



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

17

2. Council Meeting Date:

July 10, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: June 24, 2014

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Agreement No. SW4-910-3378 with Allied Waste Transportation, Inc., dba Republic Services of Phoenix, for City Facilities Refuse Collection.

6. RECOMMENDATION: Staff recommends City Council award of Agreement No. SW4-910-3378, to Allied Waste Transportation, Inc., dba Republic Services of Phoenix, for City Facilities Refuse Collection, for a two-year term, in a total amount not to exceed \$165,459.60.

7. HISTORICAL BACKGROUND/DISCUSSION: The City provides refuse collection services to all City of Chandler facilities. Facilities serviced include, but are not limited to, City parks and City office buildings. In an effort to reduce the cost associated with refuse collection, Solid Waste Services Staff converted many City facilities to a less expensive contract that provides for side load collection of three hundred gallon refuse containers.

Due to concerns for volume of waste generated, space restraints with revetments and/or parking, and access to containers for collection, the option of converting to three hundred gallon container collection at some facilities is not viable. City facilities not serviced with three hundred gallon container collection require front load collection of two, three, four, and six cubic yard containers that are serviced under this agreement.

8. EVALUATION PROCESS: In May 2014, Staff issued Invitation For Bid (IFB) SW4-910-3378 for City Facilities Refuse Collection. The IFB was advertised, and all registered bidders were notified. The City received two responses that are summarized on the attached spreadsheet. Staff recommends award to Allied Waste Transportation, Inc., dba Republic Services of Phoenix, who submitted the lowest responsive and responsible bid.

The recommended agreement is for a two-year term, with provisions to extend for two (2) additional two-year terms. The first term will be August 1, 2014, through July 31, 2016.

9. FINANCIAL IMPLICATIONS:

Cost: \$165,459.60
Savings: N/A
Long Term Cost: N/A

Fund Source:

Account Name	Fund Name	Program Name	CIP Funded	Funds
625.3700.0000.5219	Solid Waste Operating	Other Prof/Contract Svcs	Non-CIP	\$165,459.60

10. PROPOSED MOTION: Move City Council approve award of Agreement No. SW4-910-3378, to Allied Waste Transportation, Inc., dba Republic Services of Phoenix, for City Facilities Refuse Collection, for a two-year term, in a total amount not to exceed \$165,459.60.

ATTACHMENTS: Bid Tabulation, Agreement

APPROVALS

11. Requesting Department

Sheree Sepulveda, Solid Waste Manager

12. Department Head

Dave Siegel, Municipal Utilities Director

13. Procurement Officer

Mike Mandt, CPPB

14. City Manager

Rich Dlugas

			Estimated Quantity	Republic Services			Waste Management		
				Monthly Rate	Extended Monthly Rate	Annual Cost	Monthly Rate	Extended Monthly Rate	Annual Cost
1	3 Cubic Yard	2 per week	25	\$ 51.18	\$ 1,279.50	\$ 15,354.00	\$ 91.72	\$ 2,293.00	\$ 27,516.00
2	3 Cubic Yard	3 per week	4	\$ 76.77	\$ 307.08	\$ 3,684.96	\$ 138.17	\$ 552.68	\$ 6,632.16
3	3 Cubic Yard	4 per week	1	\$ 102.36	\$ 102.36	\$ 1,228.32	\$ 165.10	\$ 165.10	\$ 1,981.20
4	3 Cubic Yard	5 per week	1	\$ 127.95	\$ 127.95	\$ 1,535.40	\$ 194.94	\$ 194.94	\$ 2,339.28
5	4 Cubic Yard	2 per week	2	\$ 68.24	\$ 136.48	\$ 1,637.76	\$ 94.31	\$ 188.62	\$ 2,263.44
6	4 Cubic Yard	3 per week	2	\$ 102.36	\$ 204.72	\$ 2,456.64	\$ 141.47	\$ 282.94	\$ 3,395.28
7	4 Cubic Yard	4 per week	2	\$ 136.48	\$ 272.96	\$ 3,275.52	\$ 169.76	\$ 339.52	\$ 4,074.24
8	4 Cubic Yard	5 per week	2	\$ 170.60	\$ 341.20	\$ 4,094.40	\$ 200.42	\$ 400.84	\$ 4,810.08
9	6 Cubic Yard	2 per week	19	\$ 102.36	\$ 1,944.84	\$ 23,338.08	\$ 119.02	\$ 2,261.38	\$ 27,136.56
10	6 Cubic Yard	3 per week	11	\$ 153.54	\$ 1,688.94	\$ 20,267.28	\$ 176.40	\$ 1,940.40	\$ 23,284.80
11	6 Cubic Yard	4 per week	1	\$ 204.72	\$ 204.72	\$ 2,456.64	\$ 211.68	\$ 211.68	\$ 2,540.16
12	6 Cubic Yard	5 per week	1	\$ 255.90	\$ 255.90	\$ 3,070.80	\$ 249.90	\$ 249.90	\$ 2,998.80
			Estimated Quantity	Rate Per Collection			Rate Per Collection		
13	3 Cubic yard	Unscheduled	2	\$ 55.00		\$ 110.00	\$ 28.84		\$ 57.68
14	4 Cubic Yard	Unscheduled	2	\$ 55.00		\$ 110.00	\$ 31.97		\$ 63.94
15	6 Cubic Yard	Unscheduled	2	\$ 55.00		\$ 110.00	\$ 35.65		\$ 71.30
Grand Total (Annual Cost)						\$ 82,729.80			\$ 109,164.92
Cost for Two Year Contract Term						\$ 165,459.60			\$ 218,329.84

