

VILLAGE OF LA GRANGE

**CONTRACT FOR RESIDENTIAL COLLECTION,
TRANSPORTATION, AND DISPOSAL OF GENERAL REFUSE
AND THE COLLECTION AND PROCESSING
OF LANDSCAPE WASTE AND RECYCLABLE COMMODITIES**

THIS CONTRACT (this "Contract") is made and entered into as of the 10th day of April 2012, by and between the VILLAGE OF LA GRANGE, an Illinois municipal corporation (the "VILLAGE") and ALLIED WASTE SERVICES OF NORTH AMERICA, LLC (formerly BFI Waste Systems of North America, Inc.), a limited liability company authorized to do business in the State of Illinois (the "CONTRACTOR"):

R E C I T A L S:

WHEREAS, the VILLAGE has determined that a new contract with the CONTRACTOR for the collection of residential general refuse, landscape waste, and recyclable commodities is in the best interests of the VILLAGE; and

WHEREAS, the VILLAGE is desirous of maintaining the ability to arrange for the services provided in this Contract separate from other services that may be rendered by the CONTRACTOR; and

WHEREAS, the CONTRACTOR acknowledges that this franchise is specifically for residential collection as defined herein and that the VILLAGE intends to license other contractors to collect refuse, landscape waste, and recyclable commodities from multiple family dwellings and non-residential entities;

NOW, THEREFORE, IN CONSIDERATION of the promises contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

I. GENERAL

- A. Term of Contract. This Contract is for a term commencing on May 1, 2012, and expiring on April 30, 2017.
- B. The CONTRACTOR is the exclusive contractor for (i) the collection and transportation of general refuse, (ii) the collection and disposal of landscape waste, and (iii) the collection, processing, and marketing of all recyclable commodities from Residential Units within the corporate limits of the VILLAGE during the term of this Contract.
- C. The CONTRACTOR agrees to furnish all labor, material, and equipment necessary for the services set forth above.
- D. For purpose of this Contract, the following definitions shall apply:

1. Residential Unit: Each single-family detached dwelling and each residential dwelling that is located in a building of one or two units.
2. Hazardous Waste: A waste or combination of wastes that, because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause or significantly contribute to an increase in mortality or an increase in serious, irreversible or incapacitating reversible illness; or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed or which has been identified, by characteristics or listing, as hazardous pursuant to Section 3001 of the Resource Conservation and Recovery Act of 1976 (P.L. 94-580), or pursuant to Pollution Control Board or federal regulations.
3. Bulk Items: Any item of General Refuse that cannot fit into a 35-gallon container, or toter as applicable (such as furniture; properly prepared carpeting; fixtures; household appliances of all kinds including "white goods" such as refrigerators, stoves, dishwashers, clothes washers and dryers, and other large appliances; and small amounts of construction debris), but that can be loaded into the CONTRACTOR'S standard equipment without assistance and be legally accepted by the transfer station or disposal site to which it is transported.
4. General Refuse: Any combination of the following:
 - a. Garbage: All biodegradable or putrescible wastes, except for those items defined herein as "Landscape Waste" or sewage, generated by a Residential Unit.
 - b. Refuse: All non-biodegradable and non-putrescible waste materials except for "Recyclable Commodities" as defined herein, generated by a Residential Unit.
 - c. Bulk items generated by a Residential Unit.
 - d. Ashes generated by a Residential Unit.

General Refuse does not include Hazardous Waste.
5. Recyclable Commodities: The items set forth in Paragraph II.B.1 of this Contract, as it may be revised from time to time by the VILLAGE and the CONTRACTOR, or similar items which are specifically set aside from other General Refuse for the purpose of recycling.
6. Landscape Waste: Leaves, grass, brush, garden debris, and tree trimmings generated by a Residential Unit.

II. SERVICE AND RATES

A. General Refuse Services:

1. The CONTRACTOR shall provide regular General Refuse collection service once each week to each Residential Unit. Service must be scheduled in various parts of the VILLAGE as set forth in Exhibit A to this Contract. The CONTRACTOR shall collect and transport to a facility designated by the VILLAGE all General Refuse collected under the sticker program, when it is placed in maximum 35-gallon or equivalent or smaller container (metal, rubber, or plastic) displaying an authorized General Refuse collection sticker and General Refuse placed in Contractor-supplied refuse totes as provided in this Contract, and placed in the vicinity of the street curb, in the alley where alleys exist, or at the back door if the residential user has chosen and paid for the back door service described in Paragraph II.A.6 below. No individual container may exceed 50 pounds when full. The CONTRACTOR is not responsible for picking up garbage that is placed on top of, or alongside of, a container or is otherwise not enclosed in the container, unless the material is considered recyclable or a special pickup is ordered. However, the CONTRACTOR shall be responsible for picking up loose garbage, recyclable commodities, and yard waste that may have been caused by the failure of the CONTRACTOR to properly service a container or to collect bulk items. The CONTRACTOR shall also be responsible for picking up loose garbage, recyclable commodities, and yard waste within 10 feet of a container that may have been caused by weather conditions, vandalism, wildlife, or similar occurrences.

In addition, the CONTRACTOR is responsible for completely emptying all containers and returning them to the parkways (or point of set-out if alley or back door pick-up) in a neat and orderly fashion. Further, empty containers must be returned in an upright position and grouped. The CONTRACTOR understands and agrees that these are very important service delivery standards for the VILLAGE.

