

RESIDENTIAL SOLID WASTE & RECYCLING SERVICES AGREEMENT

BETWEEN

VILLAGE OF LONG GROVE

AND

WASTE MANAGEMENT OF ILLINOIS, INC.

DATED: _____

TABLE OF CONTENTS

		<u>Page</u>
PREAMBLE		1
ARTICLE I	DEFINITIONS	
Section 1.1	Definitions	1
Section 1.2	Rules of Construction	3
ARTICLE II	SCOPE OF SERVICES	
Section 2.1	General Services	3
Section 2.2	Village Special Events Collection	4
Section 2.3	Revenue Collection	4
Section 2.4	Right-of-Way Services	4
Section 2.5	Modification of Required Services	5
Section 2.6	Brochure	5
ARTICLE III	TERM OF AGREEMENT	
Section 3.1	Term of Agreement	5
ARTICLE IV	SOLID WASTE COLLECTION AND DISPOSAL	
Section 4.1	Residential Waste	5
Section 4.2	Landscape Waste	7
Section 4.3	Recyclable Materials	8
Section 4.4	Private Services	9
Section 4.5	Vacant Properties	10
Section 4.6	Disposal	10
Section 4.7	Solid Waste Collection Data	11
ARTICLE V	COMPENSATION	
Section 5.1	Residential Service	12
Section 5.2	Franchise Fee	12
ARTICLE VI	REVENUE COLLECTION	
Section 6.1	Billing of Accounts	13
Section 6.2	Private Service	13
ARTICLE VII	TITLE TO RESIDENTIAL MATERIALS	
Section 7.1	Title to Residential Materials	13
ARTICLE VIII	RECYCLABLE MATERIALS	
Section 8.1	Recyclable Materials Collection Service	13

ARTICLE IX	CUSTOMER SERVICE STANDARDS	
Section 9.1	Office and Telephone	15
Section 9.2	Minimum Customer Service Standards	15
Section 9.3	Liaison	17
ARTICLE X	BREACH; EVENTS OF DEFAULT AND REMEDIES	
Section 10.1	Breach by Contractor	17
Section 10.2	Breach by Village	17
Section 10.3	Events of Default and Remedies of Village	18
Section 10.4	Events of Default and Remedies of Contractor	19
Section 10.5	Force Majeure.....	19
ARTICLE XI	INSURANCE AND INDEMNIFICATION	
Section 11.1	Insurance	20
Section 11.2	Indemnification	20
ARTICLE XII	MISCELLANEOUS	
Section 12.1	Non-Assignability	21
Section 12.2	Equal Employment Opportunity	21
Section 12.3	Prevailing Wages.....	22
Section 12.4	Performance Bond	23
Section 12.5	Equipment to be Used by Contractor	23
Section 12.6	Compliance with Laws	24
Section 12.7	Care and Performance	24
Section 12.8	No Alcohol or Drugs.....	24
Section 12.9	Governing Law.....	24
Section 12.10	Severability.....	24
Section 12.11	Entire Agreement.....	25
Section 12.12	Notices.....	25
Section 12.13	Publicity.....	25

EXHIBITS

EXHIBIT A	Pricing Sheet
EXHIBIT A-1	Single Stream Recycling
EXHIBIT B	Insurance Provisions
EXHIBIT C	Municipal Collection Sites
EXHIBIT D	Map of Village Boundaries and Streets

This SOLID WASTE & RECYCLING SERVICES AGREEMENT ("Agreement") is made and entered into _____, 2020 ("Execution Date") by and between Waste Management of Illinois, Inc., (the "Contractor") and the Village of Long Grove, Illinois (the "Village").

PREAMBLE

WHEREAS, the Village, to protect the public health and welfare of its residents, has deemed it necessary to provide for the collection, transportation and disposal of Residential Materials (as defined below); and

WHEREAS, the Village is authorized pursuant to the provisions of Section 11-19-1 of the Illinois Municipal Code (65 ILCS 5/11-19-1) to provide for the method or methods of collection, transportation and disposal of municipal waste located within its boundaries and to provide that the method chosen may be the exclusive method to be used within its boundaries; and

WHEREAS, the Village desires to enter into this Agreement for the provision of municipal waste collection, transportation and disposal services for single-family residential properties and municipally-owned facilities, and to set the rates and charges relating to such services; and

WHEREAS, the Village has determined that it is in the best interests of its residents to contract with a single waste hauler to collect, transport and properly manage Residential Materials at a facility or facilities selected in accordance with the terms of this Agreement; and

WHEREAS, the Contractor, pursuant to the terms of this Agreement, is willing to collect, transport and properly manage Residential Materials at a facility or facilities selected in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein contained:

ARTICLE I DEFINITIONS

Section 1.1 Definitions

Whenever used in this Agreement, the following capitalized terms shall have the following meanings unless a different meaning is required by the context:

- a) "Agency" means the Solid Waste Agency of Lake County, known as SWALCO.
- b) "Back Door Service" means an additional service available for residents at an additional cost set forth in Exhibit A where a Customer sets its Recyclable Materials and/or Residential Trash in Wheeled Carts at the top of their driveway or comparable spot where the Wheeled cart(s) are clearly visible from the street. Back Door Service is not available for any Residential Materials besides Recyclable Materials and Residential Trash (e.g., no Bulky Waste, construction and demolition debris, white goods, Landscape Waste, etc.)
- c) "Breach" means a breach of this Agreement by either the Village or the Contractor, in a manner described in Article X of this Agreement.

- d) "Bulk Items" means household items of such size as to render them unsuitable for deposit in a refuse container but which one person can lift into a refuse truck, such as furniture, storm doors and windows, metal and lumber products and machine parts.
- e) "Contractor" means Waste Management of Illinois, Inc., and its successors and assignees.
- f) "Customer" means the owner or occupant of a single-family dwelling, townhome and multi-family dwellings of 4 or fewer units to whom the Contractor furnishes services pursuant to the Agreement.
- g) "Designated Facility" means a materials recovery facility designated by the Village as a facility to which Recyclable Materials are transported for processing, or a transfer station designated by Contractor where Recyclable Materials are loaded onto trailers and transferred to the materials recovery facility designated by the Village, currently Waste Management of Illinois, Inc.'s facility in Grayslake, IL.
- h) "Event of Default" means a declaration of default by either the Village or the Contractor, as described in greater detail in Article X of this Agreement.
- i) "Food Scraps" mean garbage that is capable of being composted and as further defined in 415 ILCS 5/3.197.
- j) "Landscape Waste" means all accumulations of grass or shrubbery cuttings, leaves, tree limbs, aquatic weeds, and other material accumulated as the result of the care of lawns, shrubbery, vines and trees, and as otherwise described at 415 ILCS 5/3.270.
- k) "Municipal Collection Sites" means those public areas owned or maintained by the Village from which the Contractor is required to collect Residential Materials pursuant to this Agreement, as identified in Exhibit C to this Agreement.
- l) "Private Service" means the collection of refuse and waste by the Contractor from Customers, pursuant to separate agreements or arrangements between a Customer and the Contractor.
- m) "Recyclable Materials" means those materials set forth in Exhibit A-1 to this Agreement, and any other material or materials identified as a "Recyclable Material" after the execution of this Agreement pursuant to Exhibit A-1 of this Agreement.
- n) "Residential Materials" means Residential Waste, Recyclable Materials, Food Scraps, Landscape Waste, and any other similar materials.
- o) "Residential Service" has the meaning set forth in Section 2.1 of this Agreement.
- p) "Residential Waste" means garbage, refuse, industrial, lunchroom or other waste, and other material described at 415 ILCS 5/3.290 resulting from operation of single-family residential properties and from community activities; provided, however, that "Residential Waste" shall not include source separated Recyclable Materials or Landscape Waste.
- q) "State" means the State of Illinois.

- r) "Street-side" means within four (4) feet of the curb or edge of street pavement in front of a Customer's property.
- s) "Village" means the Village of Long Grove, Illinois.
- t) "Village Container" means a front-loading container suitable for automated waste and recycling collection by private waste haulers from a Municipal Collection Site.
- u) "Waste Sticker" means a sticker or tag to be sold by the Contractor or its agents and that is to be affixed to Residential Waste or Landscape Waste designated for collection from a Customer who places for collection on a given pick-up day cans or bags which exceed the maximum capacity for the selected level of service that the Customer has elected under Section 4.1 or Section 4.2 of this Agreement.
- v) "Wheeled Cart" means a two-wheel durable, plastic, lidded container suitable for street-side automated waste and recycling collection by private waste haulers. A Large Wheeled Cart shall have a capacity of approximately 95 gallons, a Medium Wheeled Cart shall have a capacity of approximately 65 gallons, and a Small Wheeled Cart shall have a capacity of approximately 35 gallons.
- w) "White goods" means the items so defined by section 22.28 of the Illinois Environmental Protection Act.

