

## **CITY OF SULTAN SUB COMMITTEE REPORT**

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**DATE:** February 7, 2008

**SUBJECT:** Recycle Contract

**CONTACT PERSON:** Laura Koenig, City Clerk/Deputy Finance Director

### **SUMMARY:**

In 2003 the City entered into a contract with Rabanco Connections (now known as Allied Waste) to provide curbside recycling services and residential yard waste collection. A separate contract for roll off drop collection, compactor services and commercial recycling was also approved. These were five year contracts that will expire in April 2008.

SMC 13.20.030 (Attachment A) requires competitive bidding for garbage collector franchise agreements. SMC 13.16.020 establishes mandatory recycling service for residents.

Rabanco is responsible for collection services and for providing recycle bins to customers. The City collects for the service and pays \$3.14 per single family residential unit and \$3.14 for multi-family residential units. The City charges \$3.50 per residential unit per month for recycling.

The change to the single bin container has encouraged more residents to use the recycling services. Unlike the City's garbage service, which allows only one can per week without additional fees, there is no limit to the amount of recycled materials customers can put out weekly.

There have been problems, complaints and service requests received which included:

1. Failure to deliver collection bins to new residents in a timely manner
2. Failure to collect recycling – the service is mandatory so there it is not possible to give customers a credit when collection does not occur.
3. Request from multi-family units to have a dumpster instead of multiple bins. This would require a change in status from residential units to commercial units.

### **ALTERNATIVES:**

1. The Council could direct staff to determine if it is possible to renew the existing contracts and request modifications
2. The Council could issue a Request for Proposals for recycling and commercial drop box service.

### **RECOMMENDATIONS**

Staff recommends proceeding with an Request for Proposal for Residential Recycling and for Commercial Drop Box Service

Attachments:

A.	SMC regarding garbage and franchise
B.	Contract for Residential Recycle Service
C.	Contract for Commercial Drop Box Service
D.	Sample RFP – City of Anacortes

## ATTACHMENT A

### 13.16.020 Mandatory collection – Exceptions.

There is established a mandatory solid waste disposal system within the city of Sultan which shall be operated and controlled through the garbage utility department. Relief from the city-operated solid waste collection service may be granted to those residents that can produce evidence that use of the service would create a physical or financial hardship, or that use of the service is unnecessary. Property owners must make application to the utility committee on an annual basis for continued relief from the service. All decisions of the utility committee will be reviewed and ratified by the city council. Residential recycle service provided by contract for nonyard waste materials is mandatory and the fact that the residence does not use the service shall not exempt the property owner from the payment of the regular charges established. Recycle of yard waste materials is optional and is provided through a separate contract agreement with the vendor. (Ord. 810-03; Ord. 585, 1992; Ord. 487, 1986; Ord. 482 § 1, 1986; Ord. 304 § 2, 1964)

### GARBAGE COLLECTION BUSINESS REGULATIONS

#### Sections:

- 13.20.010 Purpose.
- 13.20.020 Franchise required.
- 13.20.030 Requirements.
- 13.20.040 Franchise fee.
- 13.20.050 Equipment approval.
- 13.20.060 Rules and regulations.
- 13.20.070 Violation.

#### 13.20.010 Purpose.

This chapter is passed to provide regulation of the business of garbage collection and to provide revenue to the city of the regulation of said business. (Ord. 488 § 1, 1986)

#### 13.20.020 Franchise required.

No person, association or corporation shall engage in the business of hauling or transporting garbage, refuse, rubbish, cans or discarded bottles within the city of Sultan, or in gathering the same within said city for transfer or disposal at some point or area inside or outside of the city without obtaining a written franchise agreement with the city therefor, and complying with the regulations of the city in the pursuit of said business, and providing the collection service as provided by city ordinances. (Ord. 488 § 2, 1986)

#### 13.20.030 Requirements.

Collector franchise agreement shall be competitively bid, approved by the city council and adopted by ordinance. Before such approval, the mayor or his agent shall investigate the trucks and equipment proposed to be used, and shall not approve the same for use under the proposed agreement unless he shall find that the use thereof

will adequately contain all garbage, refuse, etc., during such hauling and that the reasonable use thereof will protect the health and welfare of the inhabitants of the city and will not lead to the loss or distribution of garbage or refuse, etc., within the city. (Ord. 488 § 3, 1986)

13.20.040 Franchise fee.

A. Franchise agreements may be granted in accordance with RCW 35.23.251. There shall be levied upon every person, firm or corporation involved in the business of hauling or transporting garbage, refuse, rubbish, cans or recycled materials within the city of Sultan a fee equal to three percent of the gross revenues derived from such business.

B. The fee shall be paid on a semi-annual basis to the city treasurer's office. (Ord. 640, 1996)

13.20.050 Equipment approval.

No contractor shall use, to collect or haul garbage, any trucks or equipment not approved by the city for regular use within the city or for temporary use in cases of emergency without special permission therefor being granted. (Ord. 488 § 5, 1986)

13.20.060 Rules and regulations.

A. The city council shall have the authority to make and require enforcement of reasonable rules and regulations and to modify and change the same from time to time, regulating the manner of collecting, removing, hauling and disposal of garbage, etc., within the city of Sultan for the purpose of safeguarding the health, safety and welfare of the inhabitants and visitors of the city.

B. Such garbage hauler shall observe all regulations of the city of Sultan together with all state laws relative to public health, safety and welfare and in particular with the laws and regulations pertaining to the operation of garbage pickup and hauling services. Prior to the effectiveness of any franchise ordinance approved by the city, a certificate of public need and necessity shall have been granted by the utilities and transportation commission or certification of authority to such garbage hauler shall have been given to service the area comprising the city of Sultan. (Ord. 488 § 6, 1986)

13.20.070 Violation.

The violation of any of the provisions of this chapter shall constitute a misdemeanor, punishable by a fine not to exceed \$100.00. (Ord. 488 § 7, 1986)

**AGREEMENT BETWEEN THE CITY OF SULTAN  
AND RABANCO COMPANIES FOR THE COLLECTION  
OF RECYCLABLES AND RESIDENTIAL YARD WASTE**

This agreement ("Agreement") is entered into this 21<sup>st</sup> day of April 2003, by and between the City of Sultan, Washington, a municipal corporation ("City"), and ("Contractor"), with reference to the following facts:

RECITALS

- A. The City and five other cities within Snohomish County previously joined together as a group known as "ESCARC" to jointly contract with a solid waste service provider for recyclables collection services. The ESCARC services agreement has expired and the City is no longer participating in ESCARC.
- B. The City and the Contractor have reached agreement for the Contractor to provide recyclables and yard waste collection services within the City and now are entering into this definitive written agreement in order to establish the terms of their agreement.

AGREEMENT

In consideration of the mutual covenants set forth below, the parties hereby agree as follows:

1. Definitions.

Capitalized terms used in this Agreement are defined as follows:

1.1 Recyclables. The term "recyclables" shall mean those recyclable items defined in RCW 70.95.030(14) designated by the City to be picked up in the curbside recycling program which items are limited to: glass, aluminum, metal containers, mixed paper and newspaper. Additional recycling materials included for collection in this Agreement are plastics and yard waste.

1.2 Glass. The term "glass" shall mean items of any color that are composed solely of glass except for tempered glass, window glass, ceramic glass, light bulbs, fluorescent tubes and broken glass of any kind.

1.3 Aluminum. The term "aluminum" shall mean cans and containers composed solely of aluminum.

**SIGNED  
CONTRACT  
DOCUMENT**

1.4 Metal Containers. The term "*metal containers*" shall mean cans and containers composed of metals, such as tin or bi-metal, which are attracted by a magnet.

1.5 Mixed Paper. The term "*mixed paper*" shall mean paper (except newspaper), including magazines.

1.6 Cardboard. The term "*cardboard*" shall mean moderately thick paperboard not contaminated by glue, food, waxed coating or other similar contaminants.

1.7 Newspaper. The term "*newspaper*" shall mean any part of the newspaper that was included when it was delivered or purchased.

1.8 Plastic. The term "*plastic*" shall mean any 1-7 plastic bottles and jugs.

1.9 Yard Waste. The term "*yard waste*" shall mean any material which occurs naturally and is grown on residential, commercial or industrial property or is included in the landscaping of such property; provided, however, that the material is no more than three inches in diameter and no greater than three feet in length.

## 2. Term of Agreement.

The term of the Agreement shall be five years from the date of the Agreement. The parties may extend the term by mutual agreement, in writing.

## 3. Exclusive Rights to Recycling and Yard Waste Collection.

On the terms and conditions of this agreement, the Contractor shall have the exclusive right to collect all recyclable materials and yard waste materials within the City.

## 4. Mandatory Recyclables Collections.

4.1 Mandatory Service. The Contractor shall provide curbside collection of commingled recyclable materials to all active City residents on a weekly schedule year round.

4.2 Recyclables Containers. Containers existing at the date of execution of this agreement derived from the City's previous participation in the ESCARC coalition shall remain the property of the City. Contractor shall make available to customers 32, 64 and 96 gallon commingled recyclables containers. The containers shall remain the Contractor's property and the customers shall reimburse Contractor for the loss of or damage to any containers that is not result of reasonable wear and tear.

4.3 Title to and Marketing of Recyclables. The Contractor becomes the owner of the recyclables following collection and can market or dispose of them in any manner the Contractor deems to be economically feasible. Recyclables, other than yard waste, which are collected by the Contractor, shall not be disposed of in a landfill or municipal composting facility unless the Contractor has considered other alternatives and, after good faith efforts to locate a market, has determined that such disposal is the most economical way to handle them, and in such case the Contractor must provide written notice to the City. All recyclables collected within the City by the Contractor shall be properly marketed or disposed of by the Contractor in accordance with the laws and regulations of the State of Washington and Snohomish County governing such recycling.

4.4 Other Recyclables. Upon mutual agreement, on terms and conditions and at rates satisfactory to the parties, the City and the Contractor may include additional items for recycling under this contract.

5. Optional Yard Waste Collections.

5.1 Optional Service. Contractor previously provided City residents with 96 gallon yard waste containers in connection with the ESCARC contract. Contractor will continue to make these containers available to City residents; provided, however, that the containers shall remain the Contractor's property and the customers shall reimburse Contractor for the loss of or damage to any containers that is not result of reasonable wear and tear. The Contractor shall provide yard waste collections, using the existing 96 gallon containers, to all City residents on a weekly schedule during March through November of each year and every other week during December, January and February of each year. Effective April 1<sup>st</sup> 2003 Residents may elect not to receive weekly yard waste collections service by notifying the Contractor in which case Contractor shall pick-up the customer's yard waste container.

5.2 Individual Service. A resident not receiving regular weekly service may purchase in advance from Contractor and/or the City vouchers for collection on a per use basis. One voucher shall entitle a resident to the collection one 96 gallon yard waste container or an equivalent quantity of yard waste placed on the curbside in biodegradable bags or 32 gallon cans. The City shall provide the Contractor with 24 hours notice before the regularly scheduled pickup. A resident may redeem per use vouchers by affixing the voucher on the container, cans or bags, whichever may be the case, at the time they are put out for collection. Contractor will pick up yard waste on the day scheduled for regular customers; provided, however, that Contractor will not pick up yard waste that is in excess of the quantities covered by the vouchers affixed to the container placed curbside by the customer.

