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ADDENDUM NO. 1

REQUEST FOR PROPOSALS (RFP) No.: 1220-030-2021-010
TITLE: GARBAGE, RECYCLABLES & ORGANICS COLLECTIONS
ADDENDUM ISSUE DATE: JULY 7, 2021

This Addendum is issued under Section 5.9 of the RFP.

Capitalized words used in this Addendum and not otherwise defined will have the meanings given to them in the RFP.

Amendments to the RFP

1. The RFP is amended as follows:

a. Delete Section 3.4(f) entirely and replace with the following:

“Data Bank:

Additional Reference Information on the City’s customers, tonnages, waste streams, contamination rates, recyclables composition and collection areas, including various reports and other background information, is available for review by Proponents in the City’s data bank for the RFP located at <https://mft.surrey.ca> (Logon ID: surreybid; Password: Welcome) in folder “1220-030-2021-010 - Garbage, Recyclables & Organics Collections RFP”.

b. In Section 4.1, add the following to the end:

“For clarity, the City is interested in receiving Proposals that provide for the performance and pricing of all Services in a given area.”

c. In Section 4.3, delete the last sentence and replace with the following:

“Each Proposal should, at a minimum, include the Variations described in Section 4.3(a) above in respect of all Services, provided that the failure by a Proponent to provide pricing for all of the Variations described in this Section 4.3 and Section 4.4 may result in the City evaluating such Proponent’s Proposal as being less favorable than a Proponent that provides prices for such Variations.”

d. In Section 5.3, add the following to the end of the first paragraph:

“A sample letter of credit and related information has been provided in the data bank for this RFP for reference.”

Amendments to the Draft Contract

2. The Draft Contract is hereby amended as follows:

a. Delete the definition of Single Family Dwelling in Section 1 and replace with the following

“**Single Family Dwelling**” means those residential buildings receiving door to door collection in the Collection Area as listed in [TBD], as may be amended from time to time in accordance with this Contract; [Note to Proponents: The list of Single Family Dwellings will be incorporated into this Contract either as a schedule to this Contract or by way of a reference to a website/electronic copy. A copy of the current list has been posted to the City's data bank located at <https://mft.surrey.ca> (Logon ID: surreybid; Password: Welcome) in folder “1220-030-2021-010 - Garbage, Recyclables & Organics Collections RFP”. This definition and the applicable list will be modified if two Final Contracts are awarded.]”

b. In Section 9.7, delete the first sentence and replace with the following:

“The Contractor will identify and propose a facility that is capable of recycling mattresses and box springs (the “**Mattress Recycling Facility**”) to the City. Subject to the prior written approval of the City’s Representative of such facility, or the direction by the City’s Representative to use a different facility from time to time throughout the Term, the Contractor will transport mattresses and box springs collected as part of LIPU to such Mattress Recycling Facility.”

c. Delete Section 10.3(a)(1) and replace with the following:
“(1) all Single Family Dwellings and MURDs;”

d. Delete the last paragraph of Section 10.10.

e. Delete Section 11.1(a) and replace with the following:

“(a) collect both the Yard Waste and the Food Waste from the Container Locations at all Single Family Dwellings and MURDs;”

f. Delete Section 12.8(c) and replace with the following:

“(c) return each Container in a neat, upright and orderly way, with its lid closed, if applicable, at approximately the original Container Location after performing a collection.”

g. In Section 12.10, delete the second sentence and replace with the following:

“Except in respect of mattresses and box springs collected as part of LIPU pursuant to Section 9.7, and upholstered furniture collected pursuant to Section 9.10, the Contractor will not pay disposal fees for Garbage or Organics delivered under this Contract.”

h. Delete Section 15.2 and replace with the following:

“The Contractor will be solely responsible for fueling all of the collection vehicles, and will pay all fuel costs and any other costs related to fueling the collection vehicles. For clarity, the Contractor’s compensation for its fueling costs will be deemed to be included in the annual lump sum prices for Garbage Collection, Recyclables Collection and Organics Collection set out in Schedule 1 – Prices, as described in Section 18.10.”

i. Delete Section 18.10 and replace with the following:

“The annual lump sum prices for Garbage Collection, Recyclables Collection and Organics Collection, all as set out in Schedule 1 – Prices, will be deemed to include all costs to perform the Services, including all costs related to fueling the collection vehicles (excluding only the reimbursement by the Owner of RNG fuel costs pursuant to Section 15.4(i)), supervision, labour, material, equipment, overhead, financing, insurance, head office, and all other costs and expenses whatsoever incurred in performing the Services, and will include all profit and all applicable taxes (except for GST) payable on amounts owing to the Contractor.”

- j. In the table set out in Section 20.2, delete each use of the word “complaint” and replace with the words “Missed Collection”.

END OF ADDENDUM NO. 1

Sunny Kaila
City's Representative

CITY OF SURREY
REQUEST FOR PROPOSALS

Title: Garbage, Recyclables & Organics Collections

Reference No.: 1220-030-2021-010

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REQUEST FOR PROPOSALS

1. INTRODUCTION

1.1 Purpose

The purpose of this RFP is to invite competitive Proposals from which the City of Surrey (the “City”) can select a qualified Proponent, or qualified Proponents, to perform cart-based collection, transportation and disposal services for Garbage, Recyclables and Organics from residential dwellings and certain other specified locations in Surrey (collectively the “Services”).

A preliminary scope of the Services is described in the Draft Contract attached as Appendix 4 to this RFP. The final scope of the Services will be as set out in the Final Contract. Under this RFP, the City is inviting Proposals for the performance of the Services, that include offers for variations of the Services described in the Draft Contract, so that the City can, by applying the evaluation criteria set out in this RFP, select the Proponent(s) and the combination of Services that Surrey decides is the most advantageous to Surrey for inclusion in the Final Contract.

1.2 Overview of Current Collection Services

The City currently provides weekly residential curbside organic waste collection and alternating biweekly residential curbside garbage and recycling collection services via a fully automated cart-based collection system that uses a waste collection fleet fueled by compressed natural gas (“CNG”). Waste collection services are provided to approximately 106,000 single-family households and 30,000 secondary suites. Additionally, approximately 35,000 residences from apartment buildings are provided weekly centralized recycling service, while approximately 50% of these households additionally receive weekly centralized organic service.

1.3 Surrey’s Objectives

In issuing this RFP, the City is interested in entering into a cooperative, mutually beneficial commercial relationship with a Proponent, or a number of Proponents if the City elects to divide the Services into more than one contract, to assist the City in achieving the following objectives relating to the Services (“Surrey’s Objectives”):

- a. the performance of the Services in a cost-effective manner, maximizing overall collection system value and optimizing capital, operation and maintenance costs;
- b. the provision to customers of a high quality and reliable collection service which includes the flexibility to revise the Services or transfer responsibility for the Services to a third party, in whole or in part, to deal with poor service performance;
- c. the reduction of adverse environmental impacts from the performance of the Services, including where appropriate the adoption of clean technologies and practices;
- d. the increase of diversion of materials from traditional disposal sites such as landfills;

- e. the minimizing of customer complaints, confusion, and service disruptions, particularly during the initial implementation of the Services;
- f. the opportunity for the introduction of innovations in the performance of the Services, including from other jurisdictions in Canada and the world; and
- g. the retention of flexibility to allow for the modification of the Services to introduce new services for the benefit of customers.

In addition to the above objectives, the City has established a goal to become Canada's first zero-waste-to-landfill community in Canada from its residential waste stream. The zero waste goal will build on the strengths of existing waste management policies, programs and services set out in the Draft Contract, but also expand beyond these initiatives by identifying opportunities, innovation and best practices to increase waste reduction, reuse, recycling and diversion that can be incorporated into the Final Contract. A key area of focus is the introduction of circular economy approaches and business models. The City welcomes Proponents to, in their Proposals, and in accordance with Section 4 of this RFP and Attachment 2B – Proponent's Technical Proposal, propose variations and/or alternatives to the Services including innovative programs and services that can be implemented in the City to achieve the zero waste objective. Proponents should complete a copy of the Zero Waste Initiative form provided in Attachment 2D – Other Variations for each zero waste initiative a Proponent includes in its Proposal.

1.4 Eligibility to Participate

Any interested party is eligible to participate in this RFP.

The current provider of the City's solid waste collection services, Waste Connections of Canada Inc. (formerly BFI Canada Inc.), is not precluded from submitting a Proposal in response to this RFP. The current provider may have experience and knowledge that is not available to other interested parties. The City has endeavoured to make available to interested parties information in the City's possession that the City has identified as relevant to the existing services agreement, except the City will not release any of the current provider's confidential commercial information.

1.5 Definitions

The definitions set out in Section 9 will apply to this RFP.

2. RENEWABLE NATURAL GAS

2.1 RNG-Powered Collection Vehicles

As set out in Section 1.3(c) of this RFP, one of the City's Objectives is to reduce the adverse environmental impacts from the performance of the Services, and one way to achieve that objective is to use collection vehicles that are capable of being powered by RNG.

2.2 Surrey Biofuel Facility and City's RNG Option

The Surrey Biofuel Facility is the first fully integrated closed-loop organic waste management system in North America. The Surrey Biofuel Facility is able to divert more than 115,000 tonnes of residential and commercial organic waste from the landfill each year. The Biofuel Facility can produce over 100,000 GJ per year of RNG.

As set out in the Draft Contract, the City will have the option (the "**RNG Option**") to elect to have the successful contractor under the Final Contract (the "**Contractor**") provide the Services using renewable natural gas ("**RNG**") to power the collection vehicles as part of the City's efforts to achieve its zero waste objective, which may include the use of RNG generated by the Surrey Biofuel Facility. In accordance with the Draft Contract, should the City exercise of the RNG Option, the City will retain the right to, in its sole discretion, require the Contractor to revert back to the use of CNG in its collection vehicles.

2.3 Purchase of New Collection Vehicles

As set out in the Draft Contract, the Preferred Proponent(s) will be responsible for purchasing a sufficient number of new collection vehicles powered by CNG, which can also be powered by RNG, to perform the Services. Delivery of such new collection vehicles should occur such that they are available for use in the Services as of the commencement of the Services under the Final Contract. The City intends to award the Final Contract in accordance with the schedule as set out in Section 5.1 of this RFP, and the City anticipates that such schedule will give the Preferred Proponent(s) sufficient time to order and obtain delivery of the required new collection vehicles that can be powered by CNG and RNG.

2.4 Fuel, Maintenance and Storage Facilities

As set out in the Draft Contract, to perform the Services the Contractor will require:

- a. a CNG supply and fuelling facility with capacity to fuel the collection vehicles;
- b. an RNG supply and fuelling facility with capacity to fuel the collection vehicles, in anticipation of the City exercising the RNG Option;
- c. a storage facility to store the collection vehicles while they are not in use; and
- d. a maintenance facility to maintain the collection vehicles.

2.5 Low Carbon Fuel Credits

As set out in the Draft Contract the City intends to pay the cost of the fuel consumed by the collection vehicles in the performance of the Services, either CNG or RNG.

Under the Final Contract the City is to receive all low carbon fuel credits available from the fuel, and the Contractor will be required to cooperate with the City so that the City is able to claim the maximum amount of such credits either directly, or by transfer from the Contractor to the City.

3. REQUIRED SERVICES

3.1 Scope of Services

The scope of required Services is as described in the Draft Contract and generally consists of the collection of Garbage, Recyclables and Organics from residential dwellings and certain other locations within the City and the transportation of such materials for disposal to the applicable transfer or processing facility. The Services will also include performance of the City's "Large Item Pick-Up Program" ("LIPU").

3.2 Recyclables Delivery and Processing

In 2013, the City entered into a master services agreement with Recycle BC (formerly Multi Material British Columbia) (the "**Master Services Agreement**") under which the City became a collector on behalf of Recycle BC of Recyclables for Single Family Dwelling Units and Multi-Family Dwelling Units as required under the Provincial Recycling Regulation.

In 2018, the City and Recycle BC amended the Master Services Agreement and entered into statements of work thereunder to continue curbside collection and multi-family collection of Recyclables on behalf of Recycle BC (the Master Services Agreement, as amended, including all related statements of work, the "**Recycle-BC Services Agreement**"). The term of the Recycle-BC Services Agreement expires in 2023, although the City anticipates that the Recycle-BC Services Agreement will be extended. A copy of the Recycle-BC Services Agreement is attached as Schedule 10 to the Draft Contract.

The Final Contract between the City and the successful Contractor will, with respect to the Recyclables Collection Services, incorporate the terms of the Recycle-BC Services Agreement between the City and Recycle BC on a fully back-to-back basis (as if the City is Recycle-BC and the Contractor is the "Contractor" under the Recycle-BC Services Agreement) as defined in the Draft Contract. The price for the Contractor to perform the Recyclables Collection Services in accordance with the Recycle-BC Services Agreement should be included in a Proposal in Appendix 2 using Attachment 2C – Proponent's Financial Proposal.

If at any time during the term of the Final Contract either the City or Recycle BC, pursuant to their respective rights under the Recycle-BC Services Agreement, elects to transfer responsibility for the collection of Recyclables from the City back to Recycle BC, and Recycle-BC retains a third-party contractor to collect Recyclables in the City, then the Final Contract Price will be adjusted as set out in the Final Contract to reflect the deletion of the Recyclables Collection Services from the Final Contract.

3.3 Upholstered Furniture Recycling Option

As set out in the Draft Contract, and as part of the City's zero waste goal described in Section 1.3, the City would like to have the option to require the Contractor to collect and transport upholstered furniture to a facility capable of recycling or facilitating the reuse of such upholstered furniture. In their Proposals, Proponents should price the pickup of upholstered furniture items in accordance

with the Upholstered Furniture Recycling Option using the form shown in Attachment 2C – Proponent’s Financial Proposal.

3.4 Reference Information

The following general information (collectively, the “**Reference Information**”) is provided by the City to assist Proponents in the preparation of their Proposals. The City does not in any way guarantee the accuracy or completeness of the Reference Information and Proponents should apply their own judgement as to the reliability of such information.

