

ORDINANCE NO. 111722-01

AN ORDINANCE OF THE CITY OF LA VERNIA, TEXAS AMENDING THE FEE SCHEDULE IN THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023; AND OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Fee Schedule in the Budget dated September 8th, 2022 for the Fiscal Year Beginning October 1, 2022, and ending September 30, 2023 has, heretofore, been adopted on September 8th, 2022; and

WHEREAS, the City of La Vernia hereby finds and determines that all collection, conveyance, transportation and disposal of residential, household, commercial and industrial refuse and solid wastes within the city limits of La Vernia should be franchised by the City to an exclusive provider.

WHEREAS, the La Vernia City Council entered into an Exclusive Franchise Agreement by and between Waste connections, Inc., formally known as Progressive Water Solutions of TX, Inc. and the City of La Vernia beginning November 1, 2019 and concluding October 31, 2024; and

WHEREAS, the La Vernia City Council agreed to CPI price adjustments, per criteria outlined on page 13 in section 10, rate adjustment of original agreement, dated November 1, 2019.

WHEREAS, the Agreement established rates for collection of solid waste for Single Family Residential Units, Handicapped Residential Units, Commercial, Multifamily, and Multifamily Residential Unit Collections, Special Collections and Services; and Construction and Demolition Waste; and

WHEREAS, the rates charged to residential and commercial customers for Solid Waste Disposal fees are adjusted annually by the Consumer Price Index for all Urban Consumers (CPI-U); and

WHEREAS, Waste Connections, Inc. requested rate increase to include recycling for residential and commercial handheld customers, to take effect on January 1, 2023; and

WHEREAS, any increase in rates must be approved by City Council; and

WHEREAS, the City Council has reviewed the amendment prepared by the City Administrator and finds it to be in the best interest of the citizens of La Vernia.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA VERNIA, TEXAS, THAT:

Section 1. Budget

The City hereby approves the Fee Schedule budget amendment, attached as Exhibit A.

Section 2. Severability

If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

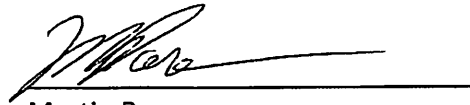
Section 3. Conflict of Ordinances

Ordinances or parts of Ordinances in conflict herewith are hereby repealed and are no longer of any force and effect.

Section 4. Effective Date

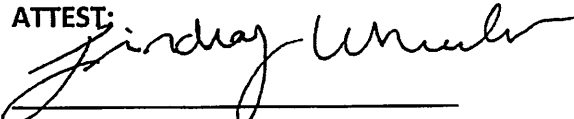
This ordinance shall take effect upon City Council approval.

PASSED, APPROVED AND APPROVED this 17th day of November 2022.



Martin Poore
Mayor, City of La Vernia

ATTEST:



Lindsey Wheeler,
City Secretary, City of La Vernia

APPROVED AS TO FORM:

City Attorney's Office
City of La Vernia



WASTE CONNECTIONS

November 2, 2022

Mr. Robert Gregory
Mayor
City of La Vernia
102 E. Chihuahua
La Vernia, Texas 78121

Mr. Gregory:

Waste Connections Lone Star, Inc., in conformance with the requirements of our Solid Waste Services Contract, hereby conveys the rate adjustment document that will become effective on November 1, 2022.

The adjustment is based on the year-over-year percentage change in the Consumer Price Index for All Urban Consumers, US City Average, All Items. The pertinent data sources are attached to this letter and summarized below.

Consumer Price Index

September 2022 – 296.808

September 2021 – 274.310

% Change – 8.20%

Per the 5% maximum increase allowed by the Contract, the rate change will be capped at 5.00%. The 5.00% upward adjustment will take effect on ~~November~~ ^{Jan} 1, 2022.

We truly value the strength and long-standing relationship between the City of La Vernia and Waste Connections. If you have any questions or comments regarding this matter, please let me know. We appreciate the opportunity to be your solid waste service provider and look forward to continuing our public-private partnership.

Respectfully,

Ryan Dudley
District Controller
Waste Connections
Seguin, Texas



WASTE CONNECTIONS

CPI for All Urban Consumers (CPI-U)														
Original Data Value														
Series Id:	CUUR0000SA0, CUUS0000SA0													
Not Seasonally Adjusted														
Series Title:	All items in U.S. city average, all urban consumers, not seasonally													
Area:	U.S. city average													
Item:	All items													
Base Period:	1982-84=100													
Years:	2012 to 2022													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.850	230.338
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.384	237.088
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	254.412	256.903
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	257.557	260.065
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808				288.347	
									Sept YoY change	22.498				
									% change	8.20%				
									Max Increase per contract	5.00%				

Residential			
Current Rates		New Rates	
Regular Resi Trash	\$ 14.82	\$	15.56
Senior Resi Trash	\$ 14.03	\$	14.73
Resi Recycle	\$ 3.98	\$	4.18
Commercial Toters			
Current Rates		New Rates	
1 Cart	\$ 18.35	\$	19.27
2 Carts	\$ 25.31	\$	26.57
3 Carts	\$ 33.59	\$	35.27



WASTE CONNECTIONS

Commercial Frontload				
Current Rates		Lifts per week/# cans		
Cont size		1	2	3
	2.00	\$ 63.59	\$ 127.14	\$ -
	3.00	\$ 77.36	\$ 151.17	\$ -
	4.00	\$ 87.57	\$ 157.69	\$ -
	6.00	\$ 101.37	\$ 207.54	\$ 366.21
	8.00	\$ 130.76	\$ 243.53	\$ 434.88
	10.00	\$ 155.95	\$ 287.91	\$ 514.13
	Extra pickups	\$ 80.17	\$ 133.61	\$ 267.23
	Lock Bars	\$ 15.94		
	Casters	\$ 15.94		
New Rates after Increase		Lifts per week/# cans		
Cont size		1	2	3
	2.00	\$ 66.77	\$ 133.50	\$ -
	3.00	\$ 81.23	\$ 158.73	\$ -
	4.00	\$ 91.95	\$ 165.57	\$ -
	6.00	\$ 106.44	\$ 217.92	\$ 384.52
	8.00	\$ 137.30	\$ 255.71	\$ 456.62
	10.00	\$ 163.75	\$ 302.31	\$ 539.84
	Extra Pickups	\$ 84.18	\$ 140.29	\$ 280.59
	Lock Bars	\$ 16.74		
	Casters	\$ 16.74		

Roll Off					
Current					
Cont size		Haul	Disp per Ton	Delivery Charge	Rental fees/day
	20.00	\$ 540.75	\$ 36.75	\$ 157.50	\$ 5.25
	30.00	\$ 572.25	\$ 36.75	\$ 157.50	\$ 5.25
	40.00	\$ 603.75	\$ 36.75	\$ 157.50	\$ 5.25
	Receiver Box	\$ 603.75	\$ 36.75	\$ 157.50	\$ 5.25
New Rates after Increase					
Cont size		Haul	Disp per Ton	Delivery Charge	Rental fees/day
	20.00	\$ 567.79	\$ 38.59	\$ 165.38	\$ 5.51
	30.00	\$ 600.86	\$ 38.59	\$ 165.38	\$ 5.51
	40.00	\$ 633.94	\$ 38.59	\$ 165.38	\$ 5.51
	Receiver Box	\$ 633.94	\$ 38.59	\$ 165.38	\$ 5.51



WASTE CONNECTIONS, INC.
Connect with the Future®

August 22, 2018

Mayor Robert Gregory
City of La Vernia
102 Chihuahua Street
La Vernia, TX 78121

Dear Mayor Gregory:

As your partner in providing solid waste services to the City of La Vernia, Waste Connections Lone Star, Inc. d/b/a WC of Texas always strives to provide this quality service at the lowest possible price. As you know, our costs of labor, health insurance, disposal and fuel increase every year.

In light of these increases, we respectfully request the CPI price adjustment per our agreement. The criteria are outlined on page 8 in Section 10. Rate Adjustment (A) CPI-U Adjustment of our current agreement, dated November 1, 2006. The CPI percentage for the time frame detailed is 2.9% (based on July 1, 2017 to July 1, 2018) and is based upon the revised Consumer Price Index for All Urban Consumers (All Items).

Whereas: $a - b = c$; and $(1 + c/b) \times d = \text{adjusted price for service, where}$

a is the CPI computed by the Bureau for the month of the Year in Question

b is the Base CPI

c is the index point change

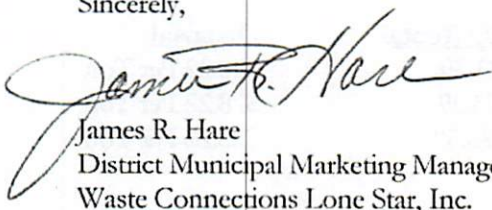
d is the price for service specified in subparagraph B, Base Period Rate

$252.006 - 244.786 = 7.220$, and $(1 + 7.220/244.786) \times \$14.50 = (1 + 0.0294) \times \$14.50 = 2.9\% \times \$14.50 = \0.42 increase per residential unit per month. The new residential rate will be **\$14.92** per residential unit per month plus taxes and fees.

We are requesting that this rate increase will be scheduled to take effect on November 1, 2018.

If you have any questions do not hesitate to contact me at 512-672-9354. We truly appreciate the opportunity to be your solid waste service provider and look forward to continuing our public-private partnership.

Sincerely,


James R. Hare
District Municipal Marketing Manager
Waste Connections Lone Star, Inc.

