



**SUBJECT: Approval of Agreement with the Resource Recovery Recycling Authority of Southwest Oakland County (RRRASOC) to maintain a regional recycling drop-off center at the Field Services Complex located on Delwal Drive.**

**SUBMITTING DEPARTMENT: DPW**

**CITY MANAGER APPROVAL:**

**BACKGROUND INFORMATION:**

Because the City does not have a contract for city-wide sanitation services for residents, in 1997 we joined the Resource Recovery Recycling Authority of Southwest Oakland County (RRRASOC). The center is located at the Field Services Complex on Delwal Drive and is available to all residents whose community is a member of the consortium (Farmington, Farmington Hills, South Lyon, Southfield, Walled Lake, Wixom, Novi).

Briefly, the Agreement stipulates that:

- RRRASOC can continue to utilize the Field Services Complex site
- Additional material types to be collected must be approved by the City of Novi
- Novi will retain site management responsibility and operating costs of the Center (staffing, maintenance, insurance, and contacting haulers/vendors to collect and process materials)
- RRRASOC will pay Novi an annual management fee of \$16,000
- RRRASOC will be responsible for all equipment rental, hauling, processing and disposal costs and provide material containers.
- RRRASOC will be responsible for monitoring materials marketed by haulers and is entitled to revenue generated by the sale of recycled material.
- RRRASOC is not responsible for the collection or disposal of material that cannot be processed at its Materials Recovery Facility.
- Novi will maintain property insurance and public liability coverage.
- This is a 5-year Agreement with an option to extend the Agreement for an additional 5 years.
- The Agreement can be terminated by either party upon 120 days written notice.
- RRRASOC will provide the City with legal and technical advice relating to the operation of the Center upon request

The City expended approximately \$31,000 net of revenue in 2007, and \$40,278 for membership.

The City Attorney has reviewed the Agreement and found it to be in order.

Attached is a copy of the 2007 City of Novi Homeowners Association solid waste, yard waste and recycling collection service agreement.

**RECOMMENDED ACTION:** Approval of Agreement with the Resource Recovery Recycling Authority of Southwest Oakland County (RRRASOC) to maintain a regional recycling drop-off center at the Field Services Complex located on Delwal Drive.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				



July 1, 2008

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P.O. Box 3040  
Farmington Hills, MI 48333-3040  
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William McCusker, Director  
Department of Public Works  
City of Novi  
45175 West Ten Mile Road  
Novi, Michigan 48375

KRISTIN BRICKER KOLB  
Direct: 248-539-2837  
kbr@secretwardle.com

**Re: *Recycling Drop-Off Center Agreement with RRRASOC  
Our File No. 55142.NOV***

Dear Mr. McCusker:

Pursuant to your request, we have reviewed the proposed Agreement to Maintain a Regional Recycling Drop-Off Center with the Resource Recovery Recycling Authority of Southwest Oakland County ("RRRASOC"). Under the draft Agreement, the City will continue to make available the Department of Public Works as a drop-off site for agreed-upon recyclable materials. Residents of all seven RRRASOC member communities would be allowed to utilize the City of Novi site.

In exchange for the use of the DPW property as a regional drop-off site, the City will be compensated in the amount of \$16,000.00, payable on or before June 30<sup>th</sup> of each year. The initial term of the Agreement is five years, and either party may terminate the Agreement for any reason upon 120 days advance notice.

In general, we have no significant legal comments on the proposed Agreement. It is fairly well balanced as to the rights and duties of both parties. There are a couple clerical modifications we would propose, as follows:

1. In Paragraph 1, the word "on" in the second line seems either unnecessary, or an opportunity to insert the address of the DPW. It is unclear what the drafter of the Agreement intended.

2. The last sentence of Paragraph 4 should be modified to read as follows: "Payment shall be made by check or draft payable to the City of Novi, and shall be delivered either in person or by first class mail, to the Treasurer of the City."

William McCusker, Director of Public Works

July 1, 2008

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3. The following sentence should be added to the end of Paragraph 7: "Proof of such insurance, whether provided by RRRASOC or its private vendor, shall be provided to Novi on an annual basis."

Other than the preceding, we have no additional comments and see no reason not to proceed with signing this Agreement.

If you need anything further on this, or have any questions, please feel free to contact me.

Very truly yours,

A handwritten signature in black ink that reads "Kristin Bricker Kolb". The signature is written in a cursive style with a large initial "K".

Kristin Bricker Kolb

KBK:jw

cc: Lynn Norman  
Thomas R. Schultz, Esq.

1093242\_1

## AGREEMENT TO MAINTAIN A REGIONAL RECYCLING DROP-OFF CENTER

THIS AGREEMENT, amended as of \_\_\_\_\_, is between the CITY OF NOVI, a Michigan municipal corporation whose address is 45175 W. Ten Mile Road, Novi, Michigan 48375-3024 ("Novi") and the RESOURCE RECOVERY AND RECYCLING AUTHORITY OF SOUTHWEST OAKLAND COUNTY, a Michigan public body corporate whose address is 20000 W. Eight Mile Road, Southfield, Michigan 48075-5708 ("RRRASOC").

WHEREAS, RRRASOC has been incorporated by its constituent municipalities (the "Member Communities"), including Novi, to provide regional recycling programs and services in a cost-effective manner; and

WHEREAS, RRRASOC has previously identified an opportunity to improve the recycling drop-off services provided to the residents of Novi and the residents of the other RRRASOC member communities while providing significant cost savings through economies of scale and combining the resources available to RRRASOC; and