The cost of each authorized General Refuse collection sticker shall be as follows: \$4.20 per sticker until April 30, 2013; thereafter \$4.40 per sticker until April 30, 2014; thereafter \$4.60 per sticker until April 30, 2015; thereafter \$4.80 per sticker until April 30, 2016; and thereafter \$5.00 per sticker until April 30, 2017, or until expiration of this Contract including any renewal hereof. Stickers purchased by residents under previous contracts will be honored until December 31, 2013, and stickers purchased at a particular price under this Contract will be honored for a minimum of 90 days after any implementation of any increase in sticker price. The parties may agree to honor superseded stickers for a time period greater than the required minimum of 90 days.

2. The CONTRACTOR also shall provide for collection of Bulk Items. General Refuse collection stickers must be affixed on each Bulk Item to be collected as follows: two stickers per item until expiration of this Contract, including renewal thereof. Bulk Item collection service shall be provided on the same day as General Refuse collection.
3. The CONTRACTOR also shall provide for special pick-up service to any resident for the resident's Residential Unit. The CONTRACTOR shall provide a telephone number where it can be contacted regarding such special pick-up, with the price, container size, and pick-up frequency to be determined by the CONTRACTOR and resident. Special pick-up service shall be provided within 48 hours after the Residential Unit and the CONTRACTOR have agreed to the cost of the service. Residents may also contract with other licensed commercial haulers within the VILLAGE for special pick-up service.
4. The CONTRACTOR shall not collect or transport to the facility designated by the VILLAGE any material, general refuse or otherwise, which that facility is not permitted to receive or which violates any law, regulation, or any rule of said facility or of the West Cook County Solid Waste Agency. Further, the designated facility must be allowed to transfer and dispose of any such material under the terms of the West Cook County Solid Waste Agency Transfer, Transportation and Disposal Contract, which contract is hereby incorporated by reference herein. The materials that shall not be transported to the designated facility include but are not limited to any Hazardous Waste.
5. Unless specified otherwise by a resident, collection shall take place at the curbside or in alleys where alleys exist. Each resident may notify the CONTRACTOR in writing that the resident chooses back door collection. This notification must be given in January of each calendar year in order for the service to be provided during the subsequent contract year. An exception is herein provided for new residents, who shall each have 30 days after taking occupancy of a new residence to make such election. The cost for this service shall be \$180 per year until April 30, 2013; and \$192 per year until April 30, 2017, or until expiration of this Contract including any renewal thereof. This cost shall be paid annually directly to the CONTRACTOR in a lump sum when billed by the CONTRACTOR on or before each successive year in which the resident chooses back door collection. The cost to any new resident shall be prorated as of the day the resident begins back door collection service. Any resident using this service who moves away from a residence in the VILLAGE shall be entitled to receive a refund for the remaining portion of the year, prorated as of the day the departing resident terminates this service.
6. Collection shall occur only between 7:00 a.m. and 5:00 p.m.

7. Each resident shall be responsible for furnishing and utilizing water-tight General Refuse containers.
8. During March or April of the years 2012 through 2017, the CONTRACTOR will provide a "Spring Clean-Up Day" collection for each Residential Unit in accordance with the following terms:
 - a. Spring Clean-Up Day will be held on a day or days in March or April selected by the CONTRACTOR and approved by the VILLAGE. The date must be set far enough in advance so that notice of the date can be given to customers, as provided in Paragraph b below.
 - b. The CONTRACTOR must provide the Village, not less than 90 days in advance of the Spring Clean-Up Day, with draft language for a notice of that day. The draft language must describe the Spring Clean-Up Day and set forth the rules and limitations applicable to it. The VILLAGE may disseminate the notice through its website and newsletter and as the Village otherwise determines is appropriate.
 - c. Each household participating in the Spring Clean-Up Day must affix, in a visible location, three refuse disposal stickers at the then-current sticker price. Each household subscribing to toter service established by Section VI.D of this Contract must affix in a visible location three refuse disposal stickers at the then-current sticker price to any waste outside of the toter. Those three stickers will be the total cost to that household for that Spring Clean-Up Day, regardless of the amount and type of materials collected from that household, unless the materials placed for pick-up are outside of the limitations set in the notice to customers.
 - d. Residents may set out for collection the following items: General Refuse in 35-gallon or smaller containers and Bulk Items. The CONTRACTOR reserves the right to exclude the following items from collection: tires, liquids, Hazardous Waste and other materials not accepted at the VILLAGE'S transfer station, and construction and demolition materials including but not limited to brick, stone, rocks, concrete, dirt, soil, railroad ties, lumber, boards, siding, and roofing material.
9. The CONTRACTOR shall provide General Refuse collection services free of charge to all public buildings under control of the VILLAGE during the term and any extended term of this Contract. The CONTRACTOR shall provide roll-off boxes to the VILLAGE at a mutually agreed price, at the VILLAGE request.

