ORIGINAL
1 of 2

Solid Waste Collection Contract

Between

City of Seattle and
Recology King County, Inc.

Contract # 17-076-B

April 1, 2019 – March 31, 2029

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Solid Waste Collection Contract

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Attachment 1 –Unit Payments for Year 1
Collection services unit payments effective April 2019

Attachment 2 - Prevailing Wages
Wages for waste collection workers effective April 2019.

Attachment 3 – Collection Map
Map of Collection Area inserted after Contract negotiation and signing.

Attachment 4 – Operations Plan
Operations Plan developed jointly by Contractor and City after Contract signing.

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SOLID WASTE COLLECTION CONTRACT
BETWEEN THE CITY OF SEATTLE
AND RECOLOGY KING COUNTY, INC.

THIS SOLID WASTE COLLECTION CONTRACT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington by and through Seattle Public Utilities (SPU)("City"), and Recology King County, Inc. ("Contractor") to provide for collection of Garbage, Compostables, and Recyclables from Residential Structures and Commercial Establishments, and to provide for collection of Street Side Litter and Public Place Recycling Containers located within the Collection Area (each capitalized term as hereinafter defined).

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

GENERAL PROVISIONS

Section 10. Purpose and Intent.

The purpose of this Contract is to provide for the collection within a specified service area of Garbage, Compostables and Recyclables by the City through this Contract with the Contractor, and through a similar contract(s) for other specified service area(s) with another collection company. The City intends for the Contractor and the other contracted collection company to be the only providers of Garbage Collection, Residential Compostables collection, and Residential Recyclables collection services in the City. However, commercial Compostables collection, commercial Recyclables collection, Street Side Litter Collection, and Public Place Recycling Collection are not exclusive and may be provided by other service providers outside of City contracts. Contractor shall collect Garbage, Compostables and Recyclables from Residential Structures and Commercial Establishments and provide Street Side Litter Collection, and Public Place Recycling Collection in the Collection Area defined below in Section 25.

The City reserves the right to engage in product stewardship and/or waste reduction activities. These activities could result in a reduction in quantities available or one or more materials being removed from collection by mutual agreement between the City and the Contractor.

Section 20. Contract Term.

This Contract is entered into on this 14th day of May, 2018. Actual collection services will begin April 1, 2019 and continue for a term of ten years, ending at midnight March 31, 2029. The City shall have the unilateral right to extend this Contract for two successive two-year periods to March 30, 2031 or April 3, 2033 by notifying the Contractor on or before June 30, 2028 and June 30, 2030, respectively. If the City extends this Contract, the same terms, conditions, and method of payment in place at the time of extension shall apply during the extension period.

Section 25. <u>Collection Area.</u>

The Contractor shall provide all collection services called for in this Contract within the following geographic area(s):

> *Zone 2.* The northern boundary shall be the north city limits of the City of Seattle. The eastern boundary shall be Lake Washington. The southern boundary shall be the Lake Washington Ship Canal. The western boundary shall be Interstate 5.
>
> *Zone 3.* The northern boundary shall be the Lake Washington Ship Canal. The eastern boundary shall be Lake Washington. The southern boundary, east to west, shall be Yesler Way to Interstate 5, south on Interstate 5 to Interstate 90, Interstate 90 to Lake Washington. The western boundary shall be Puget Sound.

Section 30. <u>Definitions.</u>

In addition to capitalized terms that are defined elsewhere, the following definitions apply:

“Bulky Items” mean Garbage or Recyclables that do not fit in regular Containers or requires special handling, such as small and large appliances, white goods, furniture, mattresses, water heaters, wood scraps, foam packaging, textiles, propane camp canisters and other items as agreed by the City and Contractor.

“Can” means a watertight, galvanized, sheet metal or plastic receptacle not exceeding 32 gallons in capacity, fitted with at least one sturdy handle and a tight cover equipped with a handle, except in the case of sunken cans, such can shall be rodent and insect proof and shall be kept in a sanitary condition at all times. Alternate containers such as bags, boxes and bundles may be used in place of Cans. Can weights, when full, shall not exceed 20 pounds for a micro can, 30 pounds for a mini can and 60 pounds for 32 gallons. Bag weights shall not exceed 40 pounds.

"Cart" means a 20, 35, 64 or 96-gallon plastic Container equipped with wheels, handles and a tight-fitting cover and capable of being mechanically unloaded into the Contractor’s collection vehicles.

“City” means the City of Seattle.

“Collection Area” means that portion of the City in which the Contractor provides collection services as described in Section 25.

"Commercial Establishment" means any non-Residential location, including institutions, from which the Garbage is collected by the Contractor, and includes the non-residential portion of Mixed Use Buildings.

"Commercial Waste" means Garbage collected from Commercial Establishments.

"Compacted Material" means material which has been compressed by any mechanical device either before or after it is placed in the receptacle handled by the collector.

"Compactor Disconnect/Reconnect Cycle" means the service of disconnecting a compactor from a Drop Box or container prior to taking it to be dumped and then reconnecting the compactor when the Drop Box or container is returned to the customer's site.

"Compostables" means any organic waste materials that are source separated for processing or composting, such as Yard Waste, Food Waste, wood waste, and City-approved compostable bags and food service ware, as generated by any Residential Structure or Commercial Establishment.

"Container" means any metal or plastic receptacle used for Garbage, Compostables, Recyclables, Street Side Litter and Public Place Recyclables collection in this Contract, including, but not limited tobags, Cans, Carts, Detachable Containers and Drop Boxes.

"Construction Waste" means waste from building demolition and construction such as scraps of wood, concrete, masonry, drywall, masonry, roofing, siding, structural metal, wire, fiberglass insulation, composition roofing and roofing paper, other building materials, plastics, Styrofoam, twine, baling and strapping materials, cans and buckets, and other packaging materials and containers.

"Contractor" means Recology King County, Inc.

"Curb Collection" means collection from Residential Structures or Commercial Establishments of Garbage, Recyclables, or Compostables in Carts or Cans that are near a curb or alley consistent with Sections 660 and 670, except that Curb Collection of Garbage is not provided to Commercial Establishments.

"Cycle Time" is the elapsed time from scale weigh in to scale weigh out at a Disposal Facility.

"Detachable Container" means a watertight, all-metal or plastic Container, between three quarter (3/4) and eight (8) cubic yards in capacity and equipped with a tight-fitting metal or plastic cover. The term shall also apply to Containers of other material of similar size when approved by the City. Detachable Containers two (2) cubic yards and under shall be equipped with at least four (4) wheels. Detachable Containers shall have no jagged edges or holes and shall meet the provisions of the Seattle Fire Code. Detachable Containers shall also be prominently marked in letters no less than four inches high with a capacity label as approved by the City.

"Disposal Facility" means both Public and Private Transfer Facilities designated by the City for the tipping of Garbage, Recyclables and Compostables.

"Drop Box" (also at times referred to as “roll off” or “lugger” or “dino”) means a metal container, with 10-40-cubic-yard-capacity capable of being mechanically loaded onto a collection vehicle for transport to a Disposal Facility.

"Drop Box Collection" means the collection of Garbage, Recyclables, or Compostables by means of a Drop Box.

"Duwamish Industrial Area (DIA)" means that area of the City bounded on the north by I-90/Elliott Bay, on the west by West Marginal Way (the western boundary extends west to Detroit Avenue between S.W. Michigan Street and S.W. Kenyon Street), on the south by the south City limits, and on the east by I-5.

"Electronics" means household batteries, compact fluorescent light bulbs (CFLs) (not including fluorescent tubes), televisions, computer equipment, radios, calculators, video and audio equipment, phones, cameras, and similar electronic devices which contain circuit boards. Electronics are further defined as "hand-held" Electronics, which are Electronics that are held in the hand such as phones, cameras, hand-held music players, etc.; "screened" Electronics, which are Electronics with screens such as TV's, computer monitors, etc.; and "other" Electronics which are Electronics that are not held-held or screened, such as CPU's, keyboards, table radios, DVD players, etc. Electronics do not include speakers, small appliances or other household products. Electronics cannot exceed 2'x2'x2' or weigh over 60 pounds.

“Food Waste” means vegetable and other food scraps, including meat, dairy products, grease and bones; paper which has been contaminated with food, fat or grease; and compostable paper including paper towels, paper plates, tissue and waxed paper.

“Garbage” means the same as MSW.

“General Manager” means the General Manager/CEO of Seattle Public Utilities or her/his authorized representative.

“Mixed Use Building” means a building with both Residential and Commercial Solid Waste.

"MSW" means Solid Waste excluding Special Wastes, Unacceptable Wastes, Recyclables, Compostables and Construction Waste.

“Onsite Collection” means collection of Garbage, Recyclables, or Compostables from Containers that are onsite at Residential Structures or Commercial Establishments consistent with Section 680, except that Onsite Collection is not provided to single-family Residential Structures and Onsite Collection of Recyclables is not provided to Commercial Establishments.

“Operations Plan” means a plan of detailed procedures and specifications to support Contract implementation and operations, mutually developed the City and Contractor, as described in Section 1430.

"Permanent Service" means service provided for a period of more than ninety days.

"Private Transfer Stations" means transfer stations or facilities located within the City that a private entity may operate at present and/or in the future for handling the City's Solid Waste.

"Public Place Recycling Collection" means collection of Recyclables from City supplied Containers located on the public right of way.

"Retail Rate" means the charges assessed to customers for Garbage, Recyclables, and Compostables collection services provided by the Contractor under this Contract.

"Recyclables" means mixed waste paper; cardboard; newspaper; tin cans; aluminum cans, pots, pans, foil and food containers; glass bottles and jars; plastic bottles, jars, cups, food containers (excluding Styrofoam), rigid plastics 1-7, planter pots and five (5) gallon buckets; bagged plastic bags; poly-coated paper; aseptic packaging; and ferrous scrap less than two (2) feet in any direction and less than 35 pounds. Used cooking and motor oil shall be collected separately outside of the Cart or Container.

"Recycle" or "Recycling" means transforming or remanufacturing waste materials into usable or marketable materials for use other than incineration (including incineration for energy recovery) or other methods of disposal.

"Residence" or "Residential" means any house, dwelling, multiunit residence, apartment house, trailer court, assisted living residence or any building or portion of a building put to residential use.

"Residential Structure" means all structures put to residential use, including Mixed Use Buildings, and City buildings that the City bills for Garbage collection services.

"Residential Waste" means Garbage collected from Residential Structures within the City.

"Solid Waste" means all putrescible and non-putrescible solid and semisolid wastes, including but not limited to garbage, recyclables, rubbish, yard waste, ashes, industrial wastes, infectious wastes, swill, demolition and construction wastes, abandoned vehicles or parts thereof. The term includes all liquid, solid and semisolid materials, which are not the primary products of public, private, industrial, commercial, mining and agricultural operations. Solid Waste includes, but is not limited to, sludge from wastewater treatment plants, seepage from septic tanks, wood waste, dangerous waste, and problem wastes.

"SMC" means Seattle Municipal Code.

"Special Item Recycling" means collection or drop-off of small appliances, small propone camping canisters, foam packaging, textiles, and wood scraps.

"Special Pickup" means a pickup requested by the customer or the City at a time other than the regularly scheduled pickup time.

"Special Waste" means contaminated soils, asbestos and other waste requiring special handling or disposal procedures.

"Street Side Litter Collection" means collection of Garbage from City-supplied Containers located on public right-of-way.

"Temporary Service" means service that is required for a period of ninety days or less in conjunction with Containers or Drop Boxes. Temporary Service and its associated rates are not to be used for the first ninety days of service when the customer requests, and the Contractor provides, service for more than ninety days.

"Textiles" means both reusable and non-usable rag stock.

"Unacceptable Waste" means all waste not authorized for disposal at the Columbia Ridge Landfill and Recycling Center or successor site designated by the City, by those governmental entities having jurisdiction or any waste the disposal of which would constitute a violation of any governmental requirement pertaining to the environment, health or safety. Unacceptable Waste includes any waste that is now or hereafter defined by federal law or by the disposal jurisdiction as radioactive, dangerous, hazardous or extremely hazardous waste and vehicle tires in excess of those permitted to be disposed of by the laws of the disposal jurisdiction.

“Yard Waste” means plant material (leaves, grass clippings, branches, brush, flowers, roots, wood waste, etc.); debris commonly thrown away in the course of maintaining yards and gardens, including sod and a small number of incidental rocks not over two (2) inches in diameter; and biodegradable bags or waste approved for the Yard Waste programs by the City. Yard Waste does not include loose soils; plastics and synthetic fibers; treated wood; any wood or tree limbs over four (4) inches in diameter; human or animal excrement; noxious weeds and soil contaminated with hazardous substances.

Section 40. <u>City Responsibilities.</u>

The City shall be responsible for:

1. Establishing service levels and Retail Rates to be charged customers;

2. Directing all collected Garbage, Compostables and Recyclables to Public or Private Transfer Stations in accordance with the terms of this Contract;

3. Paying all acceptance fees for Garbage, Compostables and Recyclables delivered by Contractor to the specified Public or Private facility;

4. Assuming bad debts of customers related to billings for City collection services;

5. Paying compensation to the Contractor for its services pursuant to this Contract;

6. Paying and remitting applicable taxes which are imposed by a taxing authority directly on Commercial Garbage customers to the proper taxing authority;

7. Paying and remitting applicable taxes which are imposed for waste transfer for any Garbage collected and tipped under this Contract by the Contractor;

8. Inspecting Contractor services, mediating and adjusting customer grievances. The City may require special and other services as contemplated in this Contract;

9. Evaluating performance and adjusting payment for performance incentives and fees, as per Sections 130, 140, and 150 and other relevant Sections; and,

10. Providing customer service and billing for Residential customers and identifying each Residential customer's service level and type of collection service to the Contractor.

Section 50. <u>City Representations and Warranties.</u>

The City represents and warrants to the Contractor as follows:

1. <u>Organization and Qualification</u>. The City is a municipal corporation and has all requisite corporate power and authority to enter into and to perform its obligations under this Contract.

2. <u>Authority</u>.

   a) The City has the authority to execute this Contract, to make the representations and warranties set forth in it and to perform the obligations of the City under this Contract in accordance with its terms.

   b) This Contract has been validly executed and constitutes a valid and legally binding and enforceable obligation of the City.

Section 60. <u>Contractor Responsibilities.</u>

The Contractor shall be responsible for:

1. Furnishing all skill, labor, equipment, materials, supplies and utility services required for providing all services in accordance with this Contract;

2. All actions and activities of its subcontractors;

3. Supplying all records and information required by this Contract;

4. Performing all work in a timely, thorough and professional manner;

5. Securing at Contractor's expense all governmental permits and licenses and required regulatory approvals (including those required by City ordinance);

6. Delivering all collected Garbage, Compostables and Recyclables to a Public or Private Transfer Station or facility as directed by the City in accordance with this Contract;

7. Assisting Commercial Establishments with service issues;

8. Billing Commercial Establishments for City collection services in accordance with Retail Rates and procedures established by the City;

9. Acting as agent for the City for taxes imposed on solid waste bills for Commercial Establishments, and on rental, collection, and ancillary services, by billing for Retail Rates established by the City, which include taxes, and by forwarding those payments, including taxes, to the City for payment by the City of taxes to the appropriate taxing authority;

10. In addition to paying appropriate taxes on services not compensated by the City, remitting B&O taxes levied against the Contractor, on the basis of compensation paid to the Contractor by the City, to the appropriate taxing authority;

11. Transferring customer payments for City collection services (including container rental, collection, ancillary services and disposal payments, and taxes thereon) to the City in accordance with this Contract;

12. Complying with all applicable laws and regulations, including meeting all pertinent local, state and federal health and environmental laws, regulations, and standards applying to collection of Garbage, Compostables, and Recyclables; and

13. All wage increases for Contractor's collectors or other employees, any benefits or added costs resulting from changes in technology, laws and regulations, labor practices, availability of equipment, and other business risks that may affect the performance of this Contract, except as otherwise provided in this Contract.

Section 65. Incorporation of Contractor's Proposal.

The Contractor's Proposal, dated September 27, 2017, submitted in response to the City's Request for Proposals, is fully incorporated by this reference, including but not limited to collection vehicles, containers, performance systems and approach, outreach and assistance staffing and approach, customer service approach and response, and other commitments made in the Contractor's proposal and all associated clarifications and supplemental proposal materials or attachments. In the case of conflict between the Contractor's proposal and this Contract, the provisions of this Contract shall prevail.

Section 70. <u>Contractor Representations and Warranties.</u>

The Contractor represents and warrants to the City as follows:

1. Organization and Qualification. The Contractor is duly incorporated, validly existing and in good standing under the laws of the state of Washington, and has all requisite corporate power and authority to enter into and to perform its obligations under this Contract.

2. Authority.

   a) The Contractor has the authority to execute this Contract, to make the representations and warranties set forth in it and to perform the obligations of Contractor under this Contract in accordance with its terms.

   b) This Contract has been validly executed by an authorized representative of the Contractor and constitutes a valid and legally binding and enforceable obligation of Contractor.

3. Government Authorizations and Consents. The Contractor has or will obtain prior to the commencement date such licenses, permits and other authorizations from federal, state and other governmental authorities, as are necessary for the performance of its obligations under this Contract.

4. Compliance with Laws. The Contractor is not in violation of any applicable law, ordinance or regulation the consequence of which will or may materially affect Contractor's ability to perform its obligations under this Contract. The Contractor is not subject to any order or judgment of any court, tribunal or governmental agency which materially and adversely affects its operations or assets in the state of Washington, or its ability to perform its obligations under this Contract.

5. Accuracy of Information. None of the representations or warranties in this Contract, and none of the documents, statements, certificates or schedules furnished or to be furnished by Contractor pursuant hereto or in connection with the performance of the obligations contemplated under this Contract, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements of fact contained therein not misleading.

6. Independent Examination. In accepting these responsibilities, the Contractor represents and affirms that it has made its own examination of all conditions, facilities and properties affecting the performance of this Contract and of the quantity and expense of labor, equipment, material needed, and of applicable taxes, permits, and laws. The Contractor affirms that within the Collection Area it is aware of the present placement of collection Containers for Garbage, Compostables and Recyclables. The Contractor represents and warranties that it is capable of continuing to collect these Containers from their present locations.

Section 75. Compliance with Law

The Contractor, at its sole cost and expense, shall perform and comply with all applicable laws of the United States and the State of Washington; the Charter, Municipal Code, and ordinances of the City of Seattle; and rules, regulations, orders, and directives of their respective administrative agencies and officers.

Section 80. Control of Waste.

Pursuant to its authority under Washington State law, the City by this Contract authorizes the Contractor to act as its agent for the collection and delivery of Garbage, Compostables, and Recyclables from Residential Structures and Commercial Establishments in the City to Disposal Facilities as directed by the City. The City's rights of ownership and control over the Garbage, Compostables and Recyclables collected under this Contact vest upon the collection of the Garbage, Compostables and Recyclables; provided, however, that the original owner has the right of recovery to any valuable items inadvertently discarded that can be reasonably retrieved prior to final disposal.

Section 85. Excluded Services.

This Contract does not include collection or disposal of Special Waste, Unacceptable Waste or Construction Waste (with the exception of Residential Construction Waste collected in Carts or Detachable Containers as directed by the City).

This Contract does not necessarily include service to federal facilities, the Seattle Housing Authority, the Seattle School District, the University of Washington; or Compostables or Recyclables service to specific multifamily Residential Structures excluded by the City. These entities, however, may elect, at any time during the term of this Contract, to receive collection services from the City under this Contract and the Contractor agrees that upon request by the City, those collection services shall be governed by this Contract as long as such request remains in effect. The Contractor shall be free to solicit and contract for collection services to such excluded facilities independent of this Contract if they are not being served under this Contract.

However, if the University of Washington, or the Seattle Housing Authority in its entirety elects to receive collection services from the City, the Contractor and the City will negotiate the Contractor payment terms for such service. In addition, the City will negotiate Contractor payment terms if annexation causes an increase in the amount of collections performed by the Contractor.

Section 90. Commercial Recycling.

The City reserves the right to promote and contract for Recycling of any component of the Commercial Waste stream not covered by this Contract at any time during the term of the Contract. The City shall be under no obligation to contract with the Contractor for the collection of any other such Recyclable Materials. The City reserves the right to establish Retail Rates for Recyclables collection.

Section 95. <u>City Sets All Retail Rates to Customers.</u>

The City shall retain the authority to set Retail Rates for all services to customers under this Contract. Retail Rates shall be established by City ordinance. The City's rate ordinances shall specify the container size categories and service levels (frequency of services) that shall be made available to the customers by the Contractor. The Retail Rates, service categories and service levels offered by the City may be changed at any time and as many times during the Contract as the City deems appropriate, so long as after the start of the Contract the Contractor is provided sixty (60) days notice of any change of Retail Rate, service category, or service level, provided that if such change constitutes a change in the scope of services then the parties shall agree upon the terms of Contractor's compensation. Customers shall be charged for services pursuant to Retail Rates established by the City.

