

RECYCLING SERVICES AGREEMENT

This Recycling Processing Services Agreement ("**Agreement**") is entered into by and between the **City of Corpus Christi**, a Texas home-rule municipal corporation ("City"), and BFI Waste Services of Texas, L.P., a Texas limited partnership doing business as **Republic Services of Corpus Christi** ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager") following approval of the City's City Council ("Effective Date").

NOW, THEREFORE, City and Contractor enter into this Agreement pursuant to the terms and conditions specified herein and agree as follows:

Section 1. Services.

(A) General Description. Contractor shall perform the processing, marketing, and sale of recyclable commodities ("Services") for the City in accordance with the agreed upon scope of work ("Scope of Work"), which Scope of Work is attached to this Agreement as **Attachment A** and incorporated by reference as if set out here in its entirety. Capitalized terms used herein and not otherwise defined in this document have the meanings set forth in Attachment A of the Agreement.

(B) Contractor's Designated Facility. During the Initial Term and any Renewal Term (as each is defined in Section 2 below), the City shall deliver, or cause to be delivered, recyclable commodities collected by the City ("Program Recyclables") to the Contractor's designated materials recycling facility ("Designated Facility") located within the City's city limits for the performance of Services by the Contractor.

Section 2. Term.

(A) The provision of Services under this Agreement commences on February 1, 2021 ("Commencement Date") and ends January 31, 2024 (the period being referred to as the "Initial Term").

(B) The City Manager may administratively renew this Agreement, upon the mutual consent of the parties exercised by written amendment, for up to three three-year periods (each, a "Renewal Term"; collectively, the "Renewal Terms"). In no event may the total length of the exercised Renewal Terms, when combined with the Initial Term, extend this Agreement beyond 12 years. In order to exercise a Renewal Term, both parties must agree to do so not later than six months prior to the end of the Initial Term or the then-current Renewal Term, as applicable.

Section 3. Fee; Calculation and Payment Due; Educational Support Contribution.

(A) The processing fee incurred by the City for each ton of Program Recyclables delivered to the Designated Facility is \$126 per ton ("Processing Fee") and must be held firm by Contractor for the Initial Term of this Agreement. This Agreement also includes a revenue-sharing arrangement ("Recyclable Revenue Share") between the parties from the sale of processed Program Recyclables by Contractor to third parties, such share for each party being equal when above a zero dollar amount, as further described in this section.

(B) During the Initial Term and any Renewal Term, to determine and calculate the total amount due to the City by the Contractor, the Contractor must first subtract the Processing Fee from the Gross Recyclable Revenues and, then, the remaining Net Recyclable Revenues amount, if any, must be shared in accordance with the Recyclable Revenue Share. For illustration purposes, an example of the calculation for a monthly invoice is as follows:

Gross Recyclable Revenues	(received from actual sales in dollars from 1 st to end of month)
<u>minus Processing Fee</u>	(incurred by City from 1 st to end of month)
= Net Recyclable Revenues	(either positive or negative)

If Net Recyclable Revenues for a given month is a positive dollar amount, the parties shall each receive an equal Recyclable Revenue Share. If Net Recyclable Revenues for a given month is zero or a negative dollar amount, the Contractor shall invoice the City for the amount of the Processing Fee not offset by the Gross Recyclable Revenues.

(C) The balance of any payment due to the Contractor must be made by the City within 30 days of receipt of an acceptable invoice. Contractor may invoice the City no more frequently than once per month. The remittance to the City of any share of monthly Net Recyclable Revenues due must be made thirty days after remittance of invoice.

(D) For public recycling educational purposes, Contractor shall remit a payment of \$1 per ton for each ton of pre-processed Program Recyclables delivered to the Designated Facility over the preceding monthly period, with such payment to be used by the City for communication and education purposes related to recycling ("Recycling Education Support Contribution"). The Contractor shall remit monthly, the Recycling Education Support Contribution thirty days after remittance of invoice. Remittance of the Recycling Education Support Contribution payment by the Contractor shall continue monthly during the term of this Agreement. Payment of the monthly Recycling Education Support Contribution to the City is not subject to any offset, credit, or deduction by the Contractor from any other invoices, payments, or credits which may be due to or owed by the Contractor.

(E) On or before the 10th calendar day of the month following the initial month of this Agreement, the Contractor shall remit a monthly invoice, the Recycling Education Support Contribution, and the Recyclable Revenue Share due to the City for Services performed during the prior calendar month. Along with each monthly invoice, the Contractor shall submit back-up information, including a report that indicates the price per ton and tons sold by type, this report will be notarized; showing revenues received by Contractor based on actual sales price), which documents the revenue paid to the City and Processing Fees subtracted from the Gross Recyclable Revenues. The Contractor shall ensure that the back-up information submitted is in an editable electronic format (not PDF).

(F) All fees and charges set forth in this Agreement are inclusive of all costs including, but not limited to, taxes, transportation costs, and profits. The City will not accrue any fees or charges other than those specifically authorized in this Agreement.

Section 4. Contract Administrator. The City's contract administrator is responsible for approval of all phases of performance and operations under this Agreement including deductions for non-performance and authorizations for payment, unless a specific approval required, in context, clearly specifies otherwise. All of Contractor's notices and

communications regarding this Agreement must be directed to the City's contract administrator who, for the purposes of this Agreement, is the City's Director of Solid Waste Services, or the director's designee ("Director").

Section 5. Insurance. Insurance requirements are attached to this Agreement as **Attachment B** and incorporated into this Agreement by reference as if set out here in their entirety. Prior to the Commencement Date of this Agreement, Contractor's insurance company, or authorized representative, must deliver a certificate of insurance ("COI") as proof of the required insurance coverages to the Director and the City's Risk Manager. Additionally, the COI must be supplemented with blanket-form notice of cancellation endorsements providing that the City at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies except workers' compensation. If required, the City must be named as an additional insured as applicable.

Section 6. Fiscal Year Appropriation. Both parties recognize that the continuation of any contract, including this Agreement, after the close of any fiscal year of the City, which fiscal year ends on September 30 annually, is subject to appropriations and budget approval providing for such contract item as an expenditure in the next fiscal year's budget. The City does not represent that a budget item providing for this Agreement will be adopted, as that determination is within the sole discretion of the City's City Council at the time of adoption of each annual budget.

Section 7. Notices.

