

## SOLID WASTE, RECYCLE and COLLECTION AGREEMENT

This SOLID WASTE and RECYCLE COLLECTION AGREEMENT (this "Agreement") is made and entered into this the \_\_\_\_ day of \_\_\_\_\_, by and between the Town of North Topsail Beach, North Carolina, hereinafter referred to as "CUSTOMER", and Waste Industries, LLC d/b/a GFL Environmental referred to as "CONTRACTOR".

### WITNESSETH

WHEREAS, CUSTOMER is responsible for the collection and disposal of solid waste, recyclable materials of its residents: and

WHEREAS, CONTRACTOR is in the business of solid waste and recyclables collection and desires to provide such services to CUSTOMER; and

WHEREAS, CUSTOMER desires to engage CONTRACTOR to collect all residential solid waste and recyclable materials from within its boundaries in accordance with the terms of this Agreement and applicable law, including, without limitation, the ordinances of the County of Onslow and the State of North Carolina.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Term: This Agreement shall be binding on all parties for a period of sixty months beginning July 1, 2025, and ending June 30, 2030, (the "Initial Term"). The Initial Term may be extended for a subsequent additional three-year term (each an "Extension Term" and together with the Initial Term, the "Term") upon mutual agreement between CUSTOMER and CONTRACTOR not less than ninety (90) days prior to the expiration of the then-current term.

2. Services. CUSTOMER hereby grants to CONTRACTOR the exclusive right for the collection and transportation of all residential solid waste and recyclable materials in the Town of North Topsail Beach. Language in contract supersedes all other language. Any item not addressed in contract is subject to terms and conditions in Exhibit C Request for Proposals 2025 Residential & Commercial Solid Waste Services for Towns of Surf City, Holly Ridge, North Topsail Beach and Topsail Beach due January 3, 2025 from the point of pickup to a facility as mutually agreed by the parties (the "Services").

a) Residential Curbside Trash Collection - Subject to Section 3 below, all addresses will be provided with a 96 Gallon cart to be serviced on a once per week basis and twice per week during designated summer months (first full week in May – last full week in October). New carts will be delivered in November 2025. Carts must be placed at the curb no later than 6:00 a.m. on the scheduled day of collection. Only trash inside the cart will be removed.

b) Residential Curbside Recycling Collection - All addresses will be provided with a 96 Gallon cart to be serviced on a weekly basis. New carts will be delivered in November

2025. Carts must be placed at the curb no later than 6:00 a.m. on the scheduled day of service. Only recyclables placed inside the cart will be removed.

c) Special service for Curbside Trash and Curbside Recycling Collections shall be provided to handicapped or disabled residents meeting medical exemption requirements and approved by the City. This service will be at no additional charge to the Town or resident. Special Service shall mean at or near the back or side entrance to the building where garbage cans are placed so they can be conveniently and safely reached and seen from the truck by Contractor's employees for collection.

d) Hours of collection shall be between 6am and 7pm.

e) Customer Service Damages/Costs are listed on attached Exhibit B.

### 3. Types of Waste; Title to Waste.

a) Notwithstanding anything to the contrary herein, CONTRACTOR shall only be responsible for the collection, transportation and disposal of Acceptable Solid Waste, and only such Acceptable Solid Waste as is disposed of in a 96 gallon CONTRACTOR-provided, residential roll-out cart or in a CONTRACTOR-provided, commercial front load container.

b) Recyclable Materials may include aluminum cans, newspapers, plastics (1 and #2), such as milk jugs, water jugs, soft drink bottles, detergent bottles, paper, magazines, green, clear and brown glass and craft board (cereal boxes, etc.). This list of materials may be modified as recycling capabilities and markets change.

c) For purposes of this Agreement, "Acceptable Solid Waste" means mixed household solid waste and mixtures of household and commercial solid waste that are permitted under the governing permits and then applicable laws to be accepted at the applicable disposal facilities and that are not otherwise Unacceptable Waste.