COMPENSATION

Section 100. <u>Payment for Collection Services in 2019.</u>

The City will pay the Contractor monthly for all services under this Contract an amount derived by combining the following amounts:

1. **Curb Collection from Garbage Carts and Cans:** During the first year of collections (April 1, 2019 - March 31, 2020), the monthly sum of **$526,947** for collection of Garbage from all Residential Structures receiving Garbage Curb Collection and any per unit and ancillary service payments per Attachment 1;

2. **Curb Collection from Recyclables Carts and Cans:** During the first year of collections (April 1, 2019 - March 31, 2020) the monthly sum of **$362,312** for collection of Recyclables from all Residential Structures and Commercial Establishments receiving Recyclables Curb Collection and any per unit and ancillary service payments per Attachment 1;

3. **Curb Collection from Compostables Carts and Cans:** During the first year of collections (April 1, 2019 - March 31, 2020), the monthly sum of **$659,564** for collection of Compostables from all Residential Structures and Commercial Establishments receiving Compostables Curb Collection and any per unit and ancillary service payments per Attachment 1;

4. **Onsite Collection from Garbage Containers:** During the first year of collections (April 1, 2019 - March 31, 2020), the monthly sum of **$544,410** for Onsite Collection of Garbage from all Commercial Establishments receiving Cart, Can and bag Service, and for Onsite Collection of Garbage from all Residential Structures and Commercial Establishments receiving Detachable Container or Drop Box service, plus the unit collection prices for each Container collection and any ancillary service payments per Attachment 1;

5. **Onsite Collection from Recyclables Containers:** During the first year of collections (April 1, 2019 - March 31, 2020), the monthly sum of **$130,662** for collection of Recyclables from all multifamily Residential Structures receiving Onsite Collection of Recyclables, plus the unit collection prices for each Container collection and any ancillary service payments per Attachment 1;

6. **Onsite Collection from Compostables Containers:** During the first year of collections (April 1, 2019 - March 31, 2020), the monthly sum of **$77,853** for collection of Compostables from all Residential Structures and Commercial Establishments receiving Onsite Collection of Compostables, plus the unit collection prices for each container collection and any ancillary service payments per Attachment 1;

7. **Street Side Litter and Public Place Recycling Collections:** During the first year of collections (April 1, 2019 - March 31, 2020), the monthly sum of **$39,618** for collection of Street Side Litter and Public Place Recycling Containers, pus the unit collection prices for these two services and any ancillary service payments in Attachment 1;

8. The City will add payments for the following collection services requested by City or Customer and competed by Contractor and listed in Attachment 1:

   Special collections requested
   Container deliveries requested
   Special items collection requested
   Litter and public recycle can maintenance
   Additional ancillary services requested
   Maintenance and cleaning services requested

9. Deductions and withholdings under relevant sections and performance payments, charges, or penalties under Sections 130, 140, and 150.

Section 110. Inflation Adjustment.

The City will compute inflation-adjusted payment amounts annually for both fixed and per-unit payments to the Contractor for the contract year beginning in April 2020 and later contract years as described below.

The “Inflation Adjustment Factor” will be a weighted composite of three federal prices indices: 1) the second-half annual consumer price index for Urban Wage Earners and Clerical Workers for the Seattle-Tacoma-Bellevue Area, Series ID No. CWURS49DSA0 , or successor indices, which will have a weight of **42%**, 2) the Energy Information Agency West Coast (PADD 5) Annual Retail Diesel Price Series, or successor index, which will have a weight of **8%**, and 3) the Employment Costs Index for Total Compensation for Private industry workers in administration and support and waste management and remediation services (National), Series ID No. CIU2015600000000I (B), or successor index, which will have a weight of **50%.** If the Contractor’s primary fuel is not diesel or

renewable diesel, then the City will identify a similar fuel index to align with the primary fuel use.

The Inflation Adjustment Factor, for the contract year beginning in April 2020, and for each subsequent contract year, will be calculated by taking the weighted average, based on the weights above, of the percentage difference between the three indices' most recent year-end values and the corresponding values for the year ending December 2018, and adding the result to 1.0.

This annual Inflation Adjustment Factor will be applied to all payments made under the Contract, unless otherwise noted herein.

Section 120. <u>Curb Collection Payment Adjustments.</u>

In addition to their annual adjustments for the Inflation Adjustment Factor defined in Section 110, the payments for Curb Collection of Garbage, Recyclables and Compostables listed in Sections 100.1 – 100.3 will also be adjusted annually for changes in their respective tonnages collected and structures served. The specific bases for these payment adjustment calculations are as follows:

1. **Garbage Curb Collection:** The compensation for Residential Garbage Curb Collection for each Collection Area in each contract year shall be calculated from the initial contract-year payment as modified by the Inflation Adjustment Factor, multiplied by two additional adjustment factors to account for changes in tons and structures served:

   The **"Tonnage Adjustment Factor"** for each Collection Area in each contract year will be based on the estimated tonnage of **Residential Curb Collection Garbage** collected by the Contractor in the Collection Area in the most recent calendar year, relative to the corresponding tonnage estimated to have been collected from that area during the calendar year 2019.

   The Tonnage Adjustment Factor, for the contract year beginning in April 2021, and for each subsequent contract year, will be calculated by taking **<u>50%</u>** of the percentage difference between the most recent calendar year's Residential Curb Collection Garbage tonnage collected in the Collection Area and the corresponding tonnage estimated to have been collected from that area for the calendar year 2019, and adding the result to 1.0.

   The **"Structure Adjustment Factor"** for each Collection Area in each contract year will be based on the number of **Residential Structures subscribing to Curb Collection Garbage** at year-end in the Collection Area.

   The Structure Adjustment Factor for each area, for the contract year beginning in April2020, and for each subsequent year, will be calculated by taking **<u>50%</u>** of the percentage difference between the number of relevant premises receiving active weekly service (and half the number of premises receiving every-other week service) in

that area in December of the most recent calendar year and the corresponding number of premises from December 2018, and adding the result to 1.0.

2. **Compostables Curb Collection:** The compensation for Compostables Curb Collection for each Collection Area in each contract year shall be calculated from the initial contract-year payment as modified by the Inflation Adjustment Factor, multiplied by two additional adjustment factors to account for changes in tons and structures served:

   The **"Tonnage Adjustment Factor"** for each Collection Area in each contract year will be based on the estimated tonnage of **Curb Collection Compostables** collected by the Contractor in the Collection Area in the most recent calendar year, relative to the corresponding tonnage estimated to have been collected from that area during the calendar year 2019.

   The Tonnage Adjustment Factor, for the contract year beginning in April 2021, and for each subsequent contract year, will be calculated by taking **50%** of the percentage difference between the most recent calendar year's Curb Collection Compostables tonnage collected in the Collection Area and the corresponding tonnage estimated to have been collected from that area for the calendar year 2019, and adding the result to 1.0.

   The **"Structure Adjustment Factor"** for each Collection Area in each contract year will be based on the number **Residential Structures and Commercial Establishments** in the Collection Area subscribing to **Curb Collections Compostables** services for the most recent calendar year-end.

   The Structure Adjustment Factor for each area, for the contract year beginning in April 2020, and for each subsequent year, will be calculated by taking **50%** of the percentage difference between the number or relevant premises in that area in December of the most recent calendar year and the corresponding number in December 2018, and adding the result to 1.0.

3. **Recyclables Curb Collection:** The compensation for Recyclables Curb Collection for each Collection Area in each contract year shall be calculated from the initial contract-year payment as modified by the Inflation Adjustment Factor, multiplied by two additional adjustment factors to account for changes in tons and structures served:

   The **"Tonnage Adjustment Factor"** for each Collection Area in each contract year will be based on the estimated tonnage of **Curb Collection Recyclables** collected by the Contractor in the Collection Area in the most recent calendar year, relative to the corresponding tonnage estimated to have been collected from that area during the calendar year 2019.

   The Tonnage Adjustment Factor for each Collection Area, for the contract year beginning in April 2021, and for each subsequent contract year, will be calculated by

taking **50%** of the percentage difference between the most recent calendar year's Curb Collection Recyclables collected in the Collection Area and the corresponding tonnage estimated to have been collected from that area for the calendar year 2019, and adding the result to 1.0.

The **"Structure Adjustment Factor"** for each Collection Area in each contract year will be based on the number of **Residential Structures and Commercial Establishments** receiving **Curb Collection Recycling** services in the Collection Area at year-end.

The Structure Adjustment Factor for each area, for the contract year beginning in April 2020, and for each subsequent year, will be calculated by taking **50%** of the percentage difference between the number of relevant premises in that area in December of the most recent calendar year and the corresponding number in December 2018, and adding the result to 1.0.

Section 125. Onsite Collection Payment Tonnage Adjustments.

In addition to annual inflation adjustments in Section 110, the monthly base payments for Onsite collection services, listed in Sections 100.4 - 100.6, will be adjusted annually, beginning in April 2021, for changes in relevant tonnages collected as follows:

1. The tonnage adjustment for the **Onsite Garbage Collection** base payments will be calculated by taking the **50%** of the percentage difference between the estimated tonnage of Garbage collected onsite from residential and commercial services in the Collection Area for the most recent calendar year, relative to the corresponding tonnage estimated collected during the calendar year 2019, and adding the result to1.0.

2. The tonnage adjustment for the **Onsite Recyclables Collection** base payments will be calculated by taking the **50%** of the percentage difference between the estimated tonnage of Recyclables collected onsite from residential and commercial services in the Collection Area for the most recent calendar year, relative to the corresponding tonnage estimated collected during the calendar year 2019, and adding the result to1.0.

3. The tonnage adjustment for the **Onsite Compostable Collection** base payments will be calculated by taking the **50%** of the percentage difference between the estimated tonnage of Compostables collected onsite from residential and commercial services in the Collection Area for the most recent calendar year, relative to the corresponding tonnage estimated collected during the calendar year 2019, and adding the result to1.0.

Section 130. Performance Incentives.

The following performance incentives will be applied for performance above or below City service expectations (Section 1400):

1. **Residential Collection Incentives**
   Monthly performance bonuses or penalties will be applied for residential service above or below service standards based on the following scale:

Service standard		Low	High	Bonus (Debit)	
4	Above standard	0	<0.5	$25	per complaint below standard
3	**Standard**	**0.5**	**1**	**$0**	
2	Below standard	>1	1.5	($25)	per complaint
1	Failing	>1.5	NA	($50)	per complaint

   Bonuses or penalties will be applied separately for misses (per 1,000 stops) and repeat miss (per 10,000 stops) and applied separately for Single-family and Multifamily residential services and separately for Garbage, Recyclables, and Compostables collection services.

2. **Residential Extras Recording Incentives**
   The City expects the reporting of extra waste records (as described/defined in Section 830) to be at least 85% accurate. Semi-annual performance bonuses or penalties will be applied according the following scale:

Service standard		Low	High	Bonus (Debit)	
4	Above standard	>95%	100%	$10,000	per % above standard
3	**Standard**	**85%**	**95%**	**$ -**	
2	Below standard	75%	<85%	($10,000)	per % below standard
1	Failing	0%	<75%	($20,000)	per % below standard

3. **Commercial Call Wait Incentives**
   The City expects 80% of customer call waits to be under 20 seconds. Monthly performance bonuses and penalties based on **monthly** speed to answer performance will be applied as follows:

Service standard		Low	High	Bonus (Debit)	
4	Above standard	>90%	100%	$1,000	per % above standard
3	**Standard**	**80%**	**90%**	**$ -**	
2	Below standard	>70%	80%	($1,000)	per % below standard
1	Failing	>70%		($2,000)	per % below standard

4. **Commercial Abandoned Call Incentives**
   The City expects average abandoned calls to be under 5% per month. Monthly performance bonuses and penalties for abandoned calls will be applied as follows:

Service standard		Low	High	Bonus (Debit)	
4	Above standard	0%	>3%	$1,000	per % above standard
3	**Standard**	**3%**	**7%**	**$ -**	
2	Below standard	<7%	10%	($1,000)	per % below standard
1	Failing		>10%	($2,000)	per % below standard

5. **Commercial Customer Satisfaction**
   The City expects the Contractor to maintain a customer satisfaction rating above 5 on a scale of 1 – 7 for commercial garbage service. Bi-annual performance bonuses or penalties will be applied as follows:

Service standard		Low	High	Bonus (Debit)	
4	Above standard	6	7	$20,000	per point above standard
3	**Standard**	**5**	**6**	**$ -**	
2	Below standard	4	5	($20,000)	per point below standard
1	Failing	-	3	($40,000)	per point below standard

Section 140. Quarterly Partnership Payments.

The Contractor will partner with City to provide effective service delivery, self-monitoring and timely, accurate communication. The elements of the agreed partnership will be included in the Operations Plan. Each quarter the City will credit or deduct up to $3,000 per item below in Contractor payments for succeeding or failing to achieve each major component of effective service and communication partnership:

1. Monitoring, resolving and reporting all service discrepancies and special City requests;

2. Completing all required reporting and electronic communications as described in the Contract and Operations Plan;

3. Maintaining sufficient container inventory and providing accurate and timely inventory reporting;

4. Performing all services above service standards (for bonus) or all services below standards (for penalty) as the described in Section 1400;

5. Significant increases in customer diversion resulting from Contractor outreach and assistance; and

6. Other major components as agreed by the City and the Contractor.

Section 150. Performance Fees.

The City may deduct the following performance fees from the monthly payment for the service delivery omissions or acts as described below. Deductions for misses will not be applied for collections prevented by weather or holiday rescheduling or collections missed due to labor disruptions during the first week of the disruption. Performance Fees will be reasonably applied and may be appealed using the procedures outlined in the Operations Plan. The individual deductions for Performance Fees will be documented and will be applied with consideration of the specific circumstances and related events as well as the Contractor's overall performance, including the Contractor‘s efforts to mitigate impacts and maintain service levels during labor disruptions.

Performance Requirement	Penalty
Collection Failure	
1. Failure to **collect missed** collection on the day the request is given to the Contractor if submitted prior to 10 am, or by the following business day (including Saturday) if request is given to the Contractor after 10 am.	$200 each Detachable or Drop Box Container $100 each Can, Cart, Street Side Litter or Public Place Recycling Container.
2. Failure to collect **Special Collection** within twenty-four hours after receipt of a notice from the City or the customer.	$200 each Detachable or Drop Box Container $100 each Can, Cart, Street Side Litter or Public Place Recycling Container.
3. Missed collection of **whole block**. (This excludes collections prevented by weather and holiday rescheduling.) A whole block miss is defined as missing 3 or more houses on the same side of the street or alley between two streets.	$250 per whole residential block
4. The **third miss** within one (1) year of any particular service at a particular address.	$500 each incident
Manner of collection	
5. **Collection** outside of the **hours** as specified in Section 710.	$250 each incident, to a maximum of $1000 per truck per day
6. Collection on **other than the scheduled collection day** per Section 700, including early collection due to a holiday.	$100 per Structure or Commercial Establishment, to a maximum of $1000 per truck per day
7. Failure to place Containers, lids and locks back in **original location** or collect **spillage** consistent with Sections 845.	$50 per incident $500 per route per day
8. Collection **trucks exceeding weight limits**.	$250 each incident
9. Unsatisfactory performance by Contractor after two (2) notices to correct specific **incidences involving the same address or collector** in any six (6) month period, e.g. leaving gates or doors open, crossing planted areas, abusive language to customers, failure to return Containers to their original location after collection, failure to perform collections, violation of noise statutes, or similar violations.	$300 each incident

10. Collection as Garbage non-contaminated source-separated Recyclables or Compostables in clearly identified Containers	$500 each incident
11. False collection records submitted to the City	$100 each incident

Containers

12. Failure to **deliver Containers** for new Garbage service within 3 business days.	$50 per Can, Cart, bin, lid or lock per day, $100 per Detachable or Drop Box Container per day
13. Failure to **deliver, pick-up or replace Cans, lids, locks, Detachable or Drop Box Containers** within 5 business days of notification, including any identified needing repair or replacement and those for new or increased recycling or compost service.	$50 per Can, bin, lid or lock per day, $100 per Detachable or Drop Box Container per day
14. Failure to **deliver, pick-up or to increase or decrease the regular collection frequency** of Street Side Litter and/or Public Place Recycling Containers within five (5) business days of notification.	$50 per Container per day (after 5 business days)
15. Failure to **deliver Detachable or Drop Box Containers** or modify collection frequency within ten (10) business days of notification for modified service levels.	$200 per Container per day (after 10 business days)
16. Failure to **remove or repaint graffiti** on Containers within five (5) business days of notice.	$50 per Container per day (after 5 business days)

Section 160. Payment Procedure.

No later than the 10th of each month, the Contractor will submit an invoice, and monthly report per Section 1530, to the City, for services provided during the prior month. The Contractor shall not receive their monthly compensation until all items required in Sections 1500, 1510, 1520, and 1530 are accurately submitted to the City.

This invoice will be paid by the City to the Contractor by wire transfer on or before the 30th of the same month (or 20 calendar days after the invoice date, if the invoice/monthly report is presented late). This invoice will be at a level of detail that will allow the City to determine the type (i.e., Garbage, Compostables or Recyclables), container size, frequency and per unit compensation associated with each service.

Compensation paid by the City to the Contractor for services under this Contract will determine the taxable income under this Contract for which Contractor will be responsible for paying B&O taxes. It is the intent of both the City and the Contractor that Contractor's taxable income for services under this Contract is not based upon the remittances paid by

the Commercial Waste customers to the Contractor acting as billing and collecting agent for the City, including those taxes described in Section 1350.

EMPLOYEES, SUBCONTRACTORS AND NON-DISCRIMINATION

Section 200. Prevailing Rate of Wage.

The Contractor shall ensure that all Contractor and subcontractor collectors performing work under this Contract are paid not less than the prevailing rate of wage for the same trade or occupation as set by the City. The term “collectors" includes drivers, swampers, and others working on Garbage, Compostables, and Recyclables collection; it excludes office workers and management. If a collector, during the same pick-up, is collecting both Garbage and Recyclables, or Compostables and Recyclables (co-collection), he/she must be paid the highest prevailing rate of wage for collection.

The term, "prevailing rate of wage" includes the hourly wage, usual benefits and overtime paid in the locality as defined in RCW 39.12.010(b). The Contractor's duty to pay the prevailing rate of wage and to ensure that subcontractors pay the prevailing rate of wage is absolute and mandatory. No worker may waive full compliance or accept a lesser sum.

The current prevailing rate of wage for Garbage, and Compostables collectors, and workers collecting Recyclables is listed in Attachment 2. This Attachment will be updated and reissued, to reflect any changes in effect on April 1, 2019. The prevailing wage will then be updated on a yearly basis thereafter.

Within thirty (30) days of starting collections on this Contract and thereafter on a yearly basis, the Contractor shall supply to each collector (including employees of the subcontractor) a copy of the prevailing wage. The Contractor shall also supply a copy to each new employee or temporary employee. The information shall be in both Spanish and English.

Should an employee prevail in suit against the Contractor for wages or benefits due and establish that his or her wages paid were less than the prevailing rate of wage set forth in Attachment 2, the Contractor shall pay to the employee, in addition to the wages or benefits due and accrued interest, a reasonable attorney's fee, expert witness' fee, and court costs, as well as any other damages that may be awarded.

Under-payment of prevailing wages shall be a material default of the Contract.

Section 205. Paid Sick Time and Safe Time Ordinance

The Contractor shall comply with City’s Paid Sick Time and Safe Time ordinance that requires companies to provide employees who work more than 240 hours within a year inside Seattle, with accrued paid sick and paid safe time for use when an employee or a family member needs time off from work due to illness or a critical safety issue. The ordinance applies to employers, regardless of where they are located, with more than four full-time equivalent employees. This is in addition and additive to benefits a worker receives under prevailing wages per WAC 296-127-014(4). City contract specialists may

audit payroll records or interview workers as needed to ensure compliance to the ordinance.

Section 210. Minimum Wage and Wage Requirements

The Vendor shall comply to the extent applicable with the City's Minimum Wage labor standards as required by SMC 14.19, setting wage standards for employees working within city limits as well as the Wage Theft labor standards as required by SMC 14.20, setting basic requirements for payment of wages and tips for employees working within city limits and providing various payment documentation to employees.

Section 215. Wage Increases for Employees.

All wage increases for collectors or any other employees of the Contractor granted during the term of this Contract shall be the sole responsibility of the Contractor. Any benefits or added costs resulting from changes in technology, laws and regulations, labor practices, availability of equipment, and other foreseeable business risks that may affect the performance of this Contract shall be to the Contractor's advantage or expense respectively, except as provided in Section 590.

Section 220. Payroll Records and Reports.

The Contractor and subcontractors shall keep complete and accurate payrolls containing the following information with respect to each collector employed upon or under this Contract:

1. Name and residence address;
2. Classification of work;
3. City route number;
4. Number of hours employed each day, as verified by a time clock record;
5. Total number of hours employed each payroll period, as verified by a time clock record;
6. Rate of wages;
7. Total amount earned;
8. All deductions;
9. Net amount paid; and
10. Funds paid by employer for prevailing benefits.

All employees shall be paid in lawful money of the United States, in the full amount accrued to each employee at the time of closing the payroll.

The Contractor's and subcontractor’s payroll records shall be available for inspection by City staff during office hours at the Contractor's Seattle office.

The Contractor and subcontractor shall submit electronic copy of payroll records with other above information if requested by the City.

The City shall withhold payment on all estimates for work performed by the Contractor under this Contract until: (1) all payroll reports, with the above information of said Contractor and subcontractor for work performed have been filed with the City; and (2) all

employees doing collection work under this Contract have been paid the prevailing rate of wage as determined by the City.

Section 225. Withholding and Payment of Tax Liens and Judgments.

The City may withhold and pay to the United States of America or to any federal court, or the State of Washington or any state court, the amount claimed in a levy filed by the United States Internal Revenue Service or the Washington State Department of Revenue, respectively; the amount directed by a writ of garnishment, writ of attachment, or writ of execution, or by an order of a Bankruptcy Court, and/or by any court order, each for monies claimed from the Contractor. When presented such an order, the City may in its discretion institute interpleader proceedings. The City may make a payment in conjunction with the interpleader action to the appropriate court. Payments so made or deposited into the registry of the court shall be satisfaction of payment due to the Contractor.

Section 230. Hiring Preference.

For initial hiring under this Contract, the Contractor and subcontractors shall give hiring preference to any Garbage, Compostables or Recyclables collection workers who have been displaced from the awarding of this Contract. All displaced collection workers that meet basic hiring requirements (including commercial driver license, safe vehicle report, drug screening, physical exam, and background check) shall be hired for a minimum ninety (90) day trial period.