(A) Notices by either party must be given by hand delivery or certified mail, return receipt requested, postage prepaid, and notice is deemed received on the day hand-delivered or on the third day after deposit with the U.S. Postal Service if sent by certified mail. Notices must be addressed as follows:

IF TO CITY:

City of Corpus Christi
Attn: Director of Solid Waste Services
2525 Hygeia Street
Corpus Christi, TX 78415-4117

IF TO CONTRACTOR:

Republic Services of Corpus Christi
Attn: General Manager
4414 Agnes Street
Corpus Christi, TX 78405-3322

(B) Payments due to either party, pursuant to this Agreement, must be remitted to the party's address shown above in subsection (A).

(C) Either party may change the address to which notice or payments must be directed under this section by informing the other party in the same manner set out above in subsection (A). Notice of a change of address must be received within 10 days of the effective date of the change.

Section 8. Independent Contractor. Contractor shall perform the Services as an independent contractor and shall furnish such Services in its own manner and method. Under no circumstances or conditions may any employee, representative, or agent of Contractor be considered an employee of the City.

Section 9. Subcontractors. Contractor may use subcontractors in connection with the Services performed under this Agreement. In using subcontractors, Contractor shall be

responsible for their conduct, acts, and omissions to the same extent as if the subcontractor and its employees were employees of Contractor. All requirements, terms, and conditions set forth in this Agreement are applicable to each of Contractor's subcontractors and their respective employees to the same extent as if the Contractor and its employees had performed the Services.

Section 10. Compliance with Laws; Governing Law. This Agreement is subject to all applicable federal, state, and local laws, rules, and regulations ("Applicable Law"). All duties and obligations of the parties must be performed in Corpus Christi, Texas. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and such form and venue for any disputes is the appropriate district or county court in and for Nueces County, Texas.

Section 11. Hazardous Waste. Contractor shall have no obligation to receive Hazardous Waste (as defined in this subsection). Title to and liability for any Hazardous Waste shall at no time pass to Contractor. For purposes of this Agreement, "Hazardous Waste" means waste defined as, or of a character or in sufficient quantity to be defined as, a "hazardous waste" by the Resource Conservation and Recovery Act, as amended, or any state or local laws or regulations with respect thereto, or as a "toxic substance" as defined in the Toxic Substance Control Act, as amended, or any regulations with respect thereto, or any reportable quantity of a "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or any regulations with respect thereto. The term "Hazardous Waste" also includes any waste whose storage, treatment, incineration, or disposal requires a special license or permit from any federal, state, or local government entity, body, or agency, as well as any substance that, after the Effective Date of this Agreement, is determined to be hazardous or toxic by any judicial or governmental entity, body, or agency having jurisdiction to make that determination.

Section 12. Taxes. Contractor covenants, during the provision of Services, to pay all payroll taxes, Medicare taxes, FICA taxes, unemployment taxes, and any other taxes related to this Agreement in accordance with the Internal Revenue Service's Circular E, "Employer's Tax Guide", Publication 15, as it may be amended (collectively, "Taxes"). Contractor must provide written proof of payment of Taxes to the City within 10 days of the City Manager's written request. Failure of the Contractor to pay the Taxes or to provide proof of payment (or extensions thereto) constitutes grounds for the City Manager to terminate this Agreement.

Section 13. Amendments. This Agreement may be amended only in writing and must be signed by an authorized representative of each party. For the City, the authorized representative for execution of amendments is the City Manager.

Section 14. Waiver. No waiver of any breach of any term, condition, or covenant of this Agreement, waives any subsequent breach of the same.

Section 15. Indemnity. CONTRACTOR SHALL FULLY INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY OF CORPUS CHRISTI AND ITS OFFICERS, EMPLOYEES, AND AGENTS ("INDEMNITEES") FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, CLAIMS, DEMANDS, SUITS,

AND CAUSES OF ACTION OF WHATEVER NATURE, CHARACTER, OR DESCRIPTION ON ACCOUNT OF PERSONAL INJURIES, PROPERTY LOSS, OR DAMAGE, OR ANY OTHER KIND OF INJURY, LOSS, OR DAMAGE, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, ATTORNEYS' FEES AND EXPERT WITNESS FEES, TO THE EXTENT ARISING OUT OF OR IN CONNECTION WITH A BREACH OF THIS AGREEMENT OR THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR OR TO THE EXTENT RESULT FROM THE NEGLIGENT ACT, OMISSION, MISCONDUCT, OR FAULT OF THE CONTRACTOR, ITS EMPLOYEES, OR AGENTS. CONTRACTOR MUST, AT ITS OWN EXPENSE, INVESTIGATE ALL CLAIMS AND DEMANDS, ATTEND TO THEIR SETTLEMENT OR OTHER DISPOSITION, DEFEND ALL ACTIONS BASED THEREON WITH COUNSEL, AND PAY COSTS AND EXPENSES OF ANY KIND ARISING OR RESULTING FROM ANY LIABILITY, DAMAGE, LOSS, CLAIMS, DEMANDS, SUITS, OR ACTIONS. THE INDEMNIFICATION OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, CONTRACTOR SHALL HAVE NO OBLIGATION TO INDEMNIFY THE INDEMNITEES HEREUNDER FOR CLAIMS TO THE EXTENT ARISING FROM THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE INDEMNITEES.

Section 16. Assignment. No assignment by Contractor of this Agreement nor of any right or interest contained in this Agreement is effective unless the City Manager first gives written consent to such assignment, which consent shall not be unreasonably withheld, conditioned, or delayed. The performance of this Agreement by Contractor is the essence of this Agreement, and the City's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

Section 17. Force Majeure.

(A) Generally. No party to this Agreement shall be liable for delays or failures in performance due to any cause beyond their reasonable control, including any delays or failures caused by strikes; lockouts; fires; severe inclement weather, floods, hurricanes, or other acts of God; epidemics; pandemics; common carrier; the public enemy or terrorist acts; riots, or interference by civil or military authorities. The delays or failures to perform extend the period of performance until these exigencies have been removed, and, because the Services contemplated by this Agreement are provided by a municipal government for the benefit of its citizens and public, the Contractor and City agree to use their best efforts to re-establish Services within a reasonable time as mutually agreed upon by both parties. Contractor shall inform the City in writing of any event of force majeure within three business days of its occurrence as soon as commercially practicable or otherwise waives this right as a defense to a delay or failure to perform. In the event of a delay in either party's performance of its obligations hereunder for more than sixty (60) days due to Force Majeure, either party may, at any time thereafter, terminate this Agreement.

or otherwise waive this right as a defense to a delay or failure to perform.

(B) **Exceptions.** With respect specifically to a severe inclement weather event, a flood, hurricane, or other act of God, Section 17(A) applies only during the existence of such event. Further, if the Contractor cannot provide Services at the Designated Facility because of a claimed force majeure event, the Contractor shall make commercially reasonable efforts to provide an alternate facility that will accept the Program Recyclables (from both City and City's customers) that it is legally authorized to accept during such force majeure event at a rate per ton to City equal to the then current Processing Fee.