Section 1.2 Rules of Construction

- a) Grammatical Usage and Construction. In construing this Agreement, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural, in any place in which the context so requires.
- b) Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.
- c) Calendar Days. Unless otherwise provided in this Agreement, any reference in this Agreement to "day" or "days" shall mean calendar days and not business days. If the date for giving of any notice required to be given, or the performance of any obligation, under this Agreement falls on a Saturday, Sunday, or federal holiday, then the notice or obligation may be given or performed on the next business day after that Saturday, Sunday, or federal holiday.

ARTICLE II SCOPE OF SERVICES

Section 2.1 General Services

The Contractor shall provide the following solid waste hauling, collection and disposal services in accordance with the provisions of this Agreement:

a) Residential Waste. Collection and transportation and disposal of Residential Waste as more particularly described in Section 4.1 of this Agreement.

b) Landscape Waste and Food Scraps. Collection, transportation and disposal of Landscape Waste and Food Scraps as more particularly described Section 4.2 of this Agreement.

c) Recyclable Materials. Collection, transportation and disposal of Recyclable Materials as more particularly described in Section 4.3 of this Agreement.

d) Containers for Customers. The Contractor shall provide refuse carts and containers as follows:

- (i) For each Unlimited Service Customer, the Contractor shall provide one (1) Large Wheeled (95 gallon) Cart for refuse, at the cost of the Contractor.
- (ii) For each Limited Service Customer, the Contractor shall provide the Customer the option to choose from (1) Large Wheeled (95 gallon) Cart, one (1) Medium Wheeled (65 gallon) Cart or (1) Small Wheeled (35 gallon) Cart for refuse, at the cost of the Contractor.
- (iii) For each Customer, the Contractor shall provide one (1) Medium Wheeled Cart for Recyclable Materials, at the cost of the Contractor.

The Contractor shall furnish the services described in Sections 2.1(a), (b), (c) and (d) (the "Residential Services") and bill Customers for such services under this Agreement. The Contractor shall be the sole and exclusive franchisee of the Village to provide the Residential Services.

e) Municipal Site Collection. The Contractor shall, without cost to the Village: (i) furnish Village Containers for the deposit of Residential Waste and Recyclable Materials at each Municipal Collection Site; and (ii) collect, transport, and dispose of such Residential Waste and Recyclable Materials, at dates and times and subject to such additional conditions as set forth this Agreement, including the Special Events Collection described in Section 2.2.

f) Schedule and Routes. The routes and schedules for Contractor's provision of Residential Services shall be subject to the review and approval of the Village.

g) Books and Records; Audits. Contractor shall permit access to all relevant books, records, accounts and work sites by personnel of the Village. In addition, the Village shall have the right, upon reasonable notice to Contractor, to undertake appropriate audits to ensure compliance by Contractor with the terms of this Agreement.

Section 2.2 Village Neighborhood Beautification Day

The Contractor shall provide for the collection of refuse collected during the Village's annual Neighborhood Beautification Day (held April 30 and May 1) as part of the roadside and neighborhood clean-up effort in the Village. This is not meant for regular household waste, furniture or Landscape Waste. Collection shall occur the following week and the Contractor shall be responsible for collecting the bags of refuse collected during the event at no cost to the Village.

Section 2.3 Billing for Services

The Contractor shall bill Customers for all Residential Services in accordance with Article VI of this Agreement. Contractor may conduct collection procedures within industry practices including stopping service and imposing late fees after 30 days from invoice date.

Section 2.4 Right-of-Way Services

If the parties agree on the applicable rates, the Contractor shall clear debris accumulated on public rights-of-way during inclement weather events, upon receipt of a request therefor by the Village and at a rate to be mutually determined by the Village and the Contractor.

Section 2.5 Modification of Required Services

The Village reserves the right to adjust or expand the scope of the Residential Services required under this Agreement, upon thirty (30) days prior written notice to the Contractor, to accommodate mutually agreed upon changes in the definition of Residential Materials as described in Exhibit A-1. The Village and the Contractor agree to negotiate an equitable adjustment to the Contractor's compensation under this Agreement required because of any adjustment or expansion of the scope of the Residential Services. In the event the parties are unable to agree upon such an adjustment to Contractor's compensation, the parties agree Contractor is not obligated to perform the expanded scope of Residential Services.

Section 2.6 Brochure

Upon execution of this Agreement, the Contractor, at its expense, shall be required to develop, print and distribute to all residential Customers, and all new Customers a brochure, approved by the Village, explaining the Residential Waste, Recyclable Materials and Landscape Waste/Food Scrap programs covered under this Agreement. The brochure will include a method for Customers to change their waste, recycling and/or landscape waste/food scrap services. The brochure shall be updated and distributed only if there is a change in services that warrants distributing a new brochure.

ARTICLE III TERM OF AGREEMENT

Section 3.1 Term of Agreement

The initial term of this Agreement shall commence on February 1, 2019 ("Commencement Date"), and end on March 31, 2025. Upon the mutual written consent of both parties, this Agreement can be extended for one-year periods for up to five (5) additional calendar years.

At the end of any contract term, the Village reserves the right to extend this Agreement for a period of up to ninety (90) days for the purpose of arranging to place a new contract in effect.

ARTICLE IV SOLID WASTE COLLECTION AND DISPOSAL

Section 4.1 Residential Waste

The Contractor shall collect, transport, and dispose of Residential Waste in accordance with the following:

a) Customer Selection of Service. Each Customer shall have the right to select Limited Service or Unlimited Service from the Contractor:

- (i) Once-per-week subscription service ("Limited Service") which provides for collection by the Contractor of Residential Waste from one of three limited options: 1) a Large Wheeled Cart, 2) a Medium Wheeled Cart, or 3) a Small Wheeled Cart. For Limited Service, the Customer shall pay to the Contractor a flat rate in accordance with Exhibit A of this Agreement. Under the Limited Service option, the Contractor shall have no obligation to collect Residential Waste beyond the maximum capacity of the Customer's Cart, unless the Customer affixes a Waste Sticker for each additional container placed by the Customer for collection, the cost of which Waste Sticker shall be as set forth in Exhibit A of this Agreement.
- (ii) Once-per-week subscription service ("Unlimited Service") which provides for collection by the Contractor of Residential Waste from one Large Wheeled Cart, and for which the Customer shall pay to the Contractor a flat monthly rate in accordance with Exhibit A of this Agreement.

Each Customer shall notify the Contractor in writing of the specific type of collection service selected and shall have the right to change from service levels once, at no charge, within the first 60 days after the Commencement Date of this Agreement. If service is changed after such 60-day period, the Contractor may charge the Customer a change of service charge as set forth in Exhibit A of this Agreement. The Contractor shall provide Limited Service with a Large Wheeled Cart to any Customer that has not specifically selected a type of service.

b) Location of Service. For each type of service for collection of Residential Waste discussed above, the Customer shall have the option to select either street-side service, or Back Door Service.

c) Time of Collection. Customers are required to place containers at street-side or the Back Door by 6:00 a.m. on the designated day for collection. All Residential Waste shall be collected from each Customer by 7:00 p.m. on the designated day of collection, except as otherwise agreed between the Village and the Contractor.

d) Transport and Disposal. All Residential Waste collected pursuant to this Section 4.1 shall be transported and disposed of in accordance with Section 4.6 of this Agreement.

e) Containers. The Contractor shall furnish at no additional cost to the Customer an acceptable container for Residential Waste, which shall be either a Small, Medium or Large Wheeled Cart. If a Customer chooses to use his own container for excess Residential Waste, it shall be a container of standard waterproof construction of durable metal or plastic material, with a tight-fitting cover and with handles, not exceeding a capacity of approximately thirty-two (32) gallons. Customers with Limited Service must purchase and affix Waste Stickers to any additional containers. The Contractor shall provide, if requested by a Customer, at a cost as listed in Exhibit A, an additional Medium Wheeled Cart or Large Wheeled Cart, at the Customer's option. All Wheeled Carts for Residential Waste shall be of the same style, color, and configuration, to insure uniformity of appearance. All Wheeled Carts provided by Contractor shall be owned and maintained by the Contractor.

f) Bulk Item Service. Bulk item pick-up at Street-side shall be included as part of Residential Waste collection. Such pick-up shall be made one (1) time each week and shall be on the same day as the Residential Waste pick-up and shall include one Bulk Item per pick-up.

g) Municipal Site Collection and Annual Free Disposal Volume. The Contractor shall, without cost to the Village, at Municipal Collection Sites (see Exhibit C): (i) furnish Village Containers for the deposit of Residential Waste at each Municipal Collection Site; and (ii) collect, transport, and dispose of such Residential Waste and at dates and times mutually agreeable to the Village and the Contractor.

