



MEMORANDUM

TO: Public Works and Environmental Committee
THROUGH: Carl Goldsmith, Director of Public Works
FROM: David Gorman, Assistant Director of Public Works
SUBJECT: Solid Waste Contract for 2024-2029 – Initial Discussion
DATE: April 25, 2023

The Village of Lombard’s current Solid Waste Contract with Waste Management will expire on 3/31/24, after 8 years. The current contract was an extension of the prior contracts with Waste Management dating back to 1991, which is the last time that the contract was put out to bid. Staff has evaluated the level of service and pricing of Solid Waste contracts from other municipalities and believes that the Village of Lombard is receiving superior service at a very favorable residential rate. In preparation for discussions with WM, Staff is requesting that the Committee provide direction on two matters that should be considered for the next Contract term.

To begin, we would like to review the ways that Lombard benefits from a sole-provider contract, and also some key provisions in the Contract, many of which are unique to Lombard.

Franchised (Sole-Provider) Services for All (Residential and Non-Residential) Customers:

- 1. An economy of scale that allows both the residential and commercial routes to be collected quickly and cost-efficiently.
2. An experienced partner for handling community events and collecting from public buildings, at no extra cost. This includes all refuse & recycling services and latrines.
3. A close partnership that helps us respond to emergency situations (e.g., winter storms, microbursts and power outages) that may cause service delays and large volumes.
4. Extra services such as the yard waste collection, fall leaf collection, holiday tree collection, and the At-Your-Door household hazardous waste program.
5. Limiting the number of trucks on our local roads to only one hauler, which reduces wear and tear and makes it easy to determine who is responsible when issues from collection arise.
6. Utilizing existing refuse and recycling totes rather than incurring the costs for replacement totes, which would be approximately \$1.5M for residential accounts alone (11,400 households x \$65/toter x 2 totes). This cost would be incurred if switching haulers.

The Meet & Compete Clause:

The “Meet and Compete” clause allows commercial customers to obtain a check on the Contract rates based on invoices or market-based quotes for comparable services in other communities, plus 20%. This margin is to account for overhead services that WM provides. It is Staff’s experience that customers have been able to successfully work with WM through this clause.

At-Your-Door Household Hazardous Waste & Electronics Collection Program:

WM has been providing a no-cost collection of Household Hazardous Waste (HHW) plus electronics directly from up to 180 residences annually since 2016, averaging about 12 tons of material annually. Residents may simply call WM for a collection from their home. A kit is then mailed to the customer complete with instructions and a large plastic bag and content labels. The resident fills the bag with the items and calls for the pickup. Items eligible to be collected include, but are not necessarily limited to, automotive waste products, garden chemicals,

household cleaners, paint products, swimming pool chemicals, electronic waste, and miscellaneous household waste. The program does not include pharmaceuticals. This is a first-come first-served program, and it has only been lightly promoted since it has actually been exceeding 180 pickups since 2018. It would be desirable to double the quantity of pickups to 360 annually for the next Contract term, still at no cost.

**Customer Service Record:**

Overall, Staff has been extremely satisfied with WM’s customer service and responsiveness. Customer complaints are expected at some level considering that there are 11,400 residential accounts and 955 commercial accounts. Last year, they collected 15,656 tons of residential refuse, an estimated 40,000 tons of commercial refuse, 3,945 tons of residential recycling, an unknown tonnage of commercial recycling, 1,203 tons of yard waste, 19 tons of Christmas trees. Staff contacts either the route manager or the Municipal Services Rep for resolution, which is normally completed within the next business day. Noteworthy complaints received by the Village are tracked, and below is a summary of those issues over the past 8 years:

<u>Contract Year</u>	<u># Complaints</u>	<u># Missed Pickups</u>	<u>Billing</u>	<u>Meet &amp; Compete</u>	<u>Other</u>
4/16-3/17	20	5	4	3	8
4/17-3/18	11	4	1	0	6
4/18-3/19	14	10	4	0	0
4/19-3/20	8	5	0	3	0
4/20-3/21	5	1	0	2	2
4/21-3/22	11	8	2	1	0
4/22-3/23	26	18	2	3	3

**Residential Rates Comparison:**

Below is a comparison of the rates of nearby communities, ranked by current base rate.

**64-Gallon Collection Costs on 5/1/23 (assumes a 3% increase if not otherwise set):**

<u>Community</u>	<u>Mo. Cost</u>	<u>Provider</u>	<u>Comment</u>
Oakbrook Terrace	\$0	Flood Brothers	Covered by Commercial Fees
Naperville	\$14.45	Groot	City staff says that rate is subsidized
<b>Lombard</b>	<b>\$16.38*</b>	WM	*Base fee, plus \$0.59 Village Service Fee
Warrenville	\$16.43	Groot	
Westmont	\$16.97	WM	Village handles billing
Winfield	\$18.40	SBC Waste	
Willowbrook	\$18.47	Groot	
Bloomingtondale	\$18.61	SBC Waste	Website says rate as of 3/1/22
Burr Ridge	\$19.05	Groot	
Clarendon Hills	\$20.39	LRS	All residents get a 96-gal toter
Elmhurst	\$20.41	Republic	
Oak Brook	\$20.64	Flood Brothers	
Lisle	\$20.65	LRS	
Aurora	\$21.05	Groot	Rate until 7/1/23
Glen Ellyn	\$21.07	Groot	Rate until 8/1/23
Carol Stream	\$21.37	Flood Brothers	
Bartlett	\$21.62	Groot	
Downers Grove	\$22.16	Republic	
Villa Park	\$23.64	LRS	
Glendale Heights	\$27.17	Republic	
Addison	\$26.88	Republic	Billed bi-monthly
Wheaton	\$31.20	LRS	\$4.39/refuse + \$2.81/recycling => \$31.20/mo

The average monthly rate for these communities is \$20.81 (omitting Oakbrook Terrace’s \$0 rate). Lombard’s current residential rate of \$16.38 (after subtracting the add-on Village Service Fee of \$0.59) is 21% below the average regional rate.

**Commercial Rates Comparison:**

Staff compiled the following list of Meet & Compete requests and adjustments to determine how the current commercial rates compared versus market rates. The conclusion is that the Contract’s current rates are double, on average, those in other communities.

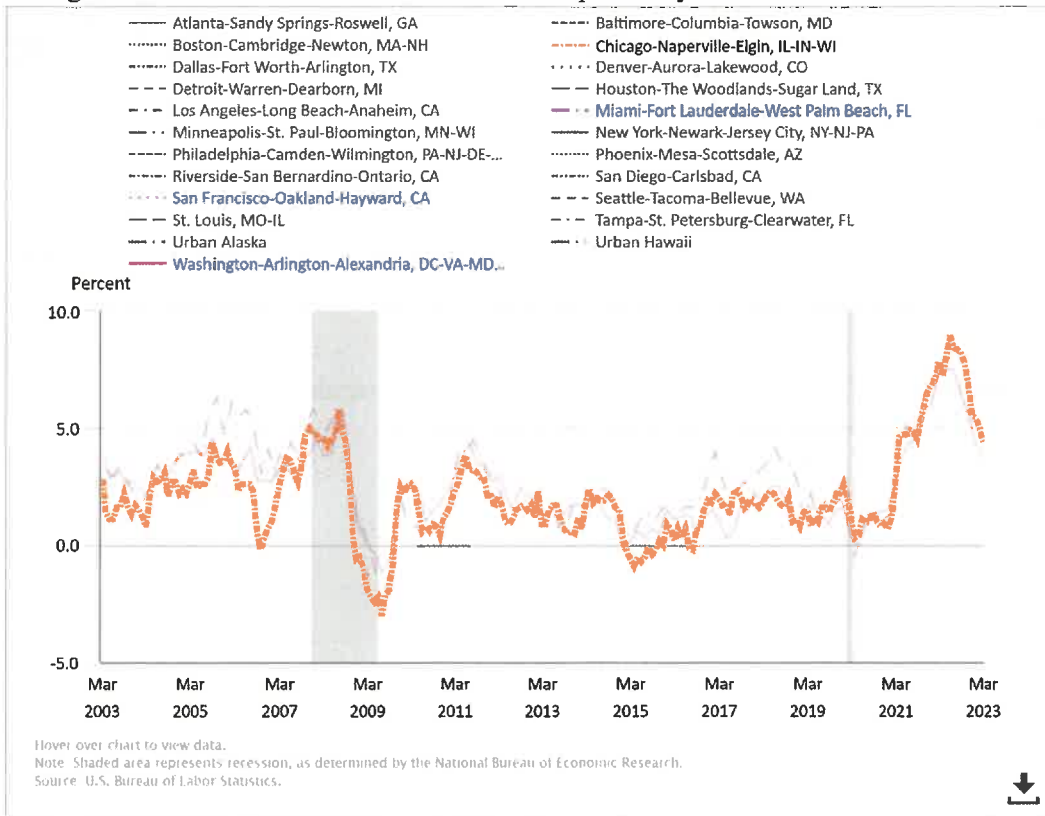
Staff suggests for the next Contract term to hold the existing rates for both refuse and recycling without annual increases. Thus, inflation would affect compounded reductions of approximately 16% (assuming 3% average CPI) up to 28% (at 5% max annual) after the next five years.

Meet & Compete Review 2020-2023, for Contract Term 2024-2029								
Service Address	Refuse Size, Freq	Apr-23 Contract Rate	Adjusted Rate (Inc 20%)	Adj Mo/Yr	Apr-23 Inflated Rate	(Infl Rate -20%) /Contract Rate	Note	
1900 S Highland	2-CY, 4X	\$452.37	\$243.60	Jul-21	\$274.21	48%	Adjustment assumed based on info relayed to WM	
1014 S Main St	6-CY compact, 5X	\$2,698.96	\$1,376.63	Apr-23	\$1,376.63	41%		
"	10-CY, 2X	\$719.48	\$336.70	Apr-23	\$336.70	37%	WM rate is actually for 8-CY since no price for 10-CY	
2500 S Highland	6-CY, 5X	\$1,420.49	\$460.64	Oct-21	\$518.53	29%		
701 E 22nd St	8-CY, 3X	\$1,051.47	\$978.58	Feb-20	\$1,109.27	84%		
781-799 E Butterfield	8-CY, 6X	\$2,141.98	\$895.62	Oct-22	\$943.98	35%		
435 E Butterfield	6-CY, 1X + same recy	\$527.64	\$425.14	Jan-22	\$478.57	73%	Assumed size and frequency per correspondence	
						<b>AVERAGE</b>	<b>50%</b>	<b>Contract rate is double average rate outside Lombard</b>

^ Jan-Jan CPI: Apr-21=0.7%, Apr-22=6.8%, Apr-23=5.4%

**Potential Approaches to Residential and Commercial Rates:**

The tables below present the current number of accounts and the very approximate revenues (not profits) collected by Waste Management. Exact amounts for the Commercial accounts are proprietary to Waste Management, and therefore not verified. Projections are assumed to have an average annual CPI of 2% based on much of the past ten years.



Two rate scenarios are suggested for discussion:

**Scenario A (Status Quo):** Continuing with an escalator of the CPI not to exceed 5% on both Commercial and Residential accounts, but with estimated projections based on 2% annual CPI.

**Scenario B (Rate Balancing):** Holding Commercial rates flat, and increasing the Residential rates by a flat 5% (3% above the assumed CPI of 2%). The eventual residential increase, over and above the assumed CPI of 2%, would be 16% (1.03<sup>5</sup>), which would still be 5% lower than the regional average. The eventual reduction in Commercial rates would likewise be 16%.

