

Introduced September 28, 2010, by Councilman
Hicks, seconded by Councilman Lloyd

Item No. 10-09-2868

ORDINANCE NO. 3587

An ordinance amending the City's contract with Coastal Waste Services, Inc. to re-establish a recycling program.

WHEREAS, the City's garbage contract with Coastal Waste Services, Inc. (Coastal) dated December 16, 2003 (the Contract) included various provisions which established a recycling program for the City of Slidell; and

WHEREAS, subsequent to Hurricane Katrina the market for recycled materials essentially disappeared; and

WHEREAS, by Ordinance No. 3421 the Slidell City Council amended the Contract so as to remove all provisions relative to the recycling program; and

WHEREAS, there is a renewed interest in recycling; and

WHEREAS, the City desires to reestablish the recycling program.

NOW THEREFORE BE IT ORDAINED by the Slidell City Council that the Contract be amended as follows:

(1) A paragraph defining "Recyclable Materials" is hereby added to Section I Definitions to read as follows:

"Recyclable Materials: Means aluminum cans, newsprint, plastics, tin cans, mixed paper and other material mutually agreed to by Contractor and *City* and placed in *Recycle Bins by Producers.*";

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4 (2) A paragraph defining "Recycle Bin" is hereby added to Section I. Definitions to
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6 read as follows:

7 "Recycle Bin: A receptacle with a capacity of greater than 15 gallons but less than
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9 64 gallons constructed of plastic and designed for the purpose of holding co-mingled
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11 recyclable materials, to be provided by the contractor.";

12 (3) The first paragraph of Section II (A) is hereby amended to read as follows:

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14 "The services covered by this Contract are for the *collection, transportation* and
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16 *disposal of residential solid waste*, including *green waste* and *recyclable materials* from
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18 *residential units*, in the corporate limits of the City, in the quantities and at the frequencies
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20 specified in Subsection B. The Contractor may offer additional commercial services to
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22 commercial units in the corporate limits at reasonable rates.";

23 (4) The second paragraph of Section II (A) is hereby amended to read as follows:

24 "All *residential solid waste* collected by the Contractor shall be transported for
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26 *disposal* to a proper landfill. The charge for disposal shall be included in the rate set forth
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28 in Section L for each *residential unit* collected by the Contractor. Contractor shall bear all
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30 *disposal costs*. All *recyclable materials* collected by the Contractor shall be transported to
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32 a recycling facility of Contractor's choosing.";

33 (5) The following shall be added as the second paragraph of Section II (B):
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4 "Contractor shall provide curbside collection of an unlimited amount of *recyclable*
5 *materials* once per week. *Recyclable materials* shall be in *recycle bins* placed at curbside
6 prior to collection.";

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9 (6) The third paragraph of Section II (B) is hereby amended to read as follows:

10 "Curbside refers to that portion of the roadway adjacent to paved or traveled City
11 roads, including alleys, where mail service is provided. *Carts, recycle bins, green waste*
12 *and bulky waste* shall be placed as close to the roadway as practicable without interfering
13 with or endangering the movement of vehicles or pedestrians. When construction work is
14 being performed in the right-of-way, *carts, recycle bins, green waste and bulky waste* shall
15 be placed as close as practicable to an access point for the *collection* vehicle. Contractor
16 may decline to collect any *carts, recycle bins, green waste and bulky waste* not so placed.
17 Contractor shall replace *carts and recycle bins* curbside but in no event shall the carts or
18 bins be replaced so as to impede any vehicular or pedestrian traffic.";

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22 (7) The following shall be added to the first sentence of Section II(C)(5): "[one (1)
23 recycle collection vehicle]";

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27 (8) The language "This section left blank intentionally" contained in Section II(C)(13)
28 is hereby deleted and replaced with the following:

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31 "Recycle Bins - At the commencement of *collection of recyclable materials* the
32 Contractor shall supply *recycle bins to residential units*. Contractor shall maintain sufficient
33 inventory of *recycle bins* so as to promptly replace stolen or missing bins or additional bins.
34 Contractor shall be obligated to replace no more than one bin *per residential unit* at no cost
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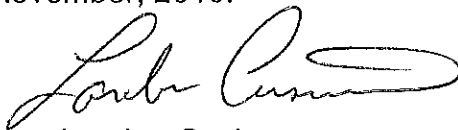
4 to *Producer*. However, replacement of stolen or missing bins is not required unless the
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6 *Producer* presents a police report for stolen or missing property with respect to the bin to
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8 be replaced. The *recycle bins* shall remain the property of Contractor and may be retrieved
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10 by Contractor at the termination or expiration of this Contract. *Producers* shall reimburse
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12 Contractor in the amount of \$15.00 per *recycle bin* which is missing or lost from the
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14 residential, or damaged beyond practical use, or for each additional *recycle bin*.”;

14 (9) Section III (L)(1) is hereby amended to read as follows:

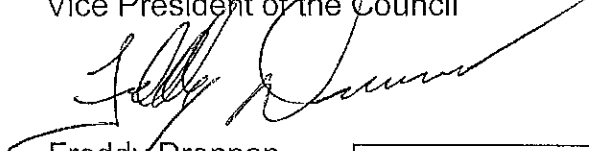
15 “1. For providing twice per week *collection* of an unlimited amount of *residential*
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17 *solid waste* and once per week collection of *green waste* and *bulky waste* the rate shall be
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19 \$15.38 per *residential unit*. For providing once per week *collection* of an unlimited amount
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21 of *recyclable materials* the rate shall be \$2.78 per *residential unit*. The City shall remit its
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23 payment to Contractor by the 25th of each month.”


24 WHEREAS, this ordinance shall become effective January 1, 2011.

25 **ADOPTED** this 16th day of November, 2010.

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29 Landon Cusimano
30 Councilman-at-Large
31 Vice President of the Council

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35 Freddy Drennan
36 Mayor

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37 Thomas P. Reeves
38 Council Administrator
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DELIVERED	10:30 a.m.
11/18/10	to the Mayor
RECEIVED	12:00 p.m.
11/19/10	from the Mayor

CONTRACT

This Contract, made and executed in duplicate originals, on this 16th day of December, 2003, by and between The City of Slidell, State of Louisiana, represented herein by Ben O. Morris, its duly authorized Mayor, (hereinafter called the "City"), and Coastal Waste Services, Inc., being represented herein by Chris Jean, President, its duly authorized representative, (hereinafter called "Contractor").

WITNESSETH, that in consideration of the covenants and agreements herein; to be performed by the parties hereto and of the payments hereinafter agreed to be made, it is mutually agreed as follows:

I. Definitions

Agricultural Solid Waste: All organic waste products that are generated from farm production operations of field crops, orchards and animals.

Bag: Plastic sack designed to store Garbage and/or Green waste with sufficient wall strength to maintain physical integrity when lifted by the top. Total weight of a bag and its contents shall not exceed 35 pounds.

Bulky Waste: Solid waste consisting of white goods (appliances such as refrigerators, freezers, washing machines and clothes dryers, and water tanks) which have been properly certified as having CFCs or other refrigerants removed, furniture, construction debris that is generated as a result of work performed by a Producer and not by a contractor, and other like waste other than Agricultural Solid Waste, Dead Animals, or Stable Matter, with weights or volumes greater than those allowed for carts, bags or containers.

Cart: A receptacle with a capacity of at least 64 gallons but not more than 96 gallons constructed of plastic or fiberglass designed for mechanical dumping, either semi-automated or automated. The cart shall be equipped with wheels and handles, for ease of movement and with a tight fitting lid capable of preventing the entrance of water or vectors. The mouth of the cart shall have a diameter greater than the base.

City: The City of Slidell, Louisiana

Collection: The act of removing Solid Waste from the storage point at the source of generation.

Collection Routes: Areas of collection within the City. Each collection route has a specified day of the week upon which the Contractor is allowed material pick-up within the boundaries of the route.

Collection Service: A public or private operation engaged in the collection and transportation of Solid Waste.

Commercial Solid Waste: All Garbage, Bulky Waste and Green Waste generated by a Producer at a Commercial Unit.

Commercial Unit: Small business premises, locations or entities, public or private, requiring Solid Waste collection and that typically generate solid waste in an amount similar to a Residential Unit but which are not a Residential Unit.

Container: A receptacle with a capacity of greater than ten (10) gallons but no more than thirty-five (35) gallons constructed of plastic, metal or fiberglass, having handles of adequate strength for lifting, and having a tight fitting lid capable of preventing entrance into the container by vectors. The mouth of the container shall have a diameter greater than or equal to the base. The weight of a container and its contents shall not exceed sixty (60) pounds.