Section 18. Termination. The City Manager may terminate this Agreement for Contractor's failure to perform the Services in accordance with the Scope of Work; failure to maintain and keep in force all required insurance policies during any term of this Agreement; or for failure to observe or comply with any other material provision of this Agreement. The Director must provide the Contractor with written notice of the breach and set out a reasonable opportunity for Contractor to cure. If the Contractor has not cured within the specified cure period, the City Manager may terminate this Agreement immediately upon the expiration of the cure period. Termination for nonpayment of taxes by the Contractor is governed by and set out in Section 12 of this Agreement; termination for failure to comply with Subchapter J, Chapter 552, of the Texas Government Code is governed by and set out in Section 21 of this Agreement.

Section 19. Severability. Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to Applicable Law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

Section 20. Certificate of Interested Parties. Contractor agrees to comply with Texas Government Code, Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement if required by the statute.

Section 21. Public Information Act Requirements. This section applies only to contracts that have a stated expenditure of at least \$1,000,000 or that result in the expenditure of at least \$1,000,000 by the City. The requirements of Subchapter J, Chapter 552, of the Texas Government Code may apply to this Agreement, and the Contractor agrees that this Agreement can be terminated by the City if the Contractor knowingly or intentionally fails to comply with a requirement of the subchapter cited in this section.

Section 22. Order of Precedence. In the event of conflicts or inconsistencies between this Agreement, its attachments, and any other incorporated documents, such conflicts and/or inconsistencies shall be resolved by the parties by reference to the documents in the following order of priority: this Agreement excluding any attachments and exhibits; then, the Agreement's attachments and exhibits.

Section 23. Cumulative Remedies. The remedies provided in this Agreement are cumulative, none is in lieu of any other, and any one or more or combination of the same

is available. Each party, in addition to remedies expressly provided in this Agreement, is entitled to any and all other remedies available at law or in equity.

Section 24. Authority. By acceptance of this Agreement and the benefits conferred hereunder, each party represents and warrants to the other that its undersigned agents have complete and unrestricted authority to enter into this Agreement and to obligate and bind such party to all of the terms, conditions, and covenants contained in this Agreement.

Section 25. Counterparts. This Agreement may be executed in multiple counterparts, each of which is deemed an original and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 26. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties concerning its subject matter and supersedes all prior negotiations, arrangements, agreements, and understandings, either oral or written, between the parties.

[SIGNATURE PAGE FOLLOWS]

CITY OF CORPUS CHRISTI


Josh Chronley,
Interim Assistant Director, Contracts and Procurement

Date: _____

APPROVED AS TO LEGAL FORM: _____

Assistant City Attorney
for Miles Risley, City Attorney

CONTRACTOR


Signature

Robert Bradley
Printed Name

General Manager
Title

January 21, 2021
Date

Attached and Incorporated by Reference:

Attachment A: Scope of Work (total pages: 16) (main – 10; Exhibit 1 – 6)

Attachment B: Insurance Requirements (total pages: 3)

Attachment A - Scope of Work

Article I.	Definitions and Use	Page 1
Article II.	Recyclables to be Processed	2
Article III.	Hours of Operation; City Observed Holidays	3
Article IV.	Facility Requirements	3
Article V.	Minimum Processing Requirements	4
Article VI.	Inspection; Unaccepted Loads; Disposal Costs	5
Article VII.	Recycling Material Audits	6
Article VIII.	Recordkeeping, Reporting, and Retention	6
Article IX.	Facility Visitation/Inspection Right and Right to Audit	8
Article X.	Administrative Charges	9
Article XI.	Disposal of Program Recyclable Materials Prohibited	9
Article XII.	Ownership of Program Recyclables; Risk of Loss	10
Exhibit 1	Recyclable Commodities Audit Protocol	11

Article I. Definitions and Use

A. The terms and phrases in this article have the meanings assigned. Additional terms and phrases are contained within certain paragraphs of this Attachment A and the Agreement, are defined therein in the context used, and may not otherwise be repeated in this section.

City Vehicle means any truck or truck-trailer operated by City staff for the collection and transport of Program Recyclables to the Designated Facility

Contamination means the presence of a volume of non-Program Recyclables exceeding 40% in a Load at the time of delivery to the Designated Facility

Designated Facility means the buildings, structures, and improvements comprising the Contractor's materials processing location

Load means the quantity of Program Recyclables contained in a City Vehicle and delivered to the Designated Facility

Load, Unaccepted means the entire portion of Program Recyclables delivered from a City Vehicle that is rejected by the Contractor for exceeding the Contamination threshold

Marketable is defined as acceptable program recycling commodities. See list below of “acceptable program items.”

- #1 Plastic PET
- #2 Plastic HDPE Natural
- #2 Plastic HDPE Colored
- Mixed Rigid Plastics
- Tin/ Steel Cans
- Aluminum Cans
- OCC/ Cardboard
- Mix Paper

Processing Fee means the amount per ton incurred by the City to have Contractor accept, process, market, and sell Program Recyclables

Program Recyclables means materials collected by City Vehicles and other sources and delivered to the Contractor for processing, marketing, and sale to third parties

Recyclable Commodities Audit Protocol means the document jointly created and maintained by the parties which encompasses requirements and procedures followed for, during, and with respect to each Recycling Material Audit study conducted and completed by the Contractor during the term of this Agreement, a copy of such document being incorporated by reference in and attached to this Attachment A, Scope of Work, as **Exhibit 1**

Recyclable Revenue Share means the percentage portion of the Net Recyclable Revenues that each party is entitled to receive pursuant to this Agreement, such percentage being equal between the parties and comprised of 50% to each party

Recyclable Revenues, Gross means the actual amount paid to or received by Contractor from the sale of processed Program Recyclables to third parties without any offsets, credits, exchanges, bartering, or deductions

Recyclable Revenues, Net means the remainder amount, following deduction of the Processing Fee, from which each party is entitled to receive its respective Recyclable Revenue Share

Recycling Material Audit means the observation, recording, study, and analysis of the categories, types, volumes, and Contamination levels found in Loads of Program Recyclables from which a written report is prepared in consultation with the Director; the phrase also encompasses the requirements and procedures that the parties agree to follow in completing any such required audit, as contained in the Recyclable Commodities Audit Protocol

Residual means the portion of Program Recyclables waste that remains, following the processing work by Contractor of each Load, which cannot be marketed and sold to third parties

B. Singular use (in this attachment or the Agreement) of a defined term or phrase includes the plural and vice versa.

C. Article and section headings in this Agreement are for reference purposes only.

Article II. Recyclables to be Processed

A. The Contractor shall accept and process all Program Recyclables delivered to the Designated Facility by City Vehicles and from other sources within the city limits. At a minimum, Program Recyclables are defined to include the following recyclable materials collected by the City:

Paper: cardboard, chipboard (e.g., cereal boxes, pasta boxes, frozen dinner boxes, and drink cartons), envelopes, junk mail, magazines, newspaper, office paper, phone books, shredded personal documents, and protective paper wrapping (e.g., stuffed in new shoes and purses);

Plastics: all marketable plastic containers labeled 1 to 7 (e.g., soft drink and water bottles; laundry detergent bottles; milk and juice jugs; butter, sour cream, and yogurt tubs; and syrup, peanut butter, and squeezable jelly bottles; and

Metals: aluminum drink cans (e.g., soda and energy drinks), aluminum foil, steel cans, and empty aerosol spray cans.

