



# MONROE CITY COUNCIL

## Agenda Bill No. 20-089

<b>SUBJECT:</b>	<b>Approve Republic Services Contract Amendment #3 – Sustainability Surcharge</b>
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<b>DATE:</b>	<b>DEPT:</b>	<b>CONTACT:</b>	<b>PRESENTER:</b>	<b>ITEM:</b>
06/23/2020	Finance	Becky Hasart	Becky Hasart	New Business #1

- Discussion:** Finance Committee 06/18/2019
- Attachments:**
1. Republic Amendment #3
  2. Recycling & Comp Update presentation from 06/18/19 Finance Committee
  3. Republic Services Contract

**REQUESTED ACTION:** Move to approve Amendment #3 to the Republic Services Contract imposing a sustainability surcharge for solid waste services.

### POLICY CONSIDERATIONS

*The City of Monroe has entered into a garbage franchise agreement with Republic Services. Per the contract, the City is responsible for reviewing and approving any rate adjustment requests by our garbage, recycling, and organics (solid waste) disposal provider. Based on worldwide changes to the recycling and solid waste markets affecting the entire industry (determined to be qualified as force majeure by legal), Republic Services is requesting a sustainability surcharge to address the industry changes which have occurred as a direct result of “China Sword.”*

### DESCRIPTION/BACKGROUND

The City is currently in the fourth year of its five year contract with Republic Services to provide garbage, recycling, and organic (solid waste) disposal services (January 1, 2017, through December 31, 2021). This contract does automatically renew for successive three year terms unless either party provides proper notice to the other prior to the current term’s expiration date.

Section 2.3.1.2 City’s Responsibilities of the attached contract (Attachment 3), second bullet point, requires the City to review and approve any rate adjustments requested by our solid waste provider. Republic Services is requesting to implement a sustainability surcharge to assist with the operational impacts precipitated by China Sword.

China Sword is the label assigned to the worldwide effects of China’s decision, as far back as 2017, to limit the amount of recycled materials it would accept from various national providers. For decades, China was the largest importer of the world’s recycling, with the US providing approximately 40% of the inbound stream. Changes imposed by China regarding acceptable contamination levels and China’s ban on accepting any mixed paper has had a profound effect on the global recycling industry, leading to higher disposal costs and lower resale cost recovery.

In order to manage the impacts of China Sword, industry providers across the board have either raised their rates, or limited the materials which can be recycled, or imposed some combination of rate increase with new limitations. Page 17 of the presentation made to the Finance Committee (Attachment 2) illustrates the initial request made by Republic Services regarding what type of surcharge was needed to maintain our current curbside standard for recycling and organics disposal (no new limitations). The attached amendment number three (Attachment 1)



# MONROE CITY COUNCIL

## *Agenda Bill No. 20-089*

represents the final negotiated sustainability surcharge after discussion with the Finance Committee and negotiation among City and Republic staff. This surcharge will be reassessed on an annual basis. Monroe consumers subject to this franchise agreement will not need to make changes to their existing recycling and yard waste (organics) materials. Republic Services will advertise the surcharge for a minimum of 45 days before becoming effective.

### **FISCAL IMPACTS**

Amendment #3 would impose a \$1.86 per month sustainability surcharge per dwelling unit for residential and multifamily customers and a \$0.50 per month per municipal solid waste yard (MSW Yard) for cart based commercial customers. (Original request was \$2.78 per residential, \$1.18 per commercial yard, and \$0.47 per multifamily unit). The yard waste/organics sustainability surcharge would be \$0.49 per month (same as original request).

Amendment #3 does include a monthly rate for those households who currently utilize the monthly garbage service level. And all low income senior and disability discounts will also apply to this sustainability surcharge.

### **TIME CONSTRAINTS**

Republic Services had originally requested to impose the sustainability surcharge beginning July 2019. Due to negotiations, and the subsequent COVID-19 limitations on Council actions, this request is not being considered more than a year after first discussed. Once approved, there is a 45 day advertising period which must occur prior to the start of the surcharge.

### **ALTERNATIVES**

- Approve Amendment #3 as is.
- Direct staff to areas of concern for further negotiation.

**AMENDMENT #3****COMPREHENSIVE GARBAGE, RECYCLABLES AND YARD DEBRIS COLLECTION CONTRACT**

between the CITY OF MONROE and RABANCO LTD.D/B/A/REPUBLIC SERVICES OF LYNNWOOD

This AMENDMENT #3 is made and entered into this 23rd day of June 2020 by and between the CITY OF MONROE, a municipal corporation of the State of Washington (“City”), and RABANCO LTD. A Washington corporation (“Contractor”).

**RECITALS**

WHEREAS, the City and Contractor entered into a Comprehensive Garbage, Recyclables and Yard Debris Collection Contract dated January 1, 2017 (“Contract”); and

WHEREAS, THE TERM OF THE Contract is from January 1, 2017, through December 31, 2021; and

WHEREAS, the parties wish to amend certain terms and conditions of the Contract to improve the quality of Recyclables and compostable material collected in the City and to accommodate adverse changes in recyclable commodities markets; and

**AMENDMENT**

NOW, THEREFORE, the City and Contractor agree as follows:

**Section 1. Compensation – New Sustainability Adjustment.** Section III.3.2 of the Contract, entitled “Rate Modification,” is amended to add a new sustainability adjustment at Subsection 3.2.3 and to renumber the Contract’s existing subsection 3.2.3 to a new subsection 3.2.4 as follows:

**3.2 Rate Modification**

...

**3.2.2.1 Sustainability Adjustment**

To fund the increased costs of the recycling program, including increased costs associated with the processing and marketing of Recyclables and compostable material, a sustainability adjustment (“Adjustment”) shall be added to each rate charged by the Contractor for recurring (i.e. monthly or weekly) service. The Adjustment shall take effect on July 1, 2020 or as soon as applicable after RCW 35A.21.152 required notice, whichever is later, and terminate one year after the rate takes effect. The Adjustment shall initially be \$1.86 per month for single-family residential customers and \$1.86 a month per dwelling unit for Multifamily Complex Customers and \$.50 per month, per MSW Yard for cart-

based Commercial Customers. The Adjustment shall be subject to any senior low-income and disabled resident discount for qualifying single-family residential customers.

The Adjustment shall be re-evaluated, and potentially modified or removed, on an annual basis. By April 7, 2021, and every year thereafter until the Contract expires or is terminated, the Contractor shall submit a report with the following information from the previous period:

1. number of current residential, multifamily, and cart-based commercial customers;
2. tonnage of recycling produced by residential and multifamily customers;
3. monthly garbage service levels for multifamily and cart-based commercial customers (expressed in cubic yards);
4. commodity revenue (expressed in dollars per ton);
5. commodity sampling for residential and multifamily recycling (expressed as a percentage of all commodities collected);
6. comparison of commodity revenue and commodity sampling to those of the previous period; and
7. recalculation of the Adjustment.

Adjustments shall be based on changes in commodity value and changes in processing costs. The City shall either approve the recalculated Adjustment or modify or deny it if the City reasonably believes that the proposed Adjustment exceeds the amount necessary to cover losses from commodity revenue. Implementing the modified Adjustment will require City Council approval if the recalculated Adjustment is greater than or equal to the June over June Seattle-Tacoma-Bellevue CPI-U of the original Adjustment taking effect on July 1, 2020.

The following table outlines the evaluation periods and deadlines applying to any modifications to the Adjustment.

<b>Adjustment Evaluation Period</b>	<b>Report to City By</b>	<b>City Decision By</b>	<b>Notify Customers By</b>	<b>Modified Adjustment Effective Date</b>
July 1, 2020 to December 31, 2021	September 1, 2021	October 16 *	November 1*	January 1, 2022*

\* If the recalculated Adjustment is greater than or equal to 5% of the original Adjustment, the City may take longer to decide on and implement the Adjustment, as approving it will require City Council approval. In no event shall any approved adjustment take effect except upon the Contractor’s provision of 45 days’ notice to customers in accordance with RCW 35A.21.152.

The following definitions shall apply to this subsection 3.2.2.1

- “Commodity revenue” means the average revenue, per ton of inbound material, from the sale of commodities produced at the materials recovery facility (“MRF”).
- “Commodity sampling” means a proportionate breakdown of each marketed commodity per ton of processed Recyclables.
- “Processing costs” means the average cost, per ton of inbound material, of operating the MRF that receives the City’s Recyclables, including but not limited to the cost of Residue disposal.
- “Residue” means the material separated during the processing of Recyclables that has no market value.

### 3.2.3 Other Modifications

The Contractor shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system other than provided for under Section 3.2.3.

....

**Section 2. Effect of Amendment.** The Amendment is in addition to the Contract. Except as otherwise provided herein, the provisions of this Amendment modify, but do not supersede, the provision of the Contract. Except as otherwise provided herein, each provision of the Contract shall continue in full force and effect as if this Amendment did not exist. Except as otherwise provided herein, capitalized words and phrases shall have the meanings ascribed to them in the Contract.

IN WITNESS WHEREOF, the parties have executed this Amendment #3, which shall become effective as of July 1, 2020.

CITY OF MONROE, WASHINGTON

RABANCO LTD. d/b/a/ Republic Services of  
Lynnwood

By: \_\_\_\_\_  
Geoffrey Thomas, Mayor

By: \_\_\_\_\_  
Its: \_\_\_\_\_

(SEAL)

ATTEST:

\_\_\_\_\_  
Interim City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

# Recycling and Organics Challenges

*City of Monroe Update  
June 2019*

**Russell Joe**  
*Municipal Relationship Manager*



New Business #1  
AB20-089



**CEDAR**<sup>®</sup>  
**GROVE**



Partnering Regionally to Power the Puget Sound's Organics  
Recycling Infrastructure

Clue Westmoreland  
Executive Vice President

# Key Ask from Republic Services

- Continue our active communication concerning National Sword developments and potential solutions
- Request Surcharges
  1. Single Family/month \$ 2.78
  2. Commercial/month \$ 1.18
  3. Multifamily/month \$ .47

The path to creating a durable recycling program requires multi-faceted approach

# Key Ask from Cedar Grove

- Composting costs have risen for two primary reasons:
  1. New Department of Ecology Regulations implemented into permits
  2. Increased contamination organics stream
- Cedar Grove is requesting a \$ .49 a month organics surcharge

# Trends Strain Existing Model

## Trends



2000

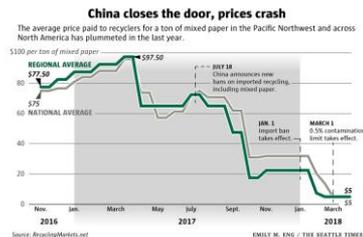


48,000 plastic bottles = 1 ton<sup>1</sup>

2015



92,000 plastic bottles = 1 ton<sup>1</sup>



## Implications

Some material changing faster than capital investment cycles

*18M tons in 2000 → ~2M in 2015*

Some material has limited end markets  
*HDPE (Good) → off-spec PET (Limited)*

Material Light-weighting skews current success metrics

*Water Bottles → Almost 2x transactions*

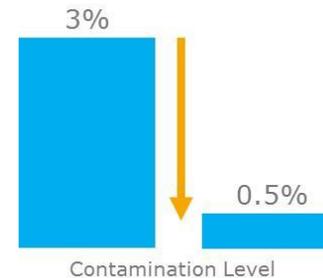
Commodity markets have steadily declined  
*OCC down 40% → Mixed Paper down 95%*

# Recap - China Sword Explained

For decades, China has been the largest importer of the world's recycled commodity, and the U.S. was 40% of the inbound stream.

In 2017, China announced efforts to clean up the country, which included dramatic changes for acceptance criteria of imported recyclables.

- A significant reduction in acceptable contamination levels (From ~3% to 0.5%) in any recovered paper and plastic grades.



- Additionally, China banned all mixed paper from import, regardless of contamination levels. (20% of historical stream).

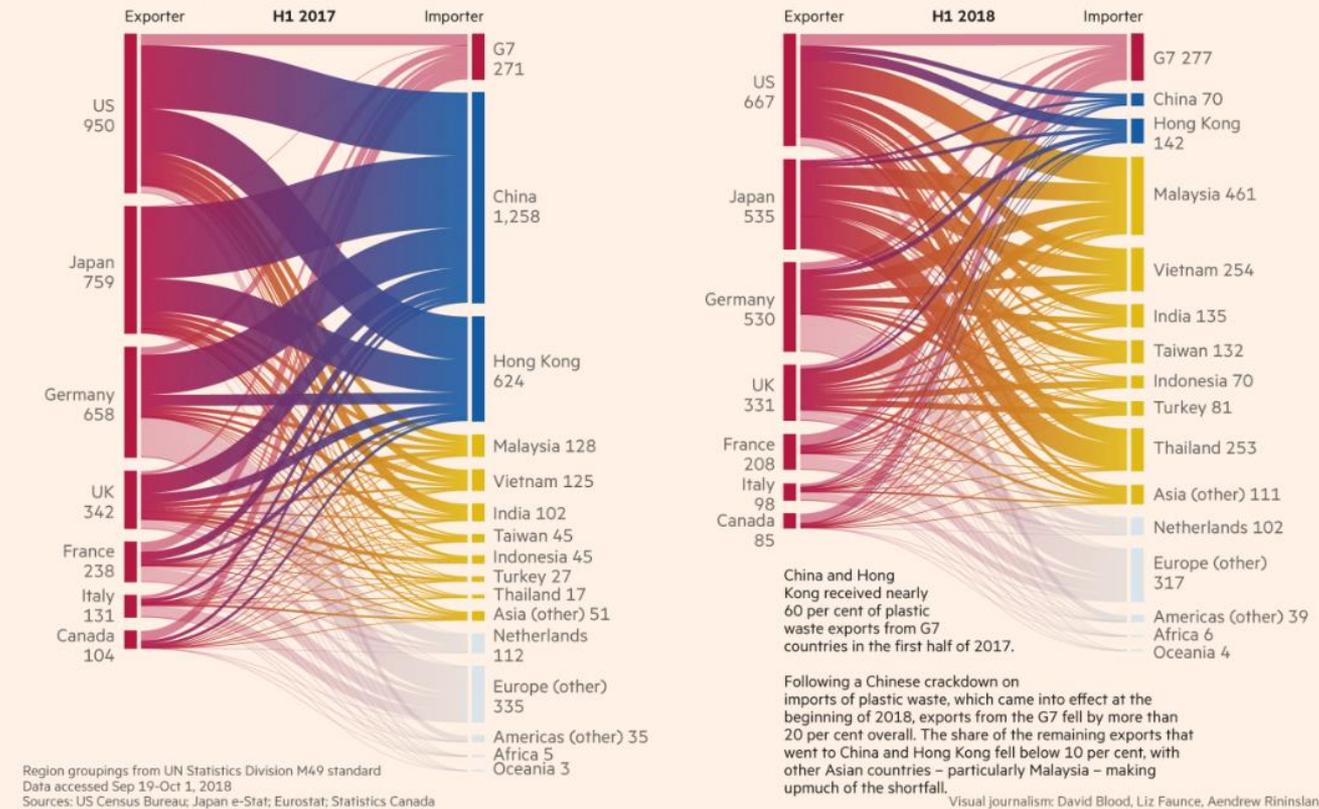


Reductions took effect in March 2018, which drove costs and changes at most recycling facilities in the country to meet new standards

# Post China – Shift in Commodity Markets

## How the global river of plastic waste changed course in just 12 months

Exports of plastic waste, parings and scrap from G7 countries ('000 tonnes)

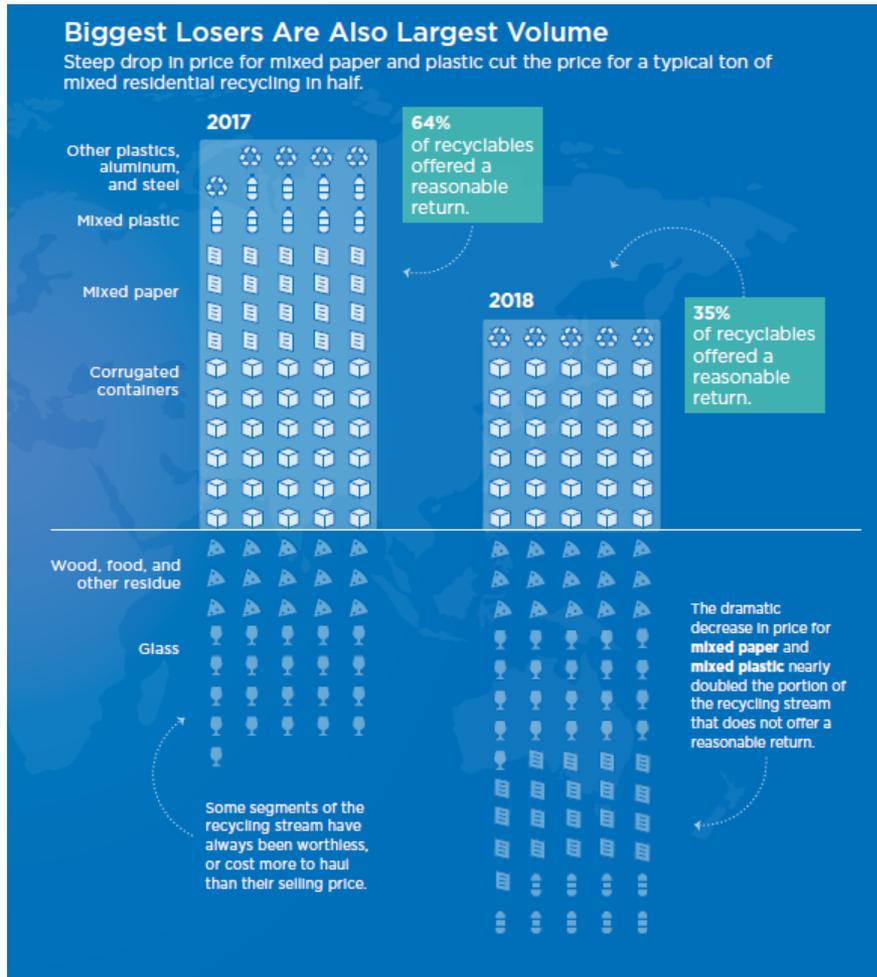


Source: Financial Times, Oct 24, 2018

- China consumed a majority of Commodities globally
- Alternate markets are saturated; Some countries unprepared for influx

Supply and demand economics kick in as commodities flood alternate markets world wide

