collection, hauling and disposal of Municipal Solid Waste within the City's corporate limits (the "Commercial Billing"), plus any applicable sales, use or services taxes assessed or payable in connection with the Services provided hereunder.

C. Billings for Non-City Roll-Off and Compactor Services. The Franchisee will bill and collect the rates charged under Sections 7.D. and 7.E. from all Residential, Commercial and Industrial Units for services performed with respect to Roll-Off and compactor Containers (the "Roll-Off Billing"), plus any applicable sales, use or services taxes assessed or payable in connection with the Services provided hereunder.

D. Billings for City Roll-Off Services. The Franchisee will bill and collect the rates charged under Section 7.F. for the Roll-Off services provided to the City. Notwithstanding anything to the contrary contained herein, the Franchise Fee (as defined below) shall not apply to the Roll-Off services provided to the City.

E. Franchise Fee. On a quarterly basis, the Franchisee shall remit to the City an amount equal to (i) fifteen (15%) of the gross receipts collected from the Residential Billing during the immediately preceding month, plus (ii) fifteen percent (15%) of the gross receipts collected from the Commercial Billing during the immediately preceding month, plus (iii) fifteen percent (15%) of the gross receipts collected from the Roll-Off Billing during the immediately preceding month (clauses (i) through (iii) collectively referred to as the "Franchise Fee"). The Franchise Fee shall be remitted to the City in arrears on or before the last day of each month, commencing after July 1, 2019.

F. Taxes. In addition to the amounts billed and collected by the Franchisee hereunder, the Franchisee shall also be responsible for billing, collecting and remitting/paying any and all sales, use and service taxes assessed or payable in connection with the Services.

SECTION 15. SPILLAGE.

It is understood and agreed that the Franchisee shall not be required to clean up, collect or dispose of any loose or spilled Municipal Solid Waste, Construction and Demolition Waste, or Recyclable Materials not caused by the Franchisee's rendering of the Services, or be required to

collect and dispose of any excess Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials placed outside of the Containers by any Commercial, Industrial or Residential Unit.

The Franchisee may report the location of such conditions to the City so that the City can issue proper notice to the owner or occupant of the Commercial, Industrial or Residential Unit instructing the owner or occupant to properly contain such Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials. Should excess Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials continue to be placed outside of the Containers, the City shall require the Commercial, Industrial or Residential Unit to increase the frequency of collection of such Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials, or require the Commercial, Industrial or Residential Unit to utilize a Container with sufficient capacity so that the excess Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials will be regularly contained.

The Franchisee shall be compensated for these additional Services as provided for in Section 9 hereof, and shall be entitled to receive an extra collection charge for each additional Container requiring an extra collection. Franchisee shall be required to clean up, collect or dispose of any loose or spilled Municipal Solid Waste, Construction and Demolition Waste, or Recyclable Materials or other waste caused by the Franchisee's rendering of the Services provided herein.

SECTION 16. NON-COLLECTION NOTICE AND FOLLOW-UP.

A. Notice from the Franchisee. It is specifically understood and agreed that where the owner or occupant of a Commercial, Industrial or Residential Unit fails to timely place a Container as directed in Sections 4 and 5 hereof, or is otherwise in violation of the City's ordinances and regulations, the Franchisee's reasonable rules adopted hereunder or the provisions of this Agreement relating to the nature, volume or weight of Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials to be removed, the Franchisee may refrain from collecting all or a portion of such Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials and will notify the City within eight (8) hours thereafter of the reason for such non-collection. The Franchisee will also provide written notice to the Commercial, Industrial or Residential Unit of the reason for such non-collection, unless such non-collection is the result of the Commercial, Industrial or Residential Unit's failure to timely place the Containers, Bulky Waste or Bundles out for collection. Such written notice shall be attached to the Container or the uncollected Municipal Solid Waste, shall indicate the nature of the violation and shall indicate the correction required in order that such Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials may be collected.

B. Notice from a Commercial, Industrial or Residential Unit. When the City is notified by an owner or occupant of a Commercial, Industrial or Residential Unit that Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials has not been removed from such Commercial, Industrial or Residential Unit and where no notice of non-collection or a change in collection schedule has been received by the City from the Franchisee, or the Franchisee has failed to collect Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials from the Commercial, Industrial or Residential Unit without cause, as

supported by notice as described herein, then the Franchisee will use all reasonable efforts to collect such Municipal Solid Waste, Construction and Demolition Waste or Recyclable Materials on the day a collection order is issued by the City; provided, however, that if the Franchisee fails to make such collection on the same day that a collection order is issued by the City, the Franchisee shall make such collection no later than 12:00 p.m. on the following Business Day, and there shall be no charge to the Franchisee for any such original non-collection or late collection so long as the Franchisee makes such collection within such time.