Attachments



2010 IH 10 W., Seguin, TX 78155
Tel (877) 307-4374

EXHIBIT "A"
City of La Vernia Rate Schedule
Residential and Commercial Rate Schedule Effective November 1, 2018
2.9% CPI -U Adjustment

Residential and Commercial Hand Pick-Up

	<u>Current Rate</u>	<u>New Rate</u>
Residential Service Once Per Week:	\$14.50 Per Month	\$14.92 Per Month
Senior Residential Service Once Per Week	\$12.84 Per Month	\$13.21 Per Month
Commercial Hand Pick-Up Once Per Week:	\$16.79 Per Month	\$17.28 Per Month
Commercial Hand Pick-Up Two Carts:	\$23.15 Per Month	\$23.82 Per Month
Extra Trash Carts	\$ 7.58 Per Cart	\$ 7.80 Per Cart
Extra Recycling Carts	\$ 3.02 Per Month	\$ 3.11 Per Month

Commercial Container Service : (New Rates)

<u>Size</u>	<u>Once Per Week</u>	<u>Twice Per Week</u>	<u>Three Times Per Week</u>
2 cubic yard	\$ 59.85	\$119.68	NA
3 cubic yard	\$ 72.82	\$142.28	NA
4 cubic yard	\$ 82.43	\$150.18	NA
6 cubic yard	\$ 95.41	\$195.35	\$348.77
8 cubic yard	\$123.08	\$229.23	\$409.34
10 cubic yard	\$146.79	\$271.00	\$483.94
Extra Pick Ups	\$ 44.40		

Waste Connections would provide construction container (Roll Off) services to the City of La Vernia at the following rates:

Roll-Off Services: (New Rates)

<u>Size</u>	<u>Delivery Charge</u>	<u>Haul Fee</u>	<u>Daily Rental</u>	<u>Disposal</u>
20 Cubic Yard	\$ 88.20	\$338.75	\$3.39	\$28.22 Per Ton
30 Cubic Yard	\$ 88.20	\$400.87	\$3.39	\$28.22 Per Ton
40 Cubic Yard	\$ 88.20	\$457.37	\$3.39	\$28.22 Per Ton

Extra Roll Offs (New Rates)

<u>Size</u>	<u>Delivery Charge</u>	<u>Haul Fee</u>	<u>Daily Rental</u>	<u>Disposal</u>
20 Cubic Yard	\$ 62.10	\$338.75	\$3.39	\$28.22 Per Ton
30 Cubic Yard	\$ 62.10	\$400.87	\$3.39	\$28.22 Per Ton
40 Cubic Yard	\$ 62.10	\$457.37	\$3.39	\$28.22 Per Ton



Databases, Tables & Calculators by Subject

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Data extracted on: August 23, 2018 (10:54:50 AM)

CPI-All Urban Consumers (Current Series)

Series Id: CUUR0000SA0
 Not Seasonally Adjusted
 Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
 Area: U.S. city average
 Item: All items
 Base Period: 1982-84=100

Download: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2008	211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	214.429	216.177
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	213.139	215.935
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	217.535	218.576
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	223.598	226.280
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.850	230.338
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.384	237.088
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006						250.089	

TOOLS

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NEWS RELEASE

BUREAU OF LABOR STATISTICS
U.S. DEPARTMENT OF LABOR



Transmission of material in this release is embargoed until
8:30 a.m. (EDT) August 10, 2018

USDL-18-1278

Technical information: (202) 691-7000 • cpi_info@bls.gov • www.bls.gov/cpi
Media Contact: (202) 691-5902 • PressOffice@bls.gov

CONSUMER PRICE INDEX – JULY 2018

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent in July on a seasonally adjusted basis after rising 0.1 percent in June, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index rose 2.9 percent before seasonal adjustment.

The index for shelter rose 0.3 percent in July and accounted for nearly 60 percent of the seasonally adjusted monthly increase in the all items index. The food index rose slightly in July, with major grocery store food group indexes mixed. The energy index fell 0.5 percent, as all the major component indexes declined.

The index for all items less food and energy rose 0.2 percent in July, the same increase as in May and June. Along with the shelter index, the indexes for used cars and trucks, airline fares, new vehicles, household furnishings and operations, and recreation all increased. The indexes for medical care and for apparel both declined in July.

The all items index rose 2.9 percent for the 12 months ending July, the same increase as for the period ending June. The index for all items less food and energy rose 2.4 percent for the 12 months ending July; this was the largest 12-month increase since the period ending September 2008. The food index increased 1.4 percent over the last 12 months, and the energy index rose 12.1 percent.

Chart 1. One-month percent change in CPI for All Urban Consumers (CPI-U), seasonally adjusted, July 2017 - July 2018
Percent change

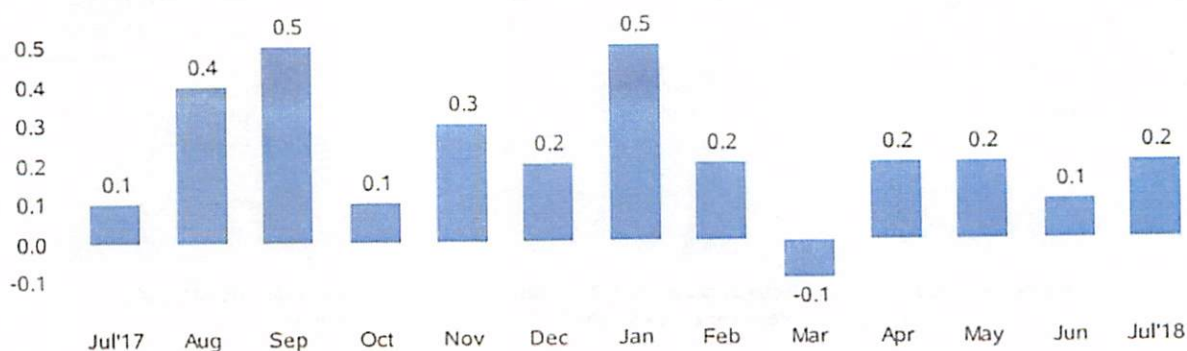


Chart 2. 12-month percent change in CPI for All Urban Consumers (CPI-U), not seasonally adjusted, July 2017 - July 2018
Percent change

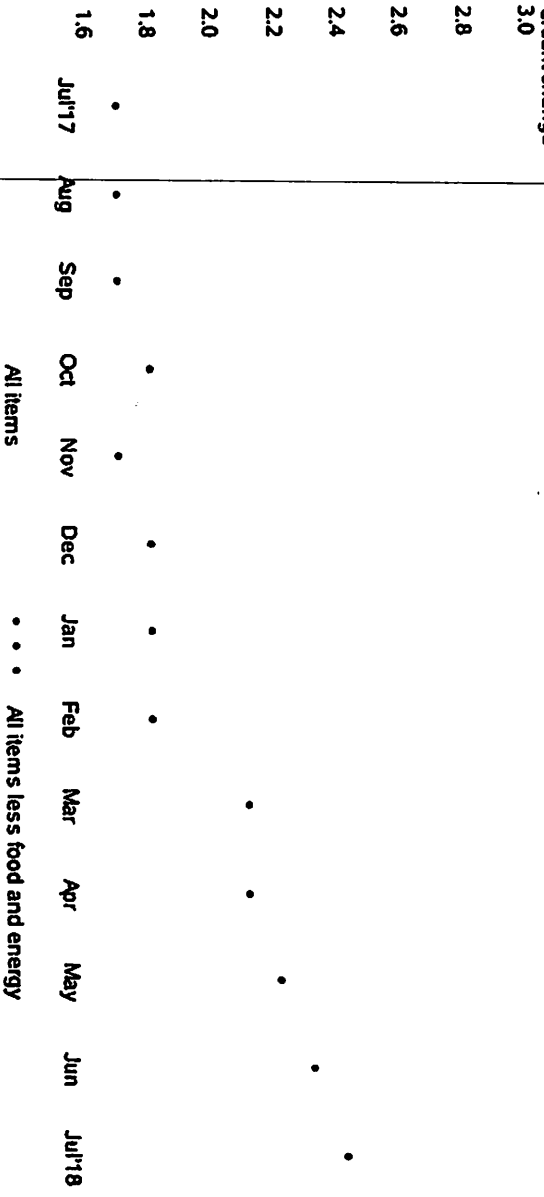


Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average
Seasonally adjusted changes from preceding month

	Seasonally adjusted changes from preceding month							Unadjusted
	Jan. 2018	Feb. 2018	Mar. 2018	Apr. 2018	May 2018	June 2018	July 2018	12-mos. ended July 2018
All items .....	.5	.2	-.1	.2	.2	.1	.2	2.9
Food .....	.2	.0	-.1	.3	.0	.2	.1	1.4
Food at home .....	.1	-.2	.1	.3	-.2	.2	.2	.4
Food away from home ¹ .....	.4	.2	-.1	.2	.3	.2	.1	2.8
Energy	3.0	.1	-2.8	1.4	.9	-.3	-.5	12.1
Energy commodities	5.8	-.9	-4.7	3.0	1.6	.6	-.6	25.4
Gasoline (all types)	5.7	-.9	-4.9	3.0	1.7	.5	-.6	25.4
Fuel oil	9.5	-3.6	-7.7	2.7	-.7	2.9	1.2	34.7
Energy services	-.8	1.4	-.2	-.5	-.1	-1.5	-.4	-1.0
Electricity	-.2	.4	.0	-.6	.1	-1.4	-.4	-.8
Utility (piped) gas service	-2.6	4.7	-1.2	-.4	-.6	-1.7	-.5	-1.3
All items less food and energy .....	.3	.2	.2	.1	.2	.2	.2	2.4
Commodities less food and energy commodities .....	.4	-.1	-.1	-.1	-.1	.0	.1	.0
New vehicles	-.1	-.5	.0	-.5	.3	.4	.3	.2
Used cars and trucks .....	.4	-.3	-.3	-1.6	-.9	.7	1.3	.8
Apparel	1.7	1.5	-.6	.3	.0	-.9	-.3	.3
Medical care commodities	-.1	-.3	.1	-.2	1.3	.2	-.1	.4
Services less energy services .....	.3	.2	.3	.2	.3	.2	.3	3.1
Shelter .....	.2	.2	.4	.3	.3	.1	.3	3.5
Transportation services .....	.8	1.0	.2	-.4	.0	.2	.5	4.0
Medical care services .....	.6	.0	.5	.2	-.1	.2	.1	2.3

¹ Not seasonally adjusted.