- a. The City has approximately 599,330 residents.
- b. The City has an approximate geographical area that covers 317 square kilometers.
- c. Current Collection Schedule:
 - (1) Food Waste is commingled with yard waste and collected weekly as Organics.
 - (2) Garbage and Recyclables are each collected on an alternating, biweekly, basis.
 - (3) Recyclables are both collected and processed via a single-stream system.
- d. 2020 Collection Tonnages:
 - (1) 51,600 metric tonnes of Garbage, including approximately 1,900 individual excess garbage items.
 - (2) 75,000 metric tonnes of Organic waste (Food Waste and Yard Waste).
 - (3) 24,200 metric tonnes of Recyclables.
- e. 2020 LIPU Participation:
 - (1) approximately 69,000 items based on 37,000 service requests.
- f. Data Bank:

Additional Reference Information on the City’s customers, tonnages, waste streams, contamination rates, recyclables composition and collection areas, [including various reports and other background information](#), is available for review by Proponents ~~on~~in the City’s ~~solid waste planning website at <http://www.surrey.ca/city-services/4548.aspx>.~~ ~~Various reports and other background information have been posted~~ [data bank for the RFP located](#) at <https://mft.surrey.ca> (Logon ID: surreybid; Password: Welcome) in folder “1220-030-2021-010 - Garbage, Recyclables & Organics Collections RFP”.

4. VARIATIONS IN SERVICES

4.1 City Invites Variations

The City wishes to receive Proposals under this RFP that present a range of variations and/or alternatives (each a “**Variation**”) to the Services from which the City can select the Preferred Proponent with the Proposal that will provide the City with the most advantageous contract for the provision of the Services. The Proposals, including the combinations of Variations they may contain, will be evaluated in accordance with the criteria in Section 7.2 of this RFP. [For clarity, the City is interested in receiving Proposals that provide for the performance and pricing of all Services in a given area.](#)

4.2 Proposals for Some or all the Geographical Area

The City has divided the Surrey into two separate geographic regions for the purposes of this RFP, as shown in the map attached as Appendix 3 to this RFP. The area that generally encompasses the south area of the city (“**Area A**”) is larger and less densely populated than the area that covers the north area of the city (“**Area B**”). The City is considering awarding one Final Contract to a Proponent for the entire city (Area A plus Area B) or awarding one Final Contract to a Proponent for Area A and a separate Final Contract to a different Proponent for Area B.

4.3 Identified Possible Variations

The City has identified the following possible Variations for which it is interested in receiving prices:

- a. providing the Services for:
 - (1) Area A only;
 - (2) Area B only; and
 - (3) Area A and Area B,
 as described in Section 4.2 of this RFP;
- b. different frequency of collection, including:
 - (1) Garbage, Recyclables and Organics each collected weekly;
 - (2) Recyclables and Organics collected weekly, and Garbage collected biweekly; and
 - (3) Organics collected weekly, and Garbage and Recyclables collected biweekly;
 - (4) additional requested collection days for each of Garbage, Recyclables and Organics;
- c. weekly collection of Organics and Recyclables from a centralized location at a Multiple Unit Residential Building;

- d. with respect to the collection of Recyclables only from a centralized location at a Multiple Unit Residential Building:
 - (1) weekly collection;
 - (2) twice weekly collection;
 - (3) biweekly collection;
 - (4) additional collection days (regular basis);
 - (5) additional collection days (from time to time);
- e. providing organic cart washing services for Multiple Unit Residential Buildings – weekly from April – September and biweekly from October to March; and
- f. monthly, quarterly or biannual collection of specialized items such as Styrofoam, batteries, film plastics, glass, small appliances, electronics, and textiles.

Proponents who elect to provide prices for such identified Variations should include such prices and details in their Proposals in the form shown in Attachment 2C – Proponent’s Financial Proposal. Each Proposal should, at a minimum, include the Variations described in Section 4.3(a) above [in respect of all Services](#), provided that the failure by a Proponent to provide pricing for all of the Variations described in this Section 4.3 and Section 4.4 may result in the City evaluating such Proponent’s Proposal as being less favorable than a Proponent that provides prices for such Variations.

4.4 Surrey-Supplied RNG Fuelling Facilities Variation

As a Variation, the City is interested in receiving the price impacts (savings) if the City builds, operates, maintains and owns an RNG fuelling facility and a storage facility for the collection vehicles required for the Services, both to be located in the City. The City would provide RNG fuel and use of the storage area without cost to the Preferred Proponent. The City would not provide a maintenance facility to maintain the collection vehicles. For the purposes of this Variation, Proponents should assume that the fuelling facility and the storage facility will be fenced and any additional site security measures required by the Proponent will be provided by the Proponent at the Proponent’s cost. Proponents who elect to provide prices for this Variation should include such price impacts (savings) in their Proposals in the form shown in Attachment 2C – Proponent’s Financial Proposal.

4.5 Other Variations

In addition to the Variations described in Section 4.3 and Section 4.4, the City is interested in receiving other Variations to the Services (“**Other Variations**”) that promote Surrey’s Objectives. Other Variations can range from minor modifications to major system and administrative changes which, for purposes of illustration only, might include:

- a. a longer or shorter contractual term;

- b. different collection frequencies;
- c. different collection methods and equipment;
- d. different collection performance requirements;
- e. alternative powered waste collection vehicles (i.e. electric);
- f. alternative financial incentives or levels and methods of performance compensation;
- g. use of routing technology to improve efficiency, reduce the number of required collection vehicles or provide other benefits including camera technology to track contamination and service related issues to improve customer service and safety;
- h. different ways to increase diversion from disposal;
- i. programs, policies, services or processing opportunities to help the City achieve zero waste and establish circular economy approaches to managing materials as described in Section 1.3 – Surrey’s Objectives, such as increased collection of recycling during holidays, spring/fall cleaning periods;
- j. methods to improve the level of services provided to customers;
- k. alternative pricing models, including alternative methods for base year payment or annual adjustments; and
- l. alternative forms of security under Sections 4.3 or 4.5 of the Draft Contract (but note that the City will not accept an alternative to the security required by Section 5.3 of this RFP).

Proponents should complete a copy of the applicable blank form for Other Variations in Attachment 2D – Other Variations for each Other Variation proposed, clearly identifying the Other Variation, together with other details such as price.

5. INSTRUCTIONS TO PROPONENTS

5.1 Anticipated RFP Schedule

The City anticipates that this RFP will be administered in accordance with the following schedule:

Issuance of the RFP:	May 21, 2021
Closing Time:	See Section 5.2 of this RFP
Estimated Award of Final Contract:	December, 2021
Commencement of Services:	April 3, 2023

The City intends to meet these dates but reserves the right to change any date at its sole discretion.

5.2 Closing Time and Addresses for Proposal Delivery

a. Email Delivery

The Proponent should submit the Proposal electronically in a single, searchable pdf file which should be delivered by email to:

purchasing@surrey.ca

on or before the following date and time:

Time: 3:00 p.m., local time
Date: August 16, 2021

(the “**Closing Time**”).

The City’s Representative will issue an email confirming receipt. Proposals that cannot be opened or viewed may be rejected. A Proponent bears all risk that the City’s receiving computer equipment functions properly so that the Proposal is received by the City by the Closing Time.

The maximum file size the City can receive by email is 10Mb.

If a Proponent expects that its Proposal may be larger than 10Mb, the Proponent should make an inquiry to the City’s Representative pursuant to Section 5.8 or submit its Proposal in hard copy pursuant to Section 5.2(b) below.

b. Hard Copy

If a Proponent chooses not to submit its Proposal by email, the Proponent should submit one (1) original unbound Proposal and two (2) copies (three (3) in total) to the following address:

City of Surrey - Surrey City Hall
First Floor Main Reception/Information Desk
13450 – 104 Avenue, Surrey, BC V3T 1V8, Canada

Attention: Finance Department – Procurement Services

on or before the Closing Time.

Proposals submitted by fax will not be accepted.

5.3 Proposal Deposit

Proponents must deliver to the City with its Proposal an irrevocable, unconditional, on sight letter of credit in the amount of \$1 million (the “**Proposal Deposit**”) expiring no earlier than 120 days from the Closing Time, presentable at a bank listed under Schedule I of the *Bank Act* (Canada). [A](#)

[sample letter of credit and related information has been provided in the data bank for this RFP for reference.](#)

The Proposal Deposit will be returned to the unsuccessful Proponents within 10 business days after the earlier of:

- a. the Preferred Proponent executing the Final Contract(s) and providing the Letter of Credit (as described in the Final Contract); or
- b. the City notifying Proponents that the City has decided to terminate this RFP without awarding the Final Contract(s).

The City may call on and retain the proceeds of the Proposal Deposit of a Proponent that is selected as the Preferred Proponent who fails to use good commercial efforts to finalize the Final Contract in accordance with Section 7.5 of this RFP.

5.4 Late Proposals

Proposals received after the Closing Time will not be accepted or considered.

5.5 Amendments to Proposals

Proposals may be revised by written amendment, received at the email or physical address set out in Section 5.2 of this RFP, at any time before the Closing Time but not after. Any amendment should be signed in accordance with Section 5.14.

5.6 Information on Websites

The City will post information relating to this RFP on the BC Bid website at www.bcbid.gov.bc.ca and the City's website at www.surrey.ca (collectively, the "**Websites**"), and any interested party should monitor the Websites for such information.

5.7 Intent to Submit Form

Interested Proponents should return the Receipt Confirmation Form (attached as Appendix 1) to the email address set out in Section 5.2 of this RFP.

5.8 Inquiries

All inquiries or communications related to this RFP should be directed in writing to the person named below (the "**City's Representative**") at the address listed below. Information obtained from any person or source other than the City's Representative may not be relied upon.

Name: Sunny Kaila, Acting Manager Procurement Services
 Address: 13450 – 104 Ave Avenue, Surrey, BC, Canada, V3T 1V8
 Email: purchasing@surrey.ca
 Reference: 1220-030-2021-010 - Garbage, Recyclables & Organics Collections RFP

Proponents finding discrepancies or omissions in the Draft Contract or RFP, or having doubts as to the meaning or intent of any provision, should immediately notify the City's Representative.

A Proponent may request that an inquiry and the response to an inquiry be kept confidential if the Proponent considers the inquiry to be commercially sensitive. If the City decides that an inquiry or the response or both should be distributed to all Proponents, then, subject to the following paragraph, the City will permit the enquirer to withdraw the inquiry rather than receive a response, or to confirm the inquiry with the response being distributed to all Proponents.

Any inquiry and the response may, in the City's discretion, be distributed to all Proponents, if the City in its discretion considers the matter should be brought to the attention of all Proponents for purposes of fairness in, or maintaining the integrity of, the RFP. the City may keep either or both the inquiry and response confidential if in the judgment of the City it is fair or appropriate to do so.

The City will attempt to respond to all reasonable inquiries but reserves the right, in its discretion, to decline to respond to an inquiry.

5.9 Addenda

If the City determines that an amendment is required to this RFP, the City's Representative will issue a written addendum by posting it on the Websites, and upon posting, any addenda will form part of this RFP. It is the responsibility of Proponents to check the Websites for addenda. The only way this RFP may be added to or amended in any way is by a formal written addendum. No other communication, whether written or oral, from any person will affect or modify the terms of this RFP or may be relied upon by any Proponent. By delivery of a Proposal, a Proponent is deemed to have received, accepted and understood the entire RFP, including any and all addenda.

5.10 Examination of Contract Documents and Site

Proponents will be deemed to have carefully examined the RFP, including the Draft Contract and all other attached Appendices, and any places where the Services will be performed, and any and all factors which may influence a Proposal, prior to preparing and submitting a Proposal.

5.11 Information Meetings

The City may hold an information meeting(s) with interested parties to discuss this RFP, the Services and related matters. Attendance at an information meeting is not mandatory but Proponents who for any reason do not attend will be deemed to have received all of the information given or made available at an information meeting.

If Surrey elects to hold an information meeting(s), Surrey will post notice of the date, time and location of the meeting on the Websites.

5.12 Commercial in Confidence Meetings

In addition to the submission of inquiries under Section 5.8, or information meetings under Section 5.11, the City or a Proponent may, at any time prior to the submission of its Proposal, by written request to the City's Representative, request a confidential meeting(s) (each a "**Commercial in Confidence Meeting**") between the City and a Proponent for the purpose of permitting Proponents to optimize their Proposals while minimizing the risk that a Proponent is unresponsive to Surrey's Objectives. Discussions may include the viability of any technical or commercial aspect of the Proponent's Proposal prior to its submission, including possible Variations or Other Variations, and the following procedure will apply to any such Commercial in Confidence Meeting:

- a. an application for a Commercial in Confidence Meeting a Proponent should include the questions the Proponent wishes to have answered;
- b. the City will not be obligated to grant a requested Commercial in Confidence Meeting;
- c. the City may in its discretion decide not to provide an answer to any question raised in a Commercial in Confidence Meeting;
- d. nothing said by the City at a Commercial in Confidence Meeting will be interpreted as amending the RFP or the Draft Final Contract in any way, and if a Proponent wishes to be able to rely on any information received it may submit a request for the issuance of an addendum under Section 5.9;
- e. subject to the City's discretion as set out in Section 5.12(f), the City will keep all information received from a Proponent at a Commercial in Confidence Meeting confidential, and will not release to other Proponents;
- f. The City reserves the right to provide any information received or exchanged at a Commercial in Confidence Meeting to all Proponents that, in the City's discretion, should be distributed to all Proponents in the interests of fairness.

By participating in this RFP a Proponent expressly agrees to the terms and conditions of this section.

5.13 Opening of Proposals

The City will open Proposals in private.

5.14 Signature

Proposals should be signed by a person authorized to sign on behalf of the Proponent and bind the Proponent to statements made in the Proposal. If the Proponent is a partnership or joint venture then the name of the partnership or joint venture and the name of each partner or joint venturer should be included, and each partner or joint venturer should sign personally.

6. PROPOSAL FORM AND CONTENT

6.1 Labelling of Proposal

In the subject line of any email that delivers a Proposal, and on the outside of the sealed package of any Proposal submitted as a hard copy, a Proponent should clearly state the Proponent's name, and the title and reference number of this RFP as set out on the cover page to this RFP.

6.2 Form of Proposal

Proponents should submit a Proposal that answers the questions and provides the information requested in Attachments 2A through 2E. If a Proponent cannot respond to particular item, the Proponent should briefly explain why. A Proposal should be in the form of a completed Appendix 2 as described below.