Upon the hiring of a displaced collection worker represented by a labor union, the Contractor shall be required to keep the displaced worker whole in regard to the workers' pay and benefit accruals earned as of the date of displacement. To the extent application of the Contractor's collective bargaining agreement would otherwise result in a reduction in pay or benefits, the existing pay/benefit accrual will be maintained at the current rate until such time as the applicable bargaining agreement provision (s) provides for an increase.

Section 240. Nondiscrimination - Employment Actions.

The Contractor shall not discriminate against any employee or applicant for employment because of race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin, honorably discharged veteran or military status or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification.

The Contractor shall affirmatively try to ensure applicants are employed, and employees are treated during employment, without regard to race, color, age, sex, marital status, sexual orientation, gender identify, political ideology, creed, religion, ancestry, national origin, honorably discharged veteran or military status or the presence of any sensory, mental or physical handicap. Such efforts include, but are not limited to: employment, upgrading, demotion, transfer, recruitment, layoff, termination, rates of pay or other compensation, and training.

Section 245. Affirmative Efforts in Hiring and Subcontracting.

In accordance with Seattle Municipal Code Chapter 20.42, Contractor shall actively solicit the employment and subcontracting of women and minority group members when there are commercially useful purposes for fulfilling the scope of work.

The WMBE Inclusion Plan submitted to the Contractor's Proposal is material to the Contract. The requirements and conditions stated in the WMBE Inclusion Plan shall be enforced as a contract requirement.

If upon investigation, the City finds probable cause to believe that the Contractor has failed to comply with the requirements of this Section, the Contractor shall be notified in writing. The City shall give Contractor an opportunity to be heard with ten calendar days' notice. If, after the Contractor's opportunity to be heard, the City still finds probable cause, then the City may suspend the Contract and/or withhold any funds due or to become due to the Contractor, pending compliance by the Contractor with the requirements of this Section.

Any violation of the mandatory requirements of this Section, or a violation of Seattle Municipal Code Chapter 14.04 (Fair Employment Practices), Chapter 14.10 (Fair Contracting Practices), Chapter 20.45 (City Contracts – Non-Discrimination in Benefits), or other local, state, or federal non-discrimination laws, shall be a material breach of contract for which the Contractor may be subject to damages and sanctions provided for by the Contract and by applicable law. In the event the Contractor is in violation of this Section shall be subject to debarment from City contracting activities in accordance with Seattle Municipal Code Section 20.70 (Debarment).

Section 250. Equal Benefits

The Contractor shall comply with the requirements of SMC Ch. 20.45 and Equal Benefits Program Rules implementing such requirements, under which the Contractor is obligated to provide the same or equivalent benefits ("equal benefits") to its employees with domestic partners as the Contractor provides to its employees with spouses. At Seattle's request, the Contractor shall provide complete information and verification of the Contractor's compliance with SMC Ch. 20.45. Failure to cooperate with such a request shall constitute a material breach of this Contract.

Remedies for Violations of SMC Ch. 20.45: Any violation of this Section shall be a material breach of Contract for which the City may:

1. Require Contractor to pay actual damages for each day that the Contractor is in violation of SMC Ch. 20.45 during the term of the Contract; or
2. Terminate the Contract; or
3. Disqualify Contractor from bidding on or being awarded a City contract for a period of up to five (5) years; or
4. Impose such other remedies as specifically provided for in SMC Ch. 20.45 and the Equal Benefits Program Rules promulgated thereunder.

Section 255. Americans with Disabilities Act.

The Contractor shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 (ADA) in performing its obligations under this Contract. If the Contractor is providing services, programs or activities to City employees or members of the public as part of this Contract, the Contractor shall not deny participation or the benefits of such services, programs, or activities, to people with disabilities based on such disability. Failure to comply with the provisions of the ADA shall be a material breach of, and grounds for the immediate Contract termination.

Section 260. OSHA/WISHA Compliance.

The Contractor agrees to comply with conditions of the Federal Occupational Safety and Health Acts of 1970 (OSHA), as may be amended, and, if it has a workplace within the State of Washington, the Washington Industrial Safety and Health Act of 1973 (WISHA), as may be amended, and the standards and regulations issued thereunder and certifies that all services under this Contract will conform to and comply with said standards and regulations. Contractor further agrees to indemnify and hold harmless purchaser from all damages assessed against the City as a result of the Contractor's failure to comply with the acts and standards thereunder and for the failure of the services furnished under this Contract to so comply.

Section 265. Notification Requirements for Federal Immigration Enforcement.

Prior to responding to any requests from an employee or agent of any federal immigration agency including the Immigration and Customs Enforcement (ICE), the U.S. Department of Homeland Security (DHS), Homeland Security Investigations (HSI), Enforcement Removal Operations (ERO), Customs and Border Protection (CBP), and U.S. Citizenship and Information Services (USCIS) regarding this Contract, the Contractor shall notify the City immediately. Such requests include but are not limited to requests for data or information (written or verbal) about workers engaged in the work of this Contract. To the extent allowed by law, no access or information shall be provided without prior review and consent of the City. The Contractor will request the federal authority wait until the City is able to verify the credentials and authority of the requesting agent and direct the Contractor on how to proceed.

Section 270. Workers Right to Know.

"Right to Know" legislation required the Department of Labor and Industries to establish a program to make employers and employees more aware of the hazardous substances in their work environment. WAC 296-62-054 requires among other things that all manufacturers/distributors of hazardous substances, must include with each delivery completed Material Safety Data Sheets (MSDS) for each hazardous material. Additionally, each container of hazardous material must be appropriately labeled with: the identity of the hazardous material, appropriate hazardous warnings, and the Name and Address of the chemical manufacturer, improper, or other responsible party.

Labor and Industries may levy appropriate fines against employers for noncompliance and agencies may withhold payment pending receipt of a legible copy of the MSDS. OSHA Form 20 is not acceptable in lieu of this requirement unless it is modified to include

appropriate information relative to “carcinogenic ingredients: and “routes of entry” of the product(s) in question.

Section 280. Independent Contractor.

It is the intention and understanding of the parties that Contractor shall be an independent contractor and that Seattle shall be neither liable for nor obligated to pay sick leave, vacation pay or any other benefit of employment, nor to pay any social security or other tax that may arise as an incident of employment. The Contractor shall pay all income and other taxes as due. Industrial or other insurance that is purchased for the benefit of the Contractor shall not be deemed to convert this Contract to an employment contract. It is recognized that Contractor may or will be performing work during the term for other parties and that Seattle is not the exclusive user of the services that Contractor provides.

Section 290. Key Persons and Subcontractors.

Contractor shall not transfer, reassign or replace any individual or subcontractor that is determined to be essential or that has been agreed upon in the Contractor’s Subcontracting (Inclusion) Plan, without express written consent of Seattle. If during the term of this Contract, any such individual leaves the Contractor’s employment or any named subcontract is terminated for any reason, Contractor shall notify Seattle and seek approval for reassignment or replacement with an alternative individual or subcontractor. Upon Seattle’s request, the Contractor shall present to Seattle, one or more subcontractors or individual(s) with greater or equal qualifications as a replacement. Continued achievement of the Subcontracting (Inclusion) Plan that was incorporated into this Contract by reference, if any, and the associated subcontract awards, aspirational goals and efforts, will be one of the considerations in approval of such changes. Seattle’s approval or disapproval shall not be construed to release the Contractor from its obligations under this Contract.

SECURITY; LIABILITY; DAMAGES

Section 300. Performance Bond.

The Contractor shall provide and maintain at all times a valid Contractor's Performance and Payment Bond ("Bond") for thirty percent (30%) of the estimated annual compensation to the Contractor under the Contract. The Bond shall be issued for a period of not less than one year and the Contractor shall provide a new bond, or evidence satisfactory to the City of the renewability of the current bond at least 90 calendar days before it expires.

The initial Bond must be in place prior on or before April 1, 2019.

The Bond shall be conditioned upon full performance of all obligations imposed upon the Contractor in this Contract. The Bond shall be subject to approval by the City Attorney as to the company, form and sufficiency of surety. If the instrument is found by

the City Attorney to be flawed, the Contractor must correct the flaw promptly prior to contract execution or the award may be terminated.

The Bond must be executed by a company that is included in the U. S. Department of the Treasury's Listing of Approved Sureties (Circular 570), is included on the Washington State Insurance Commissioner's Authorized Insurance Company List, and is acceptable to the City.

The Bond shall be in full force effect and shall be the obligation of the surety unless the Contractor shall faithfully perform all of the provisions of this Contract and pay all laborers, mechanics, subcontractors, materialmen and all persons who shall supply such Contractor or subcontractors with provisions and supplies for the performance of this Contract. The Bond shall contain appropriate recitations that it is issued pursuant to this Section of this Contract, that it shall be construed to meet all requirements specified herein and that any condition or limitation in the Bond which conflicts with the conditions and requirements of this Section is void.

Failure of the Contractor to furnish and maintain the Bond shall be considered a material default of this Contract and grounds of its immediate termination at the option of the City.

Section 310. Default of Contractor.

This Section is independent, notwithstanding any other provisions of this Contract. Except as provided in the last paragraph of this Section, the Contractor may be held in default of the Contract in the event the Contractor:

1. Fails to perform ninety percent (90%) the collections required by this Contract and appears, to the City, to have abandoned the work, or to be unable to resume collections within forty-eight hours;

2. Has failed on three or more occasions of three (3) working days duration each, in any year, or fifteen (15) days in a calendar year to perform the collections required by the Contract; except as provided in Section 750;

3. Under pays prevailing wages per Section 200;

4. Fails to comply with the terms of any of the Employee Sections 205-270;

5. Fails to furnish and maintain a Performance and Payment Bond per Section 300;

6. Fails to furnish and maintain the Insurance requirements per Section 340; or

7. Repeatedly neglects, fails, or refuses to comply with any of the terms of the Contract, after having received notice of its obligation to do so.

To initiate proceedings under this Section, the City shall give notice to the Contractor and its surety of the location, time, and date within the following seven calendar days of a

meeting with the General Manager at which the Contractor will be given the opportunity to correct the deficiency above and to show cause why it should not be declared in default or why it should be given the opportunity to cure said default. In the event the Contractor fails to show, to the reasonable satisfaction of the General Manager, why the Contractor should not be declared to be in default of this Contract, the General Manager may make a declaration of default. In evaluating whether to make such a declaration of default, the General Manager shall, in her/his discretion, consider the severity of the alleged violations, and the overall performance of the Contractor under the Contract.

In declaring the Contractor to have defaulted on the Contract, the Director also may order the Contractor to discontinue further performance of work under the Contract and transfer the obligation to perform such work from the Contractor to the surety on the Contractor's performance Bond and take any other action it deems advisable.

Upon receipt of a notice that the work has been transferred to the surety without termination of the Contract, the surety shall take possession of all materials and equipment described in the most recent inventory submitted to the City pursuant to Sections 1020 and 1500 hereof, for the purpose of completing the work under the Contract; employ, by contract or otherwise, any person and all persons needed to perform the work; and provide materials and equipment required therefor. Such employment shall not relieve the surety of its obligations under the Contract and the bond. If there is a transfer to the surety, payments shall be made to the surety or its agent for all work performed under the Contract subsequent to such transfer, in amounts equal to those that would have been made to the Contractor had it performed in the manner and to the extent of the surety's performance, and the Contractor shall have no claim upon the same.

In the event the surety on the Contractor's performance Bond fails to assume or continue performances within 48 hours after its receipt of notice that the work has been transferred to such surety, the Contractor shall lease, sublease or otherwise license the City to use all, or whatever portion is desired by the City, of the materials and equipment described on the most recent inventory submitted to the City pursuant to Sections 1020 and 1500 hereof, for collection purposes for a period of up to six months following the date of the declaration of default by the City without requiring the City to execute any other document whatsoever to accomplish such lease, sublease, or license and without requiring the City to post any bond, pledge, deposit or other security for such equipment and materials, but upon the condition that the City pay for the equipment and materials actually used for such collection a market rental that is no greater than (i) the monthly lease, in the event such property is leased by the Contractor, (ii) the periodic installment, in the event such property is being acquired under a purchase contract, (iii) the periodic financing interest and principal, in the event such property is being acquired under a purchase contract, or (iv) the periodic interest and principal, in the event such property is being acquired under a financing arrangement; provided, that under no circumstances shall the City be liable during its use of such property for any arrearages, balloon payment, accrued interest, accelerated charges in the event of a default, or other extraordinary payment; nor shall the satisfaction thereof be a condition of the City's interim use of such property; provided,

further, that such lease, sub-lease, or license shall be suspended the date the surety on the Contractor's bond or its agent accepts the transfer of work under the Contract.

In the event the City secures the performance of work under the Contract at a lesser cost than would have been payable to the Contractor had the Contractor performed the same, then the City shall retain such difference; but in the event such cost to the City is greater, the Contractor and its surety shall be liable for and pay the amount of such excess to the City.

All payments due the Contractor at the time of default, less amounts due the City from the Contractor, shall be applied by the City against damages suffered and expense incurred by the City by reason of such default, any excess shall be paid to the Contractor unless otherwise provided herein.

Notwithstanding the provisions of this Section, a delay or interruption in the performance of all or any part of the Contract resulting from causes beyond the Contractor's control shall not be deemed to be a default and the rights and remedies of the City provided for herein shall be inapplicable; provided that labor disputes shall not be considered a cause beyond the Contractor’s control.

Section 320. Ownership of Equipment.

All vehicles, facilities, equipment, and property used in the performance of this Contract shall be wholly owned by the Contractor; provided, that leases, conditional sale contracts, mortgages, or other agreements for the use or financing the purchase of vehicles, facilities, equipment and property may be allowed with the prior written approval of the City.

All such leases, conditional sale contracts, mortgages, or other agreements shall provide that in the event of the Contractor's failure to perform its obligations under this Contract, the City, at its option, shall have the right to take possession of and operate vehicles, facilities, equipment, and property covered by such lease or agreement for the unexpired term of this Contract. No further encumbrance shall be placed upon any such vehicles, facilities, or equipment without the prior written approval of the City.

Section 330. Commitment of Equipment.

Unless a replacement or substitute is provided, all vehicles, facilities, equipment and property identified in the Contractor's inventory under Sections 1020 and 1500 for use in the performance of this Contract (called "such property") shall be available for use in collecting Garbage, Compostables and Recyclables in the Collection Area. When provided, this Section applies to the replacement and substitute.

For the duration of this Contract, any document (including a lease to or by the Contractor, financing contract, acquisition over time, mortgage, or other instrument establishing a security interest) that encumbers or limits the Contractor's interest in such property shall:

1. Allow the surety on the Contractor's performance bond to take over the Contractor's obligations and to continue the use of the equipment in service for performance of the Contract;

2. In event the Contractor is in default, allow the City to use without further documentation all or a portion of such property and without requiring the City to post any bond, pledge, deposit or other security for such equipment and materials, at the City's discretion, for a period of up to six months following the date of the City's declaration of default, to provide such collection services on the condition that the City pays to the City's lessor a market rental for the equipment or property actually used in an amount no greater than the monthly lease in event of a lease, the installment payment in event of a purchase contract, or the monthly interest and principal in event of a financing arrangement;

3. Exempt the City from liability during its usage of such property for arrearages, balloon payments, accrued interest, accelerated charges on account of a default, or other extraordinary payments, and not make satisfaction thereof a condition of the City's or the Substitute Contractor's interim usage; and

4. Forbid any foreclosure, trustee's sale or other dispossession of the Contractor's interest in such property without giving both the City and the surety on the Contractor's performance bond sixty days' prior notice, and then make any termination of the Contractor's interest in such property pursuant to such action or the enforcement thereof subject to the requirements of subsections (1), (2) and (3) of this Section.

To assure compliance with this Section, the Contractor shall submit to the City for its review and approval or disapproval prior to execution all contracts, leases, or other documents for acquisition of, or encumbering or limiting the Contractor's interest in, such property or for replacements thereof and any proposed agreement that would encumber or transfer any interest of the Contractor in such property before the Contractor's execution of such agreement. The City's approval shall not be unreasonably withheld.

Section 340. <u>Insurance Limits.</u>

At all times during the term of this Agreement, the Contractor shall maintain in force the following minimum levels of coverage and limits of liability for insurance or self-insurance ("Insurance"):

1. COMMERCIAL GENERAL LIABILITY (CGL) Insurance including coverage for:
   - Premises/Operations
   - Products/Completed Operations
   - Pollution – On-Site and Off-Site*
   - Personal/Advertising Injury
   - Contractual

* Pollution Liability Insurance minimum limits of liability may be evidenced with separate coverage.

- Independent Contractors
- Stop Gap/Employers Liability

Such Insurance must provide the following minimum limits of liability:

$1,000,000	each occurrence Combined Single Limit bodily injury and property damage (CSL)
$2,000,000	Products/completed operations aggregate
$2,000,000	General aggregate
$1,000,000	each accident/disease/policy limit

2. BUSINESS AUTOMOBILE LIABILITY INSURANCE for owned, non-owned, hired, and leased vehicles, as applicable, written on a form CA 00 01 or equivalent. Such insurance must provide a minimum limit of liability of $1,000,000 CSL.

3. WORKERS' COMPENSATION INSURANCE as required by the Industrial Insurance laws of the state of Washington.

4. UMBRELLA/EXCESS/BUMBERSHOOT LIABILITY INSURANCE over CGL and automobile liability minimum limit shall be $10,000,000 CSL ($11,000,000 total limits requirement).

The limits of liability specified above may be satisfied with primary limits of liability or any combination of primary limits and excess/umbrella limits.

Section 350. <u>Insurance Terms and Conditions.</u>

1. **City of Seattle as Additional Insured:** The CGL, Auto, and excess/umbrella insurance shall include "the City of Seattle" as an additional insured for primary and non-contributory limits of liability.

2. **No Limitation of Liability:** Insurance coverage and limits of liability as specified herein are minimum coverage and limit of liability requirements only; they shall not be construed to limit the liability of the Contractor or any insurer for any claim that is required to be covered hereunder to less than the applicable limits of liability stated in the declarations. Moreover, the City shall be an additional insured, where additional insured status is required, for the full available limits of liability maintained by vendor, whether those limits are primary, excess, contingent or otherwise. The Contractor expressly understands and agrees that this provision shall override any limitation of liability or similar provision in any agreement or statement of work between the City and the Contractor.

3. **Required Separation of Insured Provision; Cross-Liability Exclusion and other Endorsements Prohibited**: The Contractor's insurance policy shall include a "separation of insureds" or "severability" clause that applies coverage separately to each insured and additional insured, except with respect to the limits of the insurer's liability. The Contractor's insurance policy shall not contain any provision, exclusion or

endorsement that limits, bars, or effectively precludes the City of Seattle from coverage or asserting a claim under the Contractor's insurance policy on the basis that the coverage or claim is brought by an insured or additional insured against an insured or additional insured under the policy. The Contractor's CGL policy shall NOT include any of the following Endorsements (or their *equivalent endorsement or exclusions*): (a) Contractual Liability Limitation, (CGL Form 21 39 or equivalent), b) Amendment Of Insured Contract Definition, (CGL Form 24 26 or equivalent), (c) Limitation of Coverage to Designated Premises or Project, (CGL Form 21 44 or equivalent), (d) any endorsement modifying or deleting the exception to the Employer's Liability exclusion, (e) any "Insured vs. Insured" or "cross-liability" exclusion, and (f) any type of punitive, exemplary or multiplied damages exclusion. The Contractor's failure to comply with any of the requisite insurance provisions shall be a material breach of, and grounds for, the immediate termination of the Contract with the City of Seattle; or if applicable, and at the discretion of the City of Seattle, shall serve as grounds for the City to procure or renew insurance coverage with any related costs of premiums to be repaid by the Contractor or reduced and/or offset against the Contract.

4. **Claims Made Form:** If any policy is written on a claims made form, the retroactive date shall be prior to or coincident with the effective date of this Contract. Claims made coverage shall be maintained by the Contractor for a minimum of three (3) years following the expiration or earlier termination of this contract, and the Contractor shall provide the City with evidence of insurance for each annual renewal. If renewal of the claims made form of coverage becomes unavailable or economically prohibitive, the Contractor shall purchase an extended reporting period ("tail") or execute another form of guarantee acceptable to the City to assure financial responsibility for liability assumed under the contract.

5. **Deductibles and Self-Insured Retentions:** Any self-insurance retention or deductible in excess of $ 25,000 that is not "fronted" by an insurer and for which claims the vendor or its third-party administrator is directly responsible for defending and indemnifying must be disclosed on the certificate of liability insurance. The Contractor agrees to defend and indemnify the City under its self-insured or deductible layer and upon City's request advise the full delivery address of the individual or department to whom a tender of a claim should be directed.

6. **Notice of Cancellation:** Under RCW 48.18.290 ("Cancellation by insurer") applicable to insurers licensed to do business in the State of Washington, the City, as a certificate holder for the insurance requirements specified herein and an additional insured, has an interest in any loss which may occur; written notice of cancellation must therefore be actually delivered or mailed to the City not less than 45 days prior to cancellation (10 days as respects non-payment of premium). As respects surplus lines placements, written notice of cancellation shall be delivered not less than 30 days prior to cancellation (10 days as respects non-payment of premium).

7. **Qualification of Insurers:** Insurers shall maintain A.M. Best's ratings of A- VII unless procured as a surplus lines placement under RCW chapter 48.15, or as may otherwise be approved by the City.

8. **Changes in Insurance Requirements:** The City shall have the right to periodically review the adequacy of coverages and/or limits of liability in view of inflation and/or a change in loss exposures and shall have the right to require an increase in such coverages and/or limits upon ninety (90) days prior written notice to the Contractor. Should the Contractor, despite its best efforts, be unable to maintain any required insurance coverage or limit of liability due to deteriorating insurance market conditions, it may upon thirty (30) days prior written notice request a waiver of any insurance requirement, which request shall not be unreasonably denied.