5.3 Cancellation of Service; Charge for Re-delivery of Container. If any customer cancels regular yard waste collection service, the Contractor shall immediately pick-up the 96 gallon container. In the event customer subsequently

requests regular yard waste service, Customer shall pay the fee in Exhibit A for delivery of a yard waste container.

5.4 Title to and Handling of Yard Waste. The Contractor becomes the owner of the yard waste following collection and will deliver the yard waste to a fully-licensed compost site. If there is no such site in Snohomish County or within a reasonable distance from the City, Contractor will notify the City and the parties will work together to reach agreement on a solution. Contractor will landfill the yard waste only if it is determined that there is no other reasonable available option.

5.5 Resumption of Mandatory Service. Yard Debris Service between the effective date of this agreement and April 1<sup>st</sup> 2003 shall be mandatory. In accordance with Section 5.1 of this agreement effective April 1<sup>st</sup> 2003 it shall become Optional and customers can request cancellation of yard debris service. On ninety (90) days notice to Contractor, City shall have the option to return yard waste collection to mandatory service throughout the term of this Agreement.

6. Preparation of Recyclables.

All recycling material and yard waste must be free of contaminants. If any recyclables contain contaminants, such as solid waste, the Contractor shall not pick it up. In the event that some recyclables are not collected, the Contractor shall give the resident notice in writing of the reason so that the problem can be corrected upon the next pickup.

7. Contractor's Operations.

7.1 Collection Vehicles. The Contractor shall provide transportation of recyclables in vehicles which are designated as recycling trucks. All equipment shall be maintained in a clean and sanitary condition. Vehicles shall bear the name of the Contractor and signage which identifies that the vehicle is for the purpose of recycling collection.

7.2 Contractor's Office. The Contractor shall be required to maintain an office equipped with telephones with local or toll-free exchange numbers and such attendants as may be necessary to take care of requests, orders for special service or instructions from the City. This office shall be in operation between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except holidays or as otherwise directed by the City, in writing.

7.4 Contractor's Employees. The Contractor shall require all employees to be courteous at all times; not to use loud or profane language, and to do their work as quietly as possible. Specific questions as to rates or changes in existing service should be referred to the appropriate office and not handled by the collection employee. Employees, in collecting recyclables, shall follow the regular walks for

pedestrians while on private property, returning to the street or alley after replacing the empty containers. Employees shall not trespass or loiter or cross property to adjoining premises. All employees shall be competent and skilled in the performance of the work to which they may be assigned. Failure or delay in the performance of this Agreement due to the Contractor's inability to obtain employees of the number and skill required shall constitute a default in the Agreement unless the reason for the delay is a labor dispute.

7.5 Holidays. The Contractor shall have Thanksgiving Day, Christmas Day, and New Years Day as the only holidays in each year of this Agreement. Service that normally would be provided on these days Shall be provided one day later.

7.6 Missed Collections. Adequate provisions shall be made by the Contractor to provide collection when recyclables have not been collected from all active accounts during the regularly scheduled trip as a result of the Contractor's inadvertence or neglect in picking up the same. Pick-ups for such missed collections shall be made by the Contractor when ordered by the City at no cost to the City or the resident. Contractor shall make its best efforts to complete such collections within 24 hours of a customer's regularly scheduled collection day.

7.7 Permits, Fees and Taxes. The Contractor shall obtain, at its own expense, all permits and licenses required by the City or any other governmental authority and maintain the same in full force and effect during the terms of this Agreement and shall pay all fees and taxes as applicable to curbside recycling services.

7.8 Reporting. Within 30 days of collection each month, the Contractor shall provide information detailing the amount (in tons) of materials collected in both recycling and yard debris programs, a citizen contact record and service tags issued. Information shall be based upon average weights from the applicable collection routes divided by the number of participating households, actual phone calls received and reports as provided by the drivers at service tag issuance.

## 8. Rate Increases.

8.1 Rates and Fees. Subject to adjustment as set forth in this section, all rates and fees for services provided under this Agreement are set forth in Exhibit A.

8.2 CPI Increase. Beginning on the first anniversary of the Agreement, and on each anniversary thereafter, all rates for regular recyclables and yard waste collection and for single use yard waste collection shall be increased or decreased, whichever is the case, by 80 % of the change in the "Seattle-Tacoma-Bremerton Consumer Price Index, All Items (1982-84 = 100) for All Urban Consumers (CPI-U)" or successor indices. The change made at each anniversary of the Agreement shall be calculated by using the difference between the first half index for the current year and the first half index for the prior year.

8.3 Adjustment of Yard Waste Rates. Contractor has set the rates for yard waste collections upon projected volumes of yard waste. The parties recognize that these projections may not be accurate because of changes to yard waste collections effected with this Agreement. Accordingly, in addition to the CPI Increase provided for in Section 8.1, Contractor and City shall adjust the fees for regular and single use yard waste fees after the first year of the Agreement in order to provide for Contractor to realize a commercially reasonable level of profit. Prior to the first anniversary of the Agreement, the Contractor shall propose any rate adjustment to the City. Contractor will allow access by the City to Contractor's financial records to allow for evaluation of proposal. If justified by the verified financial information supplied, the City shall not unreasonably withhold approval of the proposed adjustment and any approved adjustment shall be effective as of the anniversary of the Agreement.

8.4 Change in Law. In the event any change in law or increase in taxes or governmental fees increases Contractor's costs to provide the recycling services, Contractor may adjust its fees to account for those costs. Contractor shall notify the City of such increases in writing and propose adjusted rates to allow Contractor to realize a commercially reasonable level of profit. The City shall not unreasonably withhold approval of the proposed adjustment and any approved adjustment shall be effective within sixty (60) days of Contractor's written proposal to the City.

9. Billing. Upon execution of this agreement the City shall provide an up-to-date list of all active residential accounts. This list shall include all single and multi-family accounts within the incorporated boundaries of the City by service address. City shall also provide the number of residential units associated with each multi-family service address. At the beginning of each calendar month the City shall provide the contractor a list of changes (active or inactive) to service addresses for the upcoming month. Contractor shall not be required to provide service to inactive accounts. On or before the 15<sup>th</sup> of each month the Contractor shall provide the City with an invoice for active accounts serviced in the previous month. City shall make payment within 30 days of invoice.

10. Billing Records Upon request by the Contractor, the City shall make available to the Contractor all applicable records and/or related documents for the purpose of verification of the number and nature of active accounts with the City boundaries.

11. Enforcement and Remedies.

11.1 Contractor Breach. If the Contractor shall abandon or breach this Agreement or fail to fully and promptly comply with its obligations or shall fail to give reasons satisfactory to the City for non-compliance, the City may then declare the Contractor to be in default of this Agreement and notify the Contractor to discontinue any further service hereunder, a copy of said notice to be sent to the Contractor. Provided, where the breach of this Agreement is not of a magnitude to endanger the

public health, safety or welfare, the City shall first give the Contractor thirty (30) days notice to cure the breach or the failure to comply such that Contractor shall be in default only if the City has first provided thirty (30) days notice and contractor has failed to cure the breach. <sup>1</sup>

11.2 Default. In the event the Contractor shall at any time during the term of this Agreement fail to remove recyclables from the City, according to the terms of this Agreement, then and in that event, the City may give the Contractor thirty (30) days notice in writing of the matters in default, and in the event the Contractor fails to correct matters in default within said thirty (30) day period, the City shall then have the right to immediately terminate this Agreement.

11.3 Uncontrollable Circumstances. Notwithstanding the provisions of this section, a delay or interruption in the performance of all or any part of the Agreement resulting from causes beyond the Contractor's control, shall not be deemed to be a default of the Agreement and the rights and remedies of the City provided for herein shall be inapplicable. Labor disputes and/or strikes by Contractor's employees shall not be deemed a breach of contract under this Agreement but shall make every effort to continue the level of service as provided by this Agreement.

11.4 Hold Harmless. The Contractor shall indemnify and save the City, its officers, agents, servants, and employees harmless from and against any and all loss, damage, action, claims, suits, judgments and liability in connection with loss of life, personal injury and/or damage to the property arising from or out of any negligence or intentional act of or by the Contractor under this Agreement. The Contractor shall also pay all costs, expenses, and reasonable attorney fees that may be incurred or paid by the City in enforcing any and all terms and covenants of this Agreement. The City shall not be liable to the Contractor for any loss or damage, other than any loss or damage occurring directly as a result of the negligence or intentional act of the City, its employees or agents.

11.5 Compliance with Laws. The Contractor agrees and covenants to comply with all provisions of Federal, State, County and City laws and ordinances affecting, directly or indirectly, the subject matter of this Agreement.

## 12. Liability Insurance.

12.1 Industrial Insurance. The Contractor shall be responsible for paying any and all State Industrial Insurance on persons collecting recyclables on their behalf.

12.2 Other Insurance. The Contractor is required to carry public liability insurance with limits of \$2,000,000 per occurrence for bodily injury, property damage and automobile liability.

12.3 Certificate of Insurance. The Contractor shall furnish to the City a current Certificate of Insurance setting forth said insurance policy to be in full force and effect. The Certificate of Insurance shall contain a provision giving the City thirty (30) days advance written notice of any change, cancellation or lapse of such policy.

13. Miscellaneous.

13.1 Arbitration. Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by binding, non-appealable arbitration administered by Judicial Dispute Resolution, Inc. in Seattle, Washington. Any arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The prevailing party shall be entitled to recover its reasonable attorney's fees and costs incurred in connection with the arbitration. Any judgment rendered by the arbitrator may be entered in any court having jurisdiction thereof.

13.2 Notices. Any Notice required or permitted to be given under this Agreement shall be deemed sufficient if given in writing and deposited into any post office as first class, postage prepaid, certified mail, return receipt requested, and addressed to:

To City: City of Sultan  
Attention: Clerks Office  
P.O. Box 1199  
Sultan WA 98294

To Contractor: Lynnwood Disposal  
Attention: General Manager  
1600 127<sup>th</sup> Ave NE  
Bellevue, WA 98005

Either party shall give written notice of change of address.

13.3 Complete Agreement. This Agreement represents the entire agreement between the City and the Contractor with respect to the services to recyclables and yard waste collections. No prior written or oral statement or proposal shall alter any term or provision of this Agreement, and this Agreement may be modified or amended only by a written agreement duly executed hereto by authorized representatives of the Contractor and the City.

13.4 Further Assurances. Each party agrees to perform any further acts and to execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

13.5 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement and such provisions as applied to other persons and circumstances shall remain in full force and effect.

13.6 Assignment. Neither party may assign its rights or obligations under this Agreement without the other parties prior written consent which consent shall not be unreasonably withheld. Any corporate reorganization or acquisition of Contractor shall not constitute an assignment unless it results in a significant change in the beneficial ownership of contractor.

13.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.8 Construction of Agreement. This Agreement is deemed to have been drafted jointly by the parties. Any uncertainty or ambiguity shall not be construed as for or against any other party but based on attribution of drafting to any party.