WHEREAS, RRRASOC has established a regional recycling drop-off center at the site of the Novi Department of Public Works;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The "RRRASOC/Novi Regional Recycling Drop-Off Center" (the "Center") established at the site of the Novi Department of Public Works shall continue. The Center shall be available to all residents of RRRASOC Member Communities.
2. The recyclable materials collected at the Center are described in Exhibit A. Additional material types permitted for collection at the Center may be recommended by RRRASOC from time to time, but no such additional material types shall be permitted to be collected at the Center without the prior approval of Novi, and Novi shall not be responsible for any additional costs associated with the drop-off and collection of such additional materials. Novi shall use its reasonable discretion in considering any recommendation from RRRASOC as to additional material types.
3. Novi shall retain day-to-day site management responsibility and operating costs of the Center, including staffing, maintenance, insurance and contacting haulers/vendors designated by RRRASOC to collect and process recyclable materials. Hours of operation of the Center shall be unchanged from the hours of operation identified in Exhibit A unless changed by agreement between Novi and RRRASOC.
4. RRRASOC shall pay Novi an annual Host Community Management Fee (the "Host Fee") of Sixteen Thousand Dollars (\$16,000). The amount of the Host Fee will be reviewed annually by the Novi City Council. The Host Fee shall be payable annually on or before June 30th. Payment shall be made by check or draft payable to the City of Novi, and shall be delivered either in person or by first class mail, to the Treasurer of the City.
5. RRRASOC shall be responsible for all equipment rental costs, hauling costs, processing fees, and residual disposal costs attributable to the operation of the Center. RRRASOC shall provide sufficient containers to permit the orderly operation of the Center.
6. RRRASOC shall be responsible for monitoring all recyclable materials marketing by designated haulers/vendors and shall be entitled to all revenue generated by the sale of marketed recyclable material. Only recyclable materials that can be processed at RRRASOC's Materials Recovery Facility (the "MRF") shall be required to be picked up by RRRASOC, and RRRASOC shall have no responsibility for the collection or disposal of any materials that cannot be processed at the MRF.
7. During the term of this Agreement, Novi shall continuously maintain property insurance and public liability coverage, either from private carriers or on a self-insured basis, on the Center as part of Novi's standard coverage of its municipal facilities. Such policies of insurance and public liability coverage shall name RRRASOC and its officers, employees and agents as an additional insured party as their interests may appear. Novi shall provide RRRASOC not less often than annually with evidence that such policies of insurance and public liability

**AGREEMENT TO MAINTAIN A REGIONAL RECYCLING DROP-OFF CENTER**

coverage remain in force and effect. To the extent permitted by law, Novi shall indemnify and hold harmless RRRASOC and its agents against claims asserted by or on behalf of any person or entity arising or resulting from the operation of the Center, excepting willful or reckless misconduct by RRRASOC or its agents. RRRASOC maintains and shall maintain property insurance and public liability coverage, either from private carriers or on a self-insured basis, for its operations at the MRF. Such policies of insurance and public liability coverage shall extend to RRRASOC's operations, either acting itself or through RRRASOC's vendors or agents, at the Center. RRRASOC may satisfy the obligations of this section by causing its private vendor to extend insurance coverage in accordance with the terms of this section. Proof of such insurance, whether provided by RRRASOC or its private vendor, shall be provided to Novi on an annual basis.

8. The initial term of this Agreement shall be for five (5) years, with the option to extend the Agreement for an additional term of five (5) years. Novi and RRRASOC shall monitor the operation of the Center and determine annually on or before each January 1 whether the terms of the Agreement should be modified. Novi and RRRASOC each agree to use their reasonable discretion in considering any proposal for amendments to this Agreement made by the other party.

9. This Agreement may be terminated for any reason by either party, upon 120 days written notice given to the other party.

10. RRRASOC shall make available to Novi legal and technical advice relating to the operation of the Center, which advice will be provided on a reasonable basis and upon Novi's request.

IN WITNESS WHEREOF, Novi and RRRASOC have executed this Agreement as of the date first above written.

**CITY OF NOVI**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Clerk

**RESOURCE RECOVERY AND RECYCLING AUTHORITY OF SOUTHWEST OAKLAND COUNTY**

By \_\_\_\_\_  
Michael J. Csapo  
General Manager

# AGREEMENT TO MAINTAIN A REGIONAL RECYCLING DROP-OFF CENTER

## Attachment A



*Resource Recovery and Recycling Authority of Southwest Oakland County*

## Novi Drop-off Recycling Guidelines

*Member communities: Farmington, Farmington Hills, Novi,  
Southfield, South Lyon, Walled Lake, and Wixom.*

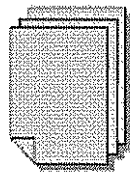
### **NOW ONLY 3 CONTAINERS - REQUIRES LESS SORTING!**

#### **1. Mixed Fibers**



Newspaper, magazines, junk mail, office paper, phone books,  
corrugated cardboard, boxboard and brown paper bags.

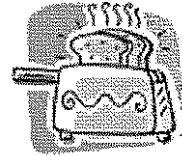
#### **2. White Office Paper**



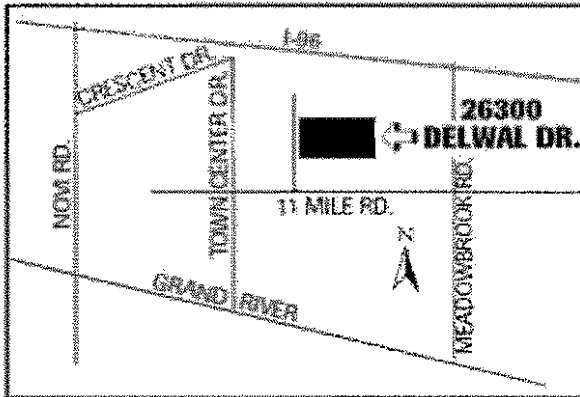
White office paper, white printer paper, and white envelopes.

**AGREEMENT TO MAINTAIN A REGIONAL RECYCLING DROP-OFF CENTER**

**3. Mixed Containers**

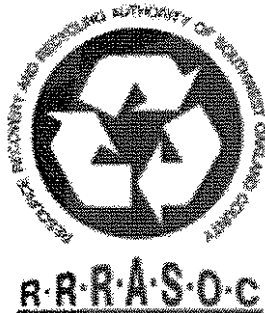


All plastic bottles, bulky HDPE (#2) plastic, ceramics, glass bottles and jars - all colors, aluminum, household scrap metal, drink boxes and other plastic-coated paper beverage containers, and plastic film



**Drop-off Location:**  
26300 DelWal Drive  
Located at the Novi DPW Garage  
(North of 11 Mile, between Meadowbrook  
and Town Center Drive)

**Hours:**  
Daily during daylight hours



**RRRASOC Offices**  
(248) 208-2270

20000 W. Eight Mile Road  
Southfield, MI 48075  
www.rrrasoc.org  
email: rrrasoc@aol.com



# **SOLID WASTE, YARD WASTE AND RECYCLING COLLECTION SERVICE AGREEMENT**

THIS AGREEMENT, is made and entered into this \_\_\_\_\_, 2007, by and between the City of Novi Homeowners Association, P.O. Box 711, Novi, Michigan 48376 (hereinafter called "CNHA"), representing CNHA Member Associations, and Duncan Disposal Systems, LLC, a corporation registered in the State of Michigan, with offices located at P.O. Box 727, South Lyon, Michigan 48178, (hereinafter called "Contractor"). All references to CNHA should be considered references to CNHA Member Associations.