Food

The food index rose 0.1 percent in July after increasing 0.2 percent in June. The index for food away from home rose 0.1 percent, while the index for food at home rose 0.2 percent in July, the same increase as the prior month. Three of the six major grocery store food group indexes increased, with the index for fruits and vegetables rising 1.0 percent as the index for fresh vegetables rose 1.9 percent. The index for meats, poultry, fish, and eggs increased 0.3 percent and the index for other food at home advanced 0.1 percent.

In contrast, the index for dairy and related products fell 0.6 percent in July after rising 0.7 percent in June. The index for cereals and bakery products also declined in July, falling 0.2 percent after rising in June. The index for nonalcoholic beverages was unchanged in July.

The food at home index increased 0.4 percent over the past year. Four of the six major grocery store food group indexes rose over the span; the index for meats, poultry, fish, and eggs and the fruits and vegetables index both rose 0.9 percent over the last 12 months, the largest increases among the groups. The indexes for dairy and related products and nonalcoholic beverages both declined over the past year. The index for food away from home increased 2.8 percent over the past 12 months.

Energy

The energy index fell 0.5 percent in July after declining 0.3 percent in June. The indexes for gasoline, natural gas, and electricity all declined modestly in July. The gasoline index fell 0.6 percent in July after rising 0.5 percent in June. (Before seasonal adjustment, gasoline prices decreased 1.4 percent in July.) The electricity index fell 0.4 percent, and the index for natural gas fell 0.5 percent, its fifth consecutive decline.

The energy index increased 12.1 percent over the past year, as the gasoline index increased 25.4 percent. The index for fuel oil increased 34.7 percent over the last year. In contrast, the electricity index fell 0.8 percent, and the natural gas index declined 1.3 percent.

All items less food and energy

The index for all items less food and energy increased 0.2 percent in July. The shelter index rose 0.3 percent in July following a 0.1-percent increase in June. The indexes for rent and owners' equivalent rent both rose 0.3 percent, the same increase as in June. The index for lodging away from home increased 0.4 percent in July after falling in June. The index for used cars and trucks increased 1.3 percent in July, and the index for airline fares increased 2.7 percent after falling in each of the prior 3 months. The new vehicles index rose 0.3 percent, its third consecutive increase. The index for household furnishings and operations also rose in July, advancing 0.3 percent, and the recreation index rose 0.2 percent.

The medical care index declined in July, falling 0.2 percent. The index for prescription drugs fell 1.0 percent in July after rising in each of the last 3 months, and the physicians' services index fell 0.2 percent. In contrast, the hospital services index rose 0.4 percent in July. The apparel index declined in July, falling 0.3 percent, and the index for personal care was unchanged.

The index for all items less food and energy rose 2.4 percent over the past 12 months, the largest 12-month increase since the period ending September 2008. The shelter index rose 3.5 percent over the last

12 months, and the medical care index rose 1.9 percent. The indexes for used cars and trucks, apparel, recreation, and new vehicles all posted increases of less than 1.0 percent over the past year.

Not seasonally adjusted CPI measures

The Consumer Price Index for All Urban Consumers (CPI-U) increased 2.9 percent over the last 12 months to an index level of 252.006 (1982-84=100). For the month, the index was unchanged prior to seasonal adjustment.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 3.2 percent over the last 12 months to an index level of 246.155 (1982-84=100). For the month, the index was unchanged prior to seasonal adjustment.

The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 2.7 percent over the last 12 months. For the month, the index was unchanged on a not seasonally adjusted basis. Please note that the indexes for the past 10 to 12 months are subject to revision.

The Consumer Price Index for August 2018 is scheduled to be released on Thursday, September 13, 2018, at 8:30 a.m. (EDT).

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, July 2018
 [1982-84=100, unless otherwise noted]

Expenditure category	Relative importance Jun. 2018	Unadjusted indexes			Unadjusted percent change		Seasonally adjusted percent change		
		Jul. 2017	Jun. 2018	Jul. 2018	Jul. 2017- Jul. 2018	Jun. 2018- Jul. 2018	Apr. 2018- May 2018	May 2018- Jun. 2018	Jun. 2018- Jul. 2018
All items.....	100.000	244.788	251.989	252.006	2.9	0.0	0.2	0.1	0.2
Food.....	13.198	250.214	253.231	253.746	1.4	0.2	0.0	0.2	0.1
Food at home.....	7.239	238.953	239.158	239.820	0.4	0.3	-0.2	0.2	0.2
Cereals and bakery products.....	0.957	271.950	273.682	273.258	0.5	-0.2	0.0	0.6	-0.2
Meats, poultry, fish, and eggs.....	1.601	247.761	248.609	250.042	0.9	0.6	-0.7	-0.6	0.3
Dairy and related products.....	0.725	216.434	216.126	215.622	-0.4	-0.2	-0.1	0.7	-0.6
Fruits and vegetables.....	1.270	294.935	295.523	297.632	0.9	0.7	-0.3	0.5	1.0
Nonalcoholic beverages and beverage materials.....	0.856	167.085	166.431	166.577	-0.3	0.1	0.4	0.3	0.0
Other food at home.....	1.831	210.624	210.259	210.736	0.1	0.2	-0.2	0.1	0.1
Food away from home ¹	5.959	268.649	275.808	278.125	2.8	0.1	0.3	0.2	0.1
Energy.....	8.151	202.554	229.137	227.107	12.1	-0.9	0.9	-0.3	-0.5
Energy commodities.....	4.697	205.222	260.848	257.338	25.4	-1.3	1.6	0.6	-0.6
Fuel oil.....	0.116	220.152	293.685	288.602	34.7	1.0	-0.7	2.9	1.2
Motor fuel.....	4.509	202.051	257.041	253.424	25.4	-1.4	1.7	0.6	-0.6
Gasoline (all types).....	4.415	201.173	255.885	252.232	25.4	-1.4	1.7	0.5	-0.6
Energy services.....	3.454	209.084	207.631	207.091	-1.0	-0.3	-0.1	-1.5	-0.4
Electricity.....	2.697	219.698	218.591	217.900	-0.8	-0.3	0.1	-1.4	-0.4
Utility (piped) gas service.....	0.757	174.301	172.167	172.062	-1.3	-0.1	-0.6	-1.7	-0.5
All items less food and energy.....	78.651	251.936	257.697	257.867	2.4	0.1	0.2	0.2	0.2
Commodities less food and energy commodities.....	19.635	143.915	144.237	143.861	0.0	-0.3	-0.1	0.0	0.1
Apparel.....	3.069	122.485	125.382	122.831	0.3	-2.0	0.0	-0.9	-0.3
New vehicles.....	3.723	146.190	146.562	146.526	0.2	0.0	0.3	0.4	0.3
Used cars and trucks.....	2.401	139.519	139.090	140.687	0.8	1.1	-0.9	0.7	1.3
Medical care commodities.....	1.733	380.302	385.121	381.954	0.4	-0.8	1.3	0.2	-1.1
Alcoholic beverages.....	0.981	244.706	248.844	248.469	1.5	-0.2	-0.2	0.5	-0.1
Tobacco and smoking products.....	0.645	1,030.729	1,060.067	1,062.895	3.1	0.3	0.4	-0.4	0.1
Services less energy services.....	59.016	318.674	328.068	328.641	3.1	0.2	0.3	0.2	0.3
Shelter.....	32.720	297.919	307.521	308.393	3.5	0.3	0.3	0.1	0.3
Rent of primary residence.....	7.761	308.173	318.318	319.351	3.6	0.3	0.3	0.3	0.3
Owners' equivalent rent of residences ²	23.564	305.037	314.472	315.391	3.4	0.3	0.2	0.3	0.3
Medical care services.....	6.898	506.681	518.307	518.277	2.3	0.0	-0.1	0.5	0.1
Physicians' services.....	1.732	377.989	380.991	380.404	0.6	-0.2	0.1	0.0	-0.2
Hospital services ³	2.322	319.387	333.408	334.033	4.6	0.2	0.5	0.8	0.4
Transportation services.....	5.982	310.567	323.646	322.842	4.0	-0.2	0.0	0.2	0.5
Motor vehicle maintenance and repair ¹	1.109	279.605	285.753	286.067	2.3	0.1	0.2	0.3	0.1
Motor vehicle insurance.....	2.376	526.394	565.284	565.547	7.4	0.0	0.4	0.3	0.2
Airline fares.....	0.739	276.308	278.937	264.994	-4.1	-5.0	-1.9	-0.9	2.7

¹ Not seasonally adjusted.

² Indexes on a December 1982=100 base.

³ Indexes on a December 1996=100 base.



WASTE CONNECTIONS
Connect with the Future™

August 22, 2018

Mayor Robert Gregory
 City of La Vernia
 102 Chihuahua Street
 La Vernia, TX 78121

Dear Mayor Gregory:

As your partner in providing solid waste services to the City of La Vernia, Waste Connections Lone Star, Inc. d/b/a WC of Texas always strives to provide this quality service at the lowest possible price. As you know, our costs of labor, health insurance, disposal and fuel increase every year.

In light of these increases, we respectfully request the CPI price adjustment per our agreement. The criteria are outlined on page 8 in Section 10. Rate Adjustment (A) CPI-U Adjustment of our current agreement, dated November 1, 2006. The CPI percentage for the time frame detailed is 2.9% (based on July 1, 2017 to July 1, 2018) and is based upon the revised Consumer Price Index for All Urban Consumers (All Items).

Whereas: $a - b = c$; and $(1 + c/b) \times d =$ adjusted price for service, where

a is the CPI computed by the Bureau for the month of the Year in Question

b is the Base CPI

c is the index point change

d is the price for service specified in subparagraph B, Base Period Rate

$252.006 - 244.786 = 7.220$, and $(1 + 7.220/244.786) \times \$14.50 = (1 + 0.0294) \times \$14.50 = 2.9\% \times \$14.50 = \0.42 increase per residential unit per month. The residential rate adjustment will be to \$14.92 per residential unit per month plus taxes.

