



CITY OF OAK FOREST

## City Council Agenda Memo

---

**DATE:** November 18, 2011

**TO:** Mayor Kuspa and the City Council

**FROM:** Director of Public Works Ishler

**SUBJECT:** Contract Extension with NuWay Disposal for the City's Waste Hauling

### **BACKGROUND:**

The City of Oak Forest is currently under contract with NuWay Disposal until February 29, 2012. Several months ago, Mayor Kuspa requested that the Citizens Advisory Commission look into different waste hauling contracts for comparison purposes. Under the Direction of Alderman Toland, the Commission investigated waste hauling contracts from the entire region and presented their findings for the Committee of a Whole in October. At that time Public Works was instructed to renegotiate with NuWay and bring the results to the City Council so that they could consider whether or not to extend the contract.

Attached in your packet is a copy of the new contract for your consideration. Important to note in this extension of contract is that yearly renewal increase is less than in the last contract and there were additional benefits to the City of Oak Forest. The Citizens Advisory Commission's recommendations were taken into account when renegotiating and in fact most of them were added to the contract. Also important to note that this contract has no provision for NuWay to come back to the City for things such as fuel increases or labor increases. With the volatility in both of these sectors, a 3% increase per year can definitely be construed as an acceptable increase per year. The following is a list of the contract highlights.

### **Contract Extension Highlights**

- ✓ An 8 year extension with a 2.5% increase the first year and a 3% increase per year thereafter.
- ✓ More than a 25% discount on *all* senior citizens services (over 65 years of age) including extra garbage toters if requested and roll of dumpster prices.
- ✓ A new 95 gallon garbage toter will be provided to all residents as part of the contract. Any additional toters can be rented at a set price if requested.
- ✓ Recycle toters will still be included with the contract and language was included to insure that residents who want additional toters can receive them at no additional cost.



## *City Council Agenda Memo*

---

- ✓ An Alternate in this contract for NuWay to provide weekly pickup of recyclables instead of the bi-weekly service that we currently have. This would be an additional cost to residents and would have to be voted on by the council. The City has the ability to add this to the contract at any time if they choose to do so
- ✓ An Alternate for NuWay to provide landscape toters to all residents. This would be an additional cost to residents and would have to be voted on by the council. The City has the ability to add this to the contract at any time if they choose to do so
- ✓ Guaranteed prices on roll of dumpsters to all residents with a 25% discount for senior citizens (over 65 years of age)
- ✓ 30 Free dumpsters for Public Works per year
- ✓ Free dumpster service for all community sponsored events.
- ✓ \$10,000.00 per year franchise fee per year or 1% of the recycling profits, whichever is greater.
- ✓ Guarantees that any employee who may be on the Illinois State Police Sexual Offender list will not work in the City of Oak Forest.
- ✓ Registration of all vehicles used by NuWay in the City of Oak Forest.
- ✓ The inclusion of two new compressed natural gas trucks for use in the City of Oak Forest. These trucks are lighter on the streets and reduce emissions and noise by 90%.

### **Continued Highlights from the Past Contract**

- ✓ Take all service is still included which means no stickers or additional cost for recycle products and landscape waste products.
- ✓ The continuation of billing and collections by NuWay.

Up for consideration is the 8 year extension of the contract. Should the City Council vote to extend this contract, two more votes will need to be considered

1. The inclusion of landscape toters to all residents realizing there will be an additional cost to all residents should this option be executed.
2. The inclusion of weekly recycle pickup instead of the bi-weekly pickup that we currently have realizing that this would be an additional cost to all residents should this option be executed.



CITY OF OAK FOREST

## *City Council Agenda Memo*

---

### **ACTION REQUESTED:**

City council approval of an 8 year extension of the waste hauling contract with NuWay Disposal and consideration of the two alternates in the contract

### **RECOMMENDATION:**

Both the Citizens Advisory Commission and Public Works staff have performed extensive research on waste hauling contracts and concluded that we presently have a very good contract but there were a few additions to the current contract that would make it a more attractive for the citizens of Oak Forest. Most of those recommendations were included in the proposed extension making this an even better contract than the City had before.

One of the highlights in this contract that make this contract stand out to others is the inclusion of a 25% discount for all senior citizens (over 65 years of age)

Staff believes NuWay Disposal has been an exceptional contractor with not only their weekly service but also their outstanding customer service.