SECTION 17. HOURS OF SERVICE.

For all the Services provided hereunder, the Franchisee's hours of service shall be between 7:00 a.m. to 7:00 p.m., Monday through Friday. The Franchisee will not be required to provide service on weekends or Holidays except during natural disasters or emergencies, and may, at its sole discretion, observe Holidays during the term of this Agreement; provided, however, that the Franchisee shall provide such services on the immediately service day.

SECTION 18. CUSTOMER SERVICE.

The Franchisee agrees to field all inquiries and complaints from Commercial, Industrial and Residential Units relating to the collection, hauling, recycling and disposal of Municipal Solid Waste, Construction and Demolition Waste and Recyclable Materials. The Franchisee and the City agree to cooperate with each other in the response to any such inquiries and the resolution of any such complaints.

SECTION 19. COMPLIANCE WITH APPLICABLE LAWS.

The Franchisee shall comply with all applicable federal and state laws regarding the collection, hauling, recycling and disposal of Municipal Solid Waste, Construction and Demolition Waste and Recyclable Materials, including existing and future laws that may be enacted, as well as any regulations reasonably passed by the City that are not in derogation of this Agreement. Nothing in this Agreement shall be construed in any manner to abridge the City's right to pass or enforce necessary police and health regulations for the reasonable protection of its inhabitants. The City shall have the right to make reasonable inspections of the Franchisee in order to insure compliance with this Section 19.

SECTION 20. VEHICLES AND EQUIPMENT.

Vehicles used by the Franchisee for the collection, hauling, recycling and disposal of Municipal Solid Waste, Construction and Demolition Waste and Recyclable Materials shall be protected at all times while in transit to prevent the blowing or scattering of Municipal Solid Waste, Construction and Demolition Waste and Recyclable Materials onto the City's public streets, or properties adjacent thereto, and such vehicles shall be clearly marked with the Franchisee's name in letters and numbers not less than two (2) inches in height. Any Municipal Solid Waste,

Construction and Demolition Waste and Recyclable Materials that is collected and loaded into Franchisee's vehicles that subsequently released from the vehicle (prior to delivery at the Landfill) shall be collected by the Franchisee, at the Franchisee's expense within four (4) hours of receipt of notice from the City. All collection vehicles used by the Franchisee shall be washed and deodorized once per week.

SECTION 21. DUE CARE.

The Franchisee shall exercise due care and caution in providing the Services so that the City's public and private property, including streets and parking areas, will be protected and preserved.

SECTION 22. PERSONNEL AND PERFORMANCE STANDARDS.

The Franchisee shall not deny employment to any person on the basis of race, creed or religion, and will insure that all federal and state laws pertaining to salaries, wages and operating requirements are met or exceeded. The Franchisee, its agents, servants and employees shall perform the Services in a courteous, competent and professional manner. During the term of this Agreement and any extension thereof, the Franchisee shall be responsible for the actions of its agents, servants and employees while such agents, servants and employees are acting within the scope of their employment or agency.

SECTION 23. GARBAGE COLLECTION

Franchisee shall notify each occupant of a Single-Family Residential Unit, at least _____ days prior to the commencement of the Services, _____ (describe method(s) of notification) at each Single-Family Residential Unit outlining the collection days, general rules and the address and telephone number of Franchisee. Franchisee shall collect and properly dispose of all Municipal Solid Waste and Recyclable Materials from all Single-Family Residential Units used for residential purposes, twice each week, _____ (days of the week) at the _____ (location) of the Single-Family Residential Units, except as otherwise provided herein or where proper payment has not been received by Franchisee. Except as otherwise provided herein, Franchisee may not alter the days of refuse collection without the written permission of the CITY, which permission shall not be unreasonably withheld. Franchisee may change or alter the times and routes of collection, provided that the CITY is given written notification of the changes.

Putrescible waste material shall have priority collection should the community suffer the consequences of severe weather conditions. Normal collection of non-putrescible waste will commence once the initial health threat has been addressed. Structural debris, uprooted trees, roofing material and other storm generated debris are outside the services being bid. Franchisee shall make every effort to work with the CITY to provide additional services if needed.

