

# Appendix D

## Waste Collections Specifications

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### **D1. PURPOSE OF THIS RFP**

The City intends to contract waste collection services including solid waste, yard waste, and bulk waste within the City. Recycling services will also be reviewed and potentially selected to be included as a collections service. The successful Respondent shall provide collection and disposal services for solid waste, yard waste, bulk waste, and recyclables if applicable.

To the best of the City's knowledge, the information provided for waste collection services in Appendix A represents the estimated number of service units to be served under the terms of the Agreement. However, the number of service units, as stated in this RFP, are approximate and do not constitute a guarantee by the City as to the exact number of service units to be served.

The City reserves the right at any time to modify service levels at a non-residential service unit or add/remove residential service units to be serviced. The information provided is intended to provide Respondents with an understanding of the general level of effort that will be required to collect waste in the City.

### **D2. ACCESS TO COLLECTIONS DOCUMENTS**

The City will conduct a Pre-Proposal conference. Detailed data and documents regarding the current collections services are noted herein as Appendix A. Each Respondent is urged, and will be expected, to rely solely on its own due diligence and analyses in connection with submitting its proposal to provide collections services for the City of San Angelo and not rely on the accuracy of any oral or written materials provided to it by the City or City's advisors and consultants, and the City and each of its advisors and consultants hereby expressly disclaim liability for same.

### **D3. QUALIFICATIONS OF RESPONDENTS**

#### **D3.1 General**

The City desires to enter into a long-term, stable relationship with a Respondent that has exhibited a secure and reliable financial standing, extensive and successful service delivery, state-of-the-art equipment and management practices, high customer and client satisfaction and a strong record of environmental compliance. Proposals will only be accepted from prospective Respondents who are actively engaged in offering the services called for in this RFP.

Respondent shall have experience performing similar work in a satisfactory manner. The City seeks innovative and responsive proposals that meet the City's needs and improve collections services' efficiency and life; keep costs down; allow flexibility; reduce adverse impacts on public health and the environment; and provide long-term service stability.

#### **D3.2 Collections Experience**

Respondent shall have experience in Texas, or in other jurisdictions with similar regulatory environments, operating waste and recycling collections services which qualifies Respondent to perform the services being procured through this RFP.

#### **D3.3 Transition Experience**

Respondent shall provide at least one citation for transition experience where the Respondent took over collections operations from another company or public agency, including a brief description of the services, operation transition dates, any obstacles encountered, and how those obstacles were overcome.

### **D3.4 Qualifications of Key Personnel**

All key personnel of Respondent to be used in providing services to the City shall have at least five (5) years experience performing similar work in a satisfactory manner. Details of such experience shall be provided, including employer, position, duties, dates of employment, skills, education, and training for the past five (5) years.

### **D3.5 Community Involvement**

Respondent shall provide examples of their involvement within the communities in which the Respondent operates. Details shall be provided along with the benefits received or incurred by those communities as a result of Respondent's involvement.

## **D4. REFERENCES**

Respondents shall provide references and detailed citations of collections operations experience for the communities where similar work was performed or is being performed by Respondent. Respondent shall include the following information for each reference:

- Name of the jurisdiction, contact person (contract administrator) and title, address and phone number, and email address;
- The name, address and telephone number of the jurisdiction representative responsible for administering the contract (if applicable);
- Start and completion dates of contract;
- Approximate value of contract (annual and over contract term);
- A description of the regulatory and operational environment, if experience is out of State;
- Description of services provided by Respondent (e.g. solid waste, yard waste, bulk waste, recycling, etc);
- Quantities of applicable waste collected and disposed in each of the last five (5) years of contract;
- Description of equipment assigned to the jurisdiction and used for collections operations;
- Number of employees overseen;
- Problems experienced and actions taken to resolve them; specifically indicate any enforcement actions and the resolution with regulators;
- Evidence of customer/jurisdiction satisfaction with service; and
- Copies of all inspection reports from the listed regulatory agencies for the last two inspections, if any.

## **D5. FINANCIAL QUALIFICATIONS**

Each proposal must include financial information on the Respondent, any Guarantor, and any member of the Respondent's team. This information relates to the Respondent's ability to

perform its obligations under the Agreement.

To determine the Respondent's financial soundness qualifications, the City requires the submission of the applicable items listed below:

- A copy of the most recent audited annual financial statements. Copies of subsequent quarterly financial reports.
- A copy of the Respondent's most recent Form 10-K and Form 10-Q filed with the SEC
- or, if Form 10-K is not filed with the SEC, the following:
  - Certified audited financial statements for the past three (3) fiscal years
  - Copies of all subsequent quarterly financial reports
  - A copy of the latest annual report
- Information on any changes in the mode of conducting business, bankruptcy proceedings, filings, and mergers or acquisitions within the past three (3) years
- A description of all major financial commitments, including but not limited to, liabilities and equity contribution obligations of the Respondent and/or Guarantor, and their bearing on the Respondent's and/or Guarantor's ability to secure the Respondent's obligations for the services proposed.
- Information on Respondent's access to bank lines of credit, revolving credit agreements, or other sources of short term liquidity.

