

STATE OF TEXAS §
 §
COUNTY OF MEDINA §

**EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF
MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS**

This Solid Waste Collection and Disposal Services Contract and Municipal Franchise Agreement (the "Contract") is made by and between the City of Castroville, Texas (the "City") and South Texas Refuse Disposal, Inc. (the "Contractor"), sometimes collectively referred to as the Parties, acting by and through their respective authorized officers.

RECITALS

WHEREAS, the City Council of the City of Castroville ("City Council") has determined that it would be in the best interest of the citizens and businesses of the City and would promote the health, safety, and general welfare of the inhabitants of said City to execute a Contract with South Texas Refuse Disposal, Inc. to provide for the collection, removal, and disposal of solid waste in the City; and

WHEREAS, the City Council of the City of Castroville has determined that this Contract is necessary to preserve and protect the public health of the citizens of the City.

NOW, THEREFORE, in consideration of the foregoing and on the terms and conditions hereinafter set forth and for other good and valuable mutual consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Contractor agree as follows:

I. **TERM**

Term of Contract. The initial term of this contract will be five (5) years beginning October 1, 2025 and terminating on September 30, 2030; provided, however, this Contract shall be automatically extended for successive five (5) year terms unless either party gives the other party written notice of termination at least one hundred and twenty (120) days prior to the end of the then active five (5) year term.

The Schedule of Rates, attached hereto as "Exhibit A" and referenced hereafter, shall not be amended or subject to Consumer Price Index adjustments for a period of twelve (12) months from the effective date of this Contract. Thereafter, the Schedule of Rates shall be subject to such adjustments referenced within Section Thirteen (XIII) of this Contract.

II. **GRANT OF AUTHORITY**

The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling, recycling and disposal of Municipal Solid Waste and Recyclable Materials, the exclusive franchise, license and privilege to collect, haul and recycle or dispose of Municipal Solid Waste and Recyclable Materials over, upon, along and across the City's present and future streets, alleys, bridges and public properties, within the City's corporate limits.

III. **COMPLIANCE WITH LAWS AND ORDINANCES**

The Contractor shall, at all times during the terms of this Contract, be subject to all such reasonable regulations as the City may hereafter prescribe. In addition, Contractor shall observe all State and Federal laws, rules, and regulations relevant to the collection, removal, and disposal of solid waste.

IV. DEFINITIONS

The following definitions shall apply with respect to this Contract:

- a. Bag: Plastic sack with sufficient strength to maintain physical integrity when lifted by the top of the bag and designed to transport solid waste. Total weight of a bag shall not exceed thirty-five pounds (35 lbs.) when filled.
- b. Brush Items: Solid waste comprised of undergrowth, small trees, and shrubs personally cut/ trimmed by the owner of the same parcel and placed curbside for regularly scheduled brush item pickup. Brush items cut / trimmed by a commercial or private contractor shall be removed from the parcel by the commercial or private contractor and will not be picked up by the solid waste Contractor during brush item pickup.
- c. Bulky Items and White Goods: Solid waste comprised of large household items, including, but not limited to, stoves, refrigerators, water tanks, washing machines, discarded bathroom fixtures, furniture, mattresses, television sets, and other household items that cannot be handled by normal solid waste processing, collection, or disposal methods. The terms do not include construction or remodeling debris in excess of fifty pounds (50 lbs.), plant materials, rocks, dirt, dead animals, brush items, hazardous, special, or infectious waste, tires, car batteries, or stable matter.
- d. Bundle: Plant trimmings and newspaper, and magazine stacks securely tied together forming an easily handled package not exceeding four feet (4') in length and weighing no more than thirty-five pounds (35 lbs.) per bundle.
- e. Commercial: A third-party entity that is of, connected with, or engaged in commerce and in the business of or contracted to perform services for or sell goods to a separate and distinct individual or business.
- f. Commercial and Industrial Units: A commercial or industrial structure or parcel being used for commercial purposes within the corporate limits of the City. A commercial or industrial unit shall be deemed to be occupied and require solid waste collection and disposal services when the unit or occupant is engaging in commercial activity and domestic water, or electric services are being supplied thereto.

- g. Commercial Container: A ninety-six (96) gallon plastic receptacle or metal container with a capacity of two (2), three (3), four (4), six (6), or eight (8) cubic yards designed for use by commercial and industrial units that is to be lifted and emptied mechanically for use by commercial and industrial units. A roll-off container is considered a commercial container that is loaded onto a winch truck and not exceeding forty (40) cubic yards in volume. Although primarily used by commercial and industrial units, a roll-off container may be used by a residential unit, as well, to enable the removal of construction debris, brush, et cetera.
- h. Commercial Hand-Load Customer: A hand-load service provided to less intensive commercial and industrial units or customers that consists of the same curbside services supplied to residential units by the Contractor.
- i. Construction and Remodeling Debris: Waste building materials, including, but not limited to, rocks, fencing, concrete or cinder blocks, bricks, and lumber resulting from construction, remodeling, repair, or demolition operations.
- j. Container: A receptacle with a capacity of greater than twenty gallons (20 gal.) but less than thirty-five gallons (35 gal.) 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 or equal to that of the base. The weight of the container, including its contents, shall not exceed thirty-five pounds (35 lbs.).
- k. Curbside: That portion of the public right-of-way adjacent to paved or traveled municipal roadways, with or without curbing, and extending to the front property line.
- l. Dead Animals: An animal, or portion thereof, that has expired from any cause.
- m. Disposal Site: Any facility or area of land receiving Municipal and Solid Waste and operating under the regulation and authority of the Texas Commission on Environmental Quality ("TCEQ") within the State of Texas, or the appropriate governing agency for landfills located outside the State of Texas. Includes Sanitary landfills permitted or approved by all jurisdiction and requiring such licensed, franchises, permits or approvals to receive for processing or final disposal municipal solid waste and dead animals.
- n. Garbage: Every accumulation of waste (animal, vegetable, and/ or other matter) that results from packing, canning, storage, transportation, decay, or

decomposition of meats, fish, fowl, birds, fruits, grains, or other animal or vegetable matter, including, but not limited to, used tins, cans, and other food containers and all putrescible or easily decomposable waste and animal or vegetable matter which is likely to attract flies or rodents.

