

RESOLUTION OF THE CITY COUNCIL

No. 97

Approved February 21, 2018

RESOLVED, That the Members of the Providence City Council
hereby Authorize Approval of the following Contract Award by the Board of
Contract and Supply, in accordance with Section 21-26 of the Code of Ordinances.


Waste Management of RI
(Department of Public Works)

\$15,709,900.00

IN CITY COUNCIL

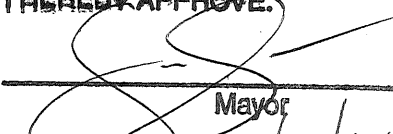
FEB 15 2018

READ AND PASSED



PRES.


CLERK

I HEREBY APPROVE.


Mayor

Date:


2/21/18

Refuse and Recycling Collection

| | 2/1/18 - 6/30/18 | 7/1/2018 - 6/30/19 | 7/1/19 - 6/30/20 | Total Contract |
|---------------------------|---------------------|-----------------------|---------------------|----------------|
| | Monthly Rates | | | |
| Refuse | 244,200 | 251,500 | 259,100 | |
| % Chg | | 2.99% | 3.02% | |
| Recycling | 230,325 | 237,200 | 244,350 | |
| | | 2.98% | 3.01% | |
| Yard Debris | 65,500 | 67,500 | 69,500 | |
| | | 3.05% | 2.96% | |
| 55000 | 540,025 | 556,200 | 572,950 | |
| | | 3.00% | 3.01% | |
| Total Cost | 2,160,100 | 6,674,400 | 6,875,400 | 15,709,900 |
| Annual Cost per Household | | 121.35 | 125.01 | |

NOTE: Tipping Fees are not included in this contract. It is a separate line item paid only to Rhode Island Resource Recovery
FY2018 Budget \$2.7M, due to increase 20% in FY2019

Miscellaneous:
\$50,000 per year for public education included
\$32,000 per year for "replacement" carts damaged during collection or beyond useful life included

Each household can leave 4 bulky items out free of charge with notification
After the 4th bulky item, there is a fee.
Vendor must be notified of all bulky items requested for pickup.

City Hall, Room 310
25 Dorrance Street
Providence, RI 02903
P: 401.421.7740, ext 577
F: 401.351.1056



Office of the Internal Auditor

January 3, 2018

Ms. Lori Hagen
City Clerk's Office
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Lori:

I am writing to request that the following requested contract award be submitted to the City Council and the Finance Committee for approval.

- **Art, Culture, & Tourism:** Approval of a payment of \$75,000 toward Firstworks' project management fee, sole source vendor in accordance with Code of Ordinance Section 21-26 2b.
- **Department of Public Works: Award to Waste Management of RI** for \$6,500,000 in accordance with Code of Ordinance Section 21-26 2a.

Sincerely,

A handwritten signature in cursive script that reads "Gina M. Costa".

Gina M. Costa
Auditor/Budget Analyst

Cc:

Al Buco, Acting Director of Public Property
Sabrina Solares-Hand, Associate Director of Purchasing
Stephanie Fortunato, Director of Art, Culture & Tourism
Michael Borg, Director of Public Works
James Lombardi, Senior Adviser to the City Council

CITY HALL • 25 DORRANCE STREET, ROOM 310 • PROVIDENCE, RHODE ISLAND 02903
Phone: (401) 521-7477 • Fax: (401) 521-3920
COUNCIL@PROVIDENCERI.COM

Michael D. Borg
Director



Jorge O. Elorza
Mayor

DEPARTMENT OF PUBLIC WORKS
"Building Pride in Providence"

DATE: December 26, 2017

Honorable Jorge O. Elorza
Chairman, Board of Contract and Supply
City Hall
Providence, RI 02903

Dear Mayor Elorza:

RE: **SOLID WASTE AND RECYCLING COLLECTION**
(Title of Item/ Service)

DATE OF BID OPENING: **OCTOBER 30, 2017**

RECOMMENDED BIDDER: **WASTE MGMT OF RI-26 PATRIOT PLACE SUTIE 300-FOXBORO, MASS 02035**

AMOUNT RECOMMENDED: **NOT TO EXCEED \$4,300,000.00 (Garbage) \$2,200,000.00 (Recycling)**

In response to our request for proposal regarding the above entitled, our Department received the following Bids; (Please list by low bidder first)

| | Name | BASE | BID AMOUNTS ALTERNATES | TOTAL |
|----|-------------------------|-----------|---------------------------|----------------|
| 1. | Waste Management of RI. | - - - - - | | \$6,500,000.00 |
| 2. | Otto Env. Specialists | | | No Bid |

(Additional sheet is ☐ is not ☒ attached)

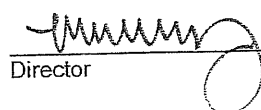
☒ On the basis of said bids, we recommend the low bidder & only bidder, as identified on LINE 1 which firm's bid has met the specifications:

MINORITY PARTICIPATION 10 %

Respectfully submitted,

Account Code **101-506-53402 (Garbage) not to exceed \$4,3000,000.00**
101-506-52350 (Recycling) not to exceed \$2,2000,000.00