SECTION 24. EXCLUSIVE FRANCHISE GRANT

The City will grant to the successful Franchisee, in accordance with the City's ordinances and regulations the exclusive right to the collection, hauling, recycling and disposal of Municipal

Solid Waste, Construction and Demolition Waste and Recyclable Materials over, upon, along and across the City's present and future streets, alleys, bridges and public properties.

However, if the Franchisee cannot perform certain aspects of the service, or there are additional services not contemplated under the Franchise Agreement that the City wishes to obtain, such as disaster debris removal, the City may solicit bids and contact with another entity, provided the City has allowed the Franchisee to submit a bid for said service. In order to maintain the exclusive franchise in favor of the Franchisee contained herein, the City shall take any and all appropriate level action against any company, customer or third party infringing upon the exclusive rights of the Franchisee. In the event that the City fails to pursue appropriate legal action in order to remedy an infringement on the Franchisee's exclusive-franchise rights, the Franchisee may retain a subrogation right from the City against any and all violations of the exclusive-franchise grant described herein and shall be entitled to any and all actual and consequential damages arising from the City's failure to enforce the Franchise Agreement.

SECTION 25. OPERATIONS

A. Scope of Operations

It is expressly understood and agreed that the Franchisee will collect, haul and recycle or dispose of all Municipal Solid Waste, Construction and Demolition Waste and Recyclable Materials, and other waste (as provided and may be limited herein) (i) generated and accumulated by Commercial, Industrial and Residential Units, and (ii) placed within Containers by those Commercial, Industrial and Residential Units receiving the services of the Franchisee (or otherwise generated and accumulated in the manner herein provided by those Commercial Units, Industrial Units and Residential Units), all within the City's corporate limits, including any territories annexed by the City during the term of the Franchise Agreement (the "Services").

B. Nature of Operations

The City will grant to the successful Franchisee, in accordance with the City's ordinances and regulations, the title to all Municipal Solid Waste, Construction and Demolition Waste, Recyclable Materials and other waste (as provided and as may be limited herein) collected, hauled and recycled of disposed of by the Franchisee over, upon, along and across the City's present and future streets, alleys, bridges and public properties. Notwithstanding any other term contained herein, the Franchisee shall have no obligation to collect any waste which is, or which the Franchisee reasonably believes to be, Excluded Waste. Title to and liability for any Excluded Waste shall remain with the resident/business/generator of such Excluded Waste, even if the Franchisee inadvertently collects and disposes of such Excluded Waste. If the Franchisee finds what reasonably appears to be discarded Excluded Waste, Franchisee shall notify such resident/business/generator and the City that the Franchisee may not lawfully collect such Excluded Waste.

SECTION 26. COLLECTION

A. Negotiated Collections

Any waste not collected above, such as Excluded and Hazardous waste, and any waste exceeding the size limitations or standards of Section 56-46 (City Code), shall be removed through

negotiated collection with the Franchisee or other provider if the Franchisee cannot remove the waste.

SECTION 27. STANDARDS FOR COLLECTION

General Rules - Note, the City Code provides that it is unlawful for any person stockpiling Municipal Solid Waste pending collection to fail to comply with the following standards:

(1) Containers used to store Municipal Solid Waste shall be equipped with an appropriately sized lid, which shall be securely attached when containing municipal solid waste;

(2) All Municipal Solid Waste stockpiled for collection shall be placed in a can or receptacle; provided, however, bulky waste may be accepted for regular municipal solid waste collection if bundled and securely tied together forming an easily handled package not exceeding two (2) cubic yards in total volume or have any individual item exceeding 50 pounds in weight.

(3) Any Bulky Waste that does not meet the requirements set forth herein shall not be collected, hauled, recycled or disposed of by the Franchisee under regular municipal solid waste collection.

(4) White goods containing refrigerants will not be collected by the Franchisee unless such white goods have been certified in writing by a professional technician to have had all such refrigerants removed. Single-Family Residential Units requiring the collection of Bulky Waste and White Goods may need to notify the Franchisee for pickup, as provided for by the Franchisee's agreement with the city;

(5) Receptacles, bags, or bundles shall be placed at curbside for collection. Curbside refers to that portion of the right-of-way adjacent to and not exceeding five feet from paved or traveled city roadways, including alleys. Receptacles, bags, or bundles shall be placed within five feet of the curbside or right of way adjacent to the Single-Family Residential Unit no later than 7:00 a.m. on the scheduled collection day. If construction work is being performed in the right-of-way, then receptacles, bags, or bundles shall be placed as close as practicable to an access point for the collection vehicle. The Franchisee shall assist Handicapped Residential Units with house-side collection of the bags, roll-outs and recycling containers; provided, that the Franchisee receives priori written notice from the Handicapped Residential Unit of such special need; and

(6) Receptacles, or roll-outs, used at commercial or industrial establishments shall not be placed nearer than five feet from buildings unless an exception therefor has been granted by the fire marshal due to fire safety considerations and standards. A Commercial Hand Collect Units is required to place municipal solid waste in a roll-out provided by the Franchisee. The Franchisee shall only be responsible for collecting, hauling and disposing of municipal solid waste placed inside the roll-outs provided by the Franchisee.

