

MUNICIPAL MATERIALS MANAGEMENT AGREEMENT

This Municipal Materials Management Agreement (the "Agreement") is made and entered into this 30th day of September, 2020, by and between the CITY OF BANDERA, TEXAS ("City"), and BFI WASTE SERVICES OF TEXAS, L.P DBA REPUBLIC SERVICES OF SAN ANTONIO, a Delaware corporation, qualified to do and actually doing business in the State of Texas ("Company").

RECITALS

WHEREAS, the City of Bandera is a General Law Municipality of the State of Texas, authorized to establish a solid waste collection, transportation and disposal program for all residents and businesses of the city; and

WHEREAS, the accumulation of garbage, recyclable material, rubbish, brush and other refuse constitutes a public nuisance, a health hazard, a fire hazard and a safety hazard; and,

WHEREAS, the City has determined it necessary and proper for the government, interest, welfare, and good order of the City to contract for the collection of solid waste within the City's boundaries and service area; and,

WHEREAS, this Agreement is intended to cover all aspects of municipal solid waste management under the authority of the state and to fulfill the stated purpose of V.T.C.A. Health and Safety Code Ch. 361, as amended, the Texas Solid Waste Disposal Act; and

WHEREAS, City desires that Company provide Services as defined herein for the Location Types as set forth in this Agreement and Company desires to do so, all in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained in this Agreement, the parties agree as follows:

TERMS AND CONDITIONS

1. Sole and Exclusive Franchise. Company is hereby granted the sole and exclusive franchise, license, and privilege to provide for the collection and disposal, if applicable, of all conforming Waste Material (as defined in Exhibit A) for the following types of locations ("**Location Types**") within the territorial jurisdiction of the City (the "**Services**"):

Location Types

☒ Residential Units

☒ Commercial Units

☒ Municipal Units

☒ Roll Off

2. Newly Developed Areas. If the City develops new areas (of the same Location Types as designated above) within the City's territorial jurisdiction during the Term of this Agreement, such areas shall automatically be subject to this Agreement. The City shall provide Company with written notification of such newly developed areas, and within thirty (30) days after receipt of such notification, Company shall provide the Services as set forth in this Agreement in such newly developed area(s). If the City annexes any new areas that it wishes for Company to provide the Services, the Parties shall negotiate a mutually acceptable amendment to this Agreement adding such annexed areas to the scope of the Services and setting forth the rates that will apply for the Services in such area(s).
3. Scope of Services. Company shall furnish all equipment, trucks, personnel, labor, and all other items necessary to perform the Services. The Services shall not include the collection, disposal, of any

Excluded Waste or Waste Material located at any Location Type not designated above, or any Waste Material/Service Types not designated in Exhibit A.

4. Out of Scope Services May Be Contracted for Directly with Customers. Company may provide collection and disposal service within the territorial jurisdiction of the City for any Waste Material and/or Location Types that are outside the scope of this Agreement pursuant such terms and conditions as may be mutually agreed upon by Company and such Customers. Such services and agreements are outside the scope of this Agreement, and this Agreement does not require such Customers to use Company for such services, but they may do so at their discretion. The City agrees that Company may use any information received from the City in marketing all of its available services to the residents and Customers located within the City, whether included in the scope of this Agreement or not.
5. Exhibits. All Exhibits attached this Agreement are an integral part of the Agreement and are incorporated herein.

Exhibit A	General Specifications for Services
Exhibit B	Pricing
Exhibit C	Map of Contracted Area and Day of Collection
Exhibit D	Listing of City Owned Collection Sites
Exhibit E	Certificate of Insurance
Exhibit F	Inventory of Equipment Dedicated to Fulfillment of Agreement
Exhibit G	Inventory of Residential and Commercial Accounts
Exhibit H	Request for Proposals and Company Response

6. Term. This Agreement begins on the date services commence, or October 1, 2020 ("Effective Date") and expires five (5) years from the Effective date (the "Initial Term"). After the expiry of Initial Term, this Agreement may be renewed for additional five (5) year terms subject to mutual agreement between the parties'.
7. Rates for Services; Rate Adjustments; Additional Fees and Costs.
 - 7.1 Rates for Services. The rates for all Services shall be as shown on Exhibit B, subject to the rate adjustments and additional fees and costs as set forth herein.
 - 7.2 Annual Rate Adjustments. Modification of compensation for any renewal term shall be subject to a Consumer Price Index (CPI). The CPI adjustment used will be based on the US Department of Labor, Bureau of Statistics, Consumer Price Index Urban Consumers (Water, Sewer and Trash Collections Services), US City Average. This adjustment shall not vary more than five percent (5%) nor shall it be less than two percent (2%) from the base compensation amount for each respective term year. Rates will be adjusted using the most recently available trailing 12 months average CPI compared to the 12 months preceding.
 - 7.3 Cost Adjustments. Company may request an increase in the rates for Services as a result of increases in costs incurred by Company due to (a) any third party or municipal hauling company or disposal facility being used; (b) changes in local, state, or federal rules, ordinances or regulations; (c) changes in taxes, fees or other governmental charges (other than income or real property taxes); (d) uncontrollable prolonged operational changes (i.e., a major bridge

closure); (e) increased fuel costs; and (f) changes in costs due to a Force Majeure Event. If authorized by the City Council, any of the foregoing cost adjustments shall be retroactive to the effective date of such increase or change in cost.