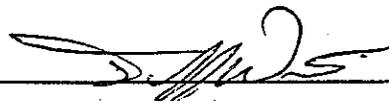
13.9 Paragraph Headings. The paragraph headings in this Agreement are inserted for convenience only and are in no way to be construed as part of this Agreement or as a limitation or enlargement of the scope or meaning of the particular Sections or paragraphs to which they refer, and shall not affect the interpretation of any provisions of this Agreement.

Executed on the day and year first herein above written:

CITY OF SULTAN

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

RABANCO CONNECTIONS  
INTERNATIONAL, INC.,  
d/b/a Lynnwood Disposal

By:   
\_\_\_\_\_  
Its Division General Manager

## EXHIBIT A: RATES

Subject to increases under Section 8 of the Agreement, City shall pay the following rates:

### Mandatory Recyclables Service:

\$2.97 per month for recyclables collection. This fee is the same for 32, 64 and 96 gallon containers.

### Mandatory Yard Waste Service:

In the event the City elects to resume mandatory service pursuant to Section 5.5, the fee shall be \$5.24 per month, subject to adjustment under Section 8. The monthly charge shall be adjusted at the outset of mandatory service to reflect all changes in the CPI since the beginning of the Agreement.

### Optional Yard Waste Service:

\$8.36 per month for yard waste collection March through November of each year.  
\$3.50 per month for yard waste collection December, January and February of each year.

Any yard waste in excess of the provided 96 gallon container shall be subject to an additional charge of \$1.37 up to 32 gallons of material or equivalent.

\$ 2<sup>nd</sup> – Yard waste toter collection

\$25.00 container delivery charge for any customer ordering regular service who previously cancelled regular service for any reason. This fee shall be waived should the customer elect at the time of subscription to directly pick up the container from the Contractor's office.

### Per Use Yard Waste Service:

\$4.00 for vouchers purchased in advance from Contractor entitling the resident to redeem the voucher for the collection of a 96 gallon container or its equivalent.

### Replacement of Containers

\$50.00 for the replacement of any lost or damaged containers.

**Consent by City of Sultan to Partial Assignment  
Of the Contract for the Collection of Recyclables and Residential Yard Waste**

The City of Sultan, a duly recognized municipality of the State of Washington, and Rabanco Ltd., (d/b/a Lynnwood Disposal), a Washington corporation, are parties to a Contract for the Collection, Removal and Transportation of Solid Waste, Recyclables and Yard Waste, dated as of January 1, 2004 (the "Agreement"). A copy of the Agreement is attached hereto as Exhibit A. The undersigned does hereby consent to the assignment by Rabanco Ltd., (d/b/a Lynnwood Disposal), to Allied Receivables Funding Incorporated, a Delaware corporation ("ARFI"), and ARFI's subsequent assignment to any Agent or Lender Group Agent, of Rabanco Ltd.'s, (d/b/a Lynnwood Disposal), right to receive payments under the Agreement from the City of Sultan. The consent by the undersigned to the assignment by Rabanco Ltd., (d/b/a Lynnwood Disposal), of its right to receive payments under the Agreement is conditioned upon Rabanco Ltd., (d/b/a Lynnwood Disposal), remaining, and Rabanco Ltd., (d/b/a Lynnwood Disposal), hereby agrees to remain, liable for its obligations under the Agreement. The assignment granted hereby shall be effective from and after the date on which this consent is duly executed by the undersigned.

City of Sultan

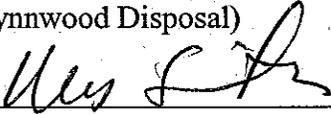
By: 

Name: Ben Tolson

Title: Mayor

Date: 4-29, 2004

Rabanco Ltd.  
(dba Lynnwood Disposal)

By: 

Name: Wes Smith

Title: General Manager, Lynnwood Disposal

Date: April 7, 2004

**AGREEMENT BETWEEN THE CITY OF SULTAN  
AND RABANCO COMPANIES FOR ROLL OFF DROP BOX COLLECTION,  
COMPACTOR SERVICE & COMMERCIAL RECYCLING TRANSPORTATION AND  
DISPOSAL SERVICES**

This agreement ("Agreement") is entered into this 21<sup>st</sup> day of April 2003, by and between the City of Sultan, Washington, a municipal corporation ("City"), Rabanco Connections International, Inc. d/b/a Lynnwood Disposal ("Contractor"), with reference to the following facts:

RECITALS

- A. Contractor provides roll off drop box service, compactor service for the collection, transportation and disposal of solid waste.
- B. The City desires to contract with Contractor to provide roll off drop box service / compactor service and commercial recycling to businesses within the City.
- B. The City and the Contractor have reached agreement on the terms for such and now are entering into this definitive written agreement in order to establish the terms of their agreement.

AGREEMENT

In consideration of the mutual covenants set forth below, the parties hereby agree as follows:

1. Term of Agreement.

The term of the Agreement shall be five (5) years from the date of the Agreement. The parties may extend the term by mutual agreement, in writing.

2. Rates and Billings to City

The City shall pay the Contractor for drop box services according to the rates set forth in Exhibit A. The Contractor shall invoice the City for each month by the 15th day of the following month and the City shall make payment within 30 days of the receipt of each invoice.

3. Exclusive Rights to Drop Collection.

The Contractor shall have the exclusive right to provide drop box collection services within the City.

4. Option for Additional Services.

During the term of this Agreement, the City shall have the exclusive right to expand the services provided by Contractor to include the collection of other solid waste services within the City. Such additional service shall be provided on terms to be mutually agreed upon by the parties.

5. Contractor's Operations.

5.1 Collection Vehicles. The Contractor shall provide transportation of drop boxes in vehicles designed and equipped to transport drop boxes. All equipment shall be maintained in a clean and sanitary condition. Vehicles shall bear the name of the Contractor.

5.2 Contractor's Office. The Contractor shall be required to maintain an office equipped with telephones with local or toll-free exchange numbers and such attendants as may be necessary to take care of requests, orders or instructions from the City. This office shall be in operation between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except holidays or as otherwise directed by the City, in writing.

5.4 Contractor's Employees. The Contractor shall require all employees to be courteous at all times; not to use loud or profane language, and to do their work as quietly as possible. Specific questions as to rates or changes in existing service should be referred to the appropriate office and not handled by the collection employee. Employees shall not trespass or loiter or cross property to adjoining premises. All employees shall be competent and skilled in the performance of the work to which they may be assigned. Failure or delay in the performance of this Agreement due to the Contractor's inability to obtain employees of the number and skill required shall constitute a default in the Agreement unless the reason for the delay is a labor dispute.

5.5 Holidays. The Contractor shall have Thanksgiving Day, Christmas Day, and New Years Day as the only holidays in each year of this Agreement. Service that normally would be provided on these days will be coordinated with solid waste collection services in order to minimize disruption to the City and its customers.

5.6 Permits and Fees. The Contractor shall obtain, at its own expense, all permits and licenses required by the City or any other governmental authority and maintain the same in full force and effect during the terms of this Agreement.

6. Customer Billing, Collections, and Rate Revision

6.1 The Contractor shall be responsible for billing all drop box customers and collecting payment from those customers.

6.2 Change or Adjustments in Disposal Fees. Adjustments shall also be made to Contractor collection rates to reflect increases or decreases in disposal fees or for disposal fee cost changes should the Contractor be required by the City or other governmental authority to use disposal sites other than that being used at the initiation date of this contract as reflected on the date noted below.

6.3 CPI Adjustment Beginning in 2004. On January 1, 2004 and for each year hereafter, the Contractor's fee for solid waste services shall increase or decrease by 100% of the annual percentage change in the Consumer Price Index for the Seattle-Everett metropolitan area for urban wage earners and clerical workers, all items "Revised Series CPI-W 1967 = 100," prepared by the United States Department of Labor, Bureau of Labor Statistics or a successor index. Adjustments will be based on the most recent twelve (12) month period published for the twelve month period.

6.4 Change in Law. In the event any change in law or increase in taxes or governmental fees increases Contractor's costs to provide the required services, Contractor may adjust its fees to account for those costs. Contractor shall notify the City of such increases in writing and propose adjusted rates to allow Contractor to realize a commercially reasonable level of profit. The City shall not unreasonably withhold approval of the proposed adjustment and any approved adjustment shall be effective within sixty (60) days of Contractor's written proposal to the city.

6.5 Franchise Fee. In addition to rates charged in accordance with this agreement, the Contractor shall collect and remit to the City a franchise fee in the amount of 3% of the gross revenues derived from such businesses or as adjusted by the City during the term of the agreement.

## 7. Enforcement and Remedies.

7.1 Contractor Breach. If the Contractor shall abandon or breach this Agreement or fail to fully and promptly comply with its obligations or shall fail to give reasons satisfactory to the City for non-compliance, the City may then declare the Contractor to be in default of this Agreement and notify the Contractor to discontinue any further service hereunder, a copy of said notice to be sent to the Contractor. Provided, where the breach of this Agreement is not of a magnitude to endanger the public health, safety or welfare, the City shall first give the Contractor thirty (30) days notice to cure the breach or the failure to comply such that Contractor shall be in default only if the City has first provided thirty (30) days notice and contractor has failed to cure the breach.

7.2 Default. In the event the Contractor shall at any time during the term of this Agreement fail to remove loaded drop boxes from the City, according to the terms of this Agreement, then and in that event, the City may give the Contractor thirty (30) days notice in writing of the matters in default, and in the event the Contractor fails

to correct matters in default within said thirty (30) day period, the City shall then have the right to immediately terminate this Agreement.

7.3 Uncontrollable Circumstances. Notwithstanding the provisions of this section, a delay or interruption in the performance of all or any part of the Agreement resulting from causes beyond the Contractor's control, shall not be deemed to be a default of the Agreement and the rights and remedies of the City provided for herein shall be inapplicable. Labor disputes and/or strikes by Contractor's employees shall not be deemed a breach of contract under this Agreement.

7.4 Hold Harmless. The Contractor shall indemnify and save the City, its officers, agents, servants, and employees harmless from and against any and all loss, damage, action, claims, suits, judgments and liability in connection with loss of life, personal injury and/or damage to the property arising from or out of any negligence or intentional act of or by the Contractor under this Agreement. The Contractor shall also pay all costs, expenses, and reasonable attorney fees that may be incurred or paid by the City in enforcing any and all terms and covenants of this Agreement. The City shall not be liable to the Contractor for any loss or damage, other than any loss or damage occurring directly as a result of the negligence or intentional act of the City, its employees or agents.

7.5 Compliance with Laws. The Contractor agrees and covenants to comply with all provisions of Federal, State, County and City laws and ordinances affecting, directly or indirectly, the subject matter of this Agreement.

## 8. Liability Insurance.

8.1 Industrial Insurance. The Contractor shall be responsible for paying any and all State Industrial Insurance on persons collecting drop boxes on its behalf.

8.2 Other Insurance. The Contractor is required to carry public liability insurance with limits of \$2,000,000 per occurrence for bodily injury, property damage and automobile liability.