Section 4.2 Landscape Waste/Food Scrap Collection and Six Week Leaf Collection Program

The Contractor shall collect, transport, and dispose of commingled Landscape Waste and Food Scraps (except as may be limited by the Village) from April 1 through November 30 of each year, in accordance with the following:

a) Customer Selection of Landscape Waste/Food Scrap Service. Each Customer shall have the right to select one of the Landscape Waste services listed below:

- (i) Customer Subscription. Each Customer shall have the right to subscribe for Landscape Waste/Food Scrap collection service from the Contractor for a flat monthly rate that covers up to six (6) metal or plastic containers or biodegradable paper “Kraft”-type bags, each container or bag not to exceed a capacity of 32 gallons. If the Customer places more than 6 containers or bags for collection, the Contractor shall have no obligation to collect the Landscape Waste/Food Scrap from the additional containers unless the Customer has affixed a Waste Sticker thereto.
- (ii) Pay per Bag/Sticker System: Once-per-week volume-based system, for which the Contractor shall collect Landscape Waste/Food Scrap once per week, and for which the Customer shall pay to the Contractor only in proportion to the quantity of Landscape Waste/Food Scrap collected from the Customer. If the Customer chooses to use the once-per-week volume-based service, the Contractor shall have no obligation to collect any Landscape Waste/Food Scrap in any container to which a Waste Sticker is not affixed.

b) Containers. The Contractor shall have no obligation to collect any Landscape Waste/Food Scrap unless such waste is either:

- (i) Placed in biodegradable paper “kraft”-type bags of a capacity not to exceed 32 gallons;
- (ii) Placed in metal or plastic cans of a capacity not to exceed 32 gallons; or
- (iii) If the Landscape Waste cannot reasonably be placed in bags or cans, securely tied with biodegradable string or twine, in bundles not to exceed four feet in length and 24 inches in diameter.
- (iv) If the Landscape Waste is contaminated with materials that are not considered Landscape Waste.

c) Christmas Trees. For all residential Customers (whether or not subscribers for Landscape Waste/Food Scrap collection services), the Contractor shall collect, transport, and dispose of any Christmas tree left street-side by any Customer between January 2 and January 25, at no cost to the Customer.

d) Location of Collection. The Contractor shall collect all Landscape Waste/Food Scrap that is placed by each Customer at street-side in front of the Customer's property.

e) Time of Collection. Customers are required to place Landscape Waste/Food Scrap containers at street-side by 6:00 a.m. on the designated day for collection. All Landscape Waste/Food Scrap shall be collected from each Customer by 7:00 p.m. on each designated day of collection, except as otherwise agreed between the Village and the Contractor, between April 1 and November 30 of each calendar year. The Contractor shall collect Landscape Waste/Food Scrap on the same day as the Contractor collects Residential Waste from the Customer.

f) Transport and Disposal. All Landscape Waste/Food Scrap collected pursuant to this Section 4.2 shall be transported and disposed of in accordance with Section 4.6 of this Agreement.

g) Six Week Leaf Collection Program. In addition to the subscription and sticker options describe in this section, all Customers shall be provided the Six Week Leaf Collection program beginning in mid-October and running for a total of six weeks. Under the Six Week Leaf Collection program, Customers will be required to bag all the leaves in a Kraft bag or rigid container and place them at the street-side for collection along with a sticker for each bag or container. Under this program, the amount of leaves is unlimited.

Section 4.3 Recyclable Materials

The Contractor shall collect, transport, and manage Recyclable Materials in accordance with the following:

a) Location of Collection from Customers. Each Customer shall have the option to place Recyclable Materials designated for collection at street-side in front of the Customer's property or Back Door.

b) Time of Collection from Customers. Customers are required to place Recyclable Materials containers at street-side or the Back Door by 6:00 a.m. on the designated day for collection. All Recyclable Materials shall be collected from each Customer by 7:00 p.m. on each designated day of collection, except as otherwise agreed between the Village and the Contractor. The Contractor shall collect Recyclable Materials from each Customer at least once per week, on the same day as the Contractor collects Residential Waste from the Customer.

c) Containers. The Contractor shall furnish at no additional cost to the Customer, a Medium Wheeled Cart for Recyclable Materials. Once a year, beginning in 2020, and during the entire month of May, Customers will be allowed to upgrade the cart, at no charge, from a Medium Wheeled Cart to a Large Wheeled Cart one time during the term of this Agreement. Any downgrade in Wheeled Cart Size is subject to an additional charge.

If the Customer chooses to use his own container for recyclables that exceed the capacity of the Cart provided by the Contractor, it shall be a container of standard waterproof construction of durable metal or plastic material, with a tight-fitting cover and with handles, not exceeding a capacity of approximately

thirty-two (32) gallons. The Contractor shall provide an additional Medium Wheeled Cart or Large Wheeled Cart, at the Customer's option, at a cost as listed in Exhibit A.

All Wheeled Carts for Recyclable Materials shall be of the same style, color, and configuration, to insure uniformity or appearance. In addition, all Wheeled Carts for Recyclable Materials shall have a different color lid than the Residential Waste Wheeled Carts, shall have a recycling sticker or permanent stamp on the cart lid showing what items are accepted in the recycling program, and shall be approved by the Village prior to being ordered and used in the Village. Wheeled Carts shall be owned and maintained by the Contractor.

d) Municipal Sites Collection. The Contractor shall, without cost to the Village, at Municipal Collection Sites: (i) furnish Village Containers for the deposit of Recyclable Materials at each Municipal Collection Site; and (ii) collect, transport, and dispose of such Recyclable Materials, at dates and times mutually agreeable to the Village and the Contractor.

e) Transport and Disposal. All Recyclable Materials collected pursuant to this Section 4.3 shall be transported and disposed of in accordance with Section 4.6 of this Agreement.

f) Electronic Devices Recycling. The Contractor shall provide street-side collection of electronic devices (as defined by the IL Consumer Electronics Recycling Act) on at least a once a month basis for the term of the Agreement. Customers must set out their electronic devices street side and they cannot be commingled with any other materials.

g) Recycling Cart Tagging Program. During the first year of the term of this Agreement, the Contractor and Village shall jointly implement a recycling cart inspection and tagging program if the pre-sort of the Customer or Village's Recyclable Materials (the Contractor shall sort a representative sample of the Village's recyclables using an agreed upon sorting methodology) indicates a contamination level of 15% or greater.

Section 4.4 Private Services

a) In addition to the Residential Services provided by the Contractor under Sections 4.1 through 4.3 of this Agreement, the Contractor shall also make available, to all Customers, Private Service for all types of solid waste not otherwise covered by this Agreement, including, but not limited to: white goods; auto parts; large amounts of building materials (including lumber, structural steel, concrete, bricks and stones); heavy appliances; and such other bulky items that require more than one person to handle.

b) Upon the request of a Customer, the Contractor shall furnish an estimate for the cost of removal of any materials in connection with Private Services to be provided by the Contractor and shall provide the Private Services within one week of acceptance of the cost estimate.

c) The Contractor shall charge Customers a per item rate agreed upon by the Customer and Contractor or the cubic yard rate as set forth in Exhibit A for Private Services.

d) Contractor shall exercise commercially reasonable efforts to ensure that any white goods collected in connection with the provision of Private Services shall be recycled for the scrap metal content of the good, or otherwise recycled in such a manner as technology shall allow.

Section 4.5 Vacant Properties

The Village agrees to cooperate in providing information in its possession related to property vacancies or any other similar information that will assist the Contractor in the performance of its obligations under this Agreement.