- o. Hazardous Waste : Hazardous Waste means waste defined as, or of a character or in sufficient quantity to be defined as, a Hazardous Waste by the Resource Conservation and Recovery Act, as amended, or by Texas law with respect thereto, or a “toxic substance” as defined in the Toxic Substance Control Act, as amended, or any regulations with respect thereto, or any reportable quantity of a “hazardous substance” as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or any regulations with respect thereto. The term “Hazardous Waste” also includes any waste whose storage, treatment, incineration, or disposal requires a special license or permit from a Federal or Texas entity, body or agency.
- p. Infectious Waste: Hazardous waste with infectious characteristics, including, but not limited to, contaminated animal waste, human blood and blood products, isolation waste, pathological waste, and discarded sharps/ needles.
- q. Out-Of-Cycle Service: Brush item, bulky item, and white good collection and disposal services requested by a residential, commercial, or industrial unit and collected by the Contractor out of the ordinary schedule and within five (5) business days of payment by the unit to the Contractor.
- r. Producer: An occupant of a residential, commercial, or industrial unit that generates solid waste.
- s. Recyclable Material: The following constitutes recyclable materials within the City:
 - i. Paper: Goods made of paper, such as circulars, catalogs, carbonless paper, dry goods packaging without liners, envelopes, file folders, flattened cardboard, junk mail, magazines, newspapers, office paper, paperback books, paper bags, paper towel / toilet paper cores, and non-metallic gift wrap. Phone books and wet or yellowed paper are not included in the definition of paper goods.
 - ii. Glass Bottles and Jars: Beverage bottles, food and condiment bottles, and jars made of glass with lids removed and bottles and jars rinsed clean. Mirrors, windows, ceramics, or other glass or glazed materials are not included in the definition of glass

bottles and jars. iii. Metal Cans: Aluminum, steel, and tin beverage and food cans rinsed clean, rinsed baking tins, and empty aerosol cans with nozzles removed. iv. Plastics: Goods made of plastic and labeled No. 1 through No. 7 with all lids removed and bottles rinsed. Examples include beverage bottles, shampoo and lotion bottles, meat trays, condiment bottles, prescription and medicine bottles with labels removed, and bundled plastic grocery bags.

During the term of this Contract, the City reserves the right to add or delete items approved for recycling.

- t. Recycling Container: A container made of rigid plastic and having a minimum capacity of eighteen gallons (18 gal.) that is provided to residential, commercial, or industrial units by the Contractor. Total weight should not exceed thirty-five (35) pounds when full.
- u. Refuse: Cans, bottles, rags, dry waste, paper, kitchen and household waste, food containers, lawn trimmings, leaves, and other materials typically generated by a residential, commercial, or industrial unit.
- v. Residential Refuse Toter - A container made of rigid plastic and having a maximum capacity of not more than ninety-six (96) gallons that is provided to residential, commercial, or industrial units by the Contractor. Total weight should not exceed seventy-five (75) pounds when full. The toters furnished by the contractor hereunder shall remain the property of the contractor, and the customer will have no interest in carts. The carts shall remain at the location of the residential unit where delivered by contractor. The customer shall be responsible for all loss or damage to toters, except for normal wear and tear or for loss or damage resulting from the contractors' handling of equipment. Any cart removed from a resident shall be deemed lost and the contractor shall be entitled to compensation by the city therefore. The customer shall not overload (by weight or volume) a toter and shall use the toter only for its proper and intended purpose. Additional carts are available for residential customers at an additional charge to be paid by customer.
- w. Residential Unit: A dwelling within the corporate limits of the City occupied by a person or group of people comprising not more than two families. A residential unit shall be deemed occupied when domestic water or electric services are being supplied thereto, with the exception that an unoccupied

home placed on the market for sale shall not be deemed occupied. A condominium or townhome dwelling, whether single or multi-level construction, consisting of four or less contiguous or separate single-family dwelling units, shall be treated as a residential unit; however, each single family dwelling within any such residential unit shall be provided a container and separately billed a pro rata share of the standard residential unit fee located on the Schedule of Rates approved by the City.

- x. Residential Unit Solid Waste: Residential unit solid waste shall be considered, for purposes of this Contract, a collective term comprised of garbage, refuse, stable matter, rubbish, and dead animals. Additionally, commercial hand-load customers shall be considered a part of residential unit solid waste service defined in this Contract.
- y. Roll-Off Containers: See "commercial container".
- z. Rubbish: All other waste materials not included in the-definitions of bulky items, white goods, construction and remodeling debris, dead animals, garbage, hazardous waste, refuse, brush items, or stable matter. Rubbish excludes tires and car batteries.
- aa. Solid Waste: As defined by the EPA under 40 C.F.R. 261.2 (a)(1), or by the State of Texas under the Texas Health and Safety Code Chapter 363 Municipal Solid Waste Section 363.004 (19) whether such waste is mixed with or constitutes Recyclable Materials.
- bb. Special Waste: Solid waste that poses particular management and / or disposal problems and requires special care, such as used oil, tires, end-of life vehicles, batteries, and some electronic goods.
- cc. Stable Matter: All manure and other fecal waste matter and stable bedding normally accumulated in or about a stable, or any animal, livestock or poultry enclosure, and resulting from the keeping of animals, poultry or livestock.
- dd. TCEQ: Texas Commission on Environmental Quality.
- ee. Units: Unless explicitly specified differently in the Contract, the term shall collectively include residential, commercial, and industrial units; occupants; or users.
- ff. Unusual Accumulations: As to Residential units, any waste placed curbside for collection in excess of the volumes permitted by this agreement and as to commercial or industrial units, any waste located outside the dumpster, roll off box or compactor regularly used for such collection service.