# Post China – Dramatic Shift in Values

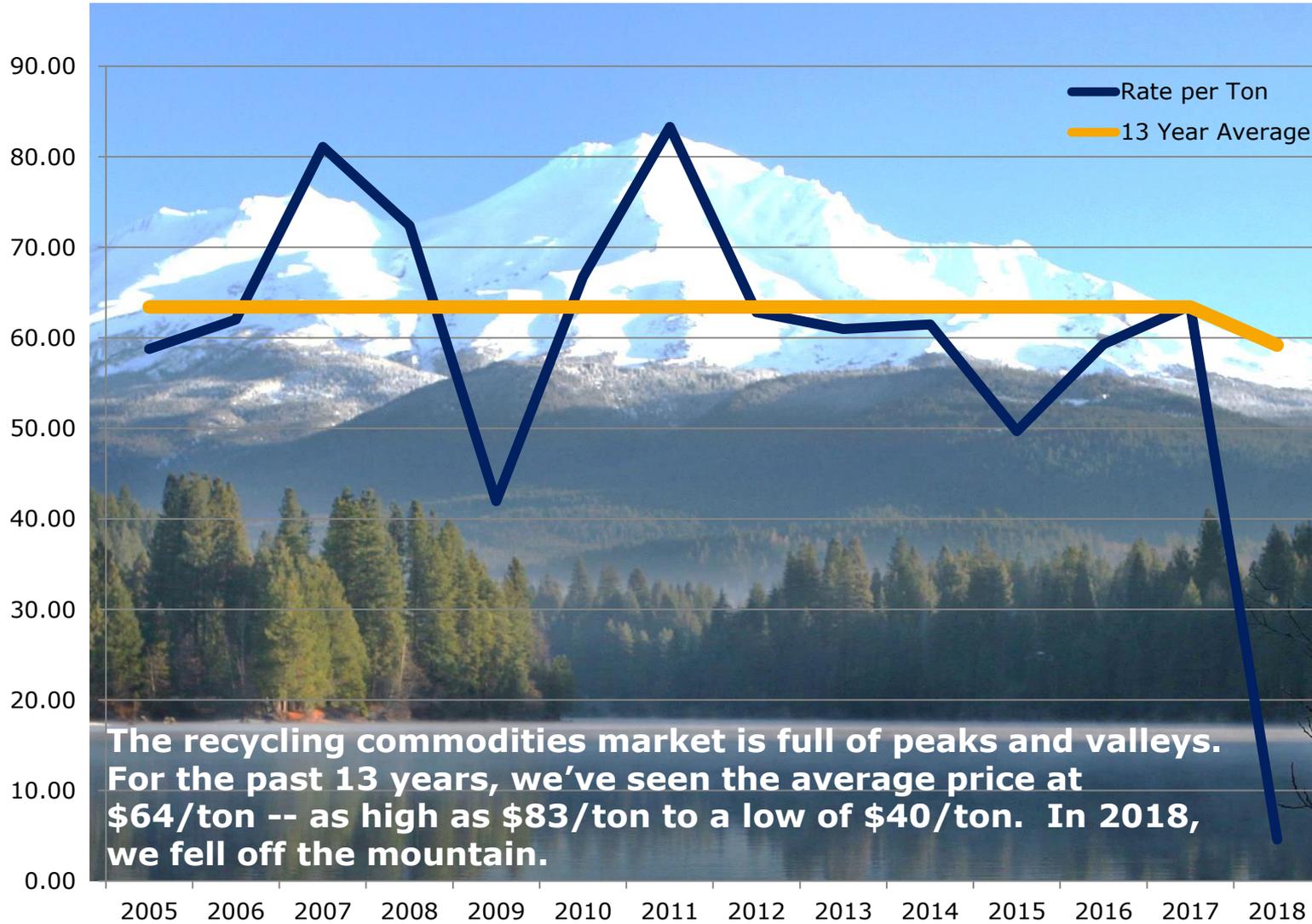


Source: NLC Report, 2018

- Only 35% of processed commodities have current positive value (Metals and OCC).
- Excess material results in low/negative value for most commodities (Mixed Paper and Mixed Plastics)
- Normal supply and demand theories in play.

Recycling Processors move the material, but average values are down 50%+ from recent years

# Recycling Commodity Value 2005-2017 plus 2018 three-month average



# U.S. Recycling Costs: Then and Now

## THEN

	Household cost artificially low to foster adoption	Costs lower due to inbound material being cleaner and heavier	Commodity values strong, due to Supply & Demand and cleaner material	Low contamination averages, attributed to focus on basics and no diversion mandates
Industry Avg	<b>\$2.00/Mo</b>	<b>\$60/Ton</b>	<b>\$200/Ton</b>	<b>\$25/Ton</b>
Net Position	<b>(\$3.00/Mo) + (\$1.50/Mo) + \$4.60/Mo + (\$0.10/Mo) = \$0.00</b>			

COLLECTION	PROCESSING	COMMODITY	RESIDUAL
------------	------------	-----------	----------



## NOW

	Still artificially low but with higher costs to run Collection service	Dramatically higher costs from labor, technology and equipment, along with lighter material	Average values down significantly, further impacted by China Sword	Contamination average up to 30%, requiring more transport and disposal
Industry Avg	<b>\$3.00/Mo</b>	<b>\$100/Ton</b>	<b>\$100/Ton</b>	<b>\$50/Ton</b>
Net Position	<b>(\$4.00/Mo) + (\$2.50/Mo) + \$1.50/Mo + (\$0.50/Mo) = (\$5.50)</b>			

# Recommended Business Model



## Durable Recycling Model



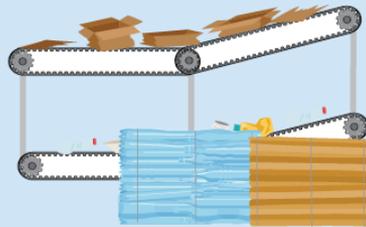
### COLLECTION

- Includes costs for truck, driver, container and to collect material and transport to a processing facility
- Comparable to trash collection



### PROCESSING

- Includes costly facility, equipment and labor to separate material and remove contamination
- Results in ready-to-ship baled material



### RESIDUAL

- Includes all contaminated or non-recyclable material, which has no marketability and must be transported and disposed at a landfill for additional cost



### COMMODITY SALES

- Sale of processed material to buyers around the world
- Cleaner material has greater value



COLLECTION  
FEE



PROCESSING  
FEE



DISPOSAL OF  
RESIDUAL



COMMODITY  
SALES



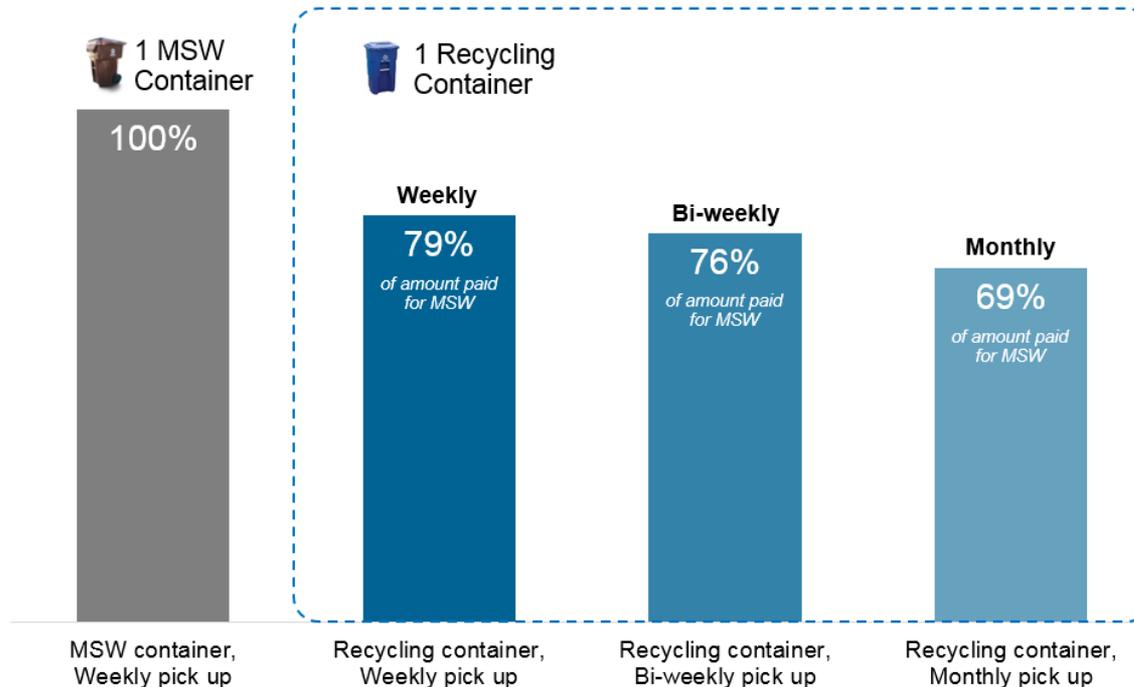
THE COST OF  
RECYCLING

The cost of a recycling program is the sum of fees for two services; the **Collection Fee** and the **Net Processing Fee**

# Residential Willingness to Pay for Recycling

**Residential respondents are willing to pay an estimated 79% of what they pay for MSW for a recycling container picked up weekly, and almost the same for bi-weekly.**

Amount Residential Respondents are Willing to Pay for Recycling Compared to Amount Paid for MSW

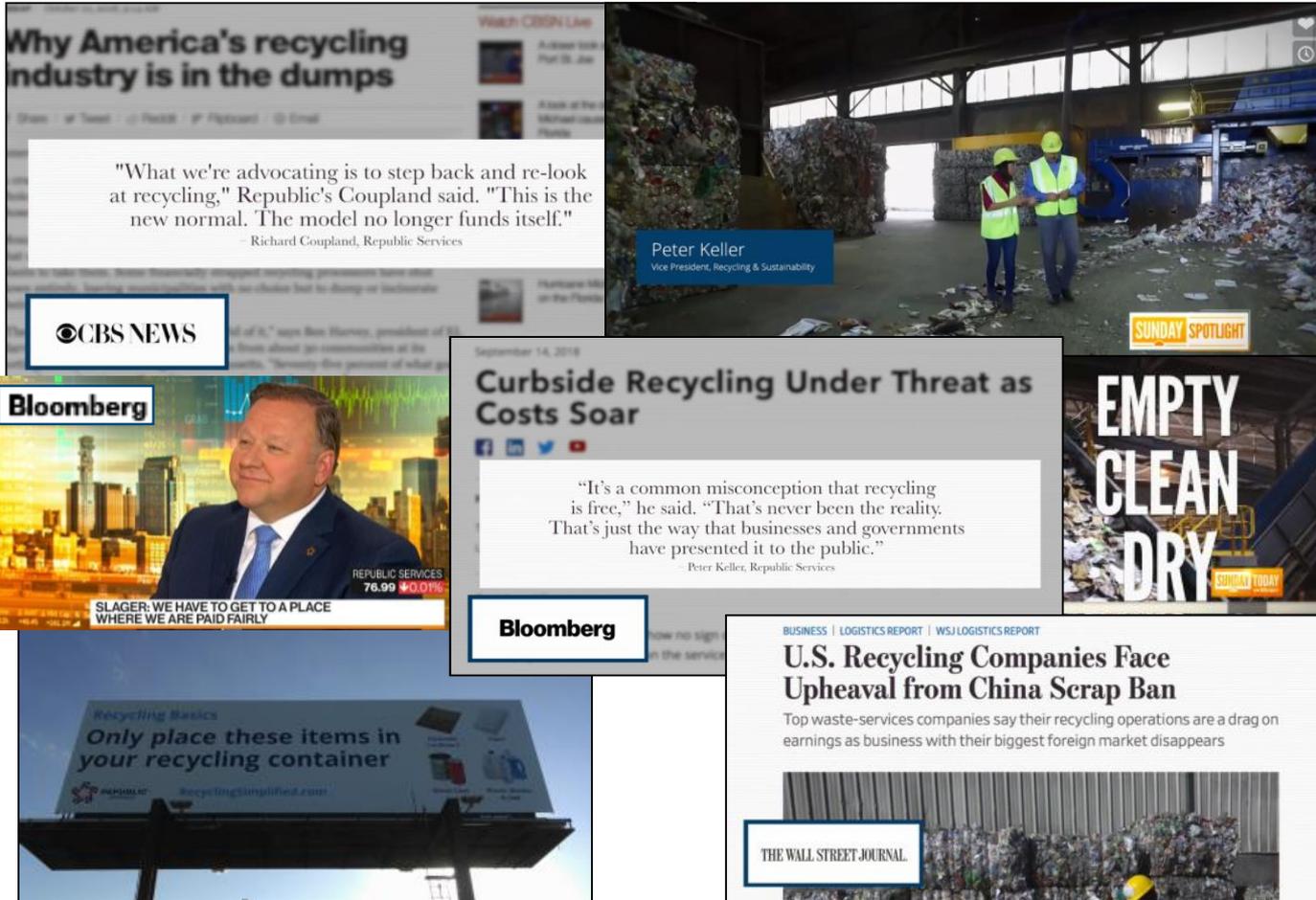


n=2,434; Margin of error: +/- 2% at 95% confidence  
Average willingness to pay derived from series of conjoint questioning  
Source: Cicero Group, Recycling W2P Study, Oct-2018



Based on third-party research, residents are willing to pay a fair price for recycling.

# Informing the Public



- Public needs to understand the issue
- Economic reset is needed for long term viability
- Public awareness on what and how to recycle

Over 1 Billion media impressions on the topic, on articles interviewing Republic Services team alone

# Reassessment of Accepted Materials

- Programs have drifted to focus on total diversion rates, rather than what materials are truly beneficial to recycle
- Some collected materials are recyclable, but lack local end markets, or have a negative recycling value. These realities render the processed materials unmarketable
- Municipalities need to shift program focus to Sustainable Materials Management-based views, which looks at the overall benefits of each accepted material in the stream.



(\$10)

Glass has a negative value to recycle



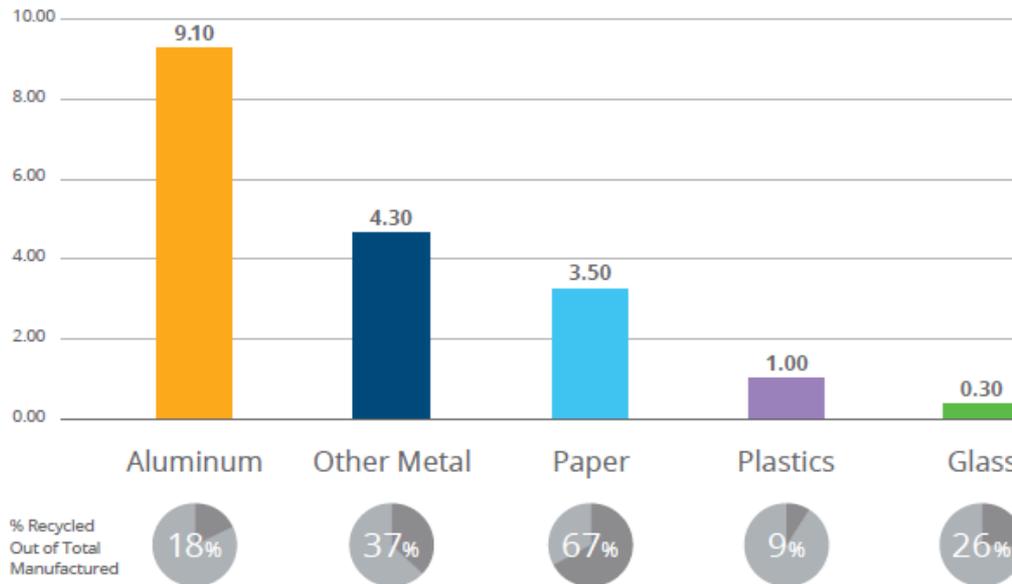
Some packages have evolved to less marketable materials

Recycling programs must focus on Sustainable Materials Management, not simply diverting material that may have no beneficial use

# Measurements of U.S. Recycling Success

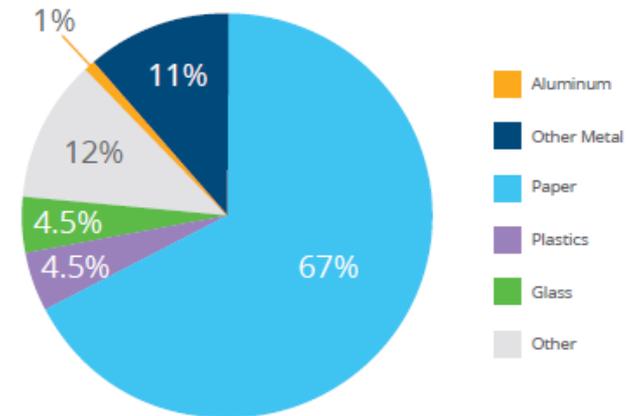
- Current metrics focus on weight (e.g. 50% recycling goal)
- This incentivizes “any” rather than the “right” diversion
- Some of the more beneficial carbon dioxide equivalent (CO<sub>2</sub>e) materials are lighter

Tons of CO<sub>2</sub>e Savings per ton of Material Recycled  
(Greenhouse Gas Benefit)



Source: Advancing Sustainable Material Management 2015 Fact Sheet, EPA, 2018

% by Weight of Commodities Sold by Republic Services



## Summary:

- Weight-based goals do not correlate to greenhouse gas benefits
- Reconsider “Any Diversion” (weight) vs “Most Beneficial Diversion”



We'll handle it from here.®

# Key Topics Going Forward

- Evaluate Program Recyclables that offer best benefit to planet
- Consider better metrics to track success
- Increase Public Education, leading to lower contamination and better commodity values
- Update the Business Model – Two services provided in a recycling program (without reliance on commodity value)

The path to creating a durable recycling program requires multi-faceted approach

# Key Conclusions

- Continue to communicate with our partner cities on new National Sword developments
- Requested Surcharges
  1. Single Family/month \$ 2.78
  2. Commercial/month \$ 1.18
  3. Multifamily/month \$ .47
  4. Organics/month \$ .49

The path to creating a durable recycling program requires multi-faceted approach



**REPUBLIC**  
**SERVICES**

We'll handle it from here.™

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Municipal Relationship Manager  
Republic Services

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**Comprehensive Garbage, Recyclables and Yard Debris Collection Contract**

**City of Monroe  
and  
Rabanco Ltd. d/b/a Republic Services of Lynnwood**

**January 1, 2017 – December 31, 2021**

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1 This Comprehensive Garbage, Recyclables, and Yard Debris Collection Contract (the  
2 "Contract") is entered into by and between the City of Monroe, a municipal corporation of  
3 the State of Washington ("City"), and Rabanco Ltd. d/b/a Republic Services of Lynnwood,  
4 a Washington Corporation ("Contractor") to provide for collection of Garbage,  
5 Recyclables, and Yard Debris from Residential and Commercial Customers located within  
6 the City Service Area (each capitalized term is defined below).