## **WITNESSETH:**

WHEREAS, CNHA has determined that contracting for solid waste, yard waste and recycling collection services is in the interest of its members and homeowners and;

WHEREAS, CNHA, through cooperation with the Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC) has requested proposals from qualified companies interested in performing solid waste, yard waste and recycling collection services for CNHA and;

WHEREAS, the proposal of the Contractor has been received and determined by CNHA to be the most responsive proposal received at the best services value for the estimated costs and;

WHEREAS, representatives of CNHA and the Contractor have met to negotiate the detailed terms of this agreement contained herein and;

WHEREAS, CNHA desires to contract for the services and;

WHEREAS, the Contractor is willing to provide those services;

NOW, THEREFORE, in consideration of the mutual promises and agreements herein set forth, the parties agree as follows:

1. **GENERAL PROVISIONS:** The terms used within this contract shall be defined according to the definitions contained in Attachment A: "General Provisions" (incorporated herein to this agreement).
2. **CONTRACTOR'S OBLIGATIONS:** The services to be provided by the Contractor are detailed in Attachment B: "Contractors Service Specifications" (incorporated herein to this agreement).
3. **TERM / TERMINATION OF THE CONTRACT**
  - A. **Five (5) Year Term:** The initial term of this services contract shall be for five (5) years, with two, one-year extension options. The initial contract term shall begin August 1, 2007 and expire July 31, 2012.
  - B. **Contractor's One-Year Extension Options:** The Contractor may request two (2) one-year contract extensions if written notice of such requests are received by CNHA by six (6) months prior to current expiration date. Granting requests for contract extensions shall be at the sole discretion of CNHA and shall not be contestable or appealed. If CNHA agrees to accept the Contractor's request for an extension, such

extension shall be approved at least three (3) months prior to the current expiration date.

- C. **CNHA Retains Right to Extend and Postpone Contract Termination Date:** CNHA shall retain the rights to extend the contract at any time and to postpone the initial contract termination date, subject to approval by the Contractor.
- D. **CNHA Termination of the Contract Services:** CNHA may, after giving Contractor and the surety seven (7) days written notice and to the extent permitted by laws and regulations, terminate the contract if the Contractor:
  - 1. Fails to Perform the required work as specified in this Agreement as determined by CNHA, and fails to correct the deficiency within 30 days after receiving written notice from CNHA.
  - 2. Materially Violates Any Law or Regulation of any municipal, local, state or federal laws, rules, regulations, ordinances and specifications, in performance of this Contract.
  - 3. Files for Bankruptcy or Insolvency. If Contractor commences a voluntary case under any chapter of the Bankruptcy Code (Title II, United States Code), as now or hereafter in effect, or if Contractor takes any equivalent or similar action by filing a petition or otherwise under any other federal or state law in effect at such time relating to the bankruptcy or insolvency;
  - 4. If a petition is filed against Contractor under any chapter of the Bankruptcy Code as now or hereafter in effect at the time of filing, or if a petition is filed seeking any such equivalent or similar relief against Contractor under other federal or state law in effect at the time relating to bankruptcy or insolvency.
  - 5. Assigns this Contract or any portion thereof in violation of Section 5. L.
- E. **Contractor Termination of the Contract Services:** Contractor may stop service or terminate the contract if, through no act or fault of the Contractor, the CNHA Solid Waste Program is suspended for a period of more than ninety days by CNHA. Under this circumstance, the Contractor may, upon seven (7) day's written notice to CNHA, terminate the Agreement and recover from CNHA payment for completed services.

In the event that Contractor terminates the contract pursuant to the above conditions, Contractor understands and agrees that Contractor's sole remedy shall be recovery from CNHA of payment for completed services and understands and agrees that any consequential damages and any claimed damages resulting from loss of future profits are hereby waived.

#### 4. **COMPENSATION**

- A. **Monthly Invoices:** The Contractor shall submit monthly invoice statements for payments for services rendered, said statements to be submitted to the designated Member Homeowners Association.
- B. **Service Components:** Monthly invoices shall be in a form as specified in Attachment C "Contractor's Compensation" (incorporated herein to this agreement).
- C. **Payment for Services:** CNHA Member Associations shall pay the Contractor for services rendered as invoiced within 30 days upon receipt of the invoice and upon successful completion of all services required, including, but not limited to, the Monthly Service Report as specified in Attachment B.
- D. **Taxes:** The Contractor shall pay all Federal, State, and local taxes including, but not limited to, property taxes, sales taxes, social security taxes, income taxes, and fees,

which may be chargeable against the labor, material, equipment, real estate or any other items necessary in the performance of this contract, except for: (1) additional fees that are imposed upon the Contractor by Federal or State legislation enacted following the Effective Date, and which are specifically identified by such legislation to be a direct pass through to customers of the Contractor, and (2) exceptions otherwise noted.

**5. LEGAL AND INSURANCE REQUIREMENTS**

- A. **Responsibility for Waste:** Ownership of Acceptable Waste shall transfer to the Contractor at the time that it is loaded into the Contractor's collection vehicles.
- B. **Indemnification:** To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless CNHA and its officials, agents, and employees from and against all claims, damages, losses, and expenses, including attorney's fees, which CNHA may suffer or for which it may be held liable, arising out of or resulting from the Contractor's or its agent's or employee's actions or negligence in the performance of this contract.

This indemnification shall survive the expiration or termination of this contract. By entering this contract, the parties do not waive any immunity provided by law.

- C. **Pollution Liability:** To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless CNHA and its officials, agents, and employees from and against all claims, damages, losses, and expenses, including attorney's fees, which CNHA may suffer or for which it may be held liable, arising out of or resulting from the death or bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment, or any violation of governmental laws, regulations or orders resulting from Contractor's collection of waste.

This indemnification shall survive the expiration or termination of this contract. By entering this contract, the parties do not waive any immunity provided by law.

- D. **Independent Contractor:** The Contractor shall be deemed an independent contractor, and not an employee of CNHA. Any and all employees, members or associates of the Contractor or other persons, while engaged in the work or services required to be performed by the Contractor, shall not be considered employees of CNHA. Any and all claims that might arise on behalf of employees of Contractor or other persons as a consequence of any act or omission on the part of said employees of Contractor shall in no way be the obligation or responsibility of CNHA. Contractor fully understands all consequences, financial and legal, of the status of an independent contractor.

- E. **Contractor Performance Bond:** The Contractor will be required to furnish financial assurance to compensate CNHA for losses that may be incurred in the event Contractor fails to faithfully perform Contractor's obligations under this Contract. Said financial assurance shall be equal to one fourth of the amount of the annual total contract price and shall take the form of a corporate surety bond. Said financial assurance shall stay in effect throughout the contract period. The bond shall be with a surety licensed and admitted to do business in the State of Michigan and in a form acceptable to CNHA.