Amount **Not to exceed \$6,500,000.00**


Director

26 DEC 17

Financial Approval: _____

700 Allens Avenue Providence, Rhode Island 02905
Phone 401-467-7950/Fax 401-941-2567
www.providenceri.com/dpw

Waste Management Refuse and Recycling RFP and Contract Information

1. The objective of this contract is to stabilize the cost of service for refuse and recycling hauling over the period of performance of this contract. Further, this contract seeks to reduce the number of rejected recycling loads at the Municipal Recycling Facility (MRF) and increase the City's overall recycling rate.
2. The City advertised and received two (2) bids for this service. Otto Env. Specialists submitted a no bid and Waste Management submitted a proposal.
3. City of Providence provides refuse and recycling service to approximately 55,000 households. Service is provided to single and multi-family units up to six (6) units across the City.
4. Service is provided 5 days a week for refuse and recycling, 52 weeks a year. The standard holiday schedule is in effect and tied to the dates the landfill is closed.
5. Service is curbside for 65 gallon refuse containers and 96 gallon recycling containers.
6. Yard debris is schedule for 9 months of the year, normally April to December. Holiday tree service normally runs the second and third week of January each year.
7. Service includes weekly bulky item pick-up at no charge (mattresses/box springs at a fee for curbside service). Residents call in for service and schedule a curbside pickup of those items.
8. Waste Management will provide 1-800 telephone customer service in English and Spanish to handle pickups, complaints, issues, and concerns regarding the service.
9. Waste Management will partner with the City to improve recycling rates with an objective of 20% residential recycling by 2020. Waste Hauler will provide 2 x rear loading recycling trucks daily in support of the recycling education and enforcement program. Contaminated recycling will be rejected at the curb, the cart tagged, and serviced the following week once the contamination has been corrected.
10. The period of performance for this contract is 29 months (01FEB18 thru 30JUN20) with an option to renew for one period of 5 years.
11. Waste Management will be required to install and maintain City of Providence GPS units in all vehicles that provide residential service.
12. Strongly recommend an exception to allow the residential service hauler to begin operations at 6:00 am. The current City ordinance that prohibits waste haulers operating in the City before 7:00 am. The cost to begin waste hauling at 7:00 am increases contract price by \$125,000 per month over the

life of the contract.

13. The cost of tipping into the landfill increased 20% this year (FY18) and will increase another 20% in FY19. Further increases in tip fees are possible.
14. Contract provides for \$50,000 provided for by the hauler for education and public engagement and \$32,000 for container repair and replacement for a total of \$82,000 annually.
15. Baseline fuel CNG fuel cost of \$2.72 per DGE of CNG fuel to be adjusted twice annually.

Contract Options Under Consideration (Alternate Bid Proposals)

1. Initiate an overflow bag program at a cost of \$2.00 per bag. The cost to implement the program is \$1.75 per bag. Waste Management will procure bags, distribute to local vendors and provide curbside pickup of bags. Any revenue generated as a result of this program should be used for education programs and equipment maintenance.
2. Roll-off service at \$175 per container.

Contract Options Rejected (Alternate Bid Proposal)

1. Pick-up of all mattresses at no cost to residents at \$24,000 per month and increasing over the life of the contract.
2. Assumption of cart repair, replacement, and delivery throughout the City at a cost of \$12,500 monthly.
3. Assumption of rejected load costs at \$63,000 monthly.

Refuse and Recycling Contract Proposal Costs

1. Year by Year Comparison

| | | | | | |
|------|--------------------|-------------|------------|-------------|-------------------|
| FY17 | Refuse & Recycling | \$6,467,840 | (Actual) | \$6,785,336 | (Budget) |
| FY18 | Refuse & Recycling | \$6,463,663 | (Forecast) | \$6,500,000 | (Budget) |
| FY19 | Refuse & Recycling | \$6,471,000 | (WM Bid) | \$6,500,000 | (Budget Forecast) |
| FY20 | Refuse & Recycling | \$6,667,000 | (WM Bid) | \$6,667,000 | (Budget Forecast) |

Savings of Increase by FY as compared to FY17

FY 18 (-)\$4,177

FY19 (+)3,160

FY20(+)199,160

Overall increase of \$198,593 over the life of the contract.

2. Year by Year Comparison with Refuse Processing Included

| <u>FY17</u> | <u>BUDGET</u> | <u>ACTUAL</u> | <u>NOTES</u> |
|--------------------|------------------|------------------|---|
| Refuse & Recycling | \$6,785,336 | \$6,476,840 | (-) \$317,796 |
| Refuse Processing | \$2,200,000 | \$2,437,040 | (+) \$237,040 Recycling Rate 9% |
| | | | |
| <u>FY18</u> | <u>BUDGET(F)</u> | <u>PROJECTED</u> | <u>NOTES</u> |
| Refuse & Recycling | \$6,500,000 | \$6,463,663 | (-) \$36,337 |
| Refuse Processing | \$2,700,000 | \$2,476,480 | (-) \$223,520 Based on 6 months (FY18) Recycling Rate Obj. 11% 20% increase in Tip Fee |
| | | Total FY Savings | \$259,857 |

| <u>FY19</u> | <u>BUDGET(F)</u> | <u>PROJECTED</u> | <u>NOTES</u> |
|--------------------|------------------|------------------|---|
| Refuse & Recycling | \$6,500,000 | \$6,471,000 | (-) \$29,000 |
| Refuse Processing | \$3,240,000 | \$2,851,000 | (-) \$389,000 Recycling Rate Obj. 15% 20% increase in Tip Fee |
| | | Total FY Savings | \$418,000 |

| <u>FY20</u> | <u>BUDGET(F)</u> | <u>PROJECTED</u> | <u>NOTES</u> |
|--------------------|------------------|------------------|--|
| Refuse & Recycling | \$6,667,000 | \$6,667,000 | |
| Refuse Processing | \$2,900,000 | \$2,462,000 | (-) \$438,000 Tip Fee Increase ??? Recycling Rate Obj. 20% |
| | | Total FY Savings | \$438,000 |

3. Total potential savings \$1,115,857 in Refuse Processing.

1. AGREEMENT FOR RESIDENTIAL SOLID WASTE COLLECTION AND RECYCLABLES COLLECTION

THIS AGREEMENT made and entered into this _____ day of _____, 2018, by and between the City of Providence (herein called "City"), a body corporate and politic of the State of Rhode Island, whose address is 25 Dorrance Street, Providence, Rhode Island 02903, and _____ (herein called "Contractor"), a _____, whose address is _____.

WITNESSETH:

WHEREAS, the City is seeking the services of a qualified contractor to provide solid waste and recycling collection and disposal services in the City of Providence; and,

WHEREAS, the City contracts for these services on behalf of its residents and generally pays for said services out of the City's General Fund monies; and,

WHEREAS, a Request for Proposals was advertised by the City and Waste Management submitted a proposal, which proposal was accepted by the City; and,

WHEREAS, the City and Waste Management, have agreed to the following terms and conditions of this non-exclusive solid waste collection and disposal Agreement;

NOW THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, it is agreed as follows:

ARTICLE I. DEFINITIONS.