8.3 Certificate of Insurance. The Contractor shall furnish to the City a current Certificate of Insurance setting forth said insurance policy to be in full force and effect. The Certificate of Insurance shall contain a provision giving the City thirty (30) days advance written notice of any change, cancellation or lapse of such policy.

## 9. Miscellaneous.

9.1 Arbitration. Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by binding, non-appealable arbitration administered by Judicial Dispute Resolution, Inc. in Seattle, Washington.

Any arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The prevailing party shall be entitled to recover its reasonable attorney's fees and costs incurred in connection with the arbitration. Any judgment rendered by the arbitrator may be entered in any court having jurisdiction thereof.

9.2 Notices. Any Notice required or permitted to be given under this Agreement shall be deemed sufficient if given in writing and deposited into any post office as first class, postage prepaid, certified mail, return receipt requested, and addressed to:

To City: City of Sultan  
Attention: Clerks Office  
P.O. Box 1199  
Sultan, WA 98294

To Contractor: Lynnwood Disposal  
Attention: General Manager  
1600 127<sup>th</sup> Ave NE  
Bellevue, WA 98005

Either party shall give written notice of change of address.

9.3 Complete Agreement. This Agreement represents the entire agreement between the City and the Contractor with respect to solid waste drop box services. No prior written or oral statement or proposal shall alter any term or provision of this Agreement, and this Agreement may be modified or amended only by a written agreement duly executed hereto by authorized representatives of the Contractor and the City.

9.4 Applicable Law. The validity and interpretation of this Agreement and the legal obligations of the parties to it shall be governed by the laws of the State of Washington.

9.5 Further Assurances. Each party agrees to perform any further acts and to execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

9.6 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement and such provisions as applied to other persons and circumstances shall remain in full force and effect.

9.7 Assignment. Neither party may assign its rights or obligations under this Agreement without the other parties prior written consent which consent shall not be unreasonably withheld. Any corporate reorganization or acquisition of Contractor shall not constitute an assignment unless it results in a significant change in the beneficial ownership of contractor.

9.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9.9 Construction of Agreement. This Agreement is deemed to have been drafted jointly by the parties. Any uncertainty or ambiguity shall not be construed as for or against any other party nor based on attribution of drafting to any party.

9.10 Paragraph Headings. The paragraph headings in this Agreement are inserted for convenience only and are in no way to be construed as part of this Agreement or as a limitation or enlargement of the scope or meaning of the particular Sections or paragraphs to which they refer, and shall not affect the interpretation of any provisions of this Agreement.

Executed on the day and year first herein above written:

CITY OF SULTAN

RABANCO, LTD.  
d/b/a Lynnwood Disposal

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

By:   
\_\_\_\_\_  
Its Director General

## EXHIBIT A: RATES

### Roll-Off Service:

<u>Container Size</u>	<u>Delivery</u>	<u>Per Pick-up</u>	<u>Rent/Day</u>
10 yard	\$31.50	\$75.30	\$1.75
15 yard	\$31.50	\$75.30	\$1.75
20 yard	\$31.50	\$75.30	\$1.75
25 yard	\$31.50	\$77.30	\$2.60
30 yard	\$31.50	\$77.30	\$2.60
40 yard	\$31.50	\$82.30	\$2.85

Rates named per pick-up are for hauls not exceeding 5 miles point to point. All miles in excess of 10 miles round trip will be an additional charge of \$1.75 per mile, such charge to be in addition to all regular charges.

### Commercial Cardboard Recycling Rates:

<u>Size</u>	<u>Rental</u>	<u>Weekly Service</u>	<u>Every Other Week</u>	<u>Extra Dumps</u>
60 gal	\$2.00	\$16.50	\$11.55	\$4.60
90 gal	\$2.00	\$19.75	\$11.55	\$5.50
1 yard	\$7.00	\$26.85	\$20.60	\$6.23
1.25 yard	\$7.00	\$29.78	\$22.95	\$6.25
1.5 yard	\$8.00	\$31.77	\$24.89	\$6.27
2 yard	\$8.50	\$42.94	\$33.32	\$8.81
3 yard	\$9.50	\$51.39	\$39.28	\$10.99
4 yard	\$11.00	\$59.04	\$44.09	\$13.57
6 yard	\$16.00	\$63.13	\$46.51	\$15.58
8 yard	\$20.00	\$85.05	\$62.51	\$20.29
Extra yards	\$8.00			

### Commercial Commingle Recycling Rates:

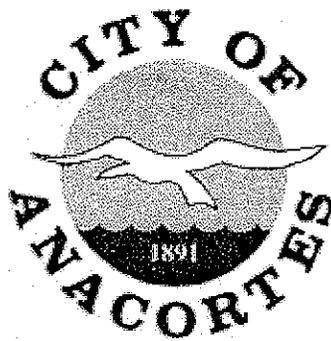
<u>Size</u>	<u>Rental</u>	<u>Weekly Service</u>	<u>Every Other Week</u>	<u>Extra Dumps</u>
60 gal	\$2.00	\$16.50	\$11.55	\$4.60
90 gal	\$2.00	\$19.75	\$13.83	\$5.50
1 yard	\$7.00	\$39.83	\$29.21	\$9.89
1.25 yard	\$7.00	\$42.71	\$32.08	\$9.90
1.5 yard	\$8.00	\$44.65	\$33.99	\$9.91
2 yard	\$8.50	\$66.71	\$50.07	\$15.46
3 yard	\$9.50	\$83.74	\$62.08	\$20.09
4 yard	\$11.00	\$98.87	\$72.19	\$24.77
6 yard	\$16.00	\$136.33	\$99.06	\$36.83
8 yard	\$20.00	\$171.12	\$121.76	\$43.89
Extra yards	\$8.00			

**CITY OF ANACORTES, WASHINGTON**

**REQUEST FOR PROPOSALS**

**FOR CURBSIDE RECYCLING, TRANSPORTING  
AND PROCESSING SERVICES**

**RFP No. SW-02-001**



**MAY 15, 2002**

*Attachment D*



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**I. Purpose, Background, and Scope of Service**

**A. Purpose of Request for Proposal**

The City of Anacortes is soliciting proposals from qualified firms interested in providing curbside recycling collection, transporting and the processing of recycled materials.

**Background**

The City of Anacortes is located in Skagit County, the Northwest corner of the state. The City provides weekly curbside recycling services to approximately 6,000 residences via a contracted vendor. The City currently incorporates a curbside recycling system that uses separate bins for glass and plastic, mixed paper, and newspaper. These bins are furnished to single and multi family residences by the contractor. Recycling and Solid Waste data for calendar years 2000 and 2001 are included as Attachment 1.

**B. Intent**

The City's intent and the requirements of this RFP are to provide its' citizens with the appropriate level of service, at the best price and with the highest quality.

The specifications contained within this RFP document are designed to establish an effective, efficient, uniform and safe system of Recycling Services that provides for the following intended purposes:

1. Establish and maintain a continuous and uniform level of Recycling Services in order to assure protection of the health, safety and welfare of the community.
2. Provide Recycling Services in a coordinated manner, through a routing system that will improve current Recycling Services while minimizing impacts to service rates.

To this end, the City has tried to provide as much information as possible to all prospective Proposers in order to allow them to compute fair and reasonable rate quotes. However, it is the sole responsibility of the Proposer to independently investigate, to calculate and to be responsible for the prices quoted.

**C. Scope of Services**

The selected firm will be required to provide the following services including, but not limited to, the following:

1. Provide weekly curbside recycling service to approximately 6,000 residences according to terms and conditions basically as set forth in Attachment 2.
2. Be responsible for safely and legally transporting, processing and disposing of the collected materials for recycling.



REQUEST FOR PROPOSALS FOR  
**CURBSIDE RECYCLING,  
TRANSPORTING AND  
PROCESSING SERVICES**

3. Furnish and maintain containers to single and multi family residences for the collection of materials to be recycled.

## II. Proposal Requirements

### A. Proposal Format

In addition to other items specified below, all RFP's are limited to a maximum of 20 pages. This page limit does not include your cover letter.

#### 1. Cover Letter

Each response should include a cover letter no longer than two pages, signed by an officer of your firm, indicating that the response is valid for 90 days and that the officer is legally able to contractually bind your firm. The cover letter should summarize your proposal's key points.

#### 2. Non Collusion

The City of Anacortes prohibits collusion, defined as a secret agreement for a deceitful or fraudulent purpose. The attached Non-Collusion Affidavit (Attachment 3) must be completed by all firms responding to this RFP. (RCW 9.18.120, 9.18.130)

#### 3. Firm Qualifications

- a. Provide information describing your firm's financial condition. Include in such description, where applicable, the credit rating of your firm's parent entity or related subsidiaries that would provide services under this RFP.
- b. Describe any relevant changes in your firm within the past year, or anticipated changes, that may affect your capability to perform the services being requested.
- c. Identify six references from similar sized governmental entities where your firm has performed similar services.
- d. Provide information regarding your firm's background and experience in providing these services.

#### 4. Staffing Plan

- a. Indicate the names, titles, roles, locations, phone numbers, fax numbers and e-mail addresses, of each member of the team that will be designated to work on this project for your company. Indicate which person and position will serve as the day-to-day contact for the City. Provide brief resumes of the listed person(s).
- b. Provide the location, address, and contact information for the office that will provide the services to the City.



REQUEST FOR PROPOSALS FOR  
**CURBSIDE RECYCLING,  
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**5. Firm Approach**

a. Discuss how your firm will provide the services to be performed for the City. The City of Anacortes welcomes and will consider creative and innovative alternatives to the current recycling system, when those methods can be shown to provide cost savings and/or overall improvements in the current recycling system.

b. Please indicate the schedule for implementing the program that your firm will use to provide the services to be performed for the City.

**6. Cost**

The cost basis for collection and billing of recyclable materials shall be per ton.

**7. Other**

Please disclose any conflict or potential conflict of interest that your firm may have concerning this engagement.

**B. Submittal Requirements**

Six copies of each firm's response shall be submitted to George Khtaian, City Clerk **no later than 4:30 p.m. on June 14, 2002.**

City of Anacortes – Solid Waste – RFP 2002  
RFP No. SW-02-001  
Attn: City Clerk  
City of Anacortes  
PO Box 547  
Anacortes, WA 98221

A Proposer may, without prejudice, withdraw a proposal after it has been deposited with the City, provided written notice is given to the City Clerk, and provided such notice of withdrawal is received by the City Clerk prior to the closing time set for receiving proposals. Once submitted, proposals may not be corrected or modified prior to the time of opening.

**C. Pre-Proposal Conference**

The **Pre-Proposal Conference will be held at 1:00 p.m. PT, May 29, 2002**, in the City of Anacortes Council Chambers, located at 904 6<sup>th</sup> Street, Anacortes, Washington.

**NOTE: Attendance at the Pre-Proposal Conference is Mandatory.**

Proposers whose designated representative(s) do not attend the Pre-Proposal Conference will not be allowed to continue in this RFP process, and their proposals, if submitted, shall be disqualified. If a joint proposal is to be submitted, a representative



from each firm with a substantial interest (representing more than 33 percent of the total interest) must attend the Pre-Proposal Conference.

