

5 year extension of Original Agreement Between the City of Sheboygan and GFL Environmental LLC

For Residential Refuse and Recyclables Material Transfer and Tipping Services

This Agreement (“Agreement”) is made and enter effective January 1,2025 (the “Effective Date”), by and between the City of Sheboygan (the “City”), a municipal corporation, and GFL Environmental LLC (“GFL Environmental”)

WITNESSETH:

WHEREAS, the City desires to contract with an entity to provide necessary services, set forth in Article I of the Agreement, related to residential refuse and recyclable material transfer after the residential and recyclable material has been collected by the City (the “Services”)

WHEREAS, GFL Environmental desires to provide the Services to the City pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenant herein contained, the parties hereto agree as follows:

Article 1. Scope of Services

GFL Environmental shall furnish all facilities, labor, equipment, materials, and transportation equipment required to preform the Services set forth in the Agreement. All Services performed by GFL Environmental pursuant to this Agreement shall be compliant with all applicable laws, including WDNR and ETA rules and regulations.

Specifically, GFL Environmental shall provide the following Services to the City:

1. Recycling: The City will deliver residential recyclables – (a) aluminum containers, (b) bi-metal containers, (c) corrugated paper or other container board, (d) glass containers, (e) magazines, newspapers, and office paper, (f) plastic containers made of PETE, HDPE, PCV, LDPE, or PP, (g) steel containers, and (h) any other item required by state law to be recycled – it has collected within the City of Sheboygan’s corporate limits to GFL Environmental’s transfer station located at 115 Birch Rd, Sheboygan Falls, Wisconsin (the “Transfer Station”). After the City has delivered the residential recyclables, GFL Environmental shall provide all necessary (including transportation, and processing, and marketing) so that the residential recyclable are processed in accordance with all applicable laws.
2. Waste: The City will deliver residential waste it has collected within the City of Sheboygan’s corporate limits to the Transfer Station. After the City has delivered the residential waste, GFL Environmental shall provide all necessary services (including transportation and disposal) so that the residential waste is disposed of in accordance with all applicable laws.

By way of estimate only, the City Estimates that is will deliver 3,312 tons per year of residential recyclables, 13,318 tons per year of residential waste, and 1,151 tons per year of City of Department of Public Works operations solid waste (such as street sweepings, catch basin debris, park refuse and hydro vacuum debris) to the Transfer Station each year of this

Agreement. The parties agree that waste does not include, and the City shall not deliver, any hazardous waste, materials or substances or any materials the Transfer Station is not permitted to accept.

Recycling and Waste will generally be delivered to the Transfer Station five days per week (Monday through Friday). From time to time when there is a weather event or holiday that delays the City's collection services, Recycling and Waste may be delivered to the Transfer Station on a Saturday; provided, however that the City must notify GLF Environmental at least 24 hours in advance.

3. Dumpsters: On a schedule requested by the City, GFL Environmental will provide thirty cubic yard dumpsters to the City in order to facilitate neighborhood clean-up projects. Dumpsters shall be picked up and delivered on agreed Monday through Sunday.

Article 2. Cost

GFL Environmental shall provide Services on the Following Cost schedule:

1. Waste: \$40.98/ton, plus \$13/ton Federal and State Fees)
 2. Recycling: \$105.38/ton
 3. Street Sweepings: \$40.98/ton, plus \$13/ton Federal and State Fees)
 4. Bulky Items: \$53.98/ton (include \$13/ton Federal and state fees)
 5. Dumpsters: \$198.28/ container, plus \$53.98/ton (include \$13/ton Federal and state fees)
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-The City shall make commercially reasonable efforts to ensure bagged recyclables are not provided to GFL Environmental at the Transfer Stations. Bagged Recycling will be considered contaminated.

This cost schedule shall apply until December 31, 2025. On January 1, 2026 and each subsequent year of this Agreement, GFL Environmental may adjust the fees set forth above pursuant to the United States Department of Labor, Bureau of Labor Statistics' "National Consumer Price Index for Water and Sewer Trash Collection Services" Rate at the figure published on July 1 compared to the previous figure published on July 1, to take effect for the next year calendar. Thus, for example, the July 1, 2025 rate (compared to the July 1, 2024 rate) will be used to determine the rate for the Calendar Year 2026. GFL Environmental shall provide documentation to the City regarding its calculation before this increase shall take effect. In no event shall the fee increase by more than 5% for any year.