For purposes of this Agreement, the following terms and phrases are defined as follows:

1. DIRECTOR means the Director of Public Works or the Director's designee.
2. ADMINISTRATION means the Administration of the City of Providence Mayor's Office.
3. AGREEMENT means this document and all attachments, appendices and exhibits thereto including, but not limited to the request for proposal.

4. BULK LIQUID is any liquid waste greater than five (5) gallons in volume.
5. BULKY WASTE means any large waste item including but not limited to stoves, refrigerators, air conditioning units, water heaters, washing machines, dryers, beds, sofas, and furniture.
6. COMMERCIAL SOLID WASTE shall have the definition given by the State of Rhode Island, as amended.
7. COUNCIL means the City of Providence City Council.
8. CONSTRUCTION & DEMOLITION WASTE (C&D) shall have the definition given by the State of Rhode Island, as amended.
9. CUSTOMER means the owner, lessee, or occupant lessee of a residential unit.
10. DWELLING, MULTI-FAMILY - A dwelling unit in a structure containing up to six (6) dwelling units sharing common horizontal floors/ceilings, but not including hotels, motels, inns, and/or timeshare units.
11. DWELLING, SINGLE FAMILY. A dwelling unit containing one (1) dwelling unit not including hotels, inns, and/or timeshare units.
12. HAZARDOUS WASTE means any waste designated as hazardous by the United State Environmental Protection Agency in 40 CFR, Part 261, or by the Rhode Island Department of Environmental Management (RIDEM), including but not limited to RCRA hazardous waste, petroleum products, radioactive materials, asbestos, PCB transformers, petroleum product storage tanks, or any flammable materials.
13. HOLIDAYS. The holidays observed by the solid waste Contract shall be the same as the holidays observed by the Rhode Island Resource Recovery (RIRRC) landfill employees which are New Year's Day, Martin Luther King Jr. Day, Memorial Day, Independence Day, Victory Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and Christmas Day. Observing the holiday means that collection is delayed by a day of service but not eliminated. The Contractor shall observe no additional holidays.
- 14.

15. HOTEL, MOTEL OR INN - An establishment containing sleeping rooms for the temporary occupancy of guests. Accessory facilities may include a lobby, meeting rooms, recreation facilities, group dining facilities and/or other facilities or activities customarily associated with hotels, but not including lock-outs or dwelling units, some or all of which have a separate entrance leading directly from the outside of the building with garage or parking space located on the lot and designed, used, or intended wholly or in part for the accommodation of automobile transients. Motel includes motor courts, motor lodges and tourist courts, but not mobile home parks or travel trailer parks.
16. INCOMPLETE COLLECTIONS Service deficiencies including, but not limited to, missed or partial collections, failure to provide residents with written notification regarding refused collections, uncorrected littering or spillage caused by the Contractor, containers not properly returned to the original set out location.
17. LOCAL MANAGER - A local, authorized managing agent for the Contractor upon whom all notices may be served from the City of Providence. This person shall be named at least fifteen (15) days after the start-up of this Contract.
18. NON-PROCESSIBLE WASTE means goods and materials which are not residential waste and/or are prohibited by the disposal facility. The Contractor has an obligation to notify their customers not to place these materials in their waste containers and, if these materials are observed by the Contractor, to remove them from the containers and notify customers of the violation. Non-processible waste items include the following:
- a. Hazardous waste of any kind.
 - b. Any material that when incinerated clearly conducts electricity.
 - c. Explosives.
 - d. Medical or pathological wastes.
 - e. Animal or human body parts or remains.
 - f. Liquids.

- g. Construction debris of un-processible proportions. (No materials that will not fit in the City provided waste cart)
- h. Large metal objects of any kind. (No metal objects that will not fit in the City provided waste cart).
- i. Large sealed containers of any kind.
- j. Motor vehicles or related parts.
- k. Any items that will not fit in the City provided waste cart
- l. Wood with a cross section over nine inches or five feet in length, and not fitting a residential container.
- m. Any material that is on fire, (i.e., a "Hot Load")
- n. Ashes.
- o. Recyclables collected for the purpose of reuse.
- p. Any material not acceptable at the disposal facility.

19. PROHIBITED WASTE means any waste designated by the City or by applicable rules and regulations of the RIDEM as prohibited from disposal in a Class I landfill, including but not limited to petroleum products, asbestos containing materials, PCB containing materials, bulk liquids, and bulky waste.

20. PUBLIC FACILITIES means sites that are either publicly owned by the City or managed by the City such as public buildings, collection sites or other locations needing solid waste service owned or managed by the City.

21. RECYCLABLES means materials which the parties agree shall be collected by Contractor for the purpose for recycling or reuse, including but not limited to aluminum beverage containers, tin cans/bi-metallic cans, commingled plastic beverage containers (including

PET/HDPE), newsprint, magazines, white paper, corrugated cardboard, and telephone books. The City understands there are fluctuations in the recyclables market that may affect the ability to market the above materials.

22. RECYCLING COLLECTOR means any person or entity that the City authorizes or contracts with for collection and/or processing of Recyclables.
23. RECYCLING CONTAINER - An approved container as defined later herein, which will contain approved and accepted recyclable materials.
24. SERVICE AREA means all areas within the boundaries of the City of Providence, RI.
25. SOLID WASTE means all putrescible and non-putrescible solid and semi-solid, including garbage, trash refuse, packaging materials, paper rubbish, and industrial wastes. However, for purposes of this Agreement, the term solid waste does not apply to commercial wastes, construction and demolition wastes, liquid wastes, abandoned vehicles and parts thereof, discarded residential and industrial appliances, manure and animal solid and solid wastes, hazardous waste, recyclable materials designated for separate collection under this or another Agreement, and de-watered, treated or chemically fixed sewage sludge.
26. TIMESHARE DEVELOPMENT - An enterprise that has as its primary purpose the offering of a timeshare interest. "Timeshare interest" means a right to occupy accommodations during three or more separate time periods over a period of at least three years, including renewal options, whether or not coupled with an estate in land, and including what is commonly known as a "timeshare estate," which is a small undivided fractional fee interest in real property by which the purchaser does not receive any right to use accommodations except as provided by contract, declaration, or other instrument defining a legal right.
27. TRASH CONTAINER - An approved container as defined later herein, which may contain either garbage or yard waste.
28. YARD WASTE means compostable waste from landscaping operations, including but not limited to tree trimmings, grass cuttings, dead plants, weeds, and leaves.