9. **Evidence of Insurance:** The Contractor must provide the following evidence of insurance:
    a) A certificate of liability insurance evidencing coverages, limits of liability and other terms and conditions as specified herein;
    b) An attached City of Seattle designated additional insured endorsement or blanket additional insured wording to the CGL/MGL (and if required the Contractor's Pollution Liability insurance policy).
    c) A copy of all other amendatory policy endorsements or exclusions of the Contractor's insurance CGL/MGL policy that evidences the coverage required.

At any time upon the City's request, the Contractor shall also cause to be timely furnished a copy of declarations pages and schedules of forms and endorsements. In the event that the City tenders a claim or lawsuit for defense and indemnity invoking additional insured status, and the insurer either denies the tender or issues a reservation of rights letter, the Contractor shall also cause a complete and certified copy of the requested policy to be timely furnished to the City.

Section 360. <u>Indemnity.</u>

To the extent permitted by law, the Contractor shall protect, defend, indemnify and hold the City harmless from and against all claims, demands, damages, costs, actions and causes of actions, liabilities, fines, penalties, judgments, expenses and attorney fees, resulting from the injury or death of any person or the damage to or destruction of property, or the infringement of any patent, copyright, or trademark, or trade secret arising out of the work performed or goods provided under this Contract, or the Contractor's violation of any law, ordinance or regulation, contract provision or term, or condition of regulatory authorization or permit, except for damages resulting from the sole negligence of the City. As to the City of Seattle, the Contractor waives any immunity it may have under RCW Title 51 or any other Worker's Compensation statute. The parties acknowledge that this waiver has been negotiated by them, and that the contract price reflects this negotiation.

Section 370. <u>Liquidated Damages.</u>

This Section is independent of Section 310. The acts or omissions in the left-hand column are a breach of this Contract; the amounts in the right-hand column are set as Liquidated Damages. Liquidated Damages may be deducted from the monthly payment to the Contractor.

OMISSION	LIQUIDATED DAMAGE
1. Failure to forward funds received from Commercial Establishments for collection services to the City in the time frames expressly established herein.	$5000 each incident
2. Submitting false data, information or reports to the City.	$5000 each incident

In addition to the above damages, the Contractor shall not be paid for work not performed. If the Contractor, for any reason, fails to make collections called for in the Contract for any period (except as provided for elsewhere in this Contract), with the result that any portion of the scheduled collection is not completed within a given calendar week, the City shall deduct, for such nonperformance, a reasonable amount from the Contractor's next monthly payment(s), which amount shall be based on, among other factors, the number of Residential Structures and/or Commercial Establishments from which collections have not been made, the duration of such failure of collection, and special costs including administrative expenses incurred by the City as a consequence of such failure.

Procedures for applying, appealing and reversing liquidated damages will be included in the Operations Plan.

INFORMATION DISCLOSURE AND ETHICS PROVISIONS

Section 400. No disclosure unless required by law.

The parties agree that they will not permit the duplication or disclosure of any information designated in advance by the other party as "Confidential and Proprietary" to any person (other than its own employee, agent, or representative who must have such information for the performance of that party's obligations hereunder) unless such duplication, use or disclosure is specifically authorized in writing by the other party or is required by law. "Confidential and Proprietary" information does not include ideas, concepts, know-how or techniques related to information that, at the time of disclosure, is in the public domain unless the entry of that information into the public domain is a result of any breach of this Contract. Likewise, "Confidential and Proprietary" information does not apply to information that is independently developed, already possessed without obligation of confidentiality, or rightfully obtained from a third party without an obligation of confidentiality.

Section 410. Contractor's Understanding and Obligations.

The Contractor understands that any records (including but not limited to proposal submittals, the Contract, and any other contract materials) it submits to the City, or that are used by the City even if the Contractor possesses the records, are public records under Washington State law, RCW Chapter 42.56. Public records must be promptly disclosed upon request unless a statute exempts them from disclosure. The Contractor also understands that even if part of a record is exempt from disclosure, the rest of that record generally must be disclosed.

The Contractor must separate and clearly mark as “proprietary” information all records related to this Contract or the performance of this Contract that the Contractor believes are exempt from disclosure. The Contractor is to be familiar with potentially-applicable public disclosure exemptions and the limits of those exemptions, and will mark as “proprietary” only information that the Contractor believes legitimately fits within an exemption and will state the statutory exception upon which it is relying.

If the City notifies the Contractor of a public records request, and the Contractor believes records are exempt from disclosure, it is the Contractor’s responsibility to make its own determination and pursue a lawsuit under RCW 42.56.540 to enjoin disclosure. The Contractor must obtain the injunction and serve it on the City before the close of business on the tenth business day after the City sent notification to the Contractor. It is the Contractor’s discretionary decision whether to file the lawsuit.

If the Contractor does not timely obtain and serve an injunction, the Contractor is deemed to have authorized releasing the record.

Notwithstanding the above, the Contractor must not take any action that would affect (a) the City’s ability to use goods and services provided under this Contract or (b) the Contractor’s obligations under this Contract.

The Contractor will fully cooperate with the City in identifying and assembling records in case of any public disclosure request.

Section 420. <u>The City’s Obligations.</u>

The City will disclose those parts of records the Contractor has marked as “proprietary information” only to authorized persons unless: (a) the City discloses the records in response to a public records request or (b) the Contractor has given the City express advance written permission to disclose the records. “Authorized persons” means those City officers, employees, contractors and consultants for whom the proprietary information is necessary to perform their duties or obligations to the City. The term “proprietary information” does not include ideas, concepts, know-how or techniques related to any information that, at the time of disclosure, is in the public domain, unless the entry of that information into the public domain is a result of a breach of this Contract.

If the City receives a public records request for records that Contractor has marked as “proprietary information”, the City may promptly notify the Contractor of the request. The City may postpone disclosing these records for ten business days after it has sent notification to the Contractor, in order to allow the Contractor to file a lawsuit under RCW 42.56.540 to enjoin disclosure. It is the Contractor’s discretionary decision whether to file the lawsuit.

If the City has notified the Contractor of a public records request, and the Contractor has not obtained an injunction and served the City with that injunction by the close of business on the tenth business day after the City sent notice, the City may disclose the record.

The City has no other obligations concerning records the Contractor has marked as "proprietary information" under this Contract. The City has no obligation to claim any exemption from disclosure. The City is not obligated or liable to the Contractor for any records that the City releases in compliance with this Section or in compliance with the order of a court of competent jurisdiction.

Section 440. Violation of Antitrust or Corrupt Practice Laws.

In the event the Contractor is found to be guilty of a violation of antitrust or corrupt practice laws for acts performed in Washington during the term of this Contract, the City at its election may terminate this Contract by giving the Contractor written notice of the City's intent to terminate this Contract effective on the date designated by the City in the notice. For purposes of this Section, the "antitrust or corrupt practice laws" shall include all civil and criminal statutes, both state and federal, pertaining to the antitrust laws, fair practices acts, and any laws governing corrupt standards or practices. Further, for the purposes of this Section, the Contractor shall be considered to be "guilty" of a violation of such antitrust or corrupt practice laws if the Contractor or any of its officers or management employees: (1) enters a plea of guilty to a charge, (2) enters a plea of nolo contendere, or (3) is found guilty of a criminal violation or is held liable for a civil violation by the highest court or tribunal which considers the case.

Section 450. No Conflict of Interest.

Contractor confirms that Contractor does not have a business interest or a close family relationship with any City officer or employee who was, is, or will be involved in the Contractor selection, negotiation, drafting, signing, administration, or evaluating the Contractor's performance.

Section 460. No Gifts or Gratuities.

Contractor shall not directly or indirectly offer anything of value (such as retainers, loans, entertainment, favors, gifts, tickets, trips, favors, bonuses, donations, special discounts, work or meals) to any City employee, volunteer or official, that is intended, or may appear to a reasonable person to be intended, to obtain or give special consideration to the Vendor. Promotional items worth less than $25 may be distributed by the vendor to City employees if the Vendor uses the items as routine and standard promotions for business. Any violation of this provision may result in termination of this Contract. Nothing in this Contract prohibits donations to campaigns for election to City office, so long as the donation is disclosed as required by the election campaign disclosure laws of the City and of the State.

Section 470. Campaign Contributions.

Elected officials and candidates are prohibited from accepting or soliciting campaign contributions from anyone having at least $250,000 in contracts with the City in the last two years or who has paid at least $5,000 in the last 12 months to lobby the City

Section 480. Involvement of Current and Former City Employees.

If a Contractor has any current or former City employees, official or volunteer, working or assisting on solicitation of City business or on completion of an awarded contract, you **must** provide written notice to SPU Contracting Division of the current or former City official, employee or volunteer's name. The Vendor Questionnaire in your proposal included an initial Contractor listing. Contractor shall update the Contracting Division with any relevant changes. The Contractor shall be aware and familiar with the Ethics Code (SMC 4.16) and educate workers accordingly.

Section 490. Ethics Code for Workers with 1,000 hours.

The Contractor shall provide annual list of workers that perform more than 1,000 hours of contract work within a rolling 12-month period. Such hours include performance under for the Contract, and any other hours that the worker performs for the City under other contracts. The Contractor shall advise such workers that they are subject to the City Ethics Code (SMC 4.16) and educe workers accordingly.

ANCILLARY PROVISIONS

Section 500. Assignment or Pledge of Moneys by the Contractor.

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

Section 505. Assignment; Subcontracting; Delegation of Duties.

Except for the subcontracting identified in the Contractor's proposal, the Contractor shall not assign or subcontract or transfer any of the work or delegate any of its duties under the Contract without the prior written approval of the City, which approval may be granted or withheld in the City's sole discretion.

Any subcontract made by Contractor shall incorporate by reference all the terms of this Contract except for Equal Benefit provisions (Section 250). Contractor shall ensure that all subcontractors comply with the obligations and requirements of the subcontract, except for Equal Benefit provisions (Section 250).

The City's consent to any assignment or subcontract shall not release the Contractor from liability under this Contract, or from any obligation to be performed under this Contract, whether occurring before or after such consent, assignment, or subcontract. In the event of an assignment, subcontract or delegation of duties, the Contractor shall remain responsible for the full and faithful performance of this Contract and the assignee, subcontractor, other obligor shall also become responsible to the City for the satisfactory performance of the work assumed. The City may condition its approval upon the delivery

by the assignee, subcontractor or other obligor of its covenant to the City to fully and faithfully complete the work or responsibility undertaken.

During the term of this Contract, the Contractor shall not have any ownership interest in any other company that has a contract for Solid Waste collection with the City.

Section 510. Audit.

The Contractor shall maintain in its office in King County full and complete accounting records, prepared in accordance with generally accepted accounting principles, reflecting the Contractor's work on this Contract. The City may require an audit of such books and records at any reasonable time. Such audit will be conducted by City staff or by a certified public accounting firm with experience in auditing public service companies selected by the City.

Upon request, the Contractor shall permit the City to inspect and audit all pertinent books and records of the Contractor, any subcontractor, or any other person or entity that performed work in connection with or related to this Contract, at any and all times deemed necessary by the City, including up to six years after the final payment or release of withheld amounts has been made under this Contract. Such inspection and audit shall occur in King County, Washington or other such reasonable location as the City selects. The Contractor shall supply the City with, or shall permit the City to make, a copy of any books and records and any portion thereof. The Contractor shall ensure that such inspection, audit and copying right of the City is a condition of any subcontract, agreement or other arrangement under which any other person or entity is permitted to perform work under this Contract.

Section 520. Contract Rights.

The parties reserve the right to amend this Contract from time to time by mutual agreement in writing. Rights under this Contract are cumulative, and in addition to rights existing at common law. Payment by the City and performance by the Contractor do not waive their contract rights.

Failure by either party on any occasion to exercise a contract right shall not forfeit or waive the right to exercise the right on another occasion. The use of one remedy does not exclude or waive the right to use another.

Section 525. Interpretation.

This Contract shall be interpreted as a whole and to carry out its purposes. This Contract is an integrated document and contains all the promises of the parties; no earlier oral understandings modify its provisions.

Captions are for convenient reference only. A caption does not limit the scope or add commentary to the text.

In the event of conflict between contract documents and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered a part of this contract to afford the City the maximum benefits.

Section 530. Law; Venue.

The laws of the State of Washington and Charter and Ordinances of the City shall govern the validity, construction and effect of this Contract. The venue for any claims, litigation, or causes of action between the parties shall be in the Superior Court of the State of Washington for King County.

Section 535. Notices.

All official notices or approvals shall be in writing. Unless otherwise directed, notices shall be delivered by messenger or by certified or registered mail, return receipt requested to the parties at the following respective addresses:

To the City:
Hans VanDusen
Seattle Public Utilities
Seattle Municipal Tower, Suite 4900
700 Fifth Avenue
PO Box 34018
Seattle, WA 98124-4018
(206) 684-4657

To the Contractor:
Kevin Kelly
General Manager
Recology King County
117 S Main Street
Seattle, WA 98104
(206) 619-0892

Either party may from time to time designate a new address for notices. Unless a return receipt or other document establishes otherwise, a notice sent by U.S. Mail shall be presumed to be received the second business day after its mailing.

Section 540. Severability.

Should any term, provision, condition, or other portion of this Contract or its application be held to be inoperative, invalid or unenforceable, and the remainder of the Contract still fulfills its purposes, the remainder of this Contract or its application in other circumstances shall not be affected thereby and shall continue in force and effect.

Section 545. No personal Liability.

No officer, agent or authorized employee of the City shall be personally responsible for any liability arising under this Contract, whether expressed or implied, nor for any statement or representation made herein or in any connection with this Contract.

Section 550. Disputes

The City and Contractor shall maintain business continuity to the extent practical while pursuing disputes. Any dispute or misunderstanding that may arise under this Contract concerning Contractor's performance shall first be resolved, if mutually agreed to be appropriate, through negotiations between the parties' Contract representatives as listed in Section 535, or if mutually agreed, referred to the City's named representative and the Contractor's senior executive(s). Either party may decline or discontinue such discussions

and may then pursue other means to resolve such disputes, or may by mutual agreement pursue other dispute alternatives such as alternate dispute resolution processes. Nothing in this dispute process shall in any way mitigate the rights, if any, of either party to terminate the contract in accordance with the termination provisions herein.

Notwithstanding above, if the City believes in good faith that some portion of work has not been completed satisfactorily, The City may require Contractor to correct such work prior to the City payment. In such event, the City must clearly and reasonably provide to Contractor an explanation of the concern and the remedy that the City expects. The City may withhold from any payment that is otherwise due, an amount that the City in good faith finds to be under dispute, or if the Contractor does not provide a sufficient remedy, Seattle may retain the amount equal to the cost to the City for otherwise correcting or remedying the work not properly completed.

Section 560. Termination.

Notwithstanding any other provisions of this Contract, the City may terminate this Contract upon a material default under or breach of this Contract by the Contractor. A termination for violation of an equal opportunity provision, or violation of any other provision shall take effect in fifteen (15) days after delivery of notice of termination.

Section 570. Force Majeure – Suspension.

This section applies in the event either party becomes unable to perform its obligations under this Contract as a result of a Force Majeure Event. A Force Majeure Event is an external event that is beyond the control of the party or its agents and that renders the party severely compromised in its ability to perform all its obligations under the Contract. Such events may include a natural or man-made disaster or an action or decree of a superior governmental body, which completely prevents the party from performing all its obligations under the Contract. In circumstances where the Contractor's performance of its obligations under the Contract is not completely prevented, but is disrupted by an emergency or disaster, the provisions of Section 580 shall apply.

Should either party suffer from a Force Majeure Event, such party shall provide the other party with notice as soon as practical and shall act with speed and diligence to mitigate any potential damage that may result from the event and resume performance of all its obligations under the Contract as soon as possible. When notice has been properly provided, the obligations of both parties shall be suspended for the period of time the Force Majeure Event prevents the party from resuming performance of all its obligations under the Contract.

Section 580. Emergencies, Disasters – Major Service Disruption.

This section applies in the event an emergency or disaster causes a major disruption to the Contractor's ability to maintain standard levels of service in the performance of its obligations under the Contract. Such events may include, but are not limited to, a severe storm, high wind, earthquake, flood, hazardous material release, transportation mishap, loss of any utility service, fire, terrorist activity or any combination of the above (except as provided in Sections 750 and 760). In such an event:

1. The City shall notify the Contractor of the emergency or disaster, describing the relevant circumstances arising from the event, and request emergency and priority services from the Contractor.

2. Upon such notice from the City, the Contractor shall consult with the City and exercise its best efforts in providing the emergency and priority services as requested by the City in as timely a manner as possible.

3. The Contractor shall make the City's customers its first priority, and its efforts to provide City's customers with emergency and priority services shall not be diminished as a result of the Contractor providing service to other customers.

4. If the Contractor is unable to respond in the time requested by the City, the Contractor shall respond as soon as practical. The Contractor shall immediately assist the City to the extent reasonable in providing services, which may include offering the City substitutions, provided that the Contractor obtains prior approval from the City for the substitutions.

5. The City shall compensate the Contractor for performing emergency and priority services under this section in a manner consistent with the compensation provisions of this Contract.

The City and Contractor shall jointly develop a Contingency Plan addressing the above.

Section 590. <u>Change of Law – Adjustment.</u>

This section applies in the event a change in federal, state, or local laws results in a substantial increase (or decrease) in costs to the Contractor in the performance of its obligations under this Contract. To qualify as a substantial increase in costs under this section, Contractor must demonstrate to the satisfaction of the City that the change in law has resulted in an increase of more than fifteen percent over the actual costs incurred by the Contractor for the same services provided under this Contract. A change in law under this section shall not include changes in law with respect to any form of taxes, including but not limited to property, income, business, payroll, franchise, employment, excise, sales or use taxes.

The Contractor may request an adjustment under this section. Any adjustment the City decides to grant under this section shall be prospective only. If the Contractor decides to request an adjustment under this section, the Contractor shall file with the City an adjustment request setting forth the Contractor's calculation of its increase in costs and documenting how the increase qualifies as a substantial increase in costs under this section. The burden of demonstrating that the Contractor has suffered a substantial increase in costs under this section rests with the Contractor. The Contractor shall provide the City with any and all documentation and data reasonably necessary to evaluate the request. The City shall act within 90 days of receipt of a properly filed request and may either grant, grant in part, or deny the request, which shall not be unreasonably denied.

In the event a change in federal, state, or local law results in a decrease of more than fifteen percent from the actual costs incurred by the Contractor for the same services provided under this Contract, and upon 60 days prior notice from the City, the Contractor shall accept an adjustment to reflect such decrease in its costs.

COLLECTION SERVICES

Section 610. Garbage Collection.

The Contractor shall provide weekly collection of Garbage from Cans or Carts at curb/alley locations and residential backyard locations. The City may require the Contractor to perform multiple collections each week at up to 25 multifamily structures on curb/alley locations, and identified backyard services.

The City may allow curb/alley customers to receive every other week service. The Contractor shall note any such accounts and collect Garbage on the week opposite the curb/alley recycling service for the relevant account.

The Contractor shall collect Garbage at a frequency directed by the customer and/or the City for onsite Cans, Carts, bags, Detachable Containers and Drop Boxes (including up to three times per day for bag and Drop Box services).

Garbage collection may include collection of Residential Construction Waste from Carts and Detachable Containers as directed by the City.

Section 620. Compostables Collection.

The Contractors shall collect Compostables weekly from Cans or Carts at curb/alley locations, and identified back yard services. The Contractor shall collect Compostable at a frequency as directed by the customer or the City from onsite Containers.

The Contractor shall collect from subscribers Compostables which have been placed in Cans and Carts or which have been boxed, bundled or placed in a kraft paper bags or other compostable bags not exceeding 32 gallons in capacity. The Contractor shall empty and return reusable polypropylene plastic bags of 32 gallons or less. The Contractor shall not collect Compostables that that have been placed in plastic bags.

Bundles shall not exceed four (4) feet in length and two (2) feet in diameter. The Contractor is not required to collect Cans or bundles of Compostables that exceed sixty (60) pounds. Subscribers retain the option to pay for more than one subscription per account.

The Contractor will place a new Contractor-provided compostable liner bag in identified Carts at select multifamily accounts.

The Contractor shall not collect as Compostables unsegregated Garbage, or Compostables that is contaminated by Garbage, Recyclables, fecal matter, hazardous substances, Unacceptable Wastes or other contaminants and ineligible material. The Contractors will leave a customer notice on any non-complaint container and report to the City within two hours. The Contractor shall exercise good faith to ensure that non Compostable material is not placed in the collection truck. However, both parties recognize that non Compostables material may be inadvertently collected due to customer confusion or customer misuse.

The City retains an option to direct the Contractor to stop collecting Compostables from Commercial Establishments under this Contract by giving the Contractor three (3) months advance notice.

Section 630. <u>Recycling Collection.</u>

The Contractors shall collect Recyclables every other week from Cans or Carts at curb/alley locations, and identified back yard services.

The Contractor shall collect Recyclables at a frequency as directed by the customer or the City for multifamily sites with onsite Containers (including up to twice per day for prepaid bag service). The Contractor shall provide customers with a sufficient number and type of Containers to hold all the Recyclables accumulated between collections. The Contractor will install larger and compacted detachable containers to reduce collections per site.

If there is consistently excess material, as determined by the City, the City will instruct the Contractor to, within ten (10) business days of notification, increase service by delivering a larger Container, deliver additional Containers or provide more frequent collections. The City's decision shall be final and binding.

Recyclables will be collected from contractor-provided bags, if needed, for multifamily and commercial sites in Clear Alley locations.

The Contractor shall not collect as Recyclables unsegregated Garbage, or Recyclables contaminated by Garbage, Compostables, fecal matter, hazardous substances, Unacceptable Wastes or other contaminants and ineligible material. The Contractors will leave a customer notice on any non-complaint container and report to the City within two hours. The Contractor shall exercise good faith to ensure that non-Recyclable material is not placed in the collection truck. However, both parties recognize that non-Recyclables material may be inadvertently collected due to customer confusion or customer misuse.