The Respondent must also identify the following, with references to the appropriate section of the financial statements or other documents, as applicable:

- Net Book Equity for the three (3) most recent fiscal years. Pre-tax earnings for the three (3) most recent fiscal years.
- A ratio of current assets divided by current liabilities for the three (3) most recent fiscal years.
- Cash and cash equivalents as of the date of its most recent audited annual financial statements.
- Any material adverse changes in its financial position since the end of its most recent business year that would affect the ability to meet the above criteria.
- Long-term debt to capitalization ratio for the three (3) most recent fiscal years. If any of the above information changes significantly subsequent to submission of the Proposal, such changed information shall be provided to the City.
- In the event the Respondent is a subsidiary, the Respondent shall have a Guarantor of its performance and payment obligations and shall provide the foregoing information for its proposed Guarantor. In addition, if the City determines that the Respondent fails to have sufficient financial resources to perform the obligations under all situations, the City may require the Respondent to provide a creditworthy Guarantor for the purpose of executing the Guaranty Agreement.

## **D6. INFORMATION REGARDING PAST AND PENDING VIOLATIONS AND LITIGATION**

List and provide details there-to if: the Respondent, its members, owners, directors, executives or managers; Respondent's predecessors, any holding company or subsidiary, any parent company or affiliated company, any partner or proposed subcontractor of Respondent, or any of the members, owners, directors, executives or managers thereof (hereinafter collectively "Respondent"); has been or is being sued by a client or has been or is a defendant in any claim, administrative proceeding or any litigation with any Federal, State or Local Government, or private entity, including criminal offenses, ethics violations or violations of Federal, State or local environmental laws and regulations applicable to solid waste management, collection and disposal activities, during the last seven (7) years, and including any tax liens or judgment liens filed on property of Respondent.

## **D7. SCOPE OF SERVICES AND TECHNICAL SPECIFICATIONS**

The purpose of this section of the RFP is to familiarize Respondents with the scope of services to be included in the Agreement between the City and the successful Respondent. The successful Respondent shall provide the scope of services as defined in this section for the term of the Agreement.

### **D7.1 Term**

The Initial Term of the Agreement will be **one ten (10) year term** commencing on August 1, 2014. Upon expiration of the initial term on July 31, 2024, the Agreement may be **renewed for one (1) five (5) year term, as proposed, negotiated, and subsequently contracted**, subject to approval of the successful Respondent and the City.

### **D7.2 Hours of Operation**

The hours of operation for the disposal and processing services by the landfill shall be sufficient to support the collection services provided by the successful Respondent. The City prefers, excluding holidays, collection services be performed Monday through Saturday between 7:00am and 6:00pm. Collection services must coincide with landfill operations and be coordinated such that there is no or minimal disruption to the public.

Holidays are only observed when they occur on a normal collection day. There will be no residential service on those days. Residential service will be suspended for that day to be resumed on the next regularly scheduled collection day. In no case, shall customers be deprived of collections services for longer than seven (7) days.

Holidays may include the following:

- New Year's Day;
- Memorial Day;
- Independence Day;
- Labor Day;
- Thanksgiving Day; and
- Christmas Day.

The successful Respondent may alter the schedule for incremental weather or other emergency situations that makes it reasonably impossible to transport waste, contingent on approval from the Solid Waste Administrator.

### **D7.3 Collection and Disposal Services**

The successful Respondent shall provide collection and disposal services to residential service units, commercial, and industrial units approved by the City to receive services under the Agreement. Appendix A of this RFP contains estimates of the residential service units, commercial, and industrial units to be provided collection services by the successful Respondent.

The City has defined collection service parameters. The Respondent must address each service as it is specified. Respondents may provide options for each service for the City's review if the Respondent feels such option may be beneficial or valuable to the City or its citizens. Prior to execution of the Agreement, the City shall define the collection service to be provided. For each type of service, the City will select a single option to be provided to all applicable service units.

#### **D7.3.1 Recyclable Materials Collected**

Respondent shall identify all of the recyclable materials that will be accepted for collection if a recycling option is chosen by the City.

#### **D7.3.2 Residential Service Units**

The collection services for residential service units shall include solid waste, yard waste, recycling, and bulk waste collection services at the curbside.

1. *Solid Waste Collection:*
  - a. *Option 1:* Not less than twice per week collection via 90-100 gallon carts. Customers may request an additional solid waste container, the cost of which will be incurred by the resident;
  - b. *Option 2:* Not less than once per week collection via 90-100 gallon carts. Customers may request an additional solid waste container, the cost of which will be incurred by the resident;
2. *Yard Waste Collection:* Yard waste collection will be integral with solid waste collection utilizing the same 90-100 gallon cart.
3. *Recycling:* Once per week collection of single stream curbside recycling via 90-100 carts. Recycling carts will be separate from solid waste carts.

\*Note: Recycling is not currently performed by the current contractor. Respondents should provide a comprehensive logistical plan for full recycling services to be implemented within 12 to 24 months, but no later than 36 months, after the contract commencement date.

\*Recyclables Collections Services may or may not be included as decided by the City.

4. *Bulk Waste:* Performed quarterly via curbside collections. Alternate Proposals will be accepted for bi-annual schedules as well.

The following set-out requirements will apply to residential service units:

- *Solid Waste:* No refuse may be set outside of the cart.
- *Recycling:* No materials may be set outside of the cart.
- *Yard Waste:* Grass clippings, leaves, and branches must be placed inside the solid waste cart.
- *Bulk Waste:* Only items too large to be set out in the solid waste cart will be allowable for bulk waste collection to include refrigerators, freezers, and other white goods. Freon will be evacuated by Landfill personnel as appropriate. Bagged solid waste and yard waste are not permissible to be set out by residents for bulk waste collection.

### **D7.3.3 Commercial and Industrial Service Units**

For commercial and industrial service units (which includes multi-family residential service units, i.e. apartment complexes), the successful Respondent shall provide options for solid waste and recycling collection services. Collection services will be performed no less than once per week. The City shall determine the collection container (i.e. cart or dumpster) and frequency for solid waste and recycling collection services.