Section 4.6 Disposal

- a) Residential Waste.
 - i) Residential Waste shall be removed from the Village at the close of each day of collection and shall be disposed of at one or more SWALCO-designated lawfully operated pollution control facilities at the Contractor's sole cost and expense. The SWALCO-designated facilities in operation at the time of execution of this Contract are the Countryside Landfill in Grayslake, the Zion Landfill in Zion, the Pheasant Run Landfill in Kenosha County, Wisconsin, the Livingston Landfill in Livingston County, Illinois, the Lee County Landfill in Lee County, IL, and the Newton County Landfill in Newton County, Indiana.
 - ii) Notwithstanding the foregoing, the Village reserves the right to direct the location of disposal to another pollution control facility, subject to Section 4.6(d) of this Agreement.
- b) Landscape Waste/Food Scrap.
 - i) All Landscape Waste and Food Scraps (except to the extent services relating to Food Scraps is limited by the Village) shall be disposed of in a lawful manner, at a properly permitted landscape waste composting facility or facilities.
 - ii) Not less than 60 days prior to the date on which the Contractor commences disposal of Landscape Waste/Food Scrap at a particular location(s), the Contractor shall notify the Village in writing of the designation of such location. Notwithstanding the foregoing, the Village reserves the right to reject any proposed location, or to direct the location of disposal to an alternate Landscape Waste facility, subject to Section 4.6(d) of this Agreement.
 - iii) No Landscape Waste or Food Scraps collected under Section 4.2 of this Agreement may be disposed of at a landfill or solid waste incinerator, unless otherwise authorized by the Illinois Environmental Protection Act (415 ILCS 5/1 *et seq.*) and approved in advance and in writing by the Village.
- c) Recyclable Materials.
 - i) All Recyclable Materials shall be collected and otherwise treated to facilitate the sale of Recyclable Materials to end-use markets or to Recyclable Material brokers in accordance with Exhibit A-1 of this Agreement. All collected uncontaminated Recyclable Materials shall be recycled regardless of the income received or the cost to the Contractor resulting from the sale of the Recyclable Materials.
 - ii) The Contractor shall deliver all collected Recyclable Materials to the Designated Facility, which is currently the Contractor's Facility located in Grayslake, Illinois.

Notwithstanding the foregoing, the Village reserves the right to designate an alternate Designated Facility, subject to Section 4.6(d) of this Agreement.

- iii) Subject to the terms of Exhibit A-1 to this Agreement, no Recyclable Materials may be deposited in a landfill or waste incinerator, unless approved in advance and in writing by the Village. The Contractor shall abide by the Rules and Regulations set forth by the Designated Facility. The Village may terminate this Agreement if the Contractor fails to abide by the Rules and Regulations set forth by the Designated Facility used for the processing of collected Recyclable Materials.
- d) In the event that the VILLAGE directs the disposal of any Residential Waste, Landscape Waste or Recyclable Materials to any alternate facility pursuant to this Section 4.6, the VILLAGE and the CONTRACTOR agree to negotiate an equitable adjustment to the CONTRACTOR's compensation under this Agreement because of an increase or decrease in realized costs. Such adjustment should be based on the difference in fees charged by the alternate facility and the differential in travel distance from the Countryside Landfill in Grayslake (with respect to Residential Waste and Landscape Waste) or the Designated Facility (with respect to the Recyclable Materials) versus the alternate facility. The adjustment should also take into account additional time, labor, fuel and other costs incurred by Contractor related to the change. Such alternate facility should utilize technology that results in a substantial increase in the beneficial handling of Residential Waste, Landscape Waste, or Recyclable Materials when compared with the facility used by CONTRACTOR. In the event the CONTRACTOR and VILLAGE do not mutually agreed upon such an adjustment within 30 days (or such longer time as the parties may mutually agree), CONTRACTOR may notify the VILLAGE of its election to terminate the Contract, which termination shall be no sooner than the earlier of (A) 180 days after CONTRACTOR delivers notice of termination to the VILLAGE, or (B) 30 days after the VILLAGE notifies the CONTRACTOR that it has retained another waste hauler following CONTRACTOR's notice of termination. The parties agree that CONTRACTOR is not obligated to utilize the newly designated facility while the parties negotiate the adjustment or during any period following a notice of termination.

Section 4.7 Solid Waste Collection Data

- a) The Contractor shall provide to the Village, on a quarterly basis, a report on the quantity, in tons, of: (i) Residential Waste collected within the Village, (ii) Recyclable Materials collected within the Village, and (iii) Landscape Waste/Food Scraps collected within the Village. The Contractor shall also provide data to the Village on the amount of electronic devices collected from the Village's street-side program.
- b) The Contractor shall prepare and deliver to the Village, at least once every 12 calendar months, a breakdown, by number and type, of the residential service levels chosen by the customers in the Village.
- c) The Contractor acknowledges and agrees that the Village will provide program data and other public information to each Customer upon request.

ARTICLE V COMPENSATION

Section 5.1 Residential Service

- a) For providing the services described in this Agreement, and subject to the terms of Exhibit A-1, the Contractor shall receive as compensation from each Customer the flat rates and volume rates set forth in **Exhibit A** attached to this Agreement, as adjusted pursuant to Section 5.1(b) of this Agreement. The Contractor shall not impose or assess any fuel surcharges, administrative fees, environmental fees, recycling contamination fees or charge Customers any amounts in excess of the charges derived solely from the rates set forth in Exhibit A. [All rates shown and noted in Exhibit A for collection of Residential Waste and Recyclable Materials shall be discounted 10% for senior citizens who are 65 years of age or more.]
- b) On February 1, 2020 and on each twelve-month anniversary date thereafter (the “Adjustment Date”), the charges as identified in Exhibit A shall increase by three and three-fourths percent (3.75%).
- c) The Contractor shall notify the Village in writing at least thirty (30) days prior to the effective date of any proposed increase in charges, and such increase shall not be effective until approved by the Village in writing as complying with the terms of the Agreement, except that Contractor is not obligated to notify the Village of the annual 3.75% increase or obtain the Village’s approval for the 3.75% annual increase.

Section 5.2 Franchise Fee

The Contractor shall provide the Village with an annual franchise fee, which during the first year of the Agreement shall be \$3,500 and in subsequent years shall be escalated by 2% per year. Payments shall be due by March 1 of each year.

ARTICLE VI REVENUE COLLECTION

Section 6.1 Billing of Accounts

Residential Services provided under this Agreement are provided by the Contractor pursuant to the terms of this Agreement. The Contractor shall bill each Customer separately, no less frequently than once every four (4) months. Each invoice shall be payable by the Customer to the Contractor within thirty days after the date of the invoice and shall be subject to a late fee.

Section 6.2 Private Service

The Contractor may, but is not required to, include as an item on each Customer's bill an amount payable to the Contractor for the collection, transportation, and disposal of Private Service waste. The Contractor shall retain all amounts collected from each Customer pursuant to this Section 6.2. Alternatively, the Contractor may bill each Customer separately for Private Service.

ARTICLE VII TITLE TO RESIDENTIAL MATERIALS

Section 7.1 Title to Residential Materials

When Contractor takes physical possession of Residential Materials collected pursuant to this Agreement, title to the Residential Materials shall transfer to Contractor. Notwithstanding the foregoing, title to any hazardous substances, hazardous materials or hazardous wastes, as those terms are defined by federal, state and local law, or to any materials containing information protected by federal, state or local privacy or data security laws, and/or to any wastes or materials that are prohibited from being received, managed or disposed of at the designated facilities (collectively, “Excluded Materials”) shall remain with the Customer(s) at all times and shall not transfer to Contractor.

ARTICLE VIII RECYCLABLE MATERIALS

Section 8.1 Recyclable Materials Collection Service

- a) Residential Recycling Service. The Contractor shall collect and manage Recyclable Materials in accordance with Article IV of this Agreement.
- b) Disposition of Recyclable Materials. The Contractor shall retain all income (and fully bear all losses) resulting from the disposition of Recyclable Materials. Contractor acknowledges that as of the Commencement Date, the Solid Waste Agency of Lake County has in effect a rebate program whereby the Agency receives certain funds from the Designated Facility and distributes a portion of these funds to its members, including the Village, and Contractor waives any claim to any portion of the funds collected by the Agency through this program.
- c) Recyclable Materials Collection Data. The Contractor shall provide to the Village and SWALCO a quarterly report on the weight (in tons) of all Recyclable Materials collected from Customers under this Agreement. The report shall also contain an approximate count of the number of Customers from which Recyclable Materials have been collected, to determine participation and diversion rates.
- d) Recycling Education and Awareness. In addition to the brochure required pursuant to Section 9.1 and the cart sticker or stamp required pursuant to Section 4.3(c), the Contractor and Village agree to disseminate mutually acceptable recycling guidelines on their websites and social media in a coordinated manner as provided in Exhibit A-1. At least once per year during the term of this Agreement, the Contractor and Village agree to publicize and/or distribute the recycling guidelines to the Customers to reinforce good recycling practices.
- e) The Contractor shall ensure that all Recyclable Materials collected are properly processed and marketed. No collected Recyclable Materials shall be landfilled or incinerated, unless advance authorization to do so is given by the corporate authorities of the Village; provided, however, that, if Contractor notifies the Village that collected Recyclable Materials (or a portion thereof) are contaminated (which notice shall describe the nature of

the contamination), then Contractor shall be permitted to landfill or incinerate such contaminated Recyclable Materials.

