

THIS AGREEMENT, made and entered into this the 1st day of June, 2016, by and between **WASTE MANAGEMENT OF VIRGINIA, INC.**, (hereinafter "WM") of the first part; and the **TOWN OF SOUTHERN SHORES**, a North Carolina municipal corporation, (hereinafter "the Town"), of the second part:

WITNESSETH:

WHEREAS the Town and WM will enter into a contract dated July 1, 2016 for recycling collection services ("the Contract"); and,

WHEREAS, the Town and WM have entered into negotiations and the parties hereto desire to enter a contract for a term of two (2) years.

NOW THEREFORE, in consideration of these premises the parties agree as follows:

1. WM shall collect and remove recycling materials from all residential, commercial, business, municipal and governmental premises within the corporate limits of the Town of Southern Shores, North Carolina, subject to the terms and conditions set forth herein below. WM may refuse to collect any recyclable container that contains excessive non-recyclable contamination within the container. WM shall acquire title to the recycling material when it is loaded into a WM truck. Any additional fees, costs or taxes imposed on the disposal of recycling materials shall be the responsibility of WM. The parties acknowledge that the consideration paid by the Town to WM pursuant to the provisions of this contract is for the collection and removal of recycling materials.

Contractor shall furnish all personnel, labor, equipment and supervision necessary to fulfill satisfactory performance of this agreement. Contractor shall use only personnel qualified to perform the work assigned and shall see that all work is performed in an efficient and workmanlike manner.

2. The term of the contract for the collection and removal of such recycling material shall be for a period of 24 months, commencing on **July 1, 2016** and ending at midnight on **June 30, 2018**. Thereafter, the term of this Agreement may be renewed by mutual agreement of the parties for consecutive additional one (1) year periods. During such period, collection and removal of all recycling materials shall be made between the hours of 3:00 A.M. and 6:00 P.M. on Mondays year-round. If any collection day falls on a legal holiday, then such collection shall be made the next business working day. Legal holidays for the purpose of this agreement are Memorial Day, Independence Day, Labor Day, New Year's Day, Thanksgiving Day, and Christmas Day. With the exception of Memorial Day and Labor Day that always fall on

Monday, and thus the parties agree collection will always occur on the following Tuesday, WM will advise the Town at least four weeks in advance that collection will not occur on a day observed as a legal holiday and on which date collection will occur. The Town Manager and Public Works Director shall be notified immediately in the event that scheduled collection cannot be met due to mechanical or other unforeseen delays. WM agrees that in the event of equipment breakdown, strike or any other occurrence which would delay or prevent timely performance of its obligations that it shall take all actions reasonably necessary, including but not limited to, replacement of equipment and personnel in order to assure restoration of normal service within twenty-four (24) hours from the time of occurrence.

3. WM will perform bulk item pickup on behalf of the Town twice per year, once in the Spring and once in the Fall. Exact dates of bulk item pickup are to be scheduled with input from Town officials at a minimum of one month ahead of schedule so that the Town has adequate time to notify residents of the impending event. Items included in bulk item pickup are furniture, mattresses, appliances that do NOT contain CFCs, exercise equipment, hot tub covers, and yard and vegetative debris. Items not included in bulk item pickup include recycling materials, construction and demolition debris including hot tubs, lumber, roofing, doors and windows, toilets, flooring and cabinetry, hazardous materials including paint, gasoline, oil and other chemicals, tires, soil, rocks, concrete, and tree stumps. WM will make every attempt to complete large item pickup in one business day, but may return to complete it on a second day immediately following the first scheduled day if it is not possible to complete the event in one day due to volume. The Town will post rules and regulations instructing residents and business owners on what is eligible for bulk item pickup.

4. The consideration for the term of this contract shall be \$4.60 per residential or commercial unit per month, and \$3,137.00 for each bulk item pickup conducted. This pricing is based on 2,394 total estimated units in the Town of Southern Shores, and a pricing sheet provided by WM dated May 10, 2016 is attached to this contract as an exhibit. Either party may request that a unit count be performed at any time during the term of this Agreement and if such revised unit count reflects more or fewer units, all billing for the following fiscal year shall be adjusted to apply the new total number of units. Payment shall be made by the Town in equal monthly payments by the 20<sup>th</sup> day of each month, commencing July 1, 2016.