B. Program Recyclables during any term of this Agreement may also include other recyclable materials proposed by the Contractor and agreed to by the City for inclusion in this Scope of Work and the City's recycling program. Additionally, if, during any term of this Agreement, the Contractor's Designated Facility processes any recyclable materials other than the types of Program Recyclables specified in this article, the City may, include such recyclable materials as Program Recyclables following written notice to the Contractor. The parties may, upon mutual agreement, also remove a recyclable material from inclusion as a Program Recyclable if the City determines it is economically prohibitive to collect and have such recyclable material processed pursuant to this Agreement. Both parties will agree to re-evaluate acceptable program items annually.

Article III. Hours of Operation; City Observed Holidays

A. The Contractor shall operate the Designated Facility during hours of operation that are sufficient to support the Services and requirements set forth in this Agreement. At a minimum, the Contractor shall accept Program Recyclables at the Designated Facility every week Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Time ("Standard Hours of Operation"), unless the Director provides advance written approval to the Contractor's Representative (on each such applicable occasion) or unless it is a City holiday.

B. The Contractor shall adhere to the Standard Hours of Operation set out in this article; however, the Contractor may close the Designated Facility consistent with the City's observed holiday schedule. The City observes the following holidays:

New Year's Day – January 1
Martin Luther King Jr. Day – Third Monday in January
Independence Day – July 4
Thanksgiving Day – Last Thursday in November
Christmas Day – December 25

C. For coordination with City schedules and operations involving the above-referenced observed holidays and for the benefit of the public, the Designated Facility must be open to receive Loads either the Saturday before or after the listed City holidays. If the holiday falls on a Monday or Tuesday, the Designated Facility must be open the Saturday prior to the observed holiday. If the holiday falls on a Wednesday, Thursday, or Friday, the Designated Facility must be open the Saturday next following the observed holiday.

Article IV. Facility Requirements

A. Facility Location. The Designated Facility is located at 4414 Agnes Street, Corpus Christi, Texas, 78405. The Contractor shall maintain the Designated Facility and physical location of the same for the term of the Agreement. Any change in the location of the Designated Facility must be approved in advance in writing by the Director.

B. Alternate Facility Location. If, at any point, the Contractor is unable to utilize the Designated Facility for Services pertaining to any of the Program Recyclables, the Contractor shall be solely responsible for: (i) procuring and utilizing an alternate materials recycling facility and/or a different Designated Facility location; and (ii) any increases in direct and indirect costs including, but not limited to, transportation costs, processing costs, and City-incurred capital and operational costs associated in any way with utilizing the alternate materials recycling facility and/or a different Designated Facility location.

C. Personnel. The Contractor shall provide and maintain a sufficient number of personnel to provide Services in accordance with this Agreement, industry standards, and Applicable Law. At least 10 days prior to the Commencement Date, the Contractor shall designate and have the Contractor's representative on duty to be in charge of its operations under this Agreement, such individual being required to possess the authority to make decisions and act on the Contractor's behalf at all times ("Contractor's Representative"). The Contractor shall ensure that the Director and his/her designated staff are provided with and have to the Contractor's Representative or facility operations manager or facility supervisor during the term of this Agreement via a local phone numbers provided by Contractor to the City. In the event of a change in the designation of the Contractor's Representative, the Contractor shall provide the Director with written notice within three calendar days of the change.

D. Scale House System Requirements.

1. The Designated Facility shall be equipped with adequately sized and calibrated truck scales and computerized recordkeeping systems for weighing, recording, and capturing data on all incoming and outgoing City Vehicles, the scales and components to be referred to collectively as the "Scale House System." The Contractor must design the Scale House System to track both the arrival and departure times of all City Vehicles to ensure Contractor's compliance with Article V., Section C.

2. The Contractor shall operate and maintain the Scale House System including, but not limited to, the weight scales at the scale house. The Scale House System is not required to be physically attended to by Contractor's personnel on a daily basis, however, an unattended Scale House System must, at a minimum, allow automated processing of incoming City Vehicles, provide City drivers with access to live audio communications with Contractor's personnel at the Designated Facility, and include video monitoring and recording capabilities.

3. The Contractor shall ensure the scales are tested in compliance with and as required by Applicable Law but not less than at least once every three months. Should the Applicable Law be amended to require scales to be tested less often than once every three months or to have

such testing eliminated, three-month testing intervals are required to be met and maintained by the Contractor.

E. Vehicle Access to Facility. The Contractor must provide and maintain safe and efficient access to all City Vehicles delivering Program Recyclables to the Designated Facility to include the minimization of support structures and other improvements located in the tipping area. The Contractor shall ensure that the following minimum clearances are maintained: (i) for tipping floor doors, 28 feet in height; and (ii) within the tipping area, 30 feet in height.

F. Site and Program Recyclables Security. The Contractor shall be solely responsible to provide and maintain security at the Designated Facility pre-processing, post-processing, and during transport of processed Program Recyclables by, or on behalf of, the Contractor. The Contractor acknowledges and agrees that the Contractor is solely responsible for the security of Program Recyclables delivered and accepted at the Designated Facility.

G. Litter, Odor, Noise, and Other Nuisances. The Contractor shall pick up any litter generated from or caused by, directly or indirectly, the provision of Services to the City in connection with or related to this Agreement. In addition, the Contractor shall operate and maintain the Designated Facility and any onsite machinery and equipment in a manner that eliminates odors and minimizes noise. The Contractor shall ensure nuisances are not created or caused by Contractor's machinery and equipment, nor by Contractor's employees or subcontractors while performing Services in connection with or related to this Agreement. The Contractor shall also take active measures to control pests and vermin at the Designated Facility.