Staff gives this a favorable recommendation for extension because of the comprehensive all inclusive contract and NuWay's past service to the City of Oak Forest

2011-11-0142A

**FRANCHISE AGREEMENT  
FOR  
RESIDENTIAL COLLECTION  
AND TRANSPORTATION OF GENERAL  
REFUSE AND THE COLLECTION,  
DISPOSAL AND/OR PROCESSING OF  
LANDSCAPE WASTE AND RECYCLABLE COMMODITIES**

**COPY**

THIS AGREEMENT ("Agreement"), made and entered into as of this 22<sup>nd</sup> day of NOVEMBER 2011, by and between the CITY OF OAK FOREST, A Municipal Corporation, organized and existing under the laws of the State of Illinois (hereinafter referred to as "CITY") and Nu Way Disposal, a corporation authorized to do business in the State of Illinois (hereinafter referred to as "CONTRACTOR"):

**RECITALS**

**WHEREAS,** the CITY has previously entered an agreement for the collection and disposal of residential general refuse and other waste, landscape waste, and recyclable commodities within the community; and

**WHEREAS,** a proposed further extension/amendment to said agreement extending said agreement through and including February 2020 has been considered by the Mayor and City Council and finds that it is advisable and in the best interests of the City and to its residents that the City approve and enter into said extension/amendment is substantially the form of exhibit A attached hereunto and hereby made part hereof

**NOW, THEREFORE, IN CONSIDERATION** of the promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**I. GENERAL**

A. Term of Agreement. The CITY hereby grants to the CONTRACTOR the exclusive right, privilege, license and franchise for the collection and transportation of general refuse and the collection and disposal of landscape waste; and for the collection, processing and marketing of all recyclable commodities within the corporate limits of the CITY, beginning on March 1,

2012, until and through February 29, 2020, unless and until cancelled or terminated as otherwise provided herein.

- B. Contractor Obligations. The CONTRACTOR agrees to furnish all labor, material and equipment necessary for the collection, transportation and disposal of general refuse, and the collection, disposal and/or processing of said recyclable commodities and landscape waste generated within the CITY.
- C. Definitions. For purposes of this Agreement, the following definitions shall apply:
1. Residential Unit: Only each single-family residential structure, and each residential unit located in a multiple family structure of two (2) units or less in the CITY.
  2. Hazardous Waste: A waste or combination of wastes which, because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause or significantly contribute to an increase in mortality or an increase in serious, irreversible or incapacitating reversible illness; or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed or which has been identified, by characteristics or listing, as hazardous pursuant to Section 3001 of the Resource Conservation and Recovery Act of 1976 (P.L. 94-580), or pursuant to Pollution Control Board or Federal regulations.
  3. Bulk Items: Any item of General Refuse, as defined herein, which is not typically able to fit into a refuse container. This includes items such as discarded furniture, fixtures, household appliances of all kinds including "white goods," and small amounts of construction debris, which can be loaded into standard equipment without assistance and which can be legally accepted by the disposal site to which it is transported.
  4. General Refuse: Any combination of the following:
    - a. Garbage: All biodegradable or putrescible wastes, except for those items defined herein as "Landscape Waste" or sewage, generated by a Residential Unit.
    - b. Refuse: All non-biodegradable and non-putrescible waste materials except for "Recyclable Commodities" as defined herein, generated by a Residential Unit.

c. Bulk Items, generated by a Residential Unit.

General Refuse does not include Hazardous Waste and banned electronics per public act 95-0959 and 95-0287

5. Recyclable Commodities: The items set forth in Paragraph II.B.1 of this Agreement, or similar items which are specifically set aside from other General Refuse for the purpose of recycling. Said paragraph may be revised from time to time by the parties hereto.
  6. Landscape Waste: Leaves, grass, brush, garden debris and tree trimmings generated by a Residential Unit.
- E. Exclusive Franchise. This exclusive right, privilege and franchise is hereby granted to the CONTRACTOR only upon the conditions set forth herein.
- F. Subcontracting. The CONTRACTOR shall not subcontract out or assign the requirements of this Agreement to a subcontractor or an assignee without prior written consent of the CITY. Consent may be withheld at the CITY's sole discretion.
- G. Qualifications of CONTRACTOR. The CONTRACTOR warrants that it is experienced in each of the areas under which it will have duties and obligations under this Agreement and that it has adequate personnel, experience and equipment to properly and satisfactorily discharge its duties and obligations under this Agreement. The CONTRACTOR further warrants that it has secured an arrangement assuring availability of a landfill, and licensed composting facility for the term of the Agreement.

## II. SERVICE AND RATES

### A. General Refuse Service

1. Collection Weekly. The CONTRACTOR shall provide regular collection service once each week to each Residential Unit. Service shall be scheduled in various parts of the CITY as set forth in "Exhibit "A" to be provided by CONTRACTOR.
2. Refuse Toters. The contractor shall provide each residential unit with 95 gallon refuse container for the exclusive use of refuse collection. If a

resident requests a 65 gallon toter instead of the 95 gallon container, the contractor will provide the 65 gallon toter. There shall be no additional charge for the first toter provided to the resident. An additional charge will be assessed for any additional toter requested by the resident.