10. The CONTRACTOR shall provide General Refuse collection services in emergencies as determined and declared by the VILLAGE to alleviate threats to public health, safety, or welfare. Those services shall be provided free of charge up to a value of \$3,000 per year (the "Annual Value"). Any portion of the Annual Value of emergency services that the VILLAGE does not use in a year shall be rolled over to the next year (the "Cumulative Annual Value"), except that the Cumulative Annual Value of available emergency collection services may not exceed \$6,000. To the extent that the Village requires emergency collection services in excess of the Cumulative Annual Value, the Contractor will provide those services at a price agreed on by the CONTRACTOR and the VILLAGE; except that the CONTRACTOR is not required to provide emergency services in any year exceeding \$6,000 more than the Cumulative Annual Value.
 11. The CONTRACTOR shall provide General Refuse collection services free of charge in conjunction with various community events held partially or fully on public property, and shall also provide, at no charge to the VILLAGE, a sufficient number of portable toilets and hand washing stations for each festival.
 12. The CONTRACTOR shall provide dumpster service free of charge at the public works facility so long as the dumpster is used only for waste from routine office and garage operations. The VILLAGE may enter into a separate contract with the CONTRACTOR for collection and disposal of other waste such as construction debris, spoil, and other heavy or non-compactable waste.
 13. The CONTRACTOR shall prepare and submit to the VILLAGE a monthly report accurately detailing:
 - a. the total weight of the General Refuse collected and disposed of and the facility to which it was transported; and
 - b. any other data reasonably requested by the VILLAGE.
- B. Recycling Collection:
1. The CONTRACTOR shall collect from each Residential Unit the following items (collectively "Recyclable Commodities):
 - a. Newsprint
 - b. Mixed paper, which shall include magazines, telephone books, catalogs, junk mail (brochures, advertisements, fliers, etc.), computer paper, stationery, envelopes, bills, greeting cards and brown paper bags

- c. Corrugated cardboard (in pieces not to exceed 3' x 3'), chipboard, and wet-strength cardboard (e.g., cardboard beverage carriers, frozen food packaging, and the like)
- d. Glass, which shall include all types of clear and colored glass bottles, jars and containers
- e. Plastics, which shall include all plastic resin labeled PETE 1 and HDPE 2; and 6- and 12-pack plastic beverage rings and carriers
- f. Aluminum, which shall include all types of aluminum food and beverage cans; formed aluminum containers; and aluminum foil
- g. Bi-Metal, which shall include all types of bi-metal food and beverage cans
- h. Empty paint cans
- i. Empty aerosol cans
- j. All plastic resin labeled PVC3 (e.g., health and beauty aid bottles), or labeled LDPE4 (e.g., certain yogurt and cottage cheese containers and other miscellaneous dairy products containers), or labeled PP5 (e.g., syrup bottles, ketchup bottles, and the like), or labeled #7 (e.g., squeezable bottles, microwave containers, and the like)
- k. Aseptic packaging and gable – topped containers (e.g. – juice boxes, milk cartons, juice cartons etc.)
- l. Formed steel containers

Additional Recyclable Commodities may be added to the curbside collection system from time to time on agreement of the VILLAGE and the CONTRACTOR.

- 2. Recyclable Commodities shall be collected each week on the same day as General Refuse collection.
- 3. Recyclable Commodities shall generally be collected in recycling containers issued by the VILLAGE or Contractor-supplied recycling totes as provided in this Contract. Each Residential Unit has received one recycling container. The VILLAGE will provide replacement containers at cost upon a resident's request. The VILLAGE may elect, at the VILLAGE'S sole discretion, to purchase and distribute additional recycling containers or recycling containers that are different than those currently in use. The VILLAGE will discuss any such changes with the CONTRACTOR before implementation.

4. The CONTRACTOR may request a change to the manner in which residents set out Recyclable Commodities for collection in order to accommodate changes in collection or processing technologies (e.g., requiring residents to bag newsprint and mixed paper). Any such change is subject to the VILLAGE'S approval at its sole discretion.
5. All Recyclable Commodities shall be collected, separated, and processed to facilitate the sale of Recyclable Commodities to re-manufacturers for post-consumer use. No materials collected as Recyclable Commodities shall be deposited at a landfill or waste incinerator.
6. The CONTRACTOR shall be responsible for preparing and submitting to the VILLAGE a monthly report detailing weekly and monthly participation rates, tons collected, revenue derived, and other information as may be reasonably requested by the VILLAGE.

C. Landscape Waste Collection:

1. Once each week from April 1 until December 15 each year, the CONTRACTOR shall collect from each Residential Unit, on the same day as General Refuse collection, Landscape Waste contained within any 35-gallon or equivalent or smaller reusable or disposable container (plastic, metal, rubberized), including but not limited to kraft paper bags, provided said container has affixed a Landscape Waste sticker. The VILLAGE and the CONTRACTOR may mutually agree in writing to alter the beginning or ending dates of the Landscape Waste collection period. No one branch or brush bundle shall exceed four feet in length by two feet in diameter.
2. The CONTRACTOR is required to supply, at no charge, ample printed Landscape Waste stickers for sale to residential users at the following rates: \$4.20 per sticker until April 30, 2013; \$4.40 per sticker until April 30, 2014; \$4.60 per sticker until April 30, 2015; \$4.80 per sticker until April 30, 2016; and \$5.00 per sticker until April 30, 2017, or until expiration of this Contract including any renewal thereof. The CONTRACTOR shall distribute Landscape Waste stickers at specific sale locations determined by the VILLAGE. Stickers purchased by residents under previous contracts will be honored until December 31, 2013; stickers purchased at a particular price under this Contract will be honored for a minimum of 90 days after any implementation of any increase in sticker price. The parties may agree to honor superseded stickers for a time period greater than the required minimum of 90 days.
3. Quarterly collection reports shall be furnished to the VILLAGE documenting the volume and tonnage of Landscape Waste collected and the fee paid for disposal of such waste, as well as tipping fees saved from disposal at a composting facility (if any).