Annual contract price, for purposes of this performance bond, shall be based on estimates derived by CNHA for the first year and actual contract payments for subsequent years.

- F. **Insurance Requirements:** Submit a Certificate of Insurance prior to the execution of a contract meeting the minimum limits of liabilities as outlined. Certificate of Insurance shall have language the same as that shown in example. All insurance carriers must be acceptable to CNHA and licensed in the State of Michigan.

A new certificate of insurance shall be provided to CNHA each year at the time of policy renewal. New certificates shall be delivered to CNHA in the same format as outlined in the SAMPLE certificate attached.

The Vendor shall not allow for any lapse of insurance coverage in the amounts shown below. Failure of the Vendor to maintain the required insurance shall be grounds for contract cancellation.

1. **Workers' Compensation Insurance:** The Vendor shall procure and maintain during the life of this contract, Workers' Compensation Insurance, including employers Liability Coverage, in accordance with all applicable statutes of the State of Michigan.
2. **Commercial General Liability Insurance:** The Vendor shall procure and maintain during the life of the blanket purchase order, Commercial General Liability Insurance on an "Occurrence Basis" and motor vehicle insurance with limits of liability not less than \$2,000,000.00 (two million dollars) per occurrence, Personal Injury, Bodily Injury, and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations Liability; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable.
3. **Additional Insured:** Commercial General Liability and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following shall be Additional Insureds: CNHA, all elected and appointed officials, all employees and volunteers. This coverage shall be primary to the Additional Insureds, and not contributing with any other insurance or similar protection available to the Additional Insureds, whether other available coverage be primary, contributing or excess".
4. **Cancellation Notice:** Workers' Compensation Insurance, Commercial General Liability Insurance and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following. "It is understood and agreed that Sixty (60) days Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to CNHA, P.O Box 711, Novi, MI 48376.

If any of the above coverages expire during the term of the contract, the Vendor shall deliver renewal certificates and/or policies to CNHA at least ten (10) days prior to the expiration date.

- G. **Non-Discrimination:** Contractor agrees that Contractor shall not discriminate against any employee, applicant for employment or other person, supplier, or contractor because of race, color, religion, sex, marital status, national origin, disability or public assistance.
- H. **Assignment and Subcontracting:** The Contractor shall not delegate or assign the Agreement, or any part thereof, nor shall the Contractor sub-contract this Agreement or any part thereof without the prior written approval of CNHA, which shall not be unreasonably withheld.

The Contractor may not assign any parts of this Agreement via sale, merger or acquisition of the Contractor's company without the prior written approval of CNHA, which shall not be unreasonably withheld.

I. **Compliance with All Laws, Rules, Regulations and Licensing Requirements:**

The Contractor shall comply with all municipal, City, state and federal laws, regulations, ordinances and specifications.

J. **Liquidated Damages:** CNHA and Contractor agree, in addition to any other remedies available to CNHA, CNHA may withhold payment from the Contractor in the amounts specified below as liquidated damages for failure of the Contractor to fulfill its obligations as determined by CNHA:

1. Failure to clean up spilled refuse  
- \$25 for each incident.
2. Failure to clean vehicle, conveyances, containers, docks, yards, shops, and other equipment as provided in the specifications  
\$50 for each incident.
3. Failure to complete all routine pickups by 6:00 p.m. on the scheduled day  
\$100.00 for each incident with each late pickup as a separate incident.
4. Failure to collect solid waste, recyclables, and yard waste within 24 hours after notification of a complaint  
\$100.00 for each incident.
5. Failure to maintain vehicle in operable condition and acceptable appearance after inspection and notice by CNHA  
\$500.00 for each incident.

The liquidated damages provided for herein are not considered as penalties and were not calculated in contemplation or anticipation that the Contractor would default. In the event the Contractor does default or otherwise abandon the project, CNHA reserves the right to collect from the Contractor or its surety, in addition to the liquidated damages, the actual damages incurred by CNHA as a result of the default or abandonment.

The assessment of liquidated damages shall be determined by the CNHA or the designee and deductions made from the payment each month to the Contractor. The decision of the CNHA or the designee in the matter will be binding. The Contractor may at their option initiate the dispute resolution process included in this service agreement.

K. **Dispute Resolution Process:** CNHA and the Contractor agree to first use the following process to resolve disputes about issues related to the performance of this contract. If an issue arises requiring resolution, either party shall initiate this dispute resolution process by notifying the other party and scheduling a meeting. The meeting shall serve as a fact finding opportunity to identify the issue, clarify the problem, review the applicable contract provisions relating to the issue, discuss alternative remedies, and agree upon a means of dispute resolution. The parties shall make a good faith effort to complete the agreed-upon tasks within 30 days of the initial dispute resolution meeting, or specify an alternative schedule and deadline for resolving the issue. This dispute resolution process shall be considered as one alternative to CNHA imposing liquidated damages as per the contract provision immediately above. Nothing in this contract section, Dispute Resolution Process, shall be construed or implied to reduce, eliminate or otherwise affect the rights of CNHA or the Contractor to use any and all other means of legal remedies.

Should the above process fail to resolve a dispute, CNHA and the Contractor agree to submit to arbitration all claims, counterclaims, disputes and other matters in question arising out of or relating to this agreement or the breach thereof. The contractor's agreement to arbitrate shall be specifically enforceable under the prevailing law of any court having jurisdiction to hear such matters. Contractor's obligation to submit to such arbitration shall be subject to the following provisions:

(a) Notice of demand for arbitration must be submitted to CNHA in writing within a reasonable time after the claim, dispute or other matter in question has arisen. A reasonable time is hereby determined to be fourteen (14) days from the date the party demanding the arbitration knows or should have known the facts giving rise to the claim, dispute or question. In no event may the demand for arbitration be made after the time when institution of legal or equitable proceedings based on such claim dispute or other matters in question would be barred by the applicable statute of limitation.

(b) Within fourteen (14) days from the date demand for arbitration is received by CNHA, each party shall submit to the other the name of one person to serve as an arbitrator. The two arbitrators together shall then select a third person; the three together shall then serve as a panel in all proceedings. Any decision concurred in by a majority of the three shall be a final binding decision.

(c) The final decision rendered by said arbitrators shall be binding and conclusive and shall be subject to specific enforcement by a court of competent jurisdiction.

(d) The costs of the arbitration shall be split and borne equally between the parties and such costs are not subject to shifting by the arbitrator.