3. Maintenance of Toters. The CONTRACTOR shall be responsible for the maintenance and replacement of the toters used in the refuse program. Any and all toters damaged by the contractor and normal wear and tear, shall be repaired or replaced at the expense of the contractor
4. Pick-Up Requirements. The CONTRACTOR shall collect and transport all General Refuse when it is placed in approved containers (metal, rubber or plastic) and placed in the vicinity of the street curb. The CONTRACTOR shall not be responsible for pick up of loose garbage deposited by residents, unless material is considered recyclable or a special pickup is ordered. However, the CONTRACTOR shall be responsible for the pickup of loose garbage, recyclable commodities and yard waste which may have been caused by negligence on the part of the CONTRACTOR to properly service a container, bin, bag or collected bulk items. The CONTRACTOR shall also be responsible for the pickup of loose garbage, recyclable commodities and yard waste within ten feet of a container, bin or bag which may have been caused by events including, but not limited to, weather conditions, vandalism, or wildlife.

In addition, the CONTRACTOR is responsible for completely emptying all containers or bins and returning them to the parkway in a neat and orderly fashion. Furthermore, empty containers or bins shall be returned in an upright position and grouped. The CONTRACTOR understands and agrees that these are very important service delivery standards for the CITY.

5. Bulk Items. The CONTRACTOR shall also be responsible for pickup of Bulk Items including "white goods" such as refrigerators, stoves, dishwashers, clothes washers, clothes dryers, and other large appliances. Collection of Bulk Items shall not include any additional fee to the customer.
6. Legal Facility Requirement. The CONTRACTOR shall not collect or transport any material to a waste facility that is not permitted to receive such material, or which violates any law, regulation, or any rule of said facility.

7. Collection Times. Collection shall only occur between 6:30 a.m. and 5:00 p.m.

8. City Buildings Free Service. The CONTRACTOR shall furnish all General Refuse removal services offered hereunder free of charge to all public buildings under control of the CITY during the term of this Agreement and during any extension of the term of this Agreement. As of the date of this agreement, free service is required at the following locations:

- a. City Hall/Police/Fire Station #1 Facility, 15440 South Central Avenue
- b. Fire Station #2, 4807 W. 167<sup>th</sup> St.
- c. Public Works Facility, 15722 S. Lorel
- d. Oak Forest Community Center, 155<sup>th</sup> & Kilpatrick

9. Roll-Off Box Service. The CONTRACTOR shall furnish free roll-off box service and disposal for the Public Works Facility. This free service shall be limited to no more than Thirty (30) roll-off boxes during each year of the agreement. The cost of the roll off boxes furnished in excess of 30 (30) shall be charged as follows during the period of March 1, 2012 through February 29, 2020

- A. 10 yard roll off (4 ton max) \$ 290 per load
- B. 15 yard roll off (5 ton max) \$ 325 per load
- C. 20 yard roll off (6 ton max) \$ 390 per load
- D. 30 yard roll off (7 ton max) \$ 420 per load

All tonnage over the maximum stated in subsection a-d will be charged at \$ 45 per ton. The cost of the roll off boxes may be subject to a 3 % increase each year of the contract. These prices will be guaranteed to all residents who order a roll off. A 25% discount will be given to senior citizens 65 years or older)

10. Emergency Collection Services. The CONTRACTOR shall provide General Refuse Collection in emergencies as determined and declared by the CITY to alleviate threats to public health, safety and welfare. The value of emergency services provided shall not exceed \$3,000 per year. Any portion of the \$3,000 that the CITY does not use in a year shall "roll over" for use in the following year. The maximum value of emergency services provided in anyone year shall not exceed \$6,000.

11. City Sponsored Events - Free Service. The CONTRACTOR shall provide General Refuse Collection free of charge in conjunction with City sponsored special events.
12. General Refuse Monthly Report. Upon Request, The CONTRACTOR shall prepare and submit to the CITY a monthly report accurately detailing:
  - a. the total weight of the General Refuse collected and disposed of and the facility to which it was transported; and
  - b. the number of customers served, and the service options selected; and
  - c. any other data reasonably requested by the CITY.

## B. Recycling Collection

- A. Commodities to be Collected. The CONTRACTOR shall collect from each Residential Unit the following Recyclable Commodities:
  - a. Newsprint
  - b. Mixed paper, which shall include magazines, telephone books, catalogs, junk mail (brochures, advertisements, fliers, etc.), computer paper, stationery, envelopes, bills, greeting cards and brown paper bags
  - c. Corrugated cardboard and chipboard\
  - d. Glass, which shall include all types of clear and colored glass bottles, jars and containers
  - e. Plastics, which shall include all plastic resin labeled PETE <sup>1</sup> and HDPE <sup>2</sup>; and 6- and 12 pack plastic beverage rings and carriers
  - f. Aluminum, which shall include all types of aluminum food and beverage cans; formed aluminum containers; and aluminum foil
  - g. Bi-Metal, which shall include all types of bi-metal food and beverage cans
  - h. Empty paint cans
  - i. Empty aerosol cans
  - j. J. All plastic resin labeled PVC<sup>3</sup> (e.g., health and beauty aid bottles, etc.)