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

9 **RECITALS**

10 WHEREAS, the City wishes to control Garbage, Recyclables, and Yard Debris collection  
11 through a contractual relationship with the Contractor; and

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

14 WHEREAS, the City desires to enter into this Contract with the Contractor for the  
15 Garbage, Recyclables and Yard Debris collection services,

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

18 **DEFINITIONS.**

19 Capitalized terms used in this Contract and not otherwise defined shall have the following  
20 meanings:

- 21 a) **Administrative Fee:** The term "Administrative Fee" means a monthly fee remitted  
22 to the City from the Contractor.
- 23 b) **City:** The word "City" means the City of Monroe, Snohomish County, Washington.  
24 As used in the Contract, it includes the official of the City holding the office of City  
25 Administrator or the City's otherwise-designated representative in relation to the  
26 exercise of the City's rights and the performance of the City's obligations under  
27 this Contract.
- 28 c) **City Service Area:** The term "City Service Area" means the portion of the City  
29 subject to this Contract for services. The initial City Service Area shall be the  
30 corporate limits of the City as of September 1, 2016 as shown in Attachment B.
- 31 d) **Contractor:** The word "Contractor" means Rabanco Ltd. d/b/a Republic Services  
32 of Lynnwood, which is contracting with the City to collect and dispose of Garbage  
33 and to collect, process, market and transport Recyclables and Yard Debris subject  
34 to and in accordance with the terms and conditions of this Contract.
- 35 e) **CPI:** The term "CPI" means Consumer Price Index for All Urban Consumers (CPI-  
36 U), U.S. City Average (1982-84 = 100) – Water and Sewer and Trash Collection  
37 expenditure category (1997 = 100), as published by the U.S. Department of Labor,  
38 Bureau of Labor Statistics.
- 39 f) **Curb or Curbside:** The words "Curb" or "Curbside" mean within five (5) feet of the  
40 Public Street or Private Road without blocking sidewalks, driveways or on-street

1 parking. If extraordinary circumstances preclude such a location, Curbside shall  
2 be considered a safe, legally compliant placement suitable to the resident,  
3 convenient to the Contractor's equipment, and mutually agreed to by the City and  
4 Contractor.

- 5 g) **Customer:** The term "Customer" means all account holders of solid waste services  
6 within the City Service Area.
- 7 h) **Customer, Commercial:** The term "Commercial Customer" means non-  
8 Residential Customers including businesses, institutions, governmental agencies,  
9 Large Complex Residences, and all other users of commercial-type collection  
10 services.
- 11 i) **Customer, Residential:** The term "Residential Customer" means all Single Family  
12 Residences and Small Complex Residences.
- 13 j) **Detachable Container:** The term "Detachable Container" means a watertight  
14 metal or plastic container equipped with a tight-fitting cover, capable of being  
15 mechanically unloaded into a collection vehicle, and that is not less than one (1)  
16 cubic yard or greater than eight (8) cubic yards in capacity.
- 17 k) **Documented Complaints:** The term "Documented Complaints" means those  
18 complaints brought to the Contractor's attention for missed collections, failure to  
19 deliver carts or containers on the agreed-upon date, failure to clean-up material  
20 spilled by the Contractor's employees, collections performed outside the allowed  
21 hours and other similar complaints to the City.
- 22 l) **Drop-box Container:** The term "Drop-box Container" means an all-metal  
23 container with capacity greater than eight (8) cubic yards that is loaded onto a  
24 specialized collection vehicle, transported to a disposal or recycling site, emptied  
25 and transported back to the Customer's site.
- 26 m) **Excluded Waste:** The term "Excluded Waste" means any material waste,  
27 substance or pollutant containing any Special Waste or any Hazardous Waste,  
28 toxic substance, waste or pollutant, contaminant, pollutant, infectious waste,  
29 medical waste, or radioactive waste, each as defined by applicable federal, state  
30 or local laws or regulations, and any other materials that may not lawfully be  
31 disposed of at any landfill designated in the Snohomish County Comprehensive  
32 Solid Waste Management Plan as a disposal site used by the Snohomish County  
33 Disposal System.
- 34 n) **Foodwaste:** The word "Foodwaste" means all compostable pre- and post-  
35 consumer food scraps, such as whole or partial pieces of produce, meats, bones,  
36 seafood, cheese, bread, cereals, coffee grounds and egg shells, and food-soiled  
37 paper such as paper napkins, paper towels, paper plates, coffee filters, paper take-  
38 out boxes, pizza boxes, paper milk cartons or other paper products accepted by  
39 the Contractor's selected composting site. Foodwaste shall not include dead  
40 animals greater than 15 pounds, plastics, diapers, bathroom tissue, cat litter, liquid  
41 wastes, pet wastes or other materials prohibited by the selected composting  
42 facility.

- 1 o) **Garbage:** The word "Garbage" means all putrescible and nonputrescible solid and  
 2 semi-solid wastes, including, but not limited to, rubbish, ashes, industrial wastes,  
 3 swill, demolition and construction wastes, and discarded commodities that are  
 4 placed by Customers of the Contractor in appropriate bins, bags, cans or other  
 5 receptacles for collection and disposal by the Contractor. The term Garbage shall  
 6 not include any Excluded Waste, Hazardous Wastes, Special Wastes, Source-  
 7 separated Recyclables, Foodwaste or Yard Debris.
- 8 p) **Garbage Can:** The term "Garbage Can" means a City-approved, Customer-owned  
 9 container that is a water-tight galvanized sheet-metal or plastic container not  
 10 exceeding four (4) cubic feet or thirty-two (32) gallons in capacity; weighing not  
 11 over fifteen (15) pounds when empty or sixty (60) pounds when full; fitted with two  
 12 (2) looped, sturdy handles, one on each side; and fitted with a tight cover equipped  
 13 with a handle. All containers shall be rodent and insect proof and kept in sanitary  
 14 conditions at all times.
- 15 q) **Garbage Cart:** The term "Garbage Cart" means a Contractor-provided 32-, 64- or  
 16 96-gallon wheeled cart suitable for household collection, storage and Curbside  
 17 placement of Garbage. Garbage Carts shall be rodent and insect proof and kept  
 18 in sanitary condition at all times.
- 19 r) **Hazardous Waste:** The term "Hazardous Waste" means any substance that is:  
 20 (A) Defined as hazardous by 40 C.F.R. Part 261 and regulated as hazardous waste  
 21 by the United States Environmental Protection Agency under Subtitle C of the  
 22 Resource Conservation and Recovery Act ("RCRA") of 1976, 42 U.S.C. § 6901  
 23 et seq., as amended by the Hazardous and Solid Waste Amendments  
 24 ("HSWA") of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.;  
 25 or any other federal statute or regulation governing the treatment, storage,  
 26 handling or disposal of waste imposing special handling or disposal  
 27 requirements similar to those required by Subtitle C of RCRA;  
 28 (B) Defined as dangerous or extremely hazardous by Chapter 173-303 WAC and  
 29 regulated as dangerous waste or extremely hazardous waste by the  
 30 Washington State Department of Ecology under the State Hazardous Waste  
 31 Management Act, Chapter 70.105 RCW, or any other Washington State statute  
 32 or regulation governing the treatment, storage, handling or disposal of wastes  
 33 and imposing special handling requirements similar to those required by  
 34 Chapter 70.105 RCW.
- 35 Likewise, any substance that after the effective date of this Contract ceases to fall  
 36 within this definition as determined by the City and the Contractor shall not be  
 37 deemed to be Hazardous Waste.
- 38 s) **Licensed Property:** The term "Licensed Property" means any and all Contractor  
 39 equipment, vehicles, facilities and other property of any nature.
- 40 t) **Mini-can:** The term "Mini-can" means a City-approved, Customer-owned water-  
 41 tight galvanized sheet-metal or plastic container not exceeding twenty gallons in  
 42 capacity or thirty pounds in weight when full; fitted with two sturdy handles, one on  
 43 each side; and fitted with a tight cover equipped with a handle.

- 1 u) **Mini-cart:** The term "Mini-cart" means a Contractor-provided 20-gallon wheeled  
2 cart suitable for household collection, storage and Curbside placement of  
3 Garbage. Mini- Carts shall be rodent and insect proof and kept in sanitary condition  
4 at all times.
- 5 v) **Mixed Paper:** The term "Mixed Paper" means magazines, junk mail, phone books,  
6 bond or ledger grade paper, cardboard, paperboard packaging and other fiber-  
7 based materials meeting industry standards. Tissue paper, paper towels, used or  
8 unused toilet paper, food-contaminated paper or paper packaging combined with  
9 plastic, wax or foil are excluded from the definition of Mixed Paper.
- 10 w) **Private Road:** The term "Private Road" means a privately owned and maintained  
11 way that allows for access by a service truck and that serves multiple Residences.
- 12 x) **Public Street:** The term "Public Street" means a public right-of-way used for public  
13 travel, including public alleys.
- 14 y) **Recyclables:** The word "Recyclables" means aluminum cans; corrugated  
15 cardboard; glass containers; Mixed Paper; newspaper; plastic containers that have  
16 contained non-hazardous products; polycoated cartons; Scrap Metals; tin cans;  
17 and such other materials that the City with the Contractor's consent (not  
18 unreasonably to be withheld) determines to be marketable recyclable materials.
- 19 z) **Recycling Cart:** The term "Recycling Cart" means a Contractor-provided 64- or  
20 96-gallon wheeled cart suitable for household collection, storage and Curbside  
21 placement of Source-separated Recyclables.
- 22 aa) **Recycling Container:** The term "Recycling Container" means a Contractor-  
23 provided Recycling Bin, Cart or Detachable Container suitable for on-site  
24 collection, storage and placement of Source-separated Recyclables at Large  
25 Complex Residences.
- 26 bb) **Residence:** The word "Residence" means a living space individually rented,  
27 leased or owned.
- 28 cc) **Residences, Large Complex:** The term "Large Complex Residences" means all  
29 residential complexes containing five (5) or more units not conveniently served as  
30 a single family residence.
- 31 dd) **Residences, Single Family:** The term "Single Family Residences" means a  
32 detached building containing only one residence.
- 33 ee) **Residences, Small Complex:** The term "Small Complex Residences" means all  
34 duplexes, triplexes, and fourplexes and residential complexes containing five (5)  
35 or more units that are served as a single family residence.
- 36 ff) **Scrap Metals:** The term "Scrap Metals" means ferrous and non-ferrous metals,  
37 including small appliances, not to exceed two (2) feet in any direction and thirty-  
38 five (35) pounds in weight per piece.
- 39 gg) **Snohomish County Disposal System:** The term "Snohomish County Disposal  
40 System" means the facilities owned, leased or contracted for by the Snohomish  
41 County Solid Waste Division, Snohomish County, Washington for the handling,

1 processing, transfer and/or disposal of materials of the kind collected under this  
2 Contract, and includes such additional facilities as may be authorized at any given  
3 time by the then-current Snohomish County Comprehensive Solid Waste  
4 Management Plan as locations to which materials of the kind collected under this  
5 Contract may be delivered for handling, processing, transfer and/or disposal.

6 hh) **Source-separated:** The term "Source-separated" means certain recyclable  
7 materials that are separated from Garbage by the generator for recycling or reuse,  
8 including, but not limited to Recyclables, Yard Debris and other materials.

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

14 jj) **Surety:** The term "Surety" means the surety on the performance bond required  
15 pursuant to Section 6.6.

16 kk) **Yard Debris:** The term "Yard Debris" means leaves, grass and clippings of woody,  
17 as well as fleshy plants. The term includes unflocked whole holiday trees. Materials  
18 larger than four (4) inches in diameter or four (4) feet in length are excluded. The  
19 term also includes bundles of Yard Debris up to two (2) feet by two (2) feet by four  
20 (4) feet in dimension provided they are secured by degradable string or twine, not  
21 nylon or other synthetic materials. Kraft paper bags may be used to contain Yard  
22 Debris.

23 ll) **Yard Debris Cart:** The term "Yard Debris Cart" means a Contractor-provided 64-  
24 or 96-gallon wheeled cart provided to subscribing Customers for the purpose of  
25 containing and collecting Yard Debris and Foodwaste.

## 26 1. TERM OF CONTRACT.

27 The initial term of this Contract is five years, starting on January 1, 2017  
28 ("Commencement Date"). Unless otherwise provided by notice from one of the parties,  
29 the Contract shall thereafter renew automatically for successive three year terms  
30 commencing on January 1 ("Anniversary Date") of each year. Provided, beginning two  
31 years after the Commencement Date, either the City or Contractor each shall have the  
32 right, with or without cause, by written notice to the other party, to terminate the Contract  
33 effective as of the Anniversary Date three years from the time that notice is given, and  
34 thereby discontinue any further renewals of this Contract, unless mutually agreed to  
35 cancel the notice of termination.

## 36 2. SCOPE OF WORK

### 37 2.1 General Collection System Requirements

#### 38 2.1.1 City Service Area

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

1 **2.1.2 Annexation**

2 If, during the term of the Contract, additional territory is added to the City through  
3 annexation or other means within which the Contractor has an existing Washington  
4 Utilities and Transportation Commission certificate or other franchise for solid waste  
5 collection at the time of annexation, the Contractor shall make collection in such annexed  
6 area in accordance with the provisions of this Contract at the unit prices set forth in this  
7 Contract; provided however the City has also complied with RCW 35A.14.900 and  
8 secured Contractor's concurrence therein. The City acknowledges that equipment, such  
9 as trucks, carts and containers, may take time to procure, and therefore, shall not penalize  
10 the Contractor for delays of up to thirty (30) days in the initial provision of services to  
11 annexed areas due to procurement delays that are not within the control of the Contractor.

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

17 **2.1.3 Site Access**

18 Residences located in an area that does not allow safe access, turn-around or clearance  
19 for service vehicles will be provided service if materials are set out adjacent to a Public  
20 Street or Private Road.

21 If the Contractor reasonably believes that a Private Road cannot be safely negotiated or  
22 that providing walk-in service Residential Customers is impractical due to distance or  
23 unsafe conditions, the Contractor may request the City to evaluate on-site conditions and  
24 make a determination of the best approach for providing safe and appropriate service to  
25 the Customer. The City's decision shall be final, provided that the Contractor shall not be  
26 required to endanger workers, equipment or property.

27 If the Contractor reasonably believes that there is a probability of Private Road damage,  
28 the Contractor shall inform the respective Customers and may require a damage waiver  
29 agreement (previously approved by the City) or decline to provide service on those  
30 Private Roads.

31 **2.1.4 Hours/Days of Operation**

32 All Can, Cart and Detachable Container collections within the City shall be made between  
33 the hours of 6:00 a.m. and 7:00 p.m. on designated consistent weekday, unless the City  
34 in its sole discretion authorizes a temporary extension of hours or days. Drop-box  
35 collection within in residential areas shall be made between the hours of 7:00 a.m. and  
36 5:00 p.m., unless the City authorizes a temporary extension of hours or days. Saturday  
37 collection is allowed to the extent consistent with make-up collections, and holiday,  
38 inclement weather schedules and Commercial Customer preferences.

39 **2.1.5 Employee Conduct**

40 The Contractor's employees collecting Garbage, Recyclables and Yard Debris shall at all  
41 times be courteous, refrain from loud, inappropriate or obscene language, exercise due  
42 care, perform their work without delay, minimize noise, and avoid damage to public or  
43 private property. If on private property, employees shall follow the regular pedestrian

1 walkways and paths, returning to the street after replacing empty containers. Employees  
2 shall not trespass or loiter, cross flower beds, hedges or property of adjoining premises,  
3 or meddle with property that does not concern them or their task at hand. While  
4 performing work under the Contract, employees shall wear a professional and  
5 presentable uniform with a company emblem visible to the average observer.

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

#### 15 **2.1.6 Disabled or Impaired Persons Service**

16 The Contractor shall offer carry-out service for Garbage, Recyclables and Yard Debris to  
17 households lacking the ability to place containers at the Curb, at no additional charge.  
18 The City shall provide the Contractor with a City-vetted list of carry-out households on a  
19 quarterly basis.

20 **2.1.7 Holiday Schedules** The Contractor shall observe the same holiday schedule as do  
21 Snohomish County Transfer Stations (New Year's Day, Thanksgiving Day, and Christmas  
22 Day).

23 When the day of regular collection is a Snohomish County Transfer Station holiday, the  
24 Contractor may reschedule the remainder of the week of regular collection to the next  
25 succeeding workday, which shall include Saturdays. The Contractor may not collect  
26 Residential Garbage, Recyclables or Yard Debris earlier than the regular collection day  
27 due to a holiday. Commercial collections may be made one day early only with the written  
28 consent of the Commercial Customer.

#### 29 **2.1.8 Inclement Weather**

30 When weather conditions are such that continued operation would result in danger to the  
31 Contractor's staff, area residents or property, the Contractor shall collect only in areas  
32 that do not pose a danger. The Contractor shall notify the City of its collection plan for  
33 each day inclement weather is experienced as soon as practical that day.

34 The Contractor shall collect reasonable accumulated volumes of Garbage, Recyclables  
35 and Yard Debris from Customers with interrupted service on the Customer's next  
36 regularly scheduled service at no extra charge. However, if such conditions continue for  
37 a second consecutive collection day or more the Contractor shall, on the first day that  
38 regular service to a Customer resumes, collect reasonable accumulated volumes of  
39 materials equal to what would have been collected on the missed collection day(s) from  
40 Customers at no extra charge. Following notification to the City, the Contractor will be  
41 provided temporary authorization to perform collection services after 7:00 pm in order to  
42 finish collection routes.

1 Weather policies shall be included in program information provided to Customers. On  
2 each inclement weather day, the Contractor shall release notices to the local radio and  
3 television stations (e.g. KNKX, KIRO, KOMO and KUOW radio stations) notifying  
4 residents of the modification to the collection schedule. Additionally, information will be  
5 posted daily on the Contractor's website. When time allows, the Contractor shall utilize  
6 its reverse auto-call system to inform Customers of delays and/or cancellations of service.

7 **2.1.9 Collection from Problem Customers**

8 The City and Contractor acknowledge that, from time to time, some Customers may  
9 cause disruptions or conflicts that make continued service to that Customer  
10 unreasonable. Those disruptions or conflicts may include, but not be limited to, repeated  
11 damage to Contractor-owned containers, repeated suspect claims of timely set-out  
12 followed by demands for return collection at no charge, repeated claims of Contractor  
13 damage to a Customer's property, or other such problems.

14 The Contractor shall make every reasonable effort to provide service to those problem  
15 Customers. However, if reasonable efforts to accommodate the Customer and to provide  
16 services fail, the Contractor may deny or discontinue service to a problem Customer,  
17 following 14 days prior written notice to the City and the Customer, including the name,  
18 service address and reason for such action. The City may, at its discretion, intervene in  
19 the dispute upon receipt of an appeal from the Customer. In this event, the decision of  
20 the City shall be final. The City may also require the denial or discontinuance of service  
21 to any Customer who is abusing the service or is determined to be ineligible.

22 **2.1.10 Missed Collections**

23 If Garbage, Recyclables or Yard Debris are set out inappropriately, improperly prepared  
24 or contaminated with unacceptable materials, the Contractor shall place in a prominent  
25 location a notification tag that identifies the specific problem(s) and reason(s) for rejecting  
26 the materials for collection.

27 The failure of the Contractor to collect Garbage, Recyclables or Yard Debris that has been  
28 set out by a Customer in the proper manner shall be considered a missed pick-up, and  
29 the Contractor shall collect the materials from the Customer before the end of the next  
30 business day. The Contractor shall maintain a written record of all calls related to missed  
31 pick-ups and the response provided by the Contractor. Such records shall be made  
32 available for inspection upon request by the City and shall be included in monthly reports.