8. Invoicing; Payment; Service Suspension; Audits.

8.1 Invoicing the City. The City shall invoice and collect from all Residential Units, Municipal Units and Commercial Units for Services provided by Company pursuant to this Agreement. The City shall report to Company (a) by the 5th of each month the total number of addresses subject to this Agreement and that have been billed for Services by the City and (b) on a quarterly basis, parcel data and a list of addresses billed for the Services by the City. Company shall invoice the City for the number of addresses that were billed by the City within fifteen (15) days of receiving the City's address count each month, and the City shall pay Company's invoice within thirty (30) days after the receipt of Company's invoice. Company shall be entitled to payment for residential and commercial services rendered irrespective of whether the City collects from the residential and commercial customer for such services.

8.2 Payment. The City shall pay each of Company's invoices without offset, except as set forth in section 8.3, within thirty (30) days of receipt of Company's invoices. Payments may be made by check or ACH only; no purchasing cards or credit cards will be accepted. Payments not made on or before their due date may be subject to late fees of one and one-half percent (1.5%) per month (or the maximum allowed by law, if less).

8.3 Franchise Fee. The Company will pay the City a franchise fee equal to the percentages listed below on the residential and commercial base rates billed by the Company vs. collected. The Company will pay the city a residential franchise fee equal to seven percent (7%) and a commercial franchise fee of seven percent (7%) on the base rates billed by the Company vs collected. The Company will make one check payable to the City of Bandera within thirty (30) days following the end of the month during which the revenue is captured. The franchise fee paid will be added to the invoice for each account in the form of a franchise tax equal to the percentage listed herein. Notwithstanding the terms of this Agreement or any other understanding between the parties, the franchise fee obligations of the Company shall extend only to the revenues received and retained by Company as its rates or fees for servicing customers, as such rates or fees may be increased from time to time. To the extent Company imposes any surcharges on customers, including but not limited to surcharges made for the purpose of satisfying (i) Company's own Commercial Franchise Fee obligations to the City or (ii) Company's sales tax obligations, the monies received by Company as a result of such surcharge(s) shall not be subject to the Commercial Franchise Fee and the City shall not be entitled to receive as part of its Commercial Franchise Fee any portion or percentage of such monies.

8.4 Service Suspension.

8.4.1 Unpaid Invoices. If any amount due from the City is not paid within sixty (60) days after the date of Company's invoice, Company may suspend Services until the City has paid its outstanding balance in full and/or terminate this Agreement. If Company suspends Service, the City shall pay a service interruption fee in an amount determined by Company in its discretion up to the maximum amount allowed by Applicable Law.

8.4.2 Suspension at Direction of City. If the City wishes to suspend or discontinue Services to a Customer for any reason, the City shall send Company a written notice (email is acceptable as long as its receipt is acknowledged by Company) identifying the Customer's address and the date the Services should be suspended or discontinued. In the event of Service suspension, the City shall provide additional email notification to

Company if/when it wishes to reactivate the suspended Services. Upon receipt of a notice of reactivation, Company shall resume the Services on the next regularly scheduled collection day. The City shall indemnify, defend, and hold Company harmless from any claims, suits, damages, liabilities or expenses (including but not limited to expenses of investigation and attorneys' fees) resulting from the suspension of discontinuation of any Services at the direction of the City.

8.5 Audits.

8.5.1 Audit of City Billings. With respect to any Services in which the Company's billing is dependent upon the City's reporting of the number of addresses subject to this Agreement, the City shall perform an audit at least once each year to confirm that all addresses receiving Services under this Agreement are actually being billed by the City and that the City's reporting on such addresses is accurate. The City shall share all findings and documentation with respect to such audits with Company.

8.5.2 Audit of Company Records. Company shall maintain books and financial records in accordance with generally accepted accounting principles. Such books and financial records, together with any documentation necessary for verification of Company's compliance with the terms of this Agreement, shall be made available to the City upon advance reasonable written notice and during normal business hours. The City shall have the authority to audit, examine and make excerpts or transcripts from said books and records. Such audit shall be conducted not more than once per year.

9. Termination.

9.1 Material Breach. Subject to other provisions in this Agreement that may define specific termination options, failure of Company perform any of the services required by this contract within thirty (30) days of receipt of the City's written demand for performance, or failure of Company to correct or replace defective equipment, goods, or products within thirty (30) days from the receipt of written demand therefor, shall constitute a material breach of contract, and shall enable the City to cause this Agreement to terminate at the City's option and discretion for protection of the public health, safety, and welfare. Due to the public health and safety implications of this contract dealing with matters exigent to sanitation, the City may deem a material breach of contract to occur because of Company's failure to perform or cure within thirty (30) days from date of notice demand to Company where and when any exigent health or sanitation condition or risk is deemed by the City to exist or is so deemed by the Director or Manager of the City's Solid Waste Services Division. In the event of such termination the Performance Bond shall be "called".

Notwithstanding anything to the contrary to the foregoing, If City breaches any material provision of this Agreement and such breach is not substantially cured within thirty (30) days after receipt of written notice from the Company specifying such breach in reasonable detail, the Company may terminate this Agreement by giving written notice of termination to the City.