- k. All plastic resin labeled LDPE4 (e.g., plastic grocery bags, etc. certain yogurt and cottage cheese containers and other miscellaneous dairy product containers)
- l. All plastic resin labeled PPS (e.g. - syrup bottles, ketchup bottles, etc.)
- m. All plastic resin labeled PS6 including foamed packing grade and clear and colored non-foam (e.g., styrofoam cups, packaging peanuts, egg cartons, etc.) n. Plastic resin labeled #7 (e.g., squeezable bottles, microwave containers, etc.)
- n. Wet-strength cardboard (e.g., cardboard beverage carriers, frozen food packaging, etc.)
- o. Aseptic packaging and gable - topped containers (e.g. -juice boxes, milk cartons, juice cartons etc.)
- p. Formed steel containers

Additional Recyclable Commodities may be added to the curbside collection system upon mutual written consent of the CITY and the CONTRACTOR.

These materials shall be collectively referred to as "Recyclable Commodities."

2. Recycling Toters. Each residential unit currently has a 65-gallon or 95-gallon toter for the exclusive use of recycling collection from the last contract. Additional toters shall be provided to residents who request them. There shall be no cost to the resident for providing these recycling toters.
3. Maintenance of Toters. The CONTRACTOR shall be responsible for the maintenance and replacement of toters used in the recycling collection program. Any and all recycling toters damaged by the CONTRACTOR and any normal wear and tear shall be repaired or replaced at the expense of the CONTRACTOR.
4. Two Week Recycling Collection. Recyclable Commodities shall be collected every two weeks at the curb of each Residential Unit on the same day as General Refuse collection from Residential Units.

5. Weekly Recycling Collection. At any time during this contract, weekly pickup of recycle commodities is available from the CONTRACTOR. If the CITY decides that Recyclable Commodities shall be collected every week at the curb of each Residential Unit on the same day as General Refuse collection, it will cost an additional \$1.50 per unit per month in 2012 and subject to a 3% yearly increase.
6. Processing of Commodities. All Recyclable Commodities shall be collected, separated and processed to facilitate the sale of Recyclable Commodities to remanufacturers for post-consumer use. No materials collected as Recyclable Commodities shall be deposited at a landfill or waste incinerator.
7. Recycling Monthly Report. Upon request, the CONTRACTOR shall be responsible for preparing and submitting to the CITY a monthly report detailing:
  - a. monthly participation rates
  - b. weight collected by commodity
  - c. profit/loss from the selling of recycled commodities
  - d. any other data reasonably requested by CITY
8. Recycling Program Pricing. There shall be no additional cost for the Recycling Collection Program.

### III. Landscape Waste Collection

- A. Approved Containers. Once each week, coinciding with General Refuse collection, the CONTRACTOR shall collect from each Residential Unit, Landscape Waste from any 33-gallon or equivalent re-usable container (with an affixed adhesive label which reads "YARD WASTE ONLY") or kraft paper bags. Collection of tied bundles of brush or tree clippings shall also be collected provided the weight of such bundles does not exceed sixty (60) pounds, the length of the material does not exceed four (4) feet, the diameter of the individual limbs/branches do not exceed four (4) inches, and the bundle itself does not exceed three (3) feet in diameter.
- B. This contract will include an alternate to include a landscape toter to all residential units. Should this option be accepted by the CITY, Sections III .C & D will apply.

- C. Landscape Toters. At any time during this contract, If the CITY chooses, each residential unit shall be supplied with a 95 gallon landscape toter for the exclusive use of landscape collection. The cost for every residential unit in 2012 shall be \$1.00 per each residential unit and is subject to a 3% increase per year.
- D. Maintenance of Toters. The CONTRACTOR shall be responsible for the maintenance and replacement of the toters used in the landscape program. Any and all toters damaged by the contractor and normal wear and tear, shall be repaired or replaced at the expense of the contractor
- E. Cost of Toter Rental. Should the alternate to include landscape toters in the take all service not be chosen, The cost to rent a 95 gallon landscape toter will be \$ 33 per year and \$ 25 per year senior Citizen (65 years or older)
- F. Adhesive Yard Waste Identification Label. CONTRACTOR shall provide residents with adhesive identification labels which read "YARD WASTE ONLY" for customers who place landscape waste in a re-usable container. Such adhesive labels shall be provided at no charge to the customer or CITY. The purpose of these labels are to allow the resident to assist the CONTRACTOR in identifying receptacles which contain landscape waste, and are not mistaken for general refuse.
- G. Landscape Waste Season. The Landscape Waste collection season shall be from the week of April 1 to the week of December 8 of each year during the term of this Agreement.
- H. Christmas Tree Collection. Christmas trees left at the curbside shall be collected during the first two weeks of January. Collection shall not require any sticker or additional fee by CONTRACTOR. Trees shall be free of non-biodegradable material.
- I. Landscape Waste Monthly Report. Upon request, The CONTRACTOR shall prepare and submit to the CITY a monthly report accurately detailing:
- a. The total weight of landscape waste collected.
  - b. Any other data reasonably requested by CITY
- J. Landscape Waste Program Pricing. There shall be no additional cost for the Landscape Waste Collection Program unless a resident requests any additional toters.