Section 650. <u>Bulky Items and Electronics.</u>

The Contractor shall provide separate collection of Bulky Items and Electronics on request basis. The Contractor shall provide the separate collection on the customers' garbage collection day within six (6) working days of City notification.

The Contractor shall coordinate an annual drop-off event in each collection zone for residents to recycle select Bulky Items and Electronics. The Contractor and City will

mutually promote the events and agree on the items to be collected. The Contractor may coordinate with other recycling partners to receive the recyclable items. There will be no charges to the City or residents.

Section 660. <u>Curb/Alley Locations.</u>

For each block face, curb/alley services shall be at a consistent location, either all curbside or all alley, except by special arrangement under mutual agreement between the Contractor and the City to accommodate extraordinary case by case situations. If particular property does not abut the alley or have safe and usable alley access, placement shall be at the curb. The Contractor shall collect collection Containers placed as follows:

1. From properties with level planting strips, in the planting strip or driveway within eight (8) feet of the curb;

2. From properties with alleys of sufficient width, in the alley or within four (4) feet of the alley gate if the gate is within four (4) feet of the alley;

3. From properties with sidewalks but not planting strips, on the owner's property, within eight (8) feet of the sidewalk, if level;

4. When the foregoing location slopes at a grade making placement of a Container difficult, the nearest reasonable level area;

5. If the property has no sidewalk or planting strip, dense shrubbery or extraordinary circumstances preclude such a location, from a placement suitable to the customer and convenient to the Contractor's equipment; and

6. From backyard locations as described in Section 670.

Any disagreements over correct placement of Containers for collection will be determined by the City. The City’s decision shall be final and binding.

The Contractor agrees that the City supplied electronic information regarding all customers, including the number and size of the Containers and the collection frequency.

After collection, the Contractor shall return the Container(s) in a neat and orderly manner to their original curbside, alley, or backyard location.

Section 670. <u>Backyard Can Service Option.</u>

The Contractor shall provide backyard collection service to Residential Structure customers who pay a premium for backyard services and for those who the City qualifies to receive backyard Garbage, Recyclable and Compostables service due to disability. The Contractor shall provide drivers with detailed information on all backyard locations.

The Contractor shall collect materials from a backyard customer when the materials are in a location convenient for the customer and accessible by the Contractor. The Contractor shall supply Containers for Garbage, Recyclables and Compostables to those customers qualifying for backyard Garbage, Recyclable and Compostables collection, and supply Containers to those backyard Garbage customers who request them. After emptying the Container, the Contractor shall replace the lid and return the Container to its former location without damage.

Section 680. <u>Onsite Container Locations.</u>

The Contractor shall collect onsite services as follows:

1. Existing services shall continue to be collected from existing locations, unless the customer would like them relocated to an alternate location. In such cases the Contractor and customer will attempt to reach agreement on a new location
2. New services shall be located at the Residential Structure or Commercial Establishment in a manner satisfactory to the customer and for collection by the Contractor and shall meet the provisions of the Seattle Fire Code.
3. The Contractor is required to provide collection service from locked buildings or enclosures when so requested by the customer. For entry into such a locked building the customer shall provide the Contractor with a key, keypad, or key box. The Contractor shall securely store entry keys and safeguard any keypad information;

Detachable Containers and/or Drop Boxes shall be located on the premises in a manner satisfactory to the customer and convenient for collection by the Contractor and shall meet the provisions of the Seattle Fire Code. Any disagreements over Container placement and collection shall be mediated by the City, whose decision shall be final and binding.

The Contractor is not required to collect from Detachable Containers and/or Drop Boxes if access across the customer's private property is blocked. The Contractor need not collect Detachable Containers and/or Drop Boxes supplied by customers unless compatible with the equipment approved for the performance of this Contract. The Contractor must notify the City, within 2 hours of the collection attempt, of any Residential Structure collections the Contractor has been unable to make under this Section.

The Contractor is not responsible for any damage to paved areas, including driveways, caused by the weight of a collection vehicle, or other damage to private property not caused by the negligence or misconduct of the Contractor. The Contractor shall be responsible for informing customers of the possibility of property damage if the Contractor reasonably believes that the weight of their collection trucks will damage paved areas.

The Contractor shall provide all collection services necessary to empty Containers attached to compactor units. These services include without limitation: disengaging the Container from the compactor unit; positioning the Container for collection truck access; returning the Container to the compaction unit and reattaching it; and cleaning up any spilled Garbage or Compostables.

The Contractor agrees that the City has supplied electronic information regarding the number, size, location, and collection frequency of all onsite containers.

SCHEDULING COLLECTION, MISSES & SPECIAL PICKUPS

Section 700. <u>Scheduling of Collection.</u>

All curb/alley collections shall be collected from each account on the same day of the week. Garbage and Compostables shall be collected weekly and Recyclables shall be collected every other week.

For curb/alley collections, the Contractor shall divide the Collection Area into five collection sectors, with one sector to be collected Monday through Friday (saturation routing). The five collection sectors shall be bounded by natural boundaries, such as bodies of water, major highways or arterials. Collections shall be made on a regular schedule on the same day and approximately the same time on each collection day.

The Contractor shall supply the City paper maps and shape-file formatted electronic files for the curb/alley collection days, recycle weeks, and route boundaries.

For onsite collections, the Contractor shall divide the Contract Area into sectors or routes in a manner that spreads collection over the work week. Collections shall be made from Containers on a regular schedule on the same days of the week each week or month and approximately the same time on each collection day according to the frequency determined by the Contractor and the customer as necessary for each location.

On a case by case basis the Contractor shall be required to provide a Detachable Container customer with a two-hour collection window to enable the customer to ensure that the Container is available for collection. Collection attempts outside of the window would be considered a collection miss per Section 740.

The Contractor shall collect three times a day from prepaid bag customers and provide customers a three-hour window for each collection. Any collections not made within the three-hour window shall be considered a miss under Section 740.

At least one month prior to the first collection under this Contract, the Contractor will notify all customers with a container notice, phone call and direct mail to the billing and service address of any collection day changes from the present contract.

Beginning October 1, 2019, the Contractor may change the day(s) of collection by giving notice to the City at least forty-five (45) calendar days, and affected customers at least fourteen (14) calendar days, prior to the effective date of such change. The Contractor shall provide the City with an electronic listing, and a revised file of the changes at least twenty-one (21) calendar days prior to the effective date of the change. The form of notice to the customer shall be subject to the approval of the City.

Section 710. Time of Collection.

The Contractor is authorized to collect Cans, Detachable Containers and Drop Boxes in residential districts between 7 am and 5 pm, Monday through Saturday. The Contractor is authorized to collect Cans, Detachable Containers and Drop Boxes from both sides of parallel streets or alleys bordering commercial and industrial districts between 7 am and 10 pm for Monday through Friday and 9 am to 9 pm for Saturday or Sunday. The Contractor is authorized to collection onsite containers in commercial and industrial districts, as defined in SMC 25.08.100 (B) and (C), 24 hours per day. The Contractor may request a temporary extension of hours. Such authorization shall not be unreasonably withheld.

Section 720. Holiday Collections.

The Contractor shall provide collection services on all legal holidays except Thanksgiving Day, Christmas Day and New Year's Day, with the exception of those accounts receiving bag collection service. Material regularly scheduled to be collected Thanksgiving Day shall be collected on Friday, the day after Thanksgiving. Friday's material shall be collected on Saturday. If Christmas Day or New Year's Day falls on a regularly scheduled workday, collections will be delayed one day and Friday's material shall be collected on Saturday. Bag service accounts must be collected as scheduled with no delayed collections due to Thanksgiving Day, Christmas Day or New Year's Day, unless the customer agrees to a delayed collection.

Section 730. Special Collections.

The Contractor will provide special collections Garbage, Compostables, Recyclables, Street Side Litter or Public Place Recycling Containers as requested by City or Customer on Monday through Saturday. Requests could include a designated neighborhood, block, Residential Structure, or Commercial Establishment. The Contractor shall make special collections on Monday through Saturday within twenty-four hours after receipt of a notice from the City or the customer.

The Contractor may also be required to perform collection services on a Sunday, with separate payment rates, due to special circumstances such as special events or natural disasters such as a snowstorm, windstorm or an earthquake.

Special collections are supplemental to the Contractor's regular collection services, missed and make-up collections, excess Garbage and Compostables collection, and bulky items and white good collections that are required by other provisions of this Contract.

Section 740. Missed and Make-up Collections.

Should the Contractor fail to make collections on a scheduled day for causes within the Contractor's control, the Contractor shall make a special make-up collection by the end of the business day, if notification of the miss is received by 10:00 am that business day, or by the end of the business day following notification by the City, if the notification is received after 10:00 am. The City will transmit to the Contractor missed collections and other collection complaints no later than the second business day following collection for customers receiving curb/alley service. The City will transmit missed collections for

backyard customers no later than the third business day following collection. A make-up collection shall pick up excess material accumulated during the interval between the scheduled collection day and the special make-up collection.

Solely for the purposes of this Section 740, the “business day” for the Contractor includes Saturday. "Business days" for the City are Monday through Friday, excluding any City holidays. Therefore, all miss complaints transmitted to the Contractor after 10:00 am on Friday must be collected by the end of the day Saturday.

Notwithstanding the foregoing, the City may require the Contractor to do the following:

1. Authorize the Contractor to defer the collection and authorize the customer to place a proportionally larger amount out for collection on the customer's next scheduled collection day without any additional charge, and to allow the customer to use a bag or temporary receptacles as well as additional bundles for those additional volumes; or

2. Authorize the Contractor to forego collection for the interval altogether and make a compensatory reduction in the billing to the customer, and an equal reduction in the amount payable to the Contractor.

It shall be a defense to a Residential Structure missed collection that the customer had <u>not</u> made timely placement of his or her material out for collection; that the placement did not comply with provisions of this Contract; and for Can/Cart collection of Garbage, Compostables, and Recyclables, that placement did not comply with Section 660 or that as to Detachable Container, or Drop Box collection of Garbage, Compostables, and Recyclables with Section 680 provided that the Contractor shall have left a City printed tag on all material left because it was not prepared properly, it was overweight, or for other reasons.

The Contractor must notify the City, within 2 hours of the collection attempt, of any Residential Structure collections the Contractor has refused or been unable to make via download into the City’s billing and information system. This input shall include the service address, account number and the reason of the non-collection. This input shall be referred to as the Exception List “(EL)”.

If the City transmits a miss complaint to the Contractor which is on the EL, or the City transmits a miss outside of the times established above, the Contractor may charge the City for a special collection in accordance with Section 730. If the City transmits a miss complaint which is on the EL, and it is a miss which the Contractor should not collect due to the fact that the Can/Cart is overweight or contains material that should not be collected due to Unacceptable Wastes, Recyclables or Compostables, the Contractor's office personnel shall note on the miss that the address is on the EL and note the reason that it was not collected and return the miss complaint to the City within four (4) business hours of its receipt, and the miss shall not be collected.

If the Contractor's collection personnel return to collect a miss and the Contractor has reason to refuse the miss consistent with this Section, the Contractor shall leave a City printed tag, explaining why the material was not collected. The Contractor shall also inform the City by the end of the business day of the addresses that were not collected and the reason for the non-collection.

This section applies to omitted collections of a single Residential Structure, a row of Residential Structures, and/or an entire route.

Section 750. Service Disruptions Due to Weather.

When snow or ice or other weather conditions prevents collection of all or a portion of the Contractor's routes on the scheduled day, the Contractor shall make collection on the next day. If such conditions continue for a second consecutive day or more, the Contractor shall, on the first day that regular service to a customer resumes, collect all the materials that the customer places out for collection, including Recyclables, even if not scheduled that week. On the day that collections resume, the Contractor shall take bags, boxes and other secure material, and shall empty temporary receptacles that customers have used when the collection Containers have been filled. The Contractor is authorized to perform collection services after 5:00 pm during, or immediately after, disruptions due to weather in order to finish the collection routes.

The Contractor shall notify the City as soon as possible of any non-collection days due to snow or ice. The notification shall be made the previous day or by 6:00 a.m. of the collection day. The City will notify the media of such non-collection days.

The Contractor shall not be paid for non-collections due to snow or ice. The City shall deduct $250 from the Contractor's regular monthly payment for each individual Curb Collection Garbage and Compostables route which is not 90% collected by the end of the day following the scheduled collection day. The Contractor shall collect any missed Recyclables on the week following non-collection.

Section 760. Service Disruptions -- Non Weather.

When closure of roadways providing access, blocked alleys or streets or other disruption beyond Contractor's control prevents timely collection on the scheduled day, the Contractor shall make collection either later on that collection day, or the next business day. The Contractor must provide all the collections required during the collection week. If all collections are not performed during the collection week, the City will adjust the Contractor's payment for such non-collection. The Contractor must notify the City, within 2 hours of the collection attempt, of any Residential Structure collections the Contractor has been unable to make under this Section.

The Contractor may directly contact City of Seattle Parking Enforcement to request assistance to clear streets or blocked alleys, notify them of illegally parked cars, or request other assistance.

When labor disruptions prevent collection on the scheduled day, the Contractor shall make collections on the next day. If such labor disruption continues for a second consecutive day or more, the Contractor shall resume collections on the customers' collection day the following week. On the day that collections resume, the Contractor shall take bags, boxes and other secure material, and shall empty temporary receptacles that customers have used when the collection Containers have been filled. The Operations Plan and the Contractor's Contingency Plans shall identify priority customers and the procedures for ensuring continuing service for those customers. The Contractor is authorized to perform collection services after 5:00 pm during, or immediately after, labor disruptions in order to finish the collection routes.

The Contractor shall not be paid for non-collections due to labor disruptions. The City shall deduct $400 from the Contractor's regular monthly payment for each individual Curb Collection Garbage and Compostable route which is not 90% collected by the end of the day following the scheduled collection day. The Contractor shall collect any missed Recyclables on the week following non-collection.

MANNER OF COLLECTION

Section 820. Collection Exceptions

The Contractor will notify the City within two hours of any collection exceptions, not set-out and/or located consistent the relevant Contract terms. However, the City shall be the sole and final judge if a collection was warranted.

The Contractor is not responsible for collecting 12/13 gallon cans weighing more than 20 pounds, 20 gallon cans in excess of 30 pounds, 32/35 gallon cans in excess of 60 pounds, 65 gallon carts in excess of 120 pounds, 95 gallon carts in excess of 180 pounds, or extra bags or bundles weighing in excess of 60 pounds. The Contractor shall collect Containers that are placed in accordance with Sections 660, 670, 680, and other relevant sections of this Contract.

If material is left uncollected, the Contractor will leave an explanation tag, to help the customer correct the problem and avoid it in the future.

Section 830. Collection of Excess Garbage and Excess Compostables.

The Contractor shall collect Garbage and Compostables in excess of the base service level if set out on or adjacent to the customer's container and if the account is not flagged for the Contractor to reject extra set outs. For collection of such excess Garbage and Compostables, the Contractor shall record the account and the number of excess units collected and submit records daily to customer billing systems.

Excess Garbage and Compostables may be in either an additional Can, bag or a bundle which does not exceed 32 gallons in capacity and sixty (60) pounds. Each individual bag or bundle of excess Garbage or Compostables or additional Can shall be considered an

excess unit. Garbage or Compostables piled above the rim of the Can, Cart, Detachable Container, or Drop Box shall be recorded as excess Garbage or Compostables.

The Contractor will only upload Residential Structure addresses that are matched to an account number. Addresses that do not match to an account number will be transmitted to the City in a separate file for research. When the City has determined the correct account number for the particular service address, the City will transmit the account number to the Contractor to be used for subsequent extra Garbage collection transactions.

If an individual customer continuously disputes excess unit charges, the City has the option of transmitting that customer address to the Contractor and telling the Contractor to not collect excess units from that particular address. The customer will be informed that in the future no excess Garbage and/or Compostables will be collected. However, this option will not be extended to absentee bill-payers for their tenants. All excess units placed out by tenants not listed as the bill payer shall be collected and recorded as excess units and uploaded to the City. The City shall have the option to require the Contractor to photo document excess collections at accounts that have repeated concerns.

While collecting excess Garbage or Compostables from Residential Structures, if an address is not visible, and there is no address sticker on the Can, the Contractor will leave the excess Garbage or Compostables, leave a City-approved Oops tag explaining why the excess was not collected, and transmit this information via the exception files to the City within 2 hours of the collection attempt. Prior to or during the next collection, the Contractor shall place a correct address on the Can.

While performing regular collections from Detachable Containers, the Contractor shall collect any excess Garbage that is piled above the rim of the Container, on top of the Container lid, or on the ground beside the Container if the account is not flagged for the Contractor to reject extra set outs. Excess Garbage must be prepared in accordance with SMC 21.36.010. The Contractor shall record the address of the Container location and an estimate of the amount of excess Garbage collected in quarter yard increments.

If a Detachable Container customer requests that excess Garbage not be collected from their location, the City has the option of transmitting that customer address to the Contractor and informing the Contractor to not collect any excess Garbage on top of the Container lid or on the ground beside the Container. Excess Garbage piled above the rim of the Container, or blocking the collection of the Container, will be collected and recorded as excess Garbage by the Contractor. The customer will be informed that in the future they will need to order a "paid special" per Section 650 to have any excess Garbage collected.

The City has the option of sending the customer "excess Garbage tags or bags", as described in the Operations Plan. The Contractor shall collect any such excess Garbage that has a tag or is bagged, and will not record such material as excess.

The Operations Plan contains the specifications for the amount of Garbage or Compostables which can be above the rim of the Can, Detachable Container, or Drop Box for the Contractor to record excess Garbage or Compostables. The Operations Plan also contains a description of ongoing training between Contractor and City staff to enable Contractor staff to better identify and record extra Garbage and Compostables, City monitoring protocols, as well as the appeal procedures for this activity.

The City will randomly monitor routes, or portions of routes, on a regular basis. Any addresses that are observed with excess Garbage or Compostables will be photographed and the address noted. Each month, all addresses observed by the City with excess Garbage or Compostables will be compared with the addresses reported by the Contractor as having excess Garbage and Compostables, as well as any "exceptions" noted by the Contractor for City-observed addresses.

Section 835. <u>Service Level Monitoring.</u>

The Contractor is responsible for monitoring the collection frequency and correct service level subscribed to by each customer and for collecting Compostables only from those Residential Structures and Commercial Establishments that are participating in the Compostables collection program.

Customer use of Garbage Cans above subscription level shall be treated as extra Garbage and recorded and uploaded to the City's computer system by the Contractor as extra Garbage, per Section 830.

For customers not subscribing to the Compostables collection service who place Compostables out for collection, the Contractor shall leave the Compostables with a notice that customers must subscribe to the service for collection, and the Contractor shall report to the City the customer's address and the amount of Compostables left.

The collectors shall carry route books, or the trucks shall have computerized information, indicating service levels for each Residential Structure and/or Commercial Establishment and whether the Residential Structure and/or Commercial Establishment is participating in the Compostables collection program. This information shall be current to the previous business week. The City has the right to stop a collection truck on the collection route to examine the route book or other means used to track this information.

Section 840. <u>Contamination Monitoring in Garbage, Recycling and Compost.</u>

The Contractor shall proactively monitor Garbage Containers for prohibited Recyclables and Compostables and monitor Recycling and Compost Containers for non-conforming materials. The Contractor will leave a tag or notice on non-compliant containers informing the customer. The Contractor shall notify the City within two hours of the collection at Residential Structures and provide a monthly list of non-compliant Commercial Establishments. Related customer outreach is described in Section 1310.The Operations Plan contains a description of the type and amount of Recyclables and Compostables which must be present in the Garbage to warrant notice.

Section 845. Spillage.

The Contractor shall pick up any scattered material within three feet of a Container and any material spilled during collection and clean up the area affected within three (3) business hours of notification of the incident. Excess customer debris will be collected as extras and recorded. Each truck shall carry equipment (such as a broom and a shovel) for this purpose.

The Contractor shall immediately, or within one (1) hour of notification, commence clean up of any hydraulic, transmission, or other oil spill, or commence clean up of any spillage which creates a hazardous condition (such as a spillage involving glass).

Section 850. Employee Conduct.

The Contractor is responsible for providing the supervision necessary to ensure that collection employees are courteous, exercise due care, do their work without delay, minimize noise, avoid damage to private property, close and relock all gates and doors that they open, replace lids on collection Containers and firmly close them, and, if on private property, follow the regular pedestrian walkways and paths; and not cross flower beds or through hedges. While collecting, employees shall wear or carry identification supplied by the Contractor. The identification shall be subject to approval of the City.

When the Contractor identifies unsatisfactory conduct by an employee or when the City notifies the Contractor of such conduct, the Contractor shall take remedial action. The remedial action shall be appropriate to the level of unsatisfactory conduct, provided that if the City requests of the Contractor by letter that an employee be suspended from further work on the Contract for Level Three unsatisfactory conduct or an uncorrected pattern of Level Two unsatisfactory conduct, the Contractor will permanently remove the employee from further work on the Contract.

> Level One: Examples of Level One unsatisfactory conduct are single isolated incidents such as spillage of materials, leaving gates open, not relocking doors, walking through flower beds, not returning Containers to their proper location, not replacing lids, etc.
>
> Level Two: Examples of Level Two unsatisfactory conduct are continued incidents of Level One unsatisfactory conduct, as well as rude or abusive language to customers, inappropriate behavior in customer's presence, purposeful damage of customer property, or acceptance of a cash payment or gratuity for ignoring a Contract provision.
>
> Level Three: Examples of Level Three unsatisfactory conduct are continued incidents of Level Two unsatisfactory conduct, as well as appearing on the job under the influence of alcohol or drugs, fighting or menacing, throwing rocks, endangering customers or driving dangerously.