- f) The Contractor shall sell all Recyclable Materials that are collected under this Agreement. If changes in the market for the sale of any particular Recyclable Material makes continued collection of such Recyclable Material not economically feasible, the Contractor shall consult with the Village regarding the market changes of the affected Recyclable Material. The Village and Contractor may agree to remove from the list of Recyclable Materials any economically infeasible item upon such market change.
- g) The Contractor agrees to meet periodically with representatives from the Village to: (1) review the provision of residential recycling pursuant to this Agreement; and (2) discuss the implementation of alternative approaches, programs and partnerships to improve the quality, quantity, and efficiency of residential recycling and other sustainability initiatives within the Village.

ARTICLE IX CUSTOMER SERVICE STANDARDS

Section 9.1 Office and Telephone

The Contractor shall maintain an office and toll-free telephone, for receipt of service calls or complaints, and shall be available for such calls on all business days from 7:00 a.m. to 5:00 p.m. Additional customer service representatives shall be added as necessary to meet the minimum Customer service standards set forth in Section 9.2 of this Agreement.

Section 9.2 Minimum Customer Service Standards

- a) Complaints Generally. The Contractor shall cooperate with the Village in minimizing complaints from the Customers. A consistent pattern of failure to address complaints, or violations of Sections 9.2(a) through 9.2(h) of this Agreement, shall entitle the Village to exercise the remedies provided to it pursuant to Section 9.2(h) and/or Article X of this Agreement.
- b) Initial Response. The Contractor shall give prompt and courteous attention to all Customer complaints that it may receive. The Contractor shall respond personally to every Customer from whom a complaint is received within twenty-four (24) hours or the next business day after receipt of such complaint, whichever is later; except that if the Contractor receives a complaint about a missed scheduled collection, then the Contractor shall immediately investigate such complaint and, if such scheduled collection was not made in accordance with the terms of this Agreement, then the Contractor shall cause such collection to be made within twenty-four (24) hours or the next business day after receipt of such complaint.

Where any dispute arises between a Customer and the Contractor as to the manner of placing waste or compliance with the requirements for Residential Service, the Contractor shall, and does hereby agrees in the specific instance to, remove the allowable waste even though, in its opinion, it is nonconforming with this Agreement, unless Contractor cannot

remove the allowable waste with reasonable efforts or doing so would pose a danger or risk to Contractor's employee(s). Thereafter, the Contractor shall immediately report the controversy to the Village for settlement before additional collection becomes necessary to avoid further disputes or disagreements between Customers and the Contractor.

In no event shall the provisions of this subsection be construed to require Contractor to collect materials that do not qualify as conforming Residential Materials.

- c) Referral to Village. If the Contractor is unable to resolve a complaint in a manner satisfactory to both the Contractor and the Customer, then the Contractor, within forty-eight (48) hours after receipt of such complaint, shall deliver notice of such complaint to the Village Clerk, which notice shall include the name and address of the Customer, the date and hour the complaint was received, the nature of the complaint, and the Contractor's response to the complaint. If requested by Contractor, the Village Manager or his or her designee shall arbitrate each such complaint, and the decision of the Village Manager or the Manager's designee concerning each such complaint shall be final and binding on the Contractor and the Customer. If the Contractor elects not to have the Village Manager or the Manager's designee arbitrate the dispute, the Village may address any Contractor noncompliance associated with such complaint(s) pursuant to Section 10.1(b).
- d) Answering Calls. During normal business hours and under normal operating conditions, an automated voice prompt or customer service representative employed by the Contractor shall answer the telephone access line. Unless the circumstances or the nature of complaints otherwise warrants a longer time period, ninety percent (90%) of the calls made to the customer service center shall be answered within forty-five (45) seconds. The forty-five (45) second maximum includes wait time or time spent "holding" for a customer service representative.
- e) Busy Signals. Customers placing calls to the customer service center shall receive a busy signal no more than five percent (5%) of the time.
- f) Transferring Calls. During normal business hours, if after initially addressing a Customer's concern, the customer service representative determines that the call should be transferred to another representative of the Contractor, the Customer shall be connected with a customer service representative within thirty (30) seconds thereof.
- g) Hang-ups. Incoming telephone calls from Customers shall not exceed an abandonment rate of five percent (5%).
- h) Compliance Rate. During normal business hours, the minimum standards set forth in this Section 9.2 shall be met no less than ninety percent (90%) of the time, measured on a monthly basis. Reports shall be provided to the Village monthly providing a log of inquiries received and action taken to address each complaint and call. The Contractor shall also distribute to the Village a log providing data which tracks the customer service representatives' adherence to the standards set forth in Section 9.2(a) through 9.2(g) of this Agreement, as the Village may request in its discretion, monthly. If the records indicate a clear failure of the Contractor to comply with the minimum standards set forth in Sections 9.2(a) through 9.2(g) of this Agreement, then the Village may seek remedies pursuant to Section 10.3 of this Agreement to cause Contractor to comply with the requirements of this Section 9.2.

Section 9.3 Liaison

The Contractor shall designate in writing the person to serve as agent for the Contractor and liaison between the Contractor and the Village.

ARTICLE X BREACH; EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Breach by Contractor

Each of the following shall constitute a Breach on the part of the Contractor:

- a) Failure of the Contractor to perform in a timely fashion any obligation under this Agreement, including the obligations set forth in Section 9.2, except that such failure shall constitute a Breach only if such failure remains uncured for seven (7) days after receipt of notice to the Contractor from the Village of such failure; or
- b) Any of the following: (1) The Contractor's being or becoming insolvent or bankrupt or ceasing to pay its debts as they mature or making an arrangement with or for the benefit of its creditors or consenting to or acquiescing in the appointment of a receiver, trustee or liquidator for a substantial part of its property, (2) a bankruptcy, reorganization, insolvency, arrangement or similar proceeding being instituted by the Contractor under the laws of any jurisdiction, (3) a bankruptcy, reorganization, insolvency, arrangement or similar proceeding being instituted against the Contractor under the laws of any jurisdiction, which proceeding has not been dismissed within one hundred twenty (120) days, (4) any action or answer by the Contractor approving of, consenting to or acquiescing in any such proceeding, or (5) the levy of any distress, execution or attachment upon the property of the Contractor which shall (or which reasonably might be expected to) substantially interfere with its performance under this Agreement.

Section 10.2 Breach by Village

Each of the following shall constitute a Breach on the part of the Village:

- a) The Village's being or becoming insolvent or bankrupt or ceasing to pay its debts as they mature or making an arrangement with or for the benefit of its creditors or consenting to or acquiescing in the appointment of a receiver, trustee or liquidator for a substantial part of its property;
- b) A bankruptcy, reorganization, insolvency, arrangement or similar proceeding being instituted by the Village under the laws of any jurisdiction;
- c) A bankruptcy, reorganization, insolvency, arrangement or similar proceeding being instituted against the Village under the laws of any jurisdiction, which proceeding has not been dismissed within one hundred twenty (120) days;
- d) Any action or answer by the Village approving of, consenting to or acquiescing in any bankruptcy, reorganization, insolvency, arrangement or similar proceeding;

- e) The levy of any distress, execution or attachment upon the property of the Village which shall (or which reasonably might be expected to) substantially interfere with the Village's performance hereunder; or
- f) Failure by the Village to comply with its obligations under this Agreement, except that such failure shall constitute a Breach only if such failure remains uncured for seven (7) days after notice to the Village from the Contractor of such failure.