GFL Environmental shall invoice or bill the City no more frequently than monthly. Invoice shall be sent to:

Joel Kolste
City of Sheboygan
Department of Public Works
2026 New Jersey Ave.
Sheboygan, WI 53081

The City shall make payment within forty-five days of receipt of an Invoice.

The City and GFL Environmental share a goal of limiting the contamination in the residential recyclable the City delivers to the Transfer Station. GFL Environmental shall determine the contamination rate of the residential recyclables. GFL Environmental and the City shall work together to reduce the contamination rate of the residential recyclables delivered to the Transfer Station. So long as the contamination rate is 10% contamination or less, no contaminated recycling surcharge may be imposed. If the contamination rate is more than 10% contaminated, GFL Environmental will—for a particular contaminated delivery of residential recycling—charge the City a contaminated recycling surcharge of \$150/ton, in addition to the charge for recycling set forth above. GFL Environmental shall provide photographic evidence of the contaminated residential recycling to the City.

Below is an example of how contamination charges will be calculated and applied:

3.0 tons or 6,000 pound load @ 20% Contamination level = .06 tons or 1,200 pounds of contamination.

1st 10%, or 600 pounds, or 0.3 tons is acceptable and not chargeable

2nd 10%, or 600 pounds, or 0.3 tons will be charge at a rate of \$150.00/ton
.3 tons x \$150.00 = \$45.00 contamination charge

Article 3: Term of Agreement

This Agreement shall govern all Services occurring After January 1, 2025 and before December 31, 2029, unless terminated or extended pursuant to this Agreement.

The Agreement may be extended for an additional five years by mutual agreement of the parties. Such an extension will extend the agreement until December 31, 2034 (the “Extension”). If the City wishes to exercise the Extension, it may provide notice to GFL Environmental by July 30, 2034. The City may include a written proposal of terms and conditions for the continuation of the contract (the “Continuation Proposal”). The Continuation Proposal may propose new terms and conditions based upon changes in legislation regarding solid waste and recycling or any other charge that would affect the administration of the Services pursuant to the Agreement. Contractor shall respond to any Continuation Proposal within thirty (30) days of its receipt, indicating; (1) its acceptance of the Continuation Proposal (2) its rejection of the Continuation Proposal; of (3) its willingness to negotiate regarding the Continuation Proposal. If Contractor does not respond, it is a rejection of the Continuation Proposal.

Article 5: GFL Environmental’ s Obligations

In providing the Services set forth in Article 1, GFL Environmental Shall:

1. Provide a facility that will accept City generated solid waste, including waste from the City’s public works operations, which meets WDNR and EPA rules and regulations for solid waste transfer stations, and is licensed as such.
2. Provided a facility that will accept City generated residential single stream recyclables, specifically: cardboard, all other paper, aluminum/beverage cans, and any other residential recyclable material mandated by WDNR and EPA to be collected.

3. Provide a facility that will control waste to avoid health and nuisance problems and meet all applicable criteria set forth by WDNR, EPA, and any applicable local zoning or land use regulations.
4. Provide a facility that will provide safe working conditions for City workers and vehicles and equipment, as well as GFL Environmental's employees and the general public.
5. Haul, sort, and otherwise process and market or dispose of all materials delivered to the Transfer Station in accordance with all applicable rules, laws, orders, regulations, policies, and any other provisions as promulgated, adopted, passed, or provided by federal, state, or municipal government.
6. Provide access to the Transfer Station to City vehicles Monday through Friday from 7:30 a.m. to 5:00 p.m., and upon request on Saturday following holidays or snow emergencies. The average total time at the Transfer Stations for a City vehicles delivering waste and recyclables shall not exceed twenty minutes as a result of GFL Environmental's operations.
7. In the event of emergency conditions declared by the City, and proper and adequate notification by the City (which shall be made by phone call) , GFL Environmental shall keep the Transfer Station open for receipt of waste or recyclables from such emergency.
8. Make ready and have available adequate equipment, forces and materials to start work on the First day of the Term of this Agreement, set forth in Article 4.
9. Provide tipping record receipts for each load dumped that provide the amount of materials dumped (waste and recycling), date, time, and truck number.
10. Provide annual, quarterly, and monthly reports that provide the tonnage of waste and recycling in sufficient detail to meet WDNR and any other reporting requirement imposed on the City. The monthly report shall be provided no later than 15 calendar days after the end of the month. These reports shall consist of the following:
 - a. Tonnage of Solid Waste
 - b. Price per ton of Solid Waste
 - c. Tonnage of Recycling
 - d. Price per ton of Recycling
 - e. Any other data required under WDNR, EPA, or any other governmental regulations or guidelines, or the City's Grant from the Recycling partnership.
11. Provide ad hoc reports as requested by the City, if agreed upon with the Contractor.
12. Adhere to all applicable WDNR regulations, including those under NR 544.
13. Adhere to all applicable WDNR procedures, and any applicable law regarding solid waste reduction, recovery, and recycling with respect to the final disposition of materials.
14. Secure all licenses, permits, and certificates required for and in connection with any and all parts of the work to be performed under the provisions of this Agreement.
15. Provide adequate supervision of its employees in connection with the details of their work and the hours of their employment.
16. Ensure qualified persons perform the Services specified in this Agreement.