#### **D. Joint Proposals**

If two or more Proposers are developing a joint proposal, Mr. George Khtaian, City Clerk must be notified in writing by the joint Proposers no later than May 28, 2002. This notification will be kept confidential until after submission and opening of the RFP's.

### **III. RFP Evaluation, Schedule and Other Matters**

#### **A. RFP Evaluations**

RFPs will be evaluated based on the following criteria (not listed in any order of importance):

1. Firm's proven ability with similar projects.
2. Expertise of Key personnel to be assigned to the contract.
3. Firm's proven ability to provide innovative, cost-effective service.
4. Firm's proven track record of responsiveness to time limitations and deadlines.
5. Firm's proven track record of quality of performance.
6. Firm's capacity to perform.
7. Firm's cost proposal.

#### **B. Final Ranking and Selection**

A City Committee will make a recommendation to negotiate with the responder whose proposal is determined to be the most advantageous to the City, considering the Evaluation factors set forth in the RFP. Recommended contract awarded, if any, resulting from this RFP is subject to the approval of the City Council.

#### **C. Presentations**

The City retains the right to create a shortlist and invite Proposers who make the list to deliver a presentation of its proposal to the Committee. Each presentation will be judged as to its completeness.

#### **D. Negotiations**

The City retains the right to make an award based on initial proposals without negotiations. Negotiations may be conducted with all responsible Proposers.

#### **E. Discussions: Best and Final Proposer**

The Committee reserves the right to recommend a Proposer for based upon the Proposers written proposal, without further discussions. Should the Committee determine that further discussions would be in the best interest of the City, the



Committee shall establish procedures and schedules for conducting discussions and will notify qualified Proposers. When in the best interest of the City, the Committee may permit qualified Proposers to revise their proposals by submitting "best and final" Proposal.

**F. Schedule**

Advertise RFP .....	May 15, 2002
Distribute RFP.....	May 15, 2002
Pre-Proposal Conference.....	May 29, 2002
RFP Deadline.....	June 14, 2002
Submit Recommendation to City Council.....	June 24, 2002
Award Contract.....	June 24, 2002
Start Date for Contractor.....	October 1, 2002

**G. Other Matters**

**1. Changes in the RFP**

Any communication from the City to a Proposer will be transmitted simultaneously to all Proposers along with written questions submitted. Any Proposer who fails to recognize or utilize this process of communication will be notified of its violation of the process and may be disqualified from the RFP process. All addenda will be numbered in sequence, dated as of the date of issue, and sent via fax to all Proposers.

**2. Verbal Agreements**

No verbal agreement or conversation with any officer, agent, or employee of the City, either before or after execution of the Contract, shall affect or modify any of the terms or obligations contained in the Contract. Any such verbal agreement or conversation shall be considered as unofficial information and in no way binding upon the City or the Contractor.

**3. Receipt of Addenda**

The Proposer shall acknowledge receipt of each addendum by signing in the space provided on the issued addendum and by submitting all addenda with their proposal. Proposer shall also sign and return the cover page of each addendum to the City Clerk via fax to acknowledge receipt.

**4. Clarifications**

Proposers are notified to examine thoroughly the instructions, specifications and the service requirements as set forth in this RFP. If there is any doubt or uncertainty as to the meaning of the same, Proposers may ask for any explanation or clarification before submitting their Proposal. All requests for explanation or clarification must be presented to the City in written form.



**All inquiries related to this RFP shall be submitted in writing to:**

**Robert Hyde, P.E.  
Director  
Public Works  
City of Anacortes  
PO Box 547  
Anacortes, WA 98221  
Phone: (360) 293-1919  
Fax: (360) 293-1938**

**5. Reservation of Rights**

The City reserves and holds at its discretion the following rights and options:

- a. Issue addenda to the Request for Proposals, including extending or otherwise revising the timeline for submittals;
- b. Withdraw the Request for Proposals;
- c. Request clarification and/or additional information from the Proposer at any point in the procurement process;
- d. Execute a Contract or Contracts with one or more Proposers, on the sole basis of the original proposal or any additions to proposal submissions;
- e. Reject any or all Proposals, waive irregularities in any Proposal, accept or reject all or any part of any Proposal, waive any requirements of the Request for Proposals, as may be deemed to be in the best interest of the City; and
- f. Reissue the RFP or modify the RFP.

In order to be considered for selection, responses must be received by City Clerk on or before the date and time specified. Firms mailing responses should allow normal mail delivery time to ensure timely receipt by the City. Proposals received after the stated time shall not be considered. No fax transmittals will be accepted.

**IV. Disposition of Proposals**

All materials submitted in response to this RFP will become the property of the City of Anacortes. One (1) copy of each proposal shall be retained for official files and will become a public record after the award and open to public inspection. It is understood that the proposal will become part of the official file on this matter without obligation on the part of the City of Anacortes.

**A. Disclosure**

Any trade secrets or proprietary information submitted by a vendor in connection with a procurement shall not be subject to public disclosure. However, the vendor must invoke the protection of this section prior to or upon submission of the data or other materials by identifying the specific area or scope of data or other materials to be protected and state the reasons protection is necessary. An all-inclusive statement



CITY OF ANACORTES, WASHINGTON

REQUEST FOR PROPOSALS FOR  
**CURBSIDE RECYCLING,  
TRANSPORTING AND  
PROCESSING SERVICES**

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that the entire proposal is proprietary is not acceptable. A statement that cost proposals are to be protected is not acceptable.

There is no expressed or implied obligation for the City of Anacortes to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.



REQUEST FOR PROPOSALS FOR  
**CURBSIDE RECYCLING,  
 TRANSPORTING AND  
 PROCESSING SERVICES**

**ATTACHMENT 1**

**CITY OF ANACORTES  
 RECYCLING AND SOLID WASTE DATA**

<i>Date</i>	<i>Tons of Garbage*</i>	<i>Tons of Curbside Recycle</i>
Jan-00	542.06	147.45
Feb-00	525.21	97.24
Mar-00	590.67	153.60
Apr-00	551.44	134.81
May-00	650.34	151.07
Jun-00	652.08	156.79
Jul-00	628.10	135.16
Aug-00	709.64	128.39
Sep-00	632.70	138.97
Oct-00	624.07	156.11
Nov-00	560.47	170.09
Dec-00	534.27	138.38
<b>2000 TOTALS</b>	<b>7,201.05</b>	<b>1,708.06</b>
<b>% recycling</b>		<b>19.17%</b>

Jan-01	611.42	169.22
Feb-01	509.01	119.71
Mar-01	571.22	143.86
Apr-01	593.81	138.48
May-01	659.35	144.62
Jun-01	631.53	141.37
Jul-01	675.06	140.72
Aug-01	714.79	152.08
Sep-01	600.97	124.57
Oct-01	661.25	129.05
Nov-01	601.85	147.57
Dec-01	553.45	122.83
<b>2001 TOTALS</b>	<b>7,383.71</b>	<b>1,674.27</b>
<b>% recycling</b>		<b>18.48%</b>

\* Includes Commercial and Residential Solid Waste



CITY OF ANACORTES, WASHINGTON

REQUEST FOR PROPOSALS FOR  
**CURBSIDE RECYCLING,  
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PROCESSING SERVICES**

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**ATTACHMENT 2**

**CITY OF ANACORTES  
CONTRACT  
FOR  
RESIDENTIAL COLLECTION, PROCESSING AND MARKETING  
OF  
CURBSIDE RECYCLABLES**



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THIS CONTRACT, is made and entered into as of \_\_\_\_\_ by and between the CITY OF ANACORTES, a municipal corporation of the State of Washington, hereinafter called "City", and \_\_\_\_\_, hereinafter called "Contractor."

**SECTION 1. LIST OF DEFINITIONS**

Alley	A public or private way giving access to the rear of lots or buildings.
Apartment House	A building or portion thereof containing five (5) or more dwelling units.
City	The City of Anacortes, Skagit County, Washington.
Commercial (or Industrial) Customer	Any Apartment House or Business Address generating recyclables on an on-going basis.
Contractor	The one Contracting with the City to collect and market recyclable and/or yard waste materials.
County	In Skagit County, Washington.
Curb or Curbside	On the homeowners' property, within (5) feet of the public street or alley without blocking sidewalks, driveways or on-street parking. If extraordinary circumstances preclude such a location, curbside shall be considered a placement suitable to the resident and convenient to the Contractor's equipment and approved by the City.
Detachable Container	A watertight, all metal container, not less than one cubic yard nor more than eight cubic yards in capacity and equipped with a tight fitting cover.
Drop Box	An all metal container, with lidded or non-lidded cover, of not less than ten cubic yards, or more than fifty cubic yards in capacity.
Eligible Household	A residence containing not more than four (4) dwelling units and receiving individual unit pickup services.



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Hazardous Waste	Means and includes all dangerous and extremely hazardous waste, including substances composed of both radioactive and hazardous components (RCW 70.105.010).
Industrial Waste	Means and includes waste generated as a by-product of manufacturing operations usually consisting of large quantities of paper, cardboard, metal, plastics, scrap lumber and dunnage and other materials incidental to and connected with the manufacturing process and not otherwise included in the definitions of "Hazardous" or "Special Wastes" herein above.
Mixed Paper	Includes the following: Magazines, junk mail, phone books, bond or ledger grade, cardboard and paper board packaging. (This does not include tissue paper, paper towels, frozen food containers, milk cartons, or paper packaging combined with plastic wax or foil.)
Multiple-Family Unit	A residence containing five (5) or more dwelling units. Each dwelling within a multi-family unit will be charged as a "single-family unit" unless all of the containers are placed in one location for pickup. In such case, they will be charged the multi-family recycling rate. Individual multi-family units must all be on single-family unit rate or the multi-family recycling rate.
Person	Every person, firm, partnership, association, institution or corporation in the City accumulating recyclables. The term shall also mean the occupant and/or the owner of the premises for which service herein mentioned is rendered.
P.E.T.	Means "Polyethylene Terephthalate." A recyclable plastic that includes beverage bottles (like 2-liter pop bottles), frozen food boil-in-the-bag pouches and microwave food trays.
Plastic	Includes HDPE, LDPE and P.E.T. containers.
Public Works Director	An official of the City holding that office, or the designated representative.
Recyclables	Newspaper, uncoated mixed paper, aluminum, glass and metal food and beverage containers and such other materials that the City and Contractor determine to be recyclable.
Recycling Bin	A Contractor provided container suitable for household collection, storage and curbside set out of source-separated recyclables.