However, since November 2017 we have received a significant increase in our recycling processing cost due to the recycling market conditions created with the new laws in China prohibiting export of enormous volumes of recyclable materials and elimination of contamination within recyclable materials received within their processing facilities. The processing facilities in which we currently transport the municipal recycling materials collected from your community has also reduced the level of the contamination they will receive and have increased their processing costs by 250%. We are actually paying more to process recycling materials than we are paying to dispose of the municipal solid waste collected from your community. Therefore, we are requesting a processing cost adjustment as provided in our agreement as outlined on page 8, in Section 10, Rate Adjustment. Item B. Operating Cost Adjustment. The processing adjustment is an additional \$0.51/month for residential recycling accounts based on the increase in the processing rate implemented September 1, 2018. The processing cost adjustment formula to determine the processing cost adjustments to the recycling rates are calculated as follows:

	<u>Prior to 2018</u>	<u>September 1, 2018</u>
<u>Residential Recycling</u>		
Contract Price /Home	\$ 14.50	\$ 14.50

Processing Cost /Home	\$ 0.21	\$ 0.72
Cost % of Rate	<u>1.45%</u>	<u>4.97%</u>
% Change		3.52%

<u>Current Rate</u>	<u>Processing Cost % Increase</u>	<u>Rate Adjustment</u>
\$14.50	3.52%	\$0.51

The total residential rate adjustment will be $\$14.92 + \$0.51 = \$15.43$ per residential unit per month plus taxes.

We are requesting that this rate increase will be scheduled to take effect on November 1, 2018.

If you have any questions do not hesitate to contact me at 512-672-9354. We truly appreciate the opportunity to be your solid waste service provider and look forward to continuing our public-private partnership.

Sincerely,

James R. Hare

James R. Hare
 District Municipal Marketing Manager
 Waste Connections Lone Star, Inc.

Attachments

+ New Recycling

EXHIBIT "A"

City of La Vernia Rate Schedule

Residential and Commercial Rate Schedule Effective November 1, 2018

2.9% CPI -U Adjustment

\$0.51/Month Residential Recycling Processing Cost Adjustment

Residential Trash and Recycling

	<u>Current Rate</u>	<u>New Rate</u>
Residential Service Once Per Week:	\$14.50 Per Month	\$15.43 Per Month
Senior Residential Service Once Per Week	\$12.84 Per Month	\$13.72 Per Month

Commercial Hand Pick-Up

Commercial Hand Pick-Up Once Per Week:	\$16.79 Per Month	\$17.28 Per Month
Commercial Hand Pick-Up Two Carts:	\$23.15 Per Month	\$23.82 Per Month
Extra Trash Carts	\$ 7.58 Per Cart	\$ 7.80 Per Cart
Extra Recycling Carts	\$ 3.02 Per Month	\$ 3.11 Per Month

Commercial Container Service : (New Rates)

<u>Size</u>	<u>Once Per Week</u>	<u>Twice Per Week</u>	<u>Three Times Per Week</u>
2 cubic yard	\$ 59.85	\$119.68	NA
3 cubic yard	\$ 72.82	\$142.28	NA
4 cubic yard	\$ 82.43	\$150.18	NA
6 cubic yard	\$ 95.41	\$195.35	\$348.77
8 cubic yard	\$123.08	\$229.23	\$409.34
10 cubic yard	\$146.79	\$271.00	\$483.94
Extra Pick Ups	\$ 44.40		

Waste Connections would provide construction container (Roll Off) services to the City of La Vernia at the following rates:

Roll-Off Services: (New Rates)

<u>Size</u>	<u>Delivery Charge</u>	<u>Haul Fee</u>	<u>Daily Rental</u>	<u>Disposal</u>
20 Cubic Yard	\$ 88.20	\$338.75	\$3.39	\$28.22 Per Ton
30 Cubic Yard	\$ 88.20	\$400.87	\$3.39	\$28.22 Per Ton
40 Cubic Yard	\$ 88.20	\$457.37	\$3.39	\$28.22 Per Ton

Extra Roll Offs (New Rates)

<u>Size</u>	<u>Delivery Charge</u>	<u>Haul Fee</u>	<u>Daily Rental</u>	<u>Disposal</u>
20 Cubic Yard	\$ 62.10	\$338.75	\$3.39	\$28.22 Per Ton
30 Cubic Yard	\$ 62.10	\$400.87	\$3.39	\$28.22 Per Ton
40 Cubic Yard	\$ 62.10	\$457.37	\$3.39	\$28.22 Per Ton

**EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING AND DISPOSAL OF
MUNICIPAL SOLID WASTE AND CONSTRUCTION AND DEMOLITION WASTE
IN THE CITY OF LA VERNIA, TEXAS**

NOVEMBER 1, 2019

**EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING AND DISPOSAL OF
MUNICIPAL SOLID WASTE AND CONSTRUCTION AND DEMOLITION WASTE
IN THE CITY OF LA VERNIA, TEXAS**

STATE OF TEXAS

COUNTY OF WILSON

THIS EXCLUSIVE FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of _____, 2019, by and between Waste Connections Lone Star, Inc., an Texas Corporation (the "Service Provider"), and the City of La Vernia, Texas (the "City").

WHEREAS, the City, subject to the terms and conditions set forth herein and the ordinances and regulations of the City, desires to grant to the Service Provider the exclusive franchise, license and privilege to collect, haul and dispose of Municipal Solid Waste and Construction and Demolition Waste (as such terms are defined herein) within the City's corporate limits.

NOW, THEREFORE, in consideration of the premises and the mutual promises, covenants and agreements set forth herein, the Service Provider and the City hereby agree as follows:

SECTION 1. DEFINED TERMS.

The following terms, as used herein, will be defined as follows:

Bag - Plastic sacks, secured at the top, designed to store refuse with sufficient wall strength to maintain physical integrity when lifted by the top. Total capacity of a bag will be between thirty to thirty-five (30-35) gallons and the weight of a bag and its contents shall not exceed thirty-five (35) pounds.

Bulky Item - Any item measuring in excess of either forty-eight (48) inches in length or fifty (50) pounds in weight, including, but not limited to, mattresses, appliances with coolant removed (i.e., refrigerators and air condition window units), stoves, washing machines, water tanks, chairs, couches, rugs, carpets, carpet padding, and other similar household items. Bulky Items does not

include demolition or construction debris, stumps, tree trunks or limbs in excess of three (3) inches in diameter, or four (4) feet in length.

Bundles – Items measuring in excess of either four (4) feet in length or thirty-five (35) pounds in weight and which are securely fastened together, including, but not limited to, tree, shrub, and brush trimmings, newspapers and magazines.

Business Day - Any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City.

Commercial Unit – Any non-manufacturing commercial facility that generates and accumulates Municipal Solid Waste or Construction and Demolition Waste during, or as a result of, its business, including, but not limited to, restaurants, stores, warehouses, factories, malls, schools, hospitals, health care facilities, sports facilities or complexes.

Construction and Demolition Waste - Solid Waste resulting from construction or demolition activities or that is directly or indirectly the by-product of such activities, including, but not limited to, cartons, concrete, excelsior, gypsum board, metal, paper, plastic, rubber and wood products. Construction and Demolition Waste does not include Hazardous Waste, Municipal Solid Waste or Bulky Items.

Container – Any receptacle, including, but not limited to, dumpsters, Roll-Offs and Roll-Outs, whether utilized by a Residential, Commercial, Industrial, Municipal or other application for collecting Municipal Solid Waste or Construction and Demolition Waste. Containers are designed to hold between thirty (30) gallons and forty (40) cubic yards of Solid Waste.

Excluded Waste - Any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, biohazardous, or toxic material as defined by applicable federal, state or local laws or regulations, and Hazardous Waste.

Hazardous Waste - Waste identified or listed as a hazardous waste by the administrator of the United States Environmental Protection Agency (EPA) under the federal Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended, or so classified by any federal or State of Texas statute, rule, order or regulation.

Holidays - The following days:

- (1) New Year's Day (January 1st)
- (2) Thanksgiving Day
- (3) Christmas Day (December 25th).

Industrial Unit – Any manufacturing, mining, or agricultural facility that generates and accumulates Municipal Solid Waste or Construction and Demolition Waste during, or as a result of, its operations.

Landfill - Any facility or area of land receiving Municipal Solid Waste or Construction and Demolition 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.

Municipal Facilities – Only those specific municipal locations as set forth in Section 6.A.

Multi-Family Residential Unit – Any residential dwelling that is designed for, and inhabited by, multiple family units and that generates and accumulates Municipal Solid Waste.

Municipal Solid Waste - Solid Waste resulting from or incidental to municipal, community, commercial, institutional or recreational activities, or manufacturing, mining, or agricultural operations. Municipal Solid Waste does not include Construction and Demolition Waste, Hazardous Waste, or Excluded Waste.

Recyclable Materials – Any non-contaminated materials, which may include but may not be limited to paper, cardboard, plastics, textiles, and wood. Recyclable Materials does not include Municipal Solid Waste, Construction and Demolition Waste, Hazardous Waste, or Excluded Waste.

Residential Unit - Any residential dwelling that is either a Single-Family Residential Unit or a Multi-Family Residential Unit.

Roll-Off – A Container with twenty (20) cubic yards to forty (40) cubic yards of capacity.

Roll-Out – A Container with sixty-five (65) or ninety-five (95) gallons of capacity.

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 other waste materials not included in the definition of Excluded Waste.

Single-Family Residential - Any residential dwelling that is designed for, and inhabited by, a single person or family unit and that generates and accumulates Municipal Solid Waste.

Solid Waste - As defined by the EPA under 40 C.F.R. § 261.2(a)(1), or by the State of Texas under the Solid Waste Disposal Act § 361.003(38) whether such waste is mixed with or constitutes recyclable materials.