10. Compliance with Laws. Company warrants that the Services will be performed in a good, safe and workmanlike manner, and in compliance with all applicable federal, state, provincial and local laws, rules, regulations, and permit conditions relating to the Services, including without limitation any applicable requirements relating to protection of human health, safety, or the environment ("**Applicable Law**"). In the event any provision of this Agreement conflicts with an existing ordinance of the City, the ordinance shall control. Company reserves the right to decline to perform Services, which, in its

judgment, it cannot perform in a lawful manner or without risk of harm to human health, safety or the environment.

11. Title. Title to Waste Material shall pass to Company when loaded into Company's collection vehicle or otherwise received by Company. Title to and liability for any Excluded Waste shall at no time pass to Company.
12. Excluded Waste. If Excluded Waste is discovered before it is collected by Company, Company may refuse to collect the entire Waste Container that contains the Excluded Waste. In such situations, Company shall contact the City and the City shall promptly undertake appropriate action to ensure that such Excluded Waste is removed and properly disposed of by the depositor or generator of the Excluded Waste. In the event Excluded Waste is present but not discovered until after it has been collected by Company, Company may, in its sole discretion, remove, transport, and dispose of such Excluded Waste at a facility authorized to accept such Excluded Waste in accordance with Applicable Law and charge the depositor or generator of such Excluded Waste for all direct and indirect costs incurred due to the removal, remediation, handling, transportation, delivery, and disposal of such Excluded Waste. The City shall provide all reasonable assistance to Company to conduct an investigation to determine the identity of the depositor or generator of the Excluded Waste and to collect the costs incurred by Company in connection with such Excluded Waste. Subject to the City's providing all such reasonable assistance to Company, Company shall release City from any liability for any such costs incurred by Company in connection with such Excluded Waste, except to the extent that such Excluded Waste is determined to be attributed to the City.
13. Equipment; Access.
 - 13.1 Any equipment that Company furnishes or uses to perform the Services under this Agreement shall remain Company's property. The City shall be liable for all loss or damage to such equipment, except for normal wear and tear, or loss or damage resulting from Company's handling of the equipment. City and Customers shall use the equipment only for its proper and intended purpose and shall not overload (by weight or volume), move, or alter the equipment. The City shall fully reimburse Company for any and all claims resulting from personal injuries or death, or the loss of or damage to property (including the equipment) arising out of the use, operation, or possession of the equipment by the City or the Customers. If the equipment and/or Waste Material is not accessible so that the regularly scheduled pick-up cannot be made, such Waste Material will not be collected until the next regularly scheduled pick-up, unless the Customer calls Company and requests an extra pick-up, in which case an extra service charge will apply. Except where caused by the Company's negligence or willful misconduct, Company shall not be responsible for any damages to any property or equipment located adjacent to the collection receptacles, nor to any pavement, curbing, or other driving surfaces resulting from Company's providing the Services under this Agreement.
14. Risk Allocation. COMPANY AGREES TO INDEMNIFY AND HOLD HARMLESS, THE CITY FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS, CLAIMED FOR PERSONAL OR BODILY INJURY, DEATH AND PROPERTY DAMAGE, MADE UPON THE CITY TO THE EXTENT ARISING OUT OF COMPANY'S NEGLIGENT OR WILLFUL MISCONDUCT UNDER THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, COMPANY SHALL HAVE NO OBLIGATION TO INDEMNIFY, DEFEND OR HOLD HARMLESS CITY, FOR ANY SUCH LIABILITY OR CLAIM TO THE EXTENT RESULTING FROM THE NEGLIGENCE OR, WILLFUL MISCONDUCT BY CITY OR ANY THIRD PARTY. WHILE IN THE EXERCISE OF PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT, AND WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE

PARTIES UNDER TEXAS LAW THE PROVISIONS OF THIS INDEMNITY ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. COMPANY SHALL ADVISE THE CITY IN WRITING PROMPTLY OF ANY CLAIM OR DEMAND AGAINST THE CITY OR COMPANY, KNOWN TO COMPANY, COVERED BY THIS SECTION AND COMPANY SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT COMPANY'S COST. THE CITY SHALL HAVE THE RIGHT, AT ITS OPTION AND AT ITS OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING COMPANY OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

15. Insurance. During the Term of this Agreement, Company shall maintain in force, at its expense, insurance coverage with minimum limits as follows:

**Workers' Compensation OR
OTHER STATE APPROVED
PROGRAM**

Coverage A	Statutory
Coverage B - Employers Liability	\$1,000,000 each Bodily Injury by Accident
or others state approved program	\$1,000,000 policy limit Bodily Injury by Disease
	\$1,000,000 each occurrence Bodily Injury by Disease

Automobile Liability

Bodily Injury/Property Damage Combined - Single Limit	\$3,000,000 Coverage is to apply to all owned, non-owned, hired and leased vehicles (including trailers).
Pollution Liability Endorsement	MCS-90 endorsement for pollution liability coverage

Commercial General Liability

Bodily Injury/Property Damage	\$2,500,000 each occurrence
Combined - Single Limit	\$5,000,000 general aggregate

All such insurance policies will be primary without the right of contribution from any other insurance coverage maintained by City. All policies required herein shall be written by insurance carriers with a rating of A.M. Bests of at least "A-" and a financial size category of at least VII. Upon City's request, Company shall furnish City with a certificate of insurance evidencing that such coverage is in effect. Such certificate will also provide for thirty (30) days prior written notice of cancellation to the City via blanket form notice of cancellation endorsement on all policies except workers' compensation or other state approved program, show the City as an additional insured under the Automobile and General Liability policies via blanket form endorsements, and contain waivers of subrogation via blanket form endorsement in favor of the City (excluding Worker's Compensation policy or other state approved program) except with respect to the sole negligence or willful misconduct of City.