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Recycling Container	A Contractor provided container suitable for on-site collection, storage and set out of source-separated recyclables at multi-family and commercial locations.
Recycling Coordinator	A Coordinator for the City of Anacortes, Skagit County, Washington, or the designed representative.
Residence	A building, or portion thereof, containing not more than four (4) dwelling units.
Single-Family Unit	A residence containing not more than one (1) dwelling unit.
Source Separation	The separation of different kinds of solid waste at the place where the waste originates (RCW 70.95.030).
Special Waste	<ul style="list-style-type: none"><li>▪ Chemical waste from a laboratory. (This is limited to discarded containers of laboratory chemicals, lab equipment, lab clothing, debris from lab spills or cleanup and floor sweepings).</li><li>▪ Articles, equipment and clothing containing or contaminated with poly-chlorinated biphenyl's (PCBs). (Examples are: PCB capacitors or transformers, gloves or aprons from draining operations, empty drums that formerly held PCBs, etc.).</li><li>▪ "Empty" containers or waste from commercial products or chemicals. (This applies to a portable container which has been emptied, but which may hold residuals of the product or chemical. Examples of containers are: portable tanks, drums, barrels, cans, bags, liners, etc. a container, shall be determined "empty" according to the criteria specified at 40 C.F.R. 261.7).</li><li>▪ Asbestos containing waste from building demolition or cleaning (This applies to asbestos-bearing waste insulation materials such as wallboard, wall spray coverings, pipe insulation, etc.)</li><li>▪ Commercial products or chemicals: Out-dated, Off-Specification, Contaminated or banned. (This includes products voluntarily removed from the market place by a manufacturer or distributor, in by a manufacturer or distributor, in response to allegations of adverse health effects associated with product use).</li></ul>



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Special Waste (continued)

- Residue and debris from cleanup or spills or releases of a single chemical substance or commercial product or a single waste that would otherwise qualify as a miscellaneous special waste.
- Medical or infectious by-product waste from a medical practitioner, hospital, nursing home, medical testing laboratory, mortuary, taxidermist, veterinarian, veterinary hospital or animal-testing laboratory.
- Animal waste and parts from Slaughterhouses or rendering plants.
- Pumpings from septic tanks used exclusively by dwelling units. (Single family homes, duplexes, apartment buildings, hotels or motels).
- Sludge from a publicly owned sewage treatment plant servicing primarily domestic users (i.e., with no substantial industrial or chemical influent).
- Grease trap wastes from restaurants, or cafeterias not located at industrial facilities.
- Wash water wastes from commercial car washes (Note: this does not include facilities used for washing the exterior of bulk chemical or waste tank trucks or for washing out the interior of any truck).
- Wash water wastes from commercial laundries or Laundromats.
- Chemical-containing equipment removed from service (Example: cathode ray tubes, batteries, florescent light tubes, etc.).
- Waste produced from the demolition or dismantling of industrial process equipment or facilities contaminated with chemicals from the process.
- Closed cartridge filters from dry-cleaning establishments. (Such filters being used to filter used dry-cleaning fluids or solids.



Street	A public or private way used for public travel.
White Goods	Any large household appliance including refrigerators, stoves, dishwashers, water heaters, washers, dryers, or other similar appliances.

## **CONTRACT**

### **SECTION 2. TERM OF CONTRACT AND IMPLEMENTATION OF SERVICE**

2.1 The Contract shall commence on October 1, 2002 and end on September 30, 2008. During the said term, Contractor hereby agrees and covenants for the considerations stated herein, to provide recycling in the City of Anacortes, including all work incidental thereto, in accordance with the specific terms and for the considerations set forth in the following specific documents, all of which are specifically incorporated into this Contract and made a part hereof.

2.2 Contractor hereby agrees that the performance of his duties hereunder shall be consistent with and in accordance with Title 8 of the Anacortes Municipal Code and any amendments thereto; provided, however, that no additional duties shall be imposed unilaterally upon Contractor by amendments to said chapter made after the date of this Contract which would increase Contractor's costs of doing business without appropriate modifications to the Contractor's approved rate.

The City specifically reserves the right to enact general ordinances affecting all businesses in the City of Anacortes which will affect the Contractor.

This Contract shall not take effect or be in force until the Contractor's performance bond is approved by the City Attorney and filed with the City Clerk of the City.

### **SECTION 3. SCOPE OF SERVICES**

#### **3.1 GENERAL OPERATING STANDARDS**

##### **3.1.1 Collection Right**

The Contractor has the right to collect and haul on the City streets all residential and multi-family collected recyclables generated in the City. When asked by the Contractor, the City will use its best efforts to protect this right of the Contractor.



### 3.1.2 Supervision

The work embraced in these specifications and subsequent Contract(s) shall be under the supervision of the City Public Works Director, Recycling Coordinator, or duly authorized representative.

### 3.1.3 Annexation

When additional areas are added to the City through annexation, and upon the City starting garbage service to said area the Contractor shall, upon (30) days written notice, make collections in such annexed areas in accordance with all provisions of these specifications and at the rates then in effect in the City. Contractor expressly waives its rights to claim any compensation at a rate higher than in effect within the City for annexed properties.

### 3.1.4 Company Name

The Contractor shall not use a firm name containing the words "City of Anacortes" or any words implying municipal ownership.

### 3.1.5 Permits

The Contractor shall take out and pay for permits or license required by the City and any other governmental authorities, which may be required under this Contract. If the Contractor does not obtain all required permits in a reasonable amount of time from notification by the City, as determined by the City, the City shall withhold payment to the Contractor until such permits are obtained.

### 3.1.6 Safeguarding Public Facilities

The Contractor shall be obligated to protect all public and private utilities whether located on public or private property. If such utilities are damaged by reason of the Contractor's operations, the Contractor shall repair or replace same, or failing to do so promptly as determined by the City, the City shall cause repairs or replacement to be made and the cost of doing so shall be billed to the Contractor, or alternatively the City may deduct such costs from the payment due the Contractor. The City shall not be liable for any damage to property or person caused by Contractor.

### 3.1.7 Illegal Weights

The Contractor shall not be required to haul detachable containers or drop boxes, or any loads which are filled to a weight which exceeds the legal weight limit for the trucks provided by the Contractor. The Contractor may, at its option, request the customer to remove the excess weight or, if the customer refuses, the Contractor may remove the excess weight and charge the cost of removal to the customer. In the event a customer refuses to remove the excess



weight or protests the Contractor's actions, the Contractor shall notify the City immediately and the City will attempt to negotiate a reasonable solution to the disagreement.

### 3.1.8 Option to Extend the Contract

Contractor agrees and covenants to continue the Curbside Collection Services beyond the termination date of the Contract, at the sole option of the City for two (2) additional periods. Each extension period shall be for three (3) years.

### 3.1.9 Liability Insurance

The Contractor shall provide and maintain in full force and effect during the entire term of the Contract or any renewal thereof a policy of Broad Form Comprehensive General Liability Insurance, naming the City, its officers, elected officials, employees and volunteers as Additional Insured's providing for limits of not less than one million dollars (\$1,000,000) per occurrence with two million dollars (\$2,000,000) general aggregate, and a two million dollars (\$2,000,000) products-completed operations aggregate limit. The Broad Form Comprehensive General Liability Insurance shall be on an occurrence form or basis.

The Contractor shall provide and maintain in full force and effect during the entire term of the Contract or any renewal thereof a policy of Commercial Auto Liability, naming the City, its officers, elected officials, employees and volunteers as Additional Insured's providing a minimum combined single limit for bodily injury and property damage of no less than one million dollars (\$1,000,000) per accident.

For both the Broad Form Comprehensive General Liability and the Commercial Auto Liability policies, an original certificates of insurance and an original Additional Insured endorsement naming the City, et al, as stated above, shall be filed with the City Clerk before commencement of work and shall provide for forty-five (45) days prior written notice to the City of any material change, cancellations or lapse of such policy. A cancellation of Contractors' insurance without replacement, resulting in an uninsured period, is considered a material breach of Contract.

### 3.1.10 Indemnification

The Contractor shall further indemnify and hold harmless the City, its officers, elected officials, employees and volunteers, from and against any and all loss, damage, actions, claims, suits, judgments and liability in connection with loss of life, personal injury and/or damage to property arising from or out of any negligent occurrence, conduct or operation of, or by Contractor in regards to this Contract. Contractor shall also pay all reasonable costs, expenses and Attorney fees that may be incurred or paid by the City, its officers, elected officials, employees, and volunteers, in enforcing any and all terms and covenants of the Contract out of any actions caused directly by the Contractor or any of its employees or agents.



### 3.1.11 Performance Bond

Before the Contract between the Contractor and the City shall be valid or binding against the City, the Contractor shall furnish unto the City a proper performance bond to be approved by the City, conditioned that the Contractor shall faithfully perform all the provisions and terms of the Contract and related documents and pay all laborers, mechanics and subcontractors, and all persons who shall supply such Contractor with provisions and supplies for the carrying on of such work. The bond shall be signed by the Contractor and the Surety Company. Said bond shall at all times be kept in full force and effect during the term of the Contract and any renewal and extension thereof and shall be in the amount of one hundred thousand (\$100,000) dollars.

### 3.1.12 Liquidated Damages for Certain Types of Breach of Services

Because a breach of the services provided for within the Contract would cause serious and substantial damage to the City and its residents, and the nature of the Contract would render it impractical or extremely difficult to fix the actual damage sustained by the City by such breach, the Contractor shall agree that in case of breach or service the City may elect to collect liquidated damages for each such breach and the Contractor will pay to the City as liquidated damages and not as a penalty, the amounts set forth below, such sums being agreed as the amount which the City will be damaged by breach of such service. An election to seek such remedies shall not be construed as a waiver of any legal remedies the City may have as to any subsequent breach of service under this Contract.

Failure to collect misses within twenty-four (24) hours of notification to Contractor.	\$25.00 each not to exceed 30 complaints per truck per day, or actual City collection costs, if greater.
Repetition of complaints on a route after notification including, but not limited to, not replacing recyclable bins or detachable containers in designated locations, spilling, not closing gates, crossing planted areas, or similar violations.	\$25.00 each not to exceed 30 complaints per truck per day.
Commencement of residential collection prior to 6 am or after 10 pm. Also applies in other areas within 300 feet each of residential sections.	\$100.00 per incident (each truck on route is a separate incident).
Failure to collect spillage consistent with the provisions of this Contract.	\$25.00 per incident.
Collection from residential premises on other than the day specified without appropriate notice as specified in this Contract.	\$25.00 per structure, to a maximum of \$750.00 per truck, per day.



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Failure to collect within (24) hours of notification of a missed collection of an entire block segment of 1-4 unit residences. (This excludes collection days prevented by snow and ice, holiday rescheduling and construction.)	\$150.00 per block segment.
Collection of material setout for pick-up under different collection program, if clearly marked for recycling or charitable purposes or self-evident.	\$25.00 per incident, up to maximum of \$750.00 per truck, per day.
Failure to deliver recyclable materials containers within seven (7) business days of notice.	\$10.00 per container, per day.
Misrepresentation by Contractor of records.	\$250.00 per incident report.
Failure to clean or replace detachable containers within seven (7) business days of notification by City.	\$25.00 per container per day.
Failure to maintain clean and sanitary cleaning facilities and vehicles.	\$25.00 per vehicle and \$100.00 per visit.
Landfilling uncontaminated recyclables (without prior written notification to the City)	\$300.00 per ton with no maximum; minimum of \$300.00 per incident.

Fines may be levied if documented in an incident report presented by the City to the Contractor. The City reserves the right to make periodic, unscheduled inspection visits to determine the Contractor's compliance with the Contract terms. For multiple or continuous violations not falling within the previous sections, the City may assess a fine of up to \$1,000.00 per day or per individual incident. Any fine may be appealed by the Contractor to the City Council, whose decision in the matter will be final.