### **D7.3.4 Schedules and Routes**

The successful Respondent shall provide collection services to customers on scheduled collection days. The City has a strong preference for residents to maintain the same routing schedule and collection days as is used by the current provider. However, the City's primary goal is to provide cost effective services, thus alternative routing and schedules may be proposed.

The successful Respondent shall maintain the schedules and the routes on file with the City. Any changes to the schedule and/or routes for residential service units are subject to the approval of the City.

Citizens will be responsible for notifying the successful Respondent of new service units. Cards and education materials should be distributed at that time. The successful Respondent shall amend their routes weekly according to the establishments or cancellations of service. The successful Respondent shall notify the City if the successful Respondent believes a customer should be added or removed from the customer list.

## **D7.4 Equipment**

The successful Respondent shall provide all equipment required to perform the scope of services unless otherwise specifically stated herein.

### **D7.4.1 Residential Carts**

- The successful Respondent shall use 90-100 gallon carts of uniform color, design, and emblems. Solid waste and recycling carts may differ as approved by the City.
- The successful Respondent shall oversee the initial delivery of carts to existing customers as well as the distribution of carts to and collection of carts from new and cancelled accounts, respectively.
- The successful Respondent shall maintain, store, and distribute replacement carts after the initial distribution;
- Ownership of all carts being used for residential service within the City shall rest with the City upon the expiration or termination of the Agreement.
- The City prefers bins and carts purchased for this Agreement to be manufactured

within the United States. The appearance of the bins and carts shall be approved by the City.

#### **D7.4.2 Commercial and Industrial Customers Containers**

The successful Respondent shall provide the collection containers, including carts, front-load containers, and roll-off containers, necessary to provide service to commercial and industrial customers within the City.

#### **D7.4.3 Collection Vehicles**

- In certain areas of the City, hindrances to collection may exist, including, but not limited to, the following: narrow streets, street parking, low-hanging trees, or cul-de-sacs. The successful Respondent will be required to provide vehicles capable of servicing all areas of the City, including any areas with potential hindrances to collection.
- The successful Respondent shall provide collection services within the City with collection vehicles of less than twelve (12) years of age.
- Collection vehicles shall be painted uniformly with the name of Respondent, customer service office telephone number, and the unique identification number of the vehicle.
- Collection vehicles shall be equipped with spill kits and communication devices with access to the successful Respondent's office and the City's Solid Waste administrator.

#### **D7.5 Personnel**

The successful Respondent shall provide all personnel required to perform the scope of services. For the term of the Agreement, the successful Respondent shall maintain the following personnel:

- Representative authorized to make decisions and act on its behalf accessible to the City twenty-four (24) hours a day via a non-toll call from the City;
- Operations manager qualified to be in charge of the operations under the Agreement between the successful Respondent and the City;
- Other personnel required to provide the scope of services.

The successful Respondent shall hire and maintain qualified personnel to provide the scope of services. As for personnel who normally or regularly come into direct contact with the public, the successful Respondent shall ensure such personnel bear some means of individual identification such as a uniform with name badges, name tags, or identification cards. As for personnel operating commercial vehicles, the successful Respondent shall ensure such personnel have a valid commercial driver's license. Respondent will ensure all employees and temporary laborers have the appropriate and current authorization to work in the United States. Proof of such authorization shall be provided to the City upon request.

All personnel shall serve the public in a courteous and helpful manner. The City may request that any personnel that is wanton, discourteous, belligerent, profane, or in any way intimidating, either physically or verbally, toward residents of the City be barred from further work for the successful Respondent in connection with the Agreement with the City.

#### **D7.6 Other Requirements**

##### **D7.6.1 Advertising**

Advertising for third parties is prohibited on bins, carts, and collection vehicles. The

successful Respondent shall maintain all collection equipment, excluding carts and bins in the possession of a residential customer, in a clean manner and in accordance with industry standards.

#### **D7.6.2 Disaster Debris Removal**

The City and successful Respondent may modify or amend in writing signed by both parties the Agreement to provide for disaster debris removal. Respondents must provide options available to the City in the event of a disaster. The City reserves the right to contract with other person(s) for disaster debris removal. The services described in this RFP do not include disaster debris removal.

#### **D7.6.3 Commingling**

The successful Respondent shall not commingle the following materials:

- Solid waste, yard waste, recyclable materials, and/or bulk waste collected pursuant to this Agreement with other materials generated from other sources or communities;
- Recyclable materials collected pursuant to this Agreement with solid waste, bulk waste, and/or other material.

#### **D7.6.4 Local Preference**

The successful Respondent should consider preferential use of local businesses in the purchase of their supplies and services.

### **D8. PUBLIC EDUCATION AND OUTREACH**

The successful Respondent shall provide public education and outreach for the initial implementation of service to include solid waste, yard waste, recycling, and bulk waste services. Respondents should include examples of education methods and materials to be provided to the citizens.

In the event that a residential service unit sets out materials improperly for collection, and the successful Respondent determines that the set out should not be collected, the successful Respondent shall leave a public education notice describing why the set out was not collected. All public education notices shall be approved by the City before being used within the City.

### **D9. CUSTOMER SERVICE OFFICE AND COMPLAINTS**

The successful Respondent shall maintain a customer office within San Angelo staffed with personnel Monday through Friday, 8:00am to 5:00pm, CST. All customer service complaints shall initially be directed to the successful Respondent. The successful Respondent shall resolve each complaint within one (1) business day of receipt of such complaint.