#### IV. COLLECTION

- a. Holiday Schedule. The CONTRACTOR and CITY recognize that certain holidays will fall upon those days of the week specified for collection of General Refuse, Landscape Waste and Recyclable Commodities. It is understood that collection will be delayed one day during holiday weeks when a recognized holiday falls on or before a regular collection day. Recognized holidays include: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
- b. Non-Collection of Material. Any material placed or not properly prepared or consistent with the guidelines set forth herein, shall not be collected. If material is not collected by CONTRACTOR, a self-adhesive "sorry note" shall be placed upon the material or receptacle by the CONTRACTOR stating the reason the material was not collected. The sorry note shall include the date, CONTRACTOR phone number and reason that the "sorry note" was issued. The CONTRACTOR shall provide "sorry notes" at its own cost.
- c. Customer Service. The CONTRACTOR shall provide a local phone number, staffed by an authorized agent, between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, to handle inquiries and customer complaints connected with General Refuse, Landscape Waste and Recyclable Commodities. Calls received during non-staffed hours shall be directed to a voice mail system for later resolution during staff hours. All complaints shall receive prompt and courteous attention from the CONTRACTOR. Complaints alleging missed collections shall be investigated promptly and, if verified, the CONTRACTOR shall arrange for pickup within twenty-four (24) hours of complaint.
- d. Customer Dispute Resolution. If the CONTRACTOR is unable to resolve a complaint in a satisfactory manner within 72 hours after receipt of a complaint, written notice shall be delivered to the City Administrator or their designee, identifying the name and address of the resident, date and time of complaint, nature of complaint and the CONTRACTOR'S response. The City Administrator or their designee shall intervene, mediate the dispute and render a final binding decision.
- e. Quality of Service. Services provided by the CONTRACTOR shall be performed at all times in a good, workman-like manner.
- f. Collection Crews. The CONTRACTOR shall furnish capable employees for use in performing the services specified in this Agreement. The CONTRACTOR shall prohibit all drinking of alcoholic beverages and use of controlled substances by its drivers and crew members while on

duty or in the course of performing their duties under this Agreement. The CONTRACTOR will certify that no employee will work within the boundaries of the City of Oak Forest who is registered as State of Illinois Sex Offender.

- g. Compliance with Federal, State & Local Laws. In providing collection and disposal services related to general refuse, recycling commodities and landscape waste, the CONTRACTOR agrees to adhere to all Federal, State and Local laws, regulations and ordinances pertaining to such activity.
- h. Title to Materials. All general refuse, recycling commodities and landscape waste collected in accordance with this agreement shall become the property of the CONTRACTOR as soon as the material is picked up, or otherwise placed into the CONTRACTOR's vehicle.

## V. EQUIPMENT

- a. Modern Equipment. The CONTRACTOR shall use modern, enclosed equipment complete with a hydraulic compacting system in the collection of General Refuse and Landscape Waste. The Contractor will deploy at least two natural gas vehicle for City collection services in the first year of the contract to help reduce the amount of volatile emissions produced by their fleet. All vehicles shall be rust free and free from leaking fluids.
- b. Licensed Vehicles. Equipment used in the collection of General Refuse, Landscape Waste and Recyclable Commodities shall be properly license by the State of Illinois and conform to all Federal and State equipment safety standards and shall be registered with the City of Oak Forest. Upon request, The Contractor will provide a list of equipment to the City Administrator in the first week of March of each year the contract is in effect. Changes to the list of registered equipment shall be reported to the City Administrator or their designee when they are deployed in the City of Oak Forest.

## VI. DISPOSITION OF MATERIALS

- A. Timely Removal. All General Refuse, Recyclable Commodities and Landscape Waste shall be removed from the City at the close of each collection day and transported to a facility determined by the CONTRACTOR at the CONTRACTOR'S expense.