Article V. Minimum Processing Requirements

A. Minimum by Weight. The Contractor shall utilize processing machinery, equipment, and subsystems at the Designated Facility capable of: (i) processing a minimum of 95% by weight of Program Recyclable into recovered, saleable materials monthly; and (ii) complying with product specifications of secondary materials buyers including, but not limited to, product form, size, weight, density, and degree of Contamination.

B. Storage of Materials.

1. The Contractor shall store Program Recyclables, both incoming and processed, to prevent degradation of such materials, minimize fire safety hazards, prevent negative impact to maneuvering of City Vehicles in and at the Designated Facility, and promote the safety of persons at the Designated Facility.

2. The Contractor shall store all processed Program Recyclables, including bales, either under cover or inside a building at the Designated Facility. All incoming, pre-processed Program Recyclables must be contained within the tipping area, and therefore, only within the interior of a building at the Designated Facility.

3. The Contractor shall maintain adequate and open tipping floor space (meaning, completely free of pre-processed Program Recyclables and other matter) at all times for City Vehicles to unload in a safe, efficient, and timely manner, including even during times when machinery and/or equipment is down, not operational, or out of service for repair or replacement and during periods when Recycling Material Audit studies are being conducted. At no time may the Contractor allow nor require any City Vehicles to unload Program Recyclables outside of a building at the Designated Facility.

C. Priority Access and Vehicle Turnaround Time. The Contractor shall operate the Designated Facility to maintain a daily average vehicle turnaround time of 30 minutes or less for all City

Vehicles. The Contractor shall provide priority access to City Vehicles in order to achieve the daily average vehicle turnaround times specified. City Vehicle turnaround time must be calculated by the Contractor from the time a City Vehicle enters the Designated Facility until departure from the scale house of the Designated Facility. The measurement by Contractor of each City Vehicle's turnaround time includes queuing time at the Designated Facility's scale house; however, the measurement will not include delays due to City employee actions.

Article VI. Inspection; Unaccepted Loads; Disposal Costs.

A. Delivery Inspection. Contractor shall be responsible to inspect each Load of Program Recyclables delivered to the Designated Facility by a City Vehicle for Contamination.

B. Unaccepted Loads.

1. The Contractor may designate a Load of Program Recyclables from a City Vehicle as an Unaccepted Load only if the load contains more than 40% of non-Program Recyclable Materials by weight. The Contractor may not designate a Load as an Unaccepted Load for any other reason unless mutually agreed upon by both the Director and the Contractor's Representative.

2. For each Unaccepted Load, the Contractor must provide relevant information and photographs of such Unaccepted Load by email to the Director via his/her business email address prior to the involved City Vehicle departing the Designated Facility. In addition, the Contractor must maintain the Unaccepted Load separately from other materials in order to afford the Director the opportunity to inspect the Unaccepted Load.

3. Following the Director's inspection of an Unaccepted Load, the Contractor shall transport and dispose of the contents of the Unaccepted Load at the City's Cefe Valenzuela Landfill. The City shall incur the physical disposal costs for each Unaccepted Load delivered by the Contractor at the City's landfill, and the Contractor shall be responsible for all other direct and indirect costs the Contractor may incur related to each Unaccepted Load.

C. Residuals from Processing. Following the regular sorting and processing of each Load of Program Recyclables and based on the results of the most recent Recycling Material Audit, the Residual waste may be transported by the Contractor to the City's Cefe Valenzuela Landfill for disposal. Costs incurred by the Contractor to transport the Residuals to the City's landfill shall be borne by the Contractor, and costs incurred for physical disposal of Residuals at the City's landfill shall be borne by the City. In the event the Contractor elects to use another location for the disposal of Residuals, the Contractor may do so but cannot charge the City for the transport and disposal costs incurred by the Contractor.

Article VII. Recycling Material Audits

A. The Contractor and City shall utilize the composition information derived from the Recycling Material Audit for a determination of the: (i) volume of materials by type; (ii) volume of disposal from Residuals and Contamination in Loads delivered by City Vehicles; (ii) volume and sources of Contamination.

B. The Contractor, at the Contractor's sole expense, shall conduct each Recycling Material Audit study in accordance with the Recyclable Commodities Audit Protocol's requirements and procedures previously utilized by the parties (see Exhibit 1 to Attachment A). The first Recycling Material Audit study must be completed by the Contractor within 90 days of the Commencement Date. Data from the most recent Recycling Material Audit study conducted by the Contractor

immediately prior to the Commencement Date will be utilized by the Contractor until the first Recycling Material Audit study is completed under this Agreement.

D. The Contractor shall conduct and complete a Recycling Material Audit study once annually on or about the anniversary date of the initial study under this Agreement. Contractor shall ensure that the Director is notified of the date of each Recycling Material Audit study in advance via email sent to the Director's business email address, in accordance with the established Recycling Commodities Audit Protocol.

Article VIII. Recordkeeping, Reporting, and Retention

A. Recordkeeping, Generally. The Contractor shall create, maintain and make available records pertaining to Program Recyclables as required by Applicable Law and this Agreement. Additionally, the Contractor shall create, maintain, and make available any reports reasonably necessary to:

1. Provide operational, financial, administrative, and processing data needed by the City to prepare and produce internal daily, monthly, quarterly, and annual performance, transactional, budgeting, expense, and revenue reports, as mutually agreed upon; and
2. Document monthly marketing and sales of processed Program Recyclables to third parties including materials sold by type and volume, and actual dollar amounts received from buyers/purchasers without any offset, credit, or deduction for shipping or preparation (All processing and shipping costs are included in the processing fee of \$126/ton); and
3. Document Contractor's employee and subcontractor training by description of the training, date of training, time length of training, names of personnel who attended the training, name of training instructor, and any additional training information which may be reasonably requested by the Director; and
4. Document actions taken in accordance with a Transition Plan.

B. Due Date for Reports. The Contractor is responsible to compile and shall submit all monthly reports to the City not later than the 10th business day following the end of the prior month, all quarterly reports not later than the 10th business day following the end of each prior three-month period, and all annual reports not later than the 30th business day following the end of each 12-month period of this Agreement.