Upon completion of the first twelve (12) months of the twenty-four (24) month contract term and on each anniversary thereafter, including during any extension terms, the consideration paid to WM shall be increased by a percentage at least equal to the percentage change in the CPI-

U "All Items" category of the Consumer Price Index published for the most recent period prior to the date of the proposed change. WM must submit such a request in writing by February 15, 2017 for consideration to be included in the Town's fiscal year 2017-2018 budget, and by each February 15 thereafter for any extension years.

5. a) All recycling will be placed in proper receptacles owned by the property owners with lids securely closed and placed in the right-of-way adjacent to the premises of the owner or occupant, at the edge or curb of the street at a reasonably accessible location for collection.

b) WM will not be required to dispose of non-recycling materials except during times of bulk item pickup.

c) The Town shall publish rules and regulations governing the manner in which owners or occupants of residences and businesses within the town shall store and place recycling for pickup pursuant to this agreement.

6. Residential, heavy duty, two-wheeled 95 gallon lidded recycling receptacles shall be provided by WM to residents upon request for a flat fee of \$65.00 per receptacle, plus a \$25.00 delivery fee. A single \$25.00 delivery fee will apply no matter the quantity of receptacles purchased by an individual resident. WM will provide a list of property owners who have purchased receptacles to the Town upon request, including street address, name and date of purchase, and quantity of cans purchased.

7. It is understood that any recycling receptacles provided by WM to residents under a previous contract with the Town will become the property of the residents in possession of the receptacles upon completion of the twenty-four (24) month term of this contract.

8. Where containers are rusted or otherwise so badly damaged as to be unsanitary or unsafe for handling, or not placed properly for pickup, a warning notice shall be given to the owner or occupant of the premises by the attaching of an appropriate notice to the container, and that if correction of the said condition is not made within seven (7) days by the owner or occupant, then the container and the contents will not be picked up.

9. Recycling containers shall not be thrown or handled in a rough or careless manner during pickup, but shall be used and handled with care, usual wear and tear excepted, and WM shall be liable for negligent and unnecessary damages caused to such containers and receptacles.

10. WM shall make the recycling collection in enclosed trucks or vehicles. The vehicles shall be in good working order, shall be cleaned regularly in accordance with any applicable

Health Department regulations (at sites suitable, appropriate and approved for cleaning said trucks or vehicles), and shall have a presentable appearance.

11. WM shall remove and dispose of all recycling materials under the contract only in such manner as is permitted and authorized by law, and shall comply with all rules, regulations, and laws applicable to the collection and removal of recycling materials.

12. WM shall maintain an office at which a responsible person can be reached by telephone during regular working hours of 8:00 A.M. to 4:30 P.M. to answer questions about recycling pick-up service with personnel sufficient to receive and handle complaints and to receive communication from the Town Manager or Public Works Director. WM shall supply an emergency telephone number for use in the event of after-hour emergencies.

WM will maintain a complaint log form, and a copy of this completed form and corrective actions taken will be submitted to the Town upon request. The WM office personnel answering the phone will receive calls and record appropriate information from each resident (name, date, phone number, address, time, comments). The person taking the message will immediately contact the driver and receive the driver's input. WM's Operations Manager will also be notified by the office, and he or she will either return the phone call or go to the site of the complaint and address the complaint the same service day.

13. This contract is for the collection and removal of all recycling materials within the Town of Southern Shores from residential, commercial, business and municipal places or locations, subject to the conditions specified herein. Should the current boundaries of the Town of Southern Shores change during the term of this contract then this contract shall be adjusted accordingly to reflect any increase in the residential, commercial, business premises receiving recycling collection.

14. WM shall be deemed an independent contractor and shall assume all liability and responsibility for any and all damages to persons and/or property resulting from the collection of recycling materials, and the Town of Southern Shores shall not be liable and responsible for any such damages, from all of which WM shall save, protect, and hold the Town harmless.