**CITY OF CHANDLER SERVICES AGREEMENT
CITY FACILITIES REFUSE COLLECTION
AGREEMENT NO.:SW4-910-3378**

THIS AGREEMENT is made and entered into this ____ day of _____, 2014, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and Allied Waste Transportation, Inc. dba Republic Services of phoenix a Delaware Corporation, hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR represents that CONTRACTOR has the expertise and is qualified to perform the services described in the Agreement.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATOR:

1.1. Contract Administrator. CONTRACTOR shall act under the authority and approval of the Solid Waste Superintendent/designee (Contract Administrator), to provide the services required by this Agreement.

1.2. Key Staff. This Contract has been awarded to CONTRACTOR based partially on the key personnel proposed to perform the services required herein. CONTRACTOR shall not change nor substitute any of these key staff for work on this Contract without prior written approval by CITY.

1.3. Subcontractors. During the performance of the Agreement, CONTRACTOR may engage such additional SUBCONTRACTORS as may be required for the timely completion of this Agreement. In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Agreement rests with CONTRACTOR.

1.4. Subcontracts. CONTRACTOR shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of CITY. The subcontract shall incorporate by reference the terms and conditions of this Contract.

2. SCOPE OF WORK: CONTRACTOR shall provide collection of refuse at City owned facilities all as more specifically set forth in the Scope of Work, labeled Exhibit B, attached hereto and made a part hereof by reference and as set forth in the Specifications and details included therein.

2.1. Non-Discrimination. The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.

2.2. Licenses. CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by the CONTRACTOR as applicable to this contract.

2.3. Advertising, Publishing and Promotion of Contract. The CONTRACTOR shall not use, advertise or promote information for benefit concerning this Contract without the prior written approval of the CITY.

2.4. Compliance With Applicable Laws. CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable licenses and permit requirements.

2.4.1 Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

- 2.4.2** A breach of the Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
- 2.4.3** The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
- 2.4.4** The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.
- 2.4.5** The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
- 2.4.6** In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the Offeror does not have scrutinized business operations in Iran.
- 2.4.7** In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the Offeror does not have scrutinized business operations in Sudan.
- 3. ACCEPTANCE AND DOCUMENTATION:** Each task shall be reviewed and approved by the Contract Administrator to determine acceptable completion.
- 3.1. Records.** The CONTRACTOR shall retain and shall contractually require each SUBCONTRACTOR to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
- 3.2. Audit.** At any time during the term of this Contract and five (5) years thereafter, the CONTRACTOR'S or any SUBCONTRACTOR'S books and records shall be subject to audit by the City to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, the CONTRACTOR shall produce a legible copy of any or all such records.
- 3.3.** CONTRACTOR shall not use or release these materials without the prior written consent of CITY.
- 4. PRICE:**
- 4.1.** CITY shall pay to CONTRACTOR an amount not to exceed one hundred sixty five thousand four hundred fifty nine dollars and 60/100 Dollars (\$165,459.60) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 4.2. Taxes.** CONTRACTOR shall be solely legally responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no legal obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR. City agrees that Contractor may bill the City for applicable privilege license taxes which are paid for by Contractor and that the City will reimburse Contractor for privilege license taxes actually paid by Contractor. If Contractor obtains any refund of privilege license taxes paid, City will be entitled to a refund of such amounts.
- 4.3.** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of the CONTRACTOR'S performance of this Agreement. The CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by the CONTRACTOR.