Dead Animals: Animals or portions thereof having expired from any cause, except those slaughtered or killed for human use.

Disposal: The orderly process of discarding useless or unwanted material in a beneficial or non-beneficial manner.

Disposal Facility or Facilities: The physical components of the disposal system, such as transfer conveyances, transfer stations, processing plants and landfills.

Force majeure: Is an event which arises from causes solely beyond the control of the Contractor that delays or prevents the performance of any obligation under this contract despite Contractor's best efforts to fulfill the obligation. Force majeure does not include financial inability to perform obligation or the increase in the cost required to perform the obligation.

Garbage: Solid waste excluding Green Waste, Dead Animals, Agricultural Solid Waste, Stable Matter, Construction Debris and Bulky Waste.

Generation: The act or process of producing Solid Waste.

Green Waste: Grass, leaves, flowers, stalks, stems, Christmas trees and tree trimmings that are generated by a Producer and not by a Contractor. Tree trunks and limbs shall not exceed 50 lbs. in weight or 12" in diameter. Trees, limbs, branches, etc. need not be bundled or tied.

Missed Collection: A missed collection is defined as the failure of the Contractor to provide collection service to a residential unit within the route as specified in this Contract.

Multi-Family: The term multi-family shall refer to all residential dwelling units of more than one (1) unit, considered to be condominiums, apartment houses, grouped housing.

Non-Completion of Route: Non-completion of route is defined as the non-provision of collection service to a block or blocks within the collection route during the hours of collection upon the day scheduled for route collection.

Producer: An occupant of a residential unit who generates solid waste.

Recycle Bin: A receptacle with a capacity of greater than 15 gallons but less than 20 gallons constructed of plastic, designed for the purpose of holding co-mingled recyclable materials.

Recyclable Materials: Means aluminum cans, newsprint, plastics, tin cans, mixed paper and other materials mutually agreed to by Contractor and City and placed in *Recycle Bins* by *Producers*.

Residential Solid Waste: All garbage, bulky waste and green waste generated by a producer at a residential unit.

Residential Unit: A dwelling within the City occupied by a person or a group of persons. A residential unit shall be deemed occupied when either water or domestic light and power services are being supplied thereto. A condominium dwelling whether of single or multi-level construction, or separate single-family dwelling units, including mobile homes, shall be treated as a residential unit, except that each single-family dwelling within any such residential unit shall be billed separately as a residential unit; however, if Contractor contracts directly with a person or entity who owns or manages a condominium complex, apartment complex, mobile home park or other site of multi-family habitation, Contractor shall not thereafter be entitled to collect the contract rate for the individual residential units thereon and shall not bill therefor. Those units which are occupied, but do not have utility service shall be eligible for collection service and the Contractor shall be entitled to compensation.

Solid Waste: Useless, unwanted or discarded materials with insufficient liquid content to be free flowing, that results from domestic, agricultural, governmental and community operations, which require proper storage, collection, transportation and disposal to prevent environmental pollution inimical to public health, safety and welfare, which may be lawfully disposed of at non-hazardous solid waste landfills permitted by State and/or Federal laws and regulations. Solid waste does not include sewage, earth or material used to fill land in accordance with construction codes, mining residues, slag, dissolved or suspended solids in

industrial waste water effluents which are not for acceptable disposal in sanitary sewage treatment system or any material which may not be lawfully disposed of as collected in a non-hazardous solid waste landfill permitted by State and/or Federal laws.

Stable Matter: The body waste of animals, cleanings, and waste food stuffs from all pens used for caging or penning of animals.

Transportation: The movement of solid waste to a storage or disposal facility.

White Goods: Appliances (such as refrigerators, freezers, washing machines and clothes dryers, and water tanks) which have been properly certified as having CFCs or other refrigerants removed.

II. Solid Waste Collection and Disposal

A. Scope:

The services covered by this Contract are for the *collection, transportation and disposal of residential solid waste, including green waste, and separated recyclable materials* from *residential units*, in the corporate limits of the *City*, in the quantities and at the frequencies specified in Subsection B., "Type of Collection", herein. The Contractor may offer additional *commercial services to commercial units* in the corporate limits at reasonable rates.