Section 10.3 Events of Default and Remedies of Village

- a) if a Breach occurs under Section 10.1 of this Agreement and Contractor fails to cure such Breach within seven (7) days after written notice from the Village, the Village may declare an Event of Default and may thereafter exercise any one or more of the following remedies:
 - (i) The Village may terminate this Agreement immediately, upon notice to the Contractor. Subject to the provisions of subparagraph (v) below, upon such termination, the Contractor shall cease providing all services under this Agreement.
 - (ii) The Village may seek and recover from the Contractor any unpaid amounts due the Village along with all of its substantiated costs for the failure of the Contractor to perform any obligation under this Agreement, and all damages, whether based upon contract, work stoppage, strike, Contractor negligence (including tort), warranty, delay or otherwise, arising out of the performance or non-performance by the Contractor of its obligations under this Agreement resulting from the Breach.
 - (iii) The Village may (A) call upon the sureties to perform their obligations under the performance bond, or (B) in the alternative, after releasing the sureties from their obligations under the performance bond, take over and perform the required services by its own devices, or may enter into a new agreement for the required services, or any portion thereof.
 - (iv) The Village shall have the power to proceed with any right or remedy granted by federal or State law as it may deem best, including any suit, action or special proceeding in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any proper legal or equitable remedy as the Village shall deem most effectual to protect the rights aforesaid, insofar as such may be authorized by law.
 - (v) Upon any such termination of this Agreement, the Contractor shall, for a period to be determined by the Village in its sole and absolute discretion, but not longer than 120 days, continue to perform the contractual services during which period the Customers shall pay the Contractor its scheduled compensation; provided, however, that the period of Contractor's continued service shall be set forth in the Village's notice of termination to the Contractor.
- b) No remedy by the terms of this Agreement conferred upon or reserved to the Village is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Village. No delay or

omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

- c) If the Contractor misses a collection under the Residential Service, the collection must be corrected within two business days of the reported missed collection, provided, however, that the Contractor shall not be obligated to correct the missed collection for collections missed due to a late set out by resident or a labor dispute involving the Contractor's labor force if the missed collection is not rectified within seven (7) days after the missed collection. All charges levied against the Contractor under this Section 10.3(c) shall be remitted to the Village within 60 days after receipt of an invoice therefor.
- d) This Section 10.3 shall survive the termination of this Agreement.

Section 10.4 Events of Default and Remedies of Contractor

- a) If a Breach occurs under Section 10.2 of Agreement and the Village fails to cure such Breach within seven (7) days after written notice from the Contractor, the Contractor may declare an Event of Default and thereafter terminate this Agreement immediately, upon notice to the Village. In the event of a termination by Contractor, the Contractor's remedy shall be to seek and recover from the Village any unpaid amounts due the Contractor from the Village. Nothing in this Section shall preclude Contractor from pursuing recovery from Customers of any amounts due and owing and/or from seeking to recover from the Village any damages resulting from Breach.
- b) The Contractor shall have the power to proceed with any right or remedy granted by federal or State law as it may deem best, including any suit or action for the enforcement of any proper legal or equitable remedy as the Contractor shall deem most effectual to protect the rights aforesaid, insofar as such may be authorized by law.
- c) No remedy by the terms of this Agreement conferred upon or reserved to the Contractor is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Contractor. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto
- d) This Section 10.4 shall survive termination of this Agreement.

Section 10.5 Force Majeure

Neither the Contractor nor the Village shall be liable for the failure to perform their duties nor for any resulting damage or loss, if such failure is caused by a catastrophe, terrorism, riot, war, strike, fire, accident, act of God, including inclement weather, or similar contingency beyond the

reasonable control of the Contractor or the Village, as the case may be; provided, however, that in the event of a strike that renders the Contractor unable to provide Residential Services as required by this Agreement (which event of a strike shall not be regarded as a Breach or Event of Default under this Agreement), the Contractor shall cooperate in good faith with the Village to establish a location for the centralized drop-off by Customers, and collection by the Contractor, of Residential Materials. Changes in recycling markets or market prices are specifically excluded from the above force majeure contingencies contemplated in this section.

ARTICLE XI INSURANCE AND INDEMNIFICATION

Section 11.1 Insurance

- a) The Contractor shall maintain for the duration of this Agreement, and any extensions thereof, insurance issued by a company or companies qualified to do business in the State of Illinois and that meet the requirements set forth in Exhibit B. The Contractor shall provide the Village with a certificate of insurance indicating that such insurance coverage meets the requirements contained in Exhibit B (and otherwise satisfy the requirements set forth in Exhibit B).
- b) Insurance premiums shall be paid by the Contractor and shall be without cost to the Village.

Section 11.2 Indemnification

Contractor agrees, at its sole cost and expense, to indemnify and hold harmless and defend the Village and the Village's former, current and future officials, trustees, agents, employees, representatives, attorneys and/or successors in interest of any kind (the "Village Indemnitees") for and from any and all claims, actions, omissions, losses, injuries, lawsuits, violations, counterparts, debts, dues, obligations, judgments, awards, demands, liens, costs, expenses, attorneys' fees and liability for damages of any kind and causes of action of any kind and nature (including but not limited to all liabilities, claims, suits, costs and expenses which the Village or Village Indemnities may hereafter incur, become responsible for, or pay out as a result of death or bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment), whether known or unknown at this time, whether present or future or contingent, that are brought or filed against the Village, and/or the Village Indemnitees, by any person or entity arising out of, relating to, connected with, or in any way associated with the following: (a) Contractor's breach of any term or provision of this contract; (b) any negligent or willful act or omission of Contractor, its employees, agents, or subcontractors in the performance of this Contract; (c) the violation or alleged violation by Contractor, its employees, agents, or subcontractors of any federal, state or local law, regulation, statute, ordinance, license, or permit, and (d) the release, threatened release or presence of contaminants (which shall include but not limited to hazardous waste, hazardous substances and any material which any governmental agency or unit having appropriate jurisdiction shall determine from time to time is harmful, toxic, or dangerous) which occurs during the performance (or failure to perform) this Agreement, including transportation and/or disposal of the Refuse, Yard Waste and Recyclables and/or from or on the site(s) or facility(ies) owned or controlled by Contractor or its affiliated entities utilized for disposal of the Residential Waste, Yard Waste and/or Recyclables (but not including such release, threatened release, or presence resulting from Excluded Materials). In the event that any such claim, action, cause of action or lawsuit is brought or filed, the Village and Village Indemnitees, shall have the right to determine the attorney(s) of its, his hers or their choice to represent and

defend their interests in any legal or administrative action in the event that a conflict exists which prevents the same defense counsel from representing the Contractor and the Village or Village Indemnitees, all at the Contractor's expense pursuant to this Agreement, Notwithstanding any other provision in this Agreement to the contrary, the duration of the indemnification hereunder shall survive the expiration of this Agreement. Notwithstanding anything in this Agreement to the contrary, Contractor's indemnification obligations shall not apply to any claims, actions, omissions, losses, injuries, lawsuits, counterparts, debts, dues, obligations, judgments, awards, demands, liens, costs, expenses, attorneys' fees or liability for damages of any kind or causes of action of any kind or nature arising out of, relating to, connected with, or in any way associated with Excluded Materials or with the facilities designated by the Village and/or SWALCO unless the facility is owned or operated by Contractor.

ARTICLE XII MISCELLANEOUS

Section 12.1 Non-Assignability

The Contractor shall not assign this Agreement or any part thereof or subcontract this Agreement or the work hereunder, or any part thereof, in either case to any other person, firm, or corporation without the prior written consent of the corporate authorities of the Village, who shall withhold or grant such approval at a regular meeting of the Board of Trustees. Nothing in this Agreement shall prevent the Contractor from performing its obligations hereunder through its subsidiaries or divisions but the performance by any such subsidiary or division shall not relieve the Contractor from its obligations or change the terms of Agreement.

Section 12.2 Equal Employment Opportunity

- a) In the event of the Contractor's noncompliance with the provisions of this Section 12.2, the Illinois Human Rights Act or the Illinois Department of Human Rights Rules and Regulations, the Contractor may be declared ineligible for future contracts or subcontracts with the State or any of its political subdivisions or municipal corporations, and this Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation.
- b) During the performance of this Agreement, the Contractor agrees as follows:
 - (i) That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability,; and further, that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such under-utilization.
 - (ii) That, if it hires additional employees in order to perform this Agreement or any portion hereof, it will determine the availability (in accordance with the Illinois Department of Human Rights Rules and Regulations) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not under-utilized.

- (iii) That, in all solicitations or advertisements for employees placed by the Contractor or on the Contractor's behalf, the Contractor will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.
 - (iv) That the Contractor will send to each labor organization or representative thereof with which it is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the Contractor's obligations under the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations. If any such labor organization or representative fails or refuses to cooperate with the Contractor in its efforts to comply with such Act and Rules and Regulations, the Contractor will promptly notify the Illinois Department of Human Rights and the Village, and will recruit employees from other sources when necessary to fulfill the Contractor's obligations thereunder.
 - (v) That the Contractor shall submit reports as required by the Illinois Department of Human Rights Rules and Regulations, furnish all relevant information as may from time to time be requested by the Illinois Department of Human Rights or the Village, and in all respects comply with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.
 - (vi) That the Contractor shall permit access to all relevant books, records, accounts and work sites by personnel of the Village and the Illinois Department of Human Rights for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.
 - (vii) That the Contractor shall include, verbatim or by reference, the provisions of this Section 12.2 in every subcontract it awards under which any portion of the Agreement obligations are undertaken or assumed, so that such provisions will be binding upon each subcontractor. The Contractor will promptly notify the Village and the Illinois Department of Human Rights in the event any subcontractor fails or refuses to comply therewith. In addition, the Contractor will not utilize any subcontractor ineligible for contracts or subcontracts with the State or any of its political subdivisions or municipal corporations.
- c) During the term of this Agreement, the Contractor shall comply in all respects with the Equal Employment Opportunity Act. The Contractor shall have a written equal employment opportunity policy statement declaring that it does not discriminate on the basis of race, color, religion, sex, national origin, disability, or age. Findings of non-compliance with applicable State or federal equal employment opportunity laws and regulations may be sufficient reason for revocation or cancellation of this Agreement.