- 4.4. **Payment.** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or completion of specified services and receipt of a correct invoice.
- 4.5. **Estimated Quantities.** The quantities shown on Exhibit C (the Price List) and Exhibit D (Facility List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. City reserves the right to increase or decrease the quantities actually required.
- 4.6. **IRS W9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless not required by law.
- 4.7. **Price Adjustment.** All prices offered herein shall be firm against any increase for the term of the contract. Prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.
- 4.8. **Acceptance by City.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 4.9. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its services concurrent with a published price reduction made to other customers.
5. **TERM:** The term of the Contract is two (2) years, commencing on August 1, 2014 and terminating on July 31, 2016 unless sooner terminated in accordance with the provisions herein. Parties may extend the Contract for up to two (2) additional terms of two (2) years each by mutual agreement.
6. **USE OF THIS CONTRACT:** The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like services from another source to secure significant cost savings or when timely completion cannot be met by CONTRACTOR.
- 6.1. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property at least five (5) times during a month, CONTRACTOR shall submit a full set of fingerprints to the school district in accordance with A.R.S. 15-512 of each person or employee who may provide such service. The District shall conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all CONTRACTORS, sub-CONTRACTORS or vendors and their employees for which fingerprints are submitted to the District. Additionally, the CONTRACTOR shall comply with the governing body fingerprinting policies of each individual school district/public entity. CONTRACTOR, sub-contractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The CITY shall not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

6.2. Emergency Purchases: CITY reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.

7. CITY'S CONTRACTUAL REMEDIES:

7.1. Right to Assurance. If the City in good faith has reason to believe that the CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Contract Administrator may demand in writing that the CONTRACTOR give a written assurance of intent to perform. Failure by the CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at the City's option, be the basis for terminating the Contract in addition to any other rights and remedies provided by law or this Contract.

7.2. Stop Work Order. The City may, at any time, by written order to the CONTRACTOR, require the CONTRACTOR to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the City after the order is delivered to the CONTRACTOR. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the CONTRACTOR shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

7.3. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the CONTRACTOR shall resume work. The Contract Administrator shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

7.4. Non-exclusive Remedies. The rights and the remedies of the City under this Contract are not exclusive.

7.5. Nonconforming Tender. Services and materials supplied under this Contract shall fully comply with Contract requirements and specifications. Services or materials that do not fully comply constitute a breach of contract.

7.6. Right of Offset. The City shall be entitled to offset against any sums due CONTRACTOR, any expenses or costs incurred by the City, or damages assessed by the City concerning the CONTRACTOR'S non-conforming performance or failure to perform the Contract, including expenses to complete the work and other costs and damages incurred by CITY.

8. TERMINATION:

8.1. Termination for Convenience: CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

- 8.2. Termination for Cause:** City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events:
- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
 - 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
 - 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
 - 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR'S property;
 - 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
 - 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
 - 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.
- 8.3. Cancellation for Conflict of Interest.** Pursuant to A.R.S. § 38-511, CITY may cancel this Contract after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the City is or becomes at any time while this Contract or an extension of this Contract is in effect, an employee of or a consultant to any other party to this Contract. The cancellation shall be effective when the CONTRACTOR receives written notice of the cancellation unless the notice specifies a later time.
- 8.4. Gratuities.** CITY may, by written notice, terminate this Contract, in whole or in part, if CITY determines that employment or a Gratuity was offered or made by CONTRACTOR or a representative of CONTRACTOR to any officer or employee of CITY for the purpose of influencing the outcome of the procurement or securing this Contract, an amendment to this Contract, or favorable treatment concerning this Contract, including the making of any determination or decision about contract performance. The CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by CONTRACTOR.
- 8.5. Suspension or Debarment.** CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY determines that CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a SUBCONTRACTOR of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the CONTRACTOR is not currently suspended or debarred. If CONTRACTOR becomes suspended or debarred, CONTRACTOR shall immediately notify CITY.
- 8.6. Continuation of Performance Through Termination.** The CONTRACTOR shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.
- 8.7. No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- 8.8. Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
- 9. FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.