d) For purposes of this Agreement, "Unacceptable Solid Waste" means:

(i) any material which by reason of its composition characteristics or quantity is hazardous waste as defined in the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq., and the regulations thereunder or any material which by reason of its composition or characteristics is hazardous waste, a hazardous substance or hazardous material as defined in or under any other federal, state or local law, and the applicable regulations thereunder, and any other material which any governmental agency or unit having or claiming appropriate jurisdiction shall determine from time to time to be harmful, toxic or dangerous, or otherwise ineligible for disposal at the applicable disposal facility;

(ii) explosive materials, corrosive materials, pathological waste, radioactive materials, cesspool and other human waste, human remains, motor vehicles, batteries, tires, appliances, electronic waste, gasoline tanks, gas cylinders,

asbestos insulation, closed metal containers, barrels, more than an incidental amount of tires, refrigerators that have not been properly evacuated, liquid waste including chemical wastes, sewage and other highly diluted water-carried materials or substances and those in gaseous forms, special nuclear or by-product materials within the meaning of the Atomic Energy Act of 1954, as amended; and

(iii) any other material which may present a substantial endangerment to public health or safety, would cause applicable air quality or water effluent standards to be violated by the normal operation of the Transfer Station or because of its size, durability or composition cannot be managed or disposed of at the applicable disposal facility or has a reasonable possibility of otherwise adversely affecting the operation of the applicable disposal facility outside the normal usage expected for the facility.

- e) Title to waste material that does not conform to the definition of Acceptable Solid Waste shall remain with the generator and shall not be deemed to pass to CONTRACTOR at any time.

4. Equipment: All equipment utilized is to be reliable and presentable during the performance of this Agreement, including backup equipment. All equipment shall be maintained, by CONTRACTOR, in a safe condition throughout the Term.

5. Schedule. CONTRACTOR shall operate on a schedule to ensure timely service. Services will not be provided on holidays/other days the Transfer Station(s) are closed for trash. Recycling will depend on whether or not the processing facility (Sonoco) is open. In the event that CUSTOMER service days fall on a designated holiday, then an alternate day will be chosen to ensure timely service. These changes in schedules will be communicated in advance.

6. Rates; Number of Units: Total compensation due to CONTRACTOR shall be set forth in Exhibit A incorporated by reference and made a part hereof on a per unit basis, subject to adjustment as set forth below (the "Service Fee"). Payment is due by the 10<sup>th</sup> day of the following month in which the invoice is submitted.

7. Adjustments:

a) The Service Fee will be increased annually every [July 1<sup>st</sup>] beginning on [July 1, 2026] to reflect the annual adjustment based on Table 1 of the Consumer Price Index for All Urban Consumers (CPI-U): U.S. Town Average, by expenditure category and commodity and service group, Water and Sewer and Trash Collection Services (not to exceed 3% in any given year). There will be a decrease in the rates if the CPI decreases.

b) The Service Fee may be adjusted through negotiations with documentation more often than annually if such adjustments arise out of changes in CONTRACTOR's direct operational costs related to provision of the Services over which CONTRACTOR has **no control**. These changes will not be unreasonably refused. These changes include by way of example, but not limited to:

1. relocation of or change in disposal or recycle processing facility or fees.
2. disposal or recycle processing facility operational or acceptance changes.
3. Governmental regulations including state or federal taxes.

4. Extra services performed outside the normal working hours of the company due to a natural disaster or force majeure events.
5. Natural Disaster or other acts of nature such as but not limited to flooding or hurricanes that cause an increase in normal volume of solid waste.

8. Representations of CONTRACTOR: CONTRACTOR currently has, and will maintain throughout the term, all permits and licenses required by law for the provision of the Services, and will provide the Services in accordance in all material respects with applicable laws. CONTRACTOR will comply with all Federal and State requirements concerning fair employment and concerning the treatment of all employees without regard or discrimination by reason of race, color, religion, sex, national origin or physical disability.