All *residential solid waste* collected by the Contractor shall be transported *for disposal* to a proper disposal landfill. The charge for *disposal* shall be included in the rate set forth in Section E. for each *residential unit* collected by Contractor. Contractor shall bear all *disposal costs*. All *recyclable materials* collected by the Contractor shall be transported to Contractor's recycling facility.

The work done under this Contract shall consist of all of the supervision, materials, equipment, labor and all items necessary to complete said work in accordance with this Contract. Contractor shall collect all residential solid waste placed at the curbside.

B. Type of Collection:

Contractor shall provide semi-automatic curbside collection of an unlimited amount of residential solid waste twice per week. All residential solid waste and carts shall be placed at curbside prior to collection.

Contractor shall provide curbside collection of an unlimited amount of recyclable materials once per week. Recyclable materials shall be in recycle bins placed at curbside prior to collection.

Contractor shall provide curbside collection of an unlimited amount of bulky waste once per week. Bulky waste shall be placed at curbside prior to collection.

Curbside refers to that portion of the roadway adjacent to paved or traveled City roads (including alleys), where mail service is provided. *Carts, recycle bins, green waste and bulky waste* shall be placed as close to the roadway as practicable without interfering with or endangering the movement of vehicles or pedestrians. When construction work is being performed in the right-of-way, *carts, recycle bins, green waste and bulky waste* shall be placed as close as practicable to an access point for the *collection* vehicle. Contractor may decline to collect any *carts, recycle bins, green waste and bulky waste* not so placed. Contractor shall replace carts and bins curbside but in no event shall the carts or bins be replaced so as to impede any vehicular or pedestrian traffic.

Contractor will not be required to pick up waste if a road becomes impassable and prohibits access to a *residential unit* from any direction on a roadway. Contractor, however, will be required to notify the *City* of this occurrence and will be required to pick up waste at the nearest public roadway or at a point of closure.

C. Operation:

1. Hours of Operation - *Collection of solid waste from residential units* shall not start before 6:00 o'clock a.m. or continue after 8:00 o'clock p.m. on the same day. Exceptions to hours shall be effected only upon the mutual agreement of the *City* and Contractor, or when Contractor reasonably determines that an exception is necessary in order to complete *collection* due to unusual circumstances. Such approval shall not be unreasonably withheld.
2. Routes of Collection - *Collection routes for residential units* shall be established by the Contractor and approved by the *City*. Such approval shall not unreasonably be withheld. Contractor may from time to time propose changes in routes or days of collection affecting *residential units* to the *City* for approval, which approval shall not be unreasonably withheld. Contractor, at its expense, shall annually publish and deliver to the *City* a map designating the collection routes.
3. Holidays - Contractor may observe the following legal holidays: New Years Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day. Contractor is permitted to observe the listed holidays as non-collection days. In the event a holiday falls on a

scheduled collection day, Contractor shall service residential units within twenty-four (24) hours of such holiday.

4. Complaints - All complaints shall be made directly to Contractor and shall be given prompt and courteous attention.
5. Collection Equipment - Contractor shall service this contract with a minimum of four (4) 2003 model automated trucks, one (1) 2003 model Heil Recycler and one (1) 2003 dump truck. Each vehicle shall have clearly visible on each side, the identity and telephone number of Contractor.
6. Office - Throughout the term of the contract, the Contractor shall maintain an office and an authorized managing agent, in St. Tammany Parish, through which Contractor can be contacted. The office shall be equipped with sufficient telephones, a local phone number, and shall have a responsible person in charge from 7:00 o'clock a.m. to 5:00 o'clock p.m. on regular work days. It shall have sufficient staff to receive citizen complaints. Contractor shall maintain an answering service 24 hours a day as well as a manager on call after hours of operation.
7. Transportation - All *solid waste* transported by the Contractor shall be so contained, tied, or enclosed such that leaking, spilling or blowing are prevented.
8. Notification - The Contractor shall notify *producers* about complaint procedures, rates, regulations, and day(s) for scheduled *solid waste collection*.
9. Point of Contact - All dealings, contacts, etc., between Contractor and the City shall be directed by the City to and by the Contractor to the Office of the Chief of Staff.
10. Litter or Spillage - Contractor shall not litter premises in the process of making *collections*, but Contractor shall not be required to collect any waste material that has not been placed in *carts* or in the manner herein provided. During hauling, all *solid waste* shall be contained, tied or enclosed so that leaking, spillage or blowing are prevented. In the event of spillage by Contractor, the Contractor shall be required to clean up the litter.
11. Number of Residential Unit(s) - For the 13-month period ending June 30, 2005, the number of residential units encompassed within this contract is 9147 or as determined by Contractor's initial cart count. Thereafter, the contractor may seek an adjustment of the number of residential units on an annual basis. Contractor shall give the City reasonable advance notice of the count and the City shall accompany Contractor during the count. Should the City decline to participate in the count, the number of *residential units* calculated by Contractor pursuant to the count shall establish the number of *residential units* encompassed within the Contract; however,