- B. Disposal of Landscape Waste. All Landscape Waste shall be disposed of at a facility designed to treat, compost, grind or land apply the waste, unless otherwise authorized by the State of Illinois.
- C. Sale of Recyclable Commodities. The CONTRACTOR may retain the proceeds, if any, from the sale of Recyclable Commodities. No Recyclable Commodities collected pursuant to this Agreement may be disposed of in a landfill, waste-to-energy facility or incinerator.
- D. Disposal & Handling Fees. CONTRACTOR shall pay all charges due for the CONTRACTOR's disposal of General Refuse, Landscape Waste and any charges associated with proper handling of Recyclable Commodities. At no time shall the CITY be required to pay for actual disposal charges.

**VII. BILLING AND COLLECTION**

- A. CONTRACTOR Fees. The monthly fees identified within this section shall be inclusive of all costs associated with the General Refuse Program, Recycling Collection Program and Landscape Waste Program unless otherwise indicated in this Agreement.
- B. Billing Residential Units. The CONTRACTOR will be solely responsible for billing each Residential Unit served under this Agreement. Such billing shall be on quarterly basis.
- C. Fees. The following fees for service shall be maintained through the duration of this Agreement:

March 1, 2012 through February 28, 2013

- \$ 20.60 per month - General Refuse Service (Take All Service)
- \$ 33.00 per year additional refuse toter
- \$ 15.00 per month - Senior Refuse Service (Take All Service)
- \$ 25.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2013 through February 28, 2014

- \$ 21.22 per month - General Refuse Service (Take All Service)
- \$ 34.00 per year additional refuse toter
- \$ 15.00 per month - Senior Refuse Service (Take All Service)
- \$ 25.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2014 through February 28, 2015

\$ 21.85 per month - General Refuse Service (Take All Service)  
\$ 35.00 per year additional refuse toter  
\$ 16.00 per month - Senior Refuse Service (Take All Service)  
\$ 27.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2015 through February 29, 2016

\$ 22.51 per month - General Refuse Service (Take All Service)  
\$ 36.00 per year additional refuse toter  
\$ 17.00 per month - Senior Refuse Service (Take All Service)  
\$ 28.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2016 through February 28, 2017

\$ 23.19 per month - General Refuse Service (Take All Service)  
\$ 37.00 per year additional refuse toter  
\$ 18.00 per month - Senior Refuse Service (Take All Service)  
\$ 29.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2017 through February 28, 2018

\$ 23.88 per month - General Refuse Service (Take All Service)  
\$ 38.00 per year additional refuse toter  
\$ 18.00 per month - Senior Refuse Service (Take All Service)  
\$ 30.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2018 through February 28, 2019

\$ 24.60 per month - General Refuse Service (Take All Service)  
\$ 39.00 per year additional refuse toter  
\$ 19.00 per month - Senior Refuse Service (Take All Service)  
\$ 31.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

March 1, 2019 through February 29, 2020

\$ 25.33 per month - General Refuse Service (Take All Service)  
\$ 40.00 per year additional refuse toter  
\$ 20.00 per month - Senior Refuse Service (Take All Service)  
\$ 32.00 per year Senior additional refuse toter  
(Senior Citizen Rate - 65 Years or older)

## VIII. PUBLIC EDUCATION

- A. Education & Promotional Flyer. The CONTRACTOR shall design, print and mail an educational & promotional flyer to each residential unit on an annual basis. The flyer shall provide a service summary, state fees, identify recyclable commodities, identify the pickup holiday schedule, and provide a general overview of the service. The CITY shall have editorial approval over all promotional materials before they are distributed.
- B. New Customers. The CONTRACTOR shall provide each new Residential Unit customer with a copy of the education & promotional flyer upon establishing a new account.
- C. Copies to CITY. CONTRACTOR shall annually furnish 500 copies of the education & promotional flyer for distribution at civic events and for general resident education.

## IX. PERFORMANCE OF AGREEMENT REQUIREMENTS

- A. Termination by CITY. The CITY shall have the right to cancel this Agreement in the event there is a failure to perform the requirements of the Agreement by CONTRACTOR.
- B. Cause for Termination. The CITY may terminate this Agreement under circumstances including, but not limited to:
  - 1. Filing of bankruptcy by the CONTRACTOR and subsequent proceedings thereafter.
  - 2. Abandonment by the CONTRACTOR of the conduct of its operations, in which case no notice is required.
  - 3. Failure to perform the requirements of this Agreement. All terms and conditions of the Agreement are considered material and failure to perform any of said terms or conditions on the part of the CONTRACTOR shall be considered a breach of this Agreement.
- C. Notice of Violation. Should the CONTRACTOR fail to perform any of such terms or conditions, the CITY shall have the right to terminate this Agreement after five (5) days' written notice to the CONTRACTOR of the violation of the Agreement and the failure of the CONTRACTOR to remedy the violation within said time to the satisfaction of the CITY. In addition to any and all equitable legal remedies

available to the CITY in the event of a breach of this Agreement by the CONTRACTOR, the CITY shall have the right to call upon the Performance Bond described in this Agreement. The remedies provided to the CITY herein shall be cumulative and not exclusive. No waiver by the CITY of a default by the CONTRACTOR under this Agreement shall be construed as a waiver by the CITY of any subsequent default or failure to perform on the part of the CONTRACTOR.