33 If the Contractor is requested by the Customer to make a return trip due to no fault of the  
34 Contractor, the Contractor shall be permitted to charge the Customer an additional fee  
35 for this service, provided the Contractor notifies the Customer of this charge in advance.

36 **2.1.11 Same Day Collection**

37 Garbage, Recyclables and Yard Debris collection shall occur on the same regularly  
38 scheduled day of the week for Residential Customers. The collection of Garbage,  
39 Recyclables and Yard Debris from Commercial Customers need not be scheduled on the  
40 same day.

41 **2.1.12 Requirement to Recycle and Compost**

42 The Contractor shall recycle or compost all Source-separated Recyclables and Yard  
43 Debris collected, unless express prior written permission is provided by the City. The

1 Contractor shall operate its material recovery facility in a manner to ensure that processed  
2 recyclables destined for market have no greater outthrows, prohibited materials or  
3 contamination than allowed under current industry standards. For the purposes of  
4 evaluating this performance requirement, "industry standards" shall be the current  
5 specifications issued by the Institute of Scrap Recycling Industries: *Scrap Specifications*  
6 *Circular 2004 Guidelines for Nonferrous Scrap, Ferrous Scrap, Glass Cullet, Paper Stock*  
7 *and Plastic Scrap," or successor circular or guidelines. The disposal of contaminants*  
8 separated during processing is acceptable to the extent that it is unavoidable and  
9 consistent with industry standards, provided that under no circumstances shall the  
10 disposal of residuals exceed ten percent by weight of the total monthly quantity collected  
11 of either Source-Separated Recyclables or Yard Debris unless the Contractor can  
12 establish that such excess contaminants are the result of special circumstances beyond  
13 the Contractor's control, processing of materials may result in damage to Contractor's  
14 equipment or are caused solely by the actions of generators. Disposal of contaminants  
15 shall be tracked by the Contractor as to the weight and percentage of materials collected  
16 on a monthly basis and included in the monthly reports.

17 The City shall be provided access to the Contractor's processing facilities with 24-hours  
18 notice for the purposes of periodically monitoring the facilities' performance under this  
19 Section. Monitoring may include, but not be limited to, breaking selected bales and  
20 measuring outthrows and prohibitives by weight, taking samples of processed glass and  
21 metals, reviewing actual markets and use of processed materials, and other activities to  
22 ensure that Contractor performance under this Contract and that misdirected recyclables  
23 and contamination are minimized. All such investigations shall be done in strict  
24 compliance with Contractor's safety policies.

25 Obvious contaminants included with either Source-separated Recyclables or Yard Debris  
26 shall not be collected, and shall be left in the Customer's container with a prominently  
27 displayed notification tag explaining the reason for rejection.

28 **2.1.13 Routing, Notification and Approval**

29 The Contractor shall indicate, on a map acceptable to the City, the day of the week  
30 Garbage, Recyclables and Yard Debris shall be collected from each Residential area.  
31 One hard copy of the map, along with an electronic file, shall be provided to the City at  
32 the start of the Contract as well as anytime a change is proposed.

33 The Contractor may change the day of collection by giving notice at least thirty (30) days  
34 prior to the effective date of the proposed change to and obtaining written approval from  
35 the City. On the City's approval, the Contractor shall provide affected Customers with at  
36 least fourteen (14) days written notice of pending changes of collection day. The  
37 Contractor shall obtain the prior written approval from the City of the notice to be given to  
38 the Customer, such approval not to be unreasonably withheld.

39 **2.1.14 Vehicle Condition**

40 Vehicles used in the performance of this Contract shall be maintained in a clean and  
41 sanitary manner, and shall be thoroughly washed at least twice a month. All collection  
42 equipment shall have appropriate safety markings, including all highway lighting, flashing  
43 and warning lights and signals, clearance lights, and warning flags, all in accordance with  
44 current statutes, rules and regulations. Equipment shall be maintained in good condition

1 at all times. All parts and systems of the collection vehicles shall operate properly and be  
2 maintained in a condition satisfactory to the City. The Contractor shall maintain collection  
3 vehicles to ensure that no liquid wastes (such as Garbage or Yard Debris leachate) or  
4 oils (lubricating, hydraulic or fuel) are discharged to Customer premises or City streets.  
5 Unremediated spills and failure to repair vehicle leaks shall be subject to liquidated  
6 damages. Any equipment not meeting these standards shall not be used within the City  
7 until repairs are made.

8 All collection vehicles shall be labeled with signs which clearly indicate the vehicle  
9 inventory number and a Customer complaint telephone number. The vehicle inventory  
10 number shall be displayed adjacent to the Customer complaint telephone number. Signs  
11 shall use lettering not less than four (4) inches high and shall be clearly visible from a  
12 minimum distance of twenty (20) feet. Signs, sign locations and the complaint telephone  
13 number shall be subject to approval by the City. No advertising shall be allowed on  
14 Contractor vehicles other than the Contractor's name, logo, Customer service telephone  
15 number and website address. Special promotional messages directly related to the  
16 Contractor's own business may be permitted, upon the City's prior written approval.

17 All Contractor route, service and supervisory vehicles shall be equipped with two-way  
18 communication equipment, including all necessary licenses. The Contractor shall  
19 maintain a base station or have equipment capable of reaching all collection areas.

20 Contractor shall maintain maintenance records for all vehicles and equipment used in the  
21 performance of this Contract. Maintenance records shall be kept for a minimum of 7 years  
22 and shall, at a minimum, include a historical log of vehicle and equipment problems,  
23 repairs, painting and maintenance activities, and for each vehicle, shall indicate the  
24 vehicle's identification number, make, model, age and mileage. Maintenance records  
25 shall be made available for review by the City upon request.

26 **2.1.15 Container Requirements and Ownership**

27 **2.1.15.1 Mini-cans and Garbage Cans**

28 Both Residential and Commercial Customers may elect to use Customer-owned Mini-  
29 cans or Garbage Cans, or may choose to use Contractor-owned Carts for Garbage  
30 collection service. In all cases, Customers will be directed to have at least one rigid  
31 container as their primary Garbage container. Plastic bags may be used for overflow  
32 volumes of Garbage, but not as a Customer's primary container.

33 If a Customer uses their own Mini-can or Garbage Can, Contractor crews shall be  
34 expected to handle the containers in such a way as to minimize undue damage. The  
35 Contractor shall be responsible for unnecessary or unreasonable damage to Customer-  
36 owned containers caused by the Contractor.

37 **2.1.15.2 Garbage, Recyclables and Yard Debris Carts**

38 The Contractor shall provide 20-, 32-, 64- and 96-gallon Garbage Carts; 64- and 96-  
39 gallon Recycling Carts; and 64- and 96-gallon Yard Debris Carts to new Customers within  
40 the City Service Area, including new residences and annexation areas as well as  
41 replacement Carts to existing Customers who request them because of loss, theft or  
42 damage. All carts shall be manufactured from a minimum of 10 percent (10%) and up to  
43 25 percent (25%) post-consumer recycled plastic, with a lid that will accommodate a

1 Contractor affixed screening or label. Carts shall be provided within seven (7) days of a  
2 customer request at the Contractor's sole expense.

3 All Carts shall include information materials describing material preparation and collection  
4 requirements. Any materials published by the Contractor must be reviewed and approved  
5 by the City prior to printing and distribution by the Contractor. All Carts shall be labeled  
6 with materials preparation instructions, as appropriate.

7 All Contractor-owned wheeled carts shall: be maintained by the Contractor in good  
8 condition for material storage and handling; contain no jagged edges or holes; contain  
9 wheels or rollers for movement; and be equipped with an anti-skid device or sufficient  
10 surface area on the bottom of the container to prevent unwanted movement. The carts  
11 shall contain instructions for proper use, including any Customer actions that would void  
12 manufacturer warranties (such as placement of hot ashes in the container causing the  
13 container to melt), and procedures to follow in order to minimize potential fire problems.

14 Collection crews shall note damaged hinges, holes, poorly functioning wheels and other  
15 similar repair needs on Contractor-owned carts (including those for Garbage, Recycling  
16 and Yard Debris) and forward repair notices to the Contractor's service personnel. Cart  
17 repairs shall then be made within seven (7) days at the Contractor's expense. Any  
18 wheeled cart that is damaged or missing on account of accident, act of nature or the  
19 elements, fire, or theft or vandalism by other members of the public shall be replaced no  
20 later than seven (7) business days after notice from the Customer or City. Replacement  
21 carts may be used and reconditioned, but shall be clean and appear presentable.  
22 Unusable carts shall be cleaned (if necessary) and recycled to the extent possible.

23 If a particular Customer repeatedly damages a cart or requests more than one  
24 replacement cart during the term of the Contract due to the Customer's own negligence  
25 or intentional misuse, the Contractor may charge that Customer the actual cost of  
26 necessary repairs.

### 27 2.1.15.3 Detachable and Drop-box Containers

28 The Contractor shall furnish and install 1-, 2-, 3-, 4-, 6- and 8-cubic yard Detachable  
29 Containers, and 10-, 20-, 30- and 40-cubic yard uncompacted Drop-box Containers to  
30 any Customer who requires their use for storage and collection of Garbage, Recyclables  
31 or Yard Debris within seven (7) days of the request. Containers shall be located on the  
32 premises in a manner satisfactory to the Customer and for collection by the Contractor.

33 Detachable Containers shall be: watertight and equipped with tight-fitting metal or plastic  
34 covers; have four (4) wheels for containers 2-cubic yards and under; be in good condition  
35 for Garbage and Recyclables storage and handling; and, have no leaks, jagged edges or  
36 holes. Drop-box Containers shall be all-metal.

37 Containers on Customers' premises are at the Contractor's risk and not the City's risk.  
38 The Contractor shall repair or replace within twenty-four (24) hours any container that  
39 was supplied by the Contractor and was in use if the City or a health department inspector  
40 determines that the container fails to comply with reasonable standards or constitutes a  
41 health or safety hazard.

42 Customers may elect to own or secure containers from other sources, and shall not be  
43 subject to discrimination by the Contractor in collection services on that account.

1 However, containers owned or secured by Customers must be capable of being serviced  
2 by front load or Drop-box Container collection vehicles to be eligible for collection. The  
3 Contractor is not required to service Customer containers that are not compatible with the  
4 Contractor's equipment.

5 If a particular Customer repeatedly damages a container due to the Customer's own  
6 negligence or intentional misuse, the Contractor shall forward in writing the Customer's  
7 name and address to the City. The City may in its sole discretion intervene in an attempt  
8 to resolve the problem. If the problem continues, the Contractor may discontinue service  
9 to that Customer, on the City's prior approval.

10 **2.1.15.5 Ownership**

11 On the expiration or termination of this Contract for any reason, all Contractor-supplied  
12 Garbage Carts, Recycling Carts and Yard Debris Carts, detachable containers, and roll-  
13 off boxes purchased or obtained by the Contractor shall remain the property of the  
14 Contractor.

15 **2.1.15.6 Container Labeling**

16 Contractor-provided Recycling Carts, Yard Debris Carts, and Garbage Carts shall be  
17 marked so as to be easily identified by waste type and shall include waste-specific  
18 collection instructions.

19 **2.1.16 Spillage**

20 All loads collected by the Contractor shall be completely contained in collection vehicles  
21 at all times, except when material is actually being loaded or unloaded. Hoppers on all  
22 collection vehicles shall be cleared frequently to prevent the occurrence of unnecessary  
23 blowing or spillage. Any spillage of materials that occurs during collection shall be  
24 immediately cleaned up by the Contractor at its expense.

25 All vehicles used in the performance of this Contract shall be required to carry regularly  
26 maintained spill kits. At a minimum, spill kits shall include absorbent pads or granules,  
27 containment booms, storm drain covers, sweepers and other similar materials sufficient  
28 to contain, control and, for minor events, appropriately clean-up, blowing materials, litter,  
29 leaks and spillage of vehicle fluids and leachate. Spill kits shall also include employee  
30 spill containment instructions and procedures as well as a regularly updated list of  
31 emergency contacts. The Contractor shall develop spill response procedures for review  
32 and approval by the City before initiating any work under this Contract. All of Contractor's  
33 drivers shall be provided with annual training on the use of spill kits and associated  
34 containment and notification procedures.

35 **2.1.17 Pilot Programs**

36 The City may wish to test and/or implement one or more new developments in waste  
37 stream segregation, materials processing or collection technology at some point during  
38 the term of the Contract. The City shall notify the Contractor in writing at least ninety (90)  
39 days in advance of its intention to implement a pilot program or of its intentions to utilize  
40 a new technology system on a City-wide basis. The additional costs (or savings) accrued  
41 by City-initiated pilot programs, and modifications to the fees and rates of Contractor to  
42 reflect such additional costs or savings, shall be negotiated prior to implementation.

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

#### 5 **2.1.18 Disruption Due to Construction**

6 The City reserves the right to construct any improvement or to permit any such  
7 construction in any street or alley in such manner as the City may direct, which may have  
8 the effect for a time of preventing the Contractor from traveling the accustomed route or  
9 routes for collection. However, the Contractor shall, by the most expedient manner,  
10 continue to collect Garbage, Recyclables and Yard Debris to the same extent as though  
11 no interference existed upon the streets or alleys normally traversed. This shall be done  
12 at no extra expense to the City or the Contractor's Customers. The City and Contractor  
13 will reasonably coordinate in good faith to accommodate for the disruption and ensure  
14 that all Customers are serviced in a timely manner.

#### 15 **2.1.19 Contractor Planning Assistance**

16 The Contractor shall, upon request and without additional cost, make available site  
17 planning assistance to the City, property owners, and developers. The site planning  
18 assistance shall be available for all new construction or remodeling of buildings and  
19 structures within the City Service Area, and shall address the design and planning of  
20 Garbage, Recyclables and Yard Debris removal areas and their location upon the site of  
21 the proposed construction or remodeling project. Contractor planning assistance for  
22 optimizing loading docks and other areas shall also be available for existing building  
23 managers when realigning Garbage, Recyclables and Yard Debris services. If the City  
24 requests site planning assistance from Contractor in accordance with this section, the  
25 City shall make its best efforts to forward permit application plans to the Contractor for  
26 prior review during the City's internal review process for construction and development  
27 permits. The Contractor shall approve solid waste enclosure locations in writing the  
28 Monroe Municipal Code at no cost to the City or Contractor's Customer.

#### 29 **2.1.20 Safeguarding Public and Private Facilities**

30 The Contractor shall protect and take all necessary steps to avoid damage to all public  
31 and private improvements, facilities and utilities whether located on public or private  
32 property, including street curbs. If such improvements, facilities, utilities or curbs are  
33 damaged by reason of the Contractor's operations, the Contractor shall notify the City  
34 immediately in writing of all damage, and the Contractor shall repair or replace the same  
35 except that the Contractor's responsibility for normal wear and tear to City streets shall  
36 be limited to the payment of the Administrative Fee in accordance with Section 3.1. If the  
37 Contractor fails to do so promptly, as determined by the City, the City may, without  
38 prejudice to any other remedy or penalty, cause repairs or replacement to be made, and  
39 the cost of doing so shall be billed to the Contractor or deducted from amounts owed the  
40 Contractor under the Contract. The City shall not be liable for any damage to property or  
41 person caused by the Contractor, and the Contractor agrees to fully indemnify, protect,  
42 defend and hold the City harmless for any such damage, including costs and attorney's  
43 fees arising as a result of such damage as set forth in Section 6.7.

1 **2.1.21 Company Name**

2 The Contractor shall not use a firm name containing the words "Monroe," "City," or any  
3 words implying municipal ownership.

4 **2.1.22 Customer Service**

5 The Contractor shall be responsible for providing all Customer service functions relating  
6 to service delivery, including without limitation informing Customers of potential service  
7 levels and charges, receiving and resolving Customer complaints, and dispatching Drop-  
8 box Containers. These functions shall be provided at the Contractor's sole expense.

9 **2.1.22.1 Customer Service Hours**

10 The Contractor's Customer service shall be accessible by a toll-free phone number. The  
11 Contractor's Customer service hours shall be at a minimum from 8 a.m. to 5 p.m. daily,  
12 except Saturdays, Sundays, and holidays designated in Section 2.1.7. The Contractor's  
13 Customer service hours shall also include all collection days.

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

18 **2.1.22.2 Customer Service Requirements**

19 **A. Service Recipient Complaints and Inquiries**

20 During business hours, the Contractor shall maintain a complaint service and a telephone  
21 answering system capable of accepting at least four incoming calls at one time. The  
22 Contractor shall record all complaints, including date, time, complainant's name and  
23 address, if the complainant is willing to give this information, and nature, date and manner  
24 of resolution of the complaint in a computerized daily log. Any such calls received via the  
25 Contractor's answering service shall be recorded in the log the following work day. The  
26 Contractor shall make every reasonable effort to resolve all complaints within twenty-four  
27 (24) hours of the original call.

28 The Customer service log shall be available for inspection by City representatives during  
29 the Contractor's office hours and shall be in a format approved by the City. The Contractor  
30 shall provide a copy of this log in computerized form to the City upon request.

31 All incoming calls shall be answered promptly and courteously. Customers shall be able  
32 to receive recorded service information and also talk directly with a Customer service  
33 representative when calling the Contractor's Customer service telephone number. Upon  
34 the receipt of Customer complaints in regards to busy signals or excessive delays in  
35 answering the telephone, the City may request and the Contractor shall submit a plan to  
36 the City for correcting the problem. Once the City has approved the plan, the Contractor  
37 shall have sixty (60) days to implement the corrective measures. Reasonable corrective  
38 measures shall be implemented without additional compensation to the Contractor.

39 The Contractor shall provide an Internet website containing collection schedules, material  
40 preparation requirements, rates, inclement weather service changes, and other relevant  
41 service information for its Customers. The website shall include an e-mail function for  
42 Customer communication with the Contractor. The website design shall be submitted for

1 City approval prior to collection service commencement.

2 **B. Recyclables and Yard Debris/Foodwaste Programs**

3 The Contractor's Customer service representatives shall be fully knowledgeable of all  
4 collection and related services available to Monroe residents as referenced in this  
5 Contract. For new Customers, Customer service representatives shall explain all  
6 Garbage, Yard Debris and Recyclables collection services available. For existing  
7 Customers, the representatives shall resolve recycling issues, missed pickups, cart  
8 deliveries, etc. Customer service representatives shall be trained to inform Customers of  
9 Yard Debris, Foodwaste and Recyclables preparation specifications. City policy  
10 questions shall be forwarded to the City for response.

11 **C. Monitoring and Evaluation**

12 The Contractor shall develop and maintain a program in place to monitor and evaluate  
13 the quality of Customer service and to determine overall Customer satisfaction with the  
14 Contractor's services. Monitoring and evaluation methods shall include random Customer  
15 surveys, periodically monitoring Customer service, and other such methods. The  
16 Contractor shall work with the City to monitor and ensure that high levels of Customer  
17 service are demonstrated throughout the Contract term.