4. Christmas trees left at the curbside through the second week of January of each year during the term of this Contract, shall be collected at no cost to the resident or the VILLAGE.
 5. On July 1, October 1, and January 1 of each year during the term of this Contract (each a "Landscape Waste Period"), the CONTRACTOR shall remit to the VILLAGE the sum of 60¢ for each La Grange landscape waste sticker sold in the VILLAGE or surrounding areas during the preceding Landscape Waste Period.
- D. Unused Sticker Reimbursement: Upon cancellation, termination, or expiration of this Contract, the CONTRACTOR shall, within 60 days, reimburse the VILLAGE for the full value of all unused refuse and yard waste stickers that are returned to the VILLAGE within 30 days after that cancellation, termination, or expiration. The requirements of this Subsection D shall survive cancellation, termination, or expiration of this Contract and shall be binding on and enforceable against the CONTRACTOR after cancellation, termination, or expiration.
- E. Change of Law: The rates and charges set forth in this Contract are subject to adjustment in accordance with this Subsection E in the event of a "Change of Law." For purposes of this Contract, "Change of Law" means a change in current federal, State of Illinois, or local law, statute, ordinance, or regulation or a new federal, State of Illinois, or local law, statute, ordinance or regulation that affects the CONTRACTOR'S cost of providing services as follows:
1. The creation of a new tax, or an increase in an existing tax, on gross receipts of the type collected by the CONTRACTOR pursuant to this Contract;
 2. The creation of a new tax, or an increase in an existing tax, on the sales of services provided pursuant to this Contract; or
 3. An increase or decrease in the amount of a current tax, fee, or surcharge imposed by a governmental body or imposed directly as a consequence of an action of a governmental body that increases or decreases the cost of performing the services required of the CONTRACTOR pursuant to this Contract by more than one percent of the current monthly revenue.

In the event of a Change of Law, the CONTRACTOR shall provide a detailed written notice to the VILLAGE of the Change of Law, the manner in which the Change of Law affects the costs of services, the magnitude of the effect of the Change of law on the cost of services, and the CONTRACTOR'S proposal in response to that effect. Within 30 days after receipt by the VILLAGE of the CONTRACTOR'S notice, the CONTRACTOR and the VILLAGE shall meet to discuss the Change of Law and determine what change, if any, is necessary and appropriate to the rates and charges in this Contract and the timing and method of implementing any such change. The VILLAGE may request any documentation

necessary from the CONTRACTOR to assist with the analysis of the Change of Law impact.

III. COLLECTION

- A. Collection of General Refuse, Landscape Waste and Recyclable Commodities will be delayed one day during holiday weeks when a recognized holiday falls on or before a regular collection day. Recognized holidays include: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
- B. The CONTRACTOR is not required to collect materials that are not prepared in compliance with the guidelines set forth in this Contract. The CONTRACTOR must place a self-adhesive "sorry note" on that material stating the reason it was not collected. The date, address, and reason the "sorry note" was issued shall, at the VILLAGE'S request, be reported to the VILLAGE. The CONTRACTOR shall provide "sorry notes" at its own cost.

The CONTRACTOR shall provide a local telephone number, staffed by an authorized agent, between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, to handle inquiries and complaints connected with the CONTRACTOR'S services. Each complaint must receive prompt and courteous attention from the CONTRACTOR. Complaints alleging missed collections shall be investigated promptly and, if one is verified, the CONTRACTOR shall arrange for pick-up within 24 hours after the complaint.

- C. If the CONTRACTOR is unable to resolve a complaint in a satisfactory manner within 72 hours after receipt of a complaint, then the CONTRACTOR shall deliver written notice to the Village Manager or his designee stipulating the name and address of the resident, the date and time of complaint, the nature of complaint, and the CONTRACTOR'S response. The Village Manager or his designee shall intervene, mediate the dispute, and render a final binding decision.
- D. Services provided by the CONTRACTOR shall be performed at all times in a good and workman-like manner.
- E. The CONTRACTOR shall furnish capable employees for use in the crews performing the services specified in this Contract. The CONTRACTOR shall prohibit drinking of alcoholic beverages and use of controlled substances by its drivers and crew members while on duty or in the course of performing their duties under this Contract.

If a CONTRACTOR employee is deemed by the VILLAGE to be unfit or unsuited to perform services under this Contract as a result of intoxication, drug use, incompetence, improper attire, or abusive or obnoxious behavior, then the CONTRACTOR shall immediately remove that employee from work within the VILLAGE and replace him or her with a suitable and competent employee at no expense to the VILLAGE.

- F. Any customer container damaged by the CONTRACTOR shall be repaired or replaced at the expense of the CONTRACTOR.
- G. In furnishing General Refuse collection services, the CONTRACTOR agrees to adhere to all federal, State, and local laws pertaining to refuse haulers.