ARTICLE 2. SERVICES AND OPERATIONS

- 2.1 GENERAL SERVICES. The Contractor shall offer and provide collection and disposal services

for solid waste and recyclables generated by Single family and Multi-family Residential Units with up to six (6) units, as well as designated Public Facilities within the Service Area. Appendix A, Contractor's Proposal, is incorporated herein by this reference as though fully set forth herein and shall be deemed binding provisions hereunder.

Contractor has no right or duty under the terms of the Agreement to collect or dispose of any hazardous waste or prohibited waste. The collection of solid waste and recyclable materials by the Contractor shall be provided at least once per week for each Residential Unit. Collection shall occur at the residential curbside adjacent to the roadway or from some other such suitable designated location. All disposal of solid waste shall be at the RIRRC landfill in Johnston, RI.

2.2 PLAN OF OPERATION. The Contractor shall provide the Director of Public Works with a plan of operation for the collection of residential solid wastes at least 10 days prior to the start of collection under this contract. The plan shall provide the following detailed information:

- 2.2.1 A map depicting the collection routes for each collection day for both waste collection and for residential recycling. The maps shall show the starting and ending point and direction of routing for each service area.
- 2.2.2 Information identifying the size, type, number and capacity of each truck used on the routes.
- 2.2.3 The approximate number of drive-bys or collection points for each route and drop-site.
- 2.2.4 The procedure for responding to complaints for missed service or delayed service and the means of notifying the City in the event of missed service.
- 2.2.5 The number of spare vehicles and personnel available to either replace or supplement standard service in the event of major surges in waste volume.
- 2.2.6 The procedures of responding to service requests in inclement weather and the standards for determining when services must be delayed based on inclement weather event.

2.3 COMPLIANCE WITH LAWS. In performing the services under this Agreement, Contractor shall comply with all federal, state and local laws, regulations and ordinances applicable to the collection, hauling and disposal of solid waste.

- 2.4 VOLUME OF COLLECTION. Contractor shall collect all solid waste and recyclables properly containerized and placed for collection at the proper time and in the proper location. If the Customer places out for collection a volume of solid waste in excess of the level of service contracted for by either the City or the Customer, or places waste outside the container provided by Contractor, the Contractor shall not be responsible to collect said solid waste, less adoption of an overflow bag program by the City for refuse.
- 2.5 QUANTITIES. The City estimates that there are approximately 55,000 approved residential collection locations, as herein defined, for the collection of solid waste and recyclable materials. The actual number of collections made in any week may be more or less.
- 2.6 SPECIAL COLLECTION. At locations and at a frequency designated by the City, the Contractor shall provide special collection, including but not limited to holiday tree pickup and disposal services, yard waste collection, and bulky item pick up.
- 2.7 DAYS AND HOURS OF COLLECTION. Contractor shall schedule collection activities so that the last delivery to the landfill shall occur no later than thirty (30) minutes prior to the scheduled daily closure of the landfill. If Contractor misses a scheduled collection day for any area within the Service Area because of a holiday or because of any other reason, Contractor shall provide collection service to the missed area on the day before or after. If Contractor misses regularly scheduled collection at a specific Residential Unit where no fault can be found on the part of the residential owner and any person complains to the Contractor or City no later than 12:00 noon on the following day, the Contractor shall collect said solid waste within twenty-four (24) hours of said complaint at no additional charge.
- 2.8 TIMES OF RESIDENTIAL COLLECTION. Contractor's residential collection services shall be provided between the hours of 6:00 a.m. and 5:00 p.m. during weekdays (Monday through Friday, holidays excepted), unless otherwise authorized by the City to provide collection Services at other times or days.

- 2.9 HOLIDAY SCHEDULE. Holidays shall be the same as the holidays observed by the City employees which are: New Year's Day, Martin Luther King Jr. Day, Presidents Day, Memorial Day, Independence Day, Victory Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day. Residences scheduled for waste collection on these days shall have collections on the following day unless a different schedule is agreed to in advance by the City.
- 2.10 ROUTES AND SCHEDULES. Contractor shall provide the Director with route maps, schedules of collection routes and customer lists, and keep such information current at all times. Contractor shall seek the approval of all route changes from the Director and then notify all affected customers of any change in routes or schedules at least one week before said change becomes effective.
- 2.11 CUSTOMER CONTACT AND EMERGENCY RESPONSE. During normal business hours (8:00 a.m. to 5:00 p.m. Monday through Friday, holidays excepted), Contractor shall maintain a manned office with a telephone (listed in the telephone directory in its name) for receipt of customer calls. During all other hours, Contractor may use a telephone answering service or device for customer calls and shall respond to all calls within 24 hours of receipt. Contractor shall always provide the Director with a current telephone number that can be used by the City on a twenty-four hour basis to contact the Contractor, its management or someone authorized to act on its behalf. Customer complaints that are not resolved by close of business the day following receipt may be submitted to the Director or the Director's designee for resolution. The Director or designee shall have the power to order collection or to take any other action that may be necessary to equitably resolve differences between the Contractor and residents notwithstanding any other terms of this Agreement to the contrary.
- 2.12 HIRING OF PERSONNEL. Contractor shall exercise sole authority over the selection and hiring of its personnel.
- 2.13 CONDUCT OF PERSONNEL. Contractor shall require its employees and agents to be courteous, to work as quietly as possible, to avoid use of profane language, to leave containers where originally found in an upright position, to use only regular pedestrian walkways or driveways while on private property, and to avoid trespassing, loitering or meddling with

property or events that do not concern them. Drivers of Contractor's trucks or vehicles shall carry a valid driver's license appropriate for the type of vehicle. Drivers will not co-mingle commercial trash with any residential trash.