Contractor's record of count shall be subject to inspection and review by *City*. Should the *City* elect to participate in the count and the *City* agrees with the number of *residential units* calculated by Contractor pursuant to the count, the number of *residential units* calculated by Contractor shall establish the number of *residential units* encompassed within the Contract. Should the *City* elect to participate in the count and the *City* disagrees with the number of *residential units* calculated by Contractor, then the matter shall be subject to mediation. Expenses of mediation shall be paid by the non-prevailing party or shall be shared, if neither party prevails. Pending the outcome of the mediation, the number of *residential units* calculated by the *City* shall be utilized.

12. Carts - Contractor shall supply new *carts* to all residential units at the commencement of *collection services*. Contractor shall maintain sufficient inventory of carts so as to promptly replace stolen or missing carts or additional carts. Contractor shall be obligated to replace no more than one cart per residential unit at no cost to Producer; provided, however, that a replacement for stolen or missing carts is not required unless the Producer presents a police report for stolen property with respect to the cart to be replaced. The *carts* shall remain the property of Contractor and may be retrieved by Contractor at the termination or expiration of the contract. *Producers* shall reimburse Contractor in the amount of \$50.00 per *cart* for any *cart* which is missing or lost from the service unit, or damaged beyond practical use, or for each additional *cart*. During the term of the contract, Contractor shall maintain the axles, wheels, and hubs on all *carts*.
13. Recycle Bins - At the commencement of *collection services*, Contractor shall supply *recycle bins* to *residential units*. Contractor shall maintain sufficient inventory of bins so as to promptly replace stolen or missing bins or additional bins. Contractor shall be obligated to replace no more than one bin per residential unit at no cost to Producer; provided, however, that a replacement for stolen or missing bins is not required unless the *Producer* presents a police report for stolen property with respect to the bin to be replaced. The *recycle bins* shall remain the property of Contractor and may be retrieved by Contractor at the termination or expiration of the contract. *Producers* shall reimburse Contractor in the amount of \$15.00 per *recycle bin* which is missing or lost from the *residential unit*, or damaged beyond practical use, or for each additional *recycle bin*.
14. Missed Collections - Missed collections shall be collected within twelve (12) hours of notification to Contractor.

III. General Conditions

A. Authorization

Contractor represents and warrants to the *City* that Chris Jean is duly authorized on behalf of Contractor to execute this Contract. *City* represents and warrants to the Contractor that Ben O. Morris has full power and authority to execute and deliver this Contract for and on behalf of *City* and no other proceedings on the part of the *City* are necessary to authorize this Contract.

B. Compliance with laws

Contractor shall conduct operations under this Contract in compliance with all applicable laws.

C. Compliance with OSHA

Contractor shall comply with all applicable Federal Occupational Safety and Health Administration (OSHA) standards, rules, and regulations.

D. Civil Rights and Discrimination

Contractor shall adhere in hiring and employment practices to the provisions of all applicable federal, state, and local laws which relate to civil rights and discrimination.

E. Effective date

~~This Contract shall be effective upon execution.~~ Performance of Contract shall commence on the 1st day of May, 2004, unless extended by the *City*.

F. Nondiscrimination

Contractor shall not discriminate against any person because of race, sex, creed, color, religion or national origin. This nondiscrimination clause shall be included in any sub-contracts associated with the performance of this agreement.