- a. Appendix 2 – Form of Proposal;
- b. Attachment 2A – Proponent's Experience, Reputation and Resources;
- c. Attachment 2B – Proponent's Technical Proposal;
- d. Attachment 2C – Proponent's Financial Proposal – Proponents should submit Proposals that include prices for collecting each of Garbage, Recyclables and Organics, and upholstered furniture, subject to the City exercising the Upholstered Furniture Recycling Option.

Attachment 2C also invites prices for a number of different Variations that the City wishes to consider, as described in Section 4 of this RFP.

Proponents are not obligated to enter a price(s) for each Variation listed in Attachment 2C, but a Proponent should insert a price(s) for each Variation that the Proponent is offering to provide.

Prices should not be unbalanced and Proponents are advised that the City may, pursuant to Section 7.3 of this RFP, request that Proponents provide detailed cost breakdowns of their prices;

- e. Attachment 2D – Other Variations – If a Proponent intends to submit a Proposal that includes one or more Other Variations, as described in Section 4.5 of this RFP, the Proponent should provide a separate form for each Other Variation that clearly shows:
 - (1) a clear description of the reason or justification for the Other Variation;
 - (2) the benefit to the City of selecting the Other Variation; and
 - (3) the impact, if any, of the Other Variation on the Proponent's prices by completing the applicable template pricing table included in Attachment 2D;

- f. Attachment 2E – Additional Information – provide the information required by Section 6.3 and Section 6.4 below.

6.3 Purchase of Collection Vehicles

Proponents should provide written evidence that the Proponent has:

- a. taken satisfactory preliminary steps to secure the purchase of the necessary number of collection vehicles that can be powered by both CNG and RNG, and that such vehicles will be available in time for the commencement of the Services. Proponents should include a letter of support from their proposed collection vehicle manufacturer confirming that:
 - (1) the vehicles can be available for the start of the Services if the Proponent is awarded a contract for the Services; and
 - (2) provided that the City agrees to assume the Contractor's obligations (including the Contractor's payment obligations), the manufacturer will agree to provide the City with the right to step-in for the Contractor if the Contractor is in default of its obligations as described in Section 4.5 or Section 4.6 of the Draft Contract; and
- b. the financial capacity to purchase the collection vehicles. Proponents should describe and provide supporting evidence indicating how the purchase of the collection vehicles will be financed; if applicable, include a letter of support the Proponent's financial institution stating that the necessary financing will be available should the Proponent be awarded a contract for the Services.

6.4 Security

Proponents must provide the Proposal Deposit as described in Section 5.3 of this RFP.

Proponents should also, in addition to the written evidence required pursuant to Section 6.3(b) of this RFP, provide written evidence from their financial institution stating that upon award of the Final Contract the letter of credit required as required by Section 4.3 of the Draft Contract will be provided for the benefit of the City. Proponents may provide the written evidence from their financial institution to the City's Representative in advance of the Closing Time and, in such an event, the City will attempt to confirm the acceptability of the written evidence but is not obligated to so.

7. EVALUATION AND SELECTION

7.1 Evaluation Committee

The evaluation of Proposals will be undertaken on behalf of the City by an evaluation committee appointed by the City (the "**Evaluation Committee**"), which may consist of one or more persons. The Evaluation Committee may consult with others including the City staff members, third party consultants and references, as the Evaluation Committee may in its discretion decide is

appropriate. The Evaluation Committee will give a written recommendation for the selection of a Preferred Proponent or Preferred Proponents to the City.

7.2 Evaluation Criteria

The Evaluation Committee will compare and evaluate all Proposals to determine each Proponent's strength and ability to provide the Services in accordance with Surrey's Objectives in order to determine the Proposal, or Proposals, which are most advantageous to the City, using the following criteria:

- a. Experience, Reputation and Resources - The Proponent's experience, reputation and resources as applicable to the performance of the Services;

For this evaluation criterion the Evaluation Committee will give particular reference to the Proponent's responses in Attachment 2A to Appendix 2.

- b. Technical - The Proponent's technical proposal for the performance of the Services as outlined in the Proponent's responses in Attachment 2B to Appendix 2, including any proposed Variations or Other Variations.
- c. Financial - The Proponent's financial proposal for the performance of the Services (including the Proponent's proposal to purchase the collection vehicles) as described in the Proponent's responses in Attachments 2C, 2D, and 2E to Appendix 2.

The Evaluation Committee may apply the evaluation criteria on a comparative basis, evaluating the Proposals by comparing one Proponent's Proposal to another Proponent's Proposal. Specific weightings are not assigned to the individual evaluation criteria, but it is anticipated that the Proposal that offers the greatest value of money will be judged as most advantageous.

7.3 Additional Information

The Evaluation Committee may, at its discretion, request clarifications or additional information from a Proponent with respect to any Proposal, and the Evaluation Committee may make such requests to all Proponents or only to selected Proponents. The Evaluation Committee may consider such clarifications or additional information in evaluating a Proposal.

7.4 Interviews

The Evaluation Committee may, at its discretion, invite some or all of the Proponents to appear before the Evaluation Committee to provide clarifications of their Proposals. In such event, the Evaluation Committee will be entitled to consider the answers received in evaluating Proposals.

7.5 Negotiation of Final Contract and Award

The City may, at its discretion, select one or more than one Preferred Proponents and enter into one or more than one Final Contract in accordance with Section 1.1 of this RFP. If the City selects a Preferred Proponent or Preferred Proponents, then the City may:

- a. enter into discussions with the Preferred Proponent(s) to clarify any outstanding issues and attempt to finalize the terms of the Final Contract(s), including financial terms. Such discussions may include:
 - i. incorporation of Variations and/or Other Variations proposed by the Preferred Proponent in its Proposal, as selected by the City; and
 - ii. incorporation of the Preferred Proponent's suggested amendments to the Draft Contract as may be included in the Proponent's Proposal.

The Preferred Proponent(s) will use good faith commercial efforts in its discussions, and if such discussions are successful, the City and the Preferred Proponent(s) will enter into the Final Contract(s); or

- b. if at any time the City reasonably forms the opinion that a mutually acceptable agreement is not likely to be reached within a reasonable time, give the Preferred Proponent(s) written notice to terminate discussions, in which event the City may then either open discussions with another Proponent or terminate this RFP in whole or in part and retain or obtain the Services in some other manner.

8. GENERAL CONDITIONS

8.1 Reservation of Rights

Notwithstanding any other provision in this RFP, this RFP is not a tender and does not commit the City in any way to select a Preferred Proponent, or to proceed to negotiations for a Final Contract, or to award any Final Contract, and the City reserves the right to at any time, and for any reason, reject all Proposals, and to terminate this RFP process without further explanation. The City is under no obligation to consider any Proposal, including the Proposal with the lowest price, or to select as the Preferred Proponent the Proponent that submits the Proposal with the lowest price.

8.2 Proponent's Expenses

Proponents are solely responsible for their own expenses in preparing, and submitting Proposals, and for any meetings, negotiations or discussions with the City or its representatives and consultants, relating to or arising from this RFP.

8.3 No Claims

Each Proponent, by submitting a Proposal, irrevocably:

- a. agrees that it will not bring any claim, demand, action, cause of action, suit or proceeding, whether arising in contract, tort (including negligence) or otherwise (a "**Claim**") against the City or any of its employees, directors, officers, advisors or representatives, or any one of them, for any costs, damages or other compensation for any matter relating directly or indirectly to this RFP (including in the event that the City rejects or disqualifies or for any other reason fails to accept a Proposal, accepts a non-compliant Proposal or otherwise

breaches, or fundamentally breaches, the terms of this RFP or any duties arising from this RFP); and

- b. waives any Claim against the City and its employees, directors, officers, advisors or representatives, or any one of them, for any compensation of whatsoever nature or kind, including for loss of anticipated profits, loss of opportunity, indirect, incidental or consequential damages or losses if no contract is entered into for the Services between the Proponent and the City for any reason whatsoever, including in the event that the City rejects or disqualifies or for any other reason fails to accept a Proposal, accepts a non-compliant Proposal or otherwise breaches, or fundamentally breaches, the terms of this RFP or any duties arising from this RFP.

8.4 Conflict of Interest

Proponents shall disclose any potential conflicts of interest and existing business relationships they may have with the City. The City may reject a Proposal from any Proponent that the City judges would be in a conflict of interest if the Proponent is awarded a Final Contract.

8.5 Solicitation of Council Members and City Staff

Proponents and their agents will not contact any member of the City Council or City staff with respect to this RFP, other than the City's Representative named in Section 5.8 of this RFP, at any time prior to the award of a Final Contract or the termination of this RFP, and the City may, at its discretion, reject the Proposal of any Proponent that makes any such contact.

8.6 Confidentiality

All submissions become the property of the City and will not be returned to the Proponent. All submissions will be held in confidence by the City unless otherwise required by law. Proponents should be aware the City is a "public body" defined by and subject to the *Freedom of Information and Protection of Privacy Act* of British Columbia.

9. DEFINITIONS

9.1 Definitions

In this RFP the following terms will have the following meanings:

"**Area A**" has the meaning set out in Section 4.2;

"**Area B**" has the meaning set out in Section 4.2;

"**biweekly**" means every other week;

"**City's Representative**" has the meaning set out in Section 5.8;

"**Closing Time**" has the meaning set out in Section 5.2;

"**CNG**" has the meaning set out in Section 1.2;

“**Commercial in Confidence Meeting**” has the meaning set out in Section 5.12;

“**Contractor**” has the meaning set out in Section 2.2;

“**Draft Contract**” means the draft of the Final Contract attached as Appendix 4 to this RFP;

“**Evaluation Committee**” has the meaning set out in Section 7.1;

“**Final Contract**” means a formal written contract between the City and the Preferred Proponent(s) to undertake the Services, based on the Draft Contract, amended and finalized as described in this RFP;

“**Food Waste**” has the meaning set out in the Draft Contract;

“**Garbage**” has the meaning set out in the Draft Contract;

“**LIPU**” has the meaning set out in Section 3.1;

“**Master Services Agreement**” has the meaning set out in Section 3.2;

“**Multiple Unit Residential Building**” or “**MURB**” has the meaning set out in the Draft Contract;

“**Multiple Unit Residential Dwellings**” or “**MURD**” has the meaning set out in the Draft Contract;

“**Organics**” has the meaning set out in the Draft Contract;

“**Other Variations**” has the meaning set out in Section 4.5;

“**Preferred Proponent(s)**” means the Proponent(s) selected by the Evaluation Committee to enter into negotiations for a Final Contract;

“**Proponent**” means an entity that submits a Proposal;

“**Proposal**” means a proposal submitted in response to this RFP;

“**Proposal Deposit**” has the meaning set out in Section 5.3;

“**Recycle-BC**” means a non-profit organization formed in 2011 in response to the BC Recycling Regulation (formerly named Multi-Material BC or MMBC) and responsible for residential packaging and paper recycling throughout British Columbia;

“**Recycle-BC Services Agreement**” has the meaning set out in Section 3.2;

“**RFP**” means this Request for Proposals;

“**RNG**” has the meaning set out in Section 2.2;

“**RNG Option**” has the meaning set out in Section 2.2;

“**Recyclables**” has the meaning set out in the Draft Contract;

“Reference Information” has the meaning set out in Section 3.3;

“Services” has the meaning set out in Section 1.1;

“Single Family Dwelling” has the meaning set out in the Draft Contract;

“Surrey” or **“the City”** means the City of Surrey;

“Surrey’s Objectives” has the meaning set out in Section 1.3;

“Upholstered Furniture Recycling Option” has the meaning set out in the Draft Contract;

“Variations” has the meaning set out in Section 4;

“Websites” has the meaning set out in Section 5.6; and

“Yard Waste” has the meaning set out in the Draft Contract.

APPENDIX 1 – RECEIPT CONFIRMATION FORM

City of Surrey
RFP # 1220-030-2021-010 – Garbage, Recyclables & Organics Collections

Please complete this form and return it within 5 working days from receipt to:

Sunny Kaila, Acting Manager Procurement Services
City of Surrey - Surrey City Hall
13450 – 104 Avenue
Surrey, BC V3T 1V8 Canada

Email: purchasing@surrey.ca

Failure to return this form may result in no further communication regarding this RFP.

Company: _____

Address: _____

City: _____

Contact Person: _____

Business Telephone No.: _____

I have received a copy of the above noted RFP, and

- We will be submitting a Proposal.
- We will not be submitting a Proposal.

Date: _____

(Signature of Authorized Signatory)

(Print Name and Title of Authorized Signatory)

APPENDIX 2 – FORM OF PROPOSAL

RFP Project Title: Garbage, Recyclables & Organics Collections
RFP Reference No.: 1220-030-2021-010

Legal Name of Proponent: _____

Contact Person and Title: _____

Business Address: _____

Business Telephone: _____

Business E-Mail Address: _____

1.0 **I/We, the undersigned duly authorized representative of the Proponent**, having received and carefully reviewed the RFP and any addenda posted on the Websites, and having fully informed ourselves as to the intent, difficulties, facilities and local conditions attendant to performing the Services, submit this Proposal in response to the RFP.

2.0 **I/We confirm that I/we agree to all terms of the RFP**, including without limitation Section 8.3.

3.0 **I/We confirm** that the following appendices are attached to and form a part of this Proposal:

- Attachment 2A – Proponent’s Experience, Reputation and Resources; and
- Attachment 2B – Proponent’s Technical Proposal (Services); and
- Attachment 2C – Proponent’s Financial Proposal; and
- Attachment 2D – Other Variations; and
- Attachment 2E – Additional Information.

4.0 **I/We confirm** that this Proposal is accurate and true to best of my/our knowledge.

This Proposal is submitted this _____ day of _____, 2021.

I/We have the authority to bind the Proponent.

(Name of Proponent)

(Signature of Authorized Signatory)

(Print Name and Title of Authorized Signatory)

ATTACHMENT 2A - PROPONENT’S EXPERIENCE, REPUTATION AND RESOURCES

Proponents should provide responses to the following items, and if a particular item is inapplicable or cannot be answered, Proponents should clearly state why:

- 1) Provide a brief description of the Proponent’s current business.
- 2) Identify the key personnel who will be responsible for the Services, together with a description the responsibilities such personnel will have in the performance of the Services and a description of the relevant experience of such personnel, using a format similar to the following:

Name: _____

Responsibilities: _____

Experience: _____

- 3) Identify subcontractors, if any, the Proponent intends to use for the performance of the Services, describe the portion of the Services proposed to be subcontracted and a description of the relevant experience of the subcontractor, using a format similar to the following:

Subcontractor Name: _____
Subcontracted Services: _____

Experience: _____

- 4) Describe the Proponent’s resources available for the performance of the Services including any major equipment (other than the collection vehicles) to be used to perform the Services, its age and maintenance schedule.
- 5) Provide a summary of similar relevant contracts entered into by the Proponent in which the Proponent performed services comparable to the Services, including the jurisdiction the contract was performed, the contract value, the date of performance, the type of material collected, the annual tonnage, the number of structures served and information regarding the average number of complaints (if known).