- 2.14 SOLID WASTE AND RECYCLING FACILITY. Contractor shall transport all solid waste collected from Residential Units to the RIRRC landfill. Recyclables shall be transported to the Municipal Recycling Facility (MRF).
- 2.15 COLLECTION EQUIPMENT. The City shall own all garbage containers used for collection of garbage and the Contractor shall be responsible for all other equipment used for the collection and transportation of solid waste, recyclable materials, yard waste, and bulky items including but not limited to all automated containers and all collection vehicles. The Contractor will service designated City owned containers. Contractor shall maintain each truck and appurtenant machinery, any vehicles and containers used or supplied by it in good mechanical condition and in compliance with all applicable federal, state and local laws, regulations and ordinances, including without limitation, all minimum state standards. Contractor shall keep all trucks and any other equipment thoroughly cleaned. Contractor shall also replace any container damaged while being serviced by the Contractor. The Company name and telephone number of Contractor shall be displayed on both sides of the truck and shall be legible and visible. In June of each calendar year, Contractor shall provide the Director with vehicle inspection reports for each truck or vehicle used by it in the Service Area at any time during that year. Contractor shall be responsible for having his collection personnel pick up loose litter around residential waste containers and clean up any leaks from a properly loaded container. A properly loaded container is waist level full with a closed lid.
- 2.16 VEHICLE REQUIREMENTS. The Contractor must supply the City with specific information regarding the number and type of all trucks that will be used during the performance of the contract period. If such equipment is presently owned or leased, the Contractor shall provide detailed inventories including photographs of their equipment including all accessories by type, model, year of manufacture, and anticipated remaining useful life as of the date of the inventory sheet. All leased equipment shall be listed separately; the time remaining on each leased machine and options for renewal, where applicable shall be stated. All new equipment needed to accomplish this contract shall be available prior to the commencement of operations for this contract. At the beginning of the contract period, no collection vehicle exceeding 26,000

+ lbs GVW can be older than five (5) years of age.

2.17 CONTAINERS. The City shall provide sufficient containers for residential solid waste and recycling collection (65 and 96-gallon containers respectively). The City shall be responsible for the purchase of all containers which will remain the property of the City. The City and Contractor shall keep records of requests for new containers. Residents may have no more than two (2) containers for waste per household. Contractor shall repair and maintain all containers. Containers damaged by the Contractor in the course of their operations shall be replaced to the Contractor without charge to the City or customer. It is further agreed that all residential garbage and recycling containers provided to the City residents are the property of the City.

2.18 CONTAINER LOCATION. All approved garbage containers shall be placed within two feet of the blacktop or on the sidewalk, if present, or at a location that is readily accessible to Contractor and its equipment. All reusable containers, after being emptied by the Contractor, shall be returned without damage to the place from which they were removed.

2.19 DAMAGED, LOST OR STOLEN CONTAINERS. In the event a residential container is damaged (as opposed to worn out by reasonable wear and tear), is lost, or is stolen, the Customer shall pay the City \$75 for a replacement container.

2.20 REPORTING REQUIREMENTS. At its expense, the Contractor shall provide the Director with written collection reports and/or data of a type and in a form prescribed by the Department of Public Works, refuse and disposal data and recycling collection data on a monthly basis. This data must include, but is not limited to the following: tonnage and volume of solid waste and recyclables, rejected loads, driver diverted loads, frequency of pickup, missed pickups, customer complaints. The City may request any other relevant data the City may find necessary in its solid waste and recycling management program, including but not limited to the volume of waste and recycling disposed of.

2.21 INSPECTION. At any reasonable time requested, the Contractor shall make available, and the City shall have the right to inspect, all equipment, trucks, vehicles and containers used by Contractor in the Service Area.

2.22 NUISANCE. Contractor shall do all work in such a manner as not to create a nuisance

through early start or spillage from vehicles. Trucks providing service before 6:00 a.m. are considered to be a nuisance. Municipal waste spilled or scattered on sidewalks, gutters, or roadways during collection shall be immediately cleaned up by the Contractor.

2.23 SCHEDULE CHANGE NOTIFICATION. Notification to residential Customers of any agreed upon schedule change shall be the responsibility of the Contractor. That notice shall be given in writing at least five (5) business days in advance of the schedule change. If the schedule change is done on an emergency basis, then notice of the changed schedule should be through the Providence Journal, the City's web site, all viable social media outlets, the Contractor's website and in a recording on the Contractor's phone line dedicated for public communications.

ARTICLE 3. TERM OF AGREEMENT AND REMEDIES FOR BREACH

4.1 TERM OF AGREEMENT. The term of this Agreement shall be for a period of twenty-nine (29) months commencing on February 1, 2018 and terminating on June 30, 2020. The City may at its discretion, with the consent of the Contractor, grant up to one (1) extension of this Agreement, provided that such extension shall be noticed to the Contractor not less than six (6) months prior to the regular expiration date of this Agreement. This extension may be, but cannot exceed five (5) years.

4.2 TERMINATION UPON DEFAULT. If the Contractor is in material default or breach of any terms or conditions of this Agreement, the City, at its option, may immediately terminate this Agreement with written notice to Contractor, provided, however, that the City must first give Contractor written notice of such default or breach, specifying the particulars thereof, and the City may not terminate this Agreement on the grounds of said breach or default if said default or breach is cured within ten (10) days after such notice or, if the nature of the breach or default is such that more than ten days are required for its cure, then the City may not terminate this Agreement if Contractor shall commence such cure within such ten day period and thereafter diligently prosecute the same to completion. The provisions herein to allow cure of default shall not apply to material breaches under paragraphs 4.3.3, 4.3.4, or 4.3.5.