Such liquidated damages as the City shall elect to collect shall be deducted from the next monthly payment made to the Contractor.

### 3.1.13 Dispute Resolution

To prevent all disputes or litigation, it is understood that all questions arising as to the proper performance and the amount of work to be paid for under this Contract shall be subject to the decision of the City Council or its designee. Any disputes not resolved by the City Council shall be resolved under the commercial arbitration rules of the American Arbitration Association (AAA).



### 3.1.14 Non-Assignability of Contract

The Contract or any interest therein or part thereof, shall not be assigned, whether by operation of law or otherwise, nor shall any part thereof be subcontracted, without the written prior consent of the City first having been obtained. Provided, AAA shall have no involvement in the administration of the arbitration. The arbitrator shall be selected by mutual agreement, or by the presiding Judge of the Skagit County Superior Court.

### 3.1.15 Local Improvements

The City reserves the right to construct any improvement, or to permit any such construction in any street or alley in such manner as the authorities may direct, which may have the effect of preventing the Contractor from traveling the accustomed route or routes for collection. The Contractor shall, however, by whatever method elected and approved by the City, continue to collect the recyclables as though no interference existed upon the streets or alleys formerly traversed. This shall be done without extra cost to the City.

### 3.1.16 Contract Negotiations

The City shall retain the right to renegotiate the Contract or negotiate Contract amendments based on policy changes, state statutory changes or rule changes in county, state or federal regulations regarding issues, which materially modify the terms and conditions of the Contract and evaluate the effects of recycle commodity market prices not more frequently than once per year.

Either the City or the Contractor may request renegotiation of the Contract at any time after the first year, but no more frequently than once per year, based upon the volatility of recycle commodity market prices, changes in the quantity of recyclables collected that materially affect the net cost of the recycling collection program.

In addition, the Contractor agrees to negotiate fairly with the City in the event the City wishes to add additional services to the Contract.

### 3.1.17 Ownership of Materials

Recyclable Materials shall pass to the Contractor when the materials are placed at the curbside by the customer for collection by the Contractor.

### 3.1.18 Additional Municipalities

The City reserves the right to add other municipalities in Skagit County to this contract. Municipalities may provide curbside recycling services to their community under this contract. Special Provisions and Compensation terms will be added by Supplemental Agreement to this contract for each municipality.



### 3.1.19 Contractor to Make Examination

The Contractor shall make his own examination, investigation, and research regarding the proper method of doing the work, and all conditions affecting the work to be done, and the labor, equipment and materials needed thereon, and the quantity of the work to be performed. The Contractor agrees that he has satisfied himself by his own investigation and research regarding all such conditions and that his conclusion to enter into the proposed Contract is based upon such investigation and research regarding all such conditions and that his conclusion to enter into the proposed Contract is based upon such investigation and research, and that he shall make no claim against the City because of any of the estimates, statements or interpretations made by any officer or agent of the City which may prove to be in any respect erroneous.

## 3.2 COLLECTION

### 3.2.1 Collection Schedule

Regular curbside recyclables from residential dwellings (single family and multi-family) and residentially billed mobile home parks to be picked up once each week. The Contractor is required to collect Recyclables following the City routes and schedules. The current route map is included as Exhibit #1. The Contractor may, at his discretion, modify route collection sequencing within the daily collection schedule but in no case schedule collections on other than the scheduled days. The City will make route maps available to the Contractor as required. Future route changes proposed by the City will be forwarded to the Contractor and allow a 15 day comment period by the Contractor. In the absence of comment, or by mutual agreement, the changes will take effect as scheduled by the City after the comment period. Collection may begin no earlier than 6 a.m. and terminate no later than 10 p.m., Monday through Friday, unless the City authorizes a temporary extension of hours.

Regular recyclable collections from multi-family units, condominiums, and apartment houses to be picked up as required by volume, but shall not exceed one pickup per week. In those areas where the above establishments are within three hundred (300) feet of residential zone, no collection shall be made earlier than 6 a.m. and no later than 10 p.m.

For any other unforeseen changes in the collection schedule, the Contractor will attempt to notify customers by mail of the revised collection schedule so that notification will arrive at least three (3) days in advance of normal pick-up, or if that is not possible, by newspaper, television, can tags, door hangers or any combination thereof.

### 3.2.2 Holidays

The contractor will follow the Holiday schedule that is observed by the City of Anacortes Solid Waste Division.



### 3.2.3 Inclement Weather and Special Make-up Collections

When the City and the Contractor, by mutual consent determine that an inclement weather condition exists which may prevent the Contractor from making a regular collection, the Contractor shall make collection on a schedule directed by the City. When service is resumed, the collector shall take bags, boxes, and other secure wrappers and shall empty temporary receptacles that customers have used when the regular bins and containers have been filled.

Adequate provisions shall be made by the Contractor to provide special make-up collections when recyclables have not been collected during the regularly scheduled trip. Special pick-ups for missed collections shall be made by the Contractor when ordered by the City Public Works Director or his/her designee at no cost to the City or the occupant. If the Contractor fails to provide a special pick-up within (24) hours of notification by the City, the City Public Works Director or his designee may cause the collection to be done by City Forces. The actual direct or in-direct cost for each such pick-up shall be billed to the Contractor, or alternatively, the City may deduct such cost from the payment due the Contractor. To the extent that regular service schedules are interrupted by snow, ice and other weather conditions, an approved special collection schedule shall be developed and implemented as soon as conditions allow.

### 3.2.4 Customer Cleanup

Contractor shall notify City in cases of on-going excessive filling or spillage of waste by customers. The City shall notify said customers and make a reasonable effort to resolve the problem.

### 3.2.5 Loading

Extra care shall be taken in the loading and transportation of recyclables so that none of the material to be collected is left either on private property or on the public right-of-way.

The Contractor shall be responsible for the cleaning of all debris, spilled or tracked on any street, alley private property or public place by any of their employees or equipment. If the Contractor fails to clean the same within two hours after notice is served by the City or by the customer, the City may cause such streets to be cleaned and charge the costs to the Contractor. The City is authorized to deduct such cost from the payment due the Contractor. All collection vehicles operated by the Contractor in the City shall carry equipment such as a broom and shovel for the purpose of cleaning up spills.

### 3.2.6 Special Residential Collection Services

Special pick-up services will be provided, as requested by the City, to those households where there are handicapped or elderly people who cannot move their recycling bins to the curb. Households, which are geographically located so as to make moving containers to the curb an unreasonable physical hardship, must apply to the City for the special collection



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services and submit documentation to justify their application. Households which qualify for this service will be determined by the City, based on submitted documentation.

Collection from households with elderly or handicapped persons who have received a waiver from the City shall receive collection services from a location of their convenience as approved by the City and Contractor.

3.2.7 Pilot Project Collections

The Contractor shall cooperate with the City in the development of special pilot projects and in the performance of additional collection services associated with such projects. The Contractor shall negotiate fairly for a reasonable increase in compensation for the performance of such services.

3.3 EQUIPMENT AND FACILITIES

3.3.1 Ownership of Equipment

All vehicles, facilities, equipment and property to be used in the performance of this Contract shall be wholly owned by the Contractor; provided, that leasing or rental agreements may be allowed when approved by the City Public Works Director prior to their execution. All such leasing or rental agreements shall provide that in the event of default of this Contract or of such leasing or rental agreement, the City may, at its option, have the right to take possession of and operate such vehicles and equipment covered by such leasing or rental agreements for the unexpired term of this Contract. Any conditional sales Contract, mortgage or other Contractual arrangement for financing the purchase of equipment to be utilized under the terms of this Contract shall provide that, in the event of default of any term of provision in the Contract or conditional sales agreement, mortgage or other Contractual arrangement, that the right to possession and use of such vehicle equipment and facilities may be taken by the City for the unexpired term of this Contract.

3.3.2 Cleaning and Painting of Vehicles and Equipment; Location of Container

Collection vehicles shall be painted and numbered and shall have the Contractor's name, telephone number and the number of the vehicle painted or affixed by decals in letters of contrasting color, at least four (4) inches high, on each side of each vehicle, and the number painted or affixed by decals on the rear. No advertising shall be permitted other than the name of the Contractor except promotional advertisement of the recycling program. Repainting of all vehicles shall be done not less than every two and a half years, or within thirty (30) days after written notification by the City. All vehicles shall be kept in a clean and sanitary condition.

All detachable containers furnished by the Contractor shall be painted and display the Contractor's name, telephone number and shall be kept in a clean and sanitary condition. A mutually agreeable location for containers shall be determined by customer and Contractor,



except that the City may designate such location at the time of site development approval. The Contractor shall return containers to such locations.

All vehicles including transportation only vehicles shall be kept in good repair without visible body or paint damage or deterioration. The Contractor shall correct the deficiency within thirty (30) days of written notice from the City.

### 3.3.3 Contractor's Office

The Contractor shall be required to maintain an office at a location agreed upon by the Contractor and the City Public Works Director or his designee. The office shall be equipped with telephones, radios and such personnel as may be necessary to take care of complaints, orders for special service, or to receive instruction. This office shall be staffed during the normal working hours of the City unless otherwise scheduled and approved by the City due to special circumstances. Voice mail, recorders or other unstaffed communication devices or systems are not permitted except outside of scheduled working hours. Responsible management or supervisory personnel shall be accessible at or through the office to ensure Contractual performance.

### 3.4 EMPLOYEES

All employees shall be competent and skilled in the performance of the work to which they may be assigned. Failure or delay in the performance of the Contract due to the Contractor's inability to obtain employees of the number and skill required constitute a default of the Contract.

Whenever the Contractor's designated representative is not available, pick-up orders may be given by the City Public Works Director or his designee to the Contractor's representative, as indicated by the Contractor. The Contractor will provide the names and home telephone numbers of three individuals who may be contacted in the Contractor's representative's absence.

The Contractor shall require all employees to be courteous at all times and not to use loud or profane language and to do their work as quietly as possible.

Employees, in collecting recyclables shall follow the regular walks for pedestrians while on private property, returning to the street or alley after replacing the empty containers. Employees shall not trespass or loiter, cross property to adjoining premises, or meddle with property which does not concern them.

The employees shall also tightly close all gates opened by them. All employees shall wear clean apparel.

If any person employed to perform collection work by the Contractor is, in the opinion of said City, incompetent, disorderly or otherwise unsatisfactory, the City will document the



unsatisfactory conduct in writing and transmit same to the Contractor within six (6) working days of the incident with a demand that such unsatisfactory action be corrected. If the unsatisfactory action is repeated, the City may demand that the person be removed for all performance of additional work under this Contract. Any such demand must be made in writing within six (6) working days of the misconduct on which it is based.

### 3.5 CONTRACTOR TO MAINTAIN ACCURATE RECORDS AND REPORTING REQUIREMENTS

Contractor agrees and covenants to keep accurate and complete records to verify charges to the City and sufficient information to verify contract compliance. The Contractor will allow the City, or its authorized representative or agent, reasonable and adequate access to any and all of said records, data, and/or accounts. The Contractor shall furnish the City, upon its request, accurate copies or duplicates or other records without charge.