10. DISPUTE RESOLUTION:

- 10.1. Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 10.2. Jurisdiction and Venue.** The parties agree that this Agreement is made in and shall be performed in Maricopa County. Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Maricopa County in the State of Arizona, which shall have exclusive jurisdiction over such lawsuits.
- 10.3. Fees and Costs.** Except as otherwise agreed by the parties, the prevailing party in any adjudicated dispute relating to this Agreement is entitled to an award of reasonable attorney's fees, expert witness fees and costs including, as applicable, arbitrator fees; provided, however, that no award of attorney's fees shall exceed ten percent (10%) of the damages awarded the prevailing party unless the non-prevailing party has been determined to have acted in bad faith or in a frivolous manner during the adjudication.

11. INDEMNIFICATION:

- A. To the fullest extent permitted by law, CONTRACTOR, its successors, assigns and guarantors, shall defend, indemnify and hold harmless City and any of its elected or appointed officials, officers, directors, commissioners, board members, agents or employees from and against any and all allegations, demands, claims, proceedings, suits, actions, damages, including, without limitation, property damage, environmental damages, personal injury and wrongful death claims, losses, expenses (including claim adjusting and handling expenses), penalties and fines (including, but not limited to, attorney fees, court costs, and the cost of appellate proceedings), judgments or obligations, which may be imposed upon or incurred by or asserted against the City by reason of this Agreement or the services performed or permissions granted under it, or related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by CONTRACTOR, or any of its subcontractors, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, relating to the discharge of any duties or the exercise of any rights or privileges arising from or incidental to this Agreement, including but not limited to, any injury or damages claimed by any of CONTRACTOR's and subcontractor's employees.
- B. CONTRACTOR (as "Indemnitor") shall indemnify, hold harmless and, not excluding the City's right to participate, defend, the City and its officers, officials, agents and employees (as "Indemnitee") from and against any and all demands, claims, complaints, losses, damages, actions or causes of action, assessments, liabilities, costs or expenses including, without limitation, interest, penalties and reasonable attorney's fees and reasonable expenses of investigation and remedial work (including investigations and remediation by engineers, environmental consultants and similar technical personnel) asserted against or imposed upon or incurred by Indemnitee arising in connection with, or resulting from, any Environmental Law, including but not limited to, any use, generation, storage, spill, release, discharge or disposal of any hazardous substance that is now or comes to be located on, at, about or under the property or because of, or in connection with, the violation of any Environmental Law (hereinafter collectively referred to as "claims") to the extent that such claims are caused by the fault of the Indemnitor, its officers, officials, agents, employees, contractors, volunteers, tenants, subtenants, invitees or licensees. As used in this section: (a) "hazardous substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, or other petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal, state or local laws and regulations, including common law, that relate to health, safety or environmental protection; and (c) "fault" means those nonculpable acts or omissions giving rise to strict liability under any Environmental Law pertaining to hazardous substances, as well as culpable conduct (negligence or willful misconduct). In consideration of the award of this contract, the

CONTRACTOR agrees to waive all rights of subrogation against the City, its officers, officials, agents and employees for losses arising from the work performed by the CONTRACTOR for the City.

12. INSURANCE:

1. General.

- A. At the same time as execution of this Agreement, the CONTRACTOR shall furnish the City of Chandler a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY. Provided, however, the A.M. Best rating requirement shall not be deemed to apply to required Workers' Compensation coverage.
- B. The CONTRACTOR and any of its subcontractors, subconsultants or sublicensees shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.
- C. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
- D. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect CONTRACTOR from liabilities that might arise out of the performance of the Agreement services under this Agreement by CONTRACTOR, its agents, representatives, employees, subcontractors, sublicensees or subconsultants and the CONTRACTOR is free to purchase any additional insurance as may be determined necessary.
- E. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the CONTRACTOR from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.
- F. Use of SubContractors: If any work is subcontracted in any way, the CONTRACTOR shall execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the City requires of the CONTRACTOR in this Agreement. The CONTRACTOR is responsible for executing the Agreement with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.

2. Minimum Scope And Limits Of Insurance. The CONTRACTOR shall provide coverage with limits of liability not less than those stated below.