Under Level One, the City will send a written notice informing the Contractor of the unsatisfactory conduct. Under Level Two and Three, the City will notify the Contractor by

telephone within five (5) working days of becoming aware of the incident and send a written notice within ten (10) working days. Written notices will identify the level of the notice, and the specifics of the incident.

The Contractor will notify the City of remedial action taken in its monthly reports.

Section 860. Customer Grievances and Service Disputes.

The Contractor will designate a representative to adjudicate customer grievances. At the City's request, the representative will join the City in meeting with an aggrieved customer within 24 hours of notification to resolve a complaint about spillage, a refusal to serve or a missed pick-up, and/or other deficiency in service or a need for special service. The decision of the City shall be final and binding.

Any disagreement between a customer and Contractor regarding the services which can reasonably be accommodated at the customer's site shall be resolved by the City, including availability of collection and ancillary services, container placement, level of service or any other issue related to collection services. The City will attempt to mediate and, if necessary, decide the issues, taking into consideration safety of the customer and the Contractor as well as the convenience of the customer and the efficient operation of the Contractor.

Section 870. Disposal Prohibition.

The Contractor shall be prohibited from collecting as Garbage, or disposing of, any Recyclables or Compostables set out for collection under this Contract. Violation of this Contract provision may be cause for termination.

Section 880. Scavenging.

No "scavenging" shall be allowed by Contractor or Contractor's employees. Scavenging means sorting through Garbage, Compostables or Recyclables while collecting looking for items of possible value (usually by individuals without mechanized equipment) or picking out individual pieces for reuse while loading or unloading. Scavenging excludes searches by owners for valuables accidentally misplaced or that may be lost and, under the Compostables and Recyclables collection programs, sorting out from the Compostables or Recyclables collected, materials that were not eligible for the program and disposing of the ineligible materials as Garbage.

Section 890. Pilot Tests.

The City may require the Contractor to conduct pilot tests that temporarily change one or more provisions of this Contract. A pilot test is an experiment with a new collection method, and/or a different type of service or schedule, that covers no more than ten percent (10%) of the Collection Area, and continues no more than eighteen (18) months, unless both parties agree to an extension. A pilot test may require additional record keeping. The City and the Contractor shall sign a letter of agreement covering the expected cost and the pilot program duration prior to commencing any such test.

If a pilot test affects regular collections, the parties shall negotiate an adjustment of the Contract payment to reflect the benefits and/or burdens of the pilot test. The adjustment shall be set so as to capture any increase or decrease in the Contractor's direct operating costs as a result of the pilot test. "Direct operating cost" includes planning costs; labor expense, including supervision (wages, employment taxes, and fringe benefits); materials, supplies and fuel; and amortized costs of new equipment purchased for the pilot test, or equipment modified for the test.

"Direct operating cost" excludes depreciation of equipment usable elsewhere. The parties shall agree before the start of the pilot test on what equipment is usable elsewhere by the Contractor. Any equipment that is agreed to be not usable elsewhere by the Contractor shall become the property of the City, at cost, at the conclusion of the pilot test.

Increases in "direct operating costs" must be established as out-of-pocket payments by the Contractor and be capable of verification by an independent auditor.

The Contractor proposed initial pilot tests that focus on sorting multifamily waste onsite, sorting or pulping commercial Garbage at a facility to recover additional fiber, installing sensors for on-call containers, and testing a phone app for CAP services. The City and the Contractor will consider project plans and for these and other new initiatives. These initial initiatives may or may not require additional city funding.

PUBLIC LITTER AND CLEANING

Section 900. Street Side Litter and Public Place Recycling Collection.

The Contractor shall collect any City-owned and maintained Street Side Litter and Public Place Recycling Containers located in the Contractor's Collection Area. The collection frequency of these Containers varies from daily to every other week. The Contractor agrees that the City has supplied electronic information regarding the location, number of Containers at each location and the collection frequency of Street Side Litter and Public Place Recycling Collection Containers located in the Contractor's Collection Area. The City may add or delete collections or locations for these Containers. The City will give the Contractor five (5) business days notification for the Contractor to deliver, replace, or pick-up such Containers, or to increase or decrease the regular collection frequency.

The Contractor shall deliver and service additional temporary Street Side Litter and/or Public Place Recycling Containers for public festivals and events as requested by the City. The Contractor will be paid the unit fees listed in Attachment 1 for delivering and servicing these Containers.

The Contractor shall service City-owned public Compostables Containers if directed by the City with 3 months' notice. The Contractor shall be paid the unit fees listed in Attachment 1 for Public Litter and Recycle Can services.

During collections, the Contractor shall open the container, empty and replace the liner, replace the lid, and clean up any litter that is located around or under the Container, or that is caught between the can and the liner.

The City shall have the option to exclude any Recyclable Material (such as glass) from collection from Public Place Recycling Containers. Collected Recyclable Material shall be delivered to the processing facility located at 3rd Avenue South and South Lander Street between the hours of 7:00 am and 7:00 pm.

Any Public Place Recycling Containers that are contaminated with unacceptable material shall be collected and billed as Street Side Litter Collection.

The Contractor shall provide the City on a monthly basis, per Section 1500, the location and number of the collections of Street Side Litter and Public Place Recycling Containers as well as the number, location and date of any Public Place Recycling Containers collected as Street Side Litter Collection Containers.

Section 910. Public Litter and Recycling Can Maintenance.

The Contractor shall inform the City, on a daily basis, of damaged or missing Containers, or Containers that are being used for Garbage disposal rather than litter disposal. Information shall include missing lids and/or liners, and broken or missing cables.

The City will be responsible for major repair and maintenance (including repainting) of all Street Side Litter Collection and Public Place Recycling Containers, with the exception of Containers damaged through the negligence of the Contractor. The City may elect to (1) have the Contractor perform the repair and maintenance at the City's expense (per the Contractor's shop rate in Attachment 1, except in cases of Contractor negligence, (2) perform the work with City forces, (3) contract with another firm for the repair and maintenance, or (4) perform any combination of (1), (2) or (3).

The Contractor shall be responsible for picking up any Containers in need of repair (for whatever reason) and delivering replacement Containers within five (5) business days of notification by the City. If the City elects to repair Containers, or contracts with another firm for Container repair, Containers requiring repair or maintenance will be picked up from the Contractor's service yard. Repaired or reconditioned Containers will be delivered to the Contractor's service yard. The City may also order the Contractor to make repairs in the field, or the Contractor may elect to repair containers in the field, rather than picking up and delivering them to their service yard.

The Contractor shall replace or repair all Containers damaged due to the Contractor's negligence. The Contractor and the City shall attempt to jointly determine the cause of any Container damage. However, the decision of the City concerning Contractor's negligence shall be final and binding. Any charges for Container repair or replacement due to Contractor negligence shall be deducted from the Contractor's monthly payment.

Street Side Litter and Public Place Recycling Containers shall be thoroughly cleaned inside and out at least once each year or as directed by the City. This annual cleaning shall include replacing the liner, lids, cables and labels.

The Contractor is responsible for removing graffiti, stickers, posters, or other unauthorized material from Street Side Litter and Public Place Recycling Containers on an on-going basis. Collection drivers shall regularly note Containers containing graffiti, stickers, posters and other material. Contractor personnel shall then remove such material. The Contractor shall remove any graffiti, stickers, posters, or other unauthorized material reported by the City within five (5) business days of notification.

Section 920. Illegal Dumping and Debris Pickup

The Contractor will collect debris and dumped items within 3 days, as directed by the City. The Contractor shall proactively monitor, report and remove debris throughout the Service Area as described in the Operations Plan. The Contractor shall be compensated with unit payment terms in Attachment 1.

Section 930. Alley Cleaning.

The Contractor shall clean targeted alleys that have Containers stored or set out in select business districts as directed by the city. Cleaning can include litter and debris pickup and pressure washing. The Contractor shall be compensated under the unit payment terms in Attachment 1.

FLEETS AND DESTINATIONS

Section 1000. Vehicles Used in Collection.

All vehicles used for collection shall be registered with the State of Washington Department of Motor Vehicles, and shall be kept in a clean and sanitary condition and a state of good appearance and repair, and shall be painted in a uniform manner.

Collection vehicles shall be painted in Contractor's color or colors subject to approval by the City, and shall have painted in a contrasting color, at least four inches high, on each side of each vehicle and on the rear of the vehicle, a four-digit vehicle number. Collection trucks shall be numbered consecutively. Collection vehicles must be registered with the City prior to use and have City-provided RFID mounted on driver door.

No advertising shall be permitted other than the name of the Contractor. The Contractor shall place a City-approved sign, which will include a City customer service telephone number, on all collection trucks used predominately for residential collections. All collection trucks used predominately for commercial collection shall display a Contractor customer service telephone number. All vehicles shall be kept in a clean and sanitary condition, and shall be thoroughly washed at least once each week.

The number of collection vehicles (including spares) shall be sufficient to service all Residential Structures and Commercial Establishments at the frequency of collection specified.

All vehicles used by management personnel, including route supervisors, shall be equipped with cell phones with voice mail so that they can be contacted by the City.

All such vehicles shall be operated in conformity with Washington State traffic laws and where applicable the Seattle Traffic Code, SMC Title 11.

The Contractor's primary collection vehicles shall be used only on this Contract. The Contractor may use collection vehicles from other sources, or use Contract vehicles for other operations only with the approval of the City.

The Contractor (and subcontractors) shall not park or store any collection vehicles on City property for more than a two-hour period, regardless of the signage, without the permission of the City.

Section 1010. <u>Vehicle Specifications.</u>

The Contractor's primary collection fleet shall be all new trucks with 2019 Cummins diesel engines. The Contractor shall use 100% certified Renewable Diesel, sourced without palm oil.

The Contractor will deploy one full-size Class 8 battery-electric collection truck by April 2019. The Contractor will deploy a second truck by April 2020, after review of performance and cost impacts from the initial truck. Based on the performance review, and agreement by the Contractor and the City, the second truck could be delayed. The City will provide a one-time payment of $200,000 per truck within 3 months after permanent deployment.

The Contractor will also deploy two or more Class 6 electric trucks for delivery or collection services and 3 or more electric support vehicles at the start of the Contract and continue to expand electric fleet deployment during the Contract.

All collection equipment used under this Contract shall meet all applicable state and federal safety standards and Contractor shall obtain all required operating permits. All collection trucks used on this Contract shall meet existing street weight limits in the City. The Contractor shall not exceed any collection truck weight limit at any time. The Contractor shall equip all collection trucks with on-board scales to ensure that no truck exceeds weight limits. The Contractor's monthly report, Section 1500, shall include the date, time, truck number, total weight and weight exceeding weight limits for any overweight truck.

All collection vehicles shall be equipped with ambient noise back-up alarms, GPS locating units, pack at idle compaction, engine idle time limiter, automatic transmissions, retarders, arm dampeners, larger than industry standard and copper-free brake lining and synthetic or semi-synthetic fluids. Primary collection trucks shall be equipped with side guard flaps

or tanks to improve pedestrian and bicycle safety, where mutually agreed by City and Contractor. All collection vehicles shall be equipped with digital cameras so that upon a specific request from the City, collection personnel can record collection at a location.

The City shall have the option to require the Contractor to equip up to two collection trucks with digital based scales to allow for data collection and research on weight based rates. The City will specify the type of scale or weighing system which the Contractor will acquire and install. The Contractor shall supply the necessary staff, including administrative support, to collect, analyze and transmit collected data to the City.

Section 1020. Vehicle Maintenance and Inventory.

The Contractor shall provide to the City, by March 1, 2019, a complete inventory showing each vehicle (type, capacity) used for performing the Contract. The Contractor may change equipment from time-to-time but shall notify the City of new or temporary replacements prior to their use on this Contract. The Contractor shall maintain a vehicular fleet during the performance of this Contract at least equal to that described in the inventory.

Section 1030. Traffic Laws; Noise Control.

All vehicles shall be operated in conformity with the Seattle Traffic Code, SMC Chapter 11. The maximum noise level of motor vehicles during travel shall not exceed the levels set forth in SMC 25.08.430. The maximum noise level while collecting or compacting Garbage, Compostables, and/or Recyclables shall not exceed the levels set forth in SMC 25.08.410.

Section 1040. Disposal Destinations.

All Garbage and Compostables collected under this Contract shall be delivered to either the City's North Transfer Station, located at 1350 North 34th Street, or to the City's South Transfer Station at 130 South Kenyon Street, or to a Public or Private Transfer Station located in the Duwamish Industrial Area (DIA) as directed by the City. All collected Residential Garbage must be tipped by 6 pm of the collection day, however, the City's North Station is only available for tipping between 7 am and 3 pm, or as specified in the Operations Plan.

All Recyclables collected under this Contract shall be delivered to a Private Facility located in the DIA as directed by the City. All collected Recyclables must be tipped by 6 pm of the collection day.

Bulky Items, Electronics and loose items collected under this Contract shall be delivered to a City transfer station or Private Facility located in the DIA as directed by the City.

The Contractor is prohibited from using the 16th Avenue South Bridge while going to and from transfer facilities without the prior written approval of the City.

No collected Garbage or Compostables shall be stored overnight in the collection vehicle.

No disposal fees shall be charged to the Contractor for Garbage, Compostables or Recyclables, Bulky Items or Electronics delivered under this Contract.

The Contractor's collection vehicles for Garbage and Compostables must be capable of being dumped at the City's public Transfer Stations.

The Contractor is guaranteed a Cycle Time of no longer than 15 minutes at any Public or Private Transfer Station. The City shall pay the Contractor $1.25 per minute for every individual truck trip at the transfer facility that exceeds a Cycle Time of 15 minutes. The City and the Contractor and any Private Transfer Station used shall meet on as as-needed basis to discuss cycle time communication and coordination issues to minimize pre-scale delays.

The City may designate an alternate transfer station for the tipping of Garbage, Compostables, or Recyclables. The designation may be temporary or permanent. If the City directs the Contractor to an alternate transfer station that is outside of the DIA, then the City will compensate the Contractor $1 per ton-mile, based on the increased distance in one-way miles, between an alternate station and the current station relative to the center of the relevant Service Area zone.

CONTAINERS

Section 1100. Container Ownership.

All Containers in service prior to the Contract have been purchased and owned by the City, except for the customer-leased compactor containers. These in-place Containers will remain in place and be available for Contractor and customer use as long as the Containers are in functional condition and meet Contract specification. All Containers in place at customer locations at the end of this Contract shall, at the option of the City, remain in place and ownership shall, at the option of the City, revert to the City.

The Contractor shall purchase all replacement Containers during the term of the contract except public litter and recycle cans and privately-owned compactors. No separate rental or purchase payments will be made to the Contractor, either by the City or its customers.

Compactors and compactor Containers will be purchased or leased by the Customer. Customers may also elect to own or secure Detachable Containers and/or Drop Boxes from sources other than the Contractor. Detachable Containers and/or Drop Boxes owned or secured by customers will be regulated by the City to ensure that they are standard Containers capable of being serviced by front, rear load, or tilt frame collection vehicles.

Damage to customer owned Detachable Containers or Drop Boxes on customers' premises is at the Contractor's risk, rather than the City's, as between those parties and without affecting the risk or liability of others. The Contractor shall be responsible for the repair of all customer owned Detachable Containers or Drop Boxes damaged due to the Contractor's negligence.

Section 1110. <u>Cart Standards.</u>

Containers for Garbage curb collection shall be black and commensurate with customers' service level (approximately 13, 20, 35, 64 or 96 gallon). Containers for Compostables shall be green and commensurate with customers' service level (13, 35, 64 or 96 gallon). Containers for Recyclables shall be 96 gallon blue Carts; however, the Contractor shall also provide 35 and/or 64 gallon blue Carts for special circumstances where the curb customer needs a smaller Container. The City shall review and approve the Cart models, including the specific shade of color proposed prior to Cart ordering and delivery by the Contractor. All Containers shall be equipped with attached lids, have wheels to aid in movement, be a minimum 30% post-consumer recycled content, meet ASTM container standards, and have minimum 10-year warranty.

Containers will include Contractor-provided, and City-approved, instruction labels or in-molds on the lids for with customer instruction on Cart use, excluded and included materials, City logo and contact information. Instructions will include Cart safety, including customer actions that would void manufacturer warranties, placement of hot ashes that could cause Cart to melt, and procedures to minimize potential fire problems. The sides of the Carts will be hot-stamped with service type, City logo and city contact info.

The Contractor shall affix the customer's address to each new Can or Can replacement prior to delivery. By May 1, 2019 the Contractor will ensure that all customer Cans currently used for collection of Garbage, Compostables and Recyclables have the customer's readable address affixed to the Can. If during the term of the Contract, the address fades, or becomes unreadable, the Contractor shall reaffix the customer's address. The Contractor is responsible for designing and providing address labels.

Section 1120. <u>Detachable, Drop Box Container Standards.</u>

Contractor will purchase all replacement Containers. Containers shall be water tight and equipped with tight-fitting metal or plastic lids, have four wheels for Containers two cubic yards and under, be in good condition for storage and handling, with no leaks, jagged edges, or holes. Drop boxes shall be all-metal and, if requested by the customer, equipped with a tight-fitting screened or solid cover operated by a winch in good repair. Plastic dumpsters can be supplied for locations approved by Seattle Fire Marshal.

Detachable Containers for Garbage will be green or grey, Compostables Containers will be green, and Recyclables Containers will be blue. City will approve standard container color prior to ordering. All Detachable Containers for multifamily Garbage services will be grey by March 31, 2022.

Containers will have name and telephone number of the City or Contractor, and bear a serial number coded for Container size. By May 1, 2019 the Contractor will ensure that all Detachable Containers and Drop Boxes have the customer's readable address, container size and collection day affixed to the Container. If during the term of the Contract, the address fades, or becomes unreadable, the Contractor shall reaffix the customer's address.

All Containers for Compostables and Recyclables collection shall bear Contractor-provided, and City-approved, decals containing information on the proper preparation of material.

Detachable Containers and Drop Boxes shall be painted and pressure washed at least once during the term of the Contract, with at least 10% of steel container inventory washed each year. Detachable Containers and Drop Boxes supplied for Compostable collection shall be pressure washed at least once each year or as requested by the Customer or City. A Detachable Container and/or Drop Box shall be reconditioned, pressure washed and repainted if necessary before being supplied to a customer who had not used it earlier.

On an individual basis, the City may require the Contractor to place on a Detachable Container a collection meter or wheel locks.

The Contractor is responsible for proactively removing graffiti from its Detachable Containers and Drop Boxes, such that 90% of Contractors' Detachable Containers are graffiti-free at any given time. Collection drivers shall regularly note Containers containing graffiti. Contractor personnel shall then remove reported graffiti. The Contractor shall remove any graffiti reported by the City within five (5) business days of notification. The Contractor shall supply Container paint to any customer who requests it for graffiti removal.

Section 1140. <u>Lidlockable Containers.</u>

The Contractor within five (5) working days after receipt of notice from the City shall supply to each customer designated in such notice a Detachable Container fitted with a lidlock mechanism (a "lidlockable Container"), along with one padlock and one key, or a combination lock. The Contractor's lock system for new lidlockable requests shall provide at least fifty different key or lock combinations for customers with one master key or combination used by the collectors. In addition, The Contractor shall also provide fifty (50) new key combination locks for existing lidlockable Containers at no cost to the City. The Contractor shall proactively identify containers that are accessible to the public and install locks to reduce related scatter and debris.

The only authorized lidlock mechanisms on Contractor-owned Detachable Containers are those installed by the Contractor. The Contractor shall have no obligation to render customer supplied Containers compatible with the Contractor's padlocks, or to supply padlocks for use with such Containers. The Contractor may decline to make collections from Containers fitted by others with locking mechanisms, whether or not such Containers are locked on the date of scheduled service, if the locking mechanisms are of a configuration that prevents or makes unreasonably inconvenient collection with the Contractor's equipment. The Contractor shall notify the City, within 2 hours of the collection attempt, of any Residential Structure collections the Contractor has been unable to make under this Section.

Section 1150. Container Delivery.

The Contractor shall purchase and deliver Containers for new customers, changes in service level or to replace Containers that were damaged, destroyed, lost by the customer or stolen. The Contractor shall deliver Containers within five (5) business days of notification. New accounts or repeat delivery requests shall be completed in 24 hours. Routine Container swaps shall be completed on the customer's regular collection day.

The Contractor shall notify the City within 24 hours of all Residential Can or Cart deliveries, or any reason for a non-delivery via the hourly interface file.

During the term of this Contract the Contractor shall deliver Detachable Containers and/or Drop Boxes for storage and collection of Garbage or Recyclables to Residential Structures and shall deliver Detachable Containers and/or Drop Boxes for storage and collection of Garbage or Compostables to Commercial Establishments within three (3) business days after notice from the City, or request from a customer.

The Contractor shall notify the City within 24 hours of all Residential Detachable Containers and Drop Box deliveries, or any reason for a non-delivery via download into the City's billing and information system (Banner). This input shall include the service address, account number and the delivery date or attempted delivery date.

Beginning October 1, 2019, the City will pay the Contractor the Detachable Container and Drop Box delivery amount listed in Attachment 1. This payment is for all Detachable Container or Drop Box deliveries, switches or pick-ups.

The Contractor shall supply on an every-other-week basis an inventory listing of available Detachable Containers and Drop Boxes. The Contractor shall maintain a Container inventory of 4 to 6 weeks of anticipated deliveries.

Beginning October 1, 2019, the City will pay the Contractor the Can delivery amount listed in Attachment 1. This payment is for all Can deliveries, switches and pick-ups.

The Contractor shall maintain a Can inventory of 4 to 6 weeks of anticipated deliveries. The Contractor shall supply on an every-other-week basis an inventory listing of available Cans.