(7) No person shall place for collection and disposal any Construction and Demolition Waste, except by utilizing the Franchisee's Roll-Off services.

(8) Municipal solid waste in excess of the roll-outs, placed outside or adjacent to the roll-outs, or not meeting other requirements set forth herein, will not be collected by

the Franchisee. If Recyclable materials are collected, any recyclable materials in excess of the recycling containers' limits, placed outside or adjacent to the recycling containers, or not meeting other requirements set forth herein, will not be collected by the Franchisee. Excess or misplaced municipal solid waste and recyclable materials may be collected on occasion and within reason due to Holidays or other extraordinary circumstances as determined by the Franchisee.

SECTION 27. RECORDKEEPING AND REPORTING

The Franchisee shall submit electronic reports of the required records, using software and formats approved by the City, on a monthly basis. All records shall be available to City at reasonable times and places throughout the term of the Agreement and for a period of two (2) years after last or final payment.

A. Records

The Franchisee shall create, maintain, and deliver to the City the following records:

1) Documented Solid Waste and Bulky Waste tonnage delivered to Disposal site;
2) Document Recyclable Materials delivered to recyclable processing facility;
3) Document Bulky Waste delivered to recyclable processing facility;
4) Document collection activity from Commercial and Industrial Units by Container size and frequency of pick up;
5) Identify unaccepted loads by date collected, route, and facility;
6) Document complaints, on a daily basis, including the address, time and date for each and the reason, and resolution;
7) Such other documents and reports, as the City may reasonably require, to verify compliance with this Agreement;
8) Other recordkeeping and reporting requirements as agreed upon by City and Franchisee.

B. Quarterly Meetings with City Manager

Franchisee shall meet, at least quarterly, with the City Manager and/or City staff to discuss any and all issues related to the Services provided for herein.

C. Annual City Council Update

Franchisee shall present to the City Council on an annual basis a presentation to include, but not limited to, current and future service issues, quantities of Solid Waste and Recyclable Materials, and public education.

SECTION 28. RECYCLING EDUCATION

Prior to the commencement of the collection of Recyclable Materials hereunder, Franchisee will provide information to the Residential, Commerical, and Industrial Units about the program, including the specific types of materials to be collected as Recyclable Materials and the collection days. Thereafter, throughout the term of the Agreement, Franchisee will inform the

occupants of the Residential, Commerical, and Industrial Units promptly of any changes in the recycling program consistent with the terms of the Agreement and such changes will not take effect until such notice has been provided in accordance with this Section 23. The foregoing obligation to provide information shall apply only to those Commercial and Industrial Units that request such information or receive collection of Recyclable Materials services from Franchisee pursuant to the terms hereof.

SECTION 29. INSURANCE COVERAGE

Pursuant to this Agreement, the Franchisee shall carry the following types of insurance in an amount equal to or exceeding the limits specified below:

Coverage	Limits of Liability
(1) Worker's Compensation	Statutory
(2) Employer's Liability	$500,000
(3) Commercial General Liability	$1,000,000 per occurrence $2,000,000 in the aggregate, combined single limit for Bodily Injury and Property Damage Liability
(5) Automobile Bodily Injury Liability	$2,000,000 per occurrence combined single limit for Bodily Injury and Property Damage Liability
(6) Pollution Legal Liability	$2,000,000 each loss
(7) Excess Umbrella Liability	$5,000,000 per occurrence

The City shall be named additional insured on all the above coverages with the exception of workers compensation insurance. To the extent permitted by law, any or all of the insurance coverage required by this Section 32 may be provided under a plan(s) of self-insurance, including coverage provided by the Franchisee's parent corporation. Upon the City's request, the Franchisee shall furnish the City with a certificate of insurance verifying the insurance coverage required by this Section 32.