White Goods - Any item not measuring in excess of either three (3) cubic feet in size or fifty (50) pounds in weight and that is manufactured primarily from metal, including, but not limited to, a bath tub, heater, hot water heater, refrigerator, sink or washer and dryer.

Yard Waste - All tree trimmings, grass cuttings, plants, weeds, leaves, dead trees or branches thereof, sawdust, limbs less than three (3) inches in diameter, brush or clippings, and includes Bundles.

SECTION 2. EXCLUSIVE FRANCHISE GRANT.

The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling and disposal of Municipal Solid Waste and Construction and Demolition Waste, the exclusive franchise, license and privilege to collect, haul and dispose of Municipal Solid Waste and Construction and Demolition Waste over, upon, along, and across the City's present and future streets, alleys, bridges and public properties. In order to maintain the exclusive franchise in favor of the Service Provider contained herein, the City may take any appropriate action against any company, customer or third party infringing upon the exclusive rights of the Service Provider. In addition (and regardless of the City's actions), the Service Provider may independently enforce the exclusivity provisions of this Agreement against

third-party violators, including, but not limited to, seeking injunctive relief, and the City shall reasonably cooperate in such enforcement actions brought by the Service Provider.

The City hereby grants to the Service Provider a right of first refusal on the collection of Recyclable Materials within the City limits for Industrial, Commercial, and Residential Units. The City may enforce Service Provider's right to collect Recyclable Materials in the same manner as the collection of Municipal Solid Waste and Construction and Demolition Waste, and may provide the Service Provider a letter of approval to issue to Industrial, Commercial, and Multi-Family Residential Units as needed to assist in enforcement of this exclusive franchise grant.

SECTION 3. OPERATIONS.

A. Scope of Operations. It is expressly understood and agreed that the Service Provider will collect, haul and dispose of all Municipal Solid Waste, Construction and Demolition Waste, and Recyclable Materials (as provided herein) (i) generated and accumulated by Commercial, Industrial, and Residential Units, and Municipal Facilities (ii) placed within or adjacent to Containers by those Commercial, Industrial, and Residential Units receiving the services of the Service Provider (or otherwise generated and accumulated in the manner herein provided by those Commercial, Industrial, and Residential Units), all within the City's corporate limits, including any territories annexed by the City during the term of this Agreement (the "Services").

B. Nature of Operations. The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling and disposal of Municipal Solid Waste, Construction and Demolition Waste, and Recyclable Materials, the title to all Municipal Solid Waste, Construction and Demolition Waste, and Recyclable Materials collected, hauled and disposed of by the Service Provider over, upon, along and across the City's present and future streets, alleys, bridges and public properties.

C. Title to Waste. Title to and liability for Municipal Solid Waste, Construction and Demolition Waste, and Recyclable Materials shall pass to the Service Provider upon loading of such materials into the Service Provider's trucks. The residents of the City shall not deposit in the Service Provider's equipment or place for collection by the Service Provider any Excluded Waste. Notwithstanding any other term contained herein, the Service Provider shall have no obligation to collect any waste which is, or which the Service Provider reasonably believes to be, Excluded Waste. Title to and liability for any Excluded Waste shall remain with the resident/business/generator of such Excluded Waste, even if the Service Provider inadvertently

collects and disposes of such Excluded Waste. If the Service Provider finds what reasonably appears to be discarded Excluded Waste, Service Provider shall notify such resident/business/generator and the City that the Service Provider may not lawfully collect such Excluded Waste.

D. The owners and occupants of any Commercial, Industrial and Residential Units, and the City, as applicable, agree to comply with any description of and/or procedures with respect to removal of contaminants or preparation of Recyclable Materials as reasonably provided by Service Provider. If any Commercial, Industrial, and Residential Unit, or the City, as applicable, fails to do so, Service Provider may decline to collect such materials without being in breach of this Agreement. Service Provider shall not be responsible for and has not made any representation regarding the ultimate recycling of such Recyclable Materials by any third party facilities.

SECTION 4. SINGLE-FAMILY RESIDENTIAL UNIT COLLECTION.

A. Single-Family Residential Units. The Service Provider will collect Municipal Solid Waste from Single-Family Residential Units on a regular schedule of not less than once per week; provided, that (i) such Municipal Solid Waste is placed in Containers provided by Service Provider, and (ii) such Containers, Bags and Bundles are placed within five (5) feet of the curbside or right of way adjacent to the Single-Family Residential Unit no later than 7:00 a.m. on the scheduled collection day, but no earlier than the evening before the regularly scheduled collection day. Service Provider will provide new or replacement Containers to a Single-Family Residential Unit at no cost to the City within a reasonable timeframe following notice from the City of the need. Notwithstanding anything herein to the contrary, in the event a Container becomes lost, unsightly, unsanitary, broken, or unserviceable because of the acts or omissions of a resident or the City (excluding normal wear and tear), the resident of the City (as applicable) will be charged for the resulting repairs or replacement and such amounts will be paid to Service Provider upon demand. Any Containers furnished herein by Service Provider remain the property of Service Provider; however, residents of the City (as applicable) shall have care, custody, and control of the Containers while at the service locations. Residents and the City shall not overload (by weight or volume), move (as applicable) or alter the Containers, and shall use the Containers only for their proper and intended purpose. Residents and the City must provide unobstructed access to the Containers on the scheduled collection day.

B. Excess or Misplaced Municipal Solid Waste. The Service Provider shall collect all Municipal Solid Waste and regular collection shall not be limited with the exception that Containers collected from Residential Units should be the 95 gallon Containers provided by the Service Provider not exceeding 175 pounds, up to six (6) Bags (as defined herein), and Bundled brush not to exceed two (2) cubic yards (6' x 3' x 3'), 4-foot lengths, 4-inch diameter or weigh no more than 40 pounds. Containers should not be near cars, mailboxes, or other obstructions. Service Provider shall place empty Container(s) in the same curbside or right-of-way location it was placed by the Residential Unit for collection and the lid will be closed. Notwithstanding anything to the contrary contained herein, excess or misplaced Municipal Solid Waste may be collected on occasion and within reason due to extraordinary circumstances as determined by the Service Provider.

C. Handicapped Residential Units. Notwithstanding anything to the contrary contained herein, the Service Provider agrees to assist Handicapped Residential Units with house-side collection of their Containers, Bags, or Bundles; provided, however, that the Service Provider receives prior notice from the Handicapped Residential Unit or the City of such special need. Each Handicap Residential Unit will receive a handicap sticker to identify their service need. Acceptable Containers, Bags, and Bundles should be placed outside the backyard fence, at or near the garage or car port of the Residential Unit by 7:00 a.m., and no more than one hundred fifty (150) feet from the street. The City shall be solely responsible for all other modifications and accommodations required by the Americans with Disabilities Act or any other applicable law or regulation in connection with the Services provided hereunder to Single-Family Residential Units.

D. Single-Family Residential Recycling. "The Service Provider will collect Recyclable Materials from Single-Family Residential Units every other week; provided that (i) such Recyclable Materials are placed in Recycling Containers, and (ii) such Recycling Containers are placed within five (5) feet of the curbside or right of way adjacent to the Single-Family Residential Unit no later than 7:00 a.m. on the scheduled collection day. The Service Provider shall only be responsible for collecting, hauling and recycling of Recyclable Materials placed inside the Recycling Containers. Recyclable Materials in excess of the Recycling Containers' limits, or placed outside or adjacent to the Recycling Container, will not be collected by the Service Provider. If the excess or misplaced Recyclable Materials continues, the City shall require the Single-Family Residential Unit to utilize an additional Recycling Container so that the excess or

misplaced Recyclable Materials will be regularly contained. The Service Provider shall be compensated for these Services as provided for in Section 9.A. hereto."

SECTION 5. COMMERCIAL, INDUSTRIAL, AND MULTI-FAMILY RESIDENTIAL UNIT COLLECTIONS.

The Service Provider will collect Municipal Solid Waste from Commercial, Industrial, and Multi-Family Residential Units at least once per week, as provided for in Section 9.B. hereof. The Service Provider shall only be responsible for collecting, hauling, and disposing of Municipal Solid Waste placed inside the Containers provided by the Service Provider. However, the Service Provider shall be obligated to offer and provide sufficient service to Commercial, Industrial, and Multi-Family Residential Units, and to increase or decrease, as necessary, the frequency of collection and the size or number of Containers so that Commercial, Industrial, and Multi-Family Residential Units' Municipal Solid Waste will be regularly contained. The Service Provider shall be compensated for these additional Services as provided for in Section 9.B. hereof.

SECTION 6. SPECIAL COLLECTIONS AND SERVICES

Any Service provided under this Section 6, which is not utilized by the City within any contract year, will not carry over to the next contract year.

A. Municipal Locations. The Service Provider will provide, at no cost to the City, up to an aggregate number of twenty-two (22) Roll-Outs to collect Municipal Solid Waste at locations to be designated by the City once or twice per week, as needed.

B. Special Events. In addition, the Service Provider will provide, at no cost to the City, an adequate number of Containers to collect Municipal Solid Waste at certain special events in the City, including the following: 4th of July, Christmas in the Park, Night in Ole La Vernia, St. Ann's Annual Festival, and Lutheran Church annual festival; provide, however, that the City gives Service Provider reasonable prior written notice of the date of such special event, as well as the number of Containers that will be required.

C. Semi-Annual Community Clean-Ups. In addition, the Service Provider will provide, at no cost to the City, an aggregate number of six (6) Roll-Offs with one (1) haul per Roll-Off to collect Municipal Solid Waste at the City's two (2) Semi-Annual Community Clean-Ups. Additional Roll-Offs in excess of those will be negotiated as needed. The event shall be only for the residents of the City and shall be scheduled for a time period agreed upon between the City and the Service

Commented [YG1]: Current contract has 18?

Commented [CT2R1]: The City may negotiate for the same level of service it currently receives.