- D. Failure to Mitigate Violation. In the event of a failure by the CONTRACTOR to provide any of the services required under this Agreement for a period of five (5) days following written notice of such failure, then the CITY at its sole option and by any means, may cause any such materials to be properly disposed of or otherwise handled or processed. Any and all expenses incurred by the CITY may be charged against the CONTRACTOR and the Performance Bond furnished by the CONTRACTOR. In addition, the CITY may immediately terminate this Agreement and may elect, in their sole discretion, to seek any available legal remedy.
- E. Suspension of CONTRACTOR Payments. The CONTRACTOR shall not be paid whenever it fails to provide any service required under this Agreement, even if such failure is caused by events or occurrences of a nature commonly known as "*force majeure*" or acts of God or strikes beyond the CONTRACTOR'S control.
- F. Performance Bond. The CONTRACTOR shall furnish a Performance Bond for the faithful performance of this Agreement, said Performance Bond to be executed by a responsible surety company rated A- or better by Best's Insurance Rating Reports. The Bond shall be in the penal sum of One Hundred Thousand and NO/100 Dollars (\$100,000.00) for the period of this Agreement, including any renewal thereof. The Performance Bond shall be conditioned upon the faithful performance by the CONTRACTOR of its obligations under this Agreement and upon its full compliance with the all applicable laws, ordinances and regulations. Said Performance Bond shall indemnify the CITY against any loss resulting from any breach or failure of performance.
- G. Business/Contractor License. The CONTRACTOR shall obtain a business/contractor license from the CITY for each year work is performed.

## X. INSURANCE

- A. Required Insurance Limits. During the term of this Agreement, the CONTRACTOR shall maintain the following insurance coverage limits:
  - 1. Workers' Compensation Insurance as prescribed by Illinois Statute

2. General Liability Insurance:
  - a. \$3,000,000 per person
  - b. \$3,000,000 per occurrence
3. Property Damage Liability Insurance:
  - a. \$3,000,000 each incident
  - b. \$3,000,000 per occurrence
4. Vehicle Liability:
  - a. \$3,000,000 property damage and bodily injury
  - b. \$3,000,000 per occurrence
5. Excess Umbrella Liability:
  - a. \$5,000,000.00 each occurrence

B. Certificate of Insurance. The CONTRACTOR shall furnish a certificate of insurance annually, verifying the existence of the aforementioned coverage. Further, the CITY shall be named as additional insured on each said policy for any liability arising out of the CONTRACTOR'S work. The certificate shall be in a form subject to the review and approval by the CITY at its sole discretion. For purposes of this Agreement, "arising out of the CONTRACTOR'S work" shall mean:

1. Liability the CITY may incur for which the CITY is indemnified under Article IX.3 below; and/or
2. Liability the CITY may incur due to joint negligence of the CONTRACTOR and the CITY.

C. Indemnification. The CONTRACTOR shall indemnify and forever keep and save harmless, including reasonable attorneys fees and court costs, the CITY, its agents, officials and employees against any and all claims for injuries, death, loss damages, claims of every type, nature and description (including without limitation environmental and patent claims), suits, liabilities judgments, costs and expenses arising from or related in any way to the alleged negligence or act or omission of the CONTRACTOR or its employees, agents, servants, subcontractors or suppliers in connection with performance of this Agreement.

D. Legal Expenses. The CONTRACTOR shall, at the CONTRACTOR'S own expense, appear, defend any and pay all charges of attorneys and all costs and other expenses arising from the foregoing, or incurred in connection therewith in the defense of the CITY, its agents, officials and employees.

E. Judgments. The CONTRACTOR agrees that in the event a judgment should be entered against the CITY as a result of the negligence and omissions herein above described, the CONTRACTOR shall immediately satisfy same including, but

without limitation on the foregoing, all costs and interest in connection therewith.

- F. Scope of Indemnification. The CONTRACTOR expressly understands and agrees that any Performance Bond or insurance protection required of this CONTRACTOR, or otherwise provided by this CONTRACTOR, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the CITY, their agents, officials and employees as hereinabove provided.