### 3.6 SPECIAL PROVISIONS FOR COLLECTION OF MULTI-MATERIAL RECYCLABLES

#### 3.6.1 Recycling Bins

The Contractor shall provide recycling bins. The bins shall be of solid, stackable, nestable 3-bin type.

All bins shall be in a readily identifiable color to help the program, and will have stickers with the type of material to be held in each bin. The plastic materials used in the recycling bins shall be durable; ultraviolet light stabilized and manufactured using recycled plastic where possible. Bins must be approved by the City.

#### 3.6.2 Bin Ownership, Distribution and Replacement

The Contractor shall provide procurement and distribution services for all recycling bins to all eligible households in the service area. The bins shall be provided throughout the term of the Contract to all new eligible households and on a replacement basis, within seven days to existing households.

As part of the Contractor's distribution services, the Contractor shall use all reasonable efforts to minimize bin loss. The Contractor shall own the bins. At the end of the Contract term, all bins, both distributed and undistributed, shall be the property of the Contractor.

Replacement of the bins shall be made on the following basis:

- Replacement necessitated by bin damage due to Contractor negligence shall be made at the Contractor's expense.



- Replacement necessitated by bin damage due to customer negligence shall be at the customer's expense. The contractor shall be responsible for conflict resolution and collection of monetary damages.

The City may make exceptions to these conditions and approve any replacements to be at the City's expense.

### 3.6.3 Materials

The Contractor shall initially provide the collection of the following household separated materials: 1) Newspapers; 2) Mixed Paper; 3) Plastics (HDPE, LDPE, P.E.T.), Glass, Aluminum and other Metal Food and Beverage Containers, scrap metals (ferrous and non-ferrous) excluding automobile and machine parts. The Contractor shall also collect other materials that the City and Contractor determine to be recyclable based on a negotiated price between the City and the Contractor for the additional service.

### 3.6.4 Marketing

The Contractor shall be responsible for the marketing and sale of recyclable materials collected from residential households, multi-family units, and commercial establishments and shall receive all applicable proceeds or expenses therefrom.

### 3.6.5 Materials Transport

The Contractor shall transport all collected and reasonably uncontaminated recyclable materials to market. The Contractor shall not under any circumstances, be allowed to dispose of reasonably uncontaminated collected recyclable materials by landfilling. If the City determines that the Contractor has landfilled collected recyclable materials, appropriate liquidated damages will be assessed as specified in this Contract.

### 3.6.6 Public Awareness and Education

The Contractor shall provide formal public awareness and education services: 1) as desired by the Contractor and at the Contractor's cost, as approved by the City, or 2) to assist and supplement the City's efforts on an as-requested basis which is anticipated to include: a) a requirement that all personnel in potential contact with customers be knowledgeable about the program and be able to answer questions from the general public; b) the distribution of brochures by Contractor concurrent with distribution of containers; and c) promotional meetings.



### 3.7 SPECIAL PROVISIONS FOR COLLECTION OF MULTI-FAMILY RECYCLABLES

#### 3.7.1 Multi-Family Recyclables Collection Service

The Contractor shall provide regular scheduled multi-family collection of the materials separated for recycling listed in Section 3.6.4 to all eligible multi-family units. Collection days do not have to correspond with garbage collection days.

#### 3.7.2 Eligible Multi-Family Residences

The Multi-Family Recyclables Program will serve all multi-family complex residences in multi-family complexes that are willing to participate.

It will not be necessary to have owner permission to serve the smaller complexes (multi-family and below) that will be receiving the individual sets of three bins. Individual tenants will be able to call the City to order a set.

#### 3.7.3 Multi-Family Complexes Participation

Before the Contractor can establish a collection site, owner permission will be required. Owners will be required to provide:

- Siting of recycling containers (site will be agreed upon by both owner and Contractor)
- Training of custodial staff to support recycling effort
- Assistance to distribute educational materials to tenants
- Monitoring and maintaining the recycling containers and site

Multi-family complexes can become ineligible as a result of high levels of contaminated materials. The Contractor agrees to provide at least three warnings before terminating service.

#### 3.7.4 Recycling Containers, Container Ownership Distribution and Replacement

The Contractor shall provide and retain ownership of recycling containers. Containers will be delivered to multi-family dwellings based on a sign-up system and contingent on proper site for the containers. The Contractor will only be required to supply recycling 3-bins to those complexes that can effectively utilize this system. This will be determined by the Contractor.

Replacement necessitated by recycling container damage due to Contractor negligence shall be made at the Contractor's expense.



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Replacement necessitated by recycling container damage due to customer negligence shall be at the customer's expense. Such replacement shall be noted and billed to the City, which will include the costs in the customer's billing.

The City may make exceptions to these conditions and approve any replacements to be at the City's expense.

### 3.8 MATERIALS WHERE NO MARKET EXISTS

The Contractor shall notify the City in writing prior to landfilling of any materials collected. The Contractor shall provide the City with actual weights of material sent to the landfill on a monthly basis.

### 3.9 COMPENSATION

#### 3.9.1 Compensation for Services

For and in consideration of the services to be performed by Contractor pursuant to this Contract, City agrees to make payments to Contractor as follows:

City shall pay \$\_\_\_\_\_ per ton of recyclables collected.

Within four working days after the first of the month, Contractor shall submit itemized invoices to the City of Anacortes for services rendered, for prior month's services. Invoices shall contain certified weigh scale tickets clearly showing the weight of recyclables collected in Anacortes.

After submittal of such invoices by the 4th working day of the month, the City shall, on or about the 30th day of that month, deliver to the Contractor payments of an amount equal to such invoices, adjustments and/or claims, and less any sums that have been deducted as provided in this Contract.

#### 3.9.2 CPI Adjustment

The rates and charges for Recycling collection shall be amended annually in October of each year. The rates shall be increased or decreased at the rate of 80% of the percentage point change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the Seattle-Tacoma Metropolitan area, as prepared by the United States Department of Labor, Bureau of Labor Statistics for the twelve months of the previous calendar year. This clause will become effective on October 1, 2003 and every October thereafter during the life of this Contract.

The contractor will provide written notice to the City of any request for an adjustment of its rates and charges allowed under this Contract six months prior to the effective date of the



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requested adjustment. If the City lacks sufficient funds in its garbage and recycling revenue account necessary to compensate the contractor for a requested and approved adjustment to rates and charges; and if the City is, for any reason beyond its control, unable to generate funds not previously committed in its budget necessary to compensate the contractor, the City shall notify the contractor immediately following said six month notice and the contractor shall have ninety (90) days following such notice to terminate any or all of this Contract; provided, however, that if such a situation occurs, the parties may negotiate in good faith to amend this Contract in any manner to address the funding deficiency..

Future requests for rate increases may be made not more frequently than once per year and shall be considered by the City Council based on increased costs incurred by the Contractor. All rate increases shall be subject to approval by the City Council.

### 3.9.3 Incentive for Increasing Recycling

The City will provide a 1% increase in price paid per ton of recyclable materials for every additional 1% increase in recyclables removed from the waste stream over and above the previous year's recycling rate.

In 2001, 18.5% (1,674 tons) of the total waste stream (9,058 tons) for Anacortes was recycled. The total waste stream includes commercial and residential waste.

The rate of 18.5% will serve as the baseline recycling percentage for this contract. Annual recycling rates that drop below the 18.5% baseline and then increase the following year will not qualify for the incentive until the rate increases to a rate greater than 18.5%.

#### Examples:

#1 If the recycling rate dropped in the first year of the contract to 10%, and then increased in the following year to 15%, the Contractor would not be eligible for the incentive award.

#2 If the recycling rate dropped in the first year of the contract to 10%, and then increased to 19.5% in the second year, the incentive paid to the Contractor would be for a 1% increase in recycling rate (1% over the 18.5% baseline rate).

#3 If a Contractor was able to increase the recycling rate by 5% of a 10,000 ton per year waste stream (increased recycling by 500 tons), and the unit price had been \$130 per ton, the Contractor would receive  $0.01 \times \$130 \text{ per ton} \times 500 \text{ tons} = \$650$  as an annual incentive award for increasing the recycling rate.

The City will calculate the total waste stream annually in November for the previous 12-month contract year. The total waste stream will include both commercial and residential waste tonnage.



## SECTION 4. TERMINATION

### 4.1 Breach or Default

The City reserves the right to cancel or terminate this Contract at any time in case Contractor fails or neglects to perform or adhere to any provisions, terms or regulations of this Contract or fails to abide by any of the conditions or covenants herein contained. Time is of the essence in the performance of this Contract. If this Contract results in litigation between the parties, the prevailing party shall be entitled to judgment for court costs and reasonable attorney fees.

### 4.2 Insolvency of Contractor - Termination of Contract

Either the appointment of a receiver to take possession of all or substantially all of the assets of Contractor, or a general assignment by Contractor for the benefit of creditors, or any action taken by or suffered by Contractor under any insolvency or bankruptcy act shall constitute a breach of this Contract by Contractor and shall, at the option of City, terminate this Contract.

### 4.3 Waiver

A waiver of any breach of any provision of this Contract shall not constitute or operate as a waiver of any other breach of such provision or of any other provisions, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision.

## SECTION 5. NOTICES

All notices required or contemplated by this Contract shall be personally served or mailed (postage pre-paid and return receipt requested), addressed to the parties as follows:

To City: \_\_\_\_\_

To Contractor: \_\_\_\_\_

Or to such other address as the parties may designate in writing.

## SECTION 6. LAW TO GOVERN

This Contract is entered into and is to be performed in the State of Washington. City and Contractor agree that the law of the State of Washington shall govern the rights, obligation, duties and liabilities of the parties of this Contract and shall govern the interpretation of this Contract.



## **SECTION 7. AMENDMENT**

### **7.1 User Rate Changes**

The City reserves the right to amend, change and modify its recyclable rates charged to users from time to time, and to make such adjustments as it may deem necessary in such rates. The payments due the Contractor, however, are not intended to correspond to the rates charged to users.

Except as specified above, this Contract may be modified or amended only by a written Contract duly executed hereto by authorized representatives of the Contractor and the City.

## **SECTION 8. ENTIRETY**

This Contract and the Exhibits attached hereto contain the entire Contract between the parties as to the matters contained herein. Any oral representation or modifications concerning this Contract shall be of no-force and effect.

## **SECTION 9. SEVERABILITY**

Any provision or part thereof of this Contract held to be unenforceable under any law shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the parties. The parties agree that this Contract shall be reformed to replace such stricken provisions, or part thereof, with a valid and enforceable provision which comes as close as possible to expressing the intention of the stricken provision.



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IN WITNESS THEREOF, the parties have executed this Contract as of the day and year set forth above.

CONTRACTOR

\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

CITY OF ANACORTES

\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_ Mayor \_\_\_\_\_

ATTEST:

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

APPROVED AS TO FORM

\_\_\_\_\_  
City Attorney



CITY OF ANACORTES, WASHINGTON

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***EXHIBIT #1***

***ROUTE MAP***