IV. EQUIPMENT

- A. The CONTRACTOR shall use modern, enclosed equipment with a hydraulic compacting system in the collection of General Refuse and Landscape Waste.
- B. All equipment used for collection services of any kind shall be properly licensed by the State of Illinois and conform to all federal and State equipment safety standards.
- C. The CONTRACTOR shall not store, or allow to be stored, any equipment or materials on private property except in strict compliance with the La Grange Code of Ordinances.

V. DISPOSITION OF MATERIALS

- A. All General Refuse shall be removed from the VILLAGE at the close of each collection day and transported to a facility designated by the VILLAGE in accordance with Section VI.B below at the CONTRACTOR'S expense.
- B. All Landscape Waste shall be legally disposed of at a facility designed to treat, compost, grind, or land apply the waste, unless otherwise authorized by the State of Illinois. The VILLAGE reserves the right to approve the final disposal site of all Landscape Waste and to direct said waste to a facility of the VILLAGE'S choice. The VILLAGE shall give the CONTRACTOR 120 days' notice in the event this option is utilized.
- C. The CONTRACTOR may retain the proceeds, if any, from the sale of Recyclable Commodities, except only that this provision is subject to the terms of the VILLAGE'S contract with a regional transfer facility. No Recyclable Commodities collected pursuant to this Contract may be disposed of in a landfill, waste-to-energy facility, or incinerator.

VI. BILLING AND COLLECTION

- A. The CONTRACTOR will be solely responsible for printing and distributing General Refuse stickers to the VILLAGE (if the VILLAGE so chooses) and various satellite vendors mutually selected by the parties to sell General Refuse stickers. The VILLAGE maintains the ability to change or add vendors at any time with the mutual consent of the CONTRACTOR. The CONTRACTOR shall be responsible for the collection of General Refuse sticker proceeds from each sale outlet. The annual charge for residents requesting toter service or back door

pickup service for General Refuse collection shall be billed by the CONTRACTOR directly to the resident.

- B. The CONTRACTOR shall transport General Refuse to a facility (a "Facility") defined and set forth in the West Cook County Solid Waste Agency Project Use Contract entered into by the VILLAGE (the "Agency Contract"), pursuant to Section V.A of this Contract.

For the term of this Contract, the CONTRACTOR shall pay all charges due for the CONTRACTOR'S disposal of General Refuse at the Facility directly to the West Cook County Solid Waste Agency (the "Agency") within 45 days after the Agency's billing date. At no time shall the VILLAGE be required to pay for actual disposal charges. The CONTRACTOR will be responsible for any lawful interest, penalties, or late payment charge assessed against the VILLAGE as a result of the CONTRACTOR'S failure to make timely payment as set forth above. The VILLAGE may terminate this Contract if disposal charges payable to the Agency are past due (that is, unpaid for more than 45 days after the billing date). The CONTRACTOR may not withhold payment of any amount that the CONTRACTOR disputes but shall pay such sum and shall continue to seek resolution of any such dispute between the parties. The VILLAGE'S right of termination shall be exercised in writing delivered to the CONTRACTOR prior to such date as past due amounts are paid by the CONTRACTOR.

Within 30 days after each annual period of this Contract, and from time to time as reasonably requested by the VILLAGE, the CONTRACTOR shall provide the VILLAGE with a report showing the number of General Refuse stickers sold, Landscape Waste stickers sold, toter customers, and back door collection service accounts during the previous annual period or other time period requested by the Village.

At the beginning of each annual period, the CONTRACTOR shall submit a report to the VILLAGE indicating that (1) the CONTRACTOR has conducted a compliance audit of its operations and shall attest that there is no co-mingling of third-party waste with the VILLAGE'S General Refuse, (2) the CONTRACTOR has verified said compliance with periodic field inspections. and (3) the CONTRACTOR has properly trained its route supervisors to ensure that co-mingling does not occur between third-party waste and the VILLAGE'S General Refuse.

- C. The cost of Landscape Waste collection shall be paid based on volume, with one sticker required for each container or bundle. Customers must purchase stickers from the CONTRACTOR, or from the VILLAGE (if the VILLAGE chooses to act as a vendor), or from another authorized agent. The CONTRACTOR is responsible for printing and distributing Landscape Waste stickers and for collecting sale proceeds. The CONTRACTOR shall quarterly remit to the VILLAGE the entire amount stated in Paragraph II.C.5 of this Contract.

- D. Customers may subscribe to a toter service for General Refuse collection in lieu of the volume-based service, on the following terms:
1. The CONTRACTOR shall provide the Residential Unit with one or more 95-gallon toters or 65-gallon toter for refuse at no additional charge or fee (including delivery fees);
 2. The CONTRACTOR shall provide the Residential Unit subscribing to either the 95 gallon toter or 65 gallon toter with one 65 gallon toter for recycling at no additional charge or monthly fee;
 3. The CONTRACTOR shall directly bill each Residential Unit \$25.25 per month for each 95 gallon refuse and recycling toter option selected until April 30, 2013; \$25.50 per month until April 30, 2014; \$25.75 per month until April 30, 2015; \$26.00 per month until April 30, 2016 and \$26.25 per month until April 30, 2017 or until this amount is renegotiated and approved in writing by the CONTRACTOR and the VILLAGE;
 4. The CONTRACTOR shall directly bill each Residential Unit \$18.25 per month for each 65 gallon refuse and recycling toter option until April 30, 2013; \$18.90 per month until April 30, 2014; \$19.55 per month until April 30, 2015; \$20.25 per month until April 30, 2016; and \$20.95 per month until April 30, 2017.
 5. Each Residential Unit shall be entitled to one exchange for a different capacity cart or one container removal at no charge. A Residential Unit shall be charged \$20.00 for additional exchanges or removals. Should a Residential Unit not return a cart after cancelling service, the Residential Unit shall be charged \$70 for each non-returned cart.
 6. A Residential Unit using a toter must affix one Municipal Solid Waste Sticker on each container, other than a toter, set out for collection.