SECTION 30. INDEPENDENT CONTRACTOR

Franchisee shall be deemed to be and is an independent contractor. All persons employed by Franchisee, in performance of the Agreement shall be deemed to be and will be the employees of

Franchisee. The selection, number, compensation and employment of personnel, and all other matters relating to the employment of personnel by Franchisee, the operation of necessary machinery and equipment, and all other matters relating to the performance of its duties and obligations under the Agreement shall be the sole responsibility of Franchisee. Nothing in the Agreement shall be deemed to constitute Franchisee or any of Franchisee's Franchisee employees or agents to be an agent, representative, or employee of the City.

SECTION 31. LEGAL AND COMPLIANCE

A. INDEMNITY.

To the extent covered by applicable insurance, the Franchisee assumes all risks of loss or injury to property or persons caused by its negligence or willful misconduct in the performance of the Services. The Franchisee agrees to indemnify, defend, and hold harmless the City and its agents, directors, employees, officers and servants (together, the "Indemnified Parties") from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, liabilities, losses or expenses (including, but not limited to, reasonable attorneys' fees) (together, the "Claims") caused by a willful or negligent act or omission of the Franchisee, its officers and employees. However, the Franchisee shall not be liable for any legal proceedings, claims, demands, damages, costs, expenses and attorneys' fees caused by: (i) a willful or negligent act or omission of any Indemnified Party; (ii) the breach of any term, condition, covenant, representation, or warranty in this Agreement by the City; or (iii) the violation of any law, rule, regulation, ordiance, or order by any Indemnified Party.

B. SAVINGS PROVISION.

In the event that any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its terms and provisions as if such invalid term or provision were not a part hereof.

C. TERMINATION.

Any failure by either party or its successors and assigns to observe the terms and conditions of this Agreement shall, if continuing or persisting without remedy for more than thirty (30) days after the receipt of due written notice from the other party, constitute grounds for forfeiture and immediate termination of all the defaulting party's rights under this Agreement, and all such rights shall become null and void.

D. FORCE MAJEURE.

The performance of this Agreement may be suspended and the obligations hereunder excused in the event and during the period that such performance is prevented by a cause or causes beyond

reasonable control of such party. The performance of this Agreement will be suspended and the obligations hereunder excused only until the condition preventing performance is remedied. Such conditions shall include, but not be limited to, acts of God, acts of war, accident, explosion, fire, flood, riot, sabotage, acts of terrorists, unusually severe weather, lack of adequate fuel, or judicial or governmental laws or regulations.

E. GOVERNING LAW.

This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Texas, without giving effect to the conflict of laws rules thereof. The parties hereby irrevocably submit to the jurisdiction of the courts of the State of Texas and the Federal courts of the United States located in the State of Texas, solely in respect of the interpretation and enforcement of the provisions of this Agreement, and hereby waive, and agree not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement may be enforced in or by said courts, and the parties hereto irrevocably agree that all claims with respect to such action or proceeding shall be heard and determined in such a Texas State or Federal court. The parties hereby consent to and grant any such court jurisdiction over the person of such parties and over the subject matter of any such dispute and agree that mailing of process or other papers in connection with any such action or proceeding to the addresses of the parties listed below, or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

F. COMPLIANCE WITH ALL LAWS

Franchisee agrees to conform to and abide by all of the rules, regulations, and ordinances governing the collection, hauling and disposal of refuse, provided that the terms of the Franchise Agreement shall govern except where there exists conflicting ordinances of the City on the subject. In such case the terms of the ordinances of the City shall govern. In the event the City passes any ordiance applicable to the Services after the date of this Agreement, and such ordiance causes a material increases in the cost to Franchisee to perform the Services, Franchisee may immediately pass such additional costs on to the customers in the form of higher rates, as provided in Section 7 hereof, provided, however, that Franchisee shall provide notice of any such increase in rates allowing with reasonable supporting documentation of such increase in the cost of the Services.

Franchisee agrees to conform to and abide by all of the valid rules, regulations, and ordinances of any city or other jurisdiction through which refuse may be hauled or disposed of, governing the collection, hauling and disposal of said refuse.

Franchisee agrees, when refuse is hauled to or through the unincorporated territory of any county, to conform to and abide by all rules, regulations, and ordinances of any county governing the collection, hauling, and disposal of said refuse.

Franchisee agrees to abide by all applicable federal laws, including, without limitation, the Occupational Safety and Health Act, and the laws of the State of Texas.

G. ESCALATION CLAUSE

Other than as set forth elsewhere herein, Franchisee shall hold firm the current rates set forth in the term of the Franchise Agreement.