V.
PARTICIPATION IN SERVICE

Except as provided for elsewhere in this Contract, each residential, commercial, or industrial unit shall utilize the solid waste disposal services provided by the Contractor. Failure to utilize such disposal services does not negate the charges for the services, nor does it relieve the unit of the responsibility to pay said charges. Units producing a volume of construction debris which requires a City Permit shall utilize the disposal services provided by the Contractor.

VI.
INDEMNIFICATION AND LIABILITY

THE CONTRACTOR SHALL FULLY INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, AGENTS, AND SERVANTS, INDIVIDUALLY OR COLLECTIVELY, FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, CAUSES OF ACTION, LIABILITIES, AND SUITS OF ANY KIND AND NATURE, INCLUDING, BUT NOT LIMITED TO, PERSONAL OR BODILY INJURY OR DEATH AND PROPERTY DAMAGE MADE UPON THE CITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO THE CONTRACTOR'S ACTIVITIES UNDER THIS CONTRACT, INCLUDING ANY ACTS OR OMISSIONS OF THE CONTRACTOR, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT, OR SUBCONTRACTOR OF THE CONTRACTOR, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS, AND REPRESENTATIVES WHILE IN THE EXERCISE OR PERFORMANCE OF THE RIGHTS AND DUTIES UNDER THIS CONTRACT, ALL WITHOUT, HOWEVER, WAIVING GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER STATE LAW AND WITHOUT WAIVING ANY DEFENSE OF THE PARTIES UNDER STATE LAW. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHEN SUCH COSTS, CLAIMS,

LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITIES, AND / OR SUITS ARISE IN PART FROM THE NEGLIGENCE OF THE CITY AND ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, AND REPRESENTATIVES UNDER THIS CONTRACT. THE PROVISIONS OF THIS INDEMNITY ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTED OR OTHERWISE, TO ANY PERSON OR ENTITY. CONTRACTOR SHALL PROMPTLY ADVISE THE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST THE CITY OR THE CONTRACTOR KNOWN TO THE CONTRACTOR RELATED TO OR ARISING OUT OF THE CONTRACTOR'S ACTIVITIES UNDER THIS CONTRACT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT THE CONTRACTOR'S COST. THE CITY SHALL HAVE THE RIGHT, AT ITS OPTION AND AT ITS OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING THE CONTRACTOR OF ANY OF ITS OBLIGATIONS UNDER THIS CONTRACT OR PARAGRAPH.

IT IS THE EXPRESS INTENT OF THE PARTIES TO THIS CONTRACT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION IS AN INDEMNITY EXTENDED BY THE CONTRACTOR TO INDEMNIFY, PROTECT, AND HOLD HARMLESS THE CITY FROM THE CONSEQUENCES OF THE CITY'S OWN NEGLIGENCE. PROVIDED HOWEVER THAT SUCH INDEMNITY SHALL NOT APPLY WHERE THE LIABILITY IS THE RESULT OF THE CITY'S WILFUL, INTENTIONAL, OR GROSSLY NEGLIGENT CONDUCT.

CONTRACTOR FURTHER AGREES TO DEFEND, AT ITS OWN COST AND EXPENSE ON BEHALF OF AND IN THE NAME OF THE CITY, ANY CLAIMS OR LITIGATION BROUGHT AGAINST THE CITY AND ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, VOLUNTEERS, AND REPRESENTATIVES IN CONNECTION WITH ANY SUCH INJURY, DEATH, OR DAMAGE FOR WHICH THIS INDEMNITY SHALL APPLY AS SET FORTH ABOVE.

CONTRACTOR ASSUMES THE RESPONSIBILITY AND LIABILITY AND HEREBY AGREES TO INDEMNIFY THE CITY FROM ANY LIABILITY CAUSED BY THE CONTRACTOR'S FAILURE TO COMPLY WITH APPLICABLE FEDERAL, STATE, OR LOCAL LAWS, REGULATIONS, AND INDUSTRY STANDARDS.

VII.
INSURANCE AND LETTER OF CREDIT

The Contractor shall, at all times during the Contract term, maintain in full force and effect Employer's Liability, Worker's Compensation, Public Liability, and Property Damage insurances, as provided for herein. All insurances shall be made by insurers and for policy limits acceptable to the City and before the commencement of work hereunder. The Contractor agrees to furnish the City certificates of insurance or other evidence satisfactory to the City to the effect that such insurances have been procured and in force. The certificates shall contain the following express obligation:

"This is to certify that the policies of insurance described herein have been issued to the insured for whom this certificate is executed and are in full force for the contract term. In the event of cancellation or material change in a policy affecting the certificate holder, thirty (30) days prior written notice shall be given to the certificate holder."

For the purpose of the Contract, the Contractor or its parent corporation shall carry the following types of insurance in at least the limits specified below:

<u>Coverage</u>	<u>Limits of Liability</u>
Worker's Compensation Employer's Liability	Statutory Amount \$1,000,000.00 each occurrence
Commercial General Liability	\$1,000,000.00 each occurrence \$2,000,000.00 aggregate
Bodily Injury Liability (except Automobile)	\$1,000,000.00 each occurrence \$1,000,000.00 aggregate
Property Damage Liability (except Automobile)	\$1,000,000.00 each person \$1,000,000.00 each occurrence
Comprehensive Business Automobile Bodily Injury Liability	\$1,000,000.00 each occurrence \$1,000,000.00 aggregate
Business Auto Property Automobile Damage Liability	\$1,000,000.00 each occurrence
Personal & Advertising Injury Excess	\$1,000,000.00 each occurrence \$3,000,000.00 aggregate

The City shall be named as additional insured on all insurance coverages required to be maintained by the Contractor hereunder.

Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:

- a. The company is licensed and admitted to do business in the State of Texas.
- b. The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or Insurance Services Organization.
- c. All endorsements and insurance coverages shall contain the requirements and instructions contained herein.
- d. The form of the notice of cancellation, termination, or change in coverage provisions shall be provided to the City of Castroville.
- e. Original endorsements affecting coverage requirements by this section shall be furnished with the certificates of insurance.
- f. City shall be provided with blanket waivers of subrogation on all required insurance policies.

Letter of Credit: Contractor must provide to the City an Irrevocable Standby Letter of Credit (“LOC”) in the amount of \$25,000.00 (“LOC”) no later than 90 days after the effective date of this contract. This LOC will guarantee completion of the contract in the event of a Contractor default. The LOC must have an expiration date of no less than 30 days beyond the end of the contract term. In the event that the bank will only issue the LOC for one-year terms, the Contractor must deliver to the City a replacement LOC at least 30 days prior to the expiration date of each and every LOC. The final LOC’s expiration date must be at least 30 days beyond the final end of the Contract term; failure to timely deliver any replacement LOC will be an event of default under this contract. The LOC: (i) must be issued by a bank acceptable to the City; (ii) must allow partial and multiple draws; (iii) must not require anything more than a written statement signed by the City Manager, acknowledged by a Texas notary public, that a condition of default exist under the contract for a draw and (iv) each form of which, must be approved by the City’s legal counsel. Failure of Contractor to comply with any provision of this section shall constitute a default by Contractor.

VIII.

LICENSES

The Contractor is required to obtain all Federal and State licenses and permits necessary to perform the services contained herein.

IX. **EQUIPMENT**

- a. The Contractor shall maintain and operate the solid waste disposal system and its equipment in a manner that renders competent and efficient service, subject to the terms of this Contract. All equipment, including motor vehicles and trucks necessary for the performance of this Contract, shall, throughout the term of this Contract, be in good condition and repair. The trucks used in the collection of residential solid waste shall be constructed of metal, with completely enclosed “packer” type bodies that are designed and manufactured for the collection of residential solid waste. All vehicles shall be painted, numbered, and have the Contractor’s name and telephone number on each side of the vehicle in a size and type so as to be easily readable from a distance of a minimum of fifty feet (50’).
- b. Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that all equipment, including, but not limited to, Containers, provided by the Contractor in connection with the Services, shall at all times remain the property of the Contractor. Contractor shall be responsible for maintaining all equipment in serviceable condition and will repair or replace its equipment as may be required for the performance of this agreement. If the Contractor experiences recurring problems of damage or destruction to or theft of the Containers provided by the Contractor pursuant to this Agreement, the Contractor may, prior to replacing or repairing such Containers, require security deposits from the Commercial, Industrial or Residential Units utilizing such Containers.

X. **SERVICES REQUIRED OF THE CONTRACTOR**

Scope of Work. The work under this Contract shall consist of all solid waste collection and disposal services for residential, commercial, industrial, small business, and professional shop customers within the corporate limits of the City,

including supervision, materials, equipment, labor and all other items necessary to complete said work in accordance with laws.

General Performance Standards. The Contractor shall provide, at a minimum, the following performance standards within the corporate limits of the Castroville, Texas:

- a. Toters shall be replaced within four (4) feet of customers' placement without obstructing traffic or damaging landscaping. Lids will be closed after servicing.
- b. Residential collection areas shall be free of litter larger than three (3) inches within a 10-foot radius of the toter. The Contractor will make every reasonable effort to leave behind no loose trash, which may fall in the streets or into customer's property. The Contractor will make every reasonable effort to keep neighborhoods free of litter from toters.
- c. The Contractor will make all reasonable efforts to collect waste regardless of barriers. (i.e. blocked streets) except when the safety and health of the Contractor employees or the public is placed in danger.
- d. The Contractor will make every effort to maintain a consistent route schedule.
- e. Unless personal or public safety concerns warrant, Contractor drivers are expressly forbidden to use their emergency brake to stop a moving Contractor vehicle.
- f. The Contractor shall not provide solid waste collection service on streets directly adjacent to school campuses one-half (1/2) hour before the beginning of, or one hour after dismissal on a scheduled school date.
- g. The Contractor will make every reasonable effort to use vehicles that do not leak oil, hydraulic fluid or other substances, or present an unhygienic or unsafe appearance. If there should be a leak from a truck, the Contractor will comply with all regulations to lawfully clean up the spill within 48 hours of notification.
- h. In the event of Contractor equipment breakdowns, Contractor will make every effort to notify the city and customers by telephone or door hangers if the service will be delayed or rescheduled for another pick-up day.

Residential Services. The Contractor shall provide, at a minimum, the following residential unit services within the corporate limits of the City of Castroville, Texas:

- a. Solid Waste: Contractor shall provide one (1) curbside/alley residential unit solid waste collection and disposal services per week for each residential unit located within the City of Castroville. Contractor shall provide one ninety-six (96) gallon waste Toter to each household at no cost to the resident.
- b. Grass & Leaves: Contractor will furnish solid waste pickup of grass, leaves, tree trimmings and other similar residential yard-grown refuse on regular pickup days, provided the yard-grown refuse is bundled or placed in plastic bags. No more than a combination of five (5) bags in addition to the 96 gallon Toter will be collected.
- c. Brush & Bulk: *Brush* – Contractor shall collect curbside brush within 72 business hours of contact. Contractor agrees to collect up to but not exceeding eight (8) yards of Brush per unit. *Bulk* – Contractor agrees to collect up to, but not to exceed eight (8) yards of Bulky Waste once per month within 72 business hours of contact. Bulky/Brush Waste in excess of the above volumes, or any Construction Debris produced by a Commercial Service provider hired by a customer and generated and located at the residential unit may be billed separately.
- d. Hours of Operation: Solid waste collection and disposal services shall be provided between the hours of 6:00 AM. And 7:00 P.M. for curbside/alley residential unit solid waste collection and disposal services. All containers for curbside residential solid waste collection must be on the curbside by 6:00 AM. On the day scheduled for pickup.
- e. Collection Hours Near Schools: Contractor shall not provide solid waste collection service on streets directly adjacent to school campuses on half (1/2) hour before the beginning of school on a scheduled school date. Contractor shall also not provide solid waste collection on streets directly adjacent to school campuses one (1) hour after dismissal of school on a scheduled school date.
- f. Public Notification: On the initial term of this Contract, before Contract is effective, Contractor is responsible for at least a sixty (60) day advanced

public notification of the proposed service provider change out, any proposed route or schedule changes and other appropriate operational information.