Article 6. City Rejection of Facility

GFL Environmental intends to send the City's Recycling to GFL Environmental Wisconsin MRF in Mayville, Wisconsin. IF the MRF fails to obtain or loses WDNR approved certification status, GFL Environmental shall provide materials transportation to another WDNR approved and certified facility for recycling or

recyclables under this Agreement. If GFL Environmental is unable to do so, the City may terminate this Agreement and contract with another entity for the Services provided under this Agreement. If the Cost of the replacement Services exceed the amount set forth in the Agreement, GFL Environmental shall provide damages to the City for the remainder of the Term of Agreement equal to the difference between the price per ton paid under any replacement agreement and the price per ton paid under this Agreement.

2 Notification shall be adequate if it is made when the Transfer Station is currently open. The City Shall provide notification to GFL Environmental as soon as practicable after the declaration of emergency conditions.

Article 7. Performance Bond

GFL Environmental shall provide the City with a performance bond, made payable to the City of Sheboygan, Wisconsin, in an amount equal to 100% of the estimated annual fee for the Services, executed by a surety company authorized to do business in the State of Wisconsin.

GFL Environmental shall adjust their performance bond annually to accommodate potential changes in the tipping fees and solid waste and recyclables disposal tonnages. Performance bonds are required for the proception of the City of Sheboygan and its taxpayers against failure of the contractor to complete the contract.

In the even that the successful proposer fails to perform or abandons the contract, the City of Sheboygan shall have the contract completed as expeditiously as possible and shall bring action against the bond for the additional expenses and administrative time expended.

Article 8. General Provisions

1. **Headings.** The numbers and captions of the Various Articles and Sections are solely for convenience and reference and shall not affect the scope, meaning, intent, or interpretation of the provisions of this Agreement, nor shall such headings otherwise be given any legal effect.
2. **Force Majeure.** The term “Force Majeure” as used in this Agreement means acts of God, war, strikes, or other industrial disturbances, acts of a public enemy, blockades, insurrections, or riots, epidemics, landslide or floods, earthquakes, fires, storms, arrests, civil disturbances, explosions, and other causes beyond the control of the parties herein. Should GFL Environmental be delayed or prevented in whole or in part, from performing its obligations under this Agreement as a result of any force majeure GFL Environmental shall be excused from performing such obligations while GFL Environment is so prevented. GFL Environmental shall provide notice of the force majeure even as soon as it is practicable.
3. **Neither Party the Drafter.** The parties to this Agreement have had sufficient time to consult legal counsel and negotiate changes regarding the term hereof. Therefore, neither party shall be deemed the drafter of this Agreement and, as such, this Agreement shall not be construed against either party due to the drafting of this Agreement.
4. **Non-Appropriation.** If funds for the continued fulfillment of the Agreement by the City are at any time not forthcoming or are insufficient, through the failure of any entity –including the City

itself—to appropriate funds or otherwise, then the City shall have the right to terminate this Agreement without penalty.