Section 12.3 Prevailing Wages

Notwithstanding the provisions of the request for proposals precedent to this Agreement, the Contractor asserts that the Illinois Prevailing Wage Act, 820 ILCS 130, is inapplicable to services to be provided pursuant to this Agreement (the "Contractor Position").

Section 12.4 Performance Bond

The Contractor shall furnish a performance bond for the faithful performance of this Agreement, in a form acceptable to the Village, to be executed by a responsible surety company and to be in the penal sum of One Hundred Fifty Thousand Dollars (\$150,000). Such performance bond shall be furnished annually by the Contractor for the following year of this Agreement and shall indemnify the Village against any loss resulting from any failure of performance by the Contractor. The initial bond shall be posted on or before the Commencement Date, and each successive bond shall be posted not later than January 1 of each successive calendar year. In lieu of furnishing a performance bond, the Proposer may demonstrate its ability to furnish an unconditional letter of credit to be delivered at Closing in favor of the Village, in the amount of One Hundred Fifty Thousand Dollars (\$150,000) drawn on a national or state-chartered bank acceptable to the Village. Any performance security required under this Section shall be in such form and with such provisions as are acceptable to the Village, in the Village's sole discretion.

Section 12.5 Equipment to be Used by Contractor

- a) The Contractor agrees to collect all materials described in Article V of this Agreement in fully enclosed, leak-proof, modern trucks and equipment. The contractor agrees to use to the extent possible, uniformly painted equipment, with no rust showing on the cab, chassis or body and shall maintain its vehicles and equipment in good condition at its own expense and shall keep said vehicles free from leakage and objectionable odors. The vehicles/equipment shall be kept in clean, sanitary and in quiet operating condition and shall be washed on a regular basis. Any equipment that is used by the Contractor and determined to be unsafe, or in an overall poor condition if agreed upon by the Village and Contractor shall be replaced at the request of the Village. Equipment used for Private Service described in Section 4.4 of this Agreement may be open-body trucks, dump trucks and similar type equipment when necessary. When open-body trucks are used, the Contractor shall take such action as is necessary to prevent littering and blowing debris.
- b) Containers used in connection with the provision of Residential Services by the Contractor pursuant to this Agreement shall be operable, safe and free of graffiti. Contractor shall replace any container in disrepair of this sort within three (3) days of notification by the Village or the customer. Containers with plastic lids that are ill-fitted or warping shall be replaced within three (3) days of notification by the Village, in order to maintain a tight-fitting seal to prevent access by pests. All containers will be adequately demarcated with the Contractor's logo. Each container will have an inventory control number demarcated on each container that is cross-referenced to the Wheeled Cart size.
- c) All equipment used by Contractor for the provision of Residential Services and Private Services pursuant to this Agreement shall be properly licensed by the State and shall conform to all federal and State equipment safety standards.

Section 12.6 Compliance with Laws

- a) The Contractor shall comply at all times with all applicable federal, State and municipal laws, ordinances and regulations at any time applicable to the Contractor's operations under this Agreement, with no increase to the Contractor's compensation as set forth in this Agreement. Specifically, but without limitation of the foregoing, the Contractor shall comply with any amended Village ordinances or regulations imposed in the discretion of the Village to protect the public health, safety, and welfare.

- b) The Contractor shall obtain, at its own expense, all permits and licenses required by law or ordinance and maintain the same in full force and effect.

Section 12.7 Care and Performance

The Contractor shall undertake to perform all services rendered hereunder in a neat, thorough and competent manner, without supervision by the Village, and to use care and diligence in the performance of all specified services and to provide neat, orderly, uniformed and courteous employees and personnel on its crews.

The Contractor shall be liable to the Village for damage to Village rights-of-way caused by Contractor's negligence in connection with the provision of the Residential Services or Private Services, ordinary wear and tear excepted.

Section 12.8 No Alcohol or Drugs

The Contractor shall prohibit and use its best efforts to enforce the prohibition of any drinking of alcoholic beverages or use of illegal drugs by its drivers and employees while on duty or during performing their duties under this Agreement.

Section 12.9 Governing Law

This Agreement and the rights of the Village and the Contractor under this Agreement shall be interpreted according to the internal laws, but not the conflict of laws, rules, of the State of Illinois.

Section 12.10 Severability

The provisions of this Agreement shall be interpreted when possible to sustain their legality and enforceability as a whole. In the event any provision of this Agreement shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining part of such provision, nor the validity of any other provisions of this Agreement, shall be in any way affected thereby. The unenforceability of any provision of this Agreement in a specific situation shall not affect the enforceability of that provision in any other situation.

Section 12.11 Entire Agreement

This Agreement sets forth the entire agreement of the Village and the Contractor with respect to the provision of the Residential Services and compensation therefor, and there are no other understandings or agreements, oral or written, between the Village and the Contractor with respect to the Residential Services and the compensation therefor, nor was the making and execution of this Agreement induced by any representation, statement, warranty, agreement, or action other than those expressed or explicitly referenced herein.

Section 12.12 Notices

All notices required or permitted to be given under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by a reputable overnight courier or (iii) by certified mail, return receipt requested, and deposited in the U.S. mail, postage prepaid. Unless otherwise expressly provided in this Agreement, notices shall be deemed received upon the earlier of (a) actual receipt; (b) one business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (c) three business days

following deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each party shall have the right to change the address or addressee, or both, for all future notices and communications to the other party but no notice of a change of address or addressee shall be effective until received.

Notices and communications to the Village shall be addressed to, and delivered at, the following address:

Village of Long Grove
3110 Old McHenry Road
Long Grove, Illinois 60047
Attention: Village Manager

Notices and communications to the Contractor shall be addressed to, and delivered at, the following address:

Waste Management of Illinois, Inc.
Attention: Michael Brink
Area Manager, Public Sector Solutions
700 East Butterfield Road
Lombard, Illinois 60148

Section 12.13 Publicity

The Contractor shall not use the Village's name or insignia, photographs of the Village, or any other publicity pertaining to the provision of the Residential Services in any magazine, trade paper, newspaper, or other medium without the express written consent of the Village.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives, all on the day and year first above written.

**WASTE MANAGEMENT
OF ILLINOIS, INC.**

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

VILLAGE OF LONG GROVE

By: _____

Village President

ATTEST:

By: _____

Village Clerk

EXHIBIT A

PRICING SHEET

A. RESIDENTIAL WASTE COLLECTION PROGRAM

- | | | |
|----|---|---|
| 1) | LIMITED SERVICE
Street-side collection | \$20.38
Per household per month
For Small Wheeled Cart (35 gallon) |
| | | \$21.83
Per household per month
For Medium Wheeled Cart (65 gallon) |
| | | \$23.28
Per household per month
For Large Wheeled Cart (95 gallon) |
| 2) | UNLIMITED SERVICE
Street-side collection | \$24.73
Per household per month
Large Wheeled Cart (95 gallon) |

The rates above include the cart. Senior rates for Customers 65 years of age and older shall be reduced by 10% from the above quoted rates for items 1 and 2.

- | | | |
|----|--|---|
| 3) | BACK DOOR SERVICE | Additional \$13.00
Per household per month for waste |
| | | Additional \$13.00
Per household per month for recycling |
| 4) | EXCESS CONTAINER CHARGE
for exceeding
the capacity of the cart under the
Limited Service option | \$3.00

Per sticker* |

*Sticker cost for excess Residential Waste and Landscape Waste shall be the same, identical sticker used for both programs.