G. Indemnity

Contractor will indemnify, save harmless, and exempt the *City*, its officers, agents, servants and employees from and against any and all liability, suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorneys' fees arising out of or in any way concerning or incident to any work done in the performance of this Contract or arising out of a willful or negligent act or omission of Contractor, its officers, agents,

servants and employees; provided, however, that Contractor shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses and attorneys' fees arising out of a willful or negligent act or omission of the *City*, its officers, agents, servants and employees.

H. Licenses and taxes

Contractor shall obtain all licenses and permits necessary for the performance of this Contract.

I. Term of the Contract

The Contract shall be for a five (5) year, two (2) month period beginning on May 1, 2004 and ending at 12:00 o'clock p.m. on June 30, 2009. The initial term of this Contract shall be extended for a five (5) year term, unless either party notifies the other party in writing, not less than ninety (90) days prior to the expiration of the initial term, of its intention to terminate this Contract. Any such written notice shall be served by certified or registered mail, return receipt requested.

J. Insurance

The Contractor shall at all times during the Contract maintain in full force and effect, Workmen's Compensation, Employer's Liability, Public Liability and Property Damage Insurance, including contractual liability coverage. All insurance shall be by insurers and for policy limits acceptable to the *City* before commencement of work hereunder, and the Contractor agrees to furnish the *City* Certificates of Insurance or other evidence satisfactory to the *City* to the effect that such insurance has been procured and is in force. Such certificates shall provide that written notice shall be given to the *City* at least thirty (30) days prior to cancellation or modification of any such policy. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the *City*.

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

<u>Coverages</u>	<u>Limits of Liability</u>
Workmen's Compensation	Statutory or \$1,000,000 per occurrence, whichever is greater
Employer's Liability	\$ 1,000,000

Bodily Injury Liability	\$1,000,000 each occurrence
Except Automobile	\$1,000,000 aggregate
Property Damage Liability	\$1,000,000 each occurrence
Except Automobile	\$1,000,000 aggregate
Automobile Bodily Injury Liability	\$1,000,000 each person \$1,000,000 each occurrence
Automobile Property Damage Liability	\$ 500,000 each occurrence
Excess Umbrella Liability	\$5,000,000 each occurrence

K. Security for Performance

Contractor shall be required to furnish and at all times during the contract maintain in full force and effect, one of the following instruments, as security for the performance of this Contract: a corporate surety bond, letter of credit or corporate guaranty.

1. If a corporate surety bond is furnished, it shall be furnished as security for the performance of the covenants and conditions contained in this Contract, for each year of this Contract. The said surety bond shall be in the amount equal to six (6) months of the Contract and renewed annually for the duration of the Contract. Premiums for the said bond shall be paid by Contractor and evidence of the payment of said premiums shall be furnished, from time to time, by Contractor to the *City* upon its request. The surety on the bond shall be a duly authorized corporate surety company authorized to do business in the State of Louisiana and the attorneys in fact who sign the said surety bond must file with the bond a certified and effectively dated copy of their Power of Attorney.

2. If a letter of credit is furnished, it shall be issued by a bank chartered in the United States of America.

3. If a corporate guaranty is furnished, it must guarantee to the *City* that in the event Contractor fails to perform in accordance with the Contract, the guarantor shall do so.

L. Rates

1. For providing twice per week collection of an unlimited amount of residential solid waste and once per week collection of green waste, bulky waste and recyclable materials, the rate shall be \$13.14 per residential unit. The *City* shall remit its payment to the Contractor by the 25th of each month.

2. For clean-up for special occasions or natural disasters, Contractor and the *City* may negotiate a fee which shall not be more than nine dollars and 75/100 cents (\$9.75) per cubic yard.

M. Basis and Method of Payment

1. Solid Waste Collection and Disposal Rates

For *collection, transportation, and disposal* required to be performed pursuant to this Contract, the charges shall be as specified in L.(1) and adjusted in accordance with this Section or other Sections of this Contract.

2. Modification to Rates

The fees for compensation payable to the contractor for the fiscal year beginning July 1, 2005, shall be adjusted to reflect changes in the cost of doing business, as measured by the Consumer Price Index, All Urban Consumers, (CPI) published by the Department of Labor, Bureau of Labor Statistics. At the start of the fiscal year, beginning July 1, 2005 and every fiscal year thereafter the fees of compensation shall be adjusted by a percentage amount equal to the percentage change in the CPI for the previous calendar year or five (5%) whichever is less.