- A. *Commercial General Liability-Occurrence Form.* CONTRACTOR must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.
- B. *Automobile Liability-Any Automobile or Owned, Hired and Non-Owned Vehicles*
 - 1. *Vehicle Liability.* CONTRACTOR must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on CONTRACTOR owned, hired, and non-owned vehicles assigned to or used in the performance of the CONTRACTOR's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

2. *Pollution Automobile Liability* CONTRACTOR shall provide Automobile Liability coverage, and include the appropriate endorsement and MCS 90 to provide coverage for claims resulting in bodily injuries, property damage or cleanup costs associated with a pollution condition from transported cargo.
- C. *Workers Compensation and Employers Liability Insurance*: CONTRACTOR must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of CONTRACTOR employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than \$1,000,000 for each accident and \$1,000,000 disease for each employee.
- D. *Pollution Legal Liability Policy*.
1. CONTRACTOR shall provide Pollution Legal Liability insurance which shall include coverage for:
 - a. On and off-site cleanup of known and unknown pre-existing conditions arising from the CONTRACTOR's facility.
 - b. On and off-site cleanup of new conditions arising from the CONTRACTOR's facility.
 - c. Third-party claims for on and off-site bodily injury and property damage.
 - d. Claims resulting in bodily injury, property damage or cleanup costs associated with a pollution condition from transported cargo if the Scope of Services in the Contract requires the transportation of any hazardous materials.
 2. CONTRACTOR warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.

Minimum Limits:

Per Loss \$ 5,000,000

Products/Completed Operations Aggregate \$ 5,000,000

3. Additional Policy Provisions Required.
 - A. *Self-Insured Retentions Or Deductibles*. Any self-insured retentions and deductibles must be declared and approved by the City. If not approved, the City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.
 - B. *City as Additional Insured*. The policies are to contain, or be endorsed to contain, the following provisions:
 1. The Pollution Legal Liability, Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the CONTRACTOR including the City's general supervision of the CONTRACTOR; Products and Completed operations of the CONTRACTOR; and automobiles owned, leased, hired, or borrowed by the CONTRACTOR.
 2. The CONTRACTOR's insurance must contain broad form contractual liability coverage and must not exclude liability arising out of explosion, collapse, or underground property damage hazards ("XCU") coverage.
 3. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the CONTRACTOR even if those limits of liability are in excess of those required by this Agreement.

4. The CONTRACTOR's insurance coverage must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of the coverage provided by the CONTRACTOR and must not contribute to it.
 5. The CONTRACTOR's insurance must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 6. Coverage provided by the CONTRACTOR must not be limited to the liability assumed under the indemnification provisions of this Agreement.
 7. The policies must contain a severability of interest clause and waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the CONTRACTOR for the City.
 8. The CONTRACTOR, its successors and or assigns, are required to maintain Pollution Legal Liability, Pollution Automobile Liability and Commercial General Liability insurance as specified in this Agreement for a minimum period of 3 years following end of this Agreement. The CONTRACTOR must submit a Certificate of Insurance evidencing Pollution Legal Liability, Pollution Automobile Liability and Commercial General Liability insurance during this three (3) year period containing all the Agreement insurance requirements, including naming the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.
 9. If a Certificate of Insurance is submitted as verification of coverage, the City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the required policies expire during the life of this Agreement, the CONTRACTOR must forward renewal or replacement Certificates to the City within 10 days after the renewal date containing all the necessary insurance provisions.
13. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of the CITY
Contract Administrator:

Contact:	<u>Peggy Clemens</u>
Mailing Address:	<u>P.O. Box 4008</u>
Physical Address:	<u>955 E Queen Creek Rd</u>
City, State, Zip	<u>Chandler, AZ 85244-4008</u>
Phone:	<u>480-782-3518</u>
FAX:	<u>480-782-3520</u>

In the case of the CONTRACTOR

Firm Name:	Republic Services of Phoenix
Contact:	<u>Clark Landrum</u>
Address:	<u>4811 West Lower Buckeye Road</u>
City, State, Zip	<u>Phoenix, AZ 85043</u>
Phone:	<u>602-237-2078</u>
FAX:	<u>602-237-2641</u>
	<u>602-237-2641</u>

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. CONFLICT OF INTEREST:

- 14.1. No Kickback.** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to the CITY.
- 14.2. Kickback Termination.** CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONTRACTOR to any other party to the Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when written notice from CITY is received by all other parties, unless the notice specifies a later time (A.R.S. §38-511).
- 14.3. No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

15. GENERAL TERMS:

- 15.1. Entire Agreement.** This Agreement, including all Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives of each party.
- 15.2. Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 15.3. Assignment:** Services covered by this Agreement shall not be assigned in whole or in part without the prior written consent of the CITY.
- 15.4. Amendments.** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the City in writing or made unilaterally by the CONTRACTOR are violations of the Contract. Any such changes, including unauthorized written Contract Amendments shall be void and without effect, and the CONTRACTOR shall not be entitled to any claim under this Contract based on such changes.
- 15.5. Independent CONTRACTOR.** The CONTRACTOR under this Contract is an independent CONTRACTOR. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 15.6. No Parole Evidence.** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

15.7. **Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this 17th day of June, 2014.

FOR THE CITY OF CHANDLER

FOR THE CONTRACTOR

By: [Signature]

Signature

APPROVED AS TO FORM:

ATTEST: If Corporation

City Attorney [Signature]

Secretary

ATTEST:

City Clerk

SEAL

Heather Ruiz
6-17-14



EXHIBIT A

**Contractor Immigration Warranty
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

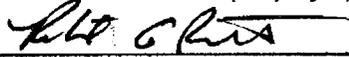
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number:		
Name (as listed in the contract):		
Street Name and Number:		
City:	State:	Zip Code:

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature of Contractor (Employer) or Authorized Designee:



Printed Name: BENNETT, ROBERT G.

Title: GENERAL MANAGER

Date (month/day/year): 6/12/2014

Exhibit B
SCOPE OF WORK

1. GENERAL

The Contractor shall furnish all labor, supervision, materials, permits, licenses, and equipment necessary to provide mechanized contained refuse collection from City facilities listed on Exhibit D.

2. SCHEDULES

Collection schedules are set forth in Exhibit D. The contractor may request changes in the collection schedule. The City will make a determination and notify the contractor if the request is accepted or rejected within 14 calendar days of the request.

3. TIME OF COLLECTION

The Contractor shall not start refuse collection prior to 6:00 a.m. nor continue collections after 6:00 p.m. In an emergency, the Contractor may request authorization from the City to work additional hours.

4. ADDITIONS, CHANGES AND DELETIONS

The facilities, container sizes and collection frequencies listed on Exhibit D are the City's current requirements. The City reserves the right to add facilities, change container sizes and collection frequencies during the term of the contract.

5. MISSED COLLECTION AND ASSESSMENTS

- a. City will notify contractor of any missed collections.
- b. Contractor will pick up missed containers by noon the following working day
- c. Contractor shall not miss more than 2 containers per month
- d. The contractor will be assessed one hundred dollars (\$100) per day per container for each container not collected by noon the scheduled day.
- e. If the Contractor fails to pick up the missed collection following the procedures noted above, the City will provide the service, either directly or indirectly, and deduct all costs from payment due or become due the Contractor.

6. HOLIDAYS

- a. If the collection day falls on any of the following holidays the collection shall be rescheduled as specified below.
 - i. New Year's Day.
 - ii. Martin Luther King Jr.
 - iii. President's Day
 - iv. Memorial Day
 - v. Independence Day
 - vi. Labor Day
 - vii. Veteran's Day
 - viii. Christmas Day.
- b. When a holiday falls on Sunday, it is observed by the City on the following Monday; when a holiday falls on a Saturday, it is observed by the City on the preceding Friday.
- c. The Contractor shall be required to provide make-up collections for all regularly scheduled pick-ups not collected on the holidays. The makeup collections shall be completed prior to the close of the next working day following the holiday.

7. COMMUNICATIONS

- a. Throughout the period of this contract, the Contractor shall establish and maintain a local office and authorized managing agent within the Phoenix metropolitan area. The Contractor shall furnish the City with the name of the managing agent prior to commencing collection operations, and shall immediately notify the City if the managing agent is changed at any time.

Communication to the Contractor's agent shall always constitute a communication to the Contractor.