C. Monthly Reports. Monthly reports from Contractor must document the following:

1. Deliveries of Program Recyclables by daily date, individual City Vehicle, and clock times; tonnage of Program Recyclables delivered; Unaccepted Loads, if any, by date, weight, and City Vehicle; tonnage of Residuals; and Gross Recyclable Revenues received by, dollar amount, and materials sold by category and volume, this report will indicate the price per ton and tons sold by type and will be notarized;
2. Activity for each Load which includes details by ticket number, date, time in, time out, City Vehicle number, vehicle gross weight, and vehicle net weight; and

D. Quarterly Reports. Quarterly reports from Contractor must document the following:

1. Summary information and totals from the monthly reports for subsections C.1. and 2, as required above, for the preceding three-month period;

2. Any change in the designated Contractor's Representative;
3. Any changes in the machinery and equipment being utilized in recycling operations, including the type of item and its function;

E. Annual Reports. Annual reports from Contractor must document the following:

1. Summary information and totals from the quarterly reports for subsection E, as required above, for the preceding 12-month period;
2. Participation, number, and results of Recycling Material Audit studies completed;
3. Key data, including tonnages of Program Recyclables by commodity category and classification (i.e., plastics 1, plastics 2, etc.); and

F. Report Format. The reporting format for each type of Contractor's reports (i.e., daily, monthly, quarterly, etc.) is subject to final approval by the Director based on the City's software and organizational needs. The Contractor shall submit all reports in both an electronic format (such as Excel or a delimited text file) and a hard copy format. The electronic format used must be capable of being edited by City staff for City presentation and accounting purposes.

G. Mill Tickets. Contractor must create, maintain, and retain daily tickets on all quantities of Program Recyclables including volumes of incoming, Residuals, and any Unaccepted Loads. A report will be provided that indicates the price per ton and tons sold by category and will be notarized. For all purposes of this Agreement, the following categories will be used for recordkeeping purposes and separately tabulated: old corrugated cardboard, other paper, aluminum, steel/tin, plastic #1, plastic #2 natural, plastic #2 colored, other plastic, Contamination, and Residuals.

H. Missing Data; Inconsistent Data. The Contractor shall be responsible for recording and reporting any missing criteria, data, or information which may arise or become known following initial submission of the same by the Contractor to the City and which may be needed to complete the performance and tasks required by Contractor, as specified in this Agreement. Contractor shall also be responsible to provide, if deemed necessary by the Director, more frequent reporting to the Director of repeated missing or inconsistent criteria, data, or information which may be needed in order to achieve complete and timely initial submission of the same for internal City reporting purposes.

I. Safety Plan. The Contractor shall implement and utilize a written fire prevention, response, and site safety plan" ("Safety Plan") for the Designated Facility and provide a copy of the Safety Plan to the Director prior to or upon the Commencement Date. Minimum requirements of the Safety Plan include, but are not limited to, site speed limits; safe backing; wet weather operations; use of spotters; prevention of slips, trips, and falls; lane marking; sufficient maneuvering room for City Vehicles; fire prevention; and requirements for use of personal protective equipment (PPE) by persons utilizing the Designated Facility. The Safety Plan must also require the Contractor to prepare and provide a written report to the Director within two weeks following any emergency that occurs at the Designated Facility. The Contractor shall promptly provide an updated and revised Safety Plan to the Director as written changes occur in or to the Safety Plan.

J. Transition Plan.

1. The Contractor shall cooperate fully with the City in a timely manner to: (i) transition from the Contractor to a subsequent person or entity, or back to the City, to provide Services upon the termination of this Agreement; or (ii) transition from the Contractor to a subsequent person or entity, or back to the City, upon the expiration of this Agreement.

2. The Contractor shall assist the City in developing and implementing a transition plan ("Transition Plan") that identifies key milestones and requirements; includes sample monthly, quarterly, and annual reports; includes a copy of the most recent Recycling Materials Audit procedures and requirements implemented by the parties; includes a list of personnel who will operate and manage any subsequent facility; and includes both a pre- and post-transition calendar containing dates for regular meetings with City personnel for and during the transition.

3. If the Contractor fails to fully and completely transition in accordance with this Agreement and the Transition Plan, the City may engage the services of another service provider or consultant to complete the transition in accordance with this Agreement and the Transition Plan and shall be entitled to receive reimbursement of such incurred costs, if any, from the Contractor.

K. Record Retention. The Contractor must retain all records created, maintained, or related to this Agreement for seven years from the date of creation or issuance.

Article IX. Facility Visitation/Inspection Right and Right to Audit

The City reserves the right to have City personnel and authorized agents of the City visit and/or inspect the Designated Facility during Standard Hours of Operation, providing sufficient time to safely prepare the facility, and wearing appropriate PPE, to view the Services being performed and/or determine compliance by Contractor with this Agreement including, but not limited to, viewing all machinery and equipment; operating procedures; pre-processed and post-processed materials. The City will make every effort not to interfere with Contractor's daily operations during any such visit or inspection. All visitors must sign-in on Contractor's log. Visits and inspections may occur with or without advance notification, and any such visitation or inspection will not relieve the Contractor from its obligation to perform the work and Services strictly in accordance with this Agreement and all Applicable Laws. The Contractor shall furnish all reasonable assistance required for the City's visitation or inspection, including obtaining cooperation for the City's personnel or agents to have full access to all parts of the Designated Facility.

Article X. Administrative Charges

A. The Contractor understands and agrees that, if the Contractor does not timely perform its obligations pursuant to the terms of the Agreement or violates any provision of the Agreement, the City may suffer damages which are difficult to determine and adequately specify. The Contractor further agrees, in addition to any other remedies available to City, that City may assess a fee to the Contractor in the amounts specified in this subsection as administrative charges for failure of the Contractor to fulfill its obligations ("Administrative Charges"). The City is to inform contractor in writing of any contractual issue at the time of occurrence. The Contractor will be given a 30-day cure period to remedy each issue. If the contractor fails to cure within the 30-day period, the City may impose a \$100 per day penalty.

B. The following acts, omissions, and misconduct by the Contractor shall be considered by the City as non-compliance infractions, and the City may require payment by the Contractor of the

Administrative Charge set forth for such each act, omission, or conduct on the occasion(s) of its occurrence, as indicated below:

Failure to maintain records with the required data and information: \$100 per day

Failure to timely deliver a required report: \$100 per day for each day submitted late

Failure to accept materials during Standard Hours of Operation, beginning 2/1/21:
\$100 per day

Failure to maintain the scale house's data and timekeeping system to accurately capture the required information: \$100 per day

Failure to achieve City Vehicle turnaround time: \$100 day

Disposal of any Program Recyclables without written pre-approval: \$100 per occurrence

C. Excluding any occurrence(s) of the disposal of Program Recyclables by the Contractor without first having obtained prior written approval (such conduct being prohibited pursuant to Article XI below), an initial written warning notice must be issued by the Director on the first occasion of any infraction of the type specified in subsection B above. A prohibited disposal of Program Recyclables by the Contractor is not subject to issuance of an initial warning notice, and the applicable Administrative Charge(s) may be assessed by the Director on any such occasion and for each such occurrence.