18 **2.1.23 Customer Billing Responsibilities**

19 The Contractor shall be responsible for all billing functions related to the waste collection  
20 and other services provided under this Contract. All Residential Customers shall be billed  
21 at least quarterly, and Commercial Customers shall be billed monthly. Billing and  
22 accounting costs associated with Customer invoicing shall be borne by the Contractor  
23 and are included in the service fees in Attachment A. The Contractor may bill to  
24 Customers the late payments, suspend fees, and NSF check charges included in  
25 Attachment A, as well as the costs of bad debt collection.

26 Upon a minimum of forty-eight hours advance notice Residential Customers may  
27 temporarily suspend service for any absence of two (2) weeks or more with a maximum  
28 of ninety days in any concurrent twelve-month period and bill billed on a prorated basis  
29 for actual services required. Low-income senior and disabled Customers may temporarily  
30 suspend service for any absence of two (2) weeks or more with a maximum of one  
31 hundred eighty days in any concurrent twelve-month period. Accounts must be current,  
32 no temporary suspension shall be granted for an account that is delinquent. When  
33 service is temporarily suspended, the Contractor may continue to bill for container rentals,  
34 if applicable.

35 All Residential Customer collection costs and revenues shall be included in the Garbage  
36 collection rate and shall not be charged or itemized separately. All Yard Debris services  
37 shall be itemized and charged separately.

38 The Contractor shall be responsible for the following:

- 39 • Generating combined Garbage, Recyclables and Yard Debris collection bills.  
40 Bills must include a statement indicating the Customer's current service level,  
41 current charges and payments, and applicable taxes and fees.
- 42 • Accepting, processing and posting payment data each business day.

- 1 • Maintaining a system to monitor Customer subscription levels, record excess  
2 Garbage collected, place an additional charge on the Customer's bill for the  
3 excess collection, and charge for additional services requested and delivered.  
4 This system shall maintain a Customer's historical account data for a period of  
5 not less than two years.
- 6 • Accepting and responding to Customer requests for service level changes,  
7 missed or inadequate collection services, and additional services.
- 8 • Collecting unpaid charges from Customers for collection services.
- 9 • Implementing rate changes as specified in Sections 3.2 and 3.3.
- 10 • Including lines for Customer service messages on Customer bills.

11 The Contractor shall develop and maintain procedures in place to back up and minimize  
12 the potential for the loss or damage of the account servicing (Customer service, service  
13 levels and billing history) database.

14 Upon seven (7) days written notice, the Contractor shall provide the City with a paper  
15 and/or electronic copy at the City's discretion of the requested Customer information and  
16 history, including but not limited to Customer names, service and mailing addresses,  
17 contact information, service levels and current account status.

#### 18 **2.1.24 Coordination with City and Annual Performance Review**

19 The Contractor's supervisory staff shall be available to meet with the City at the City's  
20 offices on request to discuss operational and Contract issues. The City may, at its option,  
21 conduct an annual performance review of the Contractor's performance under this  
22 Contract. The results of the performance review shall be presented to the Contractor and  
23 a plan for addressing any deficiencies shall be provided to the City within two (2) weeks  
24 of the Contractor's receipt of the review. The Contractor shall plan for and correct in good  
25 faith any deficiencies found in its performance under this Contract.

26 The Contractor's plan shall address all identified deficiencies and include a timeline for  
27 corrective actions. The Contractor's corrective plan shall be subject to reasonable review  
28 and approval by the City. Upon approval of the plan, Contractor shall proceed to correct  
29 deficiencies.

30 The Contractor shall continually monitor and evaluate all operations to ensure compliance  
31 with this Contract. At the request of the City, or at no less than quarterly intervals, the  
32 Contractor shall report its actual performance measures, how they compare with the City  
33 performance requirements, and provide a plan and timelines for remedial measures to  
34 correct any items failing to meet City requirements.

35 The City may perform annual performance reviews to confirm various aspects of the  
36 Contractor's operations and compliance with this Contract. City staff or contracted  
37 consultants may provide the review at the City's direction. The Contractor shall fully  
38 cooperate and assist with all aspects of the performance review, including access to route  
39 and Customer service data, safety records and other applicable information.

1 **2.1.25 Disposal Requirements**

2 All Garbage collected under this Contract, as well as residues from processing  
3 Recyclables and Yard Debris, shall be delivered to the Snohomish County Disposal  
4 System unless otherwise agreed in writing by the City.

5 **2.1.26 Excluded Waste**

6 Notwithstanding any other provision of this Contract: (a) except as otherwise required by  
7 applicable law, the Contractor shall have no obligation to inspect any material collected  
8 pursuant to this Contract; (b) if Excluded Waste is discovered before the Contractor  
9 collects it, the Contractor may refuse to collect the entire container of waste; (c) if any  
10 Excluded Waste is not discovered by the Contractor before it is collected, the Contractor  
11 may, in its sole discretion, remove, transport and dispose of such Excluded Waste at a  
12 location authorized to accept such Excluded Waste in accordance with all applicable laws  
13 and charge the Customer, depositor or generator of such Excluded Waste all direct and  
14 indirect cost incurred due to removal, remediation, handling, transportation, delivery and  
15 disposal of such Excluded Waste; and (d) to the extent consistent with applicable law,  
16 title to and liability for any Excluded Waste shall remain with the Customer, generator or  
17 depositor and shall at no time pass to the Contractor. Provided, that notwithstanding any  
18 other provision of this Contract, specifically including without limitation the provisions of  
19 this Section, nothing herein shall be construed as imposing any responsibility and/or  
20 liability upon the City with respect to such Excluded Waste.

21 **2.1.27 Emergency Response**

22 Contractor shall provide the City use of the Contractor's labor and equipment for  
23 assistance in the event of a City disaster or emergency declaration, provided such labor  
24 and equipment is available. The Contractor and City commit to developing an agreement  
25 on terms, conditions, and compensation for disaster or emergency services, not to be  
26 less than the rates in Attachment A.

27 Contractor shall keep full and complete records and documentation of all costs incurred  
28 in connection with disaster or emergency response, and include such information in the  
29 monthly reports required under Section 2.3.2.1. The Contractor shall maintain such  
30 records and documentation in accordance with the City's prior approval and any  
31 standards established by the Federal Emergency Management Agency, and at the City's  
32 request, shall assist the City in developing any reports or applications necessary to seek  
33 assistance related to a federally-declared disaster.

34 **2.2 Collection Services**

35 **2.2.1 Residential Customer Garbage Collection**

36 **2.2.1.1 Subject Materials**

37 The Contractor shall collect all Garbage placed at Curbside for disposal by Residential  
38 Customers in and adjacent to Contractor-owned Garbage Carts or Customer provided  
39 Garbage Cans.

40 Garbage containing Yard Debris shall not be knowingly collected and shall instead be  
41 prominently tagged with a notice informing the Customer that disposal of Yard Debris in  
42 Garbage is not legal within the City.

1 The Contractor shall not be required to collect Excluded Waste that is either restricted  
2 from disposal or would pose a danger to collection crews. If materials are rejected for this  
3 reason, the Contractor shall leave in a prominent location a notification tag that identifies  
4 the specific problem(s) and reason(s) for rejecting the materials for collection and that  
5 provides the Customer with a contact for further information about proper disposal  
6 options. Failure to provide proper notification to Customers of the reason for rejecting  
7 materials for collection shall be considered a missed collection.

#### 8 2.2.1.2 Containers

9 The Customer's primary container must be a Mini-can, Garbage Can, or Garbage Cart.  
10 Plastic bags may only be used for excess waste, not as the Customer's primary container,  
11 except when containers have been requested but not yet delivered. The Contractor may  
12 set reasonable weight limits on Garbage Cans and Carts as appropriate, provided that  
13 the weight limit is no less than the equivalent of 60 pounds per 32-gallon capacity (e.g. a  
14 64-gallon cart would have a weight limit of 120 pounds). The Contractor may charge for  
15 overweight and oversized containers.

#### 16 2.2.1.3 Specific Collection Requirements

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

18 20-gallon Mini-can(s);

19 32-gallon Garbage Can(s);

20 20-gallon mini-cart(s)

21 32-gallon wheeled cart;

22 64-gallon wheeled cart(s); and

23 96-gallon wheeled cart(s).

24 The Contractor shall also offer monthly collection of one 32-gallon Garbage Can to  
25 Customers who generate very low amounts of Garbage and are able to contain those  
26 materials in a manner which does not generate excessive odors or attract insects or  
27 animals.

28 Roll-out charges shall be assessed only to those Customers who choose to have the  
29 Contractor move a container to reach the collection vehicle at its nearest point of access.  
30 Extra charges may be assessed for materials loaded so as to lift a Cart lid in excess of  
31 six (6) inches from the normally closed position. The Contractor may charge for an  
32 overweight container at the "extra" rate. The Contractor shall maintain route lists in  
33 sufficient detail to allow accurate recording and charging of all extra fees. Customers shall  
34 be allowed to specify that no "extras" be collected without prior Customer notification,  
35 which shall be provided by the Customer no less than twenty-four (24) hours prior to that  
36 Customer's regular collection.

37 Collections shall be made from Residential Customers on a regular schedule on the same  
38 day and as close to a consistent time as possible. The Contractor may tag inappropriately  
39 placed containers and may discontinue service in accordance with Section 2.1.9 in the  
40 event of persistent inappropriate container placement. The Contractor's crews shall make

1 collections in an orderly and quiet manner, and shall return containers, in an upright  
2 position, with lids closed and attached, to their set out location in an orderly manner.

3 **2.2.2 Residential Customer Recyclables Collection**

4 **2.2.2.1 Subject Materials**

5 The defined list of Recyclables shall be collected from all participating Single-family  
6 Residences as part of basic Recyclables collection services. The Contractor shall collect  
7 all Recyclables from Single-family Residences that are prepared as follows and  
8 uncontaminated with food or other residues:

- Aluminum Cans: All aluminum cans that are placed in the Recycling Cart or separately boxed or bundled.
- Corrugated Cardboard: All corrugated cardboard that is smaller than three (3) feet by three (3) feet, flattened and placed in or next to the Customer's Recycling Cart.
- Glass Containers: All colored or clear jars and bottles that are rinsed, have lids removed and are placed in the Recycling Cart, or separately boxed or bundled. Fluorescent and incandescent light bulbs, ceramics and window glass are excluded.
- Mixed Paper: All Mixed Paper that is placed loosely in the Recycling Cart or separately bagged or bundled.
- Newspaper: All newspaper and advertising supplements that are delivered with newspapers that are placed loosely in the Recycling Cart or separately bagged or bundled.
- Plastic Containers: All plastic bottles, jugs, containers and tubs that are flattened and placed in the Recycling Cart or separately boxed or bundled. Other plastics, automotive or other hazardous product containers, and lids are excluded.
- Polycoated Cartons and Boxes: All plastic coated and aseptic cartons and boxes that are flattened and placed in the Recycling Cart or separately bagged or bundled.
- Scrap Metal: All ferrous and non-ferrous Scrap Metal that is: placed in the Recycling Cart or separately boxed or bundled; free of wood, plastic, rubber and other contaminants; and meets the size requirements defined for Scrap Metals. Scrap metal shall include small appliances provided they meet the size requirements.
- Tin Cans: All food and beverage tin cans that are placed in the Recycling Cart or separately boxed or bundled.

9  
10 **2.2.2.2 Containers**

1 The Contractor shall be responsible for ordering, assembling, affixing instructional  
2 information onto, maintaining inventories of, and distributing and maintaining Recycling  
3 Carts. The default Recycling Cart size shall be 64-gallons, provided that the Contractor  
4 shall offer and provide 96-gallon Recycling Carts on request to those residents requiring  
5 more capacity than provided by the standard 64-gallon Recycling Cart. Recycling Carts  
6 shall be labeled with recycling collection requirements in accordance with Section  
7 2.1.15.6.

#### 8 2.2.2.3 Specific Collection Requirements

9 Residential Customer Recyclables collection shall occur weekly on the same day as each  
10 household's Garbage and Yard Debris collection. Residential Customer Recyclables  
11 collection shall occur during the hours and days specified in Section 2.1.4. Collections  
12 shall be made from Residential Customers on a regular schedule on the same day and  
13 as close to a consistent time as possible. The Contractor shall collect on Public Streets  
14 and Private Roads in the same location as Garbage collection service is provided. The  
15 Contractor's crews shall make collections in an orderly and quiet manner, and shall return  
16 containers with their lids closed and attached to their set out location in an orderly manner.

17 The Contractor shall collect all properly prepared Recyclables from Garbage Customers.  
18 No limits shall be placed on set-out volumes, except in the case when extremely large  
19 quantities of commercially-generated materials are consistently set out by a Residential  
20 Customer. In this case, the Contractor shall request the resident to use a larger Recycling  
21 Cart or use commercial recycling services for the excess volumes. If the resident  
22 continues to set out commercial quantities of Recyclables, the Contractor shall notify the  
23 City for further action. If large quantities of residentially-generated cardboard (e.g. moving  
24 boxes) are set out for collection, the Contractor may collect the excess materials the  
25 following day, at no additional charge, in a separate truck, provided that clear written  
26 notification of the collection delay is provided to the Customer.

### 27 2.2.3 Yard Debris Collection

#### 28 2.2.3.1 Subject Materials

29 Yard Debris shall be collected each collection cycle from all participating Residential  
30 Customers.

31 Contaminated or oversized Yard Debris materials rejected by the Contractor at the curb  
32 shall be tagged in a prominent location with an appropriate problem notice explaining why  
33 the material was rejected.

#### 34 2.2.3.2 Containers

35 The Contractor shall be responsible for ordering, assembling, affixing instructional  
36 information onto, maintaining inventories of, and distributing and maintaining Yard Debris  
37 Carts. Yard Debris Carts shall be labeled with instructional information, in accordance  
38 with Section 2.1.15.6. Yard Debris Carts shall be available in the 96-gallon size only. Only  
39 Contractor-issued carts can be used for Yard Debris collection.

40 Extra Yard Debris material that does not fit in a Yard Debris Cart shall be bundled or  
41 placed in Kraft bags or Customer-owned 32-gallon containers and shall be subject to  
42 "extra" charges as described in Attachment A.

1 **2.2.3.3 Specific Collection Requirements**

2 Yard debris materials shall be collected weekly from all Residential Customers on the  
3 same day as Garbage collection. The Contractor shall collect on Public Streets and  
4 Private Roads, in the same location as Garbage collection is provided. The Contractor's  
5 crews shall make collections in an orderly and quiet manner, and shall return containers  
6 in an upright position, with lids attached, to their set out location in an orderly manner.

7 **2.2.3.4 Foodwaste Collection**

8 The Contractor shall accept Foodwaste included and mixed with Yard Debris in Yard  
9 Debris Carts for Single Family Residential Customers. The Contractor's instructions for  
10 its overall collection program shall include instructions for the proper handling and  
11 recycling of Foodwaste.

12 **2.2.4 Commercial Customer Garbage Collection**

13 **2.2.4.1 Subject Materials**

14 The Contractor shall collect all Garbage set out for disposal by Commercial Customers in  
15 acceptable containers as designated in Section 2.2.1.

16 Garbage containing Yard Debris shall not knowingly be collected and instead prominently  
17 tagged with a notice informing the Customer that disposal of Yard Debris in Garbage is  
18 not legal within the City.

19 The Contractor shall not be required to collect Excluded Waste that is either restricted  
20 from disposal or would pose a danger to collection crews. If materials are rejected for this  
21 reason, the Contractor shall leave in a prominent location a notification tag that identifies  
22 the specific problem(s) and reason(s) for rejecting the materials for collection and that  
23 provides the Customer with a contact for further information about proper disposal  
24 options. Failure to provide proper notification to Customers of the reason for rejecting  
25 materials for collection shall be considered a missed collection.

26 **2.2.4.2 Containers**

27 The Contractor shall provide containers meeting the standards described in Section  
28 2.1.15. Commercial Customers shall be offered a full range of containers and service  
29 options, including Garbage Carts, and one (1) through eight (8) cubic yard containers.

30 Materials in excess of container capacity or the subscribed service level shall be collected  
31 and properly charged as "extras" at the rates listed in Attachment A. The Contractor shall  
32 develop and maintain route lists in sufficient detail to allow accurate recording and  
33 charging of all "extras."

34 The Contractor may use either or both front-load or rear-load Detachable Containers to  
35 service Commercial Customers. However, not all collection sites within the City Service  
36 Area may be appropriate for front-load collection due to limited maneuverability or  
37 overhead obstructions. The Contractor shall provide containers and collection services  
38 capable of servicing all Customer sites, whether or not front-load collection is feasible.

39 Contractor-owned containers shall be delivered by the Contractor to requesting  
40 Multifamily Complex and Commercial Customers within seven (7) days of the Customer's  
41 initial request.

1 Customers may elect to own or secure containers from other sources, and shall not be  
2 subject to discrimination by the Contractor in collection services on that account.  
3 However, containers owned or secured by Customers must be capable of being serviced  
4 by front load or Drop-box Container collection vehicles to be eligible for collection. The  
5 Contractor shall provide minimum compatible container specifications for Customers who  
6 elect to own or secure containers from other sources. The Contractor shall provide labels  
7 and collection service for compatible Customer-owned containers. The Contractor is not  
8 required to service Customer containers that are not compatible with the Contractor's  
9 equipment. In the event of a dispute as to whether a particular container is compatible,  
10 the City shall make a final determination.

### 11 2.2.4.3 Specific Collection Requirements

12 Commercial Garbage collection shall be made available to Commercial Customers daily,  
13 Monday through Friday, during the times specified in Section 2.1.4. Collection at Large  
14 Complex Residences shall be limited to the same hours as Residential Customer  
15 collection. Collections shall be made on a regular schedule on the same day and as close  
16 to a consistent time as possible to minimize Customer confusion. The Contractor shall  
17 collect from areas mutually agreed upon by the Contractor and Customer with the least  
18 slope and best truck access possible. Containers shall be replaced after emptying in the  
19 same location as found.

20 The Contractor shall not charge delivery fees for Detachable Containers or Carts, except  
21 in the case of temporary Detachable Container service and Detachable Containers  
22 redelivered to Customers restarting service after having service suspended. Roll-out  
23 charges shall be assessed in ten (10) foot increments only to those Customers for whom  
24 the Contractor must move a container over twenty-five (25) feet to reach the collection  
25 vehicle at its nearest point of access.

26 Extra charges may be assessed for materials loaded so as to lift the Garbage Can,  
27 Garbage Cart or Detachable Container lid in excess of six (6) inches from the normally  
28 closed position.

29 Customers may request extra collections and shall pay a proportional amount of their  
30 regular monthly rate for that service. All extra charges and fees will be listed in Attachment  
31 A.

## 32 2.2.5 Large Complex Residences Recyclables Collection

### 33 2.2.5.1 Subject Materials

34 The Contractor shall collect all Recyclables from Large Complex Residences that are  
35 prepared in a manner similar to that described for Residential Customers Recyclables in  
36 Section 2.2.2.1.