VII. CONTRACT DURATION

- A. The VILLAGE has the right to cancel this Contract in the event of non-performance by the CONTRACTOR. To exercise this option, the Village must submit a written notice to the CONTRACTOR or its authorized agent 90 days prior to the date of cancellation, except when specifically provided otherwise in this Contract.
- B. The VILLAGE may also terminate this Contract under circumstances including but not limited to:
 1. Filing of bankruptcy by the CONTRACTOR and subsequent proceedings thereafter.

2. Abandonment by the CONTRACTOR of the conduct of its operations, in which case no notice is required.
- C. This Contract expires on April 30, 2017. Prior to April 30, 2017, the VILLAGE and the CONTRACTOR may agree to extend the Contract, by a properly approved written agreement, for a set period of years not exceeding five years.

VIII. OTHER CONSIDERATIONS

- A. Year-End Report: At the request of the VILLAGE, the CONTRACTOR shall furnish a year-end financial report and a sworn statement from the Chief Operating Officer of the CONTRACTOR verifying the existence and veracity of the report.
- B. Performance Bond: The CONTRACTOR shall renew, if necessary, and keep in place during the Contract Term a Performance Bond for the faithful performance of this Contract, said Performance Bond to be executed by a responsible surety company rated AA or better by Best's Insurance Reports. The Bond shall be in the penal sum as follows: \$250,000 from May 1, 2012, until April 30, 2017, or until expiration of this Contract including any renewal thereof. The Performance Bond shall be conditioned upon the faithful performance by the CONTRACTOR of its obligations under this Contract and upon its full compliance with the all applicable laws, ordinances and regulations. Said Performance Bond shall indemnify the VILLAGE against any loss resulting from any breach or failure of performance.
- C. Failure of CONTRACTOR to Perform:
1. All terms and conditions of the Contract are considered material and failure to perform any of said terms or conditions on the part of the CONTRACTOR shall be considered a breach of this Contract. Should the CONTRACTOR fail to perform any of such terms or conditions, the VILLAGE shall have, in addition to the rights set forth in this section, the right to terminate this Contract after five days' written notice to the CONTRACTOR of the violation of the Contract and the failure of the CONTRACTOR to remedy the violation within said time to the satisfaction of the VILLAGE. In addition to any and all equitable legal remedies available to the VILLAGE in the event of a breach of this Contract by the CONTRACTOR, the VILLAGE shall have the right to call upon the Performance Bond described in this Contract. The remedies provided to the VILLAGE herein shall be cumulative and not exclusive. No waiver by the VILLAGE of a default by the CONTRACTOR under this Contract shall be construed as a waiver by the VILLAGE of any subsequent default or failure to perform on the part of the CONTRACTOR.
 2. Subject only to the limited exceptions stated in Subsection 2 below, in the event of a failure by the CONTRACTOR to provide scheduled service

under this Contract for a period of five days after written notice of such failure, the Contractor shall be deemed to be immediately in breach of this Contract and the VILLAGE, in addition to all other remedies available to the Village, may immediately hire a third party to perform the services required under this Contract but not performed by the Contractor or implement any other reasonable remedy such as, for example but not limited to, establishing a drop-off point for residents to deliver their waste and recyclables for a third party to collect, transport and dispose. The Contractor shall be responsible for all costs and expenses incurred by the VILLAGE in undertaking any such actions, including administrative costs up to \$2000, reasonable legal fees and court costs, and the Village may immediately take action to draw on the performance bond or otherwise recover its costs and expenses. The Contractor shall not be deemed to be in default of this Contract for failure to provide scheduled services if the failure is caused by riots, terrorist acts, compliance with specific State or federal government quarantines related to public health or safety, or a natural or man-made disaster that makes compliance impossible.

D. Insurance:

1. At the inception of this Contract, the CONTRACTOR shall furnish the VILLAGE a new certificate of insurance verifying the existence and continuation of following insurance coverage limits:
 - a. Workers' Compensation Insurance – Statutory Limits
 - b. Commercial General Liability (CGL)
 - \$5,000,000 per occurrence
 - \$5,000,000 general aggregate
 - c. Auto Liability:
 - \$5,000,000 combined single limit (CSL)
 - d. Umbrella Liability:
 - \$5,000,000.00 each occurrence
 - \$5,000,000 general aggregate
2. The CONTRACTOR shall furnish a certificate of insurance annually, verifying the existence of the aforementioned coverage. Further, the VILLAGE shall be shown as an additional insured party on each liability policy, except Workers Compensation Insurance, in a form subject to the review and approval by the VILLAGE at its sole discretion. For purposes of this Contract, "arising out of the CONTRACTOR'S work" shall mean:

- a. Liability the VILLAGE may incur for which the VILLAGE is indemnified under Article VIII.D.3 below; and/or
 - b. Liability the VILLAGE may incur due to joint negligence of the CONTRACTOR and the VILLAGE.
3. The CONTRACTOR shall indemnify the VILLAGE, and its agents, officials, and employees, against any and all claims for injury, death, loss, damages, claims of every type, nature, and description (including without limitation environmental and patent claims), suits, liabilities, judgments, costs, and expenses, including reasonable attorneys' fees and court costs, arising from or related in any way to the alleged negligence or act or omission of the CONTRACTOR or its employees, agents, servants, subcontractors, or suppliers in connection with performance of this Contract. The CONTRACTOR shall not be responsible for indemnifying the VILLAGE against the VILLAGE'S negligence, acts, or omissions.
 4. The CONTRACTOR shall, at the CONTRACTOR'S own expense, appear, defend, and pay all charges of attorneys and all costs and other expenses arising from the foregoing, or incurred in connection therewith in the defense of the VILLAGE and its agents, officials, and employees.
 5. The CONTRACTOR agrees that in the event a judgment should be entered against the VILLAGE as a result of the negligence and omissions herein above described, the CONTRACTOR shall immediately satisfy same including, but without limitation on the foregoing, all costs and interest in connection therewith.
 6. The CONTRACTOR expressly understands and agrees that any Performance Bond or insurance protection required of the CONTRACTOR, or otherwise provided by the CONTRACTOR, shall in no way limit the responsibility to indemnify, keep and save harmless, and defend the VILLAGE and its agents, officials, and employees as hereinabove provided.
- E. Federal, State, and Local Regulations; Taxes; Permits; Licenses:
1. The CONTRACTOR shall adhere to all federal and State of Illinois guidelines governing equal employment opportunities.
 2. The VILLAGE has adopted an ordinance governing the prevailing rate of wages paid for work performed in Cook County as determined by the Illinois Department of Labor. All labor performed under the provisions of this Contract shall comply with the Illinois Prevailing Wage Act.
 3. The VILLAGE is exempt from State of Illinois and local sales, excise, and use taxes. Rates shall include all applicable taxes.

4. Rates shall include the cost of permits, licenses, and all other certifications required by federal, State of Illinois and local laws, regulations and ordinances, except only as may be specifically set forth otherwise in this Contract.
- F. No Commercial Hauler License Fee: The VILLAGE will not charge the CONTRACTOR a fee for the Village commercial hauler license for the duration of this Contract, but only so long as the CONTRACTOR continues to waive payment by the VILLAGE of any fuel surcharge fee.
- G. Subcontracting: The CONTRACTOR shall not subcontract out or assign General Refuse collection services or this Contract to a subcontractor or an assignee without prior written consent of the VILLAGE and said consent may be withheld at the VILLAGE'S sole discretion.
- H. Title:
 1. Title to General Refuse shall at all times relevant to this Contract be in the VILLAGE.
 2. Also, title to Recyclable Commodities, Landscape Waste, and other materials set out for collection shall reside in the VILLAGE. The CONTRACTOR shall market those materials on behalf of the VILLAGE. When the CONTRACTOR transports those materials to a processing, disposal, or other site (collectively a "Disposal Site") on behalf of the VILLAGE, title shall pass to the operator of that Disposal Site. If the Disposal Site is paid for taking the materials, that payment shall be paid solely the responsibility of the CONTRACTOR. If the CONTRACTOR is paid for the material, the CONTRACTOR shall keep the proceeds and shall give an accounting to the VILLAGE, on its request, for internal informational purposes only.
- I. Public Informational Flyers: At the VILLAGE'S request, the CONTRACTOR will provide funds up to \$2,500 during the term of this Contract, to cover costs of printing brochures and other public informational flyers.

IX. NOTICES

- A. Except as otherwise explicitly provided in this Contract, all notices permitted or required to be given by the parties to this Contract shall be in writing and shall be deemed delivered to the addressee when delivered in person on a business day at the address set forth below, or on the third business day after being deposited in the United States mail for delivery at the address set forth below, postage prepaid, certified or registered mail, return receipt requested.
- B. Notices to the VILLAGE shall be addressed to, and delivered at, the following address:

Village of La Grange
53 South La Grange Road
La Grange, Illinois 60525
Attention: Village Manager

- C. Notices to the CONTRACTOR shall be addressed to, and delivered at, the following address:

Allied Waste Services of North America, LLC
5050 West Lake Street
Melrose Park, Illinois 60160
Attention: General Manager

- D. By notice complying with the requirements of this Article, each party shall have the right to change the address or addressee or both for all future notices to such party.

X. ARBITRATION

- A. Except as set forth in Paragraph X.B below, any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- B. Any request for an increase or other change in the rate structure as provided for herein shall be negotiated exclusively between the parties hereto, and shall not be subject to arbitration. If the parties fail to reach contract, the sole remedy for either party is to declare the Contract terminated according to procedures set forth in this Contract.

XI. TERMS

- A. Interpretation: The provisions of this Contract shall be interpreted when possible to sustain their legality and enforceability.
- B. Complete Contract: This Contract sets forth the entire contract between the parties with respect to the accomplishment of the work and the rates and charges therefor, and there are no other understandings or contracts, oral or written, between the parties with respect to the service to be provided and the rate and charges therefor.
- C. Amendments: No modification, addition, deletion, revision, alteration, or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by the authorized representative of the VILLAGE and the CONTRACTOR.