4.3 CIRCUMSTANCES THAT CONSTITUTE MATERIAL BREACH. Without limitation, the following acts by the Contractor shall each constitute a material breach of this Agreement for purposes of termination under Paragraph 4.2:

- 4.3.1 Material default or breach of any terms or conditions of this Agreement;
- 4.3.2 Failure to submit to the City within thirty days after it is due any of the information requested by the City or required to be submitted by this Agreement;
- 4.3.3 Submission to the City of any intentionally inaccurate information or financial data or information that is not prepared in accordance with the terms and conditions of this Agreement;
- 4.3.4 Commitment of the following crimes by the Contractor or any of their Administrators, officers or employees, the conduct of which relates directly or indirectly to the Agreement or performance thereunder: bribery, forgery, price fixing, bid rigging, fraud, obstruction of justice, extortion, racketeering, antitrust violations or the intentional disposal of hazardous or solid waste or recyclables.
- 4.3.5 Conduct that results in more than five percent of the total number of Customers in the Service Area making complaints in one calendar year, such complaints being unresolved by Contractor and documented by the Director.

REMEDIES UPON DEFAULT. If either the Contractor or the City breaches any of the terms of this Agreement, the other party shall be entitled to recover its damages, whether or not the default has been cured under Paragraph 4.2 above. In the event Contractor is in default or breach of any of the terms or conditions of this Agreement, the City may also declare the amount of the Contractor's performance bond or letter or credit forfeited to the extent necessary to remedy or cure said breach or default, including without limitation to pay the cost or expense to the City of obtaining replacement service, whether temporary or permanent. The amount of said bond or letter of credit in no way limits the Contractor's liability for damages. Any action for recovery of damages or compensation herein shall be subject to arbitration, as set forth in Paragraph 4.7 hereof.

The City agrees and acknowledges that the rights conferred to the City pursuant to the Agreement are intended to constitute a license right (and not a security interest or lien) and that title to the Licensed Property (as defined below) shall at all times be and remain with the Contractor. The City further acknowledges that in accordance with the terms and conditions of the Credit Agreement (as defined below), the Contractor has granted a perfected, first priority security interest in certain of their respective assets (including, without limitation, the Licensed Property)

for the benefit of the secured parties under the security documents applicable thereto. The City agrees and acknowledges that the security interest of such secured parties in, to and under the Licensed Property is prior to the City's license rights granted hereunder and that the City's license rights in the License Property shall automatically and irrevocably terminate immediately upon the exercise of such secured parties of their rights to foreclose on the License Property in accordance with the terms of the Credit Agreement and related security documents. Under no circumstance, will the City file any financing statements or similar instrument relating to any of the Licensed Property.

As used herein, the term "Credit Agreement" means the Credit Agreement dated as of _____, from _____, the lenders party thereto and, among other _____, as administrative agent, as such agreement may be amended, amended and restated, supplemented or otherwise modified from time to time.

4.5 FORCE MAJEURE.

4.5.1 EMERGENCIES. Collections shall be made regardless of weather or other conditions that would impede collections such as snow, flood, riot or other disaster unless authorization to suspend collections is obtained from the Director or their designee to suspend service. This authorization may be verbal so long as it is confirmed in writing within one business day of the emergency.

4.5.2 WORK STOPPAGE. A work stoppage by the Contractor's work force shall not be grounds for the Contractor to terminate this Agreement. The Contractor shall still be required to complete its obligation under this Agreement, even if it is affected by a strike, job action or other disruptive labor activity. However, the City shall not impose any penalty nor bring any action against the Contractor to perform the conditions of this Agreement for the first twenty-four hours of any strike or job action should such a strike or job action prevent the collection of municipal waste by the Contractor during this initial twenty-four (24) hour period. All other rights and options available to the City under this Agreement shall remain unaltered by this paragraph.

4.6 NON WAIVER. The waiver by the City or failure by it to enforce any provision of this Agreement shall not be construed as continuing waiver as to future enforcement of any such provision or any other provision.

4.7 DISPUTE RESOLUTION. Any dispute arising from this Agreement:

4.7.1 Shall attempt to be settled by the parties within 15 days of written notice of the dispute;

4.7.2 If no settlement is reached, the parties agree to submit the dispute to mediation through a third-party neutral mediator or provider, which mediation session will take place within 30 days from the notification date.

4.7.3 If settlement is not reached within 10 days after the mediation session, the parties agree to submit the dispute to binding arbitration in accordance with the State of Rhode Island governing regulations and/or policies, which arbitration hearing will take place no later than 60 days from the notification date. Costs of mediation will be split equally between the parties. If the case is settled through binding arbitration, the parties shall split equally the cost of the arbitration unless otherwise ordered by the arbitrator and judgment upon award rendered by the arbitrator may be entered in any court of competent jurisdiction.

ARTICLE 5. INDEMNIFICATION, INSURANCE AND ASSURANCE OF PERFORMANCE

5.1 INDEMNIFICATION. Contractor agrees to indemnify, defend and hold harmless the City, its officers, agents, servants and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, liabilities and attorney fees or whatsoever nature, resulting from or in any way connected with any willful or negligent act, whether active or passive, or any omission to act by the Contractor or any of its owners, administrators, officers, agents, servants, employees or subcontractor, which such act or omission to act occurred with respect to, or is in any way related to, directly or indirectly, this Agreement, or the performance or failure to perform thereunder, including without limitation the failure to collect and/or legally dispose of solid waste. Contractor agrees to indemnify the above persons or entities whether or not the City, or any of its supervisors, officers, agents, servants or employees are in any way at fault, whether by active or passive negligence, or are liable by way of strict liability or by way of omission to act. Said indemnification shall also cover, without limitation, any claim by any owner, administrator, officer, employee, servant, agent or subcontractor of Contractor.

5.2 INSURANCE. Throughout the term of this Agreement and any extensions thereof, Contractor, at its expense, shall maintain in full force and effect general liability and property damage

insurance and worker's compensation insurance and shall supply certificates of insurance to the Director for approval as to form and content. The general liability insurance policy shall include at least \$1,000,000 of coverage for injury to persons, including the general public, and \$1,000,000 of coverage for injury to property resulting from any negligent act or failure to act by Contractor or any of its owners, administrators, officers, employees, servants or agents. Said general liability insurance policy shall also show the City as an additional insured. All insurance shall be in effect for the term of this Agreement, Contractor shall not permit said insurance policies to be canceled without providing the Director thirty (30) days advance written notice and without first obtaining replacement insurance satisfactory to the Director of Public Works.