Estimate of Waste Management's Current Annual Revenue (Not Profits)									
	# Accounts	\$/Month*	Revenue	Annual					
Residential	11,400	\$16.38	\$186,732	\$2,240,784					
Commercial	955	\$307.16	\$293,338	\$3,520,054					
TOTAL			\$480,070	\$5,760,838					
* Commercial estimated as one 6-CY dumpster serviced weekly, on average. Rates are discounted by the Village Service Fee (0.59/residence, \$3.00/commercial).									
Scenario A: Continuing with an escalator on both Commercial and Residential (CPI not to exceed 5%), assuming 2% annual average.									
	# Accounts	\$/Mo	2023 Rev	2024 Rev	2025 Rev	2026 Rev	2027 Rev	2028 Rev	5-yr Total
Residential	11,400	\$16.38	\$2,285,600	\$2,331,312	\$2,377,938	\$2,425,497	\$2,474,007	\$11,894,353	
Commercial	955	\$307.16	\$3,590,455	\$3,662,264	\$3,735,509	\$3,810,219	\$3,886,424	\$18,684,870	
TOTAL			\$5,876,054	\$5,993,575	\$6,113,447	\$6,235,716	\$6,360,430	\$30,579,223	
Scenario B: Hold Commercial rates flat for five years, and increase residential rate by 5% annually, which is equivalent to a 16% increase over an assumed 2% annual CPI.									
	# Accounts	\$/Mo	2023 Rev	2024 Rev	2025 Rev	2026 Rev	2027 Rev	2028 Rev	5-yr Total
Residential	11,400	\$16.38	\$2,352,823	\$2,470,464	\$2,593,988	\$2,723,687	\$2,859,871	\$13,000,833	
Commercial	955	\$307.16	\$3,520,054	\$3,520,054	\$3,520,054	\$3,520,054	\$3,520,054	\$17,600,268	
TOTAL			\$5,872,877	\$5,990,518	\$6,114,041	\$6,243,741	\$6,379,925	\$30,601,101	

**Recommendation:**

Staff prefers to negotiate a renewed contract with Waste Management based on good customer service and beneficial services provided to all customers, public institutions, and community events. Staff also prefers to better balance the Commercial and Residential rates as provided under Scenario B. This said, Staff requests that the Committee discuss the aspects of the current Contract, and provide guidance for proceeding with the next 5-yr Contract term.

attachment: Solid Waste Contract 2016-2024 including all three amendments

CG/DG:dg H:\PW\Environmental\Refuse & Recycling\2024-2029 Contract\PW\ECC Initial Memo.doc

# Solid Waste Collection and Disposal Services Contract

(including Amendments 1, 2 and 3)

This Solid Waste Collection and Disposal Services Contract (the "**Contract**") is made this \_\_ day of \_\_\_\_\_, 2016, by and between the Village of Lombard, DuPage County, Illinois, an Illinois municipal corporation, (the "**Village**") and Waste Management of Illinois, Inc., a Delaware Corporation licensed to do business in Illinois (the "**Contractor**"). The **Village** and **Contractor** being sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

## Witnesseth

**Whereas**, 65 ILCS 5/11-19-1 specifically authorizes waste collection contracts for periods of time not exceeding thirty (30) years; and

**Whereas**, the **Village**'s village manager has been directed by the President and Board of Trustees to negotiate the terms of this **Contract**; and

**Whereas**, the current Solid Waste Collection **Contract** between the **Contractor** and the **Village** will expire on March 31, 2016; and

**Whereas**, it is in the best interests of the **Village** to enter into this **Contract**;

**Now, therefore**, in consideration of the foregoing and the mutual promises and undertakings herein contained, the sufficiency of which is hereby mutually acknowledged, the **Village** and the **Contractor** agree as follows:

### **Section 1. Contract Period**

The **Village** grants the **Contractor** the privilege to collect and dispose of all **Refuse, Yard Waste and Recyclables**, as defined in Section 7, in the **Village** for a period of eight (8) years from April 1, 2016 to March 31, 2024.

### **Section 2. Collection Service**

The **Contractor** agrees to collect and dispose of all **Refuse, Yard Waste and Recyclables** in the **Village** for a period of eight (8) years from April 1, 2016 to March 31, 2024, under the terms and conditions as set forth in this **Contract**. The **Contract** shall include all **Residential and Commercial** properties. **Refuse and Recyclables** collection services are provided on a year round basis and **Yard Waste** collection services are provided for an eight (8) month period only.

### **Section 3. Contract Extension Option**

The **Contractor** and the **Village** hereby agree that the **Village** and **Contractor** shall have an option to extend the term of this **Contract** for an additional two (2) year period, from April 1, 2024 to March 31, 2026, under the same terms and conditions as set forth in this **Contract** (hereinafter the "Option"), provided the **Village** and **Contractor** agree in writing, on or before December 31, 2023, to exercise said Option.

### **Section 4. Contractor Transition**

Should the **Village** select a different hauler at the expiration of the **Contract**, the **Contractor** shall agree to refund to all customers the full purchase price of any **Refuse and Yard Waste** disposal stickers returned to the **Contractor** within thirty (30) days after such **Contract** expiration. The **Contractor** shall reimburse retailers as appropriate for returned or unsold **Refuse and Yard Waste** disposal stickers within thirty (30) days from the expiration date.

### **Section 5. Change in Service**

If the **Village** should wish to change the type of service provided during the term of the **Contract**, including, but not limited to, the type of materials collected, method of collection, variety of recyclable materials collected, etc., the **Village** shall have the option to initiate the change in service by notifying the **Contractor** in writing at least thirty (30) days prior to the date such service is to begin. The **Village** and the **Contractor** shall agree to negotiate the terms, frequency and price of such change in service after proper notice has been served.

#### **Section 6. Contractor Fee**

As additional consideration for this **Contract**, the **Contractor** agrees to pay to the **Village** a fee in the amount of two thousand and no/100 dollars (\$2,000.00) per year beginning on the first of April, 2016 and continuing every April first for the remainder of the **Contract**.

#### **Section 7. Definitions**

The following words and phrases, when used in this **Contract**, shall have the meaning given to them in this section:

**Aluminum Formed Container/Wrap:** Aluminum cans, foil, trays, pie plates, and other similar formed containers.

**Bagster:** A commercially available flexible container designed to hold loose **Household Refuse**, **Household Construction and Demolition Debris** and **Bulk Materials** or **Large Items**, excluding any material or item that is a **White Good**, electronic waste or is not permitted at the disposal facility, up to three thousand three hundred (3,300) pounds or three (3) cubic yards.

**Brush:** Limbs or branches from trees, shrubs or bushes, considered a type of **Yard Waste**.

**Bulk Materials:** Any items set forth as **Refuse** which are too large to fit into an approved **Refuse Container** or greater than fifty (50) pounds and so unable to be handled by one individual in the conventional form of collection, but rather require a special collection vehicle or additional manpower. Examples include cast iron tubs, double basin concrete sinks, oversized furnaces, pianos and organs. **Bulk Materials** shall either be placed by residents in (a) bundles less than one hundred (100) pounds to be safely lifted by two workers, (b) containers weighing less than one hundred (100) pounds to be safely lifted by two workers, or (c) a **Bagster** unit, pursuant to the terms and conditions accompanying the **Bagster** bag. These types of items would be subject to the charges quoted for **Bulk Materials** and/or **Bagster**.

**Catalog:** A book made from either glossy or non-glossy paper stock which contains an itemized listing of names or articles arranged in order or classified.

**Chipboard:** (Also referred to as **Paperboard**) A thin, single layer of cardboard used in the packaging of consumer goods. Examples include cereal boxes, cracker boxes, clothing boxes, tissue boxes and other similar products.

**Chipping:** The mechanical process of breaking up woody **Yard Waste** into smaller pieces to be used as a landscape mulch or as a bulking agent.

**Commercial:** Any property within the Village which is not **Residential**.

**Composting:** The process by which aerobic micro-organisms decompose organic matter into a humus-like product.

**Contractor:** Waste Management of Illinois, Inc.

**Corrugated Cardboard:** A usually sturdy paper product commonly used as packaging consisting of two (2) paper grades, a wavy inner portion and an outside liner.

**Curbside:** A position immediately behind the curb and within the parkway area used for the collection of **Refuse**, **Yard Waste** and **Recyclables**.

**Dumpster:** Any Waste receptacle larger than a standard Waste Container, as defined herein.

**HDPE Plastic:** High Density Polyethylene Plastic containers identified with a #2 by the Uniform Coding System of the Society of Plastics Industry, Inc.

**Household Construction and Demolition Debris:** Waste materials from "do-it-yourself" interior and exterior household construction, remodeling and repair projects, including, but not limited to, drywall, plywood, paneling, lumber and other building materials; cabinets; carpeting; disassembled household fixtures; and small amounts of sod, earth, clay, sand, concrete, rocks and other similar projects.

**Household Refuse:** All organic household or kitchen wastes, such as rejected or unused food and food residues, paper used in wrapping food, household rubbish, inorganic and incombustible household waste (i.e., cans, metalware, broken glass, crockery, stoneware and similar waste resulting from the regular operation of the household), empty cartons and crates, discarded toys, discarded clothing and furniture and similar materials. **Household Refuse** shall not include waste from any manufacturing process, construction materials, broken concrete, lumber, large rocks and other similar materials.

**Kraft Paper Products:** Mailing tubes, wrapping paper and other similar Kraft type paper items. (See also **Yard Waste Containers -Kraft Paper Bags**)

**Large Items:** Any items which are too large to fit into an approved **Refuse Container** but are under 100 pounds and can be handled through the conventional method of collection. Examples include sofas, tables, chairs, dressers, bookcases, mattresses and box springs or other large household furniture or appliances which do not contain CFC or HCFC refrigerant gases or PCP containing capacitors, mercury switches or other hazardous components. These items shall require one (1) **Refuse** sticker per fifty (50) pounds or one (1) cubic yard, whichever is greater.

**Magazines:** Periodical publications made from either glossy or non-glossy paper stock.

**PET Plastic:** Plastic close-mouthed containers identified with a #1 by the Uniform Coding System of the Society of Plastics Industry, Inc.

**PVC Plastic:** Plastic bottles and containers identified with a #3 by the Uniform Coding System of the Society of Plastics Industry, Inc.

**Recyclables:** Material meeting the specifications set forth in Exhibit A attached hereto and part hereof.

**Recyclables, Atypical:** Waste materials, not including **Recyclables** that are not placed in a landfill and are reused in a productive manner. Examples include, but are not limited to, baled cardboard, scrap metal, clean construction and demolition debris (CCDD), wood and electronics.

**Recyclables Cart:** A blue wheeled plastic container with a tight-fitting top in three sizes (35-gallon, 64-gallon, and 96-gallon), requiring a semi-automated lifting mechanism for collection. The default size is 64-gallon and the 35 and 96-gallon sizes are available to any **Residential** customer upon request. All **Recyclables Carts** must be supplied by the **Contractor** and are property of the **Contractor**.

**Recycling Contamination:** The improper inclusion of items for collection in **Commercial Recyclables Carts** or **Dumpsters**, beyond those listed in Exhibit A of this **Contract**, including, but not limited to, soiled/wet/waxed paper or cardboard, food waste, plastic bags or wrap, ceramics, electronics and tempered glass, or the improper inclusion of **Recyclables**, for collection in **Commercial Recyclables Carts** or **Dumpsters**, contaminated with significant amounts of food residue.

**Refuse:** Garbage, **Household Construction and Demolition Debris**, **Large Items**, **White Goods**, **Bulk Materials** and **Household Refuse**.

**Refuse Containers:** Refuse containers shall include:

**Garbage Can:** A plastic or galvanized metal can of a capacity not to exceed forty-five (45) gallons in size. No garbage can shall exceed fifty (50) pounds in weight when filled.