- 6) Provide evidence of customer satisfaction for the projects identified in item 5), stating the owner's name, the owner's address and the owner's contact information for the purposes of obtaining a reference.
- 7) Describe the following with respect to the Proponent's operational experience:
 - a. experience with implementing changes to a collection system and/or transitioning and implementing a new collection contract when the Proponent was not the previous contractor;
 - b. examples of effective service monitoring and actions taken to resolve problems;
 - c. the Proponent's average daily complaint rate per 1,000 collections and average repeat complaint rate per 10,000 collections (including missed collections);
 - d. the Proponent's health and safety record, including the number, type of injury and duration of any absences of employees covered by a Worker's Compensation Board claim (list any Workers' Compensation Board investigations and the results thereof)
 - e. experience providing special collection services after a major weather event, natural disaster or similar disruptive event, describing the magnitude of the disruption and extend of the Proponent's involvement; and
 - f. measures and equipment used to reduce collection noise impacts, especially during early morning and evening hours.
- 8) Summarize any litigation or involving the Proponent or related entity (i.e. a parent or subsidiary company, a joint venture/partnership that the Proponent was part of, etc.) that has occurred within the past seven years and is in any way connected to:
 - a. the collection of solid waste;
 - b. violations of health laws or regulations; or
 - c. violation of anti-trust or corruption laws or regulations.
- 9) Describe any environmental regulatory complaints or violations received within the past seven years that are related to solid waste collection.
- 10) Provide evidence of successful mitigation of environmental and community impacts from the Proponent's solid waste collection operations and describe any environmental innovation the Proponent has taken to reduce impacts.
- 11) Briefly describe the Proponent's experience with database management, including with respect to route, customer and financial management systems, hardware, software and quality control protocol.

- 12) Briefly describe the Proponent's experience with transmitting extensive account and service data.
- 13) Briefly describe the Proponent's experience in performing monitoring and service improvements.

ATTACHMENT 2B - PROPONENT’S TECHNICAL PROPOSAL

Proponents should provide responses to the following items, and if a particular item is inapplicable or cannot be answered, Proponents should clearly state why.

General Technical Performance:

- a. Provide a brief narrative that illustrates the Proponent's understanding of the City's requirements for the performance of the Services.
- b. Provide a description of the general approach and methodology that the Proponent would take in performing and managing the Services.
- c. Provide any suggested amendments to the Services as described in the Draft Contract (such as changes in the scope of Services, or changes in allocated risks and responsibilities) that the Proponent suggests would be of benefit to the City in terms of value for money, cost savings, environmental benefits or other benefits, together with a description of the resulting change in the “Contract Price” and the method used to calculate the change (organize any suggested amendments in the form similar to the following, using additional pages as needed):

Section of the Draft Contract	Requested Change	Reason for Change	Proposed New Wording

Collections:

- a. Describe the type of collection vehicles to be used for the collection of each of Garbage, Recyclables and Organics, including a summary of the vehicles’ specifications, the number of compartments on the vehicle and vehicle crew size (include photographs and the make and model of the chassis and body of proposed fleet);
- b. Describe the estimated:
 - (1) number of routes on each collection day;
 - (2) number of vehicles to be used per route; and
 - (3) number of stops per route;
- c. Describe the type of equipment/systems the Proponent proposes to use as part of the GPS/AVL/RFID tracking system so as to comply with Section 15.14 of the Draft Contract

and, with respect to Section 15.15 of the Draft Contract, the type of information that will be generated by the proposed GPS/AVL/RFID tracking system. The description should include:

- (1) the hardware required to support the proposed system, with all available hardware options;
 - (2) features of the onboard computer;
 - (3) features of the user interface in the vehicle mounted unit;
 - (4) methods and equipment needed to support communication between the collection vehicles and the office based system;
 - (5) process for collection and transmittal of RFID data and images from the vehicle to the office based system;
 - (6) tracking of certain information, such as skips, not set-out, contamination, blocked access, overfull, excess materials and the reason codes for each type of exception;
 - (7) tools for route management, service verification, communication with customer service staff and vehicle tracking tools and functionality;
 - (8) functionality for capture and transmission of digital images from the vehicles to the office-based system accessible by the City for the purposes of generating personalized communication related to the exceptions;
 - (9) integration with a digital camera to document any collection anomalies;
 - (10) list of other equipment or enabling technology the City will need to provide to support the proposed RFID system;
 - (11) software and capability with the City systems, as set out in the Draft Contract;
 - (12) estimated duration required to launch the proposed system;
 - (13) available training; and
 - (14) vendor support for hardware.
- d. Describe the proposed procedure for collecting each of Garbage, Recyclables and Organics.
- e. Provide an outline of the scheduling and routing that the Proponent will engage to carry out the collections Services.
- f. Describe how the Proponent will manage contamination in accordance with the Draft Contract, including the prevention of contamination and collection of unauthorized

materials, and provide a draft contamination reduction plan to assist the City in reaching the target contamination rates, specifically addressing the following:

- (1) identification of Single Family Dwelling Units;
 - (2) real time tracking, monitoring and reporting;
 - (3) informing residents on which items are not accepted in the Carts;
 - (4) informing residents of the consequences for ongoing contamination issues; and
 - (5) engagement and enforcement protocols.
- g. Describe the Proponent's plan for back-up collection vehicles and back-up personnel.
- h. After a major weather event, natural disaster, pandemic outbreak or other similar disruptive event, the City may wish that Collection Services are performed on a weekend—discuss any limitations the Proponent may have for providing weekend collections.
- i. Describe how the Proponent would help to increase recycling and organic materials diversions from the residential sector.
- j. As outlined in Section 1.3 – Surrey's Objectives, the City has established a goal to become Canada's first zero waste to landfill community in Canada from its residential waste stream. The zero waste goal will build on the strengths of existing waste management policies, programs and services set out in the Draft Contract, but also expand beyond these initiatives by identifying opportunities and best practices to increase waste reduction, reuse, recycling and diversion. Describe how the Proponent would help achieve this objective including the various innovative programs and services that can be implemented in the City.
- k. Describe how the Proponent would cooperate with the City to manage the quarterly collaboration process set out in Section 20.3 of the Draft Contract, including in connection with opportunities identified in response to (i) and (j) above.
- l. With respect to LIPU, the City intends that LIPU items will:
- (1) firstly, be evaluated for suitability for donation or reuse. Proponents should list organizations that they partner with for donation and reuse of such items;
 - (2) secondly, any LIPU items that cannot be donated or reused should be delivered to a facility that can recycle the LIPU items;
 - (3) lastly, any LIPU items that cannot be reused or recycled should be disposed of according to regulations at a licensed disposal facility. Proponents should indicate criteria used to determine if LIPU items cannot be accepted for reuse or recycling.

Training:

- a. Describe the Proponent's staff training program, including the minimum training and experience requirements for collection personnel.
- b. Describe the safety and training plans at the Proponent's maintenance/operation facility and for the Proponent's collection personnel.
- c. What types of training is provided to avoid disputes between collection personnel and the public? What disciplinary measures will you take if your collection personnel are rude or abusive towards the public?

Quality Control:

- a. Provide a detailed description of the management reports the Proponent would use to track and improve quality of service. What management tool will be used to address collection performance?
- b. Describe the steps that the Proponent will take to ensure that the missed collection performance rates described in the Draft Contract are achieved.
- c. Provide a detailed description of monitoring procedures that the Proponent will use to ensure that its collection personnel are only collecting excess Garbage that has an "excess garbage" sticker on it. What follow-up steps would the Proponent take with individual personnel who are found to be collecting excess garbage that does not have the appropriate sticker?

Equipment:

- a. Describe where the Proponent's fueling station, storage facility will be located as noted in Section 2.4. In addition, describe how and where the collection vehicles will be maintained.
- b. What extra equipment would the Proponent have to use after a major weather event, natural disaster or other similar disruptive event which could be provided to perform the Services?

Implementation:

- a. If the Proponent is not the City's current contractor, provide a description of the approach and steps that the Proponent would take to the transition the Services from the current contractor (such as whether and how the Proponent proposes to obtain detailed knowledge container locations) so as to minimize any disruption in and complaints regarding the Services. Provide an implementation schedule that lists the timing of milestone events.
- b. Describe the Proponent's process for changing collection frequencies and days of collection, if required by the City.

- c. Describe the steps the Proponent will take to keep the City informed of the status of the Proponent's implementation plan.
- d. Describe the steps the Proponent will take to keep the City informed of problems, attempts to solve problems and to elicit City staff assistance in solving service-related problems.

Data Management and Transfer:

- a. Describe the proposed route communication and service management systems, including hardware, software and protocol that will be used to communicate with vehicles during collection and with the City residential account system.
- b. Describe the level of integration, if any, the Proponent proposes to have between the Contractor's systems and the City's maintenance management system (Cityworks).
- c. Indicate whether or not information is currently transferred electronically to and from these systems, and how that transfer is performed.
- d. If these systems are to be supported on a regional or national level, please discuss the degree to which your local operation will be able to modify the system to meet the needs of the local jurisdiction.

Management:

- a. The Proponent should provide a list of Key Individuals. The Proponent should provide:
 - (1) A detailed resume for each Key Individual;
 - (2) Up to three (3) references of successful projects completed by each Key Individual; and
 - (3) A table clearly indicating the role and responsibility of each Key Individual and the hours of each Key Individual.
- b. The Proponent should provide a draft customer service plan that sets out a description of the Proponent's plan for:
 - (1) providing formal customer service training for support staff to ensure familiarity with the Services;
 - (2) providing all customer service functions during operating hours Monday through Friday, as well as after-hours emergency contact provision, including phone calls and e-mails;
 - (3) informing customers of current services;

- (4) receiving and resolving customer complaints, including escalation protocol, target response time and resolution.
- c. The Proponent should detail their approach and methodology in addressing residents inquiries and service requests. The Proponent should also have a plan to monitor and evaluate the quality of customer service and to determine overall customer satisfaction with the Contractor's services.
- d. The Proponent should provide a continuous improvement plan that details the approach to measure performance, and how to incorporate the findings to correct deficiencies and improve the delivery of the Services.

COVID-19:

- a. The Proponent should describe how it intends to ensure continued performance of the Services during, and mitigate the potential impacts of, the ongoing COVID-19 pandemic, including the Proponent's approach to:
 - (1) performing the Services in compliance with social distancing requirements, public health orders, during declared states of emergency or under similar restrictions;
 - (2) providing necessary training to personnel and communicating to personnel all applicable health and safety obligations that must be complied with from time to time;
 - (3) providing and maintaining a number of available personnel that is sufficient to continuously perform the Services, including back-up personnel in the event of a COVID-19 outbreak and the imposition of quarantine requirements or curfews;
 - (4) providing and maintaining a supply of personal protective equipment that is sufficient to continuously and safely perform the Services; and
 - (5) implementing any other plans or strategies recommended by the Proponent.

ATTACHMENT 2C - PROPONENT'S FINANCIAL PROPOSAL

Proponents should:

- a. insert hourly prices for the following activities that may be applicable to a Change (see Section 4.8 of the Draft Contract), Pilot Test (see Section 4.11 of the Draft Contract):

\$ _____ / hour - one collection vehicle and one operator

\$ _____ / hour - one collection vehicle, one operator and one swamper

\$ _____ / hour - one collection vehicle, one operator and two swampers
- b. insert prices in the forms on the following pages for the Services, including:
 - i. the Upholstered Furniture Recycling Option as set out in Section 3.3 of this RFP;
 - ii. each Variation of the Services the Proponent intends to provide, as set out in Section 4.2 and Section 4.3 of this RFP, including the potential price impacts (savings) resulting from the Surrey-Supplied RNG Fuelling Facilities Variation described in Section 4.4 of this RFP; and
- c. attach a balance sheet, income statement, Estimated Operating Budget and Expenses - First 12 Months form (see attached) and a statement of the sources and uses of funds for the first operating year. If the Proponent is a new joint venture or partnership with insufficient history for the requisite financial statements, then submit financial statements of each entity of the joint venture.

Services and Variations

Collection Frequency	Service Area (see s.4.3(a) of the RFP)	Garbage Collections (see s.8 of the Draft Contract)	Recyclables Collection (see s.10 of the Draft Contract)	Organics Collection (see s.11 of the Draft Contract)	Annual LIPU Items up to 72,000 (see s.9.3(a) of the Draft Contract)	Additional LIPU Items over 72,000 annually (see s.9.3(b) of the Draft Contract)	Upholstered Furniture Recycling Option (see s.9.9 of the Draft Contract)	Surrey-Supplied RNG Fuelling Facilities Variation*
Weekly Garbage Collection, Recyclables Collection and Organics Collections (see s.4.3(b)(1) of the RFP)	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
Weekly Recyclables Collection and Organics Collection	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
Biweekly Garbage Collection (see s.4.3(b)(2) of the RFP)	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / year
Weekly Organics Collection	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year
Alternating Biweekly Garbage Collection and Recyclables Collection (see s.4.3(b)(3) of the RFP)	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year

*Price impacts (savings) of the Surrey-Supplied RNG Fuelling Facilities Variation should be set out as negative dollar amounts, e.g., (-\$5,000).