- b. The Contractor's local office shall have a person in charge during the hours of 7:00 a.m. to 5:00 p.m., Monday through Friday with authority to make decisions related to operations under this contract. The Contractor shall maintain a local telephone number for the purpose of receiving complaints, inquiries and general conduct of business during the noted time period.
- c. The Contractor shall immediately record and report to the City all accidents, equipment malfunctions and other incidents that occur while performing this contract. Follow-up written reports shall be provided to the City by the close of the working day of the event.
- d. The Contractor shall immediately report to the City any issues that prohibit collection of a container and return to collect once the City has notified Contractor issues have been resolved.

8. CARE AND DILIGENCE:

- a. The Contractor shall exercise all reasonable care and diligence in the collection and transporting of refuse. Every effort shall be made to prevent spilling, scattering or dropping refuse during the collection and transportation process. In the event that refuse is spilled, scattered or dropped, the operator shall immediately clean-up the material, place it in the container if applicable and dump the container. All spilled hydraulic/oil fluid shall be immediately cleaned up/removed by the operator. The Contractor shall block off or tarp all vehicle openings en route to the disposal site.
- b. Containers must be placed in an upright position with lids closed. Operator must close all lids after dumping container.
- c. Contractor will make every reasonable effort to collect all overweight or overflowing containers scheduled for collection and ensure debris is removed from around container. If Contractor is unsuccessful using automated collection, the Contractor will use whatever means necessary to empty container.
- d. Refuse collection easements are frequently co-located with other utility easements. Particular attention must be given to the location of water meters, transformers, guy wires, utility poles and irrigation structures. Authorization to use the easement does not abrogate the Contractor's responsibility to exercise caution and consideration in relationship to the property of other authorized users.
- e. If Contractor is unable to service a container due to blockage, Contractor shall return on the same day as collection and attempt to service container a second time.

9. PERSONNEL:

- a. The Contractor shall furnish such supervision and labor as is considered necessary for the fulfillment of the work specified in this contract in an acceptable manner and at a satisfactory rate of progress.
- b. The Contractor shall not employ any person who engages in misconduct, is discourteous to the public, or is negligent in the proper performance of his or her duties.
- c. Employees driving the Contractor's vehicles shall at all times possess and carry a valid Commercial Driver License (CDL) issued by the State of Arizona, and comply with all traffic and speed regulations. The Contractor shall prohibit the use of intoxicating substances by drivers and crewmembers while on duty or in the course of performing their duties under this contract.
- d. The Contractor's field employees shall be required to wear a clean uniform bearing the Contractor's name. Such employees shall additionally bear some means of individual identification as a nametag or identification card. At no time shall a Contractor's employee in any way identify or represent him or herself as an employee of the City of Chandler.

10. COLLECTION VEHICLES:

- a. The Contractor shall provide and maintain during the entire period of this contract a fleet of mechanized refuse collection vehicles sufficient in number and capacity to perform the work and render the service required by this contract. The fleet must be sufficient to handle the special requirements of adverse weather, holiday overloads and vehicle breakdowns.

- b. The Contractor's vehicles must be clearly identified with company name and vehicle identification number. All vehicles must be kept clean, in sanitary condition, good repair and meet community standards of appearance at all times. Hydraulic/oil fluid leaks must be checked for and corrected daily. The City shall be the sole judge of community standards of appearance.
- c. The noise level for the collection vehicles during the stationary compaction process shall not exceed seventy-five (75) decibels at a distance of twenty-five (25) feet from the collection vehicle and at an elevation of five (5) feet from the horizontal base plane of such vehicle.
- d. Vehicles used in the provision of services under this contract shall have all required permits or certificates (e.g., garbage hauler permit issued by the Maricopa County Health Department and City of Chandler Hauler Permit).

11. DISPOSAL SITE:

- a. The Contractor shall collect, transport and dispose of all Commercial Solid Waste from the City facilities listed in Exhibit D. The Contractor shall dispose of this solid waste at its Municipal Solid Waste Landfill, Apache Junction Landfill. This facility shall be operated in full compliance with the regulations contained in 40 CFR 285. The disposal cells receiving waste under this contract shall be only those cells designed and built in compliance with the design criteria defined in 40 CFR 258.40. The facility operation shall be in compliance with all of the operating criteria defined in sections 40 CFR 258.20 through 258.29.