D. If an Administrative Charge is assessed by the City pursuant to subsection B, the Director shall notify the Contractor in writing within 10 calendar days of the infraction(s). Any owed penalty above by the contractor will be applied to the monthly rebate on the month following the penalty.

Article XI. Disposal of Program Recyclable Materials Prohibited

The Contractor shall not dispose of any of the City's Program Recyclables, whether pre- or post-processed, unless such disposal is approved in advance by the Director in writing on each such occasion of disposal. The Contractor shall not market for sale Program Recyclables to or in markets that the Contractor knows, reasonably should know, or could have anticipated through the exercise of reasonable diligence, will dispose of the Program Recyclables.

Article XII. Ownership of Program Recyclables; Risk of Loss

Excluding Hazardous Materials, title to and risk of loss of Program Recyclables passes to the Contractor when the Contractor takes possession of the materials at the Designated Facility.

[Exhibit 1 – See Next Six Pages]

ATTACHMENT B

INSURANCE REQUIREMENTS

I. CONTRACTOR'S LIABILITY INSURANCE

- A. Contractor must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor Agency to commence work until all similar insurance required of any subcontractor Agency has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administer one (1) copy of Certificates of Insurance (COI) with applicable blanket-form policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. The City must be listed as an additional insured on the General liability and Auto Liability policies **by blanket-form endorsement**, and a blanket-form waiver of subrogation is required on all applicable policies. **Endorsements** must be provided with COI. Project name and or number must be listed on the COI.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-written day notice of cancellation, required on all certificates or by applicable blanket-form policy endorsements	Bodily Injury and Property Damage Per occurrence - aggregate
Commercial General Liability Including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$250,000 Per Occurrence

- C. In the event of accidents of any kind related to this agreement, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 30 days of the accident.

II. ADDITIONAL REQUIREMENTS

- A. Applicable for paid employees, Contractor must obtain workers' compensation coverage through a licensed insurance company. The workers' compensation coverage or other state-approved program provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Contractor will be promptly met.
- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and approved to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.

C. Contractor shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277

D. Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:

- List the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by blanket-form endorsement, as respects operations, completed operation and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy or other state-approved program;
- The "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
- Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium, except workers' compensation or other state-approved program.

E. Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.

F. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to remove the exhibit hereunder, and/or withhold any payment(s) if any, which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.

G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this agreement.

H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.

I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

Recyclable Commodities Audit Protocol

The initial recyclable commodities audit shall be conducted during the month of March 2021. The next recyclable commodities audit shall be conducted in March 2022. The City and Republic Services (the Contractor) shall agree on an audit week. Audits will not be conducted immediately after a holiday or during inclement weather.

The Contractor shall train employees involved in recyclable commodities audit on the following protocol. The City may be present for such training if the City desires.

The Contractor, at the Contractor's sole expense, shall conduct recyclable commodities audits in accordance with the following:

- 1) Each audit will be monitored by the Contractor and the City if City desires. The City may take pictures and video prior to and during the audit. City staff will be equipped with clipboard, hard copies of data sheets, adhesive labels, pens, camera, steel toe boots, hard hat, and safety vest.
- 2) Audits will evaluate the composition of material collected curbside via the City's residential recyclable commodities collection program.
- 3) To expedite the audit, the City may rent a floor scale for weighing gaylord boxes, carts, and other containers with loose materials. If the City elects to rent a floor scale, the City will need an extension cord. In addition, the City will need to arrange for the pick-up and delivery of the floor scale. For the initial audit, the floor scale was set-up by the break area inside the Materials Recovery Facility as to be under cover and close to the sorted materials. Baled materials will be weighed on the Contractor's incoming scale.
- 4) The Materials Recovery Facility scales, including the vehicle and baler scales, shall be calibrated within ninety (90) calendar days of the audit. The Contractor shall provide documentation to the City of the scales calibration.
- 5) The City and the Contractor will agree in writing to the description of each recyclable commodity and accepted recyclable materials in advance of the audit. Any recyclable material marketed by the Materials Recovery Facility shall be included in the description of recyclable commodity and accepted recyclable materials.
- 6) The audit will be conducted based on two (2) loads per each scheduled collection day, unless more loads are agreed to by all Parties, for the Friday the week prior to the audit and the Monday through Thursday the week of the audit. The City and the Contractor will agree upon a day to randomly draw routes from each scheduled collection day at least two (2) weeks in advance of the audit.
- 7) The Contractor will have a segregated area to store loads from the selected routes ("Audit Loads"). The Contractor will have physical barriers in place to separate the segregated area from any other materials that are delivered to Materials Recovery Facility.
- 8) The Contractor and City staff will weigh the empty gaylord boxes, carts, and other containers intended for storing loose materials from the Audit Loads prior to commencement of the audit. The tare weight for the containers will be marked on the

- containers via stickers or other means.
- 9) The Contractor will empty, clean, and remove any and all materials from the segregated area prior to 7:00 AM, local time on Friday the week prior to the audit. The Contractor shall maintain such segregated area empty, clean, and free of any and all materials other than Audit Loads.
 - 10) Prior to arrival of the Audit Load, City staff will confirm the segregated area has physical barriers in place to separate the segregated area from any other materials that are delivered to Materials Recovery Facility.
 - 11) In addition, City staff will confirm the Contractor emptied, cleaned, and removed any and all materials from the segregated area prior to arrival of the Audit Load.
 - 12) The City shall deliver the Audit Load prior to the start time for processing such Audit Load (see item 15 below).
 - 13) The Contractor shall and the City may weigh each vehicle delivering an Audit Load when full and empty to capture the tare weight of the vehicle and the weight of the Audit Load. On-file tare weights will not be acceptable during the audit.
 - 14) City staff will provide the full and empty weights of the Audit Load to scale house each day.
 - 15) The Contractor and the City shall agree as to the start time for processing Audit Loads at least two (2) weeks in advance of the audit. The audit start time shall not be before 7:00 AM, local time unless agreed to by all Parties. The Contractor shall not handle, including but not limited to remove or add materials, load, or process, the Audit Loads prior to the agreed upon start time.
 - 16) The Contractor will ensure the number of employees available for the audit is appropriate to conduct the audit. For example, the number of employees utilized for sorting materials will be consistent with typical operations.
 - 17) City staff will note the number of employees at each point in the process. The points in the process in order of the sort line are:
 - a. Old Corrugated Cardboard and Plastic Film
 - b. Plastic and Metal Containers
 - c. Mixed Paper Line 1
 - d. Mixed Paper Line 2
 - e. Other Metal (located downstairs)
 - f. Final Sorter before Residue (located upstairs prior to materials exiting rear of building)
 - 18) The Contractor shall process Audit Loads for each collection day the next business day after the collection day before processing any other materials (i.e. Friday Audit Loads processed Monday, Monday Audit Loads processed on Tuesday, Tuesday Audit Loads processed on Wednesday, Wednesday Audit Loads processed on Thursday, and Thursday Audit Loads processed on Friday). The Contractor and City agree to the following:
 - a. Immediately before processing Audit Loads, the Contractor will empty, clean and remove any and all debris from the system, including but not limited to the sort line, bunkers, balers, compactors, bins, and waste containers.