### 37 2.2.5.2 Containers

38 The Contractor shall be responsible for ordering, assembling, affixing instructional  
39 information onto, maintaining inventories of, and distributing and maintaining Recycling  
40 Carts. The default Recycling Cart size shall be 96-gallons, provided that the Contractor  
41 shall offer and provide 64-gallon Recycling Carts on request to those complexes requiring  
42 less capacity than provided by the standard 96-gallon Recycling Cart. Recycling Carts

1 shall be labeled with recycling collection requirements in accordance with Section  
2 2.1.15.6 when distributed.

3 At larger Large Complex residences, the Contractor may use Detachable Containers for  
4 recycling collection provided that they are clearly distinguished from containers used for  
5 Garbage collection and are equipped with City-approved, prominent identifying and  
6 instructional labels.

7 Recycling Carts and containers shall be delivered by the Contractor to requesting  
8 Customers within seven (7) days of the Customer's initial request. Large Complex  
9 Residential Recycling Carts shall be relabeled periodically in accordance with Section  
10 2.1.15.6.

### 11 2.2.5.3 Specific Collection Requirements

12 Large Complex Residences recycling collection shall occur at least weekly or more  
13 frequently, as needed, during the hours and days specified in Section 2.1.4. Collections  
14 shall be made on a regular schedule on the same day(s) of the week to minimize  
15 Customer confusion. The Contractor shall collect from areas mutually agreed upon by the  
16 Contractor and Customer with the least slope and best truck access possible. Containers  
17 shall be replaced after emptying in the same location as found.

18 When space constraints limit the provision of containers appropriately-sized for weekly  
19 collection, the Contractor shall provide more frequent collection, as necessary, of smaller  
20 containers to provide adequate capacity for the Multifamily Complex site.

## 21 2.2.6 Commercial Customer Yard Debris Collection

### 22 2.2.6.1 Subject Materials

23 The Contractor shall provide Yard Debris collection services to Commercial Customers,  
24 in accordance with the service level selected by the Customer and on a subscription basis  
25 and at an additional cost according to the rates in Attachment A.

26 Contaminated or oversized Yard Debris materials rejected by the Contractor shall be  
27 tagged in a prominent location with an appropriate problem notice explaining why the  
28 material was rejected.

### 29 2.2.6.2 Containers

30 The Contractor shall be responsible for ordering, assembling, affixing instructional  
31 information onto, maintaining inventories of, and distributing and maintaining Yard Debris  
32 Carts and Detachable Containers.

33 Extra Yard Debris material that does not fit in a Yard Debris Cart or Detachable Container  
34 shall be bundled or placed in Kraft bags or Customer-owned 32-gallon containers.

35 Yard Debris Carts shall be delivered by the Contractor to new Commercial Customers  
36 within seven (7) days of the Customer's initial request.

### 37 2.2.6.3 Specific Collection Requirements

38 Yard Debris shall be collected from Commercial Customers at the same frequency  
39 schedule for Residential Customers. Collections shall be made on a regular schedule on  
40 the same day(s) and as close to a consistent time as possible. Yard Debris in excess of

1 the subscribed container size may be charged as "extras" in 32-gallon increments, with  
2 each extra equaling 32 gallons.

3 The Contractor shall collect at defined Commercial Customer container spaces. The  
4 Contractor's crews shall make collections in an orderly and quiet manner, and shall return  
5 containers with their lids closed and attached to their set out location.

## 6 **2.2.7 Drop-Box Container Garbage Collection**

### 7 **2.2.7.1 Subject Materials**

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

10 Garbage containing Yard Debris shall not be knowingly collected and instead prominently  
11 tagged with a notice informing the Customer that disposal of Yard Debris in Garbage is  
12 not legal within the City.

13 The Contractor shall not be required to collect Drop-box Containers containing hazardous  
14 materials that are either restricted from disposal or would pose a danger to collection  
15 crews. If materials are rejected for this reason, the Contractor shall leave a prominently  
16 displayed notice with the rejected materials listing why they were not collected and  
17 providing the Customer with a contact for further information on proper disposal. If a Drop-  
18 box Container Customer persistently includes inappropriate materials in their containers,  
19 the Contractor shall photograph and otherwise document the inappropriate materials, and  
20 provide the Customer's name and address to the City for further action.

### 21 **2.2.7.2 Containers**

22 The Contractor shall provide containers meeting the standards described in Section  
23 2.1.15. Both Customer-owned and Contractor-owned Drop-box Containers shall be  
24 serviced, including Customer-owned compactors.

25 The Contractor shall charge a Drop-box Container delivery fee, as listed in Attachment A,  
26 to all temporary and permanent Customers on their initial delivery request.

27 The Contractor may charge a compactor surcharge to Customers who request that the  
28 Contractor remove or reinstall hydraulic or power connections prior to or after the  
29 compactor is hauled to the disposal site. The compactor surcharge shall not be assessed  
30 in cases where the Customer performs this function themselves.

31 Contractor-owned containers shall be delivered by the Contractor to requesting  
32 Customers within seven (7) days of the Customer's initial request.

### 33 **2.2.7.3 Specific Collection Requirements**

34 Commercial Customer Drop-box Container collection must occur during the hours and  
35 days specified in Section 2.1.4. Collection of Drop-box Containers in residential areas  
36 and multiuse buildings containing residences shall be limited to the same hours as  
37 Residential Customer collection

38 The Contractor shall provide dispatch service and equipment capability to collect full  
39 Drop-box Containers no later than the next business day after the Customer's initial call.  
40 The Contractor shall maintain a sufficient Drop-box Container inventory to provide empty

1 containers to new and temporary Customers within seven (7) business days after the  
2 Customer's initial call.

3 The Contractor shall directly bill and receive payments from Customers for temporary and  
4 permanent Drop-box Container hauling and rental services.

### 5 **2.2.8 Temporary Detachable Container And Drop-box Service**

6 The Contractor shall provide temporary 2-, 4-, 6- and 8-cubic yard Detachable Containers  
7 and all available Drop-box Container sizes to Customers on an on-call basis. The charges  
8 for temporary Detachable Container service listed in Attachment A shall include collection  
9 and disposal. Delivery charges shall be itemized and charged separately. Rental charges  
10 for temporary containers shall be charged in addition to the basic temporary container  
11 fee, at the rates listed in Attachment A. The Contractor shall directly bill and receive  
12 payments from Customers for temporary Detachable Container and Drop-box service.

### 13 **2.2.9 Annual City Centralized Cleanup**

14 The Contractor shall provide one (1) Annual City Centralized Cleanup program. City of  
15 Monroe residents are allowed to deliver up to one (1) non-commercial vehicle load per  
16 household of Bulky Waste, scrap metal (excluding appliances containing refrigerants),  
17 clean scrap wood, and Garbage. Participation will be limited to City residents, and  
18 participants will be asked to provide a government-issued ID as proof of City residency.  
19 The event shall occur on a mutually agreeable Saturday and be no more than four (4)  
20 hours in duration. The Contractor shall bear up to \$30,000 in expenses for Contractor's  
21 staff and disposal expenses. The Contractor shall retain all material sales revenues from  
22 the event.

23 If the Contractor's staffing and disposal costs exceed \$30,000, then the City and the  
24 Contractor will discuss either limiting the scope of the event or increasing the Contractor's  
25 compensation for subsequent events.

26 Contractor shall provide a reusable two-sided vinyl banner suitable for display across  
27 Main Street advertising the event at no additional charge to the City at least 45 day prior  
28 to the first event, for the City's discretionary use at every subsequent Annual City  
29 Centralized Cleanup. The banner shall include reusable numbers, as the date for the  
30 event changes year to year.

### 31 **2.2.10 City Services**

32 The Contractor shall provide weekly Garbage and Recyclables collection with the same  
33 collection frequency as provided to Residential Customers to the following City-owned  
34 municipal facilities as a part of this Agreement and at no additional charge:

<b>FACILITY</b>
City Hall/Police Station
Wastewater Treatment Plant
Public Works/Parks Building
Downtown Litter Receptacles (no more than 20)

1 The City may add facilities and parks in addition to those listed above, provided that no  
 2 more than one additional facility or park may be added per year without additional  
 3 compensation to the Contractor.

4 In cases in which Garbage and Recyclables are generated through the performance by  
 5 third parties of services for the City outside of the normal operation of a municipal facility,  
 6 Contractor may charge for the collection of such materials in accordance with charges  
 7 listed in Attachment A. For example, the City would pay Contractor for the disposal of  
 8 debris generated by the replacement of the roof of a City facility. Regular Garbage and  
 9 Recyclables generated on an ongoing basis at all City facilities in the ordinary course of  
 10 their operations otherwise will be collected by the Contractor without charge to the City.

11 **2.3 Management**

12 **2.3.1 Responsibility of Participants**

13 **2.3.1.1 Contractor's Responsibilities**

14 The provisions of this Section 2.3.1.1 are intended to summarize and/or supplement the  
 15 primary responsibilities assumed by Contractor under this Contract. The omission from  
 16 the following list of Contractor responsibilities of any duty, obligation or requirement  
 17 otherwise set forth in this Contract shall not be construed as absolving or otherwise  
 18 limiting Contractor's responsibility therefore.

19 The Contractor shall be responsible for:

- 20 • Answering Customer telephone calls and email requests;
- 21 • Informing Customers of current, new, and optional services and charges;
- 22 • Handling Customer subscriptions and cancellations;
- 23 • Receiving and resolving Customer complaints;
- 24 • Dispatching Drop-box Containers, temporary containers, and special collections;
- 25 • Billing;
- 26 • Maintaining and updating regularly as necessary a user-friendly internet website;
- 27 • Assisting City staff with promotion and outreach to Residential and Commercial  
 28 Customers, and special events;

- 1 • Serving as an ombudsperson, providing quick resolution of Customer issues,  
2 complaints, and inquiries;
- 3 • Assisting the city with program development and design, research, response to  
4 inquiries, and troubleshooting issues;
- 5 • Collecting Garbage in the City Service Area and transporting and delivering the  
6 Garbage to the Snohomish County Disposal System.
- 7 • Collecting construction/demolition waste in the City Service Area and delivering  
8 the waste to fully permitted recycling, disposal or transfer sites in compliance with  
9 Snohomish County's Comprehensive Solid Waste Management Plan.
- 10 • Collecting, processing and marketing Recyclables and Yard Debris collected by  
11 the Contractor in the City Service Area.
- 12 • Providing cart and container assembly, maintenance, stickering/labeling and re-  
13 stickering/labeling and delivery services listed or required in this Contract.
- 14 • Procuring all equipment and bearing all start-up, operating and maintenance costs  
15 for collection and processing or disposal of Garbage, Recyclables and Yard  
16 Debris, including proper safety equipment and insurance for vehicles and workers.
- 17 • Providing and supervising all labor to accomplish the scope of services required  
18 under this Contract, including labor to collect materials, maintain equipment and  
19 provide Customer service functions.
- 20 • Operating a maintenance facility to house and service collection equipment and  
21 acquiring all necessary land use, building, operating, and business permits and  
22 licenses.
- 23 • Submitting all informational materials for public release to the City for review and  
24 approval prior to release.
- 25 • Complying with all applicable laws, regulations, ordinances and policies.
- 26 • Meeting all non-discrimination and OSHA/WISHA standards, and all  
27 environmental standards and regulations.
- 28 • Providing a safe working environment and comprehensive liability insurance  
29 coverage as set forth in Section 6.5, and providing proof of this insurance to the  
30 City annually.
- 31 • Providing a valid Contractor's performance and payment bond in accordance with  
32 Section 6.6, and providing proof of this bond to the City annually.
- 33 • Securing the prior written approval of the City and Surety before assigning or  
34 pledging money, or assigning, subcontracting or delegating duties.
- 35 • Providing route maps to the City indicating the day of week for each service.
- 36 • Submitting collection day changes to the City for review and approval prior to  
37 notice being provided to Customers and the change taking place.

- 1 • Submitting prompt notices to the media regarding modifications to the collection  
2 schedule due to inclement weather.
- 3 • Maintaining containers, vehicles and facilities in a clean, properly labeled and  
4 sanitary condition.
- 5 • Meeting all City reporting, inspection and review requirements.
- 6 • Providing operating and safety training for all personnel, including spill response  
7 training for all drivers.
- 8 • Notifying the City of intended material changes in management affecting  
9 Contractor's operations under this Contract not less than sixty (60) days prior to  
10 the date of change. New management shall also attend an introductory meeting  
11 scheduled by the City during the sixty (60) day notification period. Exception shall  
12 be made for termination for cause or voluntary termination in which case  
13 Contractor shall notify the City as soon as is possible.
- 14 • Creating and maintaining a website and mobile app.

#### 15 2.3.1.2 City's Responsibilities

16 The City shall be responsible for:

- 17 • Overall project administration and final approval of Contractor services and  
18 activities.
- 19 • Reviewing and approving adjustments to rates, charges and fees for solid waste  
20 collection services under this Contract, including without limitation adjustments  
21 due to changes in County disposal fees or price indices.
- 22 • Monitoring and evaluating collection operations with the cooperation and  
23 assistance of the Contractor.
- 24 • Providing outreach materials and programs, and assistance with distribution and  
25 outreach as required in this Contract.
- 26 • Reviewing and approving all assignment, pledging, subcontracting or delegation  
27 of money or duties.
- 28 • Reviewing and approving collection days and route changes.
- 29 • Reviewing and approving holiday schedule changes.
- 30 • Reviewing and approving all written or other informational materials used by the  
31 Contractor.
- 32 • Conducting performance reviews of the Contractor with the Contractor's  
33 cooperation and assistance.
- 34 • Holding periodic operations meetings with the Contractor, as necessary.
- 35 • To the extent permissible under State law and local ordinance, reasonably  
36 assisting Contractor with application of lien or other means to help the Contractor  
37 to recoup delinquent Customer solid waste collection accounts. Provided, that  
38 nothing herein shall be construed as requiring the City to take any particular

1 enforcement action.

2  
3 **2.3.2 Reporting**

4 The Contractor shall provide monthly and ad hoc reports to the City. In addition, the  
5 Contractor shall allow City staff access to pertinent operations information related to  
6 compliance with the obligations of the Contract such as disposal facility certified weight  
7 slips and vehicle maintenance logs.

8 **2.3.2.1 Monthly Reports**

9 On a monthly basis, by the last day of each month, the Contractor shall provide a report  
10 containing information for the previous month. Reports shall be submitted in electronic  
11 Microsoft Excel compatible format and shall include:

12 A compilation of program participation statistics including: the number of garbage  
13 collection Customers by sector and service level, a summary of multi-family and  
14 commercial participation in recycling programs, set-out statistics for residential  
15 Garbage, Yard Debris and Recyclables collection services and number of bulky  
16 item collections;

17 A compilation of total monthly and year-to-date summaries of Garbage,  
18 Recyclables and Yard Debris quantities by collection sector;

19 A description of any vehicle accidents or infractions;

20 **2.3.2.2 Ad Hoc Reports**

21 The City may request from the Contractor up to three (3) ad-hoc reports each year, at no  
22 additional cost to the City. Reports shall be provided in the City-defined format and  
23 software compatibility, if possible. Contractor shall not be obligated without a written  
24 arrangement with the City for additional appropriate compensation to expend more than  
25 one hundred (100) staff hours per year to complete ad-hoc reports provided for by this  
26 section.

27 **2.3.3 Promotion and Education**

28 The Contractor shall have primary responsibility for developing, designing and executing  
29 overall public promotion, education and outreach programs, with the assistance and  
30 cooperation of the City.

31 **2.3.4 Field Monitoring**

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

36 **2.3.5 Transition to Next Contractor**

37 The Contractor shall be expected to work with the City and the successive contractor in  
38 good faith to ensure a minimum of Customer disruption during the transition period.  
39 Container removal and replacement shall be coordinated between the Contractor and a

1 successive contractor to occur simultaneously in order to minimize Customer  
2 inconvenience.

3 The Contractor shall provide a detailed Customer list, including Customer name, service  
4 address, mailing address, and collection and container rental service levels to the  
5 successive contractor within thirty (30) days request of the City.

6 **3. COMPENSATION**

7 **3.1 Compensation to the City**

8 The rates charged in Attachment A and as may be modified in accordance with Sections  
9 3.2 and 3.3 of this Contract include a six percent (6%) Administrative Fee imposed by the  
10 City, and the Contractor shall remit the City quarterly for the amount collected. Interest  
11 on any delinquent or unpaid Administrative Fee amount shall accrue at the rate of 12  
12 percent per annum or the highest legally permissible rate, whichever is greater.

13 **3.1.1 Review and Negotiation Fee**

14 Within 10 days of the parties' mutual execution of this Contract, Contractor shall remit to  
15 the City a one-time fee in the amount of \$5,000 to defray the City's legal and  
16 administrative costs incurred in the review, revision, negotiation and processing of this  
17 Contract.

18 **3.2 Rate Modification**

19 Annual modification of the Contractor's collection service charges will be based on  
20 changes in the CPI Index (Water and Sewer and Trash Collection expenditure category  
21 (1997 = 100), as published by the U.S. Department of Labor, Bureau of Labor Statistics.

22 The CPI, for the contract year beginning in January 1, 2018, and for each subsequent  
23 contract year, will be calculated by taking the percentage difference between the CPI  
24 value for the immediately preceding month of July and the corresponding CPI value for  
25 July of the prior year, and adding the result to 1.0. The resulting amount shall be termed  
26 the "adjustment factor."

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

30 The Contractor shall submit to the City for review and approval a rate adjustment  
31 statement, calculating the new rates for the next year in which a CPI adjustment is  
32 scheduled, on or by September 1st of each year, starting September 1<sup>st</sup>, 2017. The City  
33 shall have thirty (30) days to approve or disapprove the new rates; provided, however,  
34 that the City may not disapprove a CPI increase unless the Rate Adjustment Statement  
35 contains errors of calculations. On City approval, the new rates shall take effect on  
36 January 1st of the next year, and Customers shall be notified in accordance with RCW  
37 35A.21.152 by November 15th, forty-five (45) days prior to the new rate. Should  
38 Customers not receive notification by November 15th, due to missed deadlines by the  
39 Contractor or rate disapproval by the City, implementation of the new rates shall be  
40 delayed by one month without opportunity for recovery of lost revenue. In no event shall  
41 new rates under this Contract be effective before a minimum of 45 days' notice has been  
42 provided to Customers.

1 Both Parties agree to enter into good-faith discussions sometime after the six-month  
2 anniversary of this Contract regarding change-in-recycling costs and compensation to the  
3 Contractor. The City shall consider in good faith the Contractor's request for the  
4 aforementioned costs and compensation.

5 The County disposal fee as it exists on the date of execution or as thereafter modified  
6 shall be itemized separately on Customer invoices with charges for Drop-box Container  
7 service. The Contractor shall charge Drop-box Customers the actual disposal cost plus  
8 ten percent (10%) to reflect the Contractor's costs and margin related to handling the  
9 pass-through disposal component.