16. Force Majeure. Except for City's obligation to pay amounts due to Company, any failure or delay in performance under this Agreement due to contingencies beyond a party's reasonable control, including, but not limited to, strikes, riots, terrorist acts, compliance with Applicable Laws or governmental orders, fires, bad weather and acts of God, shall not constitute a breach of this Agreement, but shall entitle the affected party to be relieved of performance at the current pricing levels under this Agreement during the term of such event and for a reasonable time thereafter. The collection or disposal of any increased volume resulting from a flood, hurricane or similar or different Act of God over which Company has no

control, shall not be included as part of Company's service under this Agreement. In the event of increased volume due to a Force Majeure event, Company and the City shall negotiate the additional payment to be made to Company. Further, the City shall grant Company variances in routes and schedules as deemed necessary by Company to accommodate collection of the increased volume of Waste Materials.

17. Non-Discrimination. Company shall not discriminate against any person because of race, sex, age, creed, color, religion or national origin in its performance of Services under this Agreement.
18. Licenses and Taxes. Company shall obtain all licenses and permits (other than the license and permit granted by this Agreement) and promptly pay all taxes required by the City and by the State.
19. No Guarantees or Liquidated Damages. Unless specifically provided herein, Company provides no guarantees or warranties with respect to the Services. No liquidated damages or penalties may be assessed against Company by City.
20. Interruption of Service. Unless caused by a Force Majeure event, if service is interrupted for any other reason for more than forty-eight (48) hours, the City shall have the right to make temporary independent arrangements for the purposes of continuing this necessary sanitation service to customers in order to secure and protect the public health and safety. Any actual costs that the City incurs for addressing interruption or disruption of service shall be assessed to the Company. If the interruption in service mentioned herein continues for a period of seventy-two (72) hours, except where caused by a Force Majeure event, the City shall have the right to terminate the Agreement in accordance with section 9 of this Agreement.
21. Certificate of Interested Parties (TEC Form 1295). For contracts needing City Council approval, or any subsequent changes thereto requiring City Council approval, the City may not accept or enter into a contract until it has received from the Consultant a completed, signed, and notarized TEC Form 1295 complete with a certificate number assigned by the Texas Ethics Commission ("TEC"), pursuant to Texas Government Code § 2252.908 and the rules promulgated thereunder by the TEC. Company understands that failure to provide said form complete with a certificate number assigned by the TEC may prohibit the City from entering into this Agreement. Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website, assigned a certificate number, printed, signed and notarized, and provided to the City. The TEC Form 1295 must be provided to the City prior to the award of the contract. The City does not have the ability to verify the information included in a TEC Form 1295 and does not have an obligation or undertake responsibility for advising Company with respect to the proper completion of the TEC Form 1295.
22. Texas Government Code Mandatory Provision. The City may not enter into an Agreement with a company for goods and services unless the contract contains a written verification from the company that it; (i) does not boycott Israel; and (ii) will not boycott Israel during the term of the contract. (Texas Government Code, Chapter 2270.002) by accepting this Agreement, the Company hereby verifies that it does not boycott Israel, and agrees that, during the term of this agreement, will not boycott Israel as that term is defined in the Texas Government Code, Section 808.001, as amended. Further, the Company hereby certifies that it is not a company identified under Texas Government Code, Section 2252.152 as a company engaged in business with Iran, Sudan, or Foreign Terrorist Organizations.
23. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code and Chapter 2252 of the Texas Government Code.
24. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a

dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

25. Miscellaneous. (a) This Agreement represents the entire agreement between the Parties and supersedes all prior agreements, whether written or verbal, that may exist for the same Services. (b) Company shall have no confidentiality obligation with respect to any Waste Materials. (c) Neither party shall assign this Agreement in its entirety without the other party's prior written consent, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Company may assign this Agreement without the City's consent to its parent company or any of its subsidiaries, to any person or entity that purchases any operations from Company or as a collateral assignment to any lender to Company. This Agreement shall be binding upon and inure solely to the benefit of the Parties and their permitted successors and assigns. (d) Company may provide any of the Services covered by this Agreement through any of its affiliates or subcontractors, provided that Company shall remain responsible for the performance of all such services and obligations in accordance with this Agreement. (e) No intellectual property rights in any of Company's IP are granted to City under this Agreement. (f) All provisions of the Agreement shall be strictly complied with and conformed to by the Parties, and this Agreement shall not be modified or amended except by written agreement duly executed by the undersigned parties. (g) If any provision of this Agreement is declared invalid or unenforceable, it shall be modified so as to be valid and enforceable but so as most nearly to retain the intent of the Parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case, the validity and enforceability of the remaining provisions of this Agreement shall not in any way be affected thereby. (h) Failure or delay by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that or any other provision. (i) If any litigation is commenced under this Agreement, the successful party shall be entitled to recover, in addition to such other relief as the court may award, its reasonable attorneys' fees, expert witness fees, litigation related expenses, and court or other costs incurred in such litigation or proceeding. (j) If the City and Company do not arrive at resolution through agreed mediation to resolve any outstanding claims, counterclaims, disputes and other matters in question arising out of or relating to this Agreement, then resolution of same shall be decided by a court of competent jurisdiction in Bandera County in the State of Texas in which County venue shall lie and in which county this contract is performable. (k) Customer and Company agree that electronic signatures are valid and effective, and that an electronically stored copy of this Agreement constitutes proof of the signature and contents of this Agreement, as though it were an original. (l) The Request for Proposals that formed the basis of this Agreement is hereby incorporated as a part of this Agreement. Notwithstanding any provisions of this Agreement to the contrary, in any instance where the terms of this Agreement conflict with the Agreement, the Agreement terms shall control. (m) All records, reports, and other documents generated by or pertaining to this Agreement must be retained by Company for a period of no less than two (2) years following termination date. For purposes of extended option terms, records retention requirements shall be honored and measured from two (2) years following the termination date of each respective annual performance period.