**Refuse Cart:** A wheeled plastic container with a tight-fitting top, in three sizes (35-gallon, 64-gallon, or 96-gallon), requiring a semi-automated lifting mechanism for collection. All **Refuse Carts** shall be supplied by the **Contractor** and shall remain the property of the **Contractor**.

**Residential:** All single-family, duplex, triplex and quadruplex residential properties within the **Village**.

**White Goods:** Any domestic and/or commercial large appliance which contains CFC or HCFC refrigerant gas, PCB containing capacitors, mercury switches or other hazardous components. Examples include, but are not limited to, refrigerators, freezers, air conditioners, ranges (both electric and gas), humidifiers, dehumidifiers, water heaters, furnaces and other similar large appliances.

**Yard Waste:** The same definition as set forth in 415 ILCS 5/3.270 relative to "landscape waste".

**Yard Waste Containers:** Yard waste containers shall include the following:

**Bundle:** Any material such as limbs, branches, or other loose items that do not exceed six (6) feet in length and fifty (50) pounds in weight. Each branch shall not exceed six (6) inches in diameter, with the total diameter of the bundle not to exceed eighteen (18) inches.

**Garbage Can:** A plastic or galvanized metal can of a capacity not less than thirty-three (33) gallons and not to exceed forty-five (45) gallons in size. No garbage can shall exceed fifty (50) pounds in weight when filled.

**Kraft Paper Bag:** A special biodegradable paper bag, not to exceed thirty-three (33) gallons in size and weighing less than fifty (50) pounds, which will shred and degrade quickly in the composting process.

#### **Section 8. Services to be Performed**

The services to be performed by the **Contractor** shall be as detailed in the Lombard **Village Code**, and shall be subject thereto, and shall include the collection and disposal of **Refuse, Yard Waste and Recyclables**:

##### **Section 8A. Refuse**

###### **Section 8A(1) Program Design**

The collection of **Residential** and **Commercial Refuse** shall be offered on a year round basis.

###### **Section 8A(2) Collection Standards**

The **Contractor** shall provide at a minimum once a week, same-day **Refuse, Yard Waste** and **Recyclable** collection service to all **Residential** properties which receive **Curbside** collection. Collection routes shall be established by the **Contractor**. Boundary line streets shall have both sides of the street collected on the same day.

A **Refuse Cart** system shall be offered for all **Residential** dwelling units in the **Village**. The **Contractor** shall uphold a monthly flat service rate for one **Refuse Cart**.

Under the **Refuse Cart** system, in order for an approved **Refuse Container**, other than the **Refuse Cart**, to be collected, the second and any subsequent **Refuse Container** must be properly stickered. This means that it has a pre-paid **Refuse** sticker exclusively supplied by the **Contractor** securely and visibly affixed thereto. There



shall be no limit on the number of **Refuse Containers** placed out for collection by a given household. There shall be no sticker required for the **Refuse Cart**.

The **Contractor** shall purchase and maintain a reasonable supply of **Refuse Carts and Recyclables Carts** to cover replacements for lost, damaged, and stolen **Refuse Carts and Recyclable Carts**, along with initial **Refuse Carts and Recyclable Carts** for new construction. The **Village** reserves the right to approve the type of **Refuse Carts and Recyclable Carts** to be purchased by the **Contractor**.

For new **Residential** properties, the **Contractor** will provide either one 35, 64 or 96-gallon **Refuse Cart** to residents at no charge. For new **Residential** properties, the **Contractor** will also provide either one 35, 64 or 96-gallon **Recyclables Cart** to residents at no charge. **Refuse and Recyclables Carts** damaged or lost by the **Contractor, Refuse and Recyclables Carts** damaged by wildlife, and **Refuse and Recyclables Carts** damaged by normal wear-and-tear, shall be replaced at no charge by the **Contractor**. A quarterly audit for the replacement of broken **Refuse and Recyclables Carts** will be performed by the **Contractor** to determine what **Refuse and Recyclables Carts** need to be repaired. **Refuse and Recyclables Carts** otherwise damaged or lost will be replaced at the following costs to the resident: for the 35-gallon **Refuse or Recyclables Cart**, \$55.00 for the first time cost and \$70.00 for the second or further time cost; for the 64-gallon **Refuse or Recyclables Cart**, \$65.00 for the first time cost and \$80.00 for the second or further time cost; and for the 96-gallon **Refuse or Recyclables Cart**, \$75.00 for the first time cost and \$90.00 for the second or further time cost. Residents will initially receive 64-gallon **Refuse and Recyclables Carts** unless notifying the **Contractor** at least thirty (30) days prior to the start of the **Contract** that they are opting for the 35-gallon or 96-gallon sizes. **Contractor** shall have thirty (30) days from the date of requests from residents to replace **Refuse or Recyclables Carts** with an alternative size. All **Refuse and Recyclables Carts** are the property of the **Contractor**. The **Contractor** shall deliver the **Refuse and Recyclables Carts** to residents upon their request, and shall not add an additional charge for delivery.

The **Contractor** shall be required to provide a tagging system for any **Refuse Container** that does not get collected. Each tag or label must provide a brief explanation as to why the material was not collected, including, but not limited to, over capacity; container overweight; unacceptable **Refuse**; no **Refuse** sticker; and the like. Each tag or label must adhere to a **Refuse Container**, bag, and cloth material such as but not limited to couch material. The **Village** reserves the right to approve the tag or label.

The **Contractor's** drivers will be instructed to call Customer Service when residents have failed to put out their **Refuse and Recyclables** when drivers have arrived to serve their **Residential** dwelling units. A copy of the call will be kept in the Customer Service notes as a "Haul or Call" note explaining why the resident was not picked up. This procedure also applies to sorry tags noted in the previous paragraph, including the reason why driver failed to service the resident.

#### **Section 8A(3) Disposal Stickers**

The **Contractor** shall be responsible for the printing, distribution and sale of **Refuse** disposal stickers which should be designed to be of a "one-time use" variety. The **Contractor** shall arrange for area vendors to aid in the sale of stickers, and shall make every effort to secure arrangements with at least six (6) vendors within the **Village**. The purpose of this is to achieve reasonable **Village-wide** coverage and a readily available supply of stickers. The **Village** shall also agree to act as an agent in the sale of **Refuse** disposal stickers.

The **Contractor** may require a minimum quantity for purchase through the mail and must inform the **Village** of such requirements. Lombard residents may request the mail order of stickers by telephone. The **Contractor** may sell stickers directly to residents by mail on either a pre-paid or a billable basis, at its discretion. Billing and collection of charges for **Residential** mail orders shall be the sole responsibility of the **Contractor**.

#### **Section 8A(4) Sticker Design and Construction**

The **Village** reserves the right to approve or disapprove of the design and construction of the **Contractor's Refuse** disposal stickers. Stickers must be of an approved color which should be clearly visible from a distance by drivers at dawn or dusk. **Refuse** disposal stickers must be of a different color than the **Yard Waste** stickers. The paper used shall be biodegradable and contain a backing of glue that will adhere to container

surfaces in sub-zero temperatures as well as in extreme heat. All **Refuse** stickers shall contain the **Village** of Lombard logo and shall be clearly labeled for **Refuse** use only.

#### **Section 8A(5) Bulk Materials**

Under the **Refuse Cart** system, the **Contractor** shall provide collection services for items which are too large to fit into an approved **Refuse Container**, and cannot be handled by one individual in the conventional form of collection. The **Contractor** shall make the final decision as to the determination of **Bulk Materials**. The **Contractor** shall collect payment from the resident for this service at the rate quoted in this **Contract**.

#### **Section 8A(6) Large Items**

The **Contractor** shall provide collection service for items which are too large to fit into an approved **Refuse Container** but which can be handled by one individual in the conventional form of collection. These items shall require the attachment of one (1) **Refuse** sticker per item per collection.

#### **Section 8A(7) Special Collection**

The **Contractor** shall offer a special **Curbside** collection service for large quantities of **Refuse** including, but not limited to, **Household Construction and Demolition Debris**, and move-in or move-out clean-up rubbish. Such services shall be by advance arrangement with the **Contractor** at the resident's request.

The **Contractor** shall also, at the request of the **Village**, collect quantities of **Refuse** or **Yard Waste** left out at the curb without proper stickers or preparation in unusual circumstances, i.e., evictions or "skip-outs", and shall bill the property owner for such costs.

The **Contractor** shall also offer dumpster rental and pick-up service for residents with household remodeling and repair projects that generate large quantities of **Household Construction and Demolition Debris**, and move-in or move-out clean-up rubbish which cannot be easily picked up at the **Curbside**. The terms of, as well as charges and payments for, this service shall be arranged solely between the **Contractor** and the resident. The residents may keep the dumpster for a seven (7) day period.

#### **Section 8A(8) White Goods**

The **Contractor** shall comply with all Federal and State requirements applicable to the collection and disposal of **White Goods** including, but not limited to, 415 ILCS 5/22.28 and Section 608 (c) (1) of the 1990 Amendments to the Federal Clean Air Act. The cost of collection and disposal of **White Goods** shall be at the rate specified in this **Contract**.

#### **Section 8A(9) Natural Disaster Clean-Up**

The **Contractor** shall provide special collections for severe storm damage and/or after a natural disaster such as a tornado, flood, etc. The **Contractor** shall collect any **Refuse** or **Yard Waste** that may have accumulated from the severe weather. If the severe weather requires that these items be collected more frequently than once per week, it shall be the **Contractor's** responsibility to accommodate this need. The **Contractor** shall provide this service after being notified by the **Village**, and shall bill the **Village** at the contracted hourly rate.

#### **Section 8A(10) Christmas Tree Collection**

The **Contractor** shall provide a special collection for Christmas trees for a two (2) week period in early January, the exact dates to be mutually determined by the **Contractor** and the **Village**. The **Contractor** agrees to perform this once a year service at no charge to either the **Village** or Lombard residents. The **Contractor** shall collect the Christmas trees separately from normal **Refuse** and shall recycle/compost the trees at an appropriate processing facility.

#### **Section 8A(11) Backdoor Service**

The **Contractor** shall make available to residents participating in the **Curbside** collection program, as an optional service, once per week backdoor collection service. Under the **Refuse Cart** system, each container placed out for backdoor collection must have the appropriate **Refuse** disposal sticker attached for collection if it is the second or subsequent container. The **Contractor** shall bill the resident receiving this service directly.

#### **Section 8A(12) Collection for the Commercial Sector**

##### **Meet and Compete Clause**

Pick-up of any and all **Refuse**, and **Recyclables** if collected, from all **Commercial** establishments in the **Village** shall be contracted between the establishments and the **Contractor**. In the event a **Commercial** customer within the **Village** of Lombard should appeal to the **Village** to review the monthly service charge for disposal and/or recycling service, and if a **Commercial** customer within the **Village** of Lombard can demonstrate that the pricing for like services within a like community and market condition is at least twenty percent (20%) lower than quoted under the terms of this **Contract**, the **Contractor** will, along with input from **Village** staff, review the services and prices requested and lower the charge to that competitive quote, plus twenty percent (20%).

#### **Section 8A(13) Services for Municipal Facilities**

The **Contractor** shall provide, at no cost to the **Village**, once a week or more if necessary, **Refuse** collection, as well as special pick-ups upon the request of the **Village** from the following municipal properties:

Village Hall, 255 E. Wilson; Police Department, 235 E. Wilson; Public Works Department, 1051 Hammerschmidt; Fire Station #1, 50 E. St. Charles Road; Fire Station #2, 2020 S. Highland; Lombard Historical Museum, 23 W. Maple; Peck House, 355 E. Parkside; other new facilities when added by the **Village** such as but not limited to new Public Works, Police, and Fire facilities.