H. COMPLAINTS AND REPORTS

All complaints may be made directly to Franchisee and shall be given prompt and courteous attention. Franchisee shall log all complaints and shall note the name, address, time of day, and date of telephone complaint either manually or by computer. In the case of alleged missed scheduled collections, Franchisee shall investigate and, if such allegations are verified, shall arrange for the collection of such refuse within twenty-four (24) hours after the complaint is received. Franchisee will provide a monthly complaint log to the City, including the address complaining, that nature of the complaint, and the resolution of same.

I. MISCELLANEOUS

1) Disposal – Municipal Solid Waste will be collected, transported, and deposited at Texas Commission on Environmental Quality (TCEQ) approved Disposal Site.

2) Emergencies – Franchisee agrees to use its reasonable best efforts to assist the City in the event of an emergency situation on such terms and conditions as may be mutually agreed between Franchisee and the City.

3) Non-Discrimination – Franchisee agrees to abide by all applicable federal and state laws with respect to nondiscrimination against any person because of race, sex, age, creed, color, religion, or national origin.

4) Notification – Franchisee shall notify all residents about complaint procedures, regulations, and days for scheduled refuse collection.

5) Point of Contact – All dealings, contacts, etc., between Franchisee and City shall be directed by City to the Residential Accounts Manager of Franchisee. Franchisee shall advise City of the identity of its Residential Account Manager by supplying the name of said individual to City, in writing, and Franchisee may, from time to time, designate a replacement Residential Accounts Manager in writing during the term of this Agreement.

   Representations – Franchisee represents and warrants that it has dedicated and made available, and at all times during the term of the Agreement shall keep available sufficient equipment and personnel to provide the Services in accordance with the terms of this Agreement. Franchisee shall maintain its current financial solvency and is not nor will engage in proceedings that will lead to Chapter 11 filing for bankruptcy, and if any creditors shall force Franchisee into bankruptcy proceedings, Franchisee shall notify City. Franchisee hereby represents and warrants that it has all requisite corporate power and authority to execute and deliver the Agreement, to consummate the transactions contemplated

hereby, and to perform all the terms and conditions hereof to be performed by it. The execution and delivery of the Agreement by Franchisee, the consummation of the transactions contemplated hereby, and the performance by Franchisee of all the terms and conditions hereof to be performed by it have been duly authorized and approved by all requisite corporate action on the part of Franchisee.

SECTION 32. NOTICES.

Any notices required or permitted to be delivered hereunder shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the respective party at the address set forth below:

If to the City:
City of Manvel
20025 Highway 6
Manvel, TX 77578
Attn: City Manager

with electronic copy to:
KJung@cityofmanvel.com

If to the Franchisee:
John Schafer, District Manager
2010 Wilson Road
Humble, TX 77396
979-864-4600

with electronic copy to:
John.Schafer@wasteconnections.com

Abel Moreno, District Manager
827 W. Highway 6
Alvin, TX 77511
979-864-4600
with electronic copy to:
Abel.Moreno@wasteconnections.com

Copy to:

Waste Connections US, Inc.
3 Waterway Square Place, Suite 110
The Woodlands, TX 77380
Attention: Legal Department

or such other addresses as the parties may hereafter specify by written notice and delivered in accordance herewith.

SECTION 33. ATTORNEYS' FEES.

The prevailing party in any dispute between the parties arising out of the interpretation, application or enforcement of any provision hereof shall be entitled to recover all of its reasonable attorneys' fees and costs whether suit be filed or not, including without limitation costs and attorneys' fees related to or arising out of any trial or appellate proceedings.

SECTION 34. ACCEPTANCE.

PASSED AND APPROVED BY THE CITY OF MANVEL CITY COUNCIL IN AN OPEN MEETING AT A TIME AND PLACE IN COMPLETE CONFORMITY WITH THE TEXAS OPEN MEETINGS ACT AND ALL OTHER APPLICABLE LAWS THIS 5th DAY OF NOVEMBER , 2018 (FRANCHISE) AND 22nd DAY OF JANUARY, 2019 (CONTRACTED TRASH PICK-UP FREQUENCY).

WASTE CONNECTIONS OF TEXAS, LLC

By: _____

Name: ROBERT A. NIELSEN III

CITY OF MANVEL, TEXAS

By: _____

Title: Kyle Jung, City Manager

ATTEST:

By: _____

Name: Tammy Bell
Title: City Secretary

CITY OF MANVEL • TEXAS CORPORATE SEAL