5.3 ASSURANCES OF PERFORMANCE. Throughout the term of this Agreement, Contractor, at its expense, shall maintain for City's benefit a performance bond or letter of credit, in a form approved by the City Solicitor, in an amount equal to one year's cost of service for refuse and recycling collection to assure performance of Contractor's obligations under this Agreement. Contractor shall supply the bond or letter of credit to Director for approval as to form and content. Said bond or letter of credit shall provide for arbitration of claims consistent with Paragraph 4.7 hereof. Said bond or letter of credit shall be issued by a duly authorized corporate surety or bank, as the case may be, authorized to do business in the State of Rhode Island. Throughout the term of this Agreement, Contractor shall not permit said bond or letter of credit to be canceled or modified or to expire without providing the Director thirty (30) days advanced written notice and without first obtaining a replacement bond or letter of credit satisfactory to the Director.

ARTICLE 6. MISCELLANEOUS PROVISIONS

6.1 ASSIGNMENT, SUBCONTRACTS, CHANGE OF OWNERSHIP. None of Contractor's obligations, rights, privileges, or duties under this Agreement may be assigned, sold, leased, subcontracted or transferred, either in whole or in part, without the prior written consent of the City. Contractor shall promptly notify the Director in writing in advance of any proposed assignment, sale, lease, subcontract or transfer. In the event that the City approves of any assignment, sale, lease, subcontract, or transfer, said approval shall not relieve Contractor of any of its obligations or duties under this Agreement, unless this Agreement is modified in writing to that effect. Contractor shall also notify the Director of any change in control and/or ownership of Contractor. While a change in ownership or control is not a breach of this Agreement, upon any such change the City, at its option, may terminate this Agreement by giving Contractor at least

thirty (30) days written notice. For purposes of this Agreement, change of ownership or control is presumed to include, without limitation, the sale or transfer of at least 30 percent of Contractor's assets or at least 30 percent of Contractor's voting stock to an entity unaffiliated with Contractor. In the event Contractor owns, leases or purchases any such solid waste disposal facility, the Contractor shall immediately notify Director in writing.

6.2 COMPLETE AGREEMENT. This Agreement, with its attachments, appendices, and exhibits, constitutes the entire agreement between the Contractor and the City. No prior oral or written understandings or agreements between the parties with respect to the subject matter of this Agreement are incorporated herein and any such understandings or agreements are entirely superseded by this Agreement.

6.3 INDEPENDENT CONTRACTOR. It is agreed that Contractor is and shall at all times be an independent contractor of, and not an agent of, the City.

6.4 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island.

6.5 NONDISCRIMINATION. In the performance of this Agreement, Contractor shall abide by all applicable federal, state and local laws, regulations or ordinances pertaining to discrimination and shall not discriminate against any person, customer, servant or employee on account of race, sex, age, creed, color, religion or national origin.

6.6 CORPORATE AUTHORITY. Contractor shall submit to Director documentation sufficient to establish that the person acting on its behalf by signing this Agreement, or any amendments thereto, is authorized to do so.

6.7 CONFORMANCE TO REQUEST FOR PROPOSALS. Contractor agrees to furnish all services in conformity with all specifications and representations in the document entitled "REQUEST FOR PROPOSAL FOR REFUSE AND RECYCLABLES COLLECTION AND MARKETING OF RECYCLABLES " (hereinafter referred to as the RFP) and the Contractor's Response to RFP ("Contractor's Proposal"), including all attachments thereto, which is styled hereto as Appendix A. The City has also attached a document entitled Responses to Bidder's Questions. All of the foregoing are incorporated herein by this reference as though set forth at length herein. Where there is a conflict between the Appendix and this Agreement, this Agreement

shall control.

6.8 OWNERSHIP. Contractor agrees that all customer lists and information, as well as all other materials generated by Contractor to perform this Agreement, shall be the property of the City and may be used as the City sees fit.

6.9 TITLE TO WASTE. Title to all residential solid waste that Contractor has agreed to collect shall be with the City when (a) placed in the Contractor's collection vehicle, (b) removed by Contractor from a container, or (c) removed by the Contractor from the Residential Unit, whichever last occurs. Contractor shall use its best efforts to recover any item which a customer may have inadvertently or unintentionally deposited in a container, and if located, shall relinquish possession and title to such customer. Notwithstanding anything in this Agreement to the contrary, title and liability for any hazardous waste or prohibited waste shall remain with the Customer and shall not pass to the Contractor.

6.10 NOTICES. All notices or correspondence under this Agreement shall be given to the following addresses and shall be deemed delivered on the date of actual delivery or on the second business day after the date of mailing.

To the City:

Director of Public Works, 700 Allens Ave, Providence, RI 02905 401-680-7512
mborg@providenceri.gov.

To the Contractor:

6.11 ANNUAL AUDIT. At least once a year, the City shall verify the assumed housing unit count residential waste and recycling hauling service based on the most recent data provided by the City Assessor and new approved development provided by the Building Official. After an audit the City, it may adjust the number of residential units serviced and or the container volume provided for multifamily units.

6.12 DEDUCTIONS FROM PAYMENTS BY CITY. For each and every documented instance of non-performance of the Agreement, the sums designated shall be deducted from the payment of any invoice.

- 6.12.1 Failure to clean-up waste or recycling spills \$100 offense
- 6.12.2 Failure to resolve collection complaint within 24 hours \$100 offense
- 6.12.3 Failure to take disciplinary action against any employee due to any of the following substantiated offenses: use of loud, profane, vulgar or obscene language; soliciting gratuities for public services; refusal to collect or handle refuse as herein required; wanton or malicious damage of containers or receptacles; wanton or malicious scattering or spilling of refuse; any other willful disregard of safety or sanitary requirements or any act constituting a public nuisance or disorderly conduct; hauling of commercial waste at the expense of the City \$1000/offense
- 6.12.4 Changing day of collection without notice to City and public \$1000/offense per collection route
- 6.12.5 Starting route collection before 6 a.m. unless approved by City \$500/offense per route
 - 6.12.6 Intoxication on the job \$1000/offense
 - 6.12.7 Failure to collect all waste on the day of collection unless prior approval by City \$1000/offense
 - 6.12.8 Comingling of refuse and recyclable materials \$2500/offense