### 10 **3.2.1 Disposal Fee and Yard Waste Processing Fee Adjustments**

11 Periodic adjustments may be made to Contractor collection rates as necessary to directly  
12 reflect increases or decreases in disposal fees for solid waste and yard waste processing  
13 fees. These changes shall be made automatically upon approval by the City and  
14 Contractor's provision of 45 days' notice to Customers in accordance with RCW  
15 35A.21.152. The Contractor shall notify the City of any changes to the solid waste and/or  
16 yard waste processing fees within 5 (five) business days of notification from the  
17 processors. Should Customers not receive at least forty-five (45) days' notice due to short  
18 notification time to the City by the Contractor, implementation of the new rates shall be  
19 delayed until such notice is provided; in that event, Contractor shall not seek to recover  
20 its additional costs or lost revenue resulting from such delay.

### 21 **3.2.2 Changes in Disposal or Yard Debris Processing Sites**

22 Should the Contractor be required by the City or other governmental authority to use  
23 disposal or Yard Debris processing sites other than those being used at the initiation of  
24 this Contract, the Contractor shall submit a detailed proposal for the adjustment of the  
25 rates to reflect any additional cost or savings to the Contractor. The City and Contractor  
26 agree to negotiate in good faith any changes to the rates to offset these costs or savings.

### 27 **3.2.3 Other Modifications**

28 The Contractor shall not adjust or modify rates due to employee wage increases, the  
29 value of Recyclables, Garbage collection service level shifts, or other changes affecting  
30 the collection system other than provided for under Section 3.3.

### 31 **3.3 Change in Law**

32 Changes in federal, State or local laws or regulations or a continuing force majeure that  
33 result in a detrimental change in circumstances or a material hardship for the Contractor  
34 in performing this Contract may be the subject of a request by the Contractor for a rate  
35 adjustment, subject to review and approval by the City, at the City's reasonable discretion.  
36 If the City requires review of financial or other proprietary information in conducting its  
37 rate review, at the request of the Contractor, the City may retain a third-party to review  
38 such information at the Contractor's expense, and may take any other steps it deems  
39 appropriate to protect the confidential nature of Contractor's documents and preserve the  
40 Contractor's ongoing ability to remain competitive.

41 The City may, from time to time, impose utility or other taxes that shall be assessed and  
42 payable as directed by City ordinance. If new City, County or State taxes are imposed or  
43 the rates of existing taxes are changed after the execution date of this Contract, and the

1 impact of these changes results in increased or decreased Contractor costs, the  
 2 Contractor and City agree that such taxes may, to the extent permissible by law, be  
 3 passed through to the Customer.

4 **4. FAILURE TO PERFORM, REMEDIES, TERMINATION**

5 The City expects high levels of Customer service and collection service provision.  
 6 Performance failures shall be discouraged, to the extent possible, through liquidated  
 7 damages for certain infractions and through Contract default for more serious lapses in  
 8 service provision. Section 4.1 details infractions subject to liquidated damages and  
 9 Section 4.2 details default provisions and procedures.

10 **4.1 Liquidated Damages**

11 The Contractor may be subject to liquidated damages for the following acts or omissions  
 12 if documented in an incident report presented by the City to the Contractor. The City  
 13 reserves the right to make periodic, unscheduled inspection visits or use other means to  
 14 determine the Contractor's compliance with the Contract. Liquidated damages may  
 15 include, but are not limited to:

<b>Action or Omission</b>	<b>Liquidated Damages</b>
Collection before or after the times specified in Section 2.1.4, except as expressly permitted.	One hundred dollars (\$100) per incident (each truck on each route is a separate incident).
Failure to collect missed materials by the end of the next business day after notification by City or Customer. \$50.00 each incidence business day after notification	Fifty dollars (\$50) per incident to a maximum of five hundred dollars (\$500) per truck per day on Single-family Residence routes and no maximum for Multifamily Complex and Commercial Customer routes.
Missed collection of entire block segment of Single-family Residences (excluding collections prevented by inclement weather).	One hundred and fifty dollars (\$150) per block segment if collection is performed the following day; five hundred dollars (\$500) if not collected by the following day.
Failure to deliver Detachable Containers to new commercial Garbage Customers within seven (7) days.	Fifty dollars (\$50) per container per day.
Failure to deliver carts, Detachable Containers, or Drop-box Containers to Multifamily Complex or Commercial Customers within seven (7) days	Fifty dollars (\$50) per container per day.
Failure to deliver Garbage, Recycling or Yard Debris Carts to Single-family Residences within seven (7) days	Twenty-five dollars (\$25) per container per day.

Action or Omission	Liquidated Damages
Intentional misrepresentation by the Contractor in records or reporting.	Five hundred dollars (\$500) per incident.
Failure to make required reports on time.	Two hundred and fifty dollars (\$250) per incident.
Failure to maintain clean and sanitary containers, vehicles, and facilities.	Fifty dollars (\$50) per incident, up to maximum of one thousand dollars (\$1,000) per inspection.
Landfilling or incineration of uncontaminated loads of Recyclables or Yard Debris without the express written permission of the City.	Five hundred dollars (\$500) per vehicle, per incident, with no maximum.
Failure to industry quality standards for processed recyclables per Section 2.1.12	Five hundred dollars (\$500) per documented incident, up to a maximum of one thousand dollars (\$1,000) per day.
Failure to include instructional/promotional materials when Garbage, Recycling and/or Yard Debris Carts are delivered.	Fifty dollars (\$50) per incident, with no maximum.

1  
2 The parties acknowledge the difficulty in anticipating actual damages to remedy the  
3 damage that would be incurred as a result of the transgressions identified above. The  
4 parties further agree that the liquidated damages listed in this Section represent a  
5 reasonable estimate of the loss likely to result from the remedy for the damage and are  
6 not intended as a penalty.

7 Nothing in this section shall be construed as providing an exclusive list of the acts or  
8 omissions of the Contractor that shall be considered violations or breaches of the  
9 Contract, and the City reserves the right to exercise any and all remedies it may have  
10 with respect to these and other violations and breaches. The liquidated damages  
11 schedule set forth here shall not affect the City's ability to terminate this Contract as  
12 described in Section 4.2.

13 Liquidated damages, if assessed during a given month, shall be invoiced by the City to  
14 the Contractor. Liquidated damages may be levied only if documented in an incident  
15 report presented by the City to the Contractor. The Contractor shall be notified and  
16 provided a copy of an incident report and shall be given 24 hours to respond to the  
17 incident report before liquidated damages are invoiced to the Contractor. The Contractor  
18 shall be required to pay the City the invoiced amount within thirty (30) days of billing.  
19 Failure to pay liquidated damages shall be considered a breach of this Contract.

20 Interest on any delinquent or unpaid liquidated damages under this Section amount shall  
21 accrue at the rate of 12 percent per annum or the highest legally permissible rate,  
22 whichever is greater.

1 Any fine may be appealed by the Contractor to the City Administrator, provided that the  
2 appeal is received by the City no later than 10 days after notification to the Contractor.  
3 The Contractor shall be allowed to present evidence as to why the fine should be lessened  
4 or eliminated. The decision of the City Administrator shall be final.

5 **4.2 Contract Default**

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

- 9 • The Contractor fails to commence the collection of Garbage, Recyclables or Yard  
10 Debris, or fails completely to provide any portion of service under the Contract on  
11 January 1, 2017, or for a period of more than five (5) consecutive days at any time  
12 during the term of this Contract.
- 13 • The Contractor fails to obtain and maintain any permit, license or approval required  
14 by the City, Snohomish County, or any federal, State or other regulatory body in  
15 order to collect materials under this Contract.
- 16 • The Contractor's noncompliance creates a material hazard to public health or  
17 safety.
- 18 • The Contractor repeatedly or persistently acts or fails to act in a manner that is  
19 subject to liquidated damages in excess of twenty thousand dollars (\$20,000)  
20 during any consecutive twelve (12) month period.
- 21 • Failure to maintain, in good standing, surety and insurance required by this  
22 Contract.

23 The City reserves the right to pursue any remedy available at law for any default by the  
24 Contractor. In the event of default, after providing the Contractor with written notice of the  
25 default and a reasonable time to cure such default, the City shall give the Contractor ten  
26 (10) days prior written notice of its intent to exercise its rights, stating the reasons for such  
27 action. However, if an emergency shall arise that does not allow ten (10) days prior written  
28 notice, the City shall immediately notify the Contractor of its intent to exercise its rights  
29 immediately. If the Contractor cures the stated reason within the stated period, or initiates  
30 efforts satisfactory to the City to remedy the stated reason and the efforts continue in  
31 good faith, the City may opt to not exercise its rights for the particular incident. If the  
32 Contractor fails to cure the stated reason within the stated period, or does not undertake  
33 efforts satisfactory to the City to remedy the stated reason, then the City may at its option  
34 terminate this Contract effective within 10 days notwithstanding the provisions of Section  
35 1.

36 Upon receipt of such notice, the Contractor agrees that it shall promptly discontinue the  
37 services provided under this Contract. The Surety may, at its option, within ten (10) days  
38 from such written notice, assume the services provided under this Contract that the City  
39 has ordered discontinued and proceed to perform same, at its sole cost and expense, in  
40 compliance with the terms and conditions of the Contract, and all documents incorporated  
41 herein. Pending consideration by the Surety of said option to assume the services  
42 provided under this Contract, the City may, in its sole discretion and without prejudice to

1 any other remedy, penalty, and/or option, employ such work force as it may deem  
2 advisable to continue the services provided under this Contract. The cost of all labor and  
3 materials necessary for such services provided under this Contract shall be paid by the  
4 Contractor in full.

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

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

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

17 The remedies specified in this section shall be in addition to all other remedies available  
18 to the City pursuant to this Contract or at law or in equity.

## 19 **5. NOTICES**

20 All notices required by the Contract shall be personally served or mailed, addressed as  
21 follows:

To City:

City Administrator  
City of Monroe  
806 W Main St  
Monroe WA 98272

To Contractor:

General Manager  
Republic Services of Lynnwood  
1600 127<sup>th</sup> Ave NE  
Bellevue WA 98005

With a copy to:

Republic Services, Inc  
Attention: General Counsel  
18500 N Allied Way #100  
Phoenix AZ 85054

## 22 **6. GENERAL TERMS**

### 23 **6.1 Collection Right**

24 The Contractor shall be the exclusive provider with which the City shall contract to collect  
25 Garbage, Residential Yard Debris/Foodwaste and Recyclables and non-Source-  
26 Separated construction/demolition materials within the City Service Area. To the extent  
27 permissible by law, the City by appropriate regulation shall preclude any collection by  
28 others within the City Service Area of materials as to which the Contractor is granted  
29 exclusive collection rights under this Contract. Provided, however, that the City shall not  
30 be obligated in any manner to join or instigate litigation to protect the exclusive collection  
31 rights of the Contractor.

1 This contract provision will not apply to Garbage, Recyclables or Yard Debris/Foodwaste  
2 self-hauled by the generator; to Source-Separated recyclables hauled by common or  
3 private carriers from commercial premises or drop-off recycling sites; to  
4 construction/demolition waste hauled by self-haulers or construction and demolition  
5 contractors providing their own trucking service; or to Yard Debris generated and hauled  
6 by private landscaping services.

7 The Contractor shall retain responsibility for Garbage, Recyclables,  
8 construction/demolition materials and Yard Debris/Foodwaste once these materials are  
9 placed in Contractor-owned containers. The Contractor shall retain revenues gained from  
10 the sale of Recyclables, construction/demolition materials or Yard/Foodwaste Debris.  
11 Likewise, a tipping or acceptance fee charged for Recyclables, construction/demolition  
12 materials or Yard Debris/Foodwaste shall be the financial responsibility of the Contractor.

13 The City shall work with the Contractor, other haulers and processors, and other regional  
14 governments to develop a reasonable definition of what constitutes legitimate  
15 construction/demolition recycling for the purposes of interpreting collection authorities.  
16 Once a reasonable recycling threshold or "test" is developed with Snohomish County, the  
17 City and Contractor shall negotiate and amend this Contract accordingly.

## 18 **6.2 Access to Records**

19 The Contractor shall maintain in its local office full and complete operations, Customer,  
20 financial and service records that at any reasonable time shall be open for inspection and  
21 copying for any reasonable purpose by the City. In addition, the Contractor shall, during  
22 the Contract term, and at least five (5) years thereafter, maintain reporting records,  
23 service records and billing records pertaining to the Contract that are prepared in  
24 accordance with Generally Accepted Accounting Principles, reflecting the Contractor's  
25 services provided under this Contract. Those Contractor's accounts shall include but shall  
26 not be limited to all records, invoices and payments under the Contract, as adjusted for  
27 additional and deleted services provided under this Contract. The City shall be allowed  
28 access to these records for audit and review purposes, but such access and review shall  
29 be conducted in such a fashion as is reasonably necessary to protect any confidential  
30 financial information or other confidential information of the Contractor from becoming  
31 subject to disclosure by reason of any third-party request for public records.

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

## 35 **6.3 Contractor to Make Examinations**

36 The Contractor has made its own examination, investigation and research regarding  
37 proper methods of providing the services required under this Contract, and all conditions  
38 affecting the services to be provided under this Contract, and the labor, equipment and  
39 materials needed thereon, and the quantity of the work to be performed. The Contractor  
40 agrees that it has satisfied itself based on its own investigation and research regarding  
41 all of such conditions, that its conclusion to enter into this Contract was based upon such  
42 investigation and research, and that it shall make no claim against the City because of

1 any of the estimates, statements or interpretations made by any officer or agent of the  
2 City that may be erroneous.

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

#### 7 **6.4 Reserved**

#### 8 **6.5 Insurance**

9 The Contractor shall procure and maintain, for the duration of the Contract, insurance  
10 against claims for injuries to persons or damage to property that may arise from or in  
11 connection with the performance of the services provided under this Contract hereunder  
12 by the Contractor, its agents, representatives, employees or subcontractors. The cost of  
13 such insurance shall be paid by the Contractor.

##### 14 **6.5.1 Minimum Scope of Insurance**

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

17 Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles.  
18 Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a  
19 substitute form providing equivalent liability coverage. If necessary, the policy shall be  
20 endorsed to provide contractual liability coverage. The City shall be shown as an  
21 additional insured under the Contractor's Automobile Liability insurance policy with  
22 respect to the work performed for the City to the extent of Contractor's negligence.

23 Commercial General Liability (CGL) insurance shall be written on ISO occurrence form  
24 CG 00 01 and shall cover liability arising from premises, operations, independent  
25 contractors, products-completed operations, personal injury and advertising injury, and  
26 liability assumed under an insured contract. The CGL policy will include a "per project"  
27 aggregate endorsement. There shall be no endorsement or modification of the  
28 Commercial General Liability insurance for liability arising from explosion, collapse or  
29 underground property damage. The City shall be shown as an additional insured under  
30 the Contractor's Commercial General Liability insurance policy with respect to the work  
31 performed for the City, using ISO additional insured endorsements CG 20 10 07 04 and  
32 CG 20 37 07 04.

33 Workers' Compensation coverage as required by the Industrial Insurance laws of the  
34 State of Washington.

##### 35 **6.5.2 Minimum Amounts of Insurance**

36 Contractor shall maintain the following insurance limits:

37 Automobile Liability insurance with a minimum combined single limit for bodily injury and  
38 property damage of \$3,000,000 per accident.

39 Commercial General Liability insurance shall be written with limits no less than  
40 \$3,000,000 each occurrence, \$5,000,000 general aggregate and a \$2,000,000 products-  
41 completed operations aggregate limit.

1 Workers' Compensation coverage as required by the Industrial Insurance laws of the  
2 State of Washington.

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

9 **6.5.3 Other Insurance Provisions**

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

13 The Contractor's insurance coverage shall be the primary insurance with respect to the  
14 City, its officials, employees and volunteers to the extent of the Contractor's negligence.  
15 Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall  
16 be in excess of the Contractor's insurance and shall not contribute with it.

17 Coverage shall state that the Contractor's insurance shall apply separately to each  
18 insured against whom claim is made or suit is brought, except with respect to the limits of  
19 the insurer's liability.

20 The Contractor's insurance shall be endorsed to state that coverage shall not be  
21 cancelled except after thirty (30) days prior written notice has been given to the City.

22 Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability-  
23 Broadened Coverage for Covered Autos Endorsement CA 99 48 shall be provided, and  
24 the Motor Carrier Act Endorsement (MCS 90) shall be attached.

25 **6.5.4 Acceptability of Insurers**

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

28 **6.5.5 Verification of Coverage**

29 Contractor shall furnish the City with original certificates including, but not necessarily  
30 limited to, the additional insured endorsement, evidencing the insurance requirements of  
31 the Contractor before the Commencement Date.

32 **6.5.6 Subcontractors**

33 All coverages for subcontractors shall be subject to all of the same insurance  
34 requirements as stated herein for the Contractor.

35 **6.5.7 No Limitation**

36 Contractor's maintenance of insurance as provided by this Section shall not be construed  
37 to limit the liability of Contractor to the coverage provided by such insurance, or otherwise  
38 limit the City's recourse to any remedy available at law or equity.

1 **6.6 Performance Bond**

2 The Contractor shall provide and maintain at all times a valid Contractor's Performance  
3 and Payment Bond or bonds, letter of credit or other similar instrument acceptable to and  
4 approved in writing by the City in the initial amount of \$260,000.00, adjusted annually in  
5 accordance with Section 3.2. The bond, letter of credit or other similar instrument shall be  
6 issued for a period of not less than one year, and the Contractor shall provide a new bond,  
7 letter of credit or similar instrument, and evidence satisfactory to the City of its  
8 renewability, no less than sixty (60) calendar days prior to the expiration of the bond, letter  
9 of credit or other similar instrument then in effect. The City shall have the right to call the  
10 bond, letter of credit or other similar instrument in full in the event its renewal is not  
11 confirmed prior to five (5) calendar days before its expiration.

12 **6.7 Indemnification**

13 Contractor shall fully indemnify, protect, hold harmless and defend the City, its elected  
14 officials, officers, employees, volunteers, agents and representatives, from and against  
15 any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any  
16 nature whatsoever, including costs and attorney's fees in defense thereof, or injuries,  
17 sickness or death to persons, or damage to property, which is caused by or arises out of  
18 Contractor's exercise of duties, rights and privileges granted by this Contract, or  
19 Contractor's operations, provided, however, that Contractor's obligation to indemnify,  
20 defend and hold harmless for injuries, sickness, death or damage caused by or resulting  
21 from concurrent willful or negligent acts or actions of Contractor and the City shall apply  
22 only to the extent of Contractor's negligence or wrongful act or omission.

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

30 The provisions of this Section 6.7 shall survive the expiration or termination of this  
31 Contract with respect to acts and omissions occurring during the Contract term.

32 **6.8 Confidentiality of Information**

33 Contractor expressly acknowledges that the City is a local agency as defined by Chapter  
34 42.56 RCW, and is subject to the public records disclosure provisions codified in that  
35 chapter. Contractor further expressly acknowledges that any document (including but not  
36 limited to written, printed, graphic, electronic, photographic or voice mail materials and/or  
37 transcriptions, recordings or reproductions thereof) submitted in performance of this  
38 Contract may become a public record upon submission to the City, subject to mandatory  
39 disclosure upon request by any person, unless the documents are exempted from public  
40 disclosure by a specific provision of law.