15. Changes to the type, size, and amount of equipment, the type of frequency of service, and corresponding adjustments to the rates, may be made by agreement of the parties, evidenced either in writing or by the practices and actions of the parties, without affecting the validity of this Agreement and this Agreement shall be deemed amended accordingly. This Agreement shall continue in effect for the term provided herein and shall apply to changes of and new service address location of the Town within the area in which WM provides collection service.

16. WM shall carry the following insurance which shall be with a reputable company duly licensed to do business in North Carolina:

a) Workmen's Compensation of all employees who may be involved in any way in the performance of this contract or in services in connection therewith.

b) Commercial general liability insurance in the amount of \$1,000,000.00 combined single limit.

c) Vehicle fleet liability (business automobile coverage) in the amount of \$1,000,000.00 combined single limit.

17. If, during the term of this Agreement, either party shall be in breach of any provision of this Agreement, the other party may suspend or terminate its performance hereunder until such breach has been corrected; provided, however, that no termination shall be effective unless and until the complaining party has given written notice of such breach to the other party and the other party has failed to cure such breach within at least ten (10) days thereafter. In the event any such breach remains uncured for a period of ten (10) days, the complaining party may terminate this Agreement by giving the other party written notice of such termination; which shall become effective upon receipt of such notice.

18. This contract shall be binding upon the parties hereto, their successors and assigns. This contract may not be assigned by WM without prior written approval of the Town.

19. Neither party hereto shall be liable for its failure to perform or delay in performance hereunder due to contingencies beyond its reasonable control including, but not limited to, strikes, riots, compliance with laws or governmental orders, fires, severe weather events, and acts of God and such failure shall not constitute a Default under this Agreement.

SIGNATURE PAGE TO FOLLOW

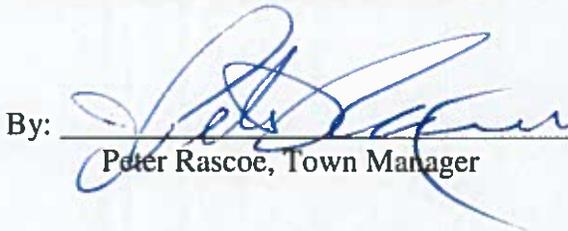
Both the Town of Southern Shores and Waste Management of Virginia, Inc. agree to the above contract.

**WASTE MANAGEMENT OF VIRGINIA, INC.,**



By: \_\_\_\_\_  
Rob Clendenin, Public Sector Representative

**TOWN OF SOUTHERN SHORES**



By: \_\_\_\_\_  
Peter Rascoe, Town Manager

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act.

By: Bonnie Swain  
Finance Officer

Date: 6/7/16



**WASTE MANAGEMENT**

DELMARVA Market Area  
3016 Yarkin Road  
Chesapeake, VA 23323  
(800) 877-7531  
(757) 558-6218 Fax



May 10, 2016

Ms. Rachael Patrick  
Public Works Director  
Town of Southern Shores  
5375 Virginia Dare Trail  
Southern Shores, NC 27949

Dear Rachael,

Thanks for giving us a few days to get this to you. We have reviewed our operating costs and determined that we are able to offer a modest rate reduction for the renewal term. As we discussed, we will need to adjust the bulky item pick up rate. After reviewing our existing contract, it appears that we have been charging half of the contracted rate all along. Finally, we are providing a rate for cart purchases. We don't have an exact number of carts that are owned by us, but we believe the number to be well over 1,000.

Our proposed pricing is as follows:

- Curbside recycling service \$4.60 per month, per unit
- Bulky item collection \$3,137.00 per service
- Cart purchase by the Town \$48.60 per cart

We hope that this gives you with the information needed to make an informed decision on the contract renewal. Please know that we greatly value our existing partnership and believe that the value provided to your residents is exceptional. If we can provide any additional information or answer any questions, please do not hesitate to contact me. We would appreciate the opportunity to meet with you before you make any final decisions. I will follow up with you later this week to schedule a time when we can get together.

Very truly yours,

Robert E. Clendenin  
Public Sector Solutions

Cc: Gary Kelly, District Manager

*From everyday collection to environmental protection, Think Green. Think Waste Management.*