9. Point of contact: All dealings, contacts, etc. between CONTRACTOR and CUSTOMER shall be directed by CONTRACTOR to the Town Manager or his/her designee. CUSTOMER will direct all interaction related to this Agreement to the General Manager or his/her designee.

10. Local Presence: CONTRACTOR will provide a local and/or toll free telephone number to its office for the use of CUSTOMER to communicate with CONTRACTOR if the need arises during normal business hours of 8:00 a.m. to 5:00 p.m. Service complaints generally on the basis of damaged carts or missed services will be routed directly to CONTRACTOR and CUSTOMER will make known the telephone number associated with such requests. For other requests primarily dealing with account maintenance such as adding or removing carts will be handled by CUSTOMER.

11. Notification of Customers: CONTRACTOR will notify CUSTOMER about service inquiry procedures, regulations and days of collection prior to the date Services begin under this Agreement. It is understood that the CUSTOMER requires Wednesday services along with Saturdays during the designated summer months.

12. Breach; Termination: If either party reasonably concludes that the other is in material breach of this Agreement, such party shall so notify the other party in writing, including a detailed description thereof. The party alleged to be in breach shall be allowed up to thirty (30) days after notice by the other party in which to make necessary adjustments to remedy said deficiencies or to take action to remedy any deficiencies that require longer than thirty (30) days to cure. In the event the breaching party fails to correct (or take action to correct) such deficiencies within thirty (30) days after written notice of the deficiencies or breach, then the other party may terminate this Agreement. Neither party shall be liable to the other for any special, consequential or punitive damages.

13. Indemnification: CONTRACTOR agrees to indemnify and hold CUSTOMER harmless from and against any and all claims, liabilities, demands and causes of action arising out of CONTRACTOR'S negligence in performance of the Services or arising out of CONTRACTOR'S failure to comply with the provisions of this Agreement. Notwithstanding the foregoing, under no circumstances will CONTRACTOR be required to indemnify CUSTOMER with respect to any claims, liabilities, demands or causes of action arising in whole or in part out of the CUSTOMER'S negligence, willful misconduct or failure to comply with the provisions of this Agreement.

14. Force Majeure: CONTRACTOR shall not be liable for failure to perform under this Agreement if that failure arises out of causes beyond control and without the fault or negligence of CONTRACTOR. Such causes may include but not be limited to acts of the government in its sovereign or contracted capacity, fires, floods, strikes, epidemics, quarantine restriction, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the reasonable control and without fault or negligence of CONTRACTOR.

15. Assignment: Neither party may assign this Agreement, or the rights hereunder, without prior written approval of the other, which approval will not be unreasonably withheld.

16. Insurance: CONTRACTOR shall be required to carry general liability insurance, workers compensation insurance and motor vehicle insurance as required by State laws as outlined below:

<u>Coverage</u>	<u>Minimum Limits of Liability</u>
Workers' Compensation	Statutory
Employer Liability	\$1,000,000/\$1,000,000
General Liability	
Bodily Injury	\$1,000,000 each occurrence
Property Damage	\$2,000,000 general aggregate
Automobile Liability	
Bodily Injury	\$1,000,000 each person
	\$1,000,000 each occurrence
Property Damage	\$1,000,000 each occurrence
Excess Umbrella Coverage	\$10,000,000 each occurrence

Certificates of insurance shall be provided to CUSTOMER by CONTRACTOR. Customer shall be listed as additionally insured.

Waste Industries LLC dba GFL Environmental shall furnish a surety bond in a form to be prescribed and approved by the Town Manager, payable to the Town of North Topsail and conditioned upon Waste Industries LLC dba GFL Environmental faithfully performing all of the collection and disposal requirements of this agreement. Waste Industries LLC dba GFL Environmental shall furnish a corporate surety bond(s), as security for the performance of each service contract with the Town of North Topsail Beach. Said bond (s) must be in the amount of 100% of the total contract with the Town of North Topsail and shall be made payable to same. If Waste Industries LLC dba GFL Environmental defaults on this agreement, then the performance bond shall immediately become due and payable.