IN WITNESS HEREOF, the parties have entered into this Agreement as of the date first written above.

CITY OF BANDERA, TEXAS

BFI WASTE SERVICES OF TEXAS, L.P DBA
REPUBLICSERVICES OF SAN ANTONIO

By: [Signature]

Name: J. HOBBS

Title: CITY ADMINISTRATOR

Date: 11/30/2020

By: [Signature]

Name: WILLIAM K RICH II

Title: GENERAL MANAGER

Date: 11/30/20

EXHIBIT D

Listing of City Owned Collection Sites

City Hall- 511 Main St, Bandera, TX 78003 1 x 96 gallon cart x 1x/week

City Park- 1106 Maple St, Bandera, TX 78003 2 x 6 yard x 2x/week

City Yard- Hwy 16, Bandera, TX 78003 3 x 8 yard x 2x/week

City Library- 515 Main St, Bandera, TX 78003 1 x 96 gallon cart x 1x/week

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City Wastewater Plant- 548 Hwy 165, Bandera TX 78003 1 x 4 yard x 1x/week

City Public Works- 303 Cypress, Bandera, TX 78003 30 yard open top x on call (approx. 1x/year service)

EXHIBIT A

GENERAL SPECIFICATIONS FOR SERVICES

1. WASTE MATERIAL/SERVICE TYPES. The following Waste Material/Service Types shall be considered in scope during the Term of this Agreement:

☒ Solid Waste

☒ Yard Waste

☒ Bulk Waste

☒ Construction & Demolition Debris

☒ Temporary Construction Roll Off

2. DEFINITIONS

2.1 Bags – Plastic sacks designed to store refuse with sufficient wall strength to maintain physical integrity when lifted by the top. Total weight of a bag and its contents shall not exceed 35 lbs.

2.2 Bin – Metal receptacle designed to be lifted and emptied mechanically for use primarily at selected Municipal Facilities and Large Commercial or Industrial Units.

2.3 Bulky Waste – Stoves, refrigerators (with all CFC and other refrigerants removed), water tanks, washing machines, furniture and other similar items, and, materials other than Construction Debris, Large Dead Animals, Hazardous Waste or Stable Matter with weights or volumes greater than those allowed for Bins or Containers, as the case may be. Bulky Waste shall not include any Excluded Waste.

2.4 Bundle – Tree, shrub and brush trimmings or newspapers and magazines securely tied together forming an easily handled package not exceeding four (4) feet in length or fifty (50) lbs. in weight. A Bundle shall not include any Excluded Waste.

2.5 Container for Garbage, Rubbish & Yard Waste Collection – A receptacle with the capacities designated on the exhibits hereto that is designed for the purpose of curbside collection of Garbage, Rubbish and Yard Waste and is constructed of plastic, metal or fiberglass, having handles of adequate strength for lifting, and having a tight fitting lid. The mouth of a container shall have a diameter greater than equal to that of the base. The weight of a container and its contents shall not exceed 35 lbs.

2.6 Construction Debris – Waste building materials resulting from construction, remodeling, repair or demolition operations at a Residential Unit Municipal Facility or Large Commercial or Industrial Unit.

2.7 Customer – An operator or occupant of a Residential Unit or a Municipal Facility who generates Garbage, Rubbish, Yard Waste or, if covered by this Agreement, Recyclable Materials.

2.8 Disposal Site – A Waste Material depository designated by Company, including but not limited to sanitary landfills, transfer stations, incinerators, licensed, permitted or approved by all governmental bodies and agencies having jurisdiction and requiring such licenses, permits or approvals to receive for processing or final disposal of Waste Material and Small Dead Animals.

2.9 Excluded Waste – Excluded Waste is all Bulky Waste (except as otherwise provided in this Agreement), Institutional Solid Waste, Hazardous Waste, Offal Waste, Stable Matter, Vegetable Waste, and Special Waste.

2.10 Garbage – Any and all Small Dead Animals; every accumulation of waste (animal, vegetable and/or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning, storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers; and all putrescible or easily decomposable waste animal or vegetable matter which is likely to attract flies or rodents); except (in all cases) any matter included in the definition of Excluded Waste.

2.11 Hazardous Waste – A form of Excluded Waste and is defined as any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, biohazardous, toxic or listed or characteristic Hazardous Waste as defined by federal, state, provincial or local law or any otherwise regulated waste. Hazardous Waste shall include, but not be limited to, any amount of waste listed or characterized as hazardous by the United States Environmental Protection Agency or any state agency pursuant to the Resource Conservation and Recovery Act of 1976, as amended, and including future amendments thereto, and any other applicable federal, state or local laws or regulations.