The **Contractor** shall also provide, at no cost, service to the Helen Plum Library, 110 W. Maple. The **Contractor** shall supply recycling containers/dumpsters at all the aforementioned municipal properties and to the Helen Plum Library, as requested by the **Village**.

#### **Section 8A(14) Public Refuse and Recycling Containers**

The **Contractor** shall provide, at no cost to the **Village**, **Refuse** and Recycling collection for all **Village** owned sidewalk **Refuse Containers** and **Recyclables Carts** located throughout the **Village** at the Illinois Prairie Path, Great Western Trail, Lombard Commuter Station, Downtown area of Lombard and at other locations designated by the **Village**. The **Contractor** shall provide at a minimum, once a week **Refuse** and **Recyclables** collection from December through March. Such service shall be provided two (2) times a week (on Monday and Friday) **Refuse** and **Recyclables** collection on the Illinois Prairie Path and Great Western Trail from April through November, and three (3) times a week (on Monday, Wednesday, and Friday) for other locations.

The **Village** reserves the option, at its sole discretion, to add or remove any **Village** designated location from collection service as well as to change the frequency of collections. The **Village** shall notify the **Contractor** in writing of any such changes.

#### **Section 8A(15) Special Village Services**

The **Contractor** shall provide the following services to the **Village**:

The **Contractor** will donate to the **Village** all **Refuse** and **Recyclables** collection services, portable latrines and wash stations each year of the **Contract** for all **Village**-sponsored events.

The **Contractor** will provide at no cost to the **Village**, **Refuse** and **Recyclables** collection service each year of the **Contract** for the annual Taste of Lombard, or for such other annual event which takes the place of the

Taste of Lombard.

The **Contractor** will provide at no cost to the **Village**, portable latrines each year of the **Contract** for the annual Lilac Parade.

The **Contractor** will provide street sweepings disposal when requested by the **Village** at a cost of \$225.00 per load for transportation and \$45.00 per ton for disposal for the term of the **Contract**.

#### **Section 8A(16) Future Development/Annexations**

The **Contractor** shall service any land annexed to the **Village** of Lombard during the term of the **Contract**, as well as any **Residential** and **Commercial** properties constructed during said term. Service to land annexed to the **Village** and future **Residential** and **Commercial** developments shall be provided on the same terms as set forth herein. Any changes to the corporate boundaries or service area resulting from annexations, zoning actions, site plan approvals, construction, etc., shall be communicated to the **Contractor** by the **Village**.

#### **Section 8A(17) Quarterly Report**

The **Contractor** shall prepare and submit to the **Village** a quarterly **Refuse** report, due by the fifteenth (15th) day of the month starting a new quarter, i.e., July, October, January and April. The report shall include the following information or other information upon request of the **Village**:

- (a) Total weight in tons and total volume in compacted cubic yards of **Refuse** landfilled each quarter, sorted by **Residential**, **Commercial** and each community event;
- (b) Name and location of the landfill used by the **Contractor**; and
- (c) Copy of all complaints filed by Lombard residents per month.

#### **Section 8B. Yard Waste**

##### **Section 8B(1) Program Design**

The **Yard Waste** collection service shall be offered from the first full week of April through the second full week of December during the term of the **Contract** and shall only be provided for **Yard Waste Containers** that have pre-paid stickers securely and visibly affixed to them. If necessary, the **Village** and the **Contractor** shall mutually agree to extend the length of the **Yard Waste** collection season, for a period of up to two (2) weeks after the December ending date. The **Yard Waste** collection service shall include the collection of **Bundles of Brush** for all **Residential** properties within the **Village**. All **Yard Waste** shall require a pre-paid **Yard Waste** sticker; the pre-paid **Yard Waste** sticker shall be exclusively supplied by the **Contractor** and shall be securely and visibly affixed to each approved **Yard Waste Container** by the resident.

##### **Section 8B(2) Collection Standards**

In order for an approved **Yard Waste Container** to be collected, each **Yard Waste Container** must be properly stickered, which shall mean that it has a pre-paid **Yard Waste** sticker exclusively supplied by the **Contractor** securely and visibly affixed thereto. There shall be no limit on the number of containers placed out for collection by a given household, provided all **Yard Waste Containers** are properly stickered with the appropriate **Yard Waste** stickers.

The **Contractor** shall be required to provide a tagging system for any **Yard Waste Container** that does not get collected. Each tag or label must provide a brief explanation as to why the material was not collected, including, but not limited to, wrong sticker attached; no **Yard Waste** disposal sticker; use of plastic bags of any kind; branches not bundled; **Bundles** are in excess of the six (6) foot length requirement; bags contain unacceptable material, such as **Refuse** or dirt; container overweight; and the like. The **Contractor's** drivers will be instructed to call Customer Service when residents have failed to comply with **Yard Waste** requirements. A copy of the call will be kept in the Customer Service notes as a "Haul or Call" note explaining why the resident was not picked up.

### **Section 8B(3) Stickers**

The **Contractor** shall be responsible for the printing, distribution and sale of **Yard Waste** stickers which should be designed to be of a "one-time use" variety. The **Contractor** shall arrange for area vendors to aid in the sale of stickers, and shall make every effort to secure arrangements with at least six (6) vendors within the **Village**. The purpose of this is to achieve reasonable **Village-wide** coverage and a readily available supply of stickers. The **Village** shall also agree to act as an agent in the sale of **Yard Waste** stickers.

The **Contractor** may require a minimum quantity for purchase through the mail and must inform the **Village** of such requirements. Lombard residents may request the mail order of stickers by telephone. The **Contractor** may sell stickers directly to residents by mail on either a pre-paid or a billable basis, at its discretion. Billing and collection of charges for **Residential** mail orders shall be the sole responsibility of the **Contractor**.

### **Section 8B(4) Sticker Design and Construction**

The **Village** reserves the right to approve or disapprove of the design and construction of the **Contractor's Yard Waste** stickers. Stickers must be of an approved color which should be clearly visible from a distance by drivers at dawn or dusk. The paper used shall be biodegradable and shall contain a backing of glue that will adhere to container surfaces in sub-zero temperatures as well as in extreme heat. All **Yard Waste** stickers shall contain **Village** of Lombard logo and shall be clearly labeled for its intended collection purpose.

### **Section 8B(5) Backdoor Service**

The **Contractor** shall make available to residents participating in the **Curbside** collection program, as an optional service, once per week backdoor **Yard Waste** collection services. Each container placed out for backdoor collection must have the appropriate **Yard Waste** sticker attached for collection; the only exception is that **Residential** properties shall be required to place **Bundles of Brush** at the **Curbside** and shall not be required to place a pre-paid **Yard Waste** sticker on **Bundles of Brush** (see Section 8B(7) for reference). The **Contractor** shall bill the resident receiving this service directly for the additional costs for collection.

### **Section 8B(6) Fall Leaf Collection**

The **Contractor** shall offer a Leaf Collection Program for a period of six (6) continuous weeks in the fall of each year with the dates of the program to be mutually agreed upon between the **Village** and the **Contractor**. Residents and the units of local government/school district facilities listed in Section 8B(7) will be required to place their leaves in **Kraft Paper Bags** for collection. No other type of container shall be recognized for the collection. The collection for the service shall occur on the same day as normal **Refuse** and **Recyclables** services. No additional charge shall be placed upon Lombard residents for this program nor shall **Yard Waste** stickers be required for collection pursuant to this program.

### **Section 8B(7) Brush Collection**

The **Contractor** shall offer a **Brush** Collection Program. The **Brush** collection service shall be offered from the first full week of April through the second full week of December during the term of the **Contract** and shall only be provided for **Bundles of Brush** that have pre-paid stickers securely and visibly affixed to them. Residents shall be allowed to place **Bundles of Brush** at the **Curbside** during the **Brush** collection season. The **Brush** must be bundled according to the specifications in this Contract. The collection for the service shall occur on the same day as normal **Refuse** and **Recyclables** services. **Residential** and **Commercial** properties shall be required to place a pre-paid **Yard Waste** sticker on the **Bundles of Brush** from the first full week of April through the second full week of December. If **Brush** is in a bag or in a can, **Residential** and **Commercial** properties shall be required to place a pre-paid **Yard Waste** sticker on the bag or can.

The **Contractor** shall provide Fall Leaf Collection, as referenced in Section 8B(6) above, and **Brush** collection services to the following unit of local government/school district facilities at no cost:

Lombard Park District, 150 S. Park Avenue

Madison Meadows Athletic Center, 500 E. Wilson Avenue  
DuPage County Public Health Facility, 1111 E. Jackson  
Westmore School, 340 S. School  
Parkview School, 341 N. Elizabeth  
Hammerschmidt School, 617 Hammerschmidt Avenue  
Pleasant Lane School, 415 N. Main  
Westlake Middle School, 1514 S. Main  
Madison Elementary School, 150 W. Madison  
Manor Hill School, 1464 S. Main  
Schafer School, 700 Pleasant  
Glenbard East High School, 1014 S. Main  
College of DuPage Learning Center, 837 S. Westmore

### **Section 8B(8) Quarterly Report**

The **Contractor** shall prepare and submit to the **Village** a quarterly **Yard Waste** report, due by the 15th of the month following a quarter, i.e., July, October, January and April. The report shall include the following information or other information upon request of the **Village**:

- (a) Total volume, in compact cubic yards, of **Yard Waste** collected;
- (b) Name and location of the compost facility used by the **Contractor**; and
- (c) Copy of all complaints filed by residents per month.

### **Section 8C. Recyclable Materials**

#### **Section 8C(1) Program Design**

The **Curbside** collection of **Recyclables** shall be provided for all **Residential** dwelling units in the **Village**. At the commencement of this **Contract**, the **Contractor** shall provide all **Residential** dwelling units in the **Village** with one 35, 64 or 96-gallon blue **Recyclables Cart**. The default size shall be 64-gallon and the 35 or 96-gallon sizes shall be provided in exchange if so requested by the resident. Additionally, if the **Contract** is extended beyond March 31, 2024, a mutually accepted rate will be negotiated to maintain or replace **Recyclables Carts** damaged due to fair wear and tear. This rate will not exceed \$1.00 per month. All **Recyclables Carts** must be supplied by the **Contractor** and are property of the **Contractor**.

Each **Commercial** customer shall be entitled to either one 96-gallon blue **Recyclables Cart** with once weekly service or a one-yard **Recyclables** container with monthly service at the discretion of the **Contractor** and at no cost for the duration of the **Contract**.

Commingling of **Recyclables** is allowed. Commingling is placing all permissible **Recyclables** into a recycling bin or **Recyclables Cart**. The **Contractor** shall collect, remove, source separate, and deliver for processing all properly presented **Recyclables**. **Recyclables** may be commingled by residents for collection by the **Contractor**. Paper and non-paper items may be put in the same receptacle for pick up by the **Contractor**, provided they are properly prepared.

The **Recyclables** collection service shall also include the continuing use of the general **Curbside** bin method already established within the **Village**, retaining the existing 18-gallon, 20-gallon, and 24-gallon recycling bins. Participation in the program shall remain voluntary, with the exception that all **Residential** dwelling units in the **Village** shall be provided with one 64-gallon blue **Recyclables Cart** (or one 35 or 96-gallon **Recyclables Cart** for any resident requesting another size).

#### **Section 8C(2) Collection Standards**

There shall be no limit to the number of recycling bins including the **Recyclables Cart** or to the quantity of **Recyclables** that a household may place at the **Curbside** for collection. Residents have the right to purchase additional recycling bins or to set out other containers which are clearly marked for recycling collection. The

**Contractor** shall collect from the **Recyclables Cart** and all recycling bins that have been placed at the **Curbside** for collection and shall place emptied recycling bins upside-down to prevent the bins from blowing about. No sticker shall be required for the recycling bins or **Recyclables Cart**.