---

Association. The decree or judgment of any award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

18. Notice. All notices and other communications hereunder will be in writing and may be given by personal delivery, nationally recognized express courier, registered or certified mail (return receipt requested), or facsimile (receipt confirmed). Such notice will be deemed effective when received if it is given by personal delivery, nationally recognized express courier, or facsimile, and will be effective three (3) days after mailing by registered or certified mail, so long as it is actually received within five (5) days (and, if not so received within five (5) days, is effective when actually received) by the parties at the following addresses (or at such other address for a party as will be specified by like notice):

If to CONTRACTOR, to:

Waste Industries, LLC dba GFL Environmental  
1000 Social Street  
Raleigh, NC 27609  
Attn: Ted Habets Area Vice President  
Phone: 919-325-3000

If to CUSTOMER, to:

Town of North Topsail Beach  
2008 Loggerhead Court  
North Topsail Beach, NC 28460  
Attn: Alice Derian Town  
Manager

20. Entire Agreement. This Agreement constitutes the entire understanding between the parties, and cancels and supersedes all prior negotiations, understandings, and agreements, oral or written, relating to the provision of the services described herein.

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

22. E-Verify Certification. As a condition of payment under this Agreement, CONTRACTOR shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes to the extent legally applicable. Further, if CONTRACTOR provides services to CUSTOMER utilizing a subcontractor, CONTRACTOR shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes to the extent legally applicable. CONTRACTOR shall verify, by affidavit, compliance with the terms of this section upon request by CUSTOMER.

23. Iran Divestment. CONTRACTOR certifies that it is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. § 147-86.58. Individuals or companies on the Final Divestment List are ineligible to contract or subcontract with Local Government Units. (G.S. § 147-86.60) It is the responsibility of each vendor or contractor to monitor compliance with this restriction.

24. Israel Boycott. CONTRACTOR certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. § 147-86.81. It is the responsibility of CONTRACTOR to monitor compliance with this restriction.

IN WITNESS WHEREOF, the Town of North Topsail Beach and Waste Industries, LLC dba GFL Environmental, have executed this Solid Waste Collection, Transportation and Disposal Agreement as of the date first set forth above.

The Town of North Topsail Beach

Waste Industries, LLC dba GFL  
Environmental

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Town Finance Officer

**Exhibit A**

**Residential Curbside Trash Service**

**Rates provided are monthly**

**\$9.61** each per 96-gallon cart for one time per week collection

**\$9.61** each additional cart

**\$16.12** each cart for 2xweek (seasonal service)

Rates include use of carts, service and current disposal fees effective February 2025

---

**Residential Curbside Recycle Collection**

**Rates provided are monthly**

**\$8.24** each per 96-gallon cart for one time per week collection

**\$8.24** each additional cart

Includes use of carts, service and processing.

**Bulk Pick-Up**

**Service 2 times per year -spring and fall**

**Dates to be mutually agreed upon by both parties**

**\$146.25 per truck hour plus actual disposal**

**Bulk item pick-up to include household furniture, cardboard, lawn furniture, toys, mattresses, bedding.**

**Waste Industries LLC dba GFL Environmental shall provide weekly and seasonal twice weekly solid waste collection and disposal service to the Town of North Topsail Beach for the following services at no cost:**

**Carts**

**Town Hall 2008 Loggerhead Ct**

**North End Fire Station 2049 New River Inlet Rd**

**South End Fire Department 3304 Gray Street**

**Town Parks (North Topsail Beach)-**

**Richard Peters Park 465 New River Inlet Rd**

**W. Rodney Knowles Park 3623 Island Dr**

**Beach Accesses (North Topsail Beach) -44 total**

**Beach Access#3 4000 River Rd Extension**

**Beach Access #5-#46**

**(County Beach Accesses #1, #2 and #4 are county accesses and not included)**

**Dumpster**

**Public Works 3315 Gray Street-30 cy on call- 1 haul per month or 12 per year**

Waste Industries LLC dba GFL Environmental, will provide at no charge, cart service for up to ten (10) community Events or Festivals. Each event will be provided up to 40 (forty) 96- gallon carts for trash and up to 20 (twenty) 96 gall carts for recycling.