Description	Service Area	Weekly	Biweekly	Combined Weekly/Biweekly (see s.4.3(e) of the RFP)
Organic cart washing services for Multiple Unit Residential Buildings – weekly from April – September and biweekly from October to March (see s.4.3(e) of the RFP)	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year
		Monthly	Quarterly	Biannual
Monthly, quarterly or biannual collection of specialized items such as Styrofoam, batteries, film plastics, glass, small appliances, electronics, and textiles (see s.4.3(f) of the RFP)	Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year
	Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year
	Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year

Estimated Operating Budget and Expenses -- First 12 Months

Collection Services

	Cart Collection						
	Garbage Collections (see s.8 of the Draft Contract)	Recyclables Collection (see s.10 of the Draft Contract)	Organics Collection (see s.11 of the Draft Contract)	Annual LIPU Items up to 72,000 (see s.9.3(a) of the Draft Contract)	Additional LIPU Items over 72,000 annually (see s.9.3(b) of the Draft Contract)	Upholstered Furniture Recycling and Reuse (see s.9.9 of the Draft Contract)	Surrey-Supplied RNG Fuelling Facilities Variation
Expenses:							
Amortized Start-up Expenses							
Customer Service/Office Staff							
Waste Collection Drivers and/or Equipment Operators, Including Benefits							
Waste Collection Swampers (labourers), Including Benefits							
Supervision Labor							
General & Administrative							
Insurance							
Property Rental/Lease							
Taxes (where relevant)							
Vehicle Depreciation							
Vehicle Fuel (where relevant)							
Vehicle Maintenance							
Other - Contractors							
Other - Interest							
Other - Misc							
Totals:							
Revenues:							
Contractor Payment							
Totals:	\$	\$	\$	\$	\$	\$	\$
Net Profit/(Loss):							
Operating Statistics:							
Annual tons collected							
On-route vehicle hours/week							
Off-route vehicle hours/week							
Number of vehicles assigned							
Number of spare vehicles							

GARBAGE, RECYCLABLES & ORGANICS COLLECTIONS

RFP – ~~MAY 24~~ JULY 7, 2021

ATTACHMENT 2D – OTHER VARIATIONS

Other Variations - Services

If a Proponent proposes Other Variations to the Services as described in Section 1.3 and Section 4.5 of the RFP, the Proponent should complete a copy of the following table for each proposed Other Variation, as applicable. Proponents should use the table (or attach additional pages) to describe any proposed Other Variation in detail, including any related additional costs or cost savings, and explain how such an Other Variation will promote Surrey’s Objectives.

Description	Collection Frequency	Service Area	Garbage Collection (see s.8 of the Draft Contract)	Recyclables Collection (see s.10 of the Draft Contract)	Organics Collection (see s.11 of the Draft Contract)	Annual LIPU Items up to 72,000 (see s.9.3(a) of the Draft Contract)	Additional LIPU Items over 72,000 annually (see s.9.3(b) of the Draft Contract)	Upholstered Furniture Recycling and Reuse (see s.9.9 of the Draft Contract)	Surrey-Supplied RNG Fuelling Facilities Variation
		Area A	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / item
		Area B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / item
		Area A + B	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / year	\$ _____ / item	\$ _____ / item	\$ _____ / item

GARBAGE, RECYCLABLES & ORGANICS COLLECTIONS

RFP – ~~MAY 21~~JULY 7, 2021

Other Variations - Zero Waste Initiatives

If a Proponent proposes Other Variations to the Services as described in Section 4.5(i) of the RFP, the Proponent should complete a copy of the following table for each Zero Waste Initiative, as applicable. Proponents should use the space below the table (or attach additional pages) to describe any proposed Zero Waste Initiatives in detail and explain how such a variation will promote Surrey's Objectives.

Zero Waste Initiative - Description	Collection Frequency	Service Area	Zero Waste Initiative Costs
[E.g., community recycling events.]		Area A	\$ _____ / year
		Area B	\$ _____ / year
		Area A + B	\$ _____ / year
		Area A	\$ _____ / year
		Area B	\$ _____ / year
		Area A + B	\$ _____ / year

ATTACHMENT 2E – ADDITIONAL INFORMATION

[Proponents to insert additional information required by Section 6.3 and Section 6.4 of the RFP here.]

APPENDIX 3 – MAP OF COLLECTION AREAS

(See attached.)

APPENDIX 4 – DRAFT CONTRACT

(See attached.)

Document comparison by Workshare 10.0 on Tuesday, July 6, 2021 3:32:49 PM

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Description	#48988810v15<WORKSITE.CA.DENTONS.COM> - City of Surrey RFP No. 1220-030-2021-010 - Garbage, Recyclables & Organics Collections
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Description	#48988810v16<WORKSITE.CA.DENTONS.COM> - City of Surrey RFP No. 1220-030-2021-010 - Garbage, Recyclables & Organics Collections (Addendum No. 1)
Rendering set	Dentons Standard

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Deletions	30
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SCHEDULE 1 – PRICES

SCHEDULE 2 – LIST OF CITY FACILITIES

SCHEDULE 3 – LIST OF MURBS

SCHEDULE 4 – MAP OF COLLECTION AREA

SCHEDULE 5 – INFLATION ADJUSTMENTS

SCHEDULE 6 – SERVICE LEVEL ADJUSTMENTS

SCHEDULE 7 – SAMPLE INFLATION AND SERVICE LEVEL ADJUSTMENT CALCULATIONS

SCHEDULE 8 – SAMPLE TRANSPORTATION ADJUSTMENT CALCULATIONS

SCHEDULE 9 (A) – SAMPLE MISSED COLLECTION ADJUSTMENTS CALCULATIONS

SCHEDULE 9 (B) – SAMPLE MISSED COLLECTION ADJUSTMENTS TABLES

SCHEDULE 10 – RECYCLE-BC SERVICES AGREEMENT

SCHEDULE 11 – CONFIDENTIALITY AGREEMENT

SCHEDULE 12 – PROTECTION OF PRIVACY

WASTE, RECYCLABLES AND ORGANICS COLLECTION

THIS CONTRACT is made as of the _____ day of [month], 20__ (the "**Effective Date**").

BETWEEN:

CITY OF SURREY
13450 – 104 Ave
Surrey, B.C. V3T 1V8

(the "**City**")

AND: [INSERT PROPONENT]
[insert address]

(the "**Contractor**")

WHEREAS:

- A. Pursuant to the City's 2021 Request for Proposals # 1220-030-2021-010 (the "**RFP**") the City invited proposals from proponents for the collection and disposal of Garbage, Recyclables and Organics and the performance of other related services;
- B. The City has received proposals in response to the RFP and after evaluating the proposals the City has selected the Contractor to provide the Services and the Contractor has agreed to the same; and [Note to Proponents: This will be modified if two Final Contracts are awarded.]
- C. The City and the Contractor now wish to enter into this Contract to set forth the rights and obligations of each of them.

NOW THEREFORE THIS CONTRACT WITNESSETH that in consideration of the premises and payment of one (\$1.00) dollar and other good and valuable consideration paid by each of the parties to each other (the receipt and sufficiency of which is hereby acknowledged), the parties hereby covenant and agree with each other as follows:

1. DEFINITIONS

The following terms will have the meanings set out below:

"**Advisories**" has the meaning set out in Section 12.2;

"**Applicable Laws**" means any and all applicable laws, statutes, rules, regulations, by-laws, codes, treaties, constitutions, ordinances, directives, policies, guidelines, standards, requirements, notices and protocols of any Governmental Authority;

"**Assessment Roll**" has the meaning set out in Section 19.3(a);

"**biweekly**" means every other week;

"**Bundle**" has the meaning set out in Section 12.3(b);

“**Can**” has the meaning set out in Section 12.3(c);

“**Cart**” has the meaning set out in Section 12.3(a);

“**Change**” has the meaning set out in Section 4.8;

“**Change Order**” has the meaning set out in Section 4.8;

“**City**” means the City of Surrey;

“**City Facilities**” means those facilities receiving centralized collection in the Collection Area that are substantially listed in Schedule 2 – List of City Facilities, as may be amended from time to time in accordance with this Contract;

“**City’s Representative**” has the meaning set out in Section 3.1(b);

“**CNG**” has the meaning set out in Section 15.1(a);

“**Collection Area**” has the meaning set out in Section 12.1;

“**Collection Commencement Date**” has the meaning set out in Section 6.2;

“**Collection Materials**” means all material that the Contractor is required to collect pursuant to this Contract;

“**Collection Requirements**” has the meaning set out in Section 12.2;

“**Confidentiality Agreement**” has the meaning set out in Section 26.14;

“**Container**” has the meaning set out in Section 12.3;

“**Container Adjustment Factor**” means the Garbage Container Adjustment Factor, the Recyclables Container Adjustment Factor or the Organics Container Adjustment Factor, as applicable, all as set out in Schedule 6 – Service Level Adjustments;

“**Container Locations**” has the meaning set out in Section 12.6;

“**Contamination Management Plan**” has the meaning set out in Section 10.7;

“**Contract**” means this contract between the City and the Contractor as described herein including the schedules described in Section 2.2;

“**Contract Price**” has the meaning set out in Section 18.1;

“**Contract Year**” means the time period commencing April 1 until the next occurring April 1;

“**Contractor**” means **[insert Proponent]**;

“**Contractor’s Representative**” has the meaning set out in Section 3.1(a);

“Curbside” has the meaning set out in Section 12.6(a);

“Customer Units” means Single Family Dwellings, Multiple Unit Residential Dwellings and City Facilities receiving Services;

“Default Costs” has the meaning set out in Section 21.5(d);

“Dispute” has the meaning set out in Section 24.1;

“Dwelling Unit” means one or more habitable rooms which constitute one self-contained unit used or intended to be used for living and sleeping purposes which has:

- (a) cooking equipment or facilities for the installation of cooking equipment; and
- (b) one or more bathrooms with a water closet, wash basin and shower or bath;

“Effective Date” means the date set out on page one hereof;

“Excess Garbage” has the meaning set out in Section 8.3;

“FEI” has the meaning set out in Section 15.4(b);

“Food Waste” means kitchen food waste including fruit and vegetable peelings and cuttings, excess or spoiled prepared food, raw or cooked meat cuttings, and other discards deemed acceptable by the operator of the Organics Facility;

“Garbage” means litter, rubbish, trash, waste, garbage and refuse that originates from Customer Units, except that for greater certainty Garbage does not include, hazardous waste, contaminated soil, asbestos or other similar material that requires special handling or disposal procedures pursuant to Applicable Law, nor does it include material arising from building construction or demolition, including scraps of wood, concrete, drywall, insulation, siding, roofing, steel, masonry, wire, structural metal, etc.

“Garbage Collection” has the meaning set out in Section 8.1;

“Garbage Facility” means the transfer station known as the “North Surrey Recycling and Waste Centre (formerly Surrey Transfer Station)” located at 9770 192nd Street, Surrey, B.C., or such other facility as the City’s Representative may approve from time to time in accordance with this Contract;

“Good Industry Practice” has the meaning set out in Section 4.2(c);

“Governmental Authority” means any:

- (a) federal, provincial, state, territorial, municipal, local or other government or public ministry, department, agency, tribunal, commission, board, bureau or instrumentality, domestic or foreign;
- (b) any subdivision or authority of any of the forgoing; or

- (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above;

“Implementation Phase” has the meaning set out in Section 7.3(b);

“Indemnified Parties” has the meaning set out in Section 25.1;

“Inflation Adjustment Factor” has the meaning set out in Schedule 5 – Inflation Adjustments;

“Initial LIPU Vehicles” has the meaning set out in Section 9.3(a);

“LIPU” has the meaning set out in Section 9.1;

“LIPU Allocation” has the meaning set out in Section 9.2;

“LIPU Customers” has the meaning set out in Section 9.2;

“LIPU Items” has the meaning set out in Section 9.5;

“LIPU Telephone Number” has the meaning set out in Section 14.2;

“Letter of Credit” has the meaning set out in Section 4.3(a);

“Mattress Recycling Facility” has the meaning set out in Section 9.7;

“Ministry of Energy” has the meaning set out in Section 15.4(h);

“Missed Collection” has the meaning set out in Section 13.8;

“Multiple Unit Residential Building” or **“MURB”** means those buildings receiving centralized collection in the Collection Area with two or more Dwelling Units, as substantially listed in Schedule 3 – List of MURBS as may be amended from time to time in accordance with this Contract;

“Multiple Unit Residential Dwelling” or **“MURD”** means a Dwelling Unit contained within a Multiple Unit Residential Building that has opted to receive door to door collection service, is listed on the list of Single Family Dwellings and is otherwise treated as a Single Family Dwelling for the purposes of this Contract;

“Nominated Quantity” has the meaning set out in Section 15.4(e);

“Notice of Non-Compliance” has the meaning set out in Section 12.11;

“Operations Plan” has the meaning set out in Section 7.2;

“Organics” means Yard Waste, Food Waste, or Yard Waste commingled with Food Waste;

“Organics Collection” has the meaning set out in Section 11.1;

“Organics Facility” means the Surrey Biofuel Facility located at 9752 – 192 St, Surrey, British Columbia or such other organics facility as the City’s Representative may approve from time to time in accordance with this Contract;

“Personnel” has the meaning set out in Section 16.1(a);

“Pilot Test” has the meaning set out in Section 4.11;

“Recycle-BC” means the non-profit entity (formerly named Multi-Material BC or MMBC) that was formed in 2011 in response to the BC Recycling Regulation to have responsibility for the collection of Recyclables throughout British Columbia including in the City.

“Recycle-BC Services Agreement” means the Master Services Agreement dated as of November 30, 2013 between the City and Recycle-BC, as amended on November 1, 2018, including all related statements of work, a copy of which is attached as Schedule 10 of this Contract;

“Recyclables” has the meaning set out in Section 10.4;

“Recyclables Collection” has the meaning set out in Section 10.3;

“Recycling Facility” means the Urban Impact Recycling, Limited Materials Recovery Facility located at 5 Capilano Way, New Westminster, British Columbia or such other recycling processing facility as the City’s Representative may approve from time to time in accordance with this Contract and, provided that it has not been terminated, the Recycle-BC Services Agreement;

“Records” has the meaning set out in Section 17.4;

“Regular Schedule” has the meaning set out in Section 13.4;

“RFP” has the meaning set out in Recital A;

“RNG” has the meaning set out in Section 15.1(a);

“RNG Option” has the meaning set out in Section 15.3;

“RNG Credits” has the meaning set out in Section 15.4(h);

“Routes” has the meaning set out in Section 13.2;

“Secondary Suite” means a second Dwelling Unit located within a Single Family Dwelling;

“Sector” has the meaning set out in Section 13.1;

“Services” has the meaning set out in Section 4.1;

“Single Family Dwelling” means those residential buildings receiving door to door collection in the Collection Area as listed in ~~the document available for download at~~ <http://www.surrey.ca/for-business/1268.aspx> [TBD], as may be amended from time to time in accordance with this Contract; [Note to Proponents: The list of Single Family Dwellings will be incorporated into this

Contract either as a schedule to this Contract or by way of a reference to a website/electronic copy (that may be different from the website provided in this definition). A copy of the current list has been posted to the City's data bank located at <https://mft.surrey.ca> (Logon ID: surreybid; Password: Welcome) in folder "1220-030-2021-010 - Garbage, Recyclables & Organics Collections RFP". This definition and the applicable list will be modified if two Final Contracts are awarded.]