Residents may also place **Recyclables** that do not fit into the recycling bin(s) or **Recyclables Cart** directly adjacent to the bin(s) or **Recyclables Cart** for collection by the **Contractor** provided that such materials have been properly prepared for collection.

The **Contractor** shall be required to provide a tagging system for **Recyclables** that are not collected. The tagging system must provide a simple explanation as to why the **Recyclables** were not picked up, including, but not limited to the following: contaminants; improper preparation; materials not accepted in program; or some combination thereof. **Recyclables** that were rejected shall be returned to the bin or **Recyclables Cart** and not be left on the street or parkway areas.

The **Contractor's** drivers will be instructed to call Customer Service when residents have failed to put out their **Refuse** and **Recyclables** when drivers have arrived to serve their **Residential** dwelling units. A copy of the call will be kept in the Customer Service notes as a "Haul or Call" note explaining why the resident was not picked up. This procedure also applies to sorry tags noted in the previous paragraph, including the reason why driver failed to service the resident.

The **Contractor** will also be responsible for cleaning up any **Refuse**, **Recyclables**, or **Yard Waste** that has spilled as a result of the collection process.

#### **Section 8C(3) Methods of Preparation and Collection**

The **Contractor** shall specify the method in which the **Recyclables** are to be prepared for **Curbside** collection by the household. In addition, the **Contractor** shall specify the manner in which the **Recyclables** are to be collected and sorted by the **Contractor**; i.e. sorting at an intermediate processing facility, and the like. The **Village** waives the right to approve the location where the **Recyclables** are taken to be sorted and/or processed.

#### **Section 8C(4) Recyclables Carts**

The **Contractor** shall purchase and maintain a reasonable supply of **Recyclables Carts** to cover replacements for lost, damaged, and stolen **Recyclables Carts**. The **Village** reserves the right to approve the type of **Recyclable Carts** to be purchased by the **Contractor**.

**Recyclables Carts** damaged or lost by the **Contractor** shall be replaced at no charge by the **Contractor**.

The **Contractor** shall pick up all **Recyclables** placed in the existing 18, 20 and 24-gallon containers, the **Recyclables Carts** supplied by the **Contractor**, or any other container used by the homeowner which has been clearly marked for recycling.

#### **Section 8C(5) Additional Contractor Services**

The **Contractor** shall participate in **Village** meetings to evaluate participation rates and to offer general assistance. The **Contractor** shall also offer assistance in the preparation of grant requests associated with this program.

#### **Section 8C(6) In-House Recycling Program**

The **Contractor** shall provide, at no cost to the **Village**, a comprehensive recycling program for the following municipal properties:

Village Hall, 255 E. Wilson; Public Works Administration, 1051 Hammerschmidt; Police Department, 235 E. Wilson; Fire Station 1, 50 E. St. Charles; Fire Station 2, 2020 S. Highland; Police Department Resource Center, 32 Yorktown Road; Lombard Historical Museum, 23 W. Maple; Peck House, 355 E.

Parkside; other new facilities when added by the **Village** such as, but not limited to new Public Works, Police, and Fire facilities.

The **Contractor** shall also provide, at no cost, **Recyclables** collection service to the Helen Plum Library, 110 W. Maple. The **Contractor** shall provide a sufficient quantity of centralized containers, i.e. wheeled **Recyclables Carts**, lidded dumpsters, etc., throughout all of the municipal facilities from which **Recyclables** collection services shall be provided.

The **Contractor** shall collect and recycle **Recyclables** at a minimum of once per week.

#### **Section 8C(7) Public Taxing Facilities**

The **Contractor** shall provide and promote **Recyclables** collection services to the following public taxing facilities at no cost:

Lombard Park District, 150 S. Park Avenue  
Madison Meadows Athletic Center, 500 E. Wilson Avenue  
DuPage County Public Health Facility, 1111 E. Jackson  
Westmore School, 340 S. School  
Parkview School, 341 N. Elizabeth  
Hammerschmidt School, 617 Hammerschmidt Avenue  
Pleasant Lane School, 415 N. Main  
Westlake Middle School, 1514 S. Main  
Madison Elementary School, 150 W. Madison  
Manor Hill School, 1464 S. Main  
Schafer School, 700 Pleasant  
Glenbard East High School, 1014 S. Main  
College of DuPage Learning Center, 837 S. Westmore

#### **Section 8C(8) Compensation for Recyclables**

In relation to the **Curbside** collection of **Recyclables**, the **Village** agrees that the **Contractor** will retain all money received from the sale of the **Recyclables** collected. The projected revenues shall be taken into consideration when determining the cost for **Recyclables** collection services. The **Contractor** further agrees that it will provide the containers to be utilized in the **Recyclables** collection program and will be responsible for distribution and replacement of all containers.

#### **Section 8C(9) Minimum Recyclable Materials to be Collected**

The **Village** shall not discontinue collection of any material listed as a **Recyclable**, nor divert or withdraw from the **Recyclables** any materials. The **Village** shall not allow scavenging of **Recyclables**. The **Parties** acknowledge that maintenance of the quality of the **Recyclables** is a requirement of this **Contract** subject to the provisions herein. The **Village** shall use reasonable efforts to inform its residents of the quality requirements hereunder and enforce its standards for acceptance of **Recyclables**. **Contractor** shall provide reasonable assistance to the **Village** in such efforts.

In the event that the **Village** desires to have additional items and/or materials recycled, and if the **Contractor** agrees to include these additional items and/or materials as part of the **Curbside** collection of **Recyclables**, the **Parties** shall renegotiate the terms and conditions of this **Contract** so as to include said additional items and/or materials. If the **Parties** cannot agree on new terms relative to the inclusion of the additional items and/or materials, said additional items and/or materials shall not be included in the **Curbside** collection of **Recyclables**, and the then existing terms and conditions of this Section shall remain in full force and effect.

In the event that a change in applicable law or a material change in market conditions occurs, including but not limited to, a lack of commercially reasonable and available market for processed **Recyclables**, changes in market specifications affecting the salability of processed **Recyclables**, changes affecting the recyclability or



marketability of **Recyclables**, changes in the quality, quantity or composition of the **Recyclables** (each a "**Material Change**"), has the effect of materially altering the terms of this **Contract**, or preventing or precluding compliance with one or more provisions of this **Contract**, or preventing, precluding, or substantially affecting the benefit(s) bargained for under this **Contract**, including profits of **Contractor**, the **Contract** shall be modified or suspended as may be necessary to comply with, ameliorate, or prevent the detrimental effects on the **Contract** of, such **Material Change**. A **Party** detrimentally affected by a **Material Change** shall so notify the other **Party** and request amendment to the **Contract** accordingly, and the **Parties** shall engage in good faith negotiations for a period of not less than six (6) months after such request, regarding such amendment of the **Contract** as reflects the extent to which the provisions hereof have been, or should be, so modified or suspended. If a **Material Change** precludes or reduces any of **Contractor's** rates or other revenues, then the **Parties** shall modify the **Contract** in accordance with this provision in order that **Contractor** can achieve, on an ongoing basis, profits that existed immediately prior to the **Material Change**.

#### **Section 8C(10) Backdoor Service**

The **Contractor** shall make available to residents participating in the **Curbside** collection of **Recyclables**, as an optional service, once per week backdoor collection of **Recyclables**. No sticker shall be required on the recycling bin or **Recyclables Cart** for collection. The **Contractor** shall bill the residents receiving this service directly for the additional costs for collection as indicated in Section 14A(8) of the **Contract**.

#### **Section 8C(11) Land Filling Recyclables**

The **Contractor** shall recycle the **Recyclables** for reuse and, provided that there is a commercially reasonable and available market for such **Recyclables**, shall not landfill any **Recyclables**, except such residue left after appropriate processing of said **Recyclables**. **Contractor** makes no representations as to the recyclability of the **Recyclables** and may dispose of such **Recyclables** when no commercially reasonable and available market exists. It is agreed by the **Parties** hereto that in the event that the **Village** desires to have the recycling element of this **Contract** expanded to cover all or part of the **Commercial** areas within the **Village**, the **Contractor** shall, within thirty (30) days of receipt of a written notice from the **Village** indicating the **Village's** desire to expand said recycling, provide the **Village** with cost figures relative to said expansion. If the **Village**, after receipt of said cost figures, desires to move forward with said expansion, the **Village** shall so notify the **Contractor** in writing, and the **Parties** shall enter into an amendment to this **Contract** relative to said expansion of the recycling element of this **Contract**. Any such recycling expansion shall go into effect sixty (60) days after the date of the amendment, or at such other times as mutually agreed by the **Parties** hereto.

#### **Section 8C(12) Quarterly Report**

The **Contractor** shall prepare and submit to the **Village** a quarterly recycling report due by the 15th of the month following a quarter. The report shall include the following or other information upon **Village** request:

- (a) Weekly set-out rate;
- (b) Monthly participation rate (total number of set-outs divided by the number of homes included in the collection service);
- (c) Total weight, in pounds, of the items recycled, by item;
- (d) Name and location of processing facility used by the **Contractor**; and
- (e) Copies of all complaints filed by residents per month.

#### **Section 8C(13) Recycling Contamination**

**Contractor** may, at its discretion, take any of the following actions regarding **Commercial Recyclables Carts** and **Dumpsters** containing **Recycling Contamination**:

- (a) Not collect the contents in their entirety, provided that an explanatory tag is left setting forth the reason for the non-collection, with a separate tag being left for each non-collection occurrence;
- (b) Collect the contents in their entirety and assess an added fee per occurrence of \$20.00 per **Recyclables**

- Cart** or \$20.00 per cubic yard of **Dumpster** size; provided, however, that a photo of the **Recycling Contamination** shall be taken and made available to the customer and the **Village** upon request; or
- (c) **Cancel Recyclables** collection and remove the **Recyclables Carts** and **Dumpsters** for any **Commercial** customer with at least three (3) documented instances of **Recycling Contamination** within a period of one (1) year. **Commercial** customers may request a resumption of **Recyclables** collection after one (1) year has passed since the cancellation of **Recyclables** collection services, at no extra startup cost.

#### **Section 8D Commercial Composting and Atypical Recyclables**

The **Contractor** may offer a collection program for **Composting** materials and **Atypical Recyclables** from **Commercial** properties. The rates shall be negotiated directly with the customers. The collection of **Composting** materials and **Atypical Recyclables** may also be provided by other commercial recyclers that are licensed per the **Village's** Code.

#### **Section 9. Hours of Collection**

Collections shall be made from **Residential** units once per week on specified days according to a schedule submitted to the **Village**, provided that no such **Residential** collection shall begin prior to 6:00 a.m., nor shall said collection continue after 6:00 p.m.

#### **Section 10. Holidays**

All **Refuse, Yard Waste** and **Recyclables** shall be picked up by the **Contractor** each week on the designated day, except for New Year's Day, the Fourth of July, Labor Day, Memorial Day, Thanksgiving Day and Christmas Day, and if, for any reason, the collection is not completed in the area in question on such day, then the collection shall be resumed and completed on the following day, and additional personnel and equipment shall be used so as not to delay the collection in any other area in the **Village**. When one of the aforementioned holidays falls on a weekday, the **Contractor** shall pick up the **Refuse, Yard Waste** and **Recyclables** from the **Residential** dwelling units normally picked up on the day of such holiday on the following day, and the normal collection schedule for the rest of the week shall be one day late. Collection shall also be provided on Saturday as a result of a holiday.