## Exhibit B

### Customer Services Damages/Costs

Quality customer service is of the utmost importance to the Towns. It is the intent of the parties that the contractor shall provide high quality collection services to the Towns. While all but inconsequential failures of a contractor to perform are deemed material breaches, the Towns prefers to address minor breaches with liquidated damages rather than contract termination and general compensable damages. To that end, in the chart below under the heading "Incident" are a listing of material breaches of the Contract that cause damage to the Towns but for which the Towns may choose to assess liquidated damages rather than to terminate the contract and seek general compensable damages. In the chart below under the heading "Cost Schedule" beside each Incident is a monetary sum or range that provides the amount of liquidated damages for each Incident. These amounts are not intended as penalties and are imposed because (1) determining actual damage(s) suffered by the Towns for each Incident is difficult to ascertain, but (2) the amounts stated are reasonable estimates of the damage(s) which would be caused by a stated breach and are reasonably proportionate to the damage(s) actually caused by the breach.

#### Liquidated Damages / Cost Schedule

1	Collection of any material before 7:00 a.m. or after 7:00 p.m. unless approved by the Town Manager	\$100 per first incident; \$200 per incident for every incident thereafter in any 30-calendar-day period.
2	Failure to complete any route on the regular service day, without notification to the Towns authorized representative.	\$500 per route for the 1st incident, \$1,000 per route for each additional incident in any 30-calendar day period. Towns may terminate Contract after the 3rd incident.
3	Failure to properly service rollout or containers: block driveway, street, or sidewalk, leave lid up, or partially emptied, or leave the rollout cart damaged or laying on the ground	\$50 per incident; \$100 per incident for every incident thereafter in any 30-calendar-day period
4	Failure to collect missed customers by 6:00 p.m. the same day when notified prior to 4:00 p.m.	\$50 per incident; \$100 per incident for every incident thereafter in any 30-calendar-day period
4a	Failure to collect missed customers by 9:00 a.m. the following morning when notified prior to 4:00 p.m. the previous day	\$250 per incident; \$1000 per incident for every incident thereafter in any 30-calendar-day period
5	Failure to respond to or resolve complaints by the end of the next business day after Proposer is provided a notice of such complaint; or reporting unresolved complaints as having been resolved.	\$100 per incident; \$200 per incident for every incident thereafter in any 30-calendar-day period

6	Failure to leave non-collection notice for customer explaining why improperly setout material was not collected and retained copy of any such notice indicating that such notice was properly provided to customer shall be adequate proof of such notice.	\$100 per incident; \$200 per incident for every incident thereafter in any 30-calendar-day period
7	Failure to deliver container for new service, or replace lost, stolen, or damaged container within two (2) business days of request (if applicable)	\$100 per incident; \$200 per incident for every incident thereafter in any 30-calendar-day period
8	Failure to treat customers in a courteous and respectful manner.	\$100 per incident; \$200 per incident for every incident thereafter in any 30-calendar-day period
9	Mixing loads of Solid Waste (MSW) and Recyclables.	\$1,000 for the 1st incident; \$2,000 for each sequent incident; Towns may terminate Contract after the 3rd incident
10	Failure to clean spillage (oil, hydraulic fluid, garbage, trash, recyclables, etc.) on the day written notice of such spillage is received.	\$1000 per incident; \$2000 for 2nd incident and \$5000 for 3rd, and each subsequent, incident in any 90-calendar-day period
11	Failure to repair damage to customer property upon written notice from Towns and determination of Proposer's liability.	\$100 per incident; \$200 for 2nd incident and \$500 for 3rd, and each subsequent incident in any 90-calendar-day period Plus-the Cost of the Repair
12	Failure to maintain office hours and supervisory contacts as required.	\$100 per incident; \$200 for 2nd incident and \$500 for 3rd, and each subsequent incident in any 90 calendar-day period
13	Failure to properly cover or secure materials on collection vehicles(s) to prevent leaking, spilling, and blowing.	\$100 per incident; \$200 for 2nd incident and \$500 for 3rd, and each subsequent incident in any 90-calendar-day period