Commercial And Industrial Services. The Contractor shall provide, at a minimum, the following commercial and industrial unit services within the corporate limits of the Castroville, Texas:

- a. The Contractor shall collect and dispose of municipal solid waste from commercial and industrial units that falls within the regulatory definition of municipal solid waste and is placed in requisite containers, as determined by the Contractor.
- b. The Contractor shall provide pricing for all commercial roll-off within the city limits of Castroville, Texas to be used for the collection and disposal of, including, but not limited to, construction and remodeling debris.
- c. Collection containers shall be provided by Contractor to Commercial and Industrial Units and/or multiple family dwellings requesting such containers. Contractor shall repair or replace damaged containers as needed. The customer is responsible for routine cleanliness of the containers.
- d. In the event Contractor cannot timely meet or fulfill the service requirements of a Commercial or Industrial user, the customer shall have the right to secure those services from another properly licensed refuse provider and contact the City and register a service performance complaint.

In the event that a residential, commercial, or industrial unit requires the collection and disposal of excessive or unusual items or requests services not contemplated by this Contract, such unit shall make arrangements with the Contractor for the collection and disposal of said items that are independent from those regular or routine services contemplated under this Contract. The Contractor shall have no obligation whatsoever to collect Hazardous, Infectious, or Special Wastes.

Unless specified elsewhere in this Contract, construction and remodeling debris and other debris originating from commercial lot clearing and/or construction operations shall not be removed by the Contractor as a part of the regular solid waste, brush item, and white good / bulky item collection and disposal services, but rather, units shall make delivery and payment arrangements with the Contractor for the collection and disposal of said items utilizing a commercial container(s) in accordance with the Schedule of Rates attached hereto.

XI.

MUNICIPAL SERVICES REQUIRED OF THE CONTRACTOR

Regular scheduled solid waste collection and disposal services shall be provided to all municipal buildings, parks (excluding the transfer station), and facilities located in Castroville, Texas at no cost to the City (see Schedule of Rates in Exhibit A). Contractor shall provide City with four (4) 30-yard Roll-off Containers per year for City's use.

XII.

MISCELLANEOUS PROVISIONS

The following holidays may be observed by the Contractor, resulting in the discontinuance of solid waste collection and disposal services on said dates:

New Year's Day (January 1), Memorial Day (Last Monday in May), Independence Day (July 4), Labor Day (First Monday in September), Thanksgiving Day (Last Thursday in November), Christmas Day (December 25).

Contractor may decide to observe any or all of the above holidays by suspension of collection service on the holiday, but such decision in no manner relieves Contractor of his obligation to still provide collection service at least once per week, even if such adjustment requires an early weekday or Saturday pick-up. Contractor shall notify the City of any proposed changes to solid waste collection routes and schedules during the holidays listed above within sixty (60) days from the proposed suspension date of service, which will be subject to the City's written approval.

The number of residential, commercial, or industrial units to be served by the Contractor may be increased or decreased by the City at any time.

In the event the Contractor, for any reason after being notified by the City by telephone or email, shall fail to respond, within three (3) business days, to any solid waste collection of qualified solid waste, the City, without further notice, may cause the same to be collected and disposed of and shall bill the Contractor for any charges incurred by the City; said charges shall not exceed the Schedule of Rates.

The Contractor shall submit to the City the proposed solid waste collection routes and schedules within sixty (60) days from the effective date of this Contract for the City's written approval. In the event the Contractor desires to change any routes or schedules, the Contractor shall give a minimum of sixty (60) days written notice to the City and to the units affected by such changes and which will subject to the City's written approval.

The Contractor shall notify the City a minimum of ten (10) business days before any scheduled delay in the regular solid waste collection schedule. Such notice shall include the Contractor's proposal for completing the delayed collection within a reasonable timeframe. Contractor shall adhere to the required notification and approval requirements regarding suspension of service during holidays referenced in this Section.

The Contractor shall maintain a website and an office or such other facilities by which it may be contacted Monday through Friday, excluding holidays, from 8:00 A.M. to 5:00 P.M.

XIII.

BILLING AND COLLECTION

Except as provided in Section XXI, City will pay the Contractor for solid waste collection services rendered and billed by the City at the rates set forth in Exhibit "A,". City shall be responsible for all billing and collection matters. The City shall collect and remit all sales tax in accordance with applicable State Law.

Units shall be billed in accordance with the Schedule of Rates, attached hereto as Exhibit "A", plus applicable sales tax. The refuse collection charges provided in Schedule A shall include all collection, disposal, semi-annual bulky waste pickup, and related costs.

City shall remit payment to the Contractor by the twentieth (20th) day of the month. If the City becomes delinquent in the payment of undisputed services rendered for more than sixty (60) days, then such amounts incur a three percent (3%) late fee on the outstanding amount owed. Contractor will notify City in writing and request immediate and full payment, plus the three (3%) percent late fee.

Regularly scheduled garbage collection sufficient to avoid unhealthy or unsightly accumulation shall be provided to City facilities free of charge as outlined in Schedule B. Modifications to the Schedule B shall be agreed to in writing between the Contractor and the City.

Rates to be paid to the Contractor by the City shall be those in Schedule A attached hereto.

Appropriate sales tax will be added to the listed rates.