- L. **Contact Persons for Legal Notices:** The Contractor identifies Tom Duncan, Owner, of Duncan Disposal Systems, LLC at P.O. Box 727, South Lyon, MI 48178, who shall be designated to receive all notices and communications on behalf of the contracting parties with regard to the contract. Written notice required to be provided to CNHA pursuant to this Agreement shall be provided to CNHA, c/o Ron Boron at P.O. Box 711, Novi, MI 48376.
- M. **Performance:** Contractor shall see that all work done pursuant to this Agreement is accomplished with work forces and equipment which are adequate to insure the satisfactory transportation of said materials at all times. Either Party may be excused from performance under this agreement by reason of an event defined herein as Force Majeure which is outside of the Party's control and cannot be avoided by the exercise of due care.
- N. **Conflict of Interest:** Neither the Contractor nor its employees neither presently have, nor shall acquire interest, direct or indirect, in the contract in any manner forbidden by law. No CNHA official shall be directly or indirectly interested in this contract.
- O. **Severability:** This Agreement is subject to the laws of the United States of America, the State of Michigan, and the Ordinances of the City of Novi. In the event that any provision of this Agreement shall be held to be contrary to law or Ordinance by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision or provisions shall be voided. All other terms and conditions of the Agreement shall continue in full force and effect. The voided provision or provisions may be renegotiated at the written request of either party to this Agreement.
- P. **Governing Law:** This Agreement shall be deemed to be a contract made in the State of Michigan and shall be interpreted and construed in all respects in

accordance with the laws of the State of Michigan applicable to contracts wholly to be performed therein.

- Q. **Modification:** Any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, signed by the authorized representatives of CNHA and Contractor and attached to this Agreement.
- R. **Representation:** CNHA and the Contractor each represent to the other that, by their respective execution of this Agreement they have obtained all necessary consents and approvals required for their respective execution and performance thereof.
- S. **Integration:** The Parties agree that the entire Agreement between the Parties is contained herein and that this Agreement, including any and all exhibits attached hereto, supersede all oral agreements and negotiations between the Parties relating to the subject matter hereof, as well as any previous agreements between the Contractor and CNHA or either of them relating to the subject matter hereof.

**EXECUTION**

In Witness whereof, the Parties hereto set their hands.

By the duly elected or appointed representatives of **CNHA**:

---

---

\_\_\_\_\_  
President

---

\_\_\_\_\_  
Date

---

By the duly appointed representatives of the **CONTRACTOR**.

The Contractor acknowledges by his/her signature on this document that the Contractor has received a copy of this contract and is in full agreement with the terms as imposed upon the Contractor by this Agreement and that the Contractor will comply with those terms and conditions.

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\_\_\_\_\_  
Name

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\_\_\_\_\_  
Date

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\_\_\_\_\_  
Witness

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\_\_\_\_\_  
Date

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## Attachment A

### **GENERAL PROVISIONS**

#### **1.1 Term**

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The initial term of this contract is for five (5) years commencing on August 1, 2007, and ending July 31, 2012. CNHA may renew the Contract for two (2) successive one-year terms (extensions) under the conditions set forth in the contract. CNHA shall give the Contractor written notice of its intention to extend the contract period no later than ninety (90) days prior to the last contract year in the term.

#### **1.2 Customer Communications and Complaint Handling Procedure**

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The Contractor must provide a Resident Manager to supervise all work and operations to be performed under this contract. Said manager shall have substantial experience in the management and operation of refuse collection and recycling systems for a similar size service area.

The Contractor shall have at least one (1) full-time Field Supervisor. The Field Supervisor shall familiarize himself with all service stops under contract. The Field Supervisor shall make a daily check to assure pick-up as scheduled.

The Contractor shall make a local telephone number available to receive all service complaints, which shall be logged. The Field Supervisor shall arrange to pick up or receive such complaints every day for immediate action. The Field Supervisor will have until the end of the day to resolve complaints, with a maximum time limit of 24 hours. The complaint resolution action will be logged the next day or before. Any complaint not closed out during the required period will be noted and reviewed by CNHA, or its designee, to determine if liquidated damages are appropriate.

#### **1.3 Service Standards**

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The Contractor shall provide complete service for all routes each day as scheduled. The Contractor shall not commence collection in residential areas prior to 7:00 a.m. and shall be completed by 5:00 p.m. All collections shall be made as quietly as possible. Unnecessarily noisy trucks or equipment are prohibited.

The Contractor shall pick-up all blown, littered, and broken materials occurring at the point of collection resulting from its collection and hauling operations. Each vehicle shall be equipped with a broom and shovel for use in cleaning up any spilled debris or material from city streets, sidewalks, or residential property when said spillage is caused by the Contractor. Care shall be taken to prevent damage to property, including lawns, shrubs, and other plants.

CNHA and/or Member Homeowners Associations shall cooperate in requiring residents to provide and maintain suitable containers. The Contractor shall exercise care in the handling of containers, making certain that containers are emptied completely. The Contractor must replace containers in an erect position with the lids replaced thereon, or adjacent thereto. In the event the Contractor damages a resident's container(s), the Contractor shall be responsible to replace said container(s) with one of equivalent value at the Contractor's expense and within forty-eight (48) hours, excluding weekends.

Adverse weather shall not be considered reason for not providing services unless approved by CNHA.

The Contractor shall assign a qualified person or persons to be in charge of its performance of this Contract, and shall advise CNHA of such persons in advance and when changes occur.

All persons employed by the Contractor shall be competent, skilled, and qualified in the performance of the work to which they are assigned. All personnel shall maintain a courteous and respectful attitude towards the public at all times. The Contractor shall furnish employees with uniforms, which shall always be as neat and clean as circumstances permit. The Contractor shall inform CNHA of all employee training programs related to customer relations, services, and safety issues.

At no time shall the Contractor's employees solicit, request or receive gratuities of any kind. The Contractor shall direct its employees to avoid loud/or profane language at all times during the performance of their duties. Any employee of the Contractor who engages in misconduct or is incompetent or negligent in the proper performance of their duties or is dishonest, disorderly, intoxicated or discourteous, shall be subject to discharge by the Contractor.

CNHA may request the dismissal or removal of any employee of the Contractor who violates the provisions hereto, or who is wantonly negligent or discourteous in the performance of their duties.

### **1.3.1 Field Rules and Regulations**

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The Contractor, in performing services under the contract, shall abide by the following rules and regulations and such other rules and regulations as CNHA AND/OR MEMBER HOMEOWNERS ASSOCIATIONS may promulgate from time to time.