14	Failure to correct deficiencies in cleanliness, safety, or sanitation of equipment within 48 hours of written request.	\$100 per incident; \$200 for 2nd incident and \$500 for 3rd, and each subsequent incident in any 90-calendar-day period
15	Failure to repair equipment that is breaking down, leaking fluids, or discharging debris after receiving notice of the same from the Towns.	\$100 for first incident, \$200 for 2nd incident and \$500 for 3rd and any subsequent incident on the same route during any 90calendar-day period
16	Failure to properly display; Proposer's name and vehicle number on collection vehicles and service vehicles.	\$100 per incident; \$200 for 2nd incident and \$500 for 3rd, and each subsequent incident in any 90-calendar-day period

The Towns will calculate all liquidated damages, if any assessed, each month and will provide notice of such assessment, if any, to the contractor no later than seven (7) business days following the end of each calendar month and will deduct the total amount of such damage(s) against the payment for collection services due to the contractor in the same or a following month. Should the contractor dispute any assessment of liquidated damages by the Towns in accordance with the Contract, the contractor shall deliver written notice of the same, and the basis for disputing that assessment, to the Town Manager where the assessment took place, within five (5) days of receiving notice of that assessment. The Town Manager and the contractor shall meet within five (5) days of the Towns' receipt of such notice and attempt to resolve the dispute. If the dispute is not resolved within seven (7) days following the date such request is received by the Town Manager, the contractor may submit the dispute for non-binding mediation by delivering written notice thereof to the Towns and, within five (5) days following the date of such notice, delivering, to a mutually agreeable mediator and to the Towns, a written summary of the facts at issue, the grounds for the dispute, and a statement of the contractor's position. The Towns, within five (5) days after receiving the written summary from the contractor, shall submit to the mediator a written response to that summary and a statement of its position. Neither the document from the Proposer nor the document from the Towns shall exceed two (2) pages in length. The mediator shall consider those written materials, make such further inquiries from the parties as may be necessary, and shall render a written report no later than thirty (30) days following receipt of the written summary from the contractor. If the parties are not able to resolve the dispute through mediation, then either party, provided it first gives notice to the other party within seven (7) days following its receipt of that report, may take whatever further action(s) may be available at law, in equity, or under the Contract. If a resolution of the dispute includes an adjustment in the amount of liquidated damages previously withheld by the Towns, the contractor will include that adjustment as a separate debit or credit, as appropriate, in its next invoice for collection services. Notwithstanding any other provision of the Contract between the Towns and the contractor to the contrary: a) For contractor's material breach of the contract of such significance that the Town(s) is/are denied the services or quality of services it contracted for, the Town(s) may terminate the Contract and seek its remedies for breach in law

or equity including compensable damages, and b) In the event that the total amount of liquidated damages assessed against the contractor during any 60calendar day period, which may begin on any day within a month, exceeds \$5,000.00, the Town(s), at its discretion and in addition to all other remedies that may be available to it, may terminate the Contract and seek its remedies for breach in law or equity including compensable damages. Any waiver or forbearance by the Town(s) or the contractor of any right under the Contract shall not operate as or be construed to be a waiver of any other rights, regardless of when such event may occur. Failure of the Town(s) or the contractor to insist upon strict adherence to these standards or any requirement of the Contract, on one or more occasions, shall not be considered a waiver, nor shall it deprive that party of the right to thereafter insist upon strict adherence to that or any other standard set forth in the Contract.