Section 15 | Pricing proposal

i. Curbside Residential Collection Services

| Service Type: Refuse | Approximate Number of Residential Customers | Monthly Cost of Service 01FEB18 - 30JUN18 | Monthly Cost of Service 01JUL18 - 30JUN19 | Monthly Cost of Service 01JUL19 - 30JUN20 | Total Cost of Service |
|--|--|--|--|--|--------------------------|
| 65-gallon Refuse Container (includes authorized second containers) | 55,000 | \$244,200.00 | \$251,500.00 | \$259,100.00 | \$7,348,200.00 |

Prices above include appointment based collection of bulky waste (excluding mattresses).

ii. Curbside Residential Recycling Collection Services

| Service Type: Recycling | Approximate Number of Residential Customers | Monthly Cost of Service 01FEB18 - 30JUN18 | Monthly Cost of Service 01JUL18 - 30JUN19 | Monthly Cost of Service 01JUL19 - 30JUN20 | Total Cost of Service |
|----------------------------------|--|--|--|--|--------------------------|
| 96-gallon Refuse Container | 55,000 | \$230,325.00 | \$237,200.00 | \$244,350.00 | \$6,930,225.00 |

- Prices above include an allocation of \$50,000.00 per year to be used for various public education measures to supplement the City information and education program.
- Prices above include providing up to \$32,000.00 per year for “replacement” carts for any carts damaged during collection or beyond their useful life.
- Prices above do not include assumption of any charges related to “rejected” recycling loads. Monthly rate would increase by \$63,000.00 if we are responsible for payment of rejected recycling loads. See add alternate for pricing to reach 20% diversion goal.



iii. Curbside Yard Debris and Holiday Tree Collection

| Service Type: Yard Debris | Approximate Number of Residential Customers | Monthly Cost of Service APR18-JUN18 | Monthly Cost of Service JUL18-DEC18 APR19-JUN19 | Monthly Cost of Service JUL19-DEC19 APR20-JUN20 | Total Cost of Service |
|---|--|---|--|--|--------------------------|
| Resident provided marked container or large brown paper bags, includes three weeks of Holiday Tree collection service | 55,000 | \$65,500.00 | \$67,500.00 | \$69,500.00 | \$1,429,500.00 |

- Total cost of service based on 21 months of collection.
- Monthly amount will be prorated on any partial months such as the January Holiday Tree collection by dividing cost by 21.66 days and multiplying by actual collection days for the partial month.

iv. On-Call Mattress Collection Service

| Service Type: On-Call Mattress Collection | Approximate Number of Mattresses | Monthly Cost of Service 01FEB18 - 30JUN18 | Monthly Cost of Service 01JUL18 - 30JUN19 | Monthly Cost of Service 01JUL19 - 30JUN19 | Total Cost of Service |
|---|--|--|--|--|--------------------------|
| Various mattress and box spring sizes within the City | 10,000 | \$24,000.00 | \$24,900.00 | \$25,600.00 | \$726,000.00 |

- All mattresses must be curbside on public property. City must notify us of location and collection will be on normal trash collection day. No clean and liens or collection on resident's property.
- Quantity cannot exceed 15,000 per year. Fifty percent must be suitable for recycling with the City's recycling vendor and the remaining can be landfilled provided RIRRC will accept at a charge not to exceed \$250 per ton. Disposal fee is included in lump sum above.
- Lump sum above does not include mattresses that are called in and paid for by residents. A fee of \$23.50 per mattress will apply.

Section 16 | Clarification of pricing and alternate pricing proposals

To help the City achieve its goal of 20 percent diversion by 2020, Waste Management is pleased to provide the following alternate pricing proposals as requested by the City. In addition, we have provided further clarification on the pricing provide in Section 15 of this proposal.

1. The price to provide every other week recycling collection service shall be \$191,475.00 per month.
2. The base recycling price includes the operation of two rear load trucks with helpers on a daily basis who will inspect and reject contaminated recycling carts in collaboration with City inspectors. We will charge \$90,000.00 per year for each additional rear load truck with helper deployed to accelerate the inspection and rejection of contaminated recycling carts. See Section 1 for suggested intervals for the addition of these inspection routes.
3. The base pricing does not provide for our trash vehicles going back to empty recycling carts that have been rejected for contamination. A fee of \$7.50 per household will be charged if the City directs us to perform this service.
4. The price to provide delivery, exchange, and repair of City-owned carts will be \$12,500.00 per month. This includes parts (wheels, lids, and axels) and labor, but does not include the purchase of any new carts needed to replace carts lost, stolen, or that are beyond their useful life.
5. The price to provide an overflow bag program will be \$1.75 per bag. This includes the procurement of the bags, distribution to local stores, and curbside collection of the bags. The City can set the retail bag price to recover the associated disposal expense and administrative costs.
6. All base and alternate prices are predicated on a collection start time of 6 a.m. If the 7 a.m. start time is mandated, the base prices offered would need to be increased by \$125,000.00 per month.
7. All base prices and alternate prices are predicated on the current cost of fuel (CNG). In addition to the fees outlined, the cost of providing services shall also be adjusted to reflect changes in the cost of CNG fuel. The adjustment is to be based on the increase or decrease of CNG fuel cost, as measured by the U.S. Department of Energy, (website <https://www.afdc.energy.gov/fuels/prices.html>) for the New England region from the established baseline cost of \$2.72 per DGE (including taxes) of CNG fuel. The increase or decrease, as compared to the baseline cost, will be applied to the volume of fuel used, which will be fixed at 17,000 gallons per month. Adjustments will be made biannually on January 1 and July 1, based on the average index cost of CNG for the two calendar quarters prior to adjustment (1/1/18 and 4/1/18 for the July 2018 adjustment). The average index cost is determined by adding the price for the previous two quarters and dividing by two. No adjustment will be made prior to July 1, 2018. Absent this adjustment mechanism, our base prices would increase by \$5,000.00 per month.
8. The price to provide any roll-off service with delivery to RIRRC or a comparable distance will be \$175.00 per haul.
9. All alternate prices provided herein shall increase by 3 percent per year.