"Solid Waste Program Telephone Number" has the meaning set out in Section 14.1;

"Subcontractor" means an authorized person, firm or corporation having a direct contract with the Contractor to perform a part or parts of the Services as set out in Section 26.17;

"Term" has the meaning set out in Section 6.1;

"Tonnage Adjustment Factor" means the Garbage Tonnage Adjustment Factor, the Recyclables Tonnage Adjustment Factor or the Organics Tonnage Adjustment Factor, as applicable, all as set out in Schedule 6 – Service Level Adjustments;

"Transportation Adjustment" has the meaning set out in Section 19.4;

"Upholstered Furniture Recycling Facility" has the meaning set out in Section 9.9;

"Upholstered Furniture Recycling Option" has the meaning set out in Section 9.9;

"Waste Management Bylaw" has the meaning set out in Section 4.2(a)(2); and

"Yard Waste" means organic yard/garden waste that originates from residential sources, including plant debris, grass clippings, tree clippings, leaves and other trimmings, tree and hedge prunings, plants, flowers and sod, and other organic yard/garden waste commonly thrown away in the course of maintaining yards and gardens, except for greater certainty, Yard Waste does not include materials that originates from commercial operations (including from land development and landscaping services operations), loose soils, plastics and synthetic fibres, lumber, any wood or tree limbs over ten centimetres in diameter, human or animal excrement, noxious weeds, or soil contaminated with hazardous substances.

2. INTERPRETATION

2.1 General

This Contract will be interpreted according to the following, except to the extent that the context or the express provisions of this Contract otherwise require:

- (a) "authorized", "directed", "required", "requested", "approved", "ordered", "sanctioned", and "satisfactory" will respectively mean authorized, directed, required, requested, approved, ordered or sanctioned by, or satisfactory to, the City's Representative;
- (b) the headings and subheadings inserted in this Contract are designed for convenience only and do not form a part of this Contract nor are they intended to interpret, define, or limit the scope, extent, or intent of this Contract or any provision hereof;

- (c) the word "including", when following any general statement, term or matter, will not be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (d) any reference to a statute or bylaw will include and will be deemed to be a reference to such statute and to the regulations made pursuant thereto, as amended and in force from time to time, and to any statute, bylaw or regulation that may be passed which has the effect of supplementing or superseding the same;
- (e) words and abbreviations which have well-known technical or trade meanings are used in this Contract in accordance with such recognized meanings;
- (f) words importing the masculine gender include the feminine or neuter gender and words in the singular include the plural, and vice versa and words importing individuals will include firms and corporations, and vice versa; and
- (g) while the City believes that the sample calculations provided in this Contract are correct, in the event of a conflict between the methodology of a calculation in the Contract and a sample provided, the methodology of the calculation shall supersede the sample.

2.2 Schedules

The following schedules are attached to and form part of this Contract:

- (a) Schedule 1 – Prices;
- (b) Schedule 2 – List of City Facilities;
- (c) Schedule 3 – List of MURBS;
- (d) Schedule 4 – Map of Collection Area;
- (e) Schedule 5 – Inflation Adjustments;
- (f) Schedule 6 – Service Level Adjustments;
- (g) Schedule 7 – Sample Inflation and Service Level Adjustment Calculations;
- (h) Schedule 8 – Sample Transportation Adjustment Calculations;
- (i) Schedule 9 (A) – Sample Missed Collection Adjustments Calculations;
- (j) Schedule 9 (B) – Sample Missed Collection Adjustments Tables;
- (k) Schedule 10 – Recycle-BC Services Agreement;

- (l) Schedule 11 – Confidentiality Agreement; and
- (m) Schedule 12 – Protection of Privacy.

3. REPRESENTATIVES

3.1 Appointment

Each party will maintain communication with the other party in accordance with their respective obligations under this Contract. In particular:

- (a) the Contractor will appoint a senior executive representative (the "**Contractor's Representative**") who will have the duty of instituting and maintaining communication with the City as to the requirements of this Contract, plus an alternative representative to so act in the absence or inability to act of the Contractor's Representative; and
- (b) the City will appoint a representative (the "**City's Representative**") who will have the duty of instituting and maintaining communication with the Contractor as to the requirements of this Contract, plus an alternative representative to so act in the absence or inability to act of the City's Representative.

3.2 Representative's Authority

Each party's representative has the power and authority to act on behalf of and to bind such party with respect to all matters under or with relating to this Contract, except that no representative will have the authority to amend this Contract, and each party's representative may be relied upon by the other party as the official representative of such party. Meetings between the Contractor's Representative and the City's Representative may be held by telephone with the consent of all parties participating in such meetings. Each party will notify the other in writing as to the name and contact information of their respective representatives and alternative and a party may change its representative or alternative representative by written notice to the other.

4. SERVICES

4.1 Services

Throughout the Term, the Contractor will, in accordance with the terms of this Contract, perform all the obligations, including all services, required to be performed by the Contractor under this Contract, and will do so in accordance with the requirements of such performance as set out in this Contract (collectively, the "**Services**"), including:

- (a) the Garbage Collection as described in Section 8.1, including LIPU as described in Section 9.1;
- (b) the Recyclables Collection as described in Section 10.3; and
- (c) the Organics Collection as described in Section 11.1.

4.2 Standard of Performance

The Contractor will at all times perform the Services:

- (a) in accordance with all Applicable Laws, including the following bylaws of the City, as amended from time to time:
 - (1) Business License Bylaw, 1999, No. 13680;
 - (2) Bylaw 18412, Waste Management Regulations and Charges (the “**Waste Management Bylaw**”);
- (b) having regard for the concerns, needs and interests of the City, the residents of the City and the environment; and
- (c) using standards, practices, methods and procedures to a good commercial standard and exercising that degree of skill, care and diligence which would reasonably and ordinarily be expected from a qualified, skilled and experienced North American garbage, yard trimmings, food waste and recyclables collector undertaking services similar to the Services (“**Good Industry Practice**”).

4.3 Service Performance Security

The Contractor will provide performance security as follows:

- (a) within ten business days of the Effective Date deliver to the City an irrevocable, unconditional, on sight letter of credit in the amount of \$[5,000,000 or \$2,500,000], presentable at a bank listed under Schedule I of the *Bank Act* (Canada) (the “**Letter of Credit**”) for the benefit of the City, in a form and on terms satisfactory to the City; and

[Note to Proponents: If one Proponent is awarded a Contract for both Area A and Area B, such Proponent will be required to provide a letter of credit in the amount of \$5,000,000. If one Proponent is awarded a Contract for Area A and a different Proponent is awarded a separate Contract for Area B, each Proponent will be required to provide a letter of credit in the amount of \$2,500,000.]

- (b) renew the Letter of Credit so that it remains valid in accordance with this Contract.

If at any time during the Term the Letter of Credit will expire, then no less than 30 calendar days prior to the date of expiry of the Letter of Credit the Contractor will renew and deliver to the City the Letter of Credit so it is valid, at a minimum,

- (c) until the end of the Term; or
- (d) for a further 12 calendar months,

failing which the City may call upon the full amount of the Letter of Credit and hold and have access to such funds without payment of interest in substitution for the Letter of Credit.

The City may at any time and from time to time draw on the Letter of Credit in whole or in part to cover any costs incurred, or to be incurred, by the City as a result of any breach, or anticipated breach, of this Contract by the Contractor. If the City draws on the Letter of Credit before the end of the Term, then on ten calendar days written notice from the City, the Contractor will provide supplementary or substitute letters of credit or additional funds to top up the performance security so that, in addition to the amount(s) drawn upon, the City has available to it the full amount of the performance security set out in Section 4.3(a).

4.4 Topping up of Letter of Credit

If at any time the Letter of Credit is not topped up, as required by Section 4.3, then the City may, on ten business days' written notice to the Contractor, terminate this Contract.

4.5 Collection Vehicle Procurement Security

The Contractor will, within 30 days of the Effective Date, provide the City with written evidence, satisfactory to the City, that the Contractor has a legally binding purchase agreement with [insert name of manufacturer] for the purchase of [insert #], collection vehicles that meet the requirements of this Contract. The Contractor will include in such purchase agreement provisions whereby:

- (a) if at any time the Contractor is in default under the purchase agreement, the manufacturer will give at least ten calendar days written notice to the City before taking steps to terminate the purchase agreement or to enforce rights, if any, to take possession of the collection vehicles or to enforce rights of security against the collection vehicles; and
- (b) upon written notice provided to the manufacturer by the City stating that the City has determined that the Contractor is in default of its obligations under this Contract, the manufacturer agrees that the City may take an assignment of the purchase agreement and assume the Contractor's rights and obligations under the purchase agreement and agrees that such assignment will not otherwise result in any change to terms of the purchase agreement including the anticipated delivery date for the collection vehicles.

Prior to signing any purchase agreement with [insert name of manufacturer] for the collection vehicles, the Contractor will provide the City with a reasonable opportunity to review a draft of the agreement and will take the City's comments, if any, into consideration before finalizing the agreement. [Note to Proponents: This will be modified once known.]

The Contractor will, within five business days after the start of each calendar month, provide the City with a monthly report setting out:

- (c) update details of the Contractor's financial obligations with respect to the collection vehicles, including the date and amount of all payments made by the Contractor to the manufacturer and all funds received by the Contractor from any third party financing the purchase, the due dates of all future payment obligations and any other financial information reasonably requested by the City;
- (d) the anticipated delivery date(s) of the collection vehicles of the collection vehicle;

- (e) details of any issue whatsoever that has the reasonable likelihood to affect the delivery date(s); and
- (f) any other information requested by the City that the City determines, in its sole discretion, is required to understand or assess the ability of the Contractor to have the collection vehicles available for the Collection Commencement Date.

4.6 Collection Vehicles Default

If the City, acting reasonably, at any time determines that the Contractor:

- (a) has failed to comply with Section 4.5;
- (b) is unable to fulfill its financial obligations with respect to the purchase of the collection vehicles;
- (c) will not be able to obtain delivery of all the collection vehicles in time for the Collection Commencement Date; or
- (d) the collection vehicles will not comply with the requirements of this Contract,

then the Contractor will be deemed to be in breach of this Contract and the City may terminate this Contract pursuant to Section 21 and, upon such termination by the City, without limiting any of its other rights at law, call upon the Letter of Credit to cover all costs reasonably incurred relating to such termination and relating to awarding a new contract for the Services to another contractor, including any amount above the Contract Price, if any, that the City is required to pay to a replacement contractor for the performance of the Services.

4.7 Cooperation with Emissions Requirements

The Contractor will, cooperate with the City with respect to any Governmental Authority's emission reporting requirements, including but not limited to the Contractor becoming a voluntary reporting entity under the "Climate Registry" (the non profit organization in which the Province of British Columbia and other governments of North America have agreed to participate for the purpose of reducing greenhouse gas emissions) and "BC Climate Action Charter" (a voluntary agreement between the B.C. government, Union of B.C. Municipalities and each local government signatory to take action on climate change). The Contractor shall also comply with the reporting requirements described in Section 15.4(k).

4.8 Changes

The City may, without invalidating the Contract, make changes to the Services by altering, adding to, or deducting from the Services, or by making changes to the manner in which the Services are to be performed, (a "**Change**"), with adjustment, if any, to the Contract Price caused by the Change. When the adjustment, if any, to the Contract Price is agreed by the City and the Contractor, the City's Representative will issue a written approval (a "**Change Order**") setting out:

- (a) a description of the change in the Services covered by the Change; and

- (b) the price or method of valuation for such Services, (being the total necessary and reasonable adjustment (increase or decrease) to the Contractor's direct cost, overhead costs, and profit, of performing the Services caused by the Change, if any, to the Contract Price (excluding only GST) and, for certainty, when agreed will be deemed to include all claims for compensation on account of all related costs, including all direct, indirect or "impact", overhead, and all other costs, and all markups and profits, even if the Change Order does not specifically mention such items); and

the City's Representative and the Contractor's Representative will sign the Change Order to confirm agreement and, upon receipt of a signed Change Order, the Contractor will proceed with the Change without delay.

For greater certainty the following are not Changes:

- (c) fluctuations in the Assessment Roll;
- (d) amendments to Schedule 2 – List of City Facilities and Schedule 3 – List of MURBS;
- (e) directions to transport Garbage to a different Garbage Facility;
- (f) directions to transport Organics to a new Organics Facility; and
- (g) directions to transport Recyclables to a new Recycling Facility as described in the Recycle-BC Services Agreement; and

except as may be expressly set out in this Contract, the Contractor is not entitled to additional compensation for such fluctuations, amendments and directions.

4.9 Change Directive

If the City determines that the Contractor is to proceed with a Change prior to the issuance of a Change Order, then the City's Representative may, without invalidating the Contract, sign and issue a written order (a "**Change Directive**") instructing the Contractor to proceed with a defined Change. Notwithstanding that the parties have not reached agreement on any adjustment to the Contract Price upon receipt of a Change Directive, the Contractor will proceed with the Change without delay, without prejudice to the Contractor's right to claim such adjustments. Any disputes relating to such adjustments will be resolved in accordance with Section 24.

4.10 Contemplated Change

At any time and from time to time during the Term the City may direct the Contractor by written notice to promptly prepare and deliver to the City's Representative, at no additional cost to the City, a cost estimate for a potential Change. If the City notifies that the cost estimate is urgent, the Contractor will prepare and deliver the estimate to the City within 24 hours. In preparing the cost estimate, the Contractor will apply the prices set out in Schedule 1 – Prices to the extent such prices are applicable to the Change.

If the City agrees with the cost estimate provided by the Contractor, the City will issue a Change Order for the Change for signature by the Contractor.

If the City does not agree with the cost estimate provided by the Contractor, the City may issue a Change Directive for the Change pursuant to Section 4.9.