The scheduled rates on Schedule A will remain in effect for the first year of this Contract term. Thereafter, for any year of this Contract, a cost-of-living adjustment will be effective as follows:

The fees which may be charged by the Contractor for subsequent years after the initial one-year term Contract shall be adjusted upward to reflect changes in the cost of operations, as reflected by fluctuations in the Consumer Price Index (U) for Urban Consumers, All U.S. City Average, All Items, as published by the U.S. Department of Labor Bureau of Labor Statistics. The Monthly Customer Service charge shall be subject to annual adjustment proportionate to any increases in the "CPI " as defined below) for Water, Sewer, and Trash Collection Services. Said increase each new Contract Year, beginning on January 1, is calculated by the yearly average CPI for the previous twelve (12) months as reported by the U.S. Department of Labor Bureau

of Labor Statistics in October prior to the new Contract Year. Such yearly increases shall be limited to no less than 2% and no more than 5%.

- a. In the event the monthly average wholesale cost per gallon of fuel in Medina County, Texas exceeds \$5.25/gal. for thirty (30) consecutive days, then contractor may charge city an additional fuel cost for its actual costs in excess of the \$5.25/gal. average as a pass-through charge. Contractor shall cease its pass-through fuel charge after its monthly average cost per gallon in Medina County, Texas falls below the monthly average wholesale price of \$5.25/gal. for thirty (30) consecutive days. The additional fuel charge will not result in additional profits to Company, but rather allow Contractor to recover the additional cost of fuel not contemplated in the rates in Exhibit "A." Contractor agrees to use commercially reasonable efforts to enter wholesale and/or commercial fleet fuel agreements for vehicles used to provide the services under this Contract. Contractor agrees to provide City such documentation as may reasonably requested by City to support Contractor's requests for additional fuel costs.
- b. In addition to the above, the Contractor may adjust the Schedule of Rates at any time after giving sixty (60) days written notice to the City on the basis of unusual changes in the cost of operations. The Contractor shall also be entitled to "pass through" any actual taxes, fees, or other impositions made upon the Contractor by any governmental or regulatory entity by billing, on a pro-rata basis, all units directly for such costs to the extent the Contractor is affected or liable for them. During the term of this Contract, the City may cancel the Contract by giving the Contractor thirty (30) days written notice should the abovementioned increase(s) in rates be considered by the City, at its sole discretion, to be unreasonable.

XIV.

DISPOSAL OF SOLID WASTE

Contractor shall have the responsibility of the disposal of all solid waste collected under this Contract and all of said materials shall be disposed of in compliance with the laws of the Federal Government and State of Texas and/or the rules, regulations

and standards established by the Federal Government and the Texas Commission on Environmental Quality (TCEQ).

The Contractor shall be responsible for disposing of solid waste at a properly permitted landfill selected by the Contractor. The Contractor shall pay all landfill fees for solid waste hauled by the Contractor.

XV. **RESPONSIBILITIES OF THE CITY**

City will bill and collect from the Units as described in Section XIII.

City shall have the responsibility of notifying the Contractor within two (2) business days of any complaints received by the City regarding the Contractor's failure to collect solid waste or alleviate other concerns.

City shall notify Contractor on a weekly basis of any additions or deletions to the list of Units from whom collections are to be made.

XVI. **RESPONSIBILITIES OF THE UNIT**

Each container, bag, bundle, or other solid waste container must be placed at a curbside/alley location for collection on a scheduled collection day by 6:00 A.M. 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 a vehicular access point for the solid waste collection vehicle to enter and exit. The Contractor may decline to collect any container, bag, or bundle that is not placed correctly along the curbside, or any solid waste containerized incorrectly.

XVII.
{SECTION RESERVED}

XVIII.
LEGAL PROVISIONS

In the event the collection and disposal of solid waste is interrupted for any reason for more than forty-eight (48) hours as a sole result of a willful or negligent act of the Contractor, the City shall have the right to make alternate arrangements for the collection and disposal of municipal solid waste in order to provide for and protect the public health and safety. The Contractor shall reimburse the City within seven (7) business days of municipal payment for services for all costs associated with the City providing alternate solid waste collection and disposal services. If the service interruption is the result of the occurrence of hazardous conditions, as reasonably determined by the Contractor, an exception to this Section will be made by the City. In such instances, a report will be made to the City, and service shall resume when the hazardous condition is rectified.

XIX.
RECORDS AND REPORTS

The City shall have access during regular business hours and, upon reasonable advance notice, to all of the Contractor's records, customer service cards, and all papers relating to the operation of the Contractor within the City of Castroville. Upon request, the Contractor shall furnish to the City, reports of the results of all complaints and investigations received from the public and actions taken by the Contractor.

The Contractor shall maintain books and financial records in accordance with generally accepted accounting principles. The City shall have the authority to audit, examine, and make excerpts or transcripts from the books and records during the Contractor's regular business hours.

The Contractor shall keep complete and accurate books of accounts and records of its operations from which municipal gross receipts may be determined.

XX.
COMPLAINTS AND INTERRUPTION OF SERVICES

The Contractor shall respond to all units' complaints pertaining to customer service, property damage, or personal injury from the solid waste collection and disposal service. Any unit complaints received by the City shall be forwarded to the Contractor. The Contractor shall notify the City of the action(s) taken in response to forwarded complaints within two (2) business days of the complaint. Failure of the Contractor to timely respond to complaints shall be considered a failure to perform under this Contract.

In the event the collection of solid waste shall be interrupted for more than forty eight (48) due solely to the willful or negligent act(s) of Contractor and not a Force Majeure event contemplated under Section XXXI, then City shall have the right to engage with a third-party contractor to temporarily provide solid waste collection services so as to help ensure the public health and safety of the public. Contractor further agrees to pay to City costs for retaining such temporary, third party contractor. City may deduct such costs from any payments owed by City to Contractor for serviced provided under this Contract.

The interruption of solid waste collection services in excess of for more than forty-eight (48) hours due solely to the willful or negligent act(s) of Contractor and not a Force Majeure event contemplated under Section XXXI, constitutes a material breach of this Contract. City will have the right to exercise the remedies described in Section XXII.