#### **Section 11. Vehicles**

The **Contractor** agrees to use modern loader trucks for its operations in the **Village** and to keep all equipment used in performance of its work in a clean, sanitary condition and not to permit the same to remain standing anywhere in the **Village**. The **Contractor** shall furnish to the **Village** a complete list of the vehicles to be used in the execution of the **Contract**. All vehicles shall display the name of the **Contractor**, a local telephone number and a vehicle identification number which are clearly visible on both sides.

All vehicles shall be fully enclosed, leak proof and operated in such a way that no **Refuse, Recyclables** or **Yard Waste** can leak, spill or blow off the vehicle. In the event any **Refuse, Recyclables** or **Yard Waste** should leak, spill or blow off a vehicle as the result of the vehicle operator's failure to properly monitor the load or to close openings, the **Contractor** shall be responsible for the immediate collection and clean-up of same.

All vehicles shall pick-up the **Recyclables** on the same day as the regular **Refuse** and **Yard Waste** pick-up. All vehicles used in the collection of **Recyclables** shall be operated in such a way as to allow for the physical characteristics of the materials to be retained. Compaction of materials shall be performed at a minimum. The **Village** reserves the right to inspect the **Contractor's** equipment solely for the purpose of determining compliance with the **Contract**.

#### **Section 12. Disposal of Refuse, Yard Waste and Recyclables**

All **Refuse** collected by the **Contractor** shall be disposed of by the **Contractor** solely at landfills that have been approved by the appropriate agency of the state in which the particular landfill is located. The **Village** waives the right to approve the landfill site location the **Contractor** intends to use for the disposal of **Refuse**.

The **Village** waives the right to approve the composting facility the **Contractor** intends to use for the disposal of **Yard Waste**. The **Village** waives the right to approve the location of the processing facility that the **Contractor** intends to use for the separation and processing of **Recyclables** collected. The **Contractor** shall, however, provide the name and location of the processing facility, as well as the proposed buyer/market for **Recyclables** upon request of the **Village**.

### **Section 13. Employee Conduct/Quality of Performance**

**Contractor** agrees not knowingly or negligently to employ agents, employees or drivers who use intoxicating liquors or drugs while on duty. The **Contractor** shall prohibit the drinking of any alcoholic beverages or the ingestion of any illegal narcotics, drugs or substances by its drivers and crew members while on duty or in the course of performing their duties under the **Contract**.

All employees shall carry official company identification and shall present such identification upon request. All vehicle operators shall carry valid State of Illinois driver's licenses for the class of vehicle operated. Vehicle operators shall obey all traffic regulations, including weight and speed limits.

The **Contractor** agrees to perform all collection and disposal services rendered hereunder in a neat, orderly and efficient manner, to use due care and diligence in the performance of the **Contract** and to provide neat, orderly and courteous employees and personnel.

The **Contractor** agrees not to allow **Refuse, Yard Waste** or **Recyclables** to scatter or spread as a result of the **Contractor's** service provided with the **Village**. Any **Refuse, Yard Waste** or **Recyclables** spilled on the yard or street shall be picked up prior to leaving the site of collection. **Refuse Containers** shall be replaced to the same location as found after emptying and shall be replaced in the same condition.

### **Section 14. Collection of Fees**

The **Contractor** agrees to be solely responsible for the billing and collection of all fees, for **Refuse, Yard Waste** and **Recyclables** collection, from all customers. The **Contractor** further agrees to be solely responsible for the collection of any delinquent accounts and the disposition of all complaints regarding service. Where the **Contractor** intends to terminate collection service relative to a customer, the **Contractor** shall notify the customer in writing, at least ten (10) days prior to the termination of collection service, of the proposed termination date and the reason for said termination. The **Contractor** agrees to notify the **Village's** village manager or his designee of any terminated or discontinued service accounts within one (1) business day following such termination upon request.

Fees charged shall not exceed the maximum rates set forth herein, shall always include the **Village** service fee, as provided for in the Lombard Village Code, where said service fee is applicable, and may be reduced at any time to any **Commercial** customer by the **Contractor**, provided, however, in making said reduction the **Contractor** shall not reduce the **Village's** service fee. Maximum fees shall be as follows:

#### **Section 14A. Residential**

For **Residential** dwelling units, the monthly fee, for one (1) pick-up per week, shall be as follows:

#### **Section 14A(1) Refuse and Recyclable Materials**

The **Contractor** shall pick-up one (1) 64-gallon **Refuse Cart** and an unlimited amount of **Recyclables** at the curb including a **Recyclables Cart** at a monthly fee of \$14.29. [\$13.70 **Contractor** charge plus \$0.59 **Village's** service fee]. The current fee shall be in effect through March 31, 2017. Beginning April 1, 2017, said fee shall be subject to adjustments based on the applicable provisions of Section 29 of this **Contract**. Also, the **Contractor** shall offer an option to pick-up one (1) 35-gallon **Refuse Cart** and an unlimited amount of **Recyclables** at the curb including a **Recyclables Cart** at a monthly fee of \$11.47. [\$10.88 **Contractor** charge plus \$0.59 **Village Service Fee**]. Also, the **Contractor** shall offer an option to pick-up one (1) 96-gallon **Cart** of **Refuse** and an unlimited amount of **Recyclables** at the curb including a **Recyclables Cart** at a monthly fee of

\$17.25. [\$16.66 **Contractor** charge plus \$0.59 **Village's** service fee]. For a resident to opt for the 35-gallon or 96-gallon **Refuse Cart**, the principal of the home must contact the **Contractor**. The **Contractor** shall provide **Refuse** stickers for the second and subsequent **Refuse Containers** at a fee of \$1.41 per sticker. The current fees listed in this paragraph shall be in effect through March 31, 2017. Beginning April 1, 2017, said fees shall be subject to adjustments based on the applicable provisions of Section 29 of this **Contract**. When any future increases go into effect, the percentage increase shall apply to the **Contractor** charge only.

#### **Section 14A(2) Yard Waste**

The **Contractor** shall pick-up **Yard Waste** and shall charge a fee of \$1.94 per sticker. [\$1.84 **Contractor** charge plus \$0.10 **Village's** service fee]. This fee shall be in effect through March 31, 2017, and shall be subject to an additional \$0.35 per sticker increase on April 1, 2019. Beginning April 1, 2017, and annually thereafter, said fee shall be subject to adjustments based on the applicable provisions of Section 29 of this **Contract**.

#### **Section 14A(3) Bulk Materials**

The **Contractor** shall pick-up **Bulk Materials** at a fee of \$20.00 per pick-up. This fee shall be in effect throughout the term of this **Contract**. **Bagster** collections shall be per the applicable rate at [www.bagster.com](http://www.bagster.com).

#### **Section 14A(4) Large Items**

The **Contractor** shall collect **Large Items**, provided a **Refuse** sticker is attached. This fee shall be in effect through March 31, 2017. Beginning April 1, 2017, said fee shall be subject to adjustments based on the applicable provisions of Section 29 of this **Contract**.

#### **Section 14A(5) Waste Tires**

The **Contractor** agrees to collect waste tires at a cost of \$5.00 per tire. Residents will be required to call the **Contractor** to arrange for this special collection. This fee shall be in effect throughout the term of this **Contract**.

#### **Section 14A(6) Special Collections**

The **Contractor** shall make special collections at a fee of \$10.00 per cubic yard. This fee shall be in effect throughout the term of this **Contract**.

#### **Section 14A(7) White Goods**

The **Contractor** shall provide pick-up of **White Goods** containing hazardous components and shall charge a fee of \$25.00 per pick-up. This fee shall be in effect throughout the term of this **Contract**.

#### **Section 14A(8) Backdoor Service**

The **Contractor** shall provide backdoor service, in addition to the regular services for the combined pick-up of **Refuse**, **Yard Waste** and **Recyclables**, at a fee of \$22.00 per month, with said fee being in lieu of the fees set forth Section 14 A(1), but not in lieu of the fees set forth in Section 14A(2), which shall be in addition to said \$22.00 per month fee. This fee shall be in effect throughout the term of this **Contract**.

#### **Section 14A(9) Natural Disaster Clean-Up**

The **Contractor** shall upon the request of the **Village** provide a clean-up for natural disasters for **Residential** properties when necessary at a fee of \$125.00 per hour for one (1) employee and one (1) truck. The cost for additional manpower shall be at a fee of \$40.00 per hour per employee. The **Contractor** shall bill the **Village** the total amount. This fee shall be in effect throughout the term of this **Contract**. Disposal shall be provided by the **Contractor** at \$50 per ton.

#### **Section 14A(10) Fall Leaf Collection**

The **Contractor** shall provide a Fall Leaf Collection, as referenced in Section 8B(6), at no cost to either the residents or the **Village**.

#### **Section 14A(11) Medical Waste and Hazardous Waste**

The **Contractor** shall assist at no charge to the **Village**, for the collection and disposal of “Potentially Infectious Medical Waste,” as defined by 415 ILCS 5/3.360, from those **Village** owned properties set forth in Section 8A(14) of this **Contract**, at the request of the **Village**, in full compliance with all State and Federal laws pertaining to the collection and disposal thereof. In addition, the **Contractor** shall provide training and support services in relation to, and a supply of the proper containers for, the storage of Potentially Infectious Medical Waste, to **Village** personnel at no charge. In addition, the **Contractor** shall also provide for the collection and disposal of “Hazardous Substances” and “Hazardous Waste,” as defined by 415 ILCS 5/3.215 and 5/3.220, at the direction of the **Village**, within forty-eight (48) hours of discovery thereof, in full compliance with all State and Federal laws pertaining to the collection and disposal thereof. Where the **Village** has directed the **Contractor** to collect and dispose of Potentially Infectious Medical Waste or a Hazardous Substance or Hazardous Waste, the **Village** agrees to reimburse the **Contractor** for the actual cost of said collection and disposal upon receipt of a bill for same. In regard to the collection and disposal of Hazardous Substances and Hazardous Waste, the **Contractor** will provide the **Village** with the appropriate containers and/or drums for the short term storage thereof at no charge.

#### **Section 14A(12) At Your Door Household Hazardous Waste Program**

The **Contractor** shall collect Hazardous Substances and Hazardous Waste through its “At Your Door” program from up to one hundred and eighty (180) residential properties for each year of the **Contract**. Such service shall be at no cost to the **Village** or to customers. Items eligible to be collected include, but are not necessarily limited to, automotive waste products, garden chemicals, household cleaners, paint products, swimming pool chemicals, electronic waste, and miscellaneous household hazardous waste. The program does not include pharmaceuticals.

#### **Section 14A(13) Curbside Organic Waste Collection for Composting**

The **Contractor** shall offer **Residential** customers an optional curbside collection of organic waste for the purpose of **Composting**. Those **Residential** customers who choose to subscribe to said service shall receive an additional 64-gallon **Refuse Cart** specifically identified for organic waste, which may include grass clippings, leaves, and biodegradable food scraps. Prohibited items shall include, but not be limited to, diseased/infested plants, fats/oils/grease, meat/bones and pet waste.

The **Refuse Cart** shall be serviced without need of a yard waste sticker on the regular weekly collection day from the first full week in April through the second full week of December each year. There shall be no collection outside of this time frame. The **Contractor** shall collect and deliver the organic waste to a **Composting** facility. Customers shall be wholly responsible to clean the **Refuse Cart**, including removing any adhered organic waste and also any unacceptable materials. The **Contractor** shall report the tonnage to the **Village** quarterly.