4.11 Pilot Tests

The City may require the Contractor to conduct pilot tests (a “**Pilot Test**”) that temporarily modify one or more provisions of this Contract, such as a test of a new collection method, or a different type(s) of service or schedule. Any one Pilot Test will cover no more than 10% of the Collection Area, and will continue for no more than 18 months, unless both parties agree to an extension. A Pilot Test may require the Contractor to prepare and maintain additional records.

A Pilot Test will be deemed to be a Change. Prior to the commencement of a Pilot Test the City and the Contractor will reach agreement on the Contractor’s reasonably required additional costs of implementing and performing the Pilot Test. If a Pilot Test affects the Regular Schedule, or otherwise affects the Services, then the Change will include the Contractor’s cost increases and savings resulting from the Pilot Test, including any increase or decrease in the Contractor’s direct operating costs, overhead costs, and profit, as a result of the Pilot Test. Direct operating costs, overhead costs, and profit, include planning costs; labour expense, including supervision (wages, employment taxes, and fringe benefits); materials, supplies and fuel; and amortized costs of new equipment purchased for the Pilot Test, or equipment modified for the test. Direct operating cost excludes depreciation of equipment usable elsewhere.

The parties will agree before the start of a Pilot Test on the new equipment, if any, required for the Pilot Test. The parties will also reach agreement on what new equipment will be usable elsewhere in the performance of the Services by the Contractor. Any new equipment that is not usable elsewhere by the Contractor in the performance of the Services will be purchased by the City, at cost, at the conclusion of the Pilot Test. Increases in direct operating costs will be determined based on out of pocket payments by the Contractor, and be capable of verification by an independent auditor.

Disagreements between the parties relating to a Pilot Test, including the valuation of the costs and savings, may be referred by either party to the dispute resolution mechanism in Section 24.1.

4.12 Increased Diversion and Zero Waste Incentive Programs

The City has established a goal to become Canada’s first zero waste to landfill community in Canada from its residential waste stream. The zero waste goal will build on the strengths of the City’s existing waste management policies, programs and services set out in this Contract, but also expand beyond these initiatives by identifying opportunities, innovations and best practices to increase waste reduction, reuse, recycling and diversion that can be incorporated into this Contract. A key area of focus will be the introduction of circular economy approaches. The City may, from time to time, give written direction to the Contractor to develop a new waste diversion incentive program or programs, and upon such direction the Contractor will, at the Contractor’s cost, cooperate with the City to jointly develop such a program or programs. A program, when directed by the City, will be deemed to be a Change, and the Contract Price will be adjusted on account of a program as agreed by the parties, or by application of the prices set out in Schedule 1 – Prices, as appropriate, or as determined by the City’s Representative, acting reasonably, provided that if the Contractor disputes the amount determined by the City’s Representative, the Contractor may invoke the dispute resolution mechanism in Section 24.1.

The service(s) included in a new waste diversion and/or zero waste incentive program may include, but will not be limited to the following:

- a) Textiles Collection Program;
- b) Glass Collection;
- c) Renovation Material Collection Program;
- d) Circular Economy Programs;
- e) Household Battery Collection Program; and
- f) Community Recycling Collection Events.

The Contractor will throughout the Term at its cost employ a designated Manager to work with the City in the development, deployment and management of such programs during the Term. If any such program prohibits the Contractor from collecting materials without a special waste permit, the City and the Contractor will work together to enable the Contractor to be able to legally collect the materials.

5. PANDEMIC RESTRICTIONS

The parties acknowledge that this Contract has been entered into during the on-going COVID-19 pandemic (the “**Pandemic**”). The Contractor advises that it is able to proceed with the Services under the Pandemic conditions and restrictions (collectively the “**Pandemic Restrictions**”) as they exist as of the Effective Date. The parties acknowledge that Pandemic Restrictions may change so as to cause unavoidable interruptions or interference to the Contractor’s performance of the Services. The parties confirm:

- (a) notwithstanding the existence of the Pandemic, this Section 5 will apply to new Pandemic Restrictions, which arise after the Effective Date, whether anticipated or not, which reasonably interfere with the Contractor’s performance of the Services, such that upon the Contractor giving required notice shall be entitled to an extension of the time to perform the Services, but shall not be entitled to reimbursement of any costs;
- (b) notwithstanding any such new Pandemic Restrictions, this Contract will remain valid and in force, subject to the terms of this Contract including Section 16.4; and
- (c) if new Pandemic Restrictions occur that cause or threaten interruption of the Services the Contractor will give the City immediate notice, and a written plan of the interim steps the Contractor will take, if any, during the interruption of the Services, and when Pandemic Restrictions permit, provide the City with a written plan for the resumption of the Services.

6. TERM

6.1 Term

The term of this Contract (the “**Term**”) commences on the Effective Date and continues until midnight on March 31, 2030, subject to extension for the period specified in Section 6.3, or earlier termination in accordance with the terms of this Contract.

6.2 Collection Commencement Date

The Contractor will start performing the Services on April 3, 2023 (the “**Collection Commencement Date**”) and will continue to perform the Services until the end of the Term.

6.3 City’s Right to Extend

The City has the unilateral right to extend the Term for an additional three-year period. If the City elects to exercise the three-year extension, it will notify the Contractor on or before June 1, 2029, in which case the Term will be extended until midnight April 1, 2033 on the same terms and conditions as are in effect on June 1, 2029, including any cost or price escalators.

7. CONTRACT IMPLEMENTATION

7.1 Implementation Plan

The Contractor will, prior to September 1, 2022, submit an implementation plan to the City for its approval. The implementation plan will include all Contractor activities necessary for Services start-up. Such activities will include, but are not limited to, driver hiring and training, development and mapping of collection routes, collection vehicle maintenance and fuelling procedures, procedures for electronic transfer of data to and from the City, and may also include other information requested by the City’s Representative.

7.2 Operations Plan

During the period between the Effective Date and the Collection Commencement Date, the City and the Contractor will collaboratively develop a schedule of activities and detailed procedures (the “**Operations Plan**”) to facilitate the effective implementation and operation of the Services. The Operations Plan will include detailed procedures relating to, and completion dates for, each of the following:

- (a) dividing the Collection Area into Sectors as described in Section 13.1;
- (b) subdividing each Sector into Routes as described in Section 13.2;
- (c) transmitting collection information between the City and the Contractor;
- (d) measuring and applying financial incentives and deductions;
- (e) protocol and communications for service disruption for weather and non-weather reasons;
- (f) transferring electronic information from the Contractor to the City;

- (g) data quality control and accuracy;
- (h) the type and amount of Recyclables and Organics which must be present in the Garbage to warrant non-collection;
- (i) the training and orientation of Personnel, including route coordination and cooperation with City staff; and
- (j) any other item identified for inclusion by either party.

7.3 Meetings

To minimize problems and to provide a forum for discussing and resolving issues related to the Contract, the City and the Contractor will meet regularly as follows:

- (a) on a monthly basis following the Effective Date until the Collection Commencement Date, or such other frequency as may be mutually agreed, so as to:
 - (1) discuss the status of the manufacturing and the delivery date(s) of the collection vehicles;
 - (2) develop and refine the Operations Plan; and
 - (3) discuss any other issues that arise relating to the performance of the Services;
- (b) on a weekly basis until during the first six months following the Collection Commencement Date (the "**Implementation Phase**"), or such other frequencies as may be mutually agreed, so as to:
 - (1) develop and refine the Operations Plan as needed;
 - (2) review and evaluate the Contractor's performance of the Services;
 - (3) discuss any actual or perceived problems with the performance of the Services by the Contractor;
 - (4) discuss and resolve any complaints from either party;
 - (5) discuss promotion, public information and public relations; and
 - (6) discuss any other issues that arise;
- (c) on monthly basis following the Implementation Phase and for the remainder of the Term, or such other frequency as may be mutually agreed, so as to:
 - (1) review and discuss day-to-day operations;
 - (2) discuss promotion, public information and public relations; and

- (3) discuss any other issues that arise.

Meetings before and during the Implementation Phase will be held at the offices of the City unless otherwise agreed by the parties. Meetings held following the Implementation Phase will be held at a location agreed upon by the parties. Unless otherwise agreed to in advance, meetings will be held during normal business hours and each party will be available for at least 90 minutes per meeting.

8. GARBAGE

8.1 Garbage Collection

The Contractor will:

- (a) collect the Garbage from the Container Locations at all:
 - (1) Single Family Dwellings; and
 - (2) MURDs;
 - (b) collect the Excess Garbage in accordance with Section 8.3;
 - (c) deliver all Garbage collected by the Contractor pursuant to this Contract to the Garbage Facility; and
 - (d) administer and operate LIPU in accordance with Section 9,
- (collectively, the “**Garbage Collection**”).

8.2 Garbage Limits

Each collection period, subject to Section 8.3, the Contractor will collect 90-litre, 120-litre, 180-litre, 240-litre or 360-litre Carts of Garbage from each Single Family Dwelling (with or without a Secondary Suite) and MURD, as applicable.

Subject to Section 8.3, the Contractor is not responsible for collecting Garbage that does not comply with the above or do not otherwise comply with the Collection Requirements. If the Contractor does not collect Garbage because of non-compliance, then the Contractor will tag the Garbage not collected with a Notice of Non-Compliance as described in Section 12.11. If there is a dispute about what constitutes Garbage, the City’s Representative’s decision will be final and binding.

8.3 Excess Garbage

The Contractor will collect Garbage in excess of the amounts set out in Section 8.2 (“**Excess Garbage**”) if:

- (a) the Excess Garbage is placed in a Can, a bag or some other similar receptacle and bears an Excess Garbage sticker; or

- (b) for any reason there is a backlog of Garbage that should have been collected in a previous collection period that was not collected including because of the Contractor's failure to complete the Garbage Collection or because weather or other conditions prevented full collection, and the City's Representative gives notice to the Contractor's Representative to collect the backlog, in which case no Excess Garbage stickers need be affixed to the Excess Garbage.

The City will be responsible for designing, printing and selling the Excess Garbage stickers.

8.4 Comingled Garbage

The Contractor will make reasonable efforts in accordance with Good Industry Practice to not collect Garbage which is comingled with Recyclables and/or Organics and will comply with Section 12.11, provided that, and notwithstanding the reasonableness of the Contractor's efforts, the Contractor will pay, and will indemnify the City for, any and all additional costs, fines or penalties the City is required to pay related to any delivery of comingled Recyclables and inclusion of non-Recyclables in a load of Recyclables.

8.5 City's Right to Amend Lists

The City may, at its sole discretion, amend the list of Single Family Dwellings, Schedule 2 – List of City Facilities and Schedule 3 – List of MURBS at any time and may direct the Contractor to begin collecting Garbage from locations other than those set out in Section 8.1(a). (For illustration, the City anticipates that certain schools may be added to Schedule 2 – List of City Facilities during the Term.) Any such amendment will not be a Change, but will be subject to adjustment in accordance with Section 19.2.

8.6 City's Right to Change the Garbage Facility

The City's Representative may upon written notice to the Contractor change the Garbage Facility location. Upon receipt of notice of such a change in location, the Contractor will transport and dispose of all collected Garbage to the new facility and location as directed by the City's Representative. Notwithstanding Section 12.14, if such a change reasonably requires the Contractor to incur new road or bridge tolls to transport the Garbage, including large items collected in accordance with LIPU, to the new location of the Garbage Facility, the City will reimburse the Contractor for such tolls (but subject to express provisions in Section 19.4, the City will not be required to pay any other additional costs as may be incurred by the Contractor as account of the change in location of the Garbage Facility).

9. LARGE ITEM PICK UP PROGRAM

9.1 Administration and Operation

The Contractor will, as part of the Services, administer and operate the City's Large Item Pick Up Program as described in this Section 9 ("LIPU"), which includes performing the following:

- (a) handling all requests for LIPU service from residents of the City;

- (b) maintaining a database of requests for LIPU service together with a breakdown of all LIPU Items collected by type per month, and such other information requested by the City;
- (c) scheduling pick up dates for LIPU pick-ups directly with residents of the City and performing LIPU pick-ups in accordance with Section 9;
- (d) collecting all items that qualify as LIPU Items from Container Locations at Single Family Dwellings, MURDs and MURBs, up to the maximum annual quantities of LIPU Items that a resident is entitled to have collected under LIPU;
- (e) transporting collected LIPU Items as appropriate to the Garbage Facility, the Recycling Facility or other designated sites as approved by the City's Representative; and
- (f) providing to the City such information and reporting as reasonably requested by the City for monitoring LIPU.

The Contractor will operate LIPU in a socially and environmentally responsible manner and will use reasonable commercial efforts in accordance with Good Industry Practice to collect LIPU Items in accordance with this Section 9.

9.2 LIPU Allocation

Under LIPU, MURB residents, residents of Single Family Dwellings, and MURD residents (collectively, "**LIPU Customers**") may dispose of qualifying LIPU Items, as described in Section 9.5 and Section 9.6, at their respective Container Locations at any time throughout the calendar year.

Each LIPU Customer may dispose of up to six LIPU Items per calendar year, except Single-Family Dwellings with a Secondary Suite, which may dispose of up to eight LIPU Items per calendar year (such allocation per LIPU Customer, the "**LIPU Allocation**"). Each LIPU Customer may dispose of its LIPU Allocation all at once, or at different times during the calendar year. If in any calendar year a LIPU Customer does not dispose of its entire LIPU Allocation, then the LIPU Customer may not "carry forward" such unused LIPU Allocation to the next calendar year.

The City Representative may, at its sole discretion, increase or decrease the LIPU Allocation of any or all LIPU Customers by written notice to the Contractor at any time and from time to time, at no additional cost to the City except as expressly contemplated by Section 9.3.

9.3 LIPU Capacity and Payment

The Contractor will collect, as part of LIPU, LIPU Items in the following amounts and the following will apply:

- (a) The Contractor will dedicate for exclusive use in support of LIPU, such number of vehicles (the "**Initial LIPU Vehicles**") capable of collecting a minimum of 72,000 LIPU Items per Contract Year. The price for each LIPU Item up to a maximum of 72,000 LIPU

Items, will be included in the payment set out in Schedule 1 – Prices – Annual Large Item Pickup; and

- (b) If the Contractor reasonably determines that the number of LIPU Items collected during any month of a Contract Year will exceed 6,000 LIPU Items,
 - (1) the Contractor will immediately provide the City with written notice describing the anticipated magnitude and duration of the excess demand;
 - (2) on the written direction of the City, the Contractor will for that month supply for exclusive use in support of LIPU further additional vehicles as required to meet the increased demand; and
 - (3) if the total number of LIPU Items collected in a Contract Year exceeds 72,000, the City will then, in addition to the payment described in Section 9.3(a), pay the Contractor as set out in Schedule 1 – Prices – Additional Large Item Pickup Support for each LIPU Item collected in excess of the 72,000 minimum.