2.12 Institutional Solid Waste – Solid waste originating from education, health care and research facilities such as schools, hospitals, nursing homes, laboratories, and other similar establishments.

2.13 Large Commercial Refuse – All Bulky Waste, Construction Debris, Garbage, Rubbish and Stable Matter generated at a Large Commercial Unit.

2.14 Large Commercial Unit – All premises, locations or entities, public or private, requiring Garbage and Rubbish collection within the corporate limits of City that are not classified as a Residential Unit or Municipal Facility. Metal or plastic container 2 yards or larger.

2.15 Large Dead Animals – Animals or portions thereof equal to or greater than ten pounds (10 lbs.) in weight that have expired from any cause, except those slaughtered or killed for human use.

2.16 Multi-Family – The term multi-family shall refer to all residential dwelling units of more than one (1) unit considered to be condominiums, apartment houses or grouped housing.

2.17 Municipal Facilities – Means only those specific municipal locations as set forth on Exhibit B of this Agreement.

2.18 Offal Waste – Waste animal (land or marine) matter from establishments such as butcher shops, slaughterhouses, food processing and packing plants, rendering plants and fertilizer plants.

2.19 Residential Unit – A dwelling within the corporate limits of the City occupied by a person or group of persons comprising not more than four families. A Residential Unit shall be deemed occupied when either water or domestic light and power services are being supplied thereto. A condominium dwelling, whether of single or multi-level construction, consisting of four or less contiguous or separate single-family dwelling units, shall be treated as a Residential Unit, except that each single-family dwelling within any such Residential Unit shall be billed separately as a Residential Unit. For purposes of this Agreement, a Residential Unit shall include a Small Commercial Unit).

2.20 Rubbish – All waste wood, wood chips, shavings, sawdust, printed matter, paper, pasteboard, rags, straw, used and discarded mattresses, used and discarded clothing, used and discarded shoes and boots, combustible waste pulp and other products such as are used for packaging, or wrapping crockery and glass, ashes, cinders, floor sweepings, glass, mineral or metallic substances, and any and all other waste materials not included in the definition of Excluded Waste.

2.21 Small Commercial Unit – a small commercial business whose Garbage and Rubbish is placed in not more than three (3) thirty-two (32) gallon containers per collection day, including but not

limited to, offices, stores, service stations, restaurants, amusement centers, schools, churches, etc. located within the boundaries of the City.

2.22 Small Dead Animals – Animals or portions thereof less than ten pounds (10 lbs.) in weight that have expired from any cause, except those slaughtered or killed for human use.

2.23 Solid Waste – Useless, unwanted or discarded materials with insufficient liquid content to be free-flowing, that result from domestic, industrial, commercial, agricultural, governmental and community operations which require proper storage, collection, transportation and disposal to prevent environmental pollution inimical to public health, safety and welfare. Solid Waste does not include sewage, earth or material used to fill land in accordance with construction codes, mining residues, slag, dissolved or suspended solids in industrial waste water effluents which are not acceptable for disposal in sanitary sewage treatment system or any material included in the definition of Excluded Waste.

2.24 Special Waste – Any nonhazardous solid waste which, because of its physical characteristics, chemical make-up, or biological nature requires either special handling, disposal procedures including liquids for solidification at the landfill, documentation, and/or regulatory authorization, or poses an unusual threat to human health, equipment, property, or the environment. Special Waste includes, but is not limited to:

- (a) Waste generated by an industrial process or a pollution control process.
- (b) Waste which may contain residue and debris from the cleanup of spilled petroleum, chemical or commercial products or wastes, or contaminated residuals.
- (c) Waste which is nonhazardous as a result of proper treatment pursuant to Subtitle C of the Resource Conservation and Recovery Act of 1976 ("RCRA").
- (d) Waste from the cleanup of a facility which generates, stores, treats, recycles or disposes of chemical substances, commercial products or wastes.
- (e) Waste which may contain free liquids and requires liquid waste solidification.
- (f) Containers that once contained hazardous substances, chemicals, or insecticides so long as such containers are "empty" as defined by RCRA.
- (g) Asbestos containing or asbestos bearing material that has been properly secured under existing Applicable Law.
- (h) Waste containing regulated polychlorinated biphenyls (PCBs) as defined in the Toxic Substances Control Act (TSCA).
- (i) Waste containing naturally occurring radioactive material (NORM) and/or technologically enhanced NORM (TENORM); and
- (j) Municipal or commercial solid waste that may have come into contact with any of the foregoing.

2.25 Stable Matter – All manure and other waste matter normally accumulated in or about a stable, or any animal, livestock or poultry enclosure, and resulting from the keeping of animals, poultry or livestock.

2.26 Waste Container – A Container for Garbage, Rubbish and Yard Waste.

2.27 Waste Material – All nonhazardous Solid Waste (including Garbage, Rubbish, and Yard Waste) generated at Residential Units and Municipal Facilities that is not excluded by this Agreement. Waste Material shall not include any Excluded Waste.

2.28 Vegetable Waste – Putrescible solid waste resulting from the processing of plants for food by commercial establishments such as canneries. This definition does not include waste products resulting from the preparation and consumption of food in places such as cafeterias and restaurants.