**XI. FEDERAL, STATE & LOCAL REGULATIONS; TAXES; PERMITS; LICENSES**

- A. Employment Regulations. The CONTRACTOR shall adhere to all Federal and State guidelines governing equal employment opportunities and a drug free workplace.
- B. Prevailing Wages. The CITY has adopted an ordinance governing the prevailing rate of wages paid for work performed in Cook County as determined by the Illinois Department of Labor. All applicable labor performed under the provisions of this Agreement shall comply with the Illinois Prevailing Wage Act.
- C. Discrimination Prohibited. The CONTRACTOR shall not discriminate against any person because of race, sex, age, creed, color, religion, sexual orientation or national origin.
- D. Tax Exempt Status. The CITY is exempt from State and Local sales, excise and use taxes. Rates shall include all applicable taxes.
- E. Rates to Include Permit Expenses. Rates shall include the cost of permits, licenses and all other certifications required by Federal, State and Local laws, regulations and ordinances.

**XII. FRANCHISE FEE**

- A. The CONTRACTOR shall provide the CITY with an annual franchise fee. The fee shall be the greater of Ten Thousand dollars (\$10,000) or 1% of the profits generated by the recycle program. The franchise fee shall be payable upon execution of this Agreement, with subsequent payments due on the anniversary date of this Agreement.

**XIII. NOTICES**

- A. Except as otherwise explicitly provided in this Agreement, all notices permitted or required to be given by the parties to this Agreement shall be in writing and

shall be deemed delivered to the addressee when delivered in person on a business day at the address set forth below, or on the third business day after being deposited in the United States mail for delivery at the address set forth below, postage prepaid, certified or registered mail, return receipt requested.

B. Notices to the CITY shall be addressed to, and delivered at the following address:

City of Oak Forest  
15440 South Central Avenue  
Oak Forest, IL 60452

ATT: Director of Public Works

C. Notices to the CONTRACTOR shall be addressed to, and delivered at, the following address:

Nu Way Disposal  
1501 W 175<sup>th</sup> Street  
Homewood, Il 60430

D. By notice complying with the requirements of this Article, each party shall have the right to change the address or addressee or both for all future notices to such party.

#### **XIV. ARBITRATION**

A. Arbitration. Except as set forth in Paragraph B below, any controversy or claim arising out of or relating to this Agreement, or the breach thereof shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

B. Arbitration Excludes Rates. Any request for an increase or other change in the rate structure as provided for herein shall be negotiated exclusively between the parties hereto, and shall not be subject to arbitration. If the parties fail to reach agreement, the sole remedy for either party is to declare the Agreement terminated according to procedures set forth in this Agreement.

#### **XV. INTERPRETATION AND SCOPE OF AGREEMENT**

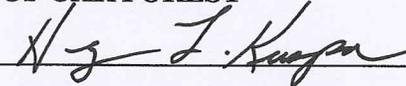
A. Interpretation. The provisions of this Agreement shall be interpreted when possible to sustain their legality and enforceability. In the event any provision of this Agreement shall be held invalid, illegal or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining

part of such provision, nor the validity of any other provisions of this Agreement, shall be in any way affected thereby.

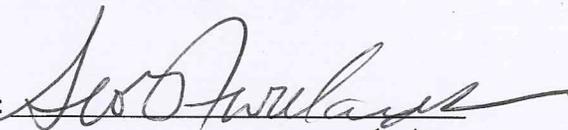
- B. Entire Agreement. This Agreement sets forth the entire agreement between the parties with respect to the accomplishment of the work and the rates and charges, and there are no other understandings or agreements, oral or written, between the parties with respect to the service to be provided, and the rate and charges therefore.
- C. Modifications. No modification, addition, deletion, revision, alteration, or other change to this Agreement shall be effective unless and until such change is reduced to writing and executed and delivered by the authorized representatives of the CITY and the CONTRACTOR.
- D. Applicable Law. This Agreement shall be interpreted according to the laws of, but not the conflicts of laws rules of, the State of Illinois.

**IN WITNESS WHEREOF**, the CONTRACTOR has executed this Agreement with its corporate seal affixed thereto, by its duly authorized corporate officials acting pursuant to authority granted by its Board of Directors, and the CITY has executed this Agreement with its corporate seal affixed thereto, by its Mayor and City Clerk acting pursuant to authority granted by the City Council on the day and year first written above.

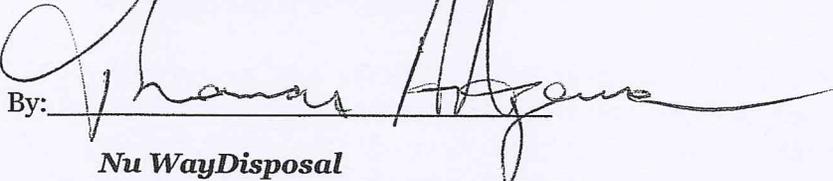
**CITY OF OAK FOREST**

By: 

**Henry L. Kuspa, Mayor**

Attest: 

**Scott Burkhardt, City Clerk**

By: 

**Nu Way Disposal**

Attest: 