1. All refuse spilled by the Contractor, or any spilled refuse caused by wind, animals, etc., shall be picked up by the Contractor in the course of its regularly scheduled pick-up.
2. Employees must be courteous. Disorderly workers shall be removed when so ordered by the CNHA.
3. Containers must be put back in approximately the place from where they were picked up.
4. Container lids shall be replaced on containers or must be neatly placed next to containers and not scattered.
5. Rough handling of containers will not be tolerated. Damaged containers shall be replaced or repaired by Contractor at the Contractor's expense.
6. Collection crews will neither consume controlled substances nor drink alcoholic beverages nor accept remuneration of any kind from residents while performing services under this contract. Violation of this rule shall be cause for dismissal of the employee when requested by CNHA.
7. CNHA AND/OR ITS MEMBER HOMEOWNER ASSOCIATIONS expressly reserve the right to make additional reasonable rules and regulations by which the Contractor shall abide.

## **1.4 DETERMINATION OF RESIDENTIAL UNITS SERVICED**

For the purposes of responding to this proposal, the number of residential units expected to be provided with curbside collection services for solid waste, recycling, and yard waste is as indicated in Section 1.1.3 and Appendix B of the Request for Proposals issued by RRRASOC on February 28, 2007, including addenda, unless otherwise specified and agreed to by both the Contractor and CNHA. CNHA AND/OR MEMBER HOMEOWNERS ASSOCIATIONS shall provide the Contractor with a list of identifying the addresses of the homes to be serviced.

For billing purposes prior to the initiation of service, the selected contractor and CNHA (and its Member Homeowners Associations) will jointly complete and agree on a total unit count for each service type and for each route day. Route days shall be on Thursday and Friday of each week unless otherwise agreed to by CNHA AND/OR MEMBER HOMEOWNERS ASSOCIATIONS and the Contractor.

At the time such a unit count becomes documented, the number of residential units serviced for billing purposes shall be updated monthly by 1) adding the number of occupancy permits for residential structures with single-family, two-family, three-family and four family residences per structure requiring curbside refuse service as issued by the Building Department of the City of Novi; and 2) deleting the number of complete demolition permits for residential structures with single-family, two-family, three-family and four family residences issued by that Building Department; or in a manner deem acceptable by the Contractor, CNHA, AND/OR MEMBER HOMEOWNERS ASSOCIATIONS.

Additional homeowners associations, should they become members of CNHA, shall be eligible for services pursuant to the terms of this agreement, subject to the approval of CNHA, provided however, that the characteristics and conditions of new members are consistent with the characteristics and conditions of existing MEMBER HOMEOWNERS ASSOCIATIONS, unless such stipulation is waived by the Contractor.

## **1.5 COLLECTION AND DISPOSAL OF SOLID WASTE ON SUNDAY**

The collection and disposal of solid waste on Sundays shall not be allowed unless otherwise approved by the Program Manger or the designee. The Contractor shall not utilize Sundays as a designated collection day in the Schedule of Operations.

## **1.6 HOLIDAYS**

The Contractor shall honor the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. CNHA shall be responsible for publicizing any changes in collection schedules due to observance of the above holidays.

## **1.7 VEHICLES AND EQUIPMENT**

The Contractor shall provide adequate and sufficient garages, shops, and yards to provide all-weather year round operation and to adequately clean and maintain vehicles and equipment. All vehicles, equipment and facilities used by the Contractor shall be kept and maintained in sanitary condition and in good repair. Vehicles, equipment and facilities shall be subject to inspection for safety, sanitation, repair, and appearance, and subject to approval or rejection by the Program Manager at any time. Employees driving Contractor's vehicles shall have a valid operator's license of the State of Michigan and shall meet state and federal requirements concerning commercial licensing.

The Contractor shall not use CNHA's name or other words implying ownership on stationery, vehicles or equipment, except for a sign on vehicles designating that the Contractor is an official CNHA Contractor.

The Contractor shall not use or permit any vehicle assigned to the performance of this contract to make any non-contract related collections unless approved by the Program Manager or designee.

All vehicles and equipment used in collection and transportation of solid waste, recyclables, and yard waste within CNHA shall be of sufficient size, capacity, and number to adequately and efficiently collect solid waste, recyclables, and yard waste in accordance with the terms of this contract.

### **1.8 LIQUIDATED DAMAGES**

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CNHA or the designee shall notify the Contractor for each violation of the contract reported to CNHA. It shall be the duty of the Contractor to take proper action to remedy the cause of the complaint within twenty-four (24) hours after notification. Failure to remedy the cause of the complaint within the specified time period shall constitute a breach of this contract. For the purpose of computing damages under the provisions of this section, it is agreed that CNHA AND/OR ITS MEMBER HOMEOWNERS ASSOCIATIONS shall have authority to deduct from payments due the Contractor, the following amount as liquidated damages:

1. Failure to clean up spilled refuse:  
\$25.00 for each instance.
2. Failure to clean vehicle, conveyances, containers, docks, yards, shops, and other equipment as provided in the specifications:  
\$50.00 for each instance.
3. Failure to complete all routine pickups by 5:00 p.m. on the scheduled day:  
\$100.00 for each failure or neglect of repeated instance at same site.
4. Failure to collect solid waste, recyclables, and yard waste within 24 hours after notification of a complaint:  
\$100.00 for each failure or neglect of repeated instance at same site.
5. Failure to maintain vehicle in operable condition and acceptable appearance after inspection and notice by CNHA:  
\$500.00 for each instance.

The liquidated damages provided for herein are not considered as penalties and were not calculated in contemplation or anticipation that the Contractor would default. In the event the Contractor does default or otherwise abandon the project, CNHA AND/OR ITS MEMBER HOMEOWNERS ASSOCIATIONS reserve the right to collect from the Contractor or its surety, in addition to the liquidated damages, the actual damages incurred by CNHA AND/OR ITS MEMBER HOMEOWNERS as a result of the default or abandonment.

The assessment of liquidated damages shall be determined by CNHA or the designee and deductions made from the payment each month to the Contractor. The decision of CNHA or the designee in the matter will be binding. The Contractor may at their option initiate the dispute resolution process included in the service agreement.

## **1.9 ESCALATOR CLAUSE FOR CONTRACT PRICE ADJUSTMENT**

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The contract price schedule shall be reviewed and revised in July of each contract year and extension period, if any, in accordance with the most recent full calendar year annual percentage increase or decrease in the reference annual Consumer Price Index escalator, and the contract price shall be established for the next contract year beginning on August 1, following the July evaluation. No other changes in contract prices are permitted, except as authorized by this agreement.