Provider for the residents to bring unwanted items to discard (excluding Excluded Waste, tires and batteries). The City and Service Provider shall mutually agree upon the dates for the clean-up events.

SECTION 7. BULKY ITEMS, BUNDLES, AND YARD WASTE.

A. **Monthly Pre-Arranged Collections.** The Service Provider will collect up to three (3) yards of Bulky Items and White Goods from Single-Family Residential Units according to a predetermined yearly calendar of monthly dates provided by the City; provided, that (i) the Single-Family Residential Units requiring such collections notify City Hall no later than the preceding Thursday of the scheduled collection day, and the City provides the list of addresses for collection no later than two (2) days prior to the scheduled collection day, and (ii) the Bulky Items and White Goods (A) are placed at the curbside no later than 7:00 a.m. on the scheduled collection day, (B) are reasonably contained, (C) do not exceed three (3) yards per Single-Family Residential Unit, and (D) are limited to twenty-five (25) Single-Family Residential Units per month. The Service Provider shall only be responsible for collecting, hauling, and disposing of Bulky Items and White Goods from those Single-Family Residential Units that have complied with this Section 7.A. Any additional volumes of Bulky Items or additional addresses that are not on the list provided by the City two (2) days prior to the scheduled collection will be subject to additional charges by Service Provider, including but not limited to additional trip charges. White Goods containing CFCs must be certified by a licensed technician that Freon has been removed. The Service Provider shall organize and divide the area for the collection of Bulky Items and White Goods, so the targeted area for pick up is collected in a one-week time period. The Service Provider shall provide notice to the City of any modification to the collection of Bulky Items and White Goods at least one week prior to such modification. If the Service Provider is unable to complete the collection of Bulky Items and White Goods within a one-week period, the Service Provider shall provide notice of such delay to the City. If a second delay occurs where the Service Provider is unable to complete the collection of a designated area within the second one-week time period, the City reserves the right to use its personnel and equipment to complete the collection for the designated area and may charge the Service Provider for the City's additional costs for collection. Delays due to a Force Majeure event will not apply to this provision.

B. **Negotiated Collections.** It is understood and agreed that the Service provided under Section 7.A. does not include the collection of Bulky Items and Bundles comprised of Construction

and Demolition Waste or any materials resulting from remodeling, general property clean-up or clearing of property for the preparation of construction (i.e., cartons, rocks, dirt, concrete, toilets, excelsior, gypsum board, metal, paper, plastic, rubber, and wood products), or Excluded Waste. However, the Service Provider may negotiate an agreement on an individual basis with the owner or occupant of a Single-Family Residential Unit regarding the collection of such items by utilizing the Service Provider's Solid Waste Services.

SECTION 8. TITLE TO EQUIPMENT.

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 Service Provider in connection with the Services, shall at all times remain the property of the Service Provider.

SECTION 9. RATES AND FEES.

Subject to adjustment, as provided in Section 10 hereof, the rates and fees to be charged and received by the Service Provider are as follows:

A. Single-Family Residential Units Services. For the Services provided to Single-Family Residential Units under Section 4.A. hereof, the Service Provider shall charge \$11.45 per month for one (1) Container or \$19.25 per month for two (2) Containers of Municipal Solid Waste and for \$2.50 per month for (1) Container of Recycled Materials for each Single-Family Residential Unit. The rate of Senior Citizens (over the age of 65 years) shall be \$10.85 per month for one (1) Container or \$18.65 per month for two (2) Containers of Municipal Solid Waste and for \$2.35 per month for one (1) Container of Recycled Materials, up to the maximum of sixty five (65) Senior Citizens. These rates apply to all Single-Family Residential Units that are collected within the City's corporate limits and billed by the City for water and sewer services. Each Single-Family Residential Unit is limited to up to the use of two (2) Containers for Municipal Solid Waste per weekly pick up and one (1) Container for Recycled Materials per bi-weekly pick up for the rates provided in this Section 9.A.

Commented [YG3]: Changed this number from 40 to 65 per waste connection

B. Commercial, Industrial, and Multi-Family Residential Unit Services. For the Services provided to Commercial, Industrial, and Multi-Family Residential Units under Section 5 hereof, the Service Provider shall charge per month for each Container utilized the following rates:

<u>Container Size</u>	<u>Collections Per Week</u>	<u>Monthly Rate</u>
Small Business Hand Pick Up	One	\$17.28

(1 Container)		
Small Business Hand Pick Up	One	\$23.82
(2 Containers)		
2 yards	One	\$ 59.85
2 yards	Two	\$119.68
3 yards	One	\$ 72.82
3 yards	Two	\$142.28
4 yards	One	\$ 82.43
4 yards	Two	\$150.18
6 yards	One	\$ 95.41
6 yards	Two	\$195.35
6 yards	Three	\$348.77
8 yards	One	\$123.08
8 yards	Two	\$229.23
8 yards	Three	\$409.34
10 yards	One	\$146.79
10 yards	Two	\$271.00
10 yards	Three	\$483.94

Recycled Materials = \$3.75 per Container per month for bi-weekly pickups.

Casters for Commercial dumpsters - \$15.00 per month

Lock bars for Commercial dumpsters - \$15.00 per month

For any collection that the Service Provider is required to make in excess of the above weekly figures, the Service Provider shall charge an additional \$75.00 per month per Container for one additional collection per week, \$125.00 per month per Container for two additional collections per week, and \$250.00 per month per Container for three additional collections per week. The foregoing rates apply to all Commercial, Industrial, and Multi-Family Residential Units that are located within the City's corporate limits and billed by the City for water and sewer services.

C. Roll-Off Services. Subject to adjustment by the Service Provider in its sole discretion for the Services provided under Section 7.A. and 11 hereto, the Service Provider shall charge for each Roll-Off utilized the following fees:

Delivery Fee	\$150.00
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Rental Fee	\$ 5.00 per day
Haul Fee— 20 yard	\$515.00
Haul Fee— 30 yard	\$545.00
Haul Fee— 40 yard	\$575.00
Haul Fee— Receiver Box	\$575.00
Disposal Fee	\$ 35.00 per ton

The Service Provider will negotiate agreements with each Commercial, Industrial, and Multi-Family Residential Unit on an individual basis regarding Roll-Off Services to be provided. The Roll-Off Services will be billed directly to such Commercial, Industrial, or Multi-Family Residential Unit and will be collected by the Service Provider. The Roll-Offs provided pursuant to this Section 9.C. must be located within the City in accordance with City ordinances and policies. The above rates do not include franchise fees or taxes.

D. **Bulky Items.** For Services provided to Single-Family Residential Units pursuant to Section 7.A., the Service Provider shall charge (1) monthly collection rate of \$1.00 per month, (2) trip charge for late set out or call back of \$185.00 per trip, and (3) excess volume of \$5.00 per cubic yard. Services not provided for in Section 7.A., such as White Goods, Construction and Demolition Waste, property clean up or land clearing, will be negotiated separately and will incur a minimum fee of \$50.00 per item.

SECTION 10. RATE ADJUSTMENT.

A. **CPI-U Adjustment.** On each anniversary date of this Agreement, the Service Provider shall have the right, in its sole discretion and upon giving prior notice to the City, to increase or decrease the rates set forth in Section 9 hereof (the "Initial Rates") in accordance with the CPI-U. The rates for all services shall escalate at a rate equal to the rise of the Consumer Price Index ("CPI-U") for All Urban Consumers, US City Average, All Items, 1982-84=100, as prepared by the United States Department of Labor, Bureau of Labor Statistics ("BLS"), or its successor, for the most recent twelve (12) month period for which such index is available. The annual increases shall be applied on each anniversary date of this Agreement and shall never cause the rates to increase by more than five percent (5%) in any twelve (12) month period during the Term of the Agreement.

B. **Operating Cost Adjustment.** In addition to the rate adjustments provided for in Section 10.A., at any time during the term of this Agreement, the Service Provider may petition the City for additional rate and price adjustments at reasonable times on the basis of material or unusual

changes in its costs of operations not otherwise the basis of any other rate adjustments herein. At the time of any such petition, the Service Provider shall provide the City with documents and records in reasonable form and sufficient detail to reasonably establish the necessity of any requested rate adjustment. The City shall not unreasonably withhold, condition or delay its consent to any requested rate increase. In the event the City fails or refuses to consent to any such requested rate increase and the Service Provider can demonstrate that such rate increase is necessary to offset the Services Provider's increased costs in connection with performing the Services under this Agreement not otherwise offset by any previous rate adjustments hereunder, the Service Provider may, in its sole discretion, terminate this Agreement upon ninety (90) days' written notice to the City.

C. Landfill Cost Adjustment. The parties acknowledge that the Municipal Solid Waste and Construction and Demolition Waste covered by this Agreement will be disposed of by the Service Provider at Landfill(s) (the "Initial Landfill(s)"). The City shall approve the use of the Initial Landfill(s), but such approval shall not be unreasonably withheld, conditioned, or delayed. In the event the Service Provider is unable to use the Initial Landfills) due to reasons out of its control, the Service Provider (i) shall have the right, in its sole discretion, to dispose of the Municipal Solid Waste and Construction Demolition Waste covered by this Agreement at another Landfill of its choosing, and (ii) shall have the right, upon giving prior notice to the City, to increase the Initial Rates by an amount equal to the sum of (x) the amount, if any, that the disposal fees charged to the Service Provider at such other Landfill exceed those previously charged to the Service Provider at the Initial Landfill(s), and (y) the amount, if any, that the transportation costs incurred by the Service Provider in connection with transporting the Municipal Solid Waste and Construction Demolition Waste to such other Landfill exceed those that would have been incurred by the Service Provider if such Municipal Solid Waste and Construction Demolition Waste was transported to the Initial Landfill(s).

D. Governmental Fees. The parties acknowledge that the rates include all applicable fees, taxes, or similar assessments incurred under federal, state, and local laws, rules, and ordinances (excluding sales taxes and taxes imposed on income) (the "Fees"). The parties acknowledge and understand that the Fees may vary from time to time, and, in the event any of such Fees are increased or additional Fees are imposed subsequent to the effective date of this Agreement, the

parties agree that the rates herein shall be immediately increased by the amount of any such increase in Fees or additional Fees.