2.29 Yard Waste – Grass, leaves, flowers, stalks, stems, tree trimmings, branches, and tree trunks. For yard waste collection services, grass, pine needles, leaves, flowers, stalks, stems, and small tree trimmings (less than two (2) feet in length and less than two (2) inches in diameter) shall be in a container, bag or box the weight of which shall not exceed thirty-five (35) pounds. Larger tree trimmings shall be laid neatly in piles at curbside. The maximum weight of any item placed out for yard waste collection shall be fifty (50) pounds. Branches cut and bundled in 4-foot sections. Company shall be obligated to collect no more than 3 containers (or their equivalent) per biannual curbside collection event. Any collections needed by a Residential Unit in excess of such amount must be individually contracted by the Residential Unit Customer with Company under terms, prices and documents acceptable to both the Residential Unit Customer and Company.

3. COLLECTION OPERATIONS – GENERAL PROVISIONS

3.1 Location of Containers, for Collection. Each Poly cart shall be placed at curbside for collection. Curbside refers to that portion of right-of-way adjacent to paved or traveled City roadways. Containers, Bags and Bundles shall be placed as close to the roadway as practicable without interfering with or endangering the movement of vehicles or pedestrians. When construction work is being performed in the right-of-way, Containers, Bags and Bundles shall be placed as close as practicable to an access point for the collection vehicle. Company may decline to collect any Container, Bag or Bundle not so placed or any Waste Material not in a Container, as specified in the applicable Exhibit hereto.

3.2 Hours of Operation. Collection of Waste Material shall not start before 5:00 A.M. or continue after 8:00 P.M. Exceptions to collection hours shall be effected only upon the mutual agreement of the City and Company, or when Company reasonably determines that an exception is necessary in order to complete collection on an existing collection route due to unusual circumstances.

3.3 Routes of Collection. Collection routes shall be established by the Company. Company shall submit the Residential Unit and Municipal Facilities collection routes to the City at least two (2) weeks in advance of the commencement date for such route collection activity. The Company may from time to time make changes in routes or days of collection affecting Residential Units or Municipal Facilities, provided such changes in routes or days of collection are submitted to the City at least two (2) weeks in advance of the commencement date for such changes. City shall promptly give written or published notice to the affected Residential Units.

3.4 Holidays. The following shall be holidays for purposes of this Agreement: New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Company may suspend collection service on any of these holidays, but such decision in no manner relieves Company of its obligation to provide collection service at least 1 time per week.

3.5 Complaints. All service-related complaints must be made directly to the Company and shall be given prompt and courteous attention. In the case of alleged missed scheduled collections, the Company shall investigate and, if such allegations are verified, shall arrange for the collection of Waste Material not collected within one business day after the complaint is received.

3.6 Collection Equipment. The Company shall provide an adequate number of vehicles meeting standards and inspection requirements as set forth by the laws of the State for regular municipal waste collection services. For Waste Material collection, all vehicles and other equipment shall be kept in good repair and appearance at all times.

3.7 Disposal. Company shall identify which state authorized landfills and disposal sites the Company intends to utilize. The City shall provide written approval of the landfill and disposal sites selected. The Agreement price includes the cost of disposal.

3.8 Customer Education. The City shall notify all Customers at Residential Units about set-up, service-related inquiries, complaint procedures, rates, regulations, and day(s) for scheduled Waste Material collections.

3.9 Litter or Spillage. The Company shall not litter premises in the process of making collections, but Company shall not be required to collect any Waste Material that has not been placed in approved containers. During hauling, all Waste Material shall be contained, tied or enclosed so that leaking, spillage or blowing is minimized. In the event of spillage by the Company, the Company shall be required to clean up the litter caused by the spillage.

3.10 Bulky Waste/Yard Waste Collection Events. Company to collect Bulky Waste and Yard Waste from Residential Units two times per year; provided that the Bulky Waste and Yard Waste (a) are placed at curbside no later than 7:00 a.m. on the scheduled collection day, (b) are reasonably contained, and (C) do not exceed three (3) cubic yards in total volume or have any individual item exceeding fifty (50) pounds in weight, four (4) feet in length. All Yard Waste must be cut and bundled in four-foot sections.

3.11 Special Collections and Services. Company will provide the following services:

City municipal locations – Company will provide at no cost to the City, the collection of Municipal Solid Waste from the City's municipal locations (Exhibit D), as agreed to by the parties, at the City's current level of service.

Company shall provide a special collection assistance program for the physically unable at no additional cost to the customer or City.

EXHIBIT B Price Schedule for Services

Residential Rate:

- 1 90-gallon toter: \$ 19.73/home
- 2 90-gallon toters: \$ 29.01/home
- 3 90-gallon toters: \$ 38.29/home
- 4 90-gallon toters: \$ 47.57/home
- 5 90-gallon toters: \$ 56.85/home

Commercial Rates:

Size	Every 2 Weeks	1 Pick-Up/Wk	2 Pick-Ups/Wk	3 Pick-Ups/Wk	4 Pick-Ups/Wk	5 Pick-Ups/Wk
2 cu yd	\$ <u>67.86</u>	\$ <u>104.40</u>	\$ <u>189.72</u>	\$ <u>260.87</u>	\$ <u>342.80</u>	\$ <u>423.39</u>
3 cu yd	\$ <u>77.38</u>	\$ <u>119.05</u>	\$ <u>215.16</u>	\$ <u>291.52</u>	\$ <u>376.24</u>	\$ <u>465.29</u>
4 cu yd	\$ <u>88.24</u>	\$ <u>135.76</u>	\$ <u>242.28</u>	\$ <u>323.95</u>	\$ <u>410.02</u>	\$ <u>496.34</u>
6 cu yd	\$ <u>109.97</u>	\$ <u>169.18</u>	\$ <u>300.74</u>	\$ <u>376.24</u>	\$ <u>470.25</u>	\$ <u>563.90</u>
8 cu yd	\$ <u>128.99</u>	\$ <u>198.43</u>	\$ <u>354.80</u>	\$ <u>547.76</u>	\$ <u>653.34</u>	\$ <u>815.91</u>