The Contractor, without charge to the City or the customer, and within twenty-four (24) hours after notice, shall replace any privately-owned Cans and Can lids taken or damaged by Contractor, or reimburse the customer the cost of providing a replacement.

All deployed City-owned Containers under the prior service contract will remain in place for the Contractor at the beginning of this Contract. All Containers may become City property at the end of the Contract, at the City's discretion.

CUSTOMER OUTREACH, SERVICES, AND RETAIL BILLING

Section 1300. Customer Outreach During Contract Start-up.

Prior to February 15, 2019, the Contractor shall deliver to all Residential Structures and Commercial Establishments receiving service under this Contract, at least the following information:

1. Collection schedule information (days of week, collection frequency, and collection time window, if required);

2. Bill format and payment procedures for Commercial Business customers;

3. Material to be collected and how such material is to be prepared;

4. Container placement information;

5. Any service or collection options available to the customer, such as additional curb or drop-off recycling or different sized or additional Containers; and

6. Telephone numbers and electronic contact options that customers should use for additional information, or for questions.

The above information shall be mailed to all customers at their billing and service address (if service address is different from the billing address). Customer service phone and website, as well as commodity specific material to be collected and how such material should be prepared shall be affixed to collection Containers.

The Contractor will provide additional and multiple notifications by mail, phone and container tags for any customers with collection day changes.

The Contractor shall submit their start-up plan and draft public information to the City for approval by October 1, 2018. The City shall approve all customer information materials, promotion and educational activities and materials developed by the Contractor in advance of their production or implementation. All public information material will conform to City promotional guidelines and include the City's program identity.

Section 1310. Recycling and Compostables Outreach and Assistance.

The Contractor shall provide an annual workplan by January 30th, to be reviewed and approved by the City, describing planned outreach and assistance for the coming year. Contractor outreach activities and targets are listed below, and subject to change by mutual agreement:

1. Annual collection calendars mailed to each Residential Structure and Commercial Establishment informing customers of their collection days for the upcoming collection year; describing City requirements and clarifying which materials go in the different waste containers; discussing any new services or changes in the program; and

promoting free assistance and materials available to the customers.

2. Outreach and technical assistance, to all **Commercial Establishments** in the Collection Area, including, but not limited to:

   a) Produce and deliver posters, labels, and signage for Garbage, Recyclables and Compostables services, with culturally appropriate languages and images.

   b) Provide *on-site Technical Assistance* at *75-100 sites per year* by Waste Zero Specialists for any requesting site, including employee training, operational improvements, posters and container labels, translated posters and labels, and other assistance. On-site technical assistance will include waste audits to maximize diversion, including verification of services, assessment of optimal diversion, documentation of opportunities, and recommendations for increased diversion and reduced contamination.

   c) Perform *Performance Audits* for up to 20 sites per year, at the direction of the City, including physical sort of 30% of materials produced in 24-hour period, with written report and recommendations.

   d) Conduct outreach partnerships with *6-9* local business groups and *2-4* Lunch and learn programs per year.

   e) Perform 50 proactive Container audits *per quarter* to identify contamination, tag relevant Containers, send follow-up post cards, and contact problem sites.

3. Outreach and technical assistance to **multifamily Residential Structures**, including, but not limited to:

   a) Produce and deliver posters, labels, and signage for all multifamily Residential Structures, translated into the languages most relevant to the tenants.

   b) Produce and deliver instructional flyers for building owners and managers to distribute to tenants, with culturally appropriate language, messages and images.

   c) Provide onsite technical assistance by Zero Waste Specialists or consultants for 30-50 targeted buildings per year, including container improvements, onsite presentations to residents, and distribution of materials.

   d) Deliver the Waste Wise Program to 5 buildings per year with low diversion rates and/or high contamination levels. These targeted buildings will be contacted by the Contractor for detailed site assessment and more extensive assistance that includes:
      - On-site waste consultation

- Compostable bag dispenser (including case of 1,300 bags)
- Door-to-door outreach to tenants
- Reusable recycling tote bags and compost containers for each unit
- Additional educational posters

e) Lead 2-4 property manager group trainings per year.

f) Proactive Container audits of 50 sites per quarter to identify contamination, tag relevant Containers, and engage the customer to resolve.

g) Social media outreach including Recycling Coach Academy for tenants and other effective behavior incentives through online leverage.

4. **Community outreach** and support including, but not limited to:
   - Outreach and tabling at 10-12 SPU and community events per year
   - Recycling plant tours and education center
   - School outreach programs
   - Bike works partnership
   - Artist in Residence
   - Community sponsorships

The City shall approve all customer information materials, promotion and educational activities and materials developed by the Contractor in advance of their production or implementation. Contractor outreach and customer materials will conform to City promotional guidelines, include the City's program identity, and address equitable access, inclusive outreach and community engagement consistent with the City's Race and Social Justice Initiative.

The Contractor shall place a City-approved supplied sign, including a City customer service telephone number, on all Residential collection trucks. The truck sign shall be approved by the City prior to sign production.

No news release, promotional efforts, or demonstration related to Seattle's services under this Contract shall be produced or conducted, without the prior written approval of the City's Project Manager or his/her designee.

Section 1320. <u>Customer Service for Businesses.</u>

In addition to other customer service provisions in this Contract, the Contractor shall provide the following services to Commercial Establishments:

1. Set up of new accounts for each commercial customer to be serviced by the Contractor in the Collection Area;

2. Provision of Containers for each Commercial Business customer;

3. Provision and delivery of pre-paid bags to Residential and Commercial customers for collection of Garbage and Recyclables;

4. Provision of itemized monthly invoices to each Commercial Business customer;

5. Provision of on-line payment and service request capability for Commercial Business customers;

6. Receipt and processing of payments from all Commercial Business customers serviced by the Contractor;

7. Provision and maintenance of systems and personnel for managing customer inquiries and complaints;

8. Provide regular information to customers on the procedures for appealing disputes to the City;

The Contractor shall provide a monthly record of all customer service requests, complaints and misses, categorized by type of request, complaint or miss;

The Contractor shall maintain a customer service operation with 80% of calls answered within 20 seconds, and abandoned calls are less than 5% per month;

The Contractor's telephone system shall have the capacity to monitor and report the number of incoming calls received during the business day, and during the month; the average holding time for all calls received in a period, and the average holding time for all calls received. This information shall be available to the City on a daily basis and the Contractor shall provide a monthly report showing total calls accepted, average call wait times, number of abandoned calls, and TSF performance; and

A dispatch telephone number will be available to customers 24 hours per day, 7 days per week (or when the regular customer service operation is not operating). Staff and telephone equipment shall be sufficient to handle the volume of calls typically handled during these hours.

The Contractor’s customer service operations will provide on demand translation services for non-English speakers.

Section 1330. <u>Prepaid Bag Service.</u>

The Contractor shall provide prepaid bag service to customers who request such service in business districts located in the Collection Area.

The Contractor shall be responsible for printing, and distributing any pre-paid bags, as well as charging and collecting revenue from customers for use of the bags.

The Contractor will provide sales and distribution of pre-paid garbage 15 and 35 gallon grey bags with minimum thickness and logo. Pre-paid recycle bags shall be 35 gallon blue bags, for relevant multifamily and commercial accounts, as specified in the Operations Plan, with minimum thickness and logo.

Section 1340. Billing to Business Customers.

Commercial Business customers shall be billed on a monthly basis at the rates set by the City as set forth in SMC 21.40. The Contractor shall be responsible for billing each Commercial Business customer serviced in its Collection Area. The Contractor will have authority to bill Commercial Establishments for services performed, including applicable taxes for which Contractor is acting only as collection agent for the City. The customer billing for Contract services shall not include services outside of the Contract unless approved by the City. The billing format shall be approved by the City prior to use. The Contractor will incorporate City customer service messages as text on bills and/or as an additional insert in the bill on request from the City. Billing procedures and forms of invoices will be established in the Operations Plan, as appropriate. Contractors will provide electronic billing and online customer service options.

Section 1350. Payment Receipt and Remittance to City.

1. Application of Funds: The Contractor will be responsible for collecting all payments from its designated Commercial Business customers. Account balances will be divided into four (4) categories, and the payment received by the Contractor from each customer will be applied in the following order:

    a) Specific billed services to that customer, prior or current, as directed in writing by the customer;

    b) Balances carried forward by the Contractor or a previous contractor supplying Commercial Collection service to the City from pre-Contract services to that customer, for a period of ninety (90) days from the commencement of services under this Contract;

    c) Prior Commercial Business services to that customer performed pursuant to this Contract and billed for the City, including any late penalties and interest as determined by the City; and

    d) Current Commercial Business services to that customer performed pursuant to this Contract and billed for the City.

2. City not responsible for Contractor's debts: The City will not be responsible for collection of debts owed by Commercial Business customers to the Contractor for services performed by Contractor outside the scope of this Contract except for the employment of collection mechanisms as set forth in Section 1360.

3. Remittances to City shall be as follows:

a) Payments received by the Contractor from its designated Commercial Business customers as provided in Section 1350 (1) shall be remitted by the Contractor to the City by daily wire transfer, or as agreed by the City, following posting to the customer account by the Contractor;

b) NSF checks and fees and other non-clearing deposits will be charged back to the City, to the extent they were previously credited to the City; and

c) Disputed billings will be reconciled by the Contractor's billing department, provided that, at the City's request, a representative of the City will join the Contractor in dealing with the disputed bill and, in that event, the City's determination of billing for City services shall be binding.

4. Treatment of Certain Taxes and Other Excises:

a) The Parties agree that Contractor will act as billing and collecting agent for the City with regard to the following taxes and any other taxes imposed by law on the Commercial Business customers for which the City has responsibility of remittance to the appropriate taxing authority:

i. Household Hazardous Waste Collection Fees, corresponding to the fees currently contained in Seattle Municipal Code § 21.44.060D;

ii. Seattle Solid Waste Collection Taxes contained in Seattle Municipal Code, §5.48.055;

iii. State Solid Waste Collection Taxes; and

iv. Retail Sales Tax levies on container rental charges.

b) Nothing in this Contract is intended to impose liability as a taxpayer on Contractor for amounts attributable to the taxes described in this subsection, and nothing is intended to circumvent the existing regulatory structure with regard to such taxes. The Parties wish to establish a system under which Contractor will act solely as a billing and collecting agent for the benefit of the City in the collection of such taxes. If the Contractor fails to collect such taxes the customer or the City, as the case may be, and not the Contractor, will bear the ultimate tax liability; and

c) The Parties agree that if the regulatory structure governing the imposition and liability for such taxes changes, so as to prohibit or otherwise interfere with Contractor acting solely as billing and collecting agent, the Parties will renegotiate the terms of the Contract governing payment and collection of such

taxes and, if necessary, make any adjustment to Contractor's compensation as may be necessary.

Section 1360. <u>Bad Debts.</u>

All past due amounts that accrue from the services provided by the Contractor under this Contract or past due amounts for Commercial Business service provided during a 90-day period prior to the start of the Contract, either by the Contractor or by any other contractor supplying Commercial Collection service to the City will be pursued for collection by the Contractor for a ninety (90) day period as follows:

1. If no payment has been received at thirty (30) days from the date of the original invoice, send a second invoice with dunning message and late penalties and interest as determined by the City. If the Contractor fails to bill Commercial customers for late penalties and interest, the City will deduct such late penalties and interest from Contractor payments;

2. If no payment has been received at forty-five (45) days from the date of the original invoice, send a collection letter;

3. If no payment has been received at fifty-five (55) days from the date of the original invoice, call the customer;

4. If no payment has been received at sixty-five (65) days from the date of the original invoice; call the customer and notify the customer that service is being suspended, place the account on suspension and notify the City;

5. If no payment has been received at seventy-five (75) days from the date of the original invoice, send final collection letter or call the customer; and

6. If no payment has been received at ninety (90) days from the date of the original invoice, the account will be closed and the balance, including accrued interest, will be forwarded to the City for collection.

The above timing and notification dates may be modified by the City, at its sole discretion, by written notice to the Contractor.

Section 1370. <u>Financial Record Keeping and Reporting.</u>

The Contractor shall maintain complete and accurate books of account and records with respect to the performance of its obligations under this Contract including, but not limited to, all correspondence and invoices, transaction tickets, or receipts documented by books and records kept at Contractor's principal place of business. Contractor also agrees to maintain a system of internal accounting controls sufficient to ensure that all transactions are properly authorized, recorded, processed, summarized and reported and that all assets of the Contractor and the City are adequately safeguarded. The Contractor will provide an annual report of an internal or third-party review of the Contractors' current financial controls. The City shall have the right during reasonable business hours to

inspect and audit such books, records and internal accounting controls. All books, accounts, and records required to be maintained under this Section shall be preserved intact without alteration during the term of this Contract and for a period of twelve (12) months following the termination of this Contract.

PERFORMANCE, COORDINATION AND BEST PRACTICES

Section 1400. <u>Performance Expectations.</u>

The following expectations are established for services under this Contract:

1. Missed collections (as described/defined in Section 740) to occur less than 1 per 1,000 service stops;

2. Repeat missed collections (as described/defined in Section 740) to occur less than 1 per 10,000 service stops;

3. 95% of missed collection collected within 24 hours (with potential Performance Fees for any delayed collection of misses)

4. 98% of requested container deliveries on-time (with potential Performance Fees for any delayed deliveries)

5. 90% of Detachable Containers are free of graffiti at any given time.

6. Collection of excess Garbage and/or Compostables reported at an 85% accuracy rate;

7. Commercial customer service calls answered within 20 seconds;

8. Commercial abandoned calls to be under 5% per month;

9. Commercial customer satisfaction rated above 5 (on a scale of 1 – 7) on bi-annual City survey of services; and

10. Other items as mutually agreed.

Per Sections 130 and 150, the City will add or deduct funds from the Contractors regular payments for exceeding or not meeting these service expectations.

The Contractor is also expected to provide consistent service, submit all required data and reports within the time periods specified and consistently provide correct information. Under Section 140 payments will be added or deducted on a quarterly basis for meeting or not meeting these requirements.

Section 1420. <u>Meetings and Communication.</u>

The Parties acknowledge that effective and open communications are an important ingredient in good Contract administration and implementation, and Contractor and the City each agree to work in good faith to promote such communications, particularly in the event that significant operational challenges or external events arise during the term of this Agreement. In order to minimize problems during implementation of the Contract, to provide a forum for discussing and resolving any operational questions or issues that may arise, and for updating the Operations Plan the parties agree to meet on a regular basis as follows:

1. The period from the date the Contract is executed until six months after the actual collection services begin (or such earlier date as may be mutually agreed to by the parties) shall be referred to as the "Implementation Phase". During the Implementation Phase, meetings shall be held between representatives of the parties on a weekly basis, or on such more or less frequent basis as may be mutually agreed. The primary purposes of such meetings shall be to develop and/or refine the Operations Plan, to evaluate the Contractor's performance in implementing the Contract, to air and seek resolution of complaints, to discuss any actual or perceived problems with service, and to discuss promotion, public information and public relations;

2. After the Implementation Phase, meetings shall be held at least on a monthly basis, unless otherwise mutually agreed to, between representatives of the parties. Such meetings shall be held for the purpose of reviewing and discussing day-to-day operations, promotion, public information and public relations; and

3. Meetings during the Implementation Phase shall be held at the offices of the City unless otherwise agreed. Meetings held after the Implementation Phase shall be held at a location agreed upon by both parties. Each party shall be available for at least 90 minutes per meeting, unless otherwise agreed in advance. Meetings shall be held during normal business hours.

4. In the event that a significant operational challenge, including significant traffic events or other external events arise during the term which threatens to impact the delivery of normal services under this Contract, the Parties agree to work in good faith to communicate with each other and to act cooperatively to manage and attempt to resolve such challenges. More specifically, each Party, as set forth in the Operations Plan, shall designate an individual to serve as senior liaison under this Contract, and such individual shall agree to meet and confer in good faith, in an effort to manage or resolve significant operational challenges or external events, when and if they arise.

Section 1430. <u>Contractor's Office.</u>

The Contractor shall maintain an office within King County for coordination with City staff. All management and office staff, collection supervisors and foreman shall have phone and email accessibility to City staff. Management personnel and supervisors shall have cell

phones and be available during work hours. Any voice mail messages shall be returned by the Contractor's office staff, management and/or supervisors within two hours. Office hours shall be 8am. to 5pm, Monday through Friday.

Section 1440. Operations Plan.

A schedule of activities and detailed procedures related to the effective implementation and operation of the Contract will be developed by the Contractor and the City after the Contract is signed and prior to beginning collections under the Contract. This plan shall include the procedures and activities listed below and shall include completion dates for each activity:

1. Procedures for notifying customers of new collection days;

2. Procedures for notifying Commercial Business customers of any billing format changes or procedures;

3. Procedures for transmitting collection and billing information to and from the City to the Contractor;

4. Procedures for transmitting collected revenue from the Contractor to the City;

5. Procedures for City monitoring of Contractor collection activities;

6. Procedures for measuring and applying rewards/penalties for Contractor activities;

7. Process for customer and Contractor appeals to billings, services and/or payments;

8. Protocol and communications for service interruptions due to weather, construction and other factors;

9. Standards for the transfer of electronic information and for data quality control and accuracy;

10. Designation of implementation leads by both City and Contractor;

11. Procedures for orientation of collection staff including route coordination/cooperation with City staff, and;

12. Other items identified by the parties.

The Operations Plan shall not contain procedures, activities or schedules that conflict with any terms of this Contract.

Section 1450. Sustainable Business Practices.

Contractors shall use environmentally preferable products to perform City services, including Green Seal, Eco Logo or other certified cleaning products, where applicable, in

performance of cleaning work. The Contractor shall use of 100% post-consumer recycled content, chlorine-free paper where possible. Contractors shall double-sided materials prepared for Seattle under this Contract, except when impracticable due to the nature of the product.

The Contractor shall submit an annual Environmental Performance and Sustainability Report, within 30 days of the end of the year, covering performance for the prior year and sustainability recommendations. The report will include fuel use and sources and mileage impacts of fleet operations, successes and challenges for diversion programs and other areas of environmental performance.

REPORTING AND DATA REQUIREMENTS

Section 1500. Route, Fleet and Container Reports and Data.

The Contractor shall supply the following information to the City:

1. Weekly electronic scale file (TFR2), in flat file format specified by the City, for all Contract loads. Contractor shall keep as back-up a paper copy of each weight transaction.

2. Weekly electronic route file (TFR4), in flat file format specified by the City, for all routes serving more than one sector (single-family, multifamily and business) The file shall all account and container detail on all scheduled and extra services.

3. Every-other-week list of container inventory with available and ordered Containers.

4. Monthly list of damaged, missing, and refurbished Street Side and/or Public Place Recycling Containers. Information shall include missing lids and/or liners, and broken or missing cables.

5. Monthly overweight truck list with the date, time, truck number, total truck weight and weight over the legal limit;

6. Quarterly electronic listing of fleet inventory, including truck numbers, licensed and permitted gross vehicle weight, number of axles, year, make and model, and other detail as specified

Weekly files, shall be submitted 10 days after each week ending onSunday. Monthly files shall be submitted by the 10th day of the following month. Quarterly reports shall be submitted by the 15th of the following month.

Section 1510. Residential Service Data.

The Contractor shall provide an hourly electronic file (Solid Waste Interface file), in a flat file specified by the City, with following residential service records:

1. Records of excess Garbage and Compostables collected from Residential Structures within 24 hours. The records will be prescreened for data entry errors. Included shall be the address, premise number, number of extra units picked-up at each address and pick-up date;

2. Collection exceptions within 2 hours of any Residential Structure collections the Contractor has refused or been unable to make. This input shall include the service address, account number and the reason for the non-collection;

3. Completed services requests (Field Activities) within 2 hours of service completion and within 24 hours of delivery completion.

Section 1520. <u>Commercial Service Reports and Data.</u>

The Contractor shall submit the following monthly records to the City, by the 10th of the month:

1. Electronic commercial account flat files, as specified by the City. These 'SVC' files provide detailed data on all commercial accounts; detailed data on all services performed; detailed billing data; and detailed invoice data.

2. Accounts receivable summary with current and year-to-date City receivables, cash transferred and aging balances.

3. Local call center performance, with the number of incoming calls and online requests from Seattle accounts received per day by the Contractor's Commercial Business customer service section; the percent of calls abandoned; the percent answered in under 20 seconds; and the average holding time for all calls received.

4. Per Section 1320, a record of Commercial Customer service contacts, including requests, complaints and misses.

5. A listing of new accounts created, and prior accounts closed, during the most recent month for Commercial Establishments served under the Contract.

6. Per Section 840, a record of Containers tagged for contamination of Garbage, Recyclables or Compostables at Commercial Establishments.

Section 1530. <u>Quarterly Performance and Outreach Reports.</u>

The Contractor shall provide a quarterly report within fifteen (15) working days of the close of the quarter, which shall include:

1. Quarterly Performance Summary of service data, trends and actions taken to improve performance; opportunities to improve City and contractor service partnership; and progress in meeting implementation schedules; and any challenges encountered and how they were resolved.

2. Quarterly Outreach Summary Report covering recent education and publicity efforts and their results.

IN WITNESS WHEREOF, in consideration of the terms, conditions, and covenants contained herein, or attached and incorporated and made a part hereof, the parties have executed this Contract by having their authorized representatives affix their signatures below.