E. Fuel Cost Adjustment. The Service Provider shall adjust all the rates herein for any calendar year in which the average price of diesel fuel during the preceding calendar year exceeded \$2.75 per gallon (the "Base Price"). This adjustment shall take place on an annual basis. The average price of diesel fuel will be determined by reference to the U.S. Energy Administration / Department of Energy published price for diesel fuel gulf coast region. The following website (or any successor website) will be the source for such information: http://tonto.eia.doe.gov/bog/info/wohdp/diesel_detail_report_combined.asp. The average price of diesel fuel for each calendar year (each, a "Average Annual Price") shall be the average of the weekly fuel prices published for each week during such year.

The fuel cost adjustment for any calendar year (each, a "Fuel Cost Adjustment") shall be the produce of (i) 6.60% and (ii) a fraction the numerator of which is equal to the difference between the Base Price and the Average Annual Price and the denominator of which is the Base Price. In the event the Average Annual Price is greater than the Base Price, the Fuel Cost Adjustment shall be an upward adjustment to all rates herein. In the event the Average Annual Price is less than the Base Price, the Fuel Cost Adjustment shall be a downward adjustment to all rates herein; provided, however, any Fuel Cost Adjustment shall not decrease the rates below the rates specified in Section 9 hereof. Each Fuel Cost Adjustment shall be effective during the calendar year immediately following the calendar year for which Fuel Cost Adjustment was determined.

SECTION 11. EXCLUSIONS.

Notwithstanding anything to the contrary contained herein, this Agreement shall not cover the collection, hauling or disposal of any Excluded Waste, Hazardous Waste, animal or human, dead animals, auto parts, used tires, concrete, dirt, gravel, rock or sand; provided, however, that the Service Provider and the owner or occupant of a Commercial, Industrial, or Residential Unit may negotiate an agreement on an individual basis regarding the collection, hauling or disposal of Construction and Demolition Waste, auto parts, used tires, concrete, dirt, gravel, rock or sand by utilizing the Service Provider's Roll-Off Services.

SECTION 12. TERM OF AGREEMENT.

The term of this Agreement shall be for a period of five (5) years, commencing on November 1, 2019 and concluding on October 31, 2024 (the "Initial Term"). At the expiration of the Initial Term of this Agreement, the City shall have the option, upon Service Provider's consent, which shall not be unreasonably withheld, to extend the Agreement for successive periods of five (5) years, unless the Service Provider provides notice of its intent not to renew this Agreement at least one hundred eighty (180) days prior to the end of the Initial Term (the "Renewal Term," and together with the Initial Term, the "Term").

SECTION 13. ASSIGNMENT.

This Agreement shall not be assignable or otherwise transferable by the Service Provider without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, that the Service Provider may assign this Agreement to any direct or indirect affiliate or subsidiary of the Service Provider or to any person or entity succeeding to all or substantially all of the Service Provider's assets (whether by operation of law, merger, consolidation or otherwise) without the City's consent. The successor shall assume the obligations and duties as provided for in this agreement.

SECTION 14. ENFORCEMENT.

The City may take any action reasonably necessary to prevent any other solid waste collection company from conducting business in violation of the exclusive franchise granted herein. If the Service Provider experiences recurring problems of damage or destruction to or theft of the Containers provided by the Service Provider pursuant to this Agreement, the Service Provider may, prior to replacing or repairing such Containers, require security deposits from the Commercial, Industrial, or Residential Units utilizing such Containers. To the maximum extent allowed by applicable law, the City also hereby grants to the Service Provider the right of ingress and egress from and upon the property of Commercial, Industrial, and Residential Units for the purposes of rendering the Services contemplated hereby.

SECTION 15. PROCESSING, BILLING AND FEES.

A. Monthly Statement. On a monthly basis, the City agrees to bill and collect the rates and fees charged under Section 9 hereto for all Commercial, Industrial, and Residential Units possessing active water meters within the City's corporate limits, as well as from all other

Commented [CT4]: Except for its own property, the City does not have authority for this provision. Is there something in the customer service agreement that authorizes entry to property for the purpose of rendering services?

Commented [CT5]: Is City already on this payment schedule. Is payment by the 15th of the following month enough time for processing?

Commercial, Industrial, and Residential Units requiring the collection, hauling, and disposal of Municipal Solid Waste within the City's corporate limits (the "Monthly Statement"). Thereafter, the City will remit to the Service Provider an amount equal to such Monthly Statement. Such remittance shall be made by the City on or before the 15th day of each month (for the immediately preceding month's service) commencing on December 15, 2019. Along with each monthly remittance, the City shall provide the Service Provider with a report indicating the service type, size, location, and rate for Commercial and Industrial Units, as well as the number and rate of Residential Units which have been billed for that month. Nothing herein shall prohibit the City from collecting sums in addition to those sums called for herein.

B. Taxes. In addition to the amounts billed and collected by the City above under Section 15.A., the City shall also be responsible for paying any and all sales, use, and service taxes assessed or payable in connection with the Services, unless the City is tax exempt as evidenced by an exemption certificate provided to Service Provider.

C. Bad Debt: Unpaid Rates/Fees. The City agrees that payments owing to the Service Provider pursuant to this Agreement shall be based solely on the Services rendered by the Service Provider. The Service Provider shall not be held responsible for the collection of "bad debt" billed by and owed to City for the Services, nor shall the Service Provider be penalized for Services rendered that remain unpaid by any Commercial, Industrial, or Residential Unit.

D. Billing for Roll-Off Services. Notwithstanding the above, the Service Provider will bill and collect all Commercial, Industrial, and Residential Units for services performed with respect to Roll-Off Containers.

SECTION 16. SPILLAGE.

It is understood and agreed that the Service Provider shall not be required to clean up, collect or dispose of any loose or spilled Municipal Solid Waste or Construction or Demolition Waste not caused by the Service Provider's rendering of the Services, or be required to collect and dispose of any excess Municipal Solid Waste placed outside of the Containers by any Commercial, Industrial, or Residential Unit. The Service Provider may report the location of such conditions to the City so that the City can issue proper notice to the owner or occupant of the Commercial, Industrial, or Residential Unit instructing the owner or occupant to properly contain such Municipal Solid Waste or Construction or Demolition Waste. Should such excess Municipal Solid Waste or Construction or Demolition Waste continue to be placed outside of the Containers, the

City shall require such Commercial, Industrial, or Residential Units to increase the frequency of collection of such Municipal Solid Waste or Construction or Demolition Waste, or require the Commercial, Industrial, or Residential Units to utilize a Container with sufficient capacity so the excess Municipal Solid Waste or Construction or Demolition Waste will be regularly contained. The Service Provider shall be compensated for these additional Services as provided for in Section 9.B. hereof, and shall be entitled to receive an extra collection charge for each additional Container requiring an extra collection.

SECTION 17. NON-COLLECTION NOTICE AND FOLLOW-UP.

A. Notice from the Service Provider. It is specifically understood and agreed that where the owner or occupant of a Commercial, Industrial, or Residential Unit fails to timely place a Container as directed in Sections 4 and 5 hereof, or is otherwise in violation of the City's ordinances and regulations, the Service Provider's reasonable rules adopted hereunder or the provisions of this Agreement relating to the nature, volume, or weight of Municipal Solid Waste or Construction and Demolition Waste to be removed, the Service Provider may refrain from collecting all or a portion of such Municipal Solid Waste or Construction and Demolition Waste and will notify the City within twenty-four (24) hours thereafter of the reason for such non-collection. The Service Provider will also provide written notice to the Commercial, Industrial, and Residential Units of the reason for such non-collection, unless such non-collection is the result of the Commercial, Industrial, or Residential Units' failure to timely place the Containers, Bulky Items, or Bundles out for collection. Such written notice shall be attached to the Container, Bulky Items, or Bundles out for collection. Such written notice shall be attached to the Container of the uncollected Municipal Solid Waste, shall indicate the nature of the violation and shall indicate the correction required in order that such Municipal Solid Waste or Construction and Demolition Waste may be collected.

B. Notice from a Commercial, Industrial or Residential Unit. When the City is notified by an owner or occupant of a Commercial, Industrial, or Residential Unit that Municipal Solid Waste or Construction and Demolition Waste has not been removed from such Commercial, Industrial, or Residential Unit and where no notice of non-collection or a change in collection schedule has been received by the City from the Service Provider, or the Service Provider has failed to collect Municipal Solid Waste or Construction or Demolition Waste from the Commercial, Industrial, or Residential Unit without cause, as supported by notice as described herein, then the Service

Provider will use all reasonable efforts to collect such Municipal Solid Waste or Construction and Demolition Waste on the day a collection order is issued by the City; provided, however, that if the Service Provider fails to make such collection on the same day that a collection order is issued by the City, the Service Provider shall make such collection no later than 12:00 p.m. on the following Business Day, and there shall be no charge to the Service Provider for such original non-collection or late collection so long as the Service Provider makes such collection within such time.

SECTION 18. HOURS OF SERVICE.

For all the Services provided hereunder, the Service Provider's hours of service shall be between 7:00 a.m. to 7:00 p.m., Monday through Friday. The Service Provider will not be required to provide service on weekends or Holidays except during natural disasters or emergencies, and may, at its sole discretion, observe Holidays during the term of this Agreement; provided, however, that the Service Provider shall provide such Services on the immediately following Business Day. Collections services will only occur between the hours set forth in this Section 18. . To ensure Service Provider's compliance with the hours of service, an electronic notice and warning shall be provided to the Service Provider for the first violation of this limitation on hours of operation. After the first violation and warning notification, each subsequent violation, the City may impose the following schedule of fines for each violation of this limitation on hours of operation:

- Second violation – a fine of not more than \$50 may be imposed by the City
- Third violation – a fine of not more than \$100 may be imposed by the City
- Fourth violation - a fine of not more than \$150 may be imposed by the City
- Fifth violation - a fine of not more than \$200 may be imposed by the City

Fines for violation of the limitation on hours of operations may not exceed a limit of \$200.