### **D10. RECORDKEEPING AND REPORTING**

The successful Respondent shall create, maintain, and make available to the City the following records:



- Solid waste tonnage delivered to disposal facility;
- Recyclable materials tonnage collected and unaccepted loads by date collected;
- Bulk waste delivered to the disposal facility;
- Complaints including the address, time, and date for each complaint and the reason, resolution and other information as requested by the City; and
- Such other documents and reports as the City may reasonably require to verify compliance with the Agreement or to meet the City's reporting requirements.

To the extent possible, the successful Respondent shall provide the above information both in a cumulative and per route method for each customer type served, including residential, commercial, and industrial units.

The successful Respondent shall submit electronic reports of the above records, using software and formats approved by the City, on a monthly basis. All records shall be available to City at reasonable times and places throughout the term of this Agreement and for a period of seven (7) years after last or final payment.

## **D11. LIQUIDATED DAMAGES**

The City may withhold payment from the successful Respondent in the amounts specified below as administrative charges for failure to fulfill its obligations. Liquidated Damages are at the discretion of, and are to be assessed by, the City's Solid Waste Administrator.

1. Missed Collection: \$25 for each missed collection above two (2) misses per collection day, to be assessed at the end of each collection month. A missed collection occurs when a resident reports that their material was set at the curb by 7:00am, and was not collected.
2. Missed Residential Service Unit Block: \$500 for each incident of failing to pick up material on a block. A missed block is defined as one side of a street between cross streets or an entire cul-de-sac where residents from at least three households on that street report that they had their material out before 7:00am and the material was not picked up.
3. Failure to Provide Residential Services During Normal Hours of Operation: \$250 for each vehicle providing collection services on the streets in the City prior to or after the hours of operation.
4. Failure to Complete a Majority (50%) of the Collections on a Given Day: \$2,500 each incident.
5. Failure to Clean up Material Spilled or Littered by Contractor within Two (2) Hours of Notification: \$250 each incident.
6. Failure to Maintain Vehicle in Manner Consistent with the Agreement: \$100 each incident.
7. Failure to Address Complaints within One (1) Business Day: \$100 each incident.
8. Failure to Provide Complete Monthly Reports: \$250 each incident.
9. Failure to Return Bins, Carts, and Containers to Approximately Original Location: \$25 each incident.
10. Commingling Materials that are Prohibited to be Commingled: \$1,000 each incident, to be

assessed at the discretion of the City's Contract Administrator.

11. Failure to Leave a Public Education Notice when Required: \$100 each incident.
12. Failure to Accept Materials on any Day after the Date upon which Service Begins on which Materials are to be Collected: \$3,000 each day.

## **D12. FINANCIAL SECURITY – IRREVOCABLE LETTER OF CREDIT**

The Lessee shall within fifteen (15) days following the Contract Date provide to the City and maintain in force for the term of the Agreement an irrevocable, direct pay Letter or Letters of Credit in substantially the form as shown in the Agreement as financial security for its true and faithful performance of the Agreement. The Letter of Credit shall provide that the City may draw upon it upon a City determination of a Lessee default under the Agreement. The City shall be entitled to draw upon the Letter of Credit to provide for its damages (including Liquidated Damages) and other losses, costs or expenses resulting from a default under the Agreement. Failure to replace the Letter of Credit with another Letter of Credit or Letters of Credit (or provide evidence satisfactory to the City of renewability of the existing Letter of Credit or Letters of Credit) at least ninety (90) Days prior to the expiration of an existing Letter of Credit shall, among other defaults, constitute a default for which the City may draw upon that existing Letter of Credit or Letters of credit. Upon such a draw for non- replacement the City shall place the proceeds of that draw in a separate fund. That fund shall constitute a guarantee fund, the amounts in which may be used by the City to compensate itself for any damages (including Liquidated Damages) and other losses, costs or expenses resulting from any default under the Agreement. The issuing financial institution(s) of the Letter(s) of Credit shall have a credit rating on its long-term debt in one of the three highest categories by a nationally recognized rating agency (e.g. Standard & Poor's rating of AAA, AA, or A).

The Letter(s) of Credit shall be payable in San Angelo, Texas, and shall allow for multiple draws. If the credit rating of the issuing financial institution falls below the required credit rating set forth above, then the Lessee shall obtain a replacement Letter or Letters of Credit within sixty (60) calendar days of being notified from any source of the credit rating change. Any successor Letter of Credit shall be issued for a term of not less than one (1) year, and the Lessee shall provide a new Letter or Letters of Credit, or evidence satisfactory to the City of the renewability of the current Letter or Letters of Credit at least ninety (90) Days before the expiration date of the Letter of Credit then in effect. The Letter of Credit or Letters of Credit shall not require the City to state or clarify to the issuing financial institution that the City has made any demand upon, or taken action against, the Lessee as a condition to draw down on the Letter of Credit.

The provisions of the Letter of Credit or Letters of Credit shall not modify any right of the City or any duty of the Lessee which arises under the provisions of the Agreement.

The amount of the Letter of Credit in the first Operating Year under the Agreement shall be \$5 million. Thereafter in each Operating Year, the Lessee shall maintain the Letter of Credit in an amount equal to (1) 50 percent of the aggregate of the total Usage Fees, Royalty Fees, and other compensation paid to the City plus the total revenues received by the Lessee for the Disposal of City Waste in the previous Operating Year or (2) \$5 million, whichever is greater, with such amount adjusted annually on the Contract Date by the Adjustment Factor throughout the term of the Agreement.

## **D13. INSURANCE COVERAGE**

Respondent shall identify the types of insurance and amounts of coverage it currently carries on all its operations, facilities, and equipment. Any self-insurance must be identified and described, including the names and addresses of any third party plan administrators, the written reserve policy, listing of excess coverage, limits of liability, retention amount, and deductibles.