RECOLOGY KING COUNTY, INC

By _____
Michael J. Sangiacomo
President & CEO

May 14, 2018
Date

THE CITY OF SEATTLE

By _____
Mami Hara
General Manager/CEO
Seattle Public Utilities

5·14·18
Date

Authorized by City Ordinance 125565

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Attachment 1 –Unit Payments for Year 1

Curb Garbage, Recycling and Compostables Cart Collection

Container Size	Scheduled Pickups	Special Pickups
Carts/cans	N/A	$9.00
Extra bags or cans	N/A	N/A

Curb and Onsite Special Item Collection

Container Size	Scheduled Pickups	Special Pickups
Motor and cooking oil	$2.00	N/A
Textiles and foam	N/A	$0.00
Bulky Item/Electronics	N/A	$20.00
Extra large bulky (> 50 pounds)	N/A	$40.00
Small Bulky Items or Electronics (32 gall box or bag)	N/A	$10.00
Loose items (per 1/4 yard)	N/A	$3.50

Onsite Garbage Container Collection

Container Size	Scheduled Pickups	Special or Temporary Pickups	Compacted Scheduled Pickups	Compacted Special Pickups
15g Prepaid bag	$2.75	N/A	N/A	N/A
32g Prepaid bag	$3.25	N/A	N/A	N/A
32 gal. commercial	$3.00	$9.00	N/A	N/A
64 gal. commercial	$6.00	$13.00	N/A	N/A
96 gal. commercial	$7.00	$14.00	N/A	N/A
1 CY	$9.00	$16.00	$11.00	$18.00
1.5 CY	$9.50	$17.00	N/A	N/A
2 CY	$10.00	$18.00	$13.00	$21.00
3 CY	$12.00	$20.00	$16.00	$24.00
4 CY	$13.00	$21.00	$19.00	$27.00
5 CY	$15.00	$23.00	$22.00	$30.00
6 CY	$17.00	$25.00	$25.00	$33.00
8 CY	$20.00	$29.00	N/A	N/A
Extra bags	$2.00	$2.00	N/A	N/A
Loose 1/4 yard	$3.50	$3.50	N/A	N/A

Drop Box Garbage Collection

Container Size	Permanent Service	Temporary Service
3-8 CY	$55.00	$65.00
10-40 CY	$75.00	$85.00

Onsite Recycling Container Collection

Unit payments are 80% of garbage payments for same size and service.

Onsite Compostable Cart and Detachable Container Collection

Unit payments are 120% of garbage payments for same size and service.

Public Litter and Recycle Can Service

Container	Scheduled Pickups	Special Pickups
Non-compacted	$2.50	$4.50
Compacted	$4.50	$7.00

Ancillary Services

Container Services	
Cart delivery, pickup or swap	$11.00
Detachable Container delivery, pickup or swap	$14.00
Drop Box 3-8 CY delivery, pickup or swap	$20.00
Drop Box 10-40 CY delivery, pickup or swap	$30.00
Collection Services	
Compactor Disconnect/Reconnect Cycle	$17.00
Drop Box Dry Run	$35.00
Truck and Driver (hourly)	$100.00
Helper/swamper (hourly)	$35.00

Maintenance and Clean-up Services

Litter can cleaning (per can)	$5.00
Litter can bolting or cabling (per can)	$10.00
Pressure washing surfaces (per hour)	$100.00
Litter pickup (per hour)	$50.00
Debris pickup (per 1/4 yard)	$3.50
Bulky items (per pickup)	$20.00
Extra-large bulky >50 pounds (per pickup)	$40.00

Attachment 2 - Prevailing Wages

Wages for Garbage and Compostable Waste Collection

1. **Hourly Wages:** Effective dates listed below, the prime and subcontractors shall pay all employees on work under this contract not less than the following rate of hourly wages:

   a) Classification — Per Hour

   Drivers

Effective 4/1/17	$31.09
Effective 4/1/18	$32.09

   b) New Employees

1 to 1000 hours of employment	70% of above rate
1001 to 2000 hours of employment	80% of above rate
2001 to 3000 hours of employment	90% of above rate
3000+ hours of employment	100% of above rate

   "New employees" do not include employees who have collected refuse and/or compostable waste on a City of Seattle contract for 3000 or more hours since October 1, 2007.

   c) Overtime

   All time worked over forty (40) hours in any workweek, or eight (8) hours in any workday (for employees on a 5/8 schedule) or ten (10) hours in a day (for employees on a 4/10 schedule) shall be compensated at time and one-half (1 ½).

   Employees shall be guaranteed four (4) hours work or pay at the applicable rate when reporting for duty as scheduled on any day outside of their regularly scheduled workweek.

   Saturday work following Thanksgiving Day, Christmas Day or New Year's Day shall be straight time unless Christmas Day or New Year's Day falls on a Saturday or Sunday.

   d) Work Week

   Regular employees shall be guaranteed five (5) consecutive days of work (for employees on a 5/8 schedule), or four (4) days of work, with two (2) consecutive days off, (for employees on a 4/10 schedule), and forty (40) hours per week, when work is available.

2. **Health and Retirement Benefits:** For each employee, the following rate of contribution shall be made to either: (1) a trustee or to a third person pursuant to a fund, plan or program; (2) additional wages to each employee, or; (3) additional wages

minus any contribution to a trustee or to a third person pursuant to a fund, plan or program.

a) Health Benefits

All new employees who have completed five hundred twenty (520) hours of employment, and who were compensated for eighty (80) hours in the previous month, shall be eligible to have contributions made on their behalf.

Effective April 1, 2010, the Employer agrees to pay $1,108.95 per month.

The Employer will pay any increases required to maintain benefits under the Plans identified to a maximum total contribution of eight percent (8%) annually for all benefits as follows:

Effective Date	Cap
Effective 01/01/17	additional $152.00/month
Effective 01/01/18	additional $164.00/month
Effective 01/01/19	additional $177.00/month

b) Retirement

Effective May 2, 2010, the Employer shall pay a pension contribution of six dollars and eighty-six ($6.86) per hour for each member of the bargaining unit for each hour for which compensation is paid, not to exceed one hundred eighty-four (184) hours per month, and two thousand eighty (2080) hours per calendar year. The pension contribution shall increase as follows:

Effective Date	Pension Contribution
October 1, 2017	$8.26
October 1, 2018	$8.46

3. Vacation, Holiday and Sick Leave Benefit Days: For each regular employee, the following shall be provided in either: (1) actual benefit days; (2) additional wages to each employee, or; (3) additional wages minus any actual benefit days:

a) Vacation

Non-probationary employees shall receive paid vacations as follows:
One (1) week after one (1) year.
Two (2) weeks after two (2) years.
Three (3) weeks after eight (8) years.
Four (4) weeks after fifteen (15) years.
Five (5) weeks after twenty (20) years.

The Employer may pro rate vacations for employees with less than one thousand seven hundred fifty (1,750) worked hours during an employment year (i.e., anniversary date to anniversary date). Formula shall be: All employees with one

thousand seven hundred fifty (1,750) or more worked hours during an employment year shall be entitled to full vacation benefits. Formula for employees with less than one thousand seven hundred fifty (1,750) worked hours shall be: worked hours, divided by two thousand (2,000), equals percentage earned vacation due employee.

b) Holidays

The following days are holidays:

- January 1st — New Year's Day
- Martin Luther King Day or a Floating Holiday (at the Employer's option)
- Washington's Birthday (3rd Monday of February)
- Memorial Day (last Monday of May)
- July 4th
- Labor Day (first Monday of September)
- Thanksgiving Day
- Christmas Day
- Floating Holiday

All non-probationary employees shall be paid for all holidays. In order to be eligible for holiday pay, the employee must work the last scheduled workday immediately preceding and the first scheduled workday immediately following the holiday, and must also work on the holiday if scheduled.

No work shall be performed on Christmas Day. Further, no work shall be performed on Thanksgiving Day or January 1st unless such work is necessary.

All eligible non-probationary employees shall receive eight (8) hours of holiday pay for each of the nine (9) above-listed holidays. In the event an employee working a 4/10 schedule uses a floating holiday the employee shall receive ten (10) hours holiday pay. Work performed on holidays shall be compensated at the straight-time rate, with the exception that all work on Thanksgiving Day and New Year's Day and overtime on other holidays shall be time and one-half (1 1/2).

c) Sick Leave

Regular employees shall accumulate forty-eight (48) hours of sick leave benefits a year, on the basis of one (1) hour per forty (40) hours of compensation. Benefits shall be payable for bona fide absences caused by illness or accident commencing the first scheduled working day of sickness. Sick leave is not to be paid for holidays.

Employees collecting Workers' Compensation temporary disability benefits may not receive sick leave as herein provided; however, if Workers' Compensation benefits are less than the amount of sick leave otherwise provided, employees shall, in addition to Workers' Compensation benefits, receive sick leave benefits sufficient to equal the amount of sick leave that would otherwise have been received, by deducting from the bank the hours required to make up the difference, taking into account the tax-free status of Workers' Compensation payments.

Unused sick leave shall accumulate in a bank, to a maximum of four hundred twenty-five (425) hours. Sick leave shall be deducted from the bank on an hourly basis. Benefits for days off must be for eight (8) hours for employees working 5/8 schedules and ten (10) hours for those employees working 4/10 schedules and must be for scheduled workdays.

4. **Combined Compliance:** The Contractor shall be deemed to be in compliance with Sections 1, 2, and 3 if its payments to or for the benefit of its employees are at least equal to the total amount derived by adding each of the required wage and benefit components described herein (overpayments in one category may be used as offsets in another category).

Wages for Recycling Collection

1. **Hourly Wages:** Effective the dates listed below, the prime and subcontractors shall pay all employees on work under this contract not less than the following rate of hourly wages:

a. Classifications	Hourly Rate
Curbside/Residential Recycle Driver	
Effective 12/1/17	$28.02
Effective 12/1/18	$29.02
Effective 12/1/19	$29.52
Effective 12/1/20	$30.02

b) New Employees
Any new employee may be hired at a starting rate and shall progress to the appropriate contractual rate at least in accordance with the following:

80% for the first six months of employment.
90% after six (6) months of employment.
100% at the first year of employment.

"New employees" do not include employees who have collected recyclables on a City of Seattle contract for 2000 or more hours since April 1, 2008.

c) Overtime
Provided that an employee works all scheduled hours (except approved absence and the first call out in any rolling twelve (12) month period) and completes all assignments during the week, all hours worked in excess of eight (8) hours in an employee's work shift on a five (5) day workweek shall constitute overtime and be paid at the rate of time and one-half (1 ½) the employee's regular rate of pay.

Unless required by customer service needs or due to circumstances beyond the Company's control, no work shall be performed on Thanksgiving Day, Christmas Day and New Year's Day. If these days fall on an employee's normal work day, the following Saturday (first regular day off except Sunday for employees working four (4) ten (10) hour shifts) shall be a normal work day and be paid at the normal straight time rate of pay.

d) Work Week
Five (5) days, Monday through Saturday inclusive, shall constitute a week's work, unless mutually agreed to by the Employer and the employee.

Saturday shall be part of the regular workweek for any week containing a particular holiday, unless regularly scheduled. If called or scheduled to work on Sunday, an employee shall be paid one and one-half (1 ½) times the regular hourly rate for all hours worked.

2. **Health and Retirement Benefits:** For each employee, the following rate of contribution shall be made to either: (1) a trustee or to a third person pursuant to a fund, plan or program; (2) additional wages to each employee, or; (3) additional wages minus any contribution to a trustee or to a third person pursuant to a fund, plan or program.

a) Health Benefits
The Employer agrees to pay for each regular employee who received compensation for eighty (80) hours or more in the previous month and each probationary employee who completed five hundred twenty (520) hours of service in the previous six (6) months and received compensation for eighty (80) hours or more in the previous month the following:

$1,073.28

If increases are necessary to maintain the current benefits or eligibility, or benefits or eligibility as may be modified by the Trustees during the Life of the Agreement, the Employer shall pay such increases, subject to the following caps:

Effective Date	Health Benefits
Effective 1/1/17	$1,227.97
Effective 1/1/18	$1,232.73
Effective 1/1/19	$1,242.80
Effective 1/1/20	$1,253.68
Effective 1/1/21	$1265.44

b) Retirement
The maximum monthly contribution rate shall not exceed one hundred eighty-four (184) straight-time hours or two thousand eighty (2080) straight-time hours annually:

Effective Date	Total Contribution Rate
Effective 6/1/17	$5.60
Effective 6/1/18	$5.80
Effective 6/1/19	$6.00
Effective 6/1/20	$6.20

3. Vacation, Holiday and Sick Leave Benefit Days: For each regular employee, the following shall be provided in either: (1) actual benefit days; (2) additional wages to each employee, or; (3) additional wages minus any actual benefit days.

a) Vacation

All regular employees, after one (1) years' service with the Employer, shall receive the following vacation benefit at their straight time rate in effect at their anniversary date of employment:

One (1) Year of Employment	One (1) Week Vacation
Two (2) Years of Employment	Two (2) Weeks Vacation
Eight (8) Years of Employment	Three (3) Weeks Vacation
Fifteen (15) Years of Employment	Four (4) Weeks Vacation
Twenty (20) Years of Employment	Five (5) Weeks Vacation

Regular employees, who work less than eighteen hundred (1800) hours during the year shall have their vacation benefit prorated on the basis that eighteen hundred (1800) hours is a complete year of service (January 1 – January 1).

b) Holidays
The following days shall be considered holidays:

New Year's Day (January 1st)
Martin Luther King Jr.'s Birthday
Presidents' Day (3rd Monday of February)
Memorial Day (last Monday of May)
Fourth of July
Labor Day (first Monday of September)
Thanksgiving Day
Christmas (December 25)
Floating Holiday

All regular employees shall receive eight (8) hours of pay at the employee's straight-time hourly rate, even though no work is performed on the above

mentioned holidays; provided, further, that such employees must work on the last working day immediately preceding the holiday, on the first regular working day following the holiday and on the day of holiday if scheduled, and unless the employee so works, he/she shall receive no pay for such holiday unless such absence on the regular working days before, after and on said holidays is due to the express permission of the Employer.

Unless required by customer service needs or due to circumstances beyond the Company's control, no work shall be performed on Thanksgiving Day, Christmas Day and New Year's Day.

c) Sick Leave
Regular employees shall accumulate forty-eight (48) hours of sick leave, on the basis of one (1) hour per forty (40) hours of compensation. Benefits shall be payable for bona fide absences caused by illness or accident commencing the second scheduled working day of sickness; however, when an employee is taken to the hospital or injured on-the-job, benefits shall commence the first day. Sick leave is not to be paid for holidays. Notwithstanding the foregoing, any employee who has more than forty-eight (48) hours in his/her bank at the time of any absence otherwise qualifying for paid sick leave shall be eligible for pay commencing with the first scheduled working day of sickness.

Sick leave benefits shall apply only to bona fide cases of sickness and accidents. An employee who is collecting Workers' Compensation temporary disability benefits shall not receive sick leave benefits as provided herein, provided, however, if such Workers' Compensation temporary disability benefits are less than the amount of sick benefits provided herein for such period, such employee shall receive sick benefits in addition to such Workers' Compensation temporary disability benefits in an amount sufficient to equal the amount of sick benefits he/she would have otherwise received as provided herein.

Unused sick leave shall be accrued in a sick leave bank, up to three hundred and fifty (350) hours.

4. **Combined Compliance –** The Contractor shall be deemed to be in compliance with Sections 1, 2, and 3 if its payments to or for the benefit of its employees are at least equal to the total amount derived by adding each of the required wage and benefit components described herein (overpayments in one category may be used as offsets in another category).

Wages for Waste Reduction Specialists

1. **Hourly Wages:** Effective the dates listed below, the prime and subcontractors shall pay all employees on work under this contract not less than the following rate of hourly wages:

a. Classifications

Waste Reductions Specialist (WRS)

April 1, 2017	Top rate $31.59
April 1, 2018	Top rate $32.59
April 1, 2019	Top rate $33.34
April 1, 2020	Top rate $34.34

b. New Employees

New WRS employees shall be paid as follows:

I	II	III	IV	V
12 mos.	6 mos.	12 mos.	6 mos.	Thereafter
80%	85%	90%	Top Rate	Top rate

The Employer will consider credit for experience in the industry, although the ultimate determination will be made by the Employer. The above scales are minimums.

c. Overtime

All time worked over forty (40) hours in any workweek, and/or eight (8) hours in any day (10 hours if a 4/10 workweek) shall be compensated at time and one-half (1 ½). Overtime and premium pay shall not be compounded or pyramided.

All Sunday work and work on days other than the employees' regularly scheduled workweek is time and one-half with an eight (8) hour guarantee.

If a holiday that is not worked falls on an employee's normal workday and is not worked by the employee, the following Saturday [first (1st) regular day off except Sunday for employees working four (4) ten (10) shifts] shall be a normal workday (guarantees apply) and be paid at time and one half the normal straight-time rate of pay. An employee must work the Saturday [first (1st) regular day off except Sunday for employees working four (4) ten (10) shifts] in order to receive holiday pay, unless excused by the Employer.

d. Work Week

WRS employees with seniority shall be guaranteed five (5) consecutive days of work (for employees on a 5/8 schedule), or four (4) days of work (for employees on a 4/10) schedule), and forty (40) hours per week, when work is available.

2. **Health and Retirement Benefits:** For each employee, the following rate of contribution shall be made to either: (1) a trustee or to a third person pursuant to a fund, plan or program; (2) additional wages to each employee, or; (3) additional wages minus any contribution to a trustee or to a third person pursuant to a fund, plan or program.

a. Health Benefits

All employees who have five hundred twenty (520) compensable hours of employment and who were compensated for eight (80) hours in the previous month, shall be eligible to have contributions made on their behalf. For eligible employees, the Employer shall pay the following effective January 1, 2016:

$1,553.80

Effective January 1, 2016, The Employer agrees to pay $1553.80 per month for the above listed plans well as any increases required to maintain the above listed plans and the RWT Plus Plan, as well as any increases to maintain the RWT Plus Plan:

b. Retirement

Effective October 1, 2016, the Employer shall pay eight dollars and six cents ($8.06) per hour for each WRS member of the bargaining unit and those WRS probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first 2080 hours in a calendar year.

Base: $6.92 PEER: $1.14 Total: $8.06

Effective October 1, 2017, the Employer shall pay eight dollars and 31 cents ($8.31) per hour for each WRS and CD member of the bargaining unit and those WRS probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first 2080 hours in a calendar year.

Base: $7.13 PEER: $1.18 Total: $8.31

Effective October 1, 2018, the Employer shall pay eight dollars and fifty-six cents ($8.56) per hour for each WRS and CD member of the bargaining unit and those WRS probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first 2080 hours in a calendar year.

Base: $7.35 PEER $1.21 Total: $8.56

Effective October 1, 2019, the Employer shall pay nine dollars and six cents ($9.06) per hour for each WRS and CD member of the bargaining unit and those WRS probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first 2080 hours in a calendar year.

Base: $7.78 PEER:$1.28 Total: $9.06

Effective October 1, 2020, the Employer shall pay nine dollars and fifty-six cents ($9.56) per hour for each WRS and CD member of the bargaining unit and those WRS probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first 2080 hours in a calendar year.

Base: $8.21 PEER: $1.35 Total: $9.56

3. **Vacation, Holiday and Sick Leave Benefit Days:** For each regular employee, the following shall be provided in either: (1) actual benefit days; (2) additional wages to each employee, or; (3) additional wages minus any actual benefit days.

   a. Vacation
   Employees shall accrue paid vacations each pay period based on the following formula:

   One (1) week during the first year.
   Two (2) weeks during years two (2) through seven (7).
   Three (3) weeks during years eight (8) through fourteen (14).
   Four (4) weeks during years fifteen (15) through nineteen (19).
   Five (5) weeks during year twenty (20) and thereafter.
   The Employer may prorate vacations for employees with less than one thousand seven hundred fifty (1,750) compensated hours during an employment year. Formula shall be: All employees with one thousand seven hundred fifty (1,750) or more compensated hours during an employment year shall be entitled to full vacation benefits. Formula for employees with less than one thousand seven hundred fifty (1,750) compensated hours shall be: Compensated hours, divided by two thousand (2,000), equals percentage earned vacation due employee.

   b. Holidays
   The following eleven (11) days are holidays:

   January 1
   Memorial Day (Last Monday of May)
   July 4
   Labor Day (First Monday of September)
   Thanksgiving Day
   Christmas Day
   (4) Floating Holidays
   (1) Floating Holiday (Effective January 1, 2017)

   All employees with seniority shall be paid for all holidays. In order to be eligible for holiday pay, employees must work their last scheduled workday immediately

preceding and their first scheduled workday immediately following the holiday, as well as the holiday if scheduled, unless excused in advance by the Employer.

No work shall be performed on Thanksgiving Day, Christmas Day and January 1 unless such work is necessary in roll off or commercial lines of business.

c. Sick Leave
All employees as of the date of ratification shall accumulate forty-eight (48) hours of sick leave benefits per year, on the basis of one (1) hour per forty (40) hours of compensation. All Helpers hired after ratification shall be eligible to accrue sick leave described herein after one year of employment. Benefits shall be payable for bona fide absences caused by illness or accident commencing the first scheduled working day of sickness Sick leave is not to be paid for holidays.

Employees collecting Workers' Compensation temporary disability benefits may not receive sick leave as herein provided; however, if Workers' Compensation benefits are less than the amount of sick leave otherwise provided, employees shall, in addition to Workers' Compensation benefits, receive sick leave benefits sufficient to equal the amount of sick leave that would otherwise have been received, by deducting from the Bank the hours required to make up the difference, taking into account the tax-free status of Workers' Compensation payments.

Unused sick leave shall accumulate in a bank, to a maximum of four hundred twenty-five (425) hours. The bank shall be available for future use. Sick leave shall be deducted from the bank on an hourly basis. Benefits for days off must be for eight (8) hours and must be for scheduled workdays.

4. **Combined Compliance –** The Contractor shall be deemed to be in compliance with Sections 1, 2, and 3 if its payments to or for the benefit of its employees are at least equal to the total amount derived by adding each of the required wage and benefit components described herein (overpayments in one category may be used as offsets in another category).

Attachment 3 – Collection Map

Map of Collection Area inserted after Contract negotiation and signing.

Attachment 4 – Operations Plan

Operations Plan developed jointly by Contractor and City after Contract signing.