41 Notwithstanding any other provision of this Contract, the City shall incur no liability  
42 whatsoever with respect to the public disclosure of any writing constituting a public record  
43 as defined by Chapter 42.56 RCW. Contractor expressly waives any and all claims

1 and/or causes of action against the City arising in any manner from the City's release of  
2 any such public records.

3 Contractor shall cooperate fully with any request for public records received by the City,  
4 and shall furnish to the City all non-exempt records responsive to any such request within  
5 five business days of notification by the City. If the City incurs penalties pursuant to  
6 Chapter 42.56 RCW, including without limitation any award of attorneys' fees, as a result  
7 of Contractor's breach of this Section, the Contractor shall fully indemnify the City  
8 therefore.

9 If the City receives a request for inspection or copying of any documents containing  
10 internal Contractor financial data, it shall reasonably endeavor to provide Contractor with  
11 written notice to afford Contractor an opportunity to seek a court order prohibiting or  
12 conditioning the release of such documents. Provided, that the City's inadvertent failure  
13 to provide such notice shall not be grounds for any liability.

14 **6.9 Assignment of Contract**

15 **6.9.1 Assignment or Pledge of Moneys by the Contractor**

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

22 **6.9.2 Assignment, Subcontracting, Delegation of Duties**

23 The Contractor shall not assign or sub-contract any of the work or delegate any of its  
24 duties under this Contract without the prior written approval of the City which shall not be  
25 unreasonably withheld. The City's approval shall not be required for subcontracting or  
26 assignment to any company that is affiliated to Contractor or its parent company. In any  
27 case the Contractor shall notify in writing to the City of the assignment or subcontractor  
28 arrangement.

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

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

1 Contractor shall pay the City's reasonable costs and expenses, including attorney's fees,  
2 incurred in reviewing any request by Contractor to assign, subcontract, or delegate its  
3 duties hereunder.

#### 4 **6.10 Laws to Govern/Venue; Attorneys' Fees.**

5 This Contract shall be governed by the laws of the State of Washington both as to  
6 interpretation and performance. Venue shall be in Superior Court in the State of  
7 Washington for Snohomish County. The substantially prevailing party in any litigation  
8 arising out of this Contract shall be entitled to an award of its reasonable attorneys' fees.

#### 9 **6.11 Compliance With Law**

10 The Contractor, its officers, employees, agents and subcontractors shall comply fully with  
11 all applicable federal, state, county, regional or local laws, statutes, rules, regulations or  
12 ordinances, including without limitation those of agencies having jurisdiction over the  
13 project, in performing its obligations under the Contract. Such compliance shall include  
14 abiding by all applicable federal, state and local policies, including without limitations the  
15 Americans with Disabilities Act, the Architectural Barriers Act, and Washington State Law  
16 against discrimination to ensure equal employment opportunity and non-discrimination.  
17 The Contractor shall comply with all applicable laws pertaining to employment practices,  
18 employee treatment and public contracts.

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

28 Without limitation of the above, the Contractor shall observe all weight-related laws and  
29 regulations in the performance of these services, including axle bridging and loading  
30 requirements.

#### 31 **6.12 Non-Discrimination**

32 The Contractor will not discriminate against any employee or applicant for employment  
33 because of age, race, religion, creed, color, sex, marital status, sexual orientation, political  
34 ideology, ancestry, national origin, or the presence of any sensory, mental or physical  
35 handicap, unless based upon a bona fide occupational qualification. The Contractor will  
36 take affirmative action to ensure that applicants are employed, and that employees are  
37 treated during employment, without regard to their creed, religion, race, color, sex, sexual  
38 orientation, national origin, or the presence of any sensory, mental or physical handicap.  
39 Such action shall include, but not be limited to the following: employment upgrading;  
40 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of  
41 pay or other forms of compensation; and, selection for training, including apprenticeship.  
42 The Contractor agrees to post in conspicuous places, available to employees and

1 applicants for employment any required notices setting forth the provisions of this non-  
2 discrimination clause.

3 **6.13 Permits and Licenses**

4 The Contractor and subcontractors shall pay fees and taxes levied by the City. The  
5 Contractor shall obtain and maintain all permits and licenses necessary to provide the  
6 services herein at its sole expense.

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

14 **6.14 Relationship of Parties**

15 The City and Contractor intend that an independent City/Contractor relationship shall be  
16 created by this Contract. The implementation of services shall lie solely with the  
17 Contractor. No agent, employee, servant or representative of the Contractor shall be  
18 deemed to be an employee, agent, servant or representative of the City, and no agent,  
19 employee, servant or representative of the City shall be deemed to be an employee,  
20 agent, servant or representative of the Contractor.

21 **6.15 Bankruptcy**

22 It is agreed that if an order for relief is entered with respect to Contractor in any voluntarily  
23 or involuntarily case under the United States Bankruptcy Code (Title 11 of the United  
24 States Code), then this Contract, at the option of the City, may be terminated effective on  
25 the day and at the time of entry of such order for relief.

26 **6.16 Right to Renegotiate/Amendment**

27 The City and/or the Contractor shall retain the right to renegotiate this Contract or  
28 negotiate contract amendments based on policy changes, state statutory changes or rule  
29 changes in Snohomish County, Washington State or federal regulations regarding issues  
30 that materially modify the terms and conditions of the Contract. The City may also  
31 renegotiate this Contract should any Washington State, Snohomish County or City rate  
32 or fee associated with the Contract be held illegal or any increase thereof be rejected by  
33 voters. In addition, the Contractor agrees to renegotiate in good faith with the City in the  
34 event the City wishes to change disposal locations or add additional services to the  
35 Contract and to provide full disclosure of existing and proposed costs and operational  
36 impacts of any proposed changes. Failure of the parties to reach agreement on any such  
37 matter shall not result in a termination of this Contract or any right to terminate this  
38 Contract in favor of either party.

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

1 **6.17 Force Majeure**

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

14 In the case of a labor disruption, the following terms and conditions apply:

- 15 (1) Contractor immediately shall inform the City whenever it becomes apparent to the  
16 Contractor that a labor disruption that may affect the Contractor's performance is  
17 imminent.
- 18 (2) During any labor disruption, Contractor shall provide daily reports to the City  
19 regarding the company's progress toward meeting full service requirements.
- 20 (3) Contractor shall develop, provide the City with, and implement a Customer  
21 outreach plan regarding the labor disruption, which shall inform customers as to  
22 what they may expect, and how they may contact Customer Service.
- 23 (4) Contractor shall use all reasonable, practicable means to resume regularly  
24 scheduled service to all Customers within five business days after the beginning  
25 of a labor disruption that affects Contractor's ability to perform, not including the  
26 first day of the labor disruption. Resuming regularly scheduled services within five  
27 business days is presumptively reasonable and practicable.
- 28 (5) Prior to the resumption of regularly scheduled service, the contractor shall collect  
29 Garbage, Recyclables and Yard Debris from Customers with interrupted service  
30 on the next succeeding workday, which shall include Saturdays.
- 31 (6) Contractor shall collect all accumulated solid waste at the Customer's next  
32 regularly scheduled service date after service affected by a labor disruption is  
33 resumed. The Contractor will not charge for extra waste set out in addition to  
34 Customers' normal receptacle(s) in such a case if the amount of extra waste does  
35 not exceed the amount that reasonably would be expected to accumulate due to  
36 any intervening missed service.
- 37 (7) The Contractor is not obligated to extend credit to missed Customers who fail to  
38 receive service during a labor disruption if the Contractor collects the Customers'  
39 accumulated solid waste as required above and if the Contractor did not  
40 unreasonably delay the restoration of service during the five business day grace  
41 period. If the Contractor does not collect all of a Customer's accumulated solid  
42 waste as required above, or if the Contractor unreasonably delays the restoration  
43 of service during the five business day grace period, then Contractor shall give a

1 credit to the Customer, proportionate to the Customer's monthly service charge,  
2 for all missed services and for each subsequent missed service until normal  
3 service is restored.

4 (7) When the labor disruption has been settled, the Contractor promptly shall notify  
5 the City and shall indicate when normal service is anticipated to resume.

#### 6 **6.20 Waiver**

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

#### 12 **6.21 Entirety**

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

#### 17 **6.22 Severability**

18 At the discretion of the City, if, for any reason, any part, term or provision of this Contract  
19 is held by a court of the United States to be illegal, void or unenforceable, the validity of  
20 the remaining provisions shall not be affected, and the rights and obligations of the parties  
21 shall be construed and enforced as if the Contract did not contain the particular provision  
22 held to be invalid.

23 If it should appear that any provision hereof is in conflict with any statutory provision of  
24 the State of Washington, said provision, which may conflict therewith, shall be deemed  
25 inoperative and null and void insofar as it may be in conflict therewith, and shall be  
26 deemed modified to conform to such statutory provisions.

27 **6.23 Regulatory Authority Preserved.** Nothing herein shall be construed as waiving,  
28 abridging, or otherwise limiting the City of Monroe's regulatory authority, which the City  
29 hereby expressly reserves in full.

30 **6.24 Remedies Cumulative.** The remedies and rights of the City hereunder shall be  
31 deemed cumulative. Unless expressly stated herein, the City's exercise of any particular  
32 remedy or rights shall not preclude the City's further and additional exercise of any other  
33 applicable remedy or right.

34 **6.25 No Third-Party Beneficiaries.** This Contract is for the exclusive benefit of the  
35 signatory parties hereto, and may only be enforced by said parties. Nothing herein shall  
36 be construed as vesting any right or privilege in or for any other party.

37 **6.26 Current Contract Superseding.** This Contract replaces, terminates and  
38 supersedes the "Comprehensive Garbage, Recyclables and Yard Debris Collection  
39 Contract" dated September 1, 2010 – August 31, 2017 which shall hereinafter have no  
40 force and effect whatsoever except for obligations thereunder which expressly or by  
41 implication are intended to survive termination.

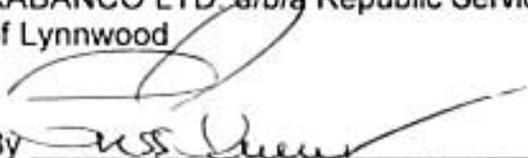
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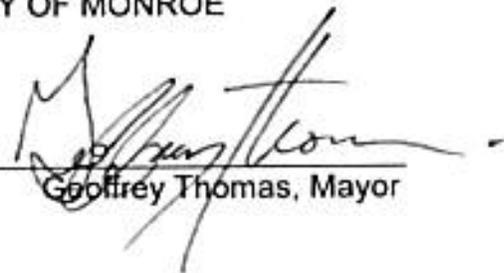
THE REST OF THIS PAGE INTENTIONALLY IS BLANK – SIGNATURES FOLLOW

1 WITNESS THE EXECUTION of this Comprehensive Garbage, Recyclables and Yard  
2 Debris Collection Contract on the day and year first herein above written.

3 RABANCO LTD. d/b/a Republic Services  
4 of Lynnwood

CITY OF MONROE

5  
6  
7 By   
8 Gregg Brummer, Area President

By   
Geoffrey Thomas, Mayor

*Vice President  
11/2/14  
BT 12/6/16*

- 9  
10  
11 **Attachments:**  
12 A: Contractor Rates  
13 B: City Service Area

## ATTACHMENT A – CONTRACTOR'S RATES

### MONROE RATES

#### Residential Service:

Garbage per 20 gal can / cart weekly	\$8.99
Garbage per 32 gal can / cart weekly	\$14.32
Garbage per 64 gal cart weekly	\$23.72
Garbage per 96 gal cart weekly	\$31.34
Garbage 1 32 gal can per month	\$5.85

Senior Garbage per 20 gal can / cart weekly	\$6.31
Senior Garbage per 32 gal can / cart weekly	\$10.02
Senior Garbage per 64 gal cart weekly	\$16.60
Senior Garbage per 96 gal cart weekly	\$21.94
Senior Garbage 1 32 gal can per month	\$4.10

Yard Debris 1 cart weekly	\$7.98
Yard Debris additional cart weekly	\$6.78
Senior Yard Debris 1 tote weekly	\$5.59

Recycling weekly per cart Residential or per unit Multifamily (required)	\$4.37
Senior Recycling weekly per cart (required)	\$3.06

Garbage Distance Drive In Flat	\$4.96
Garbage Extra Bag, Box, or Can	\$5.42
Garbage Overweight Can	\$5.42
Garbage Return Trip Fee	\$12.75
Garbage Yardage	\$17.60

**Commercial Garbage Service:**

Commercial Garbage 1 32 gal can / cart weekly	\$21.48
Commercial Garbage per 64 gal cart weekly	\$29.85
Commercial Garbage per 96 gal cart weekly	\$44.27

1 yard container weekly	\$82.92
1 yard container 2X weekly	\$163.77
1 yard container 3X weekly	\$244.61
1 yard container 4X weekly	\$325.46
1 yard container 5X weekly	\$406.31
1 yard container special pickup	\$24.18
Monthly rental per 1 yard container	\$6.87

1.5 yard container weekly	\$113.54
1.5 yard container 2X weekly	\$224.24
1.5 yard container 3X weekly	\$334.94
1.5 yard container 4X weekly	\$445.64
1.5 yard container 5X weekly	\$556.35
1.5 yard container special pickup	\$30.23
Monthly rental per 1.5 yard container	\$7.66

2 yard container weekly	\$144.33
2 yard container 2X weekly	\$285.05
2 yard container 3X weekly	\$425.77
2 yard container 4X weekly	\$566.50
2 yard container 5X weekly	\$707.22
2 yard container special pickup	\$36.47
Monthly rental per 2 yard container	\$9.23

3 yard container weekly	\$202.31
3 yard container 2X weekly	\$399.56
3 yard container 3X weekly	\$596.81
3 yard container 4X weekly	\$794.07
3 yard container 5X weekly	\$991.32
3 yard container special pickup	\$51.73
Monthly rental per 3 yard container	\$13.07

4 yard container weekly	\$248.84
4 yard container 2X weekly	\$491.46
4 yard container 3X weekly	\$734.08
4 yard container 4X weekly	\$976.70
4 yard container 5X weekly	\$1,219.32
4 yard container special pickup	\$57.40
Monthly rental per 4 yard container	\$14.85

6 yard container weekly	\$324.98
6 yard container 2X weekly	\$641.84
6 yard container 3X weekly	\$958.69
6 yard container 4X weekly	\$1,275.55
6 yard container 5X weekly	\$1,592.40
6 yard container special pickup	\$76.17
Monthly rental per 6 yard container	\$17.25

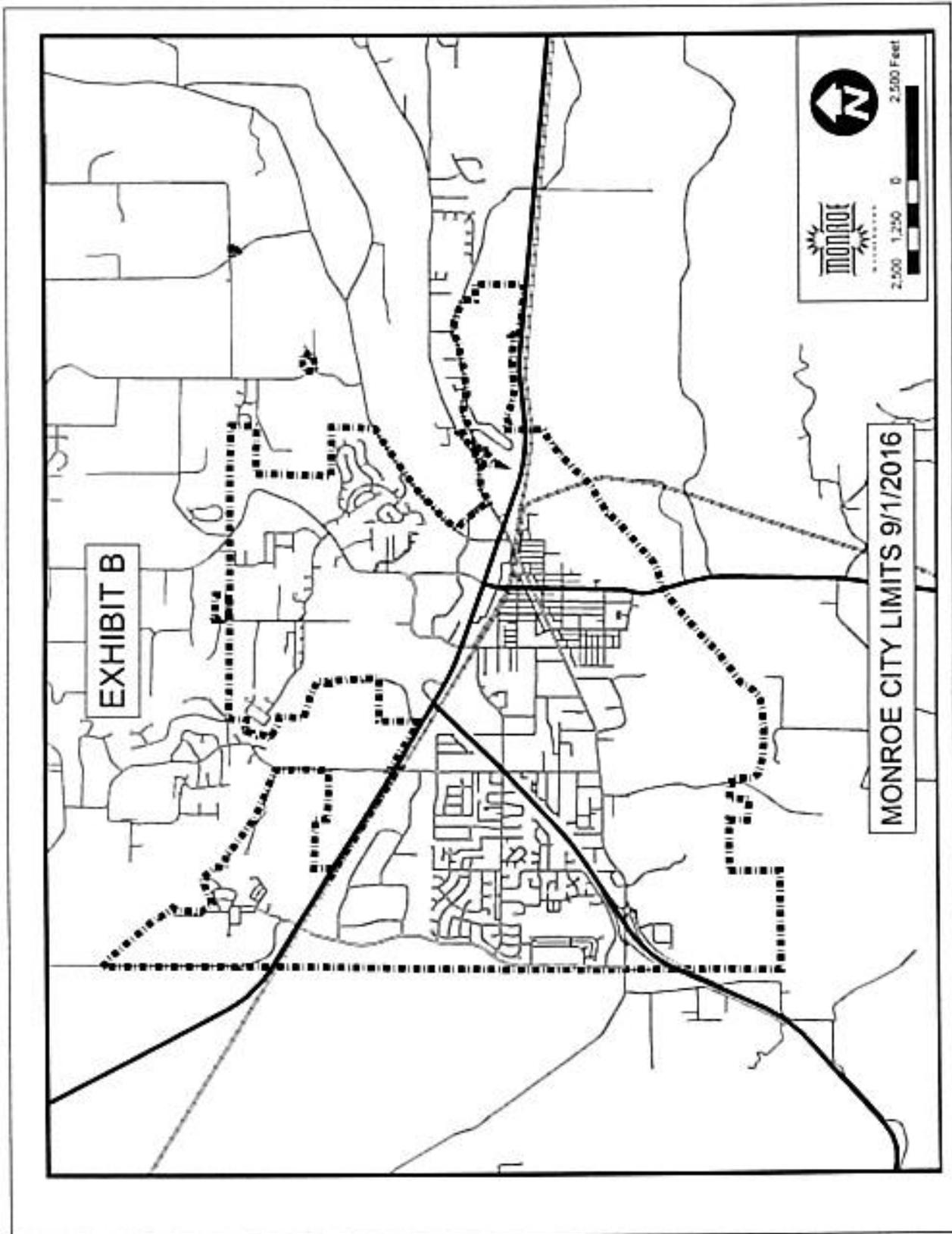
8 yard container weekly	\$414.87
8 yard container 2X weekly	\$819.37
8 yard container 3X weekly	\$1,223.87
8 yard container 4X weekly	\$1,628.36
8 yard container 5X weekly	\$2,032.86
8 yard container special pickup	\$96.07
Monthly rental per 8 yard container	\$20.27

4 yard compactor weekly	\$1,152.64
6 yard compactor weekly	\$1,506.08

10 - 40 yard container haul	\$288.15
Compactor container haul	\$308.15
Monthly rental 30 yard container	\$58.76
Monthly rental 40 yard container	\$69.29

Commercial Garbage extra bag, box, or can	\$4.99
Commercial Garbage extra yard	\$21.26
Commercial Garbage lock	\$16.02
Commercial Garbage return trip charge	\$11.73

**ATTACHMENT B – CITY SERVICE AREA**



City of Monroe  
**Comprehensive Garbage, Recyclables and Yard Debris Collection Contract**

AB16-150  
January 1, 2017  
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