### **D13.1 Indemnification**

D13.1.1 **GENERAL INDEMNIFICATION.** CONTRACTOR AGREES TO INDEMNIFY, DEFEND, AND HOLD CITY, ITS COUNCIL MEMBERS, BOARD AND COMMISSION MEMBERS, OFFICIALS, AGENTS, GUESTS, INVITEES, CONSULTANTS AND EMPLOYEES FREE AND HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, PROCEEDINGS, SUITS, JUDGMENTS, COSTS, PENALTIES, FINES, DAMAGES, LOSSES, ATTORNEYS' FEES AND EXPENSES ASSERTED BY ANY PERSON OR PERSONS, INCLUDING AGENTS OR EMPLOYEES OF CONTRACTOR OR CITY, BY REASON OF DEATH OR INJURY TO PERSONS, OR LOSS OR DAMAGE TO PROPERTY, RESULTING FROM OR ARISING OUT OF, THE VIOLATION OF ANY LAW OR REGULATION OR IN ANY MANNER ATTRIBUTABLE TO ANY ACT OF COMMISSION, OMISSION, NEGLIGENCE OR FAULT OF CONTRACTOR, ITS AGENTS OR EMPLOYEES, OR THE JOINT NEGLIGENCE OF CONTRACTOR AND ANY OTHER ENTITY, AS A CONSEQUENCE OF ITS EXECUTION OR PERFORMANCE OF THIS CONTRACT OR SUSTAINED IN OR UPON THE PREMISES, OR AS A RESULT OF ANYTHING CLAIMED TO BE DONE OR ADMITTED TO BE DONE BY CONTRACTOR HEREUNDER. THIS INDEMNIFICATION SHALL SURVIVE THE TERM OF THIS CONTRACT AS LONG AS ANY LIABILITY COULD BE ASSERTED. NOTHING HEREIN SHALL REQUIRE CONTRACTOR TO INDEMNIFY, DEFEND OR HOLD HARMLESS ANY INDEMNIFIED PARTY FOR THE INDEMNIFIED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

D13.1.2 **ENVIRONMENTAL INDEMNIFICATION.** CONTRACTOR AGREES TO INDEMNIFY, DEFEND AND HOLD CITY AND ITS COUNCIL MEMBERS, BOARD AND COMMISSION MEMBERS, OFFICIALS, AGENTS, GUESTS, INVITEES, CONSULTANTS AND EMPLOYEES FREE AND HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, PROCEEDINGS, SUITS, JUDGMENTS, COSTS, PENALTIES, FINES, DAMAGES, LOSSES, ATTORNEYS' FEES AND EXPENSES ASSERTED BY LOCAL, STATE OR FEDERAL ENVIRONMENTAL AGENCIES OR PRIVATE INDIVIDUALS OR ENTITIES IN CONNECTION WITH OR RESULTING FROM OR ARISING OUT OF CONTRACTOR'S HANDLING, COLLECTION, TRANSPORTATION, STORAGE, DISPOSAL, TREATMENT, RECOVERY, AND/OR REUSE BY ANY PERSON UNDER CONTRACTOR'S DIRECTION OR CONTROL OF WASTE COLLECTED, TRANSPORTED OR LANDFILLED OR ANY CLEANUP ASSOCIATED WITH ENVIRONMENTAL CONTAMINATION, WHETHER SUCH CLEANUP IS OF AIR, SOIL, STRUCTURE, GROUND WATER OR SURFACE WATER CONTAMINATION. CONTRACTOR SPECIFICALLY AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS CITY AGAINST ALL CLAIMS, DAMAGES AND LIABILITIES OF WHATEVER NATURE ASSERTED UNDER CERCLA CAUSED BY ACTS OR OMISSIONS OF CONTRACTOR REGARDLESS OF WHEN SUCH INCIDENT IS DISCOVERED. CONTRACTOR SHALL BE RESPONSIBLE AND LIABLE FOR ANY SPILL, UNDERGROUND POLLUTION OR ANY OTHER ENVIRONMENTAL IMPAIRMENT INCIDENT CAUSED BY ACTS OR OMISSIONS OF CONTRACTOR REGARDLESS OF WHEN SUCH INCIDENT IS DISCOVERED. IT IS THE INTENT OF THE PARTIES THAT THIS SECTION SHALL IN NO WAY LIMIT OTHER COVERAGE HEREIN AS IT MAY RELATE TO ANY ENVIRONMENTAL CLAIM, DAMAGE, LOSS OR LIABILITY OF ANY KIND.

D13.1.3 **PROSPECTIVE APPLICATION.** ANY AND ALL INDEMNITY PROVIDED FOR IN THIS

CONTRACT SHALL SURVIVE THE EXPIRATION OF THIS CONTRACT AND THE DISCHARGE OF ALL OTHER OBLIGATIONS OWED BY THE PARTIES TO EACH OTHER HEREUNDER AND SHALL APPLY PROSPECTIVELY NOT ONLY DURING THE TERM OF THIS CONTRACT BUT THEREAFTER SO LONG AS ANY LIABILITY (INCLUDING BUT NOT LIMITED TO LIABILITY FOR CLOSURE AND POST CLOSURE COSTS) COULD BE ASSERTED IN REGARD TO ANY ACTS OR OMISSIONS OF CONTRACTOR IN PERFORMING UNDER THIS CONTRACT.