5. **Waiver.** No failure of either party to enforce a term of the Agreement against the other shall be construed as a waiver of that term, nor shall it in any way affect the party's right to enforce that term. No waiver by any party of any term of the Agreement shall be considered a waiver of any other term or breach thereof.
6. **Severability.** The invalidity, illegality, or unenforceability of any provisions of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provisions shall be deemed severed from this Agreement, and the balance of the Agreement shall be construed and enforced as if it did not contain the particular provision to be held void. The parties further agree to amend this Agreement to Replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Section shall not prevent this entire Agreement from being void should a provision which is of the essence of this Agreement be determined void.
7. **Breach and Termination.**
 - a. If for any reason, GFL Environmental shall fail to fulfill in a timely and proper manner, its material obligations under the terms of this Agreement, or if GFL Environmental shall fail to fulfill in timely and proper manner any of the material covenants or stipulations in this Agreement, the City shall give written notice of the breach to GFL Environmental.
 - b. The written notice shall state the failure to fulfill in a timely and proper manner the material obligations and the corrective action to be taken within a reasonable time established by the City. If GFL Environmental fails to take such corrective action, the City shall have the right to terminate the Agreement by providing thirty (30) days' notice to GFL Environmental.
 - c. GFL Environmental shall not be entitled to the opportunity to correct the same failure to fulfill in a timely and proper manner its material obligations according to this subsection more than three times during the term of this Agreement. Thereafter, for the same failure by GFL Environmental the City shall have the right to terminate this Agreement providing a thirty (30) days' notice GFL Environmental.
 - d. GFL Environmental becoming listed on any debarment list or similar list shall constitute cause for termination of this Agreement upon thirty (30) days' notice.
8. **Third Party Rights.** Nothing in this Agreement shall construed to give any rights of or benefits to anyone other than the City and GFL Environmental.
9. **Choice of Law and Venue.** This Agreement shall be governed by the laws of the State of Wisconsin. Venue of any disputes arising under the Agreement shall be in Sheboygan Circuit Court, Sheboygan County, Wisconsin or the applicable federal court.
10. **Document Retention.** Both parties understand that the City is bound by the Wisconsin Public Records Law and, as such, this contract is subject to that law. GFL Environmental acknowledges that it is obligated to assist the City in retaining and producing records that are subject to the Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of this Agreement. Except as otherwise authorized, those records shall be maintained for a period of seven (7) years after receipt of final payment under the Agreement unless they are destroyed earlier pursuant to GFL Environmental's document retention policies. In the event records are destroyed prior to seven (7) years after receipt of final payment under the Agreement, GFL

Environmental shall indemnify, defend, and hold the City harmless from any claim, demand, settlement, judgment, or other expense related to the destruction of the record, even if the record is destroyed pursuant to GFL environmental document retention policy.

11. Insurance.

- a. **General Liability Insurance.** GFL Environmental shall maintain during the life of this Agreement such general Liability insurance as shall protect GFL Environmental from claims for damages resulting from: (1) bodily injury, including wrongful death, and (2) property damage. This insurance shall cover damage that arises from operations under the Agreement, whether such operations are by GFL Environmental or an subcontractor of anyone directly employed by either of them. The minimum acceptable limit of coverage to be provided by such general liability insurance shall be: \$2,000,000 per occurrence for Bodily Injury and \$2,000,000 per occurrence for Property Damage.
- b. **Automobile Liability Insurance.** GFL Environmental shall maintain during the life of this Agreement such comprehensive automobile liability insurance as shall protect GFL Environmental against claims for damage resulting from: (1) bodily injury, including wrongful death; and (2) property damage. This insurance shall cover damage that arises from the operations of any owner, hired, or non-owned automobiles used by or for GFL Environmental in any capacity in connection with the fulfillment of the Agreement. The minimum acceptable limit of coverage to be provided by such comprehensive automobile liability insurance shall be a Combined Single Limit of \$2,000,000 per accident.
- c. **Workers Compensation and Employer's Liability.**
 - i. GFL Environmental shall maintain during the life of this Agreement such worker's compensation insurance as shall protect GFL Environmental under the State of Wisconsin's workman's compensation laws. This Policy shall provide the statutorily required coverage.
 - ii. GFL Environmental shall maintain during the life of this Agreement such insurances as shall protect GFL Environmental against claims for injury, disease, or death of its Employees which, for any reason, may not fall within the provisions of the workmen's compensation claim. This policy shall include an "all states" endorsement and shall have minimum acceptable limit of coverage of \$2,000,000.
- d. All insurance must be primary and non-contributory to any insurance or self-insurance carried by the City.
- e. The insurance limits set forth in the Section are minimum. It shall be the responsibility of GFL Environmental to always maintain adequate insurance coverage. Failure of GFL Environmental to maintain adequate coverage shall not relieve it of any contractual responsibility or obligation.
- f. Each insurance policy required by this Agreement shall provide that at least ten (10) days advanced written notice to the City will be provided before any policy is hanged or cancelled.