D. Miscellaneous:

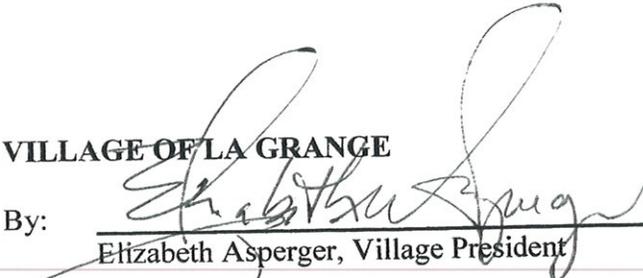
1. The CONTRACTOR shall immediately clean up and remediate all blowing debris, spills, and releases of any material over which it exercises control occurring prior to the delivery of the material to its intended destination.
2. This Contract is not transferable or assignable in any fashion, whether voluntarily, involuntarily, or by process of law, without the prior, express, written consent of the VILLAGE, which consent may be withheld by the VILLAGE at its sole discretion. The CONTRACTOR covenants and agrees to comply at all times with all applicable laws, ordinances, and regulations in the performance with and in any manner related to the CONTRACTOR'S rights, duties, obligations, and operations under this Contract. The CONTRACTOR shall obtain and maintain in effect all licenses and permits necessary to perform its obligations under this Contract.
3. The CONTRACTOR shall not discriminate against any person because of race, sex, age, creed, color, religion, or national origin.
4. The CONTRACTOR warrants that it is experienced in each of the areas under which it will have duties and obligations under this Contract and that it has adequate personnel and experience to properly and satisfactorily discharge its duties and obligations under this Contract.

- E. Applicable Law: This Contract shall be interpreted according to the laws of, but not the conflicts of laws rules of, the State of Illinois.

IN WITNESS WHEREOF, the CONTRACTOR has caused this Contract to be executed by its duly authorized corporate officials acting pursuant to authority granted by its Board of Directors, and the VILLAGE has caused this Contract to be executed by its Village President and Village Clerk acting pursuant to authority granted by its Board of Trustees, all on the day and year first written above.

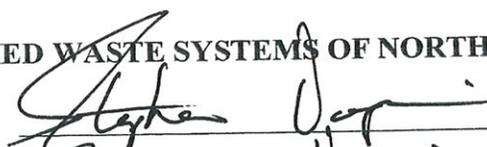
[all signatures appear on next page]

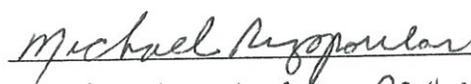
VILLAGE OF LA GRANGE

By: 
Elizabeth Asperger, Village President

Attest:
By: 
Thomas Morsch, Village Clerk

ALLIED WASTE SYSTEMS OF NORTH AMERICA, LLC

By: 
Name: STEPHAN VOGRIN
Title: GENERAL MANAGER

Attest:
By: 
Name: MICHAEL RIZOPOULOS
Title: CONTROLLER

#11100118_v2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Elizabeth Asperger, the Village President of the Village of La Grange and Thomas Morsch, the Village Clerk of the Village of La Grange, whose names are subscribed to the foregoing instrument as such Village President and Village Clerk, respectively, appeared before me this day in person and acknowledged that they signed and delivered the foregoing Contract as their own free and voluntary act and as the free and voluntary act of said Village, for the uses and purposes set forth in the Contract; and the Village Clerk, as custodian of the corporate seal of said Village, affixed the corporate seal of said Village to the Contract as his own free and voluntary act and as the free and voluntary act of said Village, for the uses and purposes therein set forth.

GIVEN under my hand and seal this 9th day of April 2012.

Eleanor Elder
Notary Public



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Stephen Vogler, the authorized agent of Allied Waste Services of North America LLC, and Mike Ryzopoulos, the authorized agent of said corporation, personally known to me to be the same persons whose names are subscribed to the foregoing Contract as such General Manager and Municipal Services Director, respectively appeared before me this day in person and acknowledged that they signed and delivered the Contract as their own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth; and the said General Manager, as custodian of the corporate seal of said corporation, did affix the corporate seal of said corporation to the Contract as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal this 16 day of April 2012.

Mary J. McCarty
Notary Public

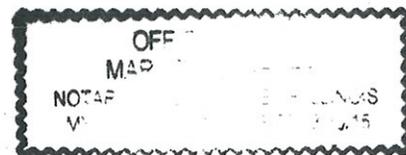


EXHIBIT A

SERVICE SCHEDULE

Two days each week, as follows:

1. Monday: All portions of the Village north of 47th Street.
2. Thursday: All portions of the Village south of 47th Street.

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EXHIBIT B

RETAIL ESTABLISHMENTS AUTHORIZED TO SELL STICKERS

DE VRIES GROCERY	806 ARLINGTON STREET, LA GRANGE
DOMINICK'S	14 GARDEN MARKET, WESTERN SPRINGS
HORTON'S	60 SOUTH LA GRANGE ROAD, LA GRANGE
JEWEL	507 EAST WOODLAWN, LA GRANGE PARK
JEWEL	5545 SOUTH BRAINARD, COUNTRYSIDE
VILLAGE HALL	53 SOUTH LA GRANGE ROAD, LA GRANGE
7-ELEVEN	6 EAST 47TH STREET, LA GRANGE

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