D13.1.4 RETROACTIVE APPLICATION. THE INDEMNITY PROVIDED FOR IN THIS CONTRACT SHALL EXTEND NOT ONLY TO CLAIMS AND ASSESSMENTS OCCURRING DURING THE TERM OF THIS CONTRACT BUT RETROACTIVELY TO CLAIMS AND ASSESSMENTS WHICH MAY HAVE OCCURRED DURING THE TERM OF PREVIOUS AGREEMENTS BETWEEN CITY AND CONTRACTOR.

D13.1.5 APPLICATION TO SURROUNDING PROPERTY. THE INDEMNIFICATION PROVISIONS OF THIS CONTRACT EXTEND TO CLAIMS AND ASSESSMENTS RELATING TO RUNOFF, LEACHATE, OR OTHER INFILTRATION THAT MAY OCCUR OR HAS OCCURRED AT OR NEAR THE SITE OF LANDFILLS, TRANSFER STATIONS, OR OTHER SOLID WASTE FACILITIES AND SURROUNDING AREAS WHICH ARE OR WERE USED BY THE CONTRACTOR, DURING THE TERM OF THIS CONTRACT OR PREVIOUS AGREEMENTS BETWEEN CITY AND CONTRACTOR. THIS SECTION DOES NOT MAKE CONTRACTOR LIABLE FOR ANY SITE IT HAS NEVER USED, CLOSED, MANAGED OR MONITORED.

## D13.2 Insurance.

D13.2.1 General Conditions. The following conditions shall apply to all insurance policies obtained by Contractor for the purpose of complying with this Contract.

D13.2.1.1 Satisfactory Companies. Coverage shall be maintained with insurers and under forms of policies satisfactory to City and with insurers licensed to do business in Texas.

D13.2.1.2 Named Insureds. All insurance policies required herein shall be drawn in the name of Contractor, with City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees named as additional insureds, except on Workers' Compensation coverage.

D13.2.1.3 Waiver of Subrogation. Contractor shall require its insurance carrier(s), with respect to all insurance policies, to waive all rights of subrogation against City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees.

D13.2.1.4 Certificates of Insurance. At or before the time of execution of this Contract, Contractor shall furnish City's Risk Manager and Solid Waste Administrator with certificates of insurance as evidence that all of the policies required herein are in full force and effect and provide the required coverages and limits of insurance. All certificates of insurance shall clearly state that all applicable requirements have been satisfied. The certificates shall provide that any company issuing an insurance policy shall provide to City not less than thirty (30) days advance notice in writing of cancellation, non-renewal or material change in the policy of insurance. In addition, Contractor and insurance company shall immediately provide written notice to City's Risk Manager and Solid Waste Administrator upon receipt of notice of cancellation of any insurance policy, or of a decision to terminate or alter any insurance policy. Certificates of insurance and notices of cancellations, terminations or alterations shall be furnished to City's Risk Manager and Solid Waste Administrator at City Hall, 72 West College Avenue, San Angelo, Texas 76903.

D13.2.1.5 Contractor's Liability. The procurement of such policy of insurance shall not be construed to be a limitation upon Contractor's liability or as a full performance on its part of the indemnification provisions of this Contract. Contractor's obligations are, notwithstanding any policy of

insurance, for the full and total amount of any damage, injury or loss caused by or attributable to its activities conducted at or upon the premises. Failure of Contractor to maintain adequate coverage shall not relieve Contractor of any contractual responsibility or obligation.

D13.2.1.6 Sub-Contractors' Insurance. Contractor shall cause each Sub-Contractor and Sub-Sub-Contractor of Contractor to purchase and maintain insurance of the types and in the amounts specified below. Contractor shall require Subcontractors and Sub-subcontractors to furnish copies of certificates of insurance to Contractor's Risk Manager evidencing coverage for each Sub-Contractor and Sub-Sub-Contractor.

D13.2.2 Types and Amounts of Insurance Required. Contractor shall obtain and continuously maintain in effect at all times during the term hereof, at Contractor's sole expense, insurance coverages as follows with limits not less than those set forth below:

D13.2.2.1 Commercial General Liability. This policy shall be an occurrence-type policy and shall protect the Contractor and additional insureds against all claims arising from bodily injury, sickness, disease or death of any person (other than the Contractor's employees) and damage to property of the City or others arising out of the act or omission of the Contractor or its agents and employees. This policy shall also include protection against claims for the contractual liability assumed by Contractor under the paragraph of this Contract entitled "Indemnification," including completed operations, products liability, contractual coverage, broad form property coverage, explosion, collapse, underground, premises/operations, and independent contractors (to remain in force for two years after final payment). Coverage shall not be less than:

\$ 5,000,000.00	General Aggregate
\$ 5,000,000.00	Products- Completed Operations
\$ 5,000,000.00	Personal & Advertising Injury
\$ 5,000,000.00	Each Occurrence
\$ 5,000,000.00	Fire Damage (any one fire)

D13.2.2.2 Business Automobile Liability. This policy shall be written in comprehensive form and shall protect Contractor and the additional insureds against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles and shall cover operation on and off the premises of all motor vehicles licensed for highway use, whether they are owned, non-owned or hired. Coverage shall not be less than:

\$ 5,000,000.00	Combined Single Limit
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D13.2.2.3 Workers' Compensation and Employer's Liability. If Contractor hires any employees, Contractor shall maintain Workers' Compensation and Employer's Liability insurance, which shall protect the Contractor against all claims under applicable state workers' compensation laws and employer's liability. The insured shall also be protected against claims for injury, disease or death of employees which, for any reason, may not fall within the provisions of a workers' compensation law. Coverage shall not be less than:

Statutory Amount	Workers' Compensation
\$ 3,000,000.00	Employer's Liability, Each Accident
\$ 3,000,000.00	Employer's Liability, Disease – Each Employee
\$ 3,000,000.00	Employer's Liability, Disease - Policy Limit

The foregoing requirement will not be applicable if, and so long as, Contractor qualifies as a self-insurer under the rules and regulations of the commission or agency administering the workers' compensation program in Texas and furnishes evidence of such qualification to Lessor in accordance with the notice provisions of this Contract.