- g. In the Even that the City consents to a subcontractor providing services under this Agreement, the subcontractor shall also maintain insurance in the amounts set forth in this Section.
12. **Non-Discrimination.** Subject to Wis. Stat. § 111.31 to Wis. Stat. § 111.36, GFL Environmental shall not engage in any act of discrimination as specified in in Wis. Stat. § 111.322 against any individual. GFL Environmental shall not discriminate against any person seeking employment, or in their employment or separation therefrom on the basis of sex, race, color, religion, national origin, age, handicap, marital status, ancestry, arrect record, conviction record, veteran status, or the use or non-use of lawful products off of GFL Environmental' s premises during non-working hours. This provision shall include, but no be limited to, the following: employment, promotion, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Furthermore, GFL Environmental agrees, upon request, to give an affidavit the GFL Environmental has not and will not engage in any act of employment discrimination during the term of this Agreement.
 13. **No Collusion.** GFL Environmental certifies that the prices in its quote were arrived at independently, without competition, consultation, communication, or agreement, for the purpose of restricting competition as to any other matter relating to such prices with any other competitor. No attempt was made to induce any other person, partnership, or corporation to submit or not to submit a quote to the City of these Services for the purpose of restricting competition.
 14. **Conflict of Interest.** GFL Environmental declares that it has no present interest, nor shall it acquire any interest, direct or indirect, which would conflict with the performance of Servies under this agreement. GFL Environmental agrees that no person having any such interest shall be employed in the performance of this Agreement.
 15. **Assignment.** Neither the City nor GFL Environmental shall assign any rights or duties under the Agreement without the prior written consent of the other party.
 16. **Identity of GFL Environmental.** GFL Environmental acknowledges that one of the primary reasons for its selection by the City to perform the Servies is the qualifications and experience of GFL Environmental. GFL Environmental this agrees that the Servies to be preformed pursuant to this Agreement shall be performed by GFL Environmental. GFL Environmental shall not subcontract any part of the Services without prior written permission of the City. The City's Director of Public Works shall have the ability to provide written permission. The City reserves the right to reject any of GFL Environmental' s personnel or proposed outside professional sub-consultants, and the City reserves the right to request that acceptable replacement personnel be assigned to the project.
 17. **Independent Contractor.** During the entire term of the Agreement, GFL Environmental shall be independent contractor, and in no event shall any of its personnel, agents or subcontractors be construed to be, or represent themselves to be, employees of the City. GFL Environmental shall be solely responsible for the payment and reposting of all employee and employer taxes, including social security, unemployment, and any other federal, state, or local taxes required to be withheld from employees or payable on behalf of its employees.
 18. **Indemnification.** GFL Environmental shall indemnify, defend, and hold harmless the City of Sheboygan, its employees, offices, and agents from the again all claims, damages, losses, and

expenses, including attorney fees arising from deaths or accidents or destruction of tangible property including the loss of the use resulting therefrom, resulting to employees of GFL Environmental, or its subcontractors, in the work contemplated and done under the contract, and to indemnify and hold harmless the City of Sheboygan, and its employees, offices, and agents, from and against all claims, damages, losses, and expenses, including attorney's fees, decrees, or judgements whatsoever, but only to the extent the claim, damage, loss or expense arises from a negligent act, omission, failure, or neglect of GFL Environmental, its subcontractors, or agents, servants, and employees, or other persons under its supervision or direction in the performance of any work under the terms of this contract.

19. **Notice.** Any notice required by the Agreement shall be made in writing to the individuals/ addresses specified below:

City:	GFL Environmental:
City Clerk	Timothy Mueller
City of Sheboygan	GFL Environmental
828 Center Ave.	428 High St.
Sheboygan, WI 53083	Chilton, WI 53014

Nothing contained in this section shall be construed to restrict the transmission or routine communication between representatives of the City and GFL Environmental.

20. **Foreign Corporation.** A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Wis. Stat. 180 relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation in transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority.
21. **Intent to be Bound.** The City and GFL Environmental each bind itself and its successors, executors, administrators, permitted assigns, legal representatives and, in the case of a partnership, its partners to the other party to this Agreement, and to the successors, executors, administrators, permitted assigns, legal representatives, and partners of such other party in respect to all provisions of this Agreement.
22. **Authority.** Each person executing this Agreement on behalf of a party hereto represent and warrants to the other party: That the execution and delivery of this Agreement have the full power, authority, and right to do so, and that such execution is sufficient and legally binding on such party to enable this Agreement to be enforceable in accordance with its terms.
23. **Integration and Modification.** This Agreement represents the entire and integrated agreement between the City and GFL Environmental. It supersedes all prior and contemporaneous communications, representations and agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified only by a written amendment sign by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be Executed the day and year first written above.

CITY OF SHEBOYGAN, WI

BY: _____
Ryan Sorenson, Mayor

ATTEST: _____
Meredith Debruin, City Clerk

DATE: _____

GFL ENVIRONMENTAL

BY: _____
Mike Stoeckigt, Area Vice President

BY: _____
Tim Mueller, General Manager

DATE: _____