This service shall be assessed annually at a cost of \$120 starting April 1, 2018, and escalated each subsequent April 1<sup>st</sup> by the CPI, as provided for in Section 29A of this **Contract**. This service, and the fee in relation thereto, shall be in addition to the typical **Refuse**, **Recyclables** and **Yard Waste** service. Customers subscribing to this service after April 1<sup>st</sup> shall be assessed a prorated fee for said collection year.

#### **Section 14B. Commercial**

For **Commercial** properties:

##### **Section 14B(1) Refuse and Recycling Container Service**

**Contractor** shall supply weekly refuse container service (one to eight cubic yard dumpsters) for the period of term of this **Contract** per the schedule of fees attached hereto and incorporated herein as Exhibit B. In addition, the weekly service shall include a 96-gallon cart for **Recyclables**. Beginning April 1, 2017, said fee shall be subject to adjustments based on the provisions of Section 29 of this **Contract**. The fee to service overfull containers shall be based on estimated excess volume at \$20 per cubic yard.

Residents in condominiums and apartments shall be allowed to dispose of **Bulk Materials and Large Items**, same as provided in Sections 14A(3) and 14A(4).

#### **Section 14B(2) Refuse Compactor Service**

**Contractor** shall supply weekly refuse compactor container service for the period of April 1, 2016 through March 31, 2017 per the schedule of fees attached hereto and incorporated herein as Exhibit B. Beginning April 1, 2017, said fee shall be subject to adjustments based on the provisions of Section 29 of this **Contract**.

#### **Section 14B(3) Yard Waste**

The **Contractor** shall pick-up **Yard Waste** and shall charge a fee of \$1.94 per sticker. [\$1.84 **Contractor** charge plus \$0.10 **Village Service Fee**]. This fee shall be in effect through March 31, 2017. Beginning April 1, 2017, said fee shall be subject to adjustments based on the applicable provisions of Section 29 of this **Contract**.

#### **Section 14C. Extra Fees**

##### **Section 14 C(1) Village Service Fee**

In addition to the foregoing charges for **Commercial** properties, each **Residential** customer/account shall be charged a **Village** service fee of \$0.59 per unit per month, and each **Commercial** customer/account shall be charged a **Village** service fee of \$3.00 per month. In addition, each **Yard Waste** sticker shall include a **Village** service fee of \$0.10 each. The **Village** reserves the right to increase the **Residential, Commercial and Yard Waste Village** service fees. When an increase in the **Residential, Commercial and Yard Waste Village** service fees is needed, the **Village** will take the proposed increase to the Public Works and Environmental Committee for recommendation and to the **Village** President and Board for approval. The **Village** will provide the **Contractor** with no less than 3 months' notice prior to any increase. In the event the **Village** increases the **Village** service fee(s), **Contractor** shall have the right to pass through the increase to **Residential** and **Commercial** customer/accounts.

The **Contractor** shall collect the **Village** service fee in the ordinary course of its billing of its customers. The bills sent out to **Residential** accounts by the **Contractor** shall not indicate a separate line item for **Village Service Fees**.

The **Contractor** shall tender the **Village** service fees to the **Village** on a quarterly basis, [once every three (3) months], based on service fees actually collected. Said **Village** service fee payment shall be made by the **Contractor** to the **Village**, on or before the fifteenth (15th) day following the day on which the quarterly **Refuse, Recyclables** and **Yard Waste Service Fee** payments are to be paid to the **Contractor** by those **Residential** and **Commercial** establishments served by the **Contractor**. The first **Village** service fees payment from the **Contractor** to the **Village** shall be due on or before July 15, 2016, with subsequent quarterly payments being due each October 15th, January 15th, April 15th and July 15th thereafter. Said **Village** service fees payment shall be accompanied by a written statement indicating how the total amount tendered to the **Village** was arrived at by the **Contractor**.

Late **Village** service fee payments shall bear interest at the rate of two percent (2%) per month, with the minimum interest payment being for a period of one (1) month.

##### **Section 14 C(2) Late Fees**

Invoice balances not paid within thirty (30) days of the date of invoice are subject to a late fee at a rate of two and one-half percent (2.5%) per month or, if less, the maximum rate allowed by law. In addition, **Contractor** may suspend a resident's **Refuse and Recyclables** collection services in the event that an invoice is at least forty five (45) days past due (i.e., at least 75 days from the date of the invoice date). Notice of such suspension shall be provided immediately by letter, email or phone call to the resident and the **Village**. In the event that **Contractor** suspends a resident's **Refuse and Recyclables** collection services due to the resident's non-payment, **Contractor** may charge the resident an auto-resume fee upon resumption of suspended service in the amount of fifty five dollars (\$55) in order to recover the necessary administrative costs associated with suspending and resuming **Refuse and Recyclables** collection service (e.g., notifying route managers and drivers to the service suspension as well as the reinstatement of **Refuse and Recyclables** collection service, operational systems management required to suppress and resume service, etc.)

#### **Section 15. Contractor's Records**

The **Village** shall have access to all of **Contractor's** records relative to **Refuse, Recyclables and Yard Waste** collection, including, but not limited to, financial records, at all reasonable business hours for the sole purpose of verifying that the **Village** service fees tendered to the **Village** represent the proper amount due and owing the **Village**. The records shall be made available to the **Village** at the **Contractor's** address.

#### **Section 16. Continuance of Collection**

The collection and disposal of **Refuse, Yard Waste and Recyclables** is a function which is seriously concerned with the health and safety of the public and with the maintenance of property values. It is the intent of this Contract that the work of the **Contractor** be done with forces which are adequate to insure the satisfactory collection and disposal of such material under all adverse conditions of weather, breakdowns and similar "Acts of God".

#### **Section 17. Missed Pick-Up and Complaint Handling**

The **Contractor** shall provide and maintain an office and telephone for the receipt of service calls for complaints, and shall be available for such calls on working days from 7:00 a.m. to 5:00 p.m. All complaints must be given prompt and courteous attention, and, in cases of missed scheduled collections, the **Contractor** shall investigate and, if the claim is verified, shall arrange for the pick-up of the **Refuse, Recyclables and/or Yard Waste** in question within twenty-four (24) hours after the complaint is received. Complaints will be forwarded from the **Village** office when received there and the **Contractor** will receive those complaints and arrange for pick-up of any materials that have been passed by.

#### **Section 18. Contingency**

In the event of the **Contractor's** failure to collect, remove or properly dispose of **Refuse, Yard Waste or Recyclables** as herein provided, for a period of five (5) days, the **Village** may at its option, cause such materials to be collected and disposed of by any other available means, and any and all reasonable expenses incurred by the **Village** in so doing may be charged to and collected from the **Contractor** and, in the event that the **Contractor** does not pay same, charged against the performance bond provided for in Section 22 below.

If the **Contractor** fails to provide service, as provided herein, for a period of more than ten (10) days, provided that such failure is not due to "Acts of God", the **Village**, may, upon written notice to **Contractor**, terminate this **Contract**.

#### **Section 19. Independent Contractor**

The **Contractor** hereby acknowledges that it is an independent **Contractor** and that none of its employees, agents or assigns are employees of the **Village**. The **Contractor** shall be solely responsible for all unemployment, social security and other payroll tax payments required by law or union contract.

#### **Section 20. Indemnification**

The **Contractor** shall indemnify, defend and save harmless the **Village**, its trustees, officers, agents, employees, representatives and assigns, from lawsuits, actions, costs (including attorneys' fees), expenses, claims or liabilities of any character brought because of any injuries or damages received or sustained by the **Village** or any person, persons, or property on account of any negligent or intentional act or omission, neglect or misconduct of said **Contractor**, and/or its officers, agents and/or employees arising out of, or in performance or non-performance of any of the provisions of the **Contract**, including any claims or amounts recovered for any infringements of patent, trademark or copyright; from any claims or amounts arising or recovered under the "Worker's Compensation Act" or any other law, ordinance, order or decree. In connection with any such claims, lawsuits, actions or liabilities, the **Village**, its officers, agents, employees, representatives and their assigns shall have the right to defense counsel of their choice in the event that a conflict exists which prevents the same defense counsel from representing the **Contractor** and the **Village** or its officers, agents, employees, representatives or assigns. The **Contractor** shall be solely liable for all costs of such defense and for all expenses, fees, judgments, settlements and all other costs arising out of such claims, lawsuits, actions or liabilities.

### **Section 21. Superfund Indemnification**

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

### **Section 22. Performance Bond**

The **Contractor** shall furnish to the **Village** a performance bond in the amount of \$1,000,000 from a reputable banking institution to guarantee the faithful performance of the **Contract**. The performance bond shall be prepared in a format approved by the **Village** Attorney. It shall remain in effect for the full term of the **Contract**, including any extension period, and be delivered to the **Village** prior to April 1, 2016.

### **Section 23. Insurance**

The **Contractor** shall procure and maintain for the duration of the **Contract**, the following minimum insurance coverage:



- (a) Workers' Compensation Insurance as prescribed by the laws of the State of Illinois;
- (b) Employers' Liability Insurance, with limits of not less than \$1,000,000 per occurrence;
- (c) Comprehensive General Liability Insurance and Comprehensive Automobile Liability Insurance, each with limits of not less than \$1,000,000 for property damages; \$1,000,000 for bodily injury or death of any one person and \$2,000,000 coverage per occurrence.
- (d) Umbrella Coverage in the amount of \$10,000,000.

The **Contractor** shall furnish to the **Village** satisfactory proof of coverage of the above insurance requirements, by a reliable company or companies, with a rating of A or better, before commencing the performance of services under this **Contract**. Such proof shall consist of certificates executed by the respective insurance companies and filed with the **Village** attesting to the respective insurance coverage for the full term of the **Contract**. Said certificates shall contain a clause to the effect that, for the duration of the **Contract**, the insurance policy/policies, shall not be canceled, expired or changed as to amount of coverage except after written notification at least thirty (30) days in advance to the **Village**. In addition, said certificates shall list the **Village**, and its officers, agents and employees as additional insureds on all required insurance policies, and shall provide that the **Contractor's** insurance shall be primary to any insurance obtained by the **Village**.

#### **Section 24. Licenses and Taxes**

The **Contractor** shall be responsible for obtaining all licenses and permits necessary for the successful performance of the **Contract**. The **Contractor** shall also pay all Federal, State and local taxes, including sales tax, social security, Workers' Compensation, unemployment insurance and any other tax which may be chargeable against labor, material, equipment or real estate.

#### **Section 25. Compliance with Applicable Laws**

The **Contractor** agrees to comply at all times with all applicable laws, ordinances and regulations of the **Village**, County of DuPage, State of Illinois, and the United States. The **Contractor** agrees and warrants to comply with the applicable Local, State and Federal laws and requirements concerning equal employment opportunities. This **Contract** is subject to and governed by the Rules and Regulations of the Illinois Human Rights Act.

#### **Section 26. Prevailing Wage Rates**

The **Contractor** shall comply, if applicable, with the prevailing wage rates for public works projects as issued by the State of Illinois, Department of Labor.

#### **Section 27. Penalties and Fines**

The **Contractor** shall be solely liable for all fines and penalties imposed by the **Village** or any other governmental agency resulting from the **Contractor's** performance or its failure to perform its duties and obligations under the **Contract**.

The **Village** expects a high level of service to be provided to all customers. In addition to the foregoing paragraph, in the event the **Contractor** violates any of the following standards, the **Village's** village manager and/or his/her designee may assess fines against the **Contractor** in the amounts set forth:

- (a) Failure to clean up spilled **Refuse, Yard Waste, or Recyclables** within twenty-four (24) hours after the complaint is received – fifty and no/100 dollars (\$50.00) fine for each instance and for each day the violation continues. If the spill is cleaned up by the **Village**, the fine shall be fifty and no/100 dollars (\$50.00) plus the cost of clean-up.
- (b) Early start fine of fifty and no/100 dollars (\$50.00) per route, per day will be assessed for each instance of pick-up prior to 6:00 a.m. reported to the **Village** for **Residential** routes only.
- (c) Failure to make a required pick-up - fifty and no/100 dollars (\$50.00) will be assessed for failure to make a required pick-up which is not remedied within twenty-four (24) hours after the complaint is received. An additional fifty and no/100 dollars (\$50.00) will be assessed for each day thereafter during which the pick-up is not

effectuated.