If Contractor uses contract labor, Contractor shall require its contractor to maintain the above referenced coverage and furnish copies of certificates of insurance as required herein.

D13.2.2.4 **Environmental Liability.** This insurance shall be maintained in force for the full period of this Contract and cover losses caused by pollution conditions including, but not limited to, any spill, underground pollution or any other environmental impairment. It shall apply to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically injured; cleanup costs; including, but not limited to, any costs required under CERCLA; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. If coverage is written on a claims made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract, and continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning from the time the Contract has expired.

\$10,000,000.00	Per loss
\$20,000,000.00	Annual aggregate

## **D14. BILLING, PAYMENTS, AND RATE ADJUSTMENTS**

### **D14.1 Billing**

#### **D14.1.1 Residential Service Unit Billing**

Prior to commencement of the initial term, and every month thereafter for the term of the Agreement, the City shall provide a list of occupied residential service units. During the contract year, the City shall amend the customer list on a monthly basis to include new and terminated residential service units; thus adding or removing accounts as needed. Occupancy shall be qualified by the establishment or removal of a water meter through the City Water Billing Department. The successful Respondent shall notify the City if the successful Respondent believes a customer should be added or removed from the customer list.

The City will maintain responsibility for billing services of residential waste customers. Collection service fees, as proposed, negotiated, and subsequently defined by the Agreement, will be billed via the monthly water bill.

#### **D14.1.2 Commercial and Industrial Service Unit Billing**

Commercial and industrial service units, while serviced exclusively within the City limits under the Agreement, are the responsibility of the successful Respondent for billing, collections, and delinquencies.

Prior to commencement of the initial term, the City will provide the successful Respondent a list of current commercial and industrial customers. Billing and collection of commercial and industrial service unit fees shall be established and conducted monthly by the successful Respondent.

### **D14.2 Payments**

#### **D14.2.1 Payments by the City**

On or before the 25<sup>th</sup> calendar day of the month for all fees collected the prior month, the City will make payment to the successful Respondent the full revenues collected less a Billing and Collection Fee of five percent (5%), as established by the Agreement, and a Franchise Fee of five percent (5%), as established and adjusted by Ordinance, of all collection fees billed. Additionally, the City will withhold payment on all fees associated with past due accounts beyond 90 days.



Example:

(City A/R Billed for the Past Month – Past Due Accounts >90 Days) – (5% Billing and Collection Fee) – (5% Franchise Fee) = Check Remittance to Successful Respondent

#### **D14.2.2 Payments by the Successful Respondent**

On or before the 25<sup>th</sup> calendar day of the month, the Successful Respondent will make payment to the City the Franchise Fee of five percent (5%), as established and adjusted by Ordinance, of all commercial and industrial service unit fees billed. Additionally, the Successful Respondent shall withhold payment on all fees associated with past due accounts over 90 days.

Example:

(Commercial and Industrial Fee Billed – Past Due Accounts >90 Days) x 5% Franchise Fee = Check Remittance to City

#### **D14.3 Rate Adjustments**

Respondents should submit in their proposals a rate adjustment schedule, if applicable, for residential, commercial, and industrial customers within the City for the duration of the initial term. Additionally, Respondents should define rate schedules for any term extension that may be implemented.

The successful Respondent shall maintain the right throughout the term of the contract to propose additional rate adjustments to the San Angelo City Council as needed. Such proposals must be submitted through the Solid Waste Administrator.

### **D15. TERMINATION**

- Termination for Cause: The City may terminate the Agreement with the successful Respondent if the City determines (i) the successful Respondent fails to fulfill or maintain in a timely and proper manner any obligations, duties or provision of or under the Agreement and the successful Respondent fails to cure such default within thirty (30) calendar days of receipt of notice; (ii) the successful Respondent if the City determines the successful Respondent frequently, regularly, or repetitively defaulted in the performance of any obligations, duties or provision of or under the Agreement; (iii) the successful Respondent is adjudicated voluntary or involuntary bankrupt, or a petition is filed by or against the successful Respondent to declare the successful Respondent bankrupt; (iv) the successful Respondent is subject to the appointment of a receiver or trustee and fails to have the receiver or trustee removed within sixty (60) calendar days; (v) any assignment of the successful Respondent's property shall be made for the benefit of creditors; (vi) the successful Respondent becomes insolvent, or is unable to pay its debts as they become due; (vii) the successful Respondent fails to provide and maintain the performance bond as required by the Agreement; (viii) the successful Respondent fails to provide and maintain the insurance policies and endorsements as required by the Agreement; (ix) the successful Respondent fails to provide the proof of performance bond and insurance as required by the Agreement; or (x) the successful Respondent fails to timely and fully pay any or all payments, administrative charges, and other amounts in accordance with the Agreement. If the City terminates the Agreement with the successful Respondent for cause, the City shall not be obligated to pay the successful Respondent for any amounts past the date of notification of termination.