- | | | |
|----|--------------------------|---------------------------|
| 5) | COST OF PRIVATE SERVICES | \$30.00
Per cubic yard |
|----|--------------------------|---------------------------|

- 6) CHANGE OF SERVICE
For switching from Unlimited to Limited
Service or vice versa, delivery of a new
cart and retrieval of old cart \$35.00 _____
Per change in service
- 7) WHITE GOODS COLLECTION
For collecting white goods at the
Customer's curb \$50.00
Per White Good

B. RECYCLABLE MATERIALS COLLECTION PROGRAM

- 1) UNLIMITED SERVICE [Included in Residential Waste Collection rates]
Per household per month

The rate above includes the cart, either 65 or 95 gallons. Senior rate for Customers 65 years of age and older shall be reduced by 10% from the above quoted rate.

C. LANDSCAPE WASTE/FOOD SCRAP COLLECTION PROGRAM

- 1) CUSTOMER SUBSCRIPTION
The flat rate over an eight-month period from April 1 to November 30, limited to six,
thirty-two (32) gallon containers per week.

\$120.00
Per household for
8-month subscription

- 2) PAY PER BAG/STICKER \$3.00
Per sticker

- 3) SIX WEEK LEAF COLLECTION WITH
BAGS AND CONTAINERS \$2.00 _____
Per Sticker

D. MONTHLY RATE TO LEASE ADDITIONAL CARTS

Medium Wheeled Cart, 65 Gallon \$3.00

Large Wheeled Cart, 95 Gallon	\$3.00
-------------------------------	--------

E. EMERGENCY SERVICES

1) Rate for Equipment and Personnel if requested by the Village

\$80.00	\$50.00
Per hour per worker	Per hour per vehicle
	\$17.00
	Per cubic yard

Exhibit A-1 Single Stream Recycling

The list of items below represents the current materials currently being accepted by WM as Recyclables. This list may expand or contract due to market conditions.

Aluminum cans - empty	Newspaper
PET bottles with the symbol #1 – with screw tops only - empty	Mail
HDPE plastic bottles with the symbol #2 (milk, water bottles detergent, and shampoo bottles, etc.) – empty	Uncoated paperboard (ex. cereal boxes; food and snack boxes)
Steel and tin cans – empty	Uncoated printing, writing and office paper
Phone books	Old corrugated containers/cardboard (uncoated)
Magazines, glossy inserts and pamphlets	
Plastic containers with symbols #3-#7 – empty	Glass food and beverage containers – brown, clear, or green - empty
Aseptic containers	Cartons

NON-RECYCLABLES include, but are not limited to the following:

Plastic bags and bagged materials (even if containing Recyclables)	Microwavable trays
Mirrors	Window or auto glass
Light bulbs	Coated cardboard
Porcelain and ceramics	Plastics unnumbered
Expanded polystyrene	Coat hangers
Glass and metal cookware/bakeware	Household appliances and electronics,
Hoses, cords, wires	Yard waste, construction debris, and wood
Flexible plastic or film packaging and multi-laminated materials	Needles, syringes, IV bags or other medical supplies
Food waste and liquids, containers containing such items	Textiles, cloth, or any fabric (bedding, pillows, sheets, etc.)
Excluded Materials or containers which contained Excluded Materials	Napkins, paper towels, tissue, paper plates, paper cups, and plastic utensils
Any Recyclable materials or pieces of Recyclables less than 4” in size in any dimension. Shredded paper okay if in paper bag	Propane tanks, batteries

I. Additional Specifications

- a. All glass containers must be empty.
- b. All tin cans, bi-metal cans, and aluminum cans must be empty.
- c. All plastic containers must be empty.
- d. All Fiber must be dry and free of food debris and other contaminating material.
- e. Tissues, paper towels or other paper that has been in contact with food is not acceptable.

II. Recyclables may contain up to 10% Unacceptable Materials, provided however, Recyclables may not:

- a. Materially impair the strength or the durability of the WM's structures or equipment;

- b. Create flammable or explosive conditions in WM's facilities;
 - c. Contain any type of batteries;
 - d. Contain chemical or other properties which are deleterious or capable of causing material damage to any part of WM's property, its personnel or the public; or,
 - e. Contain Excluded Waste as defined in the Agreement.

- III. WM and the Village shall develop and implement an education and awareness program so that the Village's residents are forewarned about the "tag and educate" program and so that the Village's residents receive information on how to properly recycle. If WM determines, with the consent of the Village, that a recycling cart "tag and educate" program is necessary, then WM and the Village shall determine the specifics of how the program will be implemented. Key program elements to agree on are: 1) what procedures will be followed when a cart is determined to be contaminated, and 2) what are the ultimate steps to be taken for customers who continue to contaminate the cart. WM's cost for the education and awareness program shall be capped at \$500.00 annually. In return for WM's responsibility for the costs of the program, the Village shall require that WM prepare and distribute a brochure to its residents only once during the next five years, beginning in 2019, unless significant program changes are made during the next five-year period.

- IV. WM may refuse to service a recycling cart if a resident does not properly segregate recyclable materials. At the time of refusal to provide service, WM shall issue a notice to the resident that contains instructions for the proper segregation of Recyclable Materials, and the specific violation(s) made by the resident. If a resident receives two such notices within a 30-day period, WM may exercise its right to not provide recycling service for a period of 30 days. This 30-day suspension shall be made in writing to the resident with a copy to the Village. Under no circumstances shall WM be able to charge residents an additional fee for not properly segregating recyclables.

- V. Notwithstanding anything in the Agreement to the contrary, with the prior written consent of the Village which shall not be unreasonably withheld, WM may discontinue acceptance of any category of recyclable materials as a result of market conditions related to such materials. If the Village consents to discontinuing acceptance of a recyclable material, WM shall provide written notice to the residents.

EXHIBIT B

INSURANCE PROVISIONS

A. Commercial General Liability Insurance

Commercial general liability insurance with the following limits:

<u>Coverage</u>	<u>Limits of Liability</u>
General Aggregate	\$5,000,000
Products and Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$2,000,000

The policy shall be endorsed so that the general aggregate limit applies separately to each project and each location. The products and completed operations aggregate shall be maintained for one year after the final payment.

B. Workers Compensation & Employer's Liability

Workers Compensation Coverage	IL statutory requirements
--------------------------------------	----------------------------------

Employer's Liability Insurance Coverage	Limits of Liability
--	----------------------------

Bodily Injury by Accident (Each Accident)	\$1,000,000
Bodily Injury by Disease (Each Employee)	\$1,000,000
Bodily Injury by Disease (Policy Limit)	\$1,000,000

All employees who are to provide labor or service under the Agreement must be insured; no exclusions shall be allowed for any officer or employee.

C. **Business Auto Insurance:**

<u>Coverage</u>	<u>Limit of Liability</u>
All Owned, Hired, and Non-Owned Autos	\$1,000,000

D. **Pollution Liability Insurance**

<u>Coverage</u>	<u>Limit of Liability</u>
Each Occurrence/General Aggregate	\$5,000,000

Pollution liability insurance limits may be modified by the Village, if deemed necessary.

E. **Umbrella Liability Insurance**

<u>Coverage</u>	<u>Limit of Liability</u>
Excess over all primary policies	\$5,000,000

All insurers writing policies pursuant to this Exhibit B shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or comparable rating service.

The comprehensive general liability, property damage, auto liability, and umbrella liability insurance policy shall name the Village and the Village Indemnitees as an additional insured on a primary noncontributory basis with a waiver of subrogation in favor of the Village (the waiver of subrogation shall also apply to the workers' compensation insurance). The Contractor shall provide the Village with certificates of insurance, and the Village shall have the right to review the policies of insurance during regular business hours at a local office of Contractor upon reasonable notice. The failure to provide acceptable insurance shall be deemed a breach of this Agreement entitling the Village to terminate this Agreement immediately. All policies of insurance shall provide by endorsement that no coverage may be canceled, terminated, or reduced by the insuring company without the insuring company having first given at least 30 days (or 10 days for non-payment of premium) prior written notice to the Village.

EXHIBIT C

MUNICIPAL COLLECTION SITES

Size and number of Village Containers to be furnished regularly (not including Special Events):

<u>Site</u>	<u>Refuse</u>	<u>Recycle</u>	<u>Frequency</u>
3110 Old McHenry Road (VH)	Yes	Yes	Once per week
4188 IL Route 83 (Water Plant)	Yes	Yes	Once per week
0 Hicks Road (Soccer Fields)	Yes	Yes	Once per week
3853 Ridgewood Lane (PD Reed Turner)	Yes	Yes	Once per week
0 Oakwood Road (PD Ballpark)	Yes	Yes	Once per week
0 Gilmer Road (PD Ballfield)	Yes	Yes	Once per week

EXHIBIT D

MAP OF VILLAGE STREETS