- b. City staff will confirm that the Contractor emptied, cleaned and removed any and all debris from the system, including but not limited to the sort line, bunkers, balers, compactors, bins, and waste containers. The following are some examples:
 - 1. Walk the process line and confirm the sort line, including the belt and floor and all containers on sort line, are free of materials.
 - 11. Visually inspect the residue/contamination roll-off (at the end of the process) to confirm the roll-off is empty. Knocking on the roll-off will not suffice.
 - 111. Visually inspect the bunkers, for all materials, and confirm the bunkers are free of materials.
- c. City staff will take multiple photographs of each side of the Audit Load of the contents of each load with a placard to identify the collection day and route. City staff may add notes to the data sheets related to the Audit Loads (ex. moisture).
- d. The Contractor shall load the materials from the Audit Loads onto the system and run at normal processing speed or slower. The Contractor will process the materials into the agreed upon recyclable commodity categories, residue, and contamination until a minimum of ninety-five percent (95.0%) by weight of accepted program recyclable materials are processed into recovered materials. Residue means accepted program recyclable materials that are not captured by the Materials Recovery Facility equipment for marketing. Contamination means material or substance on or contained in accepted recyclable materials other than accepted recyclable materials at the Materials Recovery Facility.
- e. In the "first run" section of the data entry form, City staff will record the gross and tare weights by the following material types:
 - i. Old Corrugated Cardboard
 - ii. Mixed Paper
 - iii. PET (ex. plastic bottles)
 - iv. Natural HDPE (ex. milk jugs)
 - v. Colored HDPE (ex. detergent containers)
 - vi. Other Rigid Plastics
 - vii. Aluminum
 - viii. Steel/Tin
 - ix. Plastic film (i.e. plastic bags)
 - x. Aluminum foil and other metal not recovered
- f. In the "first run" section of the data entry form, City staff will record the gross and tare weight for the residue/contamination roll-off.
- g. Upon completion of recording the residue/contamination roll-off gross weight, City staff will direct the roll-off to the tipping floor. City staff will take multiple photographs of the contents of the residue/contamination roll-off on the tipping floor.

- h. Upon completion of the "first run", City staff will confirm that the Contractor emptied, cleaned and removed any and all materials from the system, including but not limited to the sort line, bunkers, balers, compactors, bins, and waste containers.
 - 1. The Contractor shall load the residue and contamination onto the system and run at normal processing speed or slower.
 - J. In the "second run" section of the data entry form, City staff will record the gross and tare weights by the following material types:
 - i. Old Corrugated Cardboard
 - ii. Mixed Paper
 - iii. PET (ex. plastic bottles)
 - iv. Natural HDPE (ex. milk jugs)
 - v. Colored HDPE (ex. detergent containers) v1. Other Rigid Plastics
 - vi. Aluminum
 - vii. Steel/Tin
 - viii. Plastic film (i.e. plastic bags)
 - ix. Aluminum foil and other metal not recovered
 - k. In the "second run" section of the data entry form, City staff will record the gross weight for the residue/contamination roll-off. City staff will use the tare weight for the residue/contamination roll-off from the "first run" for the "second run".
 - l. The Contractor will process the Audit Loads for each collection day separately from all other materials.
 - m. The Contractor will bale, City and Contractor shall weigh, and City shall record the weight of each material by recyclable commodity categories and residue/contamination (for material that is not enough to make a full bale, Contractor will place the material in "Gaylord" type box or other container to fully account for 100% of each material type).
 - n. The Contractor will ensure that at least (i) 95% by weight of accepted program recyclable materials are processed into recovered materials and (ii) 95% by net weight of Audit Loads is accounted in the audit.
- 19) If the City rented a floor scale, City staff after weighing all materials for the day will:
- a. Disconnect and wrap the extension cord on top of the floor scale as to eliminate any hazards; and
 - b. Disconnect and safely store the display portion of the floor scale.
- 20) After removing the Audit Loads from the prior collection day from the segregated area, the Contractor will empty, clean, and remove any and all materials from the segregated area and maintain such segregated area empty, clean, and free of any and all materials other than Audit Loads.
- 21) The City will provide a report detailing the following:
- a. *Tonnage by Collection Day*: Truck tare weights and net weights for all loads from material collected curbside via the City's residential recyclable commodities

collection program during a time period to be determined by City by collection day (i.e. Monday, Tuesday, Wednesday, Thursday, Friday).

- b. *Composition by Collection Day*: Composition (percentage) of total material collected curbside via the City's residential recyclable commodities collection program based on 18(a).
 - c. *Tonnage by Audit Load*: Truck tare weights and net weights by Audit Load.
 - d. *Audit Load Tonnage by Collection Day*: Recyclable commodity and residue/contamination weights for Audit Loads by collection day.
 - e. *Audit Load Composition by Collection Day*: Recyclable commodity and residue/contamination composition (i.e. percentage) for Audit Loads by collection day.
 - f. *City--wide Estimated Composition*: Estimated composition (i.e. percentage) of recyclable commodity and residue/contamination for all loads from material collected curbside via the City's residential recyclable commodities collection program based on based on 18(d) and (m).
- 22) The Contractor and City agree the City-wide estimated composition discussed in 18(n) above shall be based on the composition by collection day discussed in 18(d) and Audit Load composition by collection day discussed in 18(m). To calculate the City-wide estimated composition discussed in 18(n) , the Contractor shall weight the Audit Load composition by collection day discussed in 18(m) based on the composition by collection day discussed in 18(d).
- 23) The Contractor will use the estimated composition (i.e. percentage) of recyclable commodity and residue/contamination for all loads from material collected curbside via the City's residential recyclable commodities collection program to calculate the percentage value of each recyclable commodity used in calculating the dollar value of the materials.
- 24) The City will use the estimated composition (i.e. percentage) of recyclable commodity and residue/contamination for all loads from material collected curbside via the City 's residential recyclable commodities collection program to calculate the quantity of contamination from the Contractor's Material Recycling Facility to be accepted at no charge at the City' s disposal facility.