(d) Failure to clean vehicle, containers and other equipment within one (1) business day after notification by the **Village** - fifty and no/100 dollars (\$50.00) per vehicle, container, or piece of equipment.

(e) Failure to maintain vehicle in operable condition and acceptable appearance, after inspection and notice - fifty and no/100 dollars (\$50.00) for each day the violation continues up to five (5) violations per year at which point the fines shall be one hundred and no/100 dollars (\$100.00) per day per violation and prohibition of said vehicle from operating in the **Village** until it receives a satisfactory inspection by the **Village's** village manager's designee.

(f) Damage to containers owned by customers - fifty and no/100 dollars (\$50.00) after notice by the **Village** and failure to settle claim.

(g) Damage to public or private property, real or personal, such as but not limited to damage to pavement resulting from the sudden stopping or starting of vehicles, creating skid marks, which results in the weakening of pavement - fifty and no/100 dollars (\$50.00) for each instance.

The **Contractor** shall be solely liable for all actual damages in addition to any fines or penalties imposed by the **Village** or any other governmental agency resulting from the **Contractor's** performance or its failure to perform its duties and obligations under the **Contract**. The assessment of fines shall be made by the **Village's** village manager's designee. The **Village's** village manager's designee shall assess fines once each month or at any interval in excess of one month at the discretion of the **Village** and notify the **Contractor**. The notice shall contain the following information: date of each violation; approximate location of each violation; nature of each violation; fine being assessed; and total fine amount for the month or other interval.

The **Contractor** shall have thirty (30) days to pay the **Village** any fines assessed. In the event the **Contractor** fails to pay any fines assessed within said time period, the **Village** may at its own discretion require the **Contractor** to pay the **Village** five thousand and no/100 dollars (\$5,000.00). This money will be placed in a non-interest bearing account, and the **Village** shall have the right to draw on this cash fund for the amount of any unpaid fines. Any time the balance of this cash fund drops below one thousand and no/100 dollars (\$1,000.00), the **Contractor** shall replenish this cash fund up to the five thousand and no/100 dollars (\$5,000.00) level. The unobligated balance remaining in this cash fund shall be refundable to the **Contractor** only after successful completion and termination of this **Contract**, and any refund will be for the principal amount with no interest.

The **Village's** village manager's designee's decision in assessing any fine shall be final unless the **Contractor** appeals such decision in writing within seven (7) days after the date of the notice provided for above. Such appeal shall be made to the **Village's** village manager. The **Village's** village manager will consider the appeal within thirty (30) days after the appeal, and the **Contractor** shall have the opportunity to present its side of the case. The decision of the **Village's** village manager regarding any such appeal shall be final.

#### **Section 28. Public Awareness**

The **Contractor** agrees to provide, free of charge, information which shall set forth the basic rules governing the types of services and rates provided. This information shall be subject to the approval of the **Village's** village manager and shall be distributed by the **Contractor** to all customers within ninety (90) days following the award of this **Contract**, or any subsequent amendment(s) hereto.

The **Contractor** shall develop and provide on-going public education and a Public Awareness Program to inform Lombard residents, **Commercial** businesses and educational institutions of all aspects included in this **Contract**. The Public Awareness Program shall include the development of an informational brochure provided to the **Village** for distribution to new residents and an informational flyer to **Commercial** businesses. The **Contractor** shall supply the **Village** with at least 2,500 copies of the residential informational brochure and 1,000 copies of the **Commercial** business flyer. The contents of the informational brochure and the **Commercial** business flyer shall be mutually agreed upon by the **Contractor** and the **Village**.

In addition, upon the request of the **Village**, the **Contractor** shall provide inserts and/or mailers up to twice a year or as deemed necessary by the **Village**, to each **Residential** unit with the purpose of promoting and educating the community on recycling opportunities, program changes and other pertinent information regarding the solid waste programs. The information in these mailers/inserts will be developed jointly by the **Contractor** and the **Village**.

Upon request of the **Village**, the **Contractor** shall also make available personnel for presentations at meetings or other similar gatherings to explain or reinforce the collection program throughout the term of the **Contract**. The **Village** retains the right to approve all materials to be delivered by the **Contractor** to **Village** residents including, but not limited to, door hangers, leaflets, fliers, etc. The **Contractor** shall have the sole responsibility of communicating any and all future **Contract** changes to the public.

### **Section 29. Escalator Clauses**

#### **Section 29A. Residential Escalator Clause**

Except as otherwise provided for in this **Contract**, the **Contractor** shall be entitled to increases but shall not be subject to decreases in the rates set forth for **Residential** properties in this **Contract**, with said increase to be based upon the following schedule:

4/1/17	CPI not to exceed 5%
4/1/18	CPI not to exceed 5%
4/1/19	CPI not to exceed 5%
4/1/20	CPI not to exceed 5%
4/1/21	CPI not to exceed 5%
4/1/22	CPI not to exceed 5%
4/1/23	CPI not to exceed 5%

Price increases on 4/1/17, 4/1/18, 4/1/19, 4/1/20, 4/1/21, 4/1/22, and 4/1/23 for **Residential** properties will be based on the CPI, the Consumer Price Index (all items) for All Urban Wage Earners and Clerical Workers of the Chicago region as compiled by the United States Department of Labor, Bureau of Labor Statistics. The **Contractor** will use the previous month's CPI as the factor for determining the percentage of increase. Additional increases may be granted by the **Village** at the request of the **Contractor**, however, the **Village** is not obligated to grant additional increases.

#### **Section 29B. Commercial Escalator Clause**

Except as otherwise provided for in this **Contract**, the **Contractor** shall be entitled to increases in the rates set forth for **Commercial** properties in this **Contract**, with said increase to be based upon the following schedule:

4/1/17	CPI not to exceed 5%
4/1/18	CPI not to exceed 5%
4/1/19	CPI not to exceed 5%
4/1/20	CPI not to exceed 5%
4/1/21	CPI not to exceed 5%
4/1/22	CPI not to exceed 5%
4/1/23	CPI not to exceed 5%

Price increases on 4/1/17, 4/1/18, 4/1/19, 4/1/20, 4/1/21, 4/1/22 and 4/1/23 for **Commercial** properties will be based on the CPI, the Consumer Price Index (all items) for All Urban Wage Earners and Clerical Workers of the Chicago region as compiled by the United States Department of Labor, Bureau of Labor Statistics. The **Contractor** will use the previous month's CPI as the factor for determining the percentage of increase. Additional increases may be granted by the **Village** at the request of the **Contractor**, however, the **Village** is not obligated to grant additional increases.

#### **Section 29C. Residential and Commercial Village Service Fees**

The **Village** reserves the right to increase the **Residential and Commercial Village** service fees after April 1, 2017 if needed.

**Section 29D. Changes in Law.**

Notwithstanding anything in this **Contract** to the contrary, **Contractor** may request an adjustment to the rates set forth herein to account for increased costs due to changes in local, State or Federal laws or regulations, imposing increases in taxes, fees or surcharges directly assessed on the **Refuse, Recyclables and Yard Waste** collection services by the Federal, State, County, or local government. The method of distributing such costs among the customer base shall be mutually agreed by **Contractor** and **Village**.

**Section 30. Compliance with the Village Code**

The **Village** and **Contractor** shall conform to, and abide by, the terms and conditions of the Lombard **Village Code**.

**Section 31. Non-Assignment**

The **Village** and the **Contractor** each binds itself and its partners, successors, executors, administrators and assigns to the other **Party** of this **Contract** and to the partners, successors, executors, administrators and assigns of such other **Party**, in respect to all covenants of this **Contract**. Except as set forth above, neither the **Village** nor the **Contractor** shall assign, sublet or transfer its interest in this **Contract** without the prior written consent of the other.

**Section 32. Notification**

All notices or communications provided for herein shall be in writing and shall be delivered to the **Village** or **Contractor** either in person or by United States mail, via certified mail, return receipt requested, postage prepaid, addressed to the **Village** as follows:

Village Manager  
Village of Lombard  
255 East Wilson Avenue  
Lombard, Illinois 60148

or addressed to the **Contractor** as follows:

**Legal Counsel**  
**Waste Management of Illinois, Inc.**  
700 E. Butterfield Road  
Lombard, IL 60148

until and unless other addresses are specified by notice given in accordance herewith.

**Section 33. Venue for Lawsuits**

The **Parties** hereto agree that for purposes of any lawsuit(s) between them concerning this **Contract**, its enforcement, or the subject matter thereof, venue shall be in DuPage County, and the laws of the State of Illinois shall govern the cause of action.

**Section 34. Contract Parts**

This **Contract** may be executed in any number of counterparts, each of which shall be executed by the **Village** and the **Contractor** and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

**Section 35. Effective Date**

This contract shall be in full force and effect as of April 1, 2016.

**Section 36. Amendments**

All amendments to this **Contract** must be in writing and signed by all **Parties** hereto.

**Section 37. Contractor Certification**

The Certification of **Contractor** attached hereto as Exhibit "C" is made part hereof.

**Section 38. Force Majeure.**

Neither **Party** shall be in default for its failure to perform or delay in performance caused by events beyond its reasonable control, including, but not limited to strikes, riots, imposition of laws or governmental orders, fires, and acts of God, and the affected **Party** shall be excused from performance during the occurrence of such events.

In Witness Whereof, the **Parties** have caused this **Contract** to be executed by the proper officers pursuant to authorization by the Board of Trustees of the **Village** and by the **Contractor**.

**Village of Lombard**  
a municipal corporation

By: \_\_\_\_\_  
**Village President**

Attest:

\_\_\_\_\_  
**Village Clerk**

Waste Management of Illinois, Inc.

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

Attest:

\_\_\_\_\_

(Corporate Seal)

Exhibit "C"

**CERTIFICATION BY THE CONTRACTOR**

I, \_\_\_\_\_, having  
been first duly sworn, depose and state that I am the

\_\_\_\_\_  
(insert "sole owner", "partner", "president" or other proper title)

and the authorized agent of \_\_\_\_\_, which has submitted a proposal to, and is entering into a contract with, the **Village** of Lombard for the performance of **Refuse, Yard Waste and Recyclables** collection services from 4/1/16 through 3/31/24, in the **Village** of Lombard, and hereby certify on behalf of said company as follows:

1 That said company is not barred from contracting with the **Village** as a result of a violation of either Section 33E-3 or 33E-4 of the Illinois Criminal Code, or of any similar offense of "bid-rigging" or "bid-rotating" of any State of the United States.

2 That said company shall comply with all applicable provisions of the Illinois Human Rights Act and has a written sexual harassment policy in full compliance with 775 ILCS 5/2-105(a)(4).

3 That said company is not delinquent in the payment of any tax administered by the Illinois Department of Revenue or,  
a. is contesting such liability or the amount of tax in accordance with procedures established by the appropriate revenue act, or  
b. has entered into an agreement with the Department of Revenue for payment of all taxes due and is in compliance with that agreement.

4 That said company is in full compliance with the Federal Highway Administration Rules on Controlled Substances and Alcohol Use and Testing, 49 CFR Parts 40 and 382.

\_\_\_\_\_  
Signature of Authorized Agent of Contractor

SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

NOTARY PUBLIC