The reference Consumer Price Index shall be the Consumer Price Index - All Urban Consumers for the Detroit-Ann Arbor-Flint area (all items), base period: 1982-84=100, as published by the Bureau of Labor Statistics, U.S. Department of Labor.

In the event the U.S. Department of Labor, Bureau of Labor Statistics ceases to publish the CPI, another equally authoritative measure of change in the purchasing power of the U. S. dollar as may be then available shall be substituted.

## **1.10 BASIS AND METHOD OF PAYMENT**

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The Contractor shall be paid for services rendered under the terms of the Contract, within a reasonable time (normally 30 days) after completion of the work at month end, and receipt and approval by CNHA AND/OR ITS MEMBER HOMEOWNERS ASSOCIATIONS of the itemized billing, the fees earned the previous month. The amount remitted to the Contractor by CNHA AND/OR ITS MEMBER HOMEOWNERS ASSOCIATIONS shall be the number of units serviced times the rate agreed upon in the Contract for each unit.

## **1.11 DISPOSAL OF SOLID WASTE AND OTHER MATERIALS**

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CNHA specifically reserves the right to direct the solid waste, yard waste and recyclables collected under these provisions to a specific state approved disposal facility or, if appropriate, to an approved collection site, recycling facility or compost facility. CNHA retains the right to terminate the contract, on ninety (90) days written notice, if the Contractor does not comply with the direction of solid waste, yard waste or recyclables as set forth. Should CNHA exercise its right to direct material to specific facilities, CNHA shall pay the disposal fees directly to the landfill and to other facilities, unless otherwise specified. The Contractor shall be entitled compensation for services in accordance with the Contractor's response to the RFP issued by RRRASOC on February 28, 2007, including addenda.

## **1.12 ACCESS**

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The Contractor will not be required to pick up waste if a road becomes impassable and prohibits access to a residential unit from any direction on a roadway. The Contractor, however, will be required to notify CNHA of this occurrence and will be required to pick up waste at the nearest public roadway or at a point of closure.

## **1.13 PRIVATE DRIVEWAYS**

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The Contractor shall not be required to enter private driveways. However, certain private roads may be considered access roads for purposes of this Agreement.

#### **1.14 ROUTES AND SERVICED ADDRESSES**

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CNHA AND/OR ITS MEMBER HOMEOWNERS ASSOCIATIONS shall provide an accurate address list identifying the homes to be serviced by the Contractor.

#### **1.15 HAULING**

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All solid waste hauled by the Contractor shall be contained, tied, or enclosed so that leaking, spilling, or blowing are prevented.

#### **1.16 STORMS AND OTHER DISASTERS**

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In case of a storm or other disaster, the CNHA or the designee may grant the Contractor reasonable variance from regular schedules and routes. As soon as practicable after such storm or disaster, the Contractor shall advise the CNHA or the designee of the estimated time required before regular schedules and routes can be resumed.

#### **1.17 ADDITIONAL SERVICE**

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CNHA shall not be responsible to the Contractor for any additional services that fall outside the scope of this Agreement which are provided by the Contractor without the request of CNHA. The Contractor shall not charge any residents for services provided under the terms of the contract, unless otherwise specified by the Agreement.

#### **1.18 INFRASTRUCTURE RENOVATION/STREETS BLOCKED BY CONSTRUCTION**

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Periodically major renovation is necessary to maintain the infrastructure of within the City of Novi. This includes such activities as replacing gas, water and sewer lines, surfacing or resurfacing streets, and replacing wiring for telephone, electricity, or cable television.

If CNHA or designee is notified in advance of these activities, the Contractor will be notified. However, it is not uncommon for work to be initiated without prior notification. Alternate sanitation service must be provided during this period of disruption. No additional fees shall be payable for services provided under these conditions.

**Attachment B**

**CONTRACTOR'S SERVICE SPECIFICATIONS**

**2.1 Residential Collection Services**

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The Contractor shall be required to maintain a high level of solid waste, recycling, and yard waste collection services. Refuse shall be collected from all containers presently in use and in all forms presently used. The Contractor shall collect and transport all refuse, rubbish, debris, recyclables, and yard waste which the resident may desire to have removed weekly.

**2.1.1 Residential Refuse Collection**

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The Contractor shall operate a curbside refuse collection and transportation system, which shall result in the removal of all solid waste from all designated residential units and its being transported to an appropriate solid waste facility.

Residential units are comprised of housing that is located in single-family neighborhoods or streets. These include duplex and triplex type multi-family housing and units. An account of the current number and location of these units has been included in the RFP issued February 28, 2007, including addenda.

Refuse means all animal and vegetable food waste and all waste which normally results from the operation of a household, except body waste and yard waste, including but not limited to rubbish, metal cans, papers, cardboard, glass jars, bottles, wood, ashes, sod, dirt, rocks, cement, bricks, small household appliances, furniture, plastics and any other household refuse small enough for one person to handle and no more than sixty (60) pounds.

Residents will place refuse in refuse bags or watertight containers of substantial construction with tight fitting lids and lifting handles. Refuse placed in cardboard containers and paper bags shall be considered part of the refuse and shall be collected as part of residential solid waste collection. Total weight of a single container and its contents shall not exceed sixty (60) pounds. Some articles cannot be conveniently placed in containers. Such articles, if within the weight and size limitations, must be handled individually by the Contractor. No single piece of refuse must be collected if it weighs more than sixty (60) pounds, except bulky items as hereinafter set forth.

The Contractor shall exercise reasonable care and diligence in handling containers. CNHA will cooperate in requiring residents, apartments and housing complexes to provide and maintain suitable containers, and the Contractor must exercise due care in preventing damage to containers, thereto, and shall return all containers to an upright position with the lids replaced thereon or adjacent thereto. In the event the Contractor damages a container(s), the Contractor shall be responsible for replacing said container(s) with one of equivalent value at Contractor's expense within forty-eight (48) hours (excluding Saturdays and Sundays).

CNHA reserve the right to impose a bag/can limit on the housing units to be serviced and implement a variable rate, bag/tag, or Pay-As-You-Throw system. Should such a system be implemented, the Contractor would only pick up bags, containers or other household items that are within the bag/can limit or are properly tagged. CNHA will give the Contractor 90 days notice before implementing such as system.

A written monthly tonnage report must be supplied to CNHA and RRRASOC, or made accessible in a compatible electronic format, via email or Internet, indicating the date, time and truck number of each delivery made to the disposal facility by the Contractor on behalf of CNHA. Further, CNHA retains the right to require the use of specific reporting means at any time during the contract, without additional cost to CNHA.