### **D16. ASSIGNMENT**

The City may assign the Agreement to a local government upon pending or actual dissolution of the City. The successful Respondent may not transfer, subcontract, or assign this Agreement

without the City's prior written consent. In the event the City provides consent to the successful Respondent's assignment, the assignee shall comply with any conditions that City may reasonably require for assignment of the Agreement, and shall accept such assignment and perform all work and other obligation of the successful Respondent as fully as if the Agreement were originally made by the assignee. Any assignment by the successful Respondent shall not relieve or excuse the successful Respondent in the event the assignee does not fully perform all work and other obligations of the successful Respondent under the Agreement. Any assignment by the City shall relieve and excuse the City in the event the assignee does not fully perform all work and other obligations under the Agreement.

## **D17. METHOD OF APPROACH**

Respondents must provide the following information as to their method of approach to accomplish the scope of services set forth in this RFP.

### **D17.1 Transition Plan**

Respondent will describe its proposed strategies to ensure a smooth transition from the current residential service provider to the successful Respondent and/or service changes. In the transition plan, Respondent must describe the following:

- Individual or group of individuals that will oversee the transition.
- Proposed approach, including equipment, personnel, and schedule, for delivering carts and/or bins to customers. Respondents will describe the procedure for collection in the event that residents set out refuse in both the existing bins and the new cart for collection during the transition period.
- Overall schedule for the transition.
- Proposed strategies for customer communication regarding the potential transition of service providers.

### **D17.2 Collection Route Schedules and Maps**

Respondent shall include a proposed route schedule and maps for residential services. Solid waste, recycling, and bulk waste services shall be conducted for individual customers on the same days of the week.

The City has a strong preference for residents to maintain the same routing schedule and collection days as is used by the current provider. However, the City's primary goal is to provide cost effective services. Respondents must describe if any residential households would have a change in collection days, and approximately how many households would be impacted by a change in collection days. Information regarding current collection routes is provided in Appendix A.

### **D17.3 Single-Family Residential Containers**

Respondent shall describe the residential carts that will be purchased by the Respondent. The description shall include, at a minimum, the manufacturer, color, capacity, and logos. The capacity of the carts shall be 90-100 gallons. Photos of the proposed carts should be included. If requested, Respondent shall provide a sample of the carts to the City. Respondent shall describe procedures used to minimize damage to carts along with repair or replacement procedures for damaged carts.

### **D17.4 Commercial and Industrial Containers**

Respondent shall describe the containers that can be used to provide service to commercial and industrial customers. Descriptions shall include, at a minimum, the manufacturer, color,



capacities, and logos on the containers. Photos of the proposed containers should be included. Respondents must provide a description of the container maintenance program, including frequency of cleaning and any fees associated with excessive container maintenance.

#### **D17.5 Collection Vehicles**

Respondent shall meet the collection vehicles requirements as set forth in the scope of services. Respondent shall describe the following:

1. Number and type of vehicles proposed for each service (single-family residential, commercial and industrial). The description must include the make, model, and age of each proposed vehicle. Photos of each type of vehicle proposed should be included.
2. Respondent shall describe the proposed maintenance and cleaning program for all collection vehicles used to perform services.
3. Respondent shall include the number of front line and spare vehicles to be used to perform solid waste collection, recycling collection, and bulk waste collection. In addition, Respondent must indicate if the number of front-line and spare vehicles would change if alternative proposals are provided by the Respondent.
4. Respondent shall describe any new equipment to be acquired, and provide a timeline for acquisition of new equipment.
5. Respondent shall identify the number of personnel needed for each collection crew to conduct each service proposed.

#### **D17.6 Multi-Family and Designated Non-Residential Recycling Services**

The City is interested in offering recycling services to multi-family residential and designated non-residential properties. The City requests that Respondents provide information on recycling services that would be offered as a potential service to these customers. Respondents must provide the following information:

- Materials to be collected;
- Containers to be used; and
- Planned methods of customer education regarding the existence of and proper participation in the recycling program.

#### **D17.7 Personnel**

Respondent shall meet the personnel standards as set forth in the scope of services. Respondent shall describe the following:

- Respondent shall describe policies and procedures that are in place to ensure personnel performing services are qualified and proficient.
- Respondent shall describe any training programs for personnel.
- Respondent shall describe the dress code that is required for personnel.

#### **D17.8 Public Education**

Respondent shall indicate what public education and outreach will be provided to the citizens during the initial implementation of solid waste, recycling, and bulk collection services.

#### **D17.9 Customer Service**

Respondent shall provide the location of the proposed customer service office. In addition, Respondent must provide a description of customer complaint resolution procedures as to meet or exceed the requirements set forth in the scope of services.

**D17.10 Key Personnel**

Respondent shall provide an organization chart for key personnel and job descriptions indicating the qualifications and experience of key personnel the Respondent would assign to the transition team and to the ongoing management of the services provided under the Agreement. For positions that are currently unfilled, identify minimum qualifications for that position. Specify the amount of time each individual will be dedicated to work on the contract. Provide a brief background for the key proposed management team members. At a minimum, key personnel shall include general manager, operations manager, and maintenance manager and other personnel that will have regular contact with the City.

**D17.11 Experience**

Respondent must provide the information as requested in Section D4. Respondents are permitted to supply additional information that will assist the City in understanding the Respondent’s experience.

**D18. EVALUATION**

The City will select a committee to evaluate the solicitations. The objective of the proposal review committee is to select the most qualified proposal, utilizing the evaluation criteria set forth in Table D18.1. Proposals will be evaluated in accordance with the following factors.

Table D18.1 – Proposal Evaluation Criteria

<b>CRITERIA</b>	<b>WEIGHT</b>
Operational Experience and Qualifications	35 points
Adherence to Specifications	30 points
Financial Impact	15 points
Financial Qualifications and Stability	15 points
Additional Beneficial Criteria Submitted	5 points
<b>TOTAL POINTS</b>	<b>100 points</b>