3. Contractor Billings to Owner

The Contractor shall bill the *City* for service rendered within ten (10) days following the end of the month and the *City* shall pay the Contractor on or before the end of such month. Such billing and payment shall be based on the price rates and schedules set forth in this Contract. The Contractor shall verify the number of units serviced in a manner acceptable to the *City*. In the event the *City* fails to remit its payment to the Contractor by the 25th of the month, a 2% penalty shall apply.

4. Audit

The *City* may request and be provided with an audit of actual expense to validate any request for increase in rates that in the *City's* opinion, appears to be unusual or not supportive by the data provided in Section III.M.2. Such audits shall be furnished to the *City* prior to any additional payment made by the *City* as requested by the Contractor. The *City* must request the audit within thirty (30) days of notification of an increase in rates.

N. **Transferability of Contract**

No assignment of this Contract or any right occurring under this shall be made in whole or in part by the Contractor, either voluntarily or involuntarily or by any process of law and shall not be or come under the control of creditors or trustee(s) of Contractor, except to an entity affiliated with Contractor without the express prior written consent of the *City*, which consent shall not be unreasonably withheld. An entity affiliated with Contractor shall include an entity owning an interest in Contractor or an entity in which Contractor owns an interest. In the event of any assignment, the assignee shall assume the liability of the Contractor.

O. **Non-Exclusive Contract**

The Contractor shall be the sole and exclusive agent to provide residential solid waste *collection* and *disposal* and recycling services as set forth herein for and on behalf of the *City*. This agreement shall not constitute a franchise or exclusive right to collect from commercial units within the *City*.

~~P. **Ownership**~~

Title to solid waste shall pass to the Contractor when placed in Contractor's vehicle.

Q. **Discontinued service and other breaches of the contract**

1. All terms, conditions, and specifications of the contract are considered material and failure to perform any part of the contract shall be considered a breach of contract. Should Contractor fail to perform any of its contractual obligations required by this agreement due to causes other than *Force Majeure* for a period of five consecutive calendar days, the *City* may at its option, terminate the contract by written notification to the Contractor or take the following actions in which Contractor agrees to cooperate:
 - a. Take possession of all the Contractor's equipment and facilities used in performance of this contract.

- b. Employ such means as it may deem advisable and appropriate to continue work until such matter is resolved and the Contractor is again able to carry out its operations under this contract.
 - c. Deduct any and all operating expenses incurred by the *City* from any money then due or to become due the Contractor and, should the *City's* cost for continuing the operation exceed the amount due the Contractor, collect the amount due, either from the Contractor or surety or both and also to assert a lien on all properties of the Contractor.
 - d. During such period, the liability of the *City* to the Contractor for loss or damage to equipment and facilities so used shall be that of a bailee for hire, ordinary wear and tear being specifically exempt from such liability.
 - e. If the Contractor is unable, for any cause, to resume performance at the end of 30 days, all liability of the *City* to the Contractor under this agreement shall cease and the Owner shall be free to negotiate with other Contractors for the operation of said *solid waste* service and/or take the actions provided below for bankruptcy, default, breach of contract. Such actions shall not release the Contractor herein of its liability to the *City* for such breach of agreement.
2. In the event of termination of the contract for breach, default or bankruptcy as specified above, the *City*, in addition to the rights afforded it in law and equity, shall have the right to forthwith take possession of all of the Contractor's equipment, facilities, and records used in performance of this contract as follows:
- a. The *City* shall have the right to retain possession of said equipment, facilities, and records until other such items can be acquired by the *City* for operation of the system or another Contractor is engaged to perform the service.
 - b. The *City* shall have the right at its option to purchase Contractor's equipment and facilities at the depreciated fair market value thereof.
 - c. The *City* shall pay Contractor the reasonable rental value of such equipment and facilities during the time same are used by the *City* should it elect not to purchase. Liability of the *City* to the Contractor during this period shall be that of a bailee for hire, ordinary wear and tear specifically exempt from such liability.

3. In the event the Contractor shall be adjudged bankrupt, either by voluntary or involuntary proceedings, then this Contract shall immediately terminate and in no event shall this Contract be, or be treated as, an asset of Contractor after adjudication of bankruptcy. If Contractor shall be proven insolvent, or fail in business, this contract may be terminated at the option of the *City*.
4. Should it become necessary for the *City* to employ an attorney to enforce the provisions of this section, the Contractor shall be responsible for the payment of reasonable attorney fees.