Provider shall be given electronic notice of violation of this limitation on hours of operation before the aforementioned administrative penalty may be assessed on subsequent . [The Service Provider shall not be deemed to be liable for the aforementioned administrative penalty where its inability to perform collection service is the result of conditions of Force Majeure as set forth in this Agreement. Service Provider may also obtain approval for the limitation on hours of operation as needed, and such approval shall not be unreasonably withheld, conditioned, or delayed.

SECTION 19. CUSTOMER SERVICE.

Commented [YG6]: Waste connections is going to change this to first time will be a warning and \$ 50 for each offense with a max of \$200, then the next one would be review of contract.

Commented [CT7]: Is this assessed on invoice to Lone Star?

Commented [CT8]: Duplicate sentence.

The City shall field all inquiries and complaints from Commercial, Industrial, and Residential Units and Municipal Facilities relating to the collection, hauling and disposal of Municipal Solid Waste and Construction and Demolition Waste. The Service Provider and the City agree to cooperate with each other in the response to any such inquiries and the resolution of any such complaints. In order to assist the City in its obligations under this Section 19, the Service Provider agrees to provide City Hall with a primary contact and toll free telephone number, as well as Service Request Forms for customer service issues, such as changes in service, container repair requests, and missed collections.

SECTION 20. COMPLIANCE WITH APPLICABLE LAWS.

The Service Provider shall comply with all applicable federal and state laws regarding the collection, hauling and disposal of Municipal Solid Waste and Construction and Demolition Waste, including existing and future laws that may be enacted, as well as any regulations reasonably passed by the City that are not in derogation of this Agreement. Nothing in this Agreement shall be construed in any manner to abridge the City's right to pass or enforce necessary police and health regulations for the reasonable protection of its inhabitants. The City shall have the right to make reasonable inspections of the Service Provider in order to insure compliance with this Section 20. Service Provider 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 Service Providers compliance with the terms of this Agreement, shall be made available to the City upon request. The City shall have the authority to audit, examine, and make excerpts or transcripts from said books and records. Notwithstanding the foregoing or anything else herein to the contrary, the City shall provide to Service Provider not less than five (5) business days' written notice before any such audit, and any such audit shall be at the City's sole cost and expense. The parties expressly agree that the foregoing shall create no right in favor of the City to examine Service Provider's confidential, proprietary, or privileged information, as determined in the sole and absolute discretion of Service Provider.

SECTION 21. VEHICLES AND EQUIPMENT.

Vehicles used by the Service Provider for the collection, hauling and disposal of Municipal Solid Waste and Construction and Demolition Waste shall be protected at all times while in transit to prevent the blowing or scattering of Municipal Solid Waste and Construction and Demolition

Waste onto the City's public streets, or properties adjacent thereto, and such vehicles shall be clearly marked with the Service Provider's name in letters and numbers not less than two (2) inches in height. All collection vehicles used by the Service Provider shall be washed and deodorized once per week.

SECTION 22. DUE CARE.

The Service Provider shall exercise due care and caution in providing the Services so that the City's public and private property, including streets and parking areas, will be protected and preserved. Notwithstanding the foregoing, the City warrants that the City's pavement, curbing or other driving surface or any right of way reasonably necessary for the Service Provider to provide the Services described herein are sufficient to bear the weight of all of the Service Provider's equipment and vehicles reasonably required to perform such Services. The Service Provider will not be responsible for damage to any such pavement, curbing, driving surface or right of way, except to the extent resulting from the Service Provider's negligence or willful misconduct.

SECTION 23. PERSONNEL AND PERFORMANCE STANDARDS.

The Service Provider shall not deny employment to any person on the basis of race, creed or religion, and will insure that all federal and state laws pertaining to salaries, wages and operating requirements are met or exceeded. The Service Provider, its agents, servants and employees shall perform the Services in a courteous, competent and professional manner. During the term of this Agreement and any extension thereof, the Service Provider shall be responsible for the actions of its agents, servants and employees while such agents, servants and employees are acting within the scope of their employment or agency.

SECTION 24. INSURANCE COVERAGE.

Pursuant to this Agreement, the Service Provider shall carry the following types of insurance in an amount equal to or exceeding the limits specified below:

<u>Coverage</u>	<u>Limits of Liability</u>
(1) Worker's Compensation	Statutory
(2) Employer's Liability	\$500,000
(3) Bodily Injury (except automobile)	\$500,000 per occurrence; \$1,000,000 in the aggregate

(4) Property Damage Liability (except automobile)	\$500,000 per occurrence; \$500,000 in the aggregate
(5) Automobile Bodily Injury Liability	\$500,000 per person; \$1,000,000 per occurrence
(6) Automobile Property Damage Liability	\$500,000 per occurrence
(7) Excess or Umbrella	\$5,000,000 per occurrence

To the extent permitted by law, any or all of the insurance coverage required by this Section 24 may be provided under a plan(s) of self-insurance, including coverage provided by the Service Provider's parent corporation. The form and limits of insurance shall be in compliance with this Section 24, and shall name the City as an additional insured. It shall be the responsibility of the Service Provider to maintain adequate insurance coverage at all times. Upon the City's request, the Service Provider shall furnish the City with a certificate of insurance verifying the insurance coverage required by this Section 24.

SECTION 25. INDEMNITY.

The Service Provider agrees to indemnify and hold harmless the City and its agents, directors, employees, officers and servants (collectively, the "Indemnified Parties"), individually and collectively, from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, liabilities, losses or expenses (including, but not limited to, reasonable attorneys' fees) (collectively, the "Claims") caused by a willful or negligent act or omission of the Service Provider, its officers and employees. Notwithstanding anything to the contrary contained herein, the Service Provider shall have no obligation to indemnify the City to the extent any such Claims arise out of: (i) the negligence or willful misconduct of City, (ii) the City's breach of any of the terms, conditions, representations, or warranties contained in this Agreement, or (iii) the violation of any law, rule, regulation, ordinance, order, permit, or license by the City.

SECTION 26. PERFORMANCE SECURITY.

During the term of this Agreement and any extension thereof, the Service Provider agrees to procure and maintain an annually renewable performance bond in the full amount of the annual contract price (i) payable to the City, (ii) issued by a surety acceptable to the City, and (iii) conditioned upon the Service Provider truly and timely performing all of its obligations under this Agreement, including, but not limited to, the provisions of Section 25 hereto.

SECTION 27. SAVINGS PROVISION.

In the event that any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its terms and provisions as if such invalid term or provision were not a part hereof.

SECTION 28. TERMINATION.

Any failure by either party or its successors and assigns to observe the terms and conditions of this Agreement shall, if continuing or persisting without remedy for more than thirty (30) days after the receipt of due written notice from the other party, constitute grounds for forfeiture and immediate termination of all the defaulting party's rights under this Agreement, and all such rights shall become null and void. Independent of termination for material breach of cause, this Agreement may be terminated with or without cause in its entirety by the City by giving ninety (90) days' written notice to the Service Provider. The City retains this termination option without liability for default. If the Service Provider terminates this Agreement or any portion thereof, the Service Provider must notify the City in writing not less than ninety (90) days prior to termination. Service Provider's termination, in absence of default by the City, shall subject Service Provider's performance bond to City's right to call or draw, according to the terms of this Agreement. The City's right to call or draw on the performance bond shall be limited to the actual damages incurred by the City due to Service Provider's termination of the Agreement pursuant to this Section 28. In the event of termination by the City for any reason, the Service Provider shall be paid in full for all services performed up to the termination date, subject to offsets of adjustments, if any, as may be necessary to continue customer services.

SECTION 29. FORCE MAJEURE.

The performance of this Agreement may be suspended and the obligations hereunder excused in the event and during the period that such performance is prevented by a cause or causes beyond reasonable control of such party. The performance of this Agreement will be suspended and the obligations hereunder excused only until the condition preventing performance is remedied. Such conditions shall include, but not be limited to, acts of God, acts of war, accident, explosion, fire, flood, riot, sabotage, acts of terrorists, unusually severe weather, lack of adequate fuel, or judicial or governmental laws or regulations.

SECTION 30. GOVERNING LAW.

This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Texas, without giving effect to the conflict of laws rules thereof.

SECTION 31. WAIVER. Any failure by either party to enforce the provisions of this Agreement shall in no way constitute a waiver by such party of any contractual right hereunder, unless such waiver is in writing and signed by such party.

SECTION 32. ATTORNEYS' FEES. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which it may be entitled.

SECTION 33. NOTICES.

Any notices required or permitted to be delivered hereunder shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the respective party at the address set forth below:

If to the City:

City of La Vernia, Texas

Attn: _____

If to the Service Provider:

Waste Connections Lone Star, Inc.
2010 IH-10 West
Seguin, TX 78155
Attn: Manager

With a Copy to:

Waste Connections US, Inc.
3 Waterway Square Place, Suite 110
The Woodlands, Texas 77380
Attn: Legal Department

or such other addresses as the parties may hereafter specify by written notice and delivered in accordance herewith.

(Remainder of page intentionally left blank.)

SECTION 32. NOTICES.

PASSED AND APPROVED BY THE CITY OF LA VERNIA COMMISSION MEETING AT A TIME, AND PLACE IN COMPLETE CONFORMITY WITH THE OPEN MEETING LAWS OF THE STATE OF TEXAS AND ALL OTHER APPLICABLE LAWS THIS ___ DAY OF _____, 2019.

SERVICE PROVIDER:
WASTE CONNECTIONS LONE STAR, INC.

CITY:
CITY OF LA VERNIA, TEXAS

By: _____
Its: _____
Name: _____

By: _____
Its: _____
Name: _____

ATTEST:

By: _____
Name: _____
Title: _____