12. CONTAINERS:

- a. The Contractor shall be responsible for the purchase and furnishing of all required front end load containers as specified in this contract.
- b. The Contractor shall be responsible for the repair and maintenance of all containers.
- c. The Contractor may be required to furnish locking lids on some containers

**Exhibit C
Pricing**

			Estimated Quantity	Monthly Rate	Extended Monthly Rate	Annual Cost
1	3 Cubic Yard	2 per week	25	\$ 51.18	\$1,279.50	\$ 15,354.00
2	3 Cubic Yard	3 per week	4	\$ 76.77	\$ 307.08	\$ 3,684.96
3	3 Cubic Yard	4 per week	1	\$ 102.36	\$ 102.36	\$ 1,228.32
4	3 Cubic Yard	5 per week	1	\$ 127.95	\$ 127.95	\$ 1,535.40
5	4 Cubic Yard	2 per week	2	\$ 68.24	\$ 136.48	\$ 1,637.76
6	4 Cubic Yard	3 per week	2	\$ 102.36	\$ 204.72	\$ 2,456.64
7	4 Cubic Yard	4 per week	2	\$ 136.48	\$ 272.96	\$ 3,275.52
8	4 Cubic Yard	5 per week	2	\$ 170.60	\$ 341.20	\$ 4,094.40
9	6 Cubic Yard	2 per week	19	\$ 102.36	\$1,944.84	\$ 23,338.08
10	6 Cubic Yard	3 per week	11	\$ 153.54	\$1,688.94	\$ 20,267.28
11	6 Cubic Yard	4 per week	1	\$ 204.72	\$ 204.72	\$ 2,456.64
12	6 Cubic Yard	5 per week	1	\$ 255.90	\$ 255.90	\$ 3,070.80
			Estimated Quantity	Rate Per Collection		
13	3 Cubic yard	Unscheduled	2	\$ 55.00		\$ 110.00
14	4 Cubic Yard	Unscheduled	2	\$ 55.00		\$ 110.00
15	6 Cubic Yard	Unscheduled	2	\$ 55.00		\$ 110.00
Grand Total (Annual Cost)						\$ 82,729.80
Cost for Two Year Contract Term						\$ 165,459.60

Exhibit D

CITY FACILITY LOCATIONS

NAME OF FACILITY	LOCATION	2YD	3YD	4YD	6YD	Collection Days
Boys/Girls Club	300 E. Chandler Blvd.				1	Tues & Fri
Center for the Arts	250 N. Arizona Ave.		1			Tues & Fri (C)
City Hall	175 S. Arizona Av		2			Tues & Fri
COC Airport	2380 S. Stinson Wy.		5			Tues & Fri
Community Center	25 S. Arizona Pl.				2	Mon, Wed, & Fri
Housing Enterprise Academy	73 S. Hamilton St.		1			Tues & Fri
Housing Project #1	130 N. Hamilton St.		3		3	Tues & Fri (C)
Housing Project #2	73 S. Hamilton St.				3	Tues & Fri
Housing Project #3	127 N. Kingston St.		2			Tues & Fri
Housing Project #4	660 S. Palm Ln.		5			Tues & Fri (C)
Housing Project #5	210 N. McQueen Rd.				4	Tues & Fri
LBWRF - Severn Trent	3333 S. Old Price Rd		1			Tues & Fri
Park - Arrowhead	426 N. Arrowhead Dr.				2	Mon, Wed, & Fri
Park - Desert Breeze	660 N. Galaxy Dr.				1	Mon, Wed, & Fri
Park - Folley	582 E. Frye Rd.		2			Tues & Fri
Park - Snedigar	4500 S. Alma School Rd.				3	Mon, Wed, & Fri
Park - Veterans Oasis	4050 E Chandler Heights				1	Tues & Fri
Park - Mesquite Grove	5901 S Hillcrest Dr				1	Mon, Wed, & Fri
Police Evidence	576 W. Pecos Rd.		2			Tues & Fri
Police/Courts	200 & 250 E. Chicago St.				2	Tues & Fri
R.O. Plant	3737 Old Price Rd.				1	Tues & Fri
Senior Center (w/Pk Maint)	202 E. Boston St.				2	Tues & Fri
Water Treatment Plant	1475 E. Pecos Rd.			2		Mon, Wed, & Fri
Tumbleweed Recreation Center	745 E Germann Rd				2	Mon, Wed, & Fri

(C) = Caster on Containers