XXI.
DELINQUENT CUSTOMER PAYMENTS

The City is responsible for billing each unit for services rendered under this Contract and the collection thereof. Each unit is responsible for making timely payments upon receipt of an invoice or statement. The city may impose and collect a reinstatement fee on all delinquent units' accounts. Such fees and penalties imposed by the City will not be considered part of the City's compensation to the Contractor and so fully retained by the City.

XXII.
FORFEITURE AND TERMINATION OF FRANCHISE

The City reserves the right to declare this Contract and its franchise forfeited and to terminate the same and all rights and privileges of the Contractor hereunder in the event of a material breach of the terms, covenants, or conditions herein set forth. A material breach by the Contractor shall include, but not be limited to, the following:

- a. Failure of the Contractor to provide, as solely determined by the City, the services provided for in this Contract within five (5) business days of the receipt of a written demand for performance by the City;
- b. Failure of the Contractor to repair or replace defective equipment, goods, or products within fifteen (15) calendar days of receipt of written demand for performance by the City;
- c. Failure of the Contractor to cure urgent health or sanitation conditions or risks, as determined by the City Administrator, within two (2) business days of receipt of written or oral demand for performance by the City;
- d. Material misrepresentation(s) of fact in the application for or negotiations of this Contract;
- e. Conviction of any director, officer, employee, or agent of the Contractor of the offense of bribery or fraud connected with or resulting from the awarding of this Contract;
- f. Material misrepresentations of fact knowingly made to the City with respect to or regarding the Contractor's operations, management, revenues, services, or reports required pursuant to this Contract; and
- g. The revocation or denial of solid waste collection and disposal permit(s) through Federal and State Laws and regulations which would prohibit or interfere with the ability to fulfill the requirements of this Contract.
- h. If the Contractor intends to terminate this Contract or any portion thereof, the Contractor shall notify the City not less than one hundred twenty (120) calendar days prior to termination.
- i. The City shall have the right to cancel this Contract one hundred twenty (120) calendar days after the appointment of a receiver or trustee who is directed to take over and conduct the business of the Contractor, whether in receivership,

reorganization, bankruptcy, or other action or proceeding, whether voluntary or involuntary.

XXIII. **MEDIATION**

If a dispute arises out of or relates to this Agreement or the breach thereof, the Parties shall first in good faith seek to resolve the dispute through negotiation between the upper management of each respective Party. If such dispute cannot be settled through negotiation, the Parties agree to try in good faith to settle the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association, San Antonio, Texas, before resorting to litigation, or some other dispute resolution procedure; provided that a Party may not invoke mediation unless it has provided the other Party with written notice of the dispute and has attempted in good faith to resolve such dispute through negotiation. Notwithstanding the foregoing, any Party may seek immediate equitable relief, without attempting to settle a dispute through mediation, in any case where such Party is entitled to equitable relief by law, the terms of the Agreement, or otherwise. All costs of negotiation, mediation, and arbitration collectively known as alternate dispute resolution ("ADR") shall be assessed equally between the City and Contractor with each party bearing their own costs for attorneys fees, experts, and other costs of ADR and any ensuing litigation.

XXIV COMPLIANCE WITH APPLICABLE LAW

This Contract shall be governed in accordance with the laws of the State of Texas, and the legal venue for all legal proceedings shall be located in the District Court, Medina County, Texas. Notwithstanding any other provision in this Contract to the contrary, the Contractor shall, at all times, comply with all laws, rules, and regulations of the State and Federal government and any administrative agencies thereof with respect to the subject matter of this Contract.

XXV.
ASSIGNMENT

The Contractor may not assign this Contract and/ or any/ all the rights and obligations contained herein without the specific prior written approval of the City, which may be withheld for any reason. Nothing contained herein shall be construed to give any rights or benefits to anyone other than the City and Contractor.

XXVI.
SAFETY

The Contractor agrees that all prudent and reasonable safety precautions associated with the performance of work set forth or defined in this Contract are a part of the solid waste collection and disposal techniques for which the Contractor is solely responsible. In its execution of the obligations under this Contract, the Contractor shall use all proper skills and care, as are typical in the industry, and the Contractor shall exercise all due and proper precautions to prevent injury to any property or person.

XXVII.
NOTICES AND PAYMENTS

All notices and payments required to be given by either party to the other party under the terms of this Contract shall be in writing and, unless written notice of a change of address is given, shall be sent to the parties at the following addresses:

South Texas Refuse Disposal, Inc.
P.O. Box 188
Hondo, Texas 78861

City of Castroville
1209 Fiorella Street
Castroville, TX 78009

All notices shall be deemed to have been properly served if sent by First Class, postage prepaid mail through the U.S. Postal Service to the person(s) at the addresses designated above or to such other persons and/or addresses that either party

subsequently designates for notice. Such designation amendments shall be made by providing thirty (30) days' advance written notice to the other party.

XXVIII. **AMENDMENTS**

It is hereby understood and agreed by the parties to this Contract that no alterations or variations to the terms of this Contract, including all addendums hereto, shall be effective unless made in writing, approved, and signed by both parties.

XXIX. **SEVERABILITY**

If any section, sentence, clause, or paragraph of this Contract shall be held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the invalid, illegal, or unenforceable provision(s) of this Contract with valid legal terms and conditions approximating the original intent of the parties.

XXX. **CONTRACTOR'S DILIGENCE AND CARE & EMERGENCY** **MANAGEMENT**

The Contractor shall use reasonable care and diligence in executing this Contract. The Contractor shall provide the City with an emergency telephone number available for response on a 24-hour x 7 days per week x 365 days per year basis.