R. Contractor's Liability

Contractor shall pay all just claims due for the payment of all employees and mechanics for labor that shall be performed, for the payment of all material and equipment furnished, and for the payment of all material and equipment rental which is actually used in the performance of the Contract.

The Contractor shall upon request, submit evidence satisfactory to the *City* that all payrolls, equipment, or material bills and other indebtedness pertaining to the performance hereof have been paid.

S. Termination of Contract

In the event of a *Force Majeure* that it shall become impossible or unlawful for the Contractor to continue the performance of this Contract or by reason of a final order by a court of record in proceedings not instituted by or acquiesced in by the negligence upon the Contractor, ~~the Contractor~~ shall not be liable for damages arising solely out of such impossibility. The Contract shall be terminated and the Contractor shall recover from the *City* payment for all services rendered prior to the date of termination of the Contract.

T. Liquidated Damages

As a breach of the service provided by this contract would cause serious and substantial damage to the *City* and its occupants, and the nature of this Contract would render it impracticable or extremely difficult to fix the actual damage sustained by the *City* by such breach, it is agreed that in case of breach of service, the *City* may elect to collect liquidated damages as specified below and not as a penalty, the amounts set forth below, such sums being agreed as the amount which the *City* will be damaged by the breach of such service.

An election to seek such remedies shall not be construed as a waiver of any legal remedies the *City* may have as to any subsequent breach of service under this Contract.

A truck beginning residential collections prior to 6:00 a.m. unless subject to applicable exception:

\$300 per day per truck

Failure to collect *missed collections*:

\$300 each

Repetition of complaints on a route after notification of spilling, non-collection, crossing planted areas, or similar violations:

\$300.00 each

Liquidated damages may be adjusted upward or downward at the time and at the same rate as the *collection* fees are adjusted.

Any breach of service entitling the *City* to collect liquidated damages as set forth in this paragraph shall be verified by a representative of the *City*.

U. Annexation

Should an area be annexed by the *City*, the Contractor shall adjust service to the area upon receiving proper notification from the *City*. The monthly rate paid to the Contractor will be pro-rated based on the amount of service provided to the area annexed.

V. Handicap service

Contractor shall provide front door service for the elderly and physically impaired. Contractor shall identify such customers by placing a handicap sticker on the cart and/or recycle bin and/or mailbox. Contractor shall provide personnel to the front door of such customers to retrieve the cart and/or recycle bin, service and return same to the front door.

W. Contractor shall provide collection services at no charge to the *City* at the following locations:

1. City Auditorium
2. City Hall
3. City Court
4. Police Station

5. Recreation Hall #1
6. Rufus Viner Center
7. Airport Office Building
8. Animal Control Building
9. Treatment Plant
10. Both City Barn Locations
11. John Slidell Park
12. Fritchie Park
13. Heritage Park
14. Cultural Arts Building
15. City Museum
16. Possum Hollow Park
17. Clifton Ducksworth Park
- ~~18. Civil Service~~
19. Old Health Unit
20. All City Parks
21. All City Museums

The City shall specify the level and frequency of service to these locations. The City may specify additional locations to be serviced free of charge by the Contractor.

X. Public Communication

Contractor shall furnish to residential units and the City information regarding pick-up times, collection days, holidays, CFC evacuation, cart/bin replacement, collection routes.

IN WITNESS WHEREOF, Ben O. Morris, Mayor of Slidell, has hereunto subscribed his name, for the City of Slidell, Louisiana, as its duly authorized representative, and Chris Jean, President, as the duly authorized representative of Coastal Waste Services, Inc., Contractor, has also hereunto subscribed his name on the days and dates set forth after their various signatures.

WITNESSES:

Christ Burkhalter
Clara Stauder
L. Linda Cupman
Kim L. Byrte

CONTRACTOR:

COASTAL WASTE SERVICES, INC.

By: Chris Jean
CHRIS JEAN
Its: President

On: 13 January, 2004

WITNESSES:

Raymond M. Crook
Kim B. Halson
Greg Williams
D. J. [Signature]

CITY OF SLIDELL

By: Ben O. Morris
BEN O. MORRIS
Its: Mayor

On: 13 January, 2004