THESE RATES INCLUDE 2x/YR BULK PICKUP. IF CITY WOULD LIKE BRUSH COLLECTED DURING THESE EVENTS, THAT WOULD NEED TO BE NEGOTIATED SEPARATELY.

Commercial Carts (1x/week service):

- 1 Cart: \$28.69
- 2 Carts: \$46.62
- 3 Carts: \$64.56

The above-mentioned rates for residential and commercial services are gross rates inclusive of the 7% franchise fee as provided in Section 8.3 of the Agreement.

EXHIBIT C
Service Area

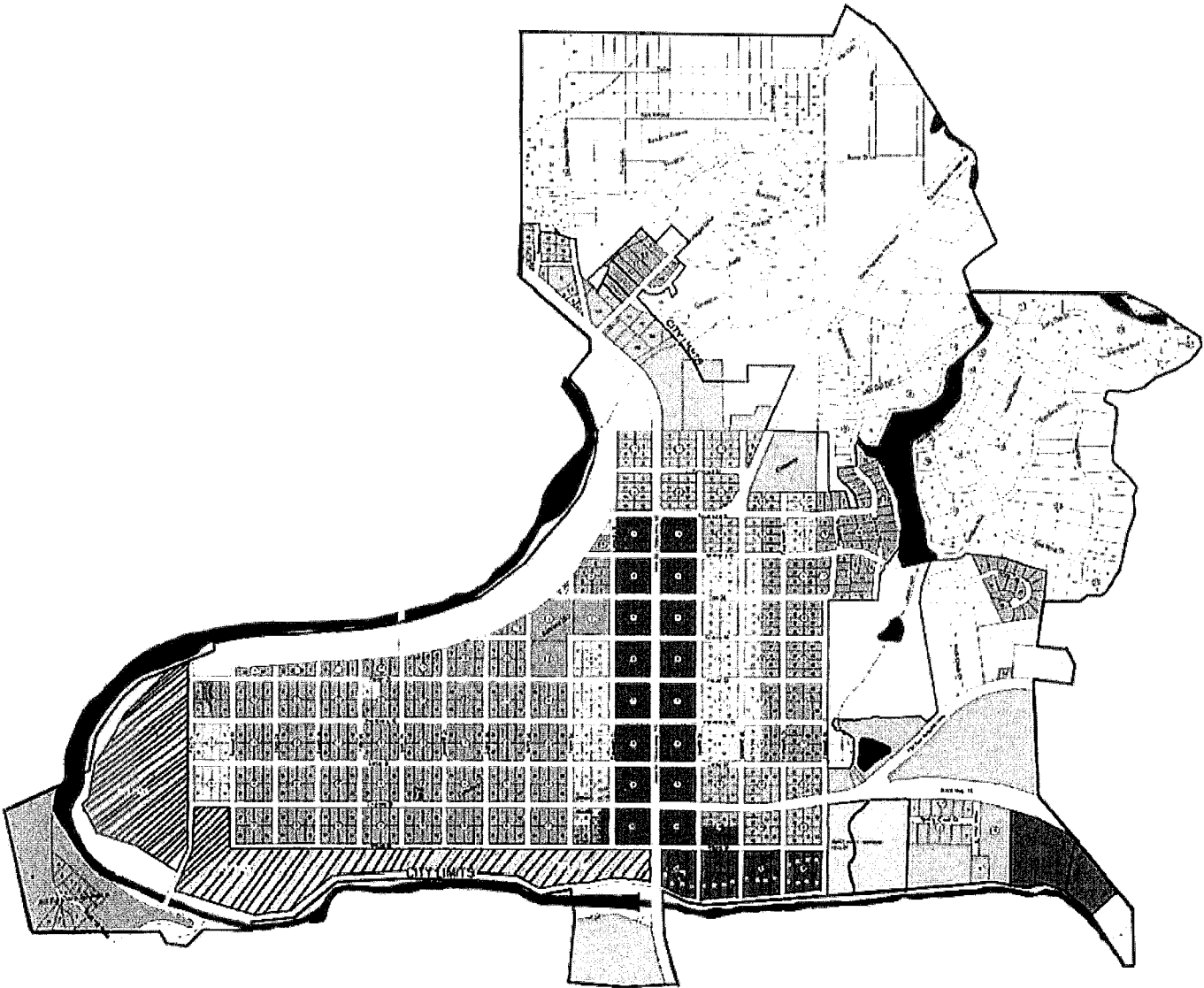


EXHIBIT E
CERTIFICATE OF INSURANCE

EXHIBIT F

Inventory of Equipment Dedicated to Fulfillment of Agreement

EXHIBIT G
Inventory of Residential and Commercial Accounts

There are approximately 560 residential units and 180 commercial units.

EXHIBIT H

Request for Proposals and Company Response