### **2.1.2 Residential Bulky Waste**

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As part of the solid waste unit price and not as a separate pay item, the Contractor shall pick up as part of the refuse pick-up and shall deposit in the same truck or separate trucks if necessary all bulky items including but not limited to fixtures and furniture, storm doors and windows, toilets, sinks, carpets and pads, railroad ties, and fence posts or fences not exceeding 3' x 8' in dimension, and small quantities of building debris resulting from repair or remodeling personally done by the home occupant which have been placed at the curb property tied or bundled in lengths of not more than five feet (5').

The Contractor shall not be required to collect engines, transmissions or rear axles, or bulky items resulting from the home occupant's personal repair or remodeling that exceed five feet (5') in length. The Contractor will not be required to pick up junk cars, large parts of cars, demolition materials or other material resulting from the repair or construction of buildings except as otherwise provided herein.

### **2.1.3 Residential White Goods**

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As part of the solid waste unit price and not as a separate pay item, the Contractor shall collect recyclable metal bulky items including, but not limited to household appliances such as stoves, refrigerators, freezers, washers, dryers, water heaters, water softeners and water tanks in a separate truck to be recycled and not, under any circumstances, to be landfilled. Generally these household metal bulky items may also include small metal sheds, swimming pools, garage doors, fenders, hoods of cars, etc. This collection is required to be made on the same day as scheduled refuse collection.

The Contractor shall be responsible for complying with all applicable laws concerning the disposal or recycling of air conditioning and refrigeration equipment, including but not limited to the provisions of the Clean Air Act which prohibits the venting of refrigerants into the atmosphere. It shall be the Contractor's responsibilities to haul material and to insure that freon-containing material that are not tagged are delivered to a designated facility for proper removal. Residents shall not be required to ensure that freon or other such refrigerants are removed prior to collection.

A written monthly report must be supplied to CNHA and RRRASOC, or made accessible in a compatible electronic format, via email or Internet, indicating the tonnage of this material that is collected and the scrap metal recycling facility to which it was delivered.

### **2.1.4 Handicap/Back-Door Pickup**

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There may be residential units on the collection routes that are occupied by individuals who have been determined by CNHA to be unable to move refuse and yard debris to the curb. These locations will require back-door service by the Contractor as part of the regularly scheduled refuse collection and as part of the proposed solid waste unit price and not as a separate pay item. The Contractor will be required to bring the containers to the curb and will be encouraged, but not be required, to return the container to the back door.



### **2.1.5 Multi-Family Solid Waste and Recycling Collection**

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CNHA provides solid waste and recycling collection services to certain multi-family complexes located within CNHA. Such services are generally considered individual stops but are subject to a discounted price based on the waste generation characteristics of such households.

### **2.1.6 Christmas Trees**

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Christmas trees placed out at any time may be collected as part of the regular refuse collection, unless otherwise prohibited by law.

### **2.1.7 Yard Waste/Lawn Debris Collection**

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As part of the solid waste unit price and included as part of weekly regular curbside pick-ups, the Contractor shall separately pick up unlimited, separated yard waste and lawn debris as part of the regularly scheduled collection required by this Contract. The period of collection shall be from the Monday of the first full week of April through the Friday of the last full week of November, unless otherwise specified by mutual agreement between the Contractor and CNHA.

All yard waste and lawn debris shall be transported to a compost site and under no circumstances a landfill or disposal facility. A written monthly report must be supplied to CNHA and RRRASOC, or made accessible in a compatible electronic format, via email or Internet, indicating the date, time, truck number and volume of each delivery made to the facility by the Contractor on behalf of CNHA.

Acceptable yard waste and lawn debris shall include grass clippings, weeds, leaves, small twigs, prunings, shrub clippings, garden waste materials and fruit; old potting soil, Halloween pumpkins, dirt incidental to minor plantings or edging of lawns; brush, branches, tree trimmings, shrub clippings tied and bundled; and small shrubs and bushes with dirt removed from root systems; or any other material defined by law as "yard clippings".

Acceptable yard waste and lawn debris shall include so called "woody" or "hard" yard waste as long as it is properly prepared. The Contractor will not be required to pick up tree branches or logs greater than three inches (3") in diameter, longer than three feet (3') in length, tied or secured with string or twine in bundles larger than 18" inches in diameter, or weighing in excess of sixty (60) pounds.

The yard debris will be bundled as required, placed in large capacity kraft / paper bags or placed loose in cans with a "yard waste recycling" or "compost" sticker on the container, or otherwise clearly marked as "yard waste."

Brush, branches, tree trimmings, shrub clippings tied and bundled and set out for collection at other than the designated yard waste/lawn debris collection season shall be collected as part of the regular refuse collection, unless otherwise prohibited by law.

### **2.1.8 Recycling Collection**

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As part of the solid waste unit price and included as part of weekly regular curbside pick-ups, the Contractor shall separately pick up on the same day as the regularly scheduled refuse collection required by this Contract, recyclable materials set-out as per the specifications identified by CNHA.

All recyclable material shall be transported to and tipped at a recycling processing facility. A written monthly report must be supplied to CNHA and RRRASOC, or made accessible in a compatible electronic format, via email or Internet, indicating the date, time, truck number and volume of each delivery made to the facility by the Contractor on behalf of CNHA. Further, CNHA retains the right to require the use of specific reporting means at any time during the contract, without additional cost to CNHA.

**Attachment C**

**CONTRACTOR'S COMPENSATION**

1. **Form of Invoice:** The monthly invoice submitted by the Contractor must contain the following information.
  - (a) **Fee for Units Serviced:** Provide an Itemization of the total number of units serviced, the type of service provided, the unit price for that service as modified by any applicable price escalation factor as provided for in this agreement and the extension of that unit price multiplied by the number of units serviced.
  - (b) **Subtotal for Invoice:** Sum a total of any itemization in 1(a) above.
  - (c) **Deducts:** Subtract and deductions allowed for Liquidated Damages (See Section 5-K, Liquidated Damages).
  - (d) **Final Amount Due:** Sum the total of charges and deductions that is to be paid by CNHA AND/OR MEMBER HOMEOWNERS ASSOCIATIONS to the Contractor.
2. **Contractor's Proposed Rate Schedule (solid waste unit price as of August 1, 2007):**
  - (a) **Single-Family Homes: \$11.58 per month**
  - (b) **Multi-Family Homes: \$10.09 per month**
  - (c) **Multi-Family Homes without Yard Waste Collection: \$7.74 per month**