XXXI. **FORCE MAJEURE**

If either of the Parties are unable to provide the services or perform the requirements of Agreement due to circumstances beyond their control and without their fault, whether such occurrence or circumstance be an act of God or the common enemy or the result of war, riot, civil commotion, sovereign conduct, or

the unforeseeable act or conduct of any person or persons not party or privy hereto, then the Parties shall be excused from such performance for such period of time as is reasonably necessary after such occurrence to remedy the effects thereof, and neither shall be liable for the breach of this Agreement.

XXXII.

NO ADDITIONAL WAIVER IMPLIED

The failure of any party hereto to insist in any one or more instances upon performance of any of the terms, covenants, or conditions of this agreement shall not be construed as waiver or relinquishment of the future performance of any term, covenant, or condition by the other parties hereto, but the obligation of such other parties with respect to such future performance shall continue in full force and effect.

XXXIII.

ENTIRE CONTRACT

It is understood by the parties that this Contract constitutes the entire agreement between the parties. Notwithstanding any other provisions in this Contract, the City, acting by and through the City Council of the City of Castroville, Texas, shall be the final arbiter, authority, and decision maker on all matters related to this Contract, the solid waste collection and disposal services within the corporate municipal limits of the City, and the municipal solid waste collection and disposal services franchise agreement.

DISCLOSURES, CONFLICTS AND DISPUTE RESOLUTION

Contractor represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local government Code, Conflicts of Interest Questionnaire, Chapter 2252, Texas Government Code, and Form 1295, Certificate of Interested Parties, online filing with the Texas Ethics Commission.

This Contract will be governed by the provisions of Subchapter I, Chapter 271, Texas Local Government Code, regarding the obligations of the parties for any disputes arising hereunder.

MANDATORY CONDITIONS FOR GOVERNMENT CONTRACTS

When applicable, the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it; (i) does not boycott Israel; (ii) will not boycott Israel during the term of the contract; (iii) does not boycott energy companies; (iv) will not boycott energy companies during the term of the contract; (v) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association (Texas Government Code, Chapter 2271.002; 2274.002)

Contractor hereby verifies that it does not boycott Israel, and agrees that, during the term of this agreement, will not boycott Israel as this term is defined in the Texas Government Code, Section 808.001, as amended. Contractor hereby verifies that it does not boycott energy companies, and agrees that, during the term of this agreement, will not boycott energy companies as this term is defined in Texas Government Code, Section 809.001, as amended. Contractor hereby verifies that it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association as those terms are identified in Texas Government Code, Section 2274.001, as amended.

Further, Contractor 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.

PASSED AND APPROVED this _____ day of _____ 2025.

CITY OF CASTROVILLE

Bruce Alexander, Mayor

SOUTH TEXAS REFUSE DISPOSAL, INC

Felimon Cuellar, President

ATTEST:

Debra Howe, City Secretary

Exhibit “A”

Schedule of Rates For

City of Castroville - South Texas Refuse Disposal, Inc. Contract

Solid Waste Collection and Disposal Services for October 1, 2025-September 30, 2030

Type.of.Service	Frequency.of.Collection	Rate.to.STRD
1 Toter Garbage	1x Weekly	\$23.63
With Recycling Cart Included		
Additional Toter		\$5.18
Additional Recycling Container		\$5.18
Household Hazardous Waste	Unlimited	Included
Collection At Your Door		
Bulky Waste Curbside 8 CY Allowance		Included
Brush Waste Curbside 8 CY Allowance		Included

*All citizens must participate if recycling option is chosen.

Commercial Containers

2 Yard	1x Weekly	\$73.56
2 Yard	2x Weekly	\$116.88
3 Yard	1x Weekly	\$96.80
3 Yard	2x Weekly	\$124.30
4 Yard	1x Weekly	\$111.32
4 Yard	2x Weekly	\$194.84
6 Yard	1x Weekly	\$127.94
6 Yard	2x Weekly	\$219.04
8 Yard	1x Weekly	\$184.06
8 Yard	2x Weekly	\$330.56
10 Yard	1x Weekly	\$258.50
10 Yard	2x Weekly	\$395.22

Ancillary Charges	Frequency	Rate
Lockbar (Per Container)	Monthly	\$10.80
Casters (Per Container)	Monthly	\$10.80

Industrial Roll Off Collection Rates

20 Yard	\$398.37
30 Yard	\$423.26
40 Yard	\$457.58
Roll Off Delivery (One Time)	\$136.89
Roll Off Fee (Per Day)	\$7.20
Compactor	\$788.25

Compactor includes 6 tons, each additional ton will be charged at a rate of \$75.00 per ton.

20 Yard Sludge Containers-Wastewater treatment sludge.	\$694.13
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Roll off Containers Include 4 tons, each additional ton will be charged at a rate of \$75.00 per ton.

**The above stated rates do not include a 10% Franchise Fee to the City

Attachment “E”
 “No Charge” Container Requirements for City Facilities

Department	Address	Size	Service
City Hall	1209 Fiorella	1 4yd/lock 2- Recycle Toter	1/ Weekly
City of Castroville	703 Paris Street	1-4yd	1/ Weekly
City of Castroville	10500 Airport Rd	1-8 yd	2/Weekly
City of Castroville	Vienna/Athens	2-Toters	1/Weekly
Police Department	411 London	2-Toters	1/Weekly
Public Library	802 London	1- 2yd	1/Weekly
Little League	8000 Airport Rd	1-6yd/lock 1-8yd/lock	2/Weekly
Castroville Regional Park	812 Alsace	1-Toter 3-8yd/Tall/Side Doors	1/Weekly 2/Weekly
Castroville Regional Park	139 N Drive	2-Recycle Toter	1/Weekly
Municipal Airport	10501 Airport Rd	1-Toter 3-Recycle Toter	1/Weekly
Castroville Lyons Park	1101 Houston Street	1-4yd	1/Weekly
City of Castroville Dead Animals	818 Alsace	2 yd	1/Weekly
Park		35-Toter	As Needed
Public Works		20 yd Roll-Off	As Needed
Public Works		40 yd Roll-Off	As Needed