For greater certainty, payment for administering and operating LIPU is included in the payment for Schedule 1 – Prices and the Contractor will not receive any additional payment for performing LIPU nor will the Contractor directly charge any resident for the collection of any LIPU Item.

9.4 LIPU Schedule

Notwithstanding any other provision in the Contract, the Contractor will collect the LIPU Items under LIPU on a “call-in basis” and not pursuant to a regular schedule. The Contractor will collect items from residents of the City on the residents’ next scheduled day for Garbage Collection, when possible, and in any event no later than six business days after receiving a request from a resident.

9.5 Qualifying LIPU Items and Method of Disposal

LIPU covers the large items set out in the table below (collectively the “LIPU Items”) and the method of disposal for each LIPU Item will be as shown in the column next to Such LIPU Item, provided that the Contractor will:

- (a) first, evaluate the suitability of LIPU Items for donation or reuse, and donate suitable LIPU Items accordingly;
- (b) secondly, any LIPU items that cannot be donated or reused should be delivered to a facility that can recycle the LIPU items ; and
- (c) lastly, dispose of any LIPU items that cannot be reused or recycled at a licensed disposal facility.

[Note to Proponents: Additional LIPU-related requirements, including methods of handling the LIPU Items set out in the table below will be further developed as part of the RFP process.]

LIPU Item	Disposal Instructions
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Upholstered furniture (including armchairs, recliners, loveseats, couches, reclining couches, sectionals, sofa beds, and ottomans)	Landfill, subject to the City's right to exercise the Upholstered Furniture Recycling Option in accordance with Section 9.9.
Non-upholstered furniture (e.g. desks, tables)	Landfill
White goods including stoves, dishwashers, hot water tanks, refrigerators and freezers (the Contractor will remove freon from any LIPU Items containing freon or deliver such items to a Garbage Facility for removal), washers and dryers	Recycle all "white goods" that fall under Extended Producer Responsibility (EPR) through the MARR BC Program
Small household goods	Recycle if applicable; non-recyclable items to landfill
Mattresses and box springs	Recycle
Electronics	Recycle all electronics that fall under EPR through the ElectroRecycle Program
Small appliances	Recycle all small appliances that fall under EPR through the ElectroRecycle Program
Suitcases	Landfill
Infant car seats	Recycle
Plastics that are not collected as part of the Recyclables Collection (e.g., hoses, toys, pots, etc.)	Landfill
Power tools and outdoor equipment (e.g., lawnmower, wheelbarrow, etc.)	Recycle all power tools and outdoor equipment that fall under EPR through the Outdoor Power Equipment Institute of Canada (OPEIC) or through the ElectroRecycle Program
Exercise equipment (e.g., treadmill, elliptical trainer, etc.)	Recycle all exercise equipment that fall under EPR through the ElectroRecycle Program
Metal	Recycle

Glass bottles and jars that are not collected as part of the Recyclables Collection Recycle

Tires Recycle all tires that fall under EPR through Tire Stewardship BC

9.6 Prohibited Items

The following items are not LIPU Items and the Contractor will not be required to collect them unless specifically directed to do so by the City's Representative:

- (a) vehicle bodies or parts;
- (b) tree stumps;
- (c) carpets;
- (d) lumber, demolition or home renovation materials;
- (e) hazardous waste; and
- (f) propane tanks.

9.7 Mattresses and Box Springs

The Contractor will ~~transport mattresses and box springs collected as part of LIPU to~~ identify and propose a facility that is capable of recycling mattresses and box springs (the "**Mattress Recycling Facility**"), ~~as directed to the City. Subject to the prior written approval of the City's Representative of such facility, or the direction~~ by the City's Representative to use a different facility from time to time throughout the Term, ~~the Contractor will transport mattresses and box springs collected as part of LIPU to such Mattress Recycling Facility.~~ In the event the City's Representative directs the Contractor to deliver mattresses and box springs to a Mattress Recycling Facility outside of the Metro-Vancouver region, the City will pay the Contractor's reasonable actual costs incurred as a result of such change to the Mattress Recycling Facility. If the Contractor determines mattresses and box springs must be wrapped for collection, the Contractor will provide and deliver mattress bags to Single Family Dwellings and MURBs. In accordance with Good Industry Practice, the Contractor will store any mattresses prior to their delivery to a Mattress Recycling Facility.

9.8 Amendments to Qualifying Items, Disposal and Prohibited Items

The City's Representative may, at its sole discretion, amend the lists set out in Section 9.5 and Section 9.6 by written notice to the Contractor at any time and from time to time, at no additional cost to the City.

9.9 Upholstered Furniture Recycling Option

During the Term, the City will have the option (the "**Upholstered Furniture Recycling Option**") to require the Contractor to collect and transport upholstered furniture to a facility capable of recycling or facilitating

the reuse of such upholstered furniture (the “**Upholstered Furniture Recycling Facility**”). The City may exercise its Upholstered Furniture Recycling Option at any time on or after the Effective Date, in its sole discretion, by providing written notice to the Contractor, and upon receipt of such notice, the Contractor will comply with Section 9.10 and the City will pay the Contractor in accordance with Schedule 1 Prices – Upholstered Furniture Pickups.

9.10 Upholstered Furniture Recycling or Reuse

Subject to the City exercising its Upholstered Furniture Recycling Option in accordance with Section 9.9, the Contractor will identify and propose an Upholstered Furniture Recycling Facility to the City. Subject to the prior written approval of the City’s Representative of such facility, or the direction by the City’s Representative to use a different facility from time to time during the Term, the Contractor will transport upholstered furniture collected as part of LIPU to such Upholstered Furniture Recycling Facility. In the event the City’s Representative directs the Contractor to deliver upholstered furniture to an Upholstered Furniture Recycling Facility outside of the Metro-Vancouver region, the City will pay the Contractor’s reasonable actual costs incurred as a result of such change to the Upholstered Furniture Recycling Facility. In accordance with Good Industry Practice, the Contractor will store any upholstered furniture prior to its delivery to a Upholstered Furniture Recycling Facility.

[Note to Proponents: The Final Contract will be revised and supplemented accordingly to implement the Variations and Other Variations from the successful Proponent’s Proposal that are accepted by the City, including any related requirements.]

10. RECYCLABLES

10.1 Obligations under the Recycle-BC Services Agreement

The Contractor expressly acknowledges that the City has entered into the Recycle-BC Services Agreement with Recycle-BC and accordingly the parties agree that the Contractor’s obligations and responsibilities in relation to the Recyclables Collection include the following:

- (a) Subject to this Section 10.1, the provisions of the Recycle-BC Services Agreement will be binding upon the City and the Contractor on a fully back-to-back basis as if the City is Recycle-BC and the Contractor is the “Contractor” under the Recycle-BC Services Agreement.
- (b) Subject to this Section 10.1, the Contractor will assume and perform as part of its obligations under this Contract all the obligations, duties, responsibilities, warranties, indemnities and liabilities of the City under the Recycle-BC Services Agreement in relation to the Recyclables Collection and the performance of the Recyclables Collection.
- (c) Nothing in this Contract will be construed as committing the City to providing or making available to the Contractor any benefit or other right greater than what the City actually obtains from Recycle-BC under the Recycle-BC Services Agreement in respect of the Recyclables Collection.
- (d) Except as expressly set out otherwise in this Contract, the Contractor will perform and complete the Recyclables Collection and remedy any and all deficiencies and defects in

the Recyclables Collection such that no act or omission of the Contractor will constitute, cause or contribute to any breach of the City of any of its obligations under the Recycle-BC Services Agreement.

- (e) In the event of a change to the Recycling Facility in accordance with the Recycle-BC Services Agreement, the Contractor will only be entitled to a Change for the purposes of this Contract, if, and only to the extent that, the City is entitled to and actually receives additional compensation or other relief as a result of such change to the Recycling Facility under the Recycle-BC Services Agreement.

10.2 Cooperation in Disputes between the City and Recycle-BC

The Contractor will fully cooperate with and support the City in the event of any dispute with Recycle-BC related to the Services provided by the Contractor under this Contract.

10.3 Recyclables Collection

The Contractor will:

- (a) collect the Recyclables from the Container Locations at:
- (1) all Single Family Dwellings [and MURDs](#);
 - (2) all City Facilities; and
 - (3) all MURBs; and
- (b) deliver the Recyclables collected by the Contractor pursuant to this Contract to the Recycling Facility,

(collectively, the “**Recyclables Collection**”).

Customer Units may place their Recyclables in Carts, Cans, blue boxes or other similar receptacles and the Contractor will collect Recyclables from all such receptacles. Customer Units may upgrade or downgrade between Cart sizes and may obtain additional Carts or blue boxes.

10.4 Single Stream Collection

The Contractor will perform the Recyclables Collection using a single-stream (commingled) collection process. Without limiting the foregoing, the Contractor will collect all recyclables (the “**Recyclables**”) that the City is required to collect under the Recycle-BC Services Agreement. The City has the right to amend the list of Recyclables at its sole discretion, provided that any additional item is able to be recycled and marketed, and such amendment will not constitute a Change.

10.5 Recyclables Limits

Customer Units will typically have Recyclables collected as follows:

- (a) from each Single Family Dwelling (with or without a Secondary Suite) and MURD, one 90-litre Cart, 120-litre Cart, 180-litre Cart, 240-litre or 360-litre Cart per collection period; and
- (b) from each City Facility and MURB, one 240-litre or 360-litre Cart per collection period,

but the Contractor will collect all Recyclables that are placed in Carts or blue boxes at the Container Locations, with no limitation on quantity, and will use reasonable commercial efforts to collect excess Recyclables placed next to full Carts or blue boxes in a receptacle that is reasonably identifiable as holding excess Recyclables for collection.

If the Contractor does not collect any Recyclables on the basis that the Recyclables do not comply with the Collection Requirements, then the Contractor will tag the Recyclables not collected with a Notice of Non-Compliance as described in Section 12.11. If there is a dispute about what constitutes Recyclables, the City's Representative's decision will be final and binding.

If the Contractor identifies ongoing issues with respect to the adequacy of the Cart capacity for specific Customer Units, then Section 12.4 will apply.

10.6 Comingled Recyclables

The Contractor will take reasonable efforts, in accordance with Good Industry Practice, to not collect Recyclables which are comingled with Garbage and/or Organics, and to ensure that contamination rates do not exceed the rates permitted under the Recycle-BC Services Agreement. Notwithstanding the reasonableness of such efforts by the Contractor, the Contractor will pay, and will indemnify the City for, any and all additional costs, fines or penalties the City is required to pay, related to any delivery of comingled Recyclables and inclusion of non-Recyclables in a load of Recyclables. Such costs, fines or penalties will include any amounts payable by the City to Recycle-BC for service level failures under the Recycle-BC Services Agreement. The Contractor acknowledges that it has familiarized itself with the various service level failures under the Recycle-BC Services Agreement. The Contractor further acknowledges that if the service level failures change during the Term, such new levels and the amounts of any applicable costs, fines or penalties will apply for the purposes of this Section 10.6.

10.7 Contamination Management Plan

The Contractor will develop and provide to the City for its review and approval, a contamination management plan (the "**Contamination Management Plan**") that includes the following:

- (a) Contamination management strategies and tools, including education and promotion;
- (b) enforcement mechanisms for non-compliant materials and potential contamination;
- (c) measures for tracking contamination;
- (d) monitoring activities; and
- (e) contamination reduction and remediation measures.

Once approved by the City, the Contractor will update and maintain the Contamination Management Plan and comply with the Contamination Management Plan in all respects during the performance of the Services.

[Note to Proponents: This will be modified once known and generally consistent with the conceptual contamination management plan as described in the RFP Attachment 2B – Proponents Technical Proposal]

10.8 City’s Right to Amend Lists

The City may, at its sole discretion, amend the list of Single Family Dwellings, Schedule 2 – List of City Facilities and Schedule 3 – List of MURBS at any time and may direct the Contractor to begin collecting Recyclables from locations other than those set out in Section 10.3(a). Any such an amendment will not be a Change, but will be subject to adjustment in accordance with Section 19.2.

10.9 Records and Reporting

The Contractor will:

- (a) ensure that each delivery of Recyclables is weighed on a certified scale and recorded on weight slips provided by the Recycling Facility;
- (b) record the number of trips to the Recycling Facility taken by each collection vehicle;
- (c) record the total daily tonnage of Recyclables delivered to the Recycling Facility from each of the Sectors;
- (d) compile the daily totals in Section 10.9(c) to obtain a weekly total for the entire Collection Area; and
- (e) record a daily list of the vehicle identification numbers for those vehicles performing Recyclables Collection.

The Contractor will provide the above information, attaching copies of all Recycling Facility weight slips, in a monthly report as described in Section 17.1.

10.10 Termination of Recycle-BC Services Agreement

If the Recycle-BC Services Agreement is terminated for any reason, and provided that Recycle-BC has engaged a third-party to collect Recyclables in the Collection Area, the parties will, within 14 days, delete from the scope of Services and this Contract, all Services related to the collection of Recyclables and the Recycle-BC Services Agreement, and such deletion will be implemented as a Change in accordance with Section 4.8.

Subject to the Contractor’s general obligations to mitigate under Section 26.1, the City will, in full satisfaction of all claims the Contractor may have, pay the Contractor:

- (a) all third-party cancellation charges, if any, incurred by the Contractor to the date upon which the City provided notice to the Contractor of termination of the Recycle-BC Services Agreement; and
- (b) the Contractor's reasonable and substantiated direct costs,

provided such charges and costs are reasonable, directly related to the deletion of such Services, and could not have been reasonably avoided or mitigated by the Contractor. For clarity, the Contractor will not be entitled to, nor will the Contractor make a claim for, consequential damages, including any loss of anticipated revenue, overhead or profit.

~~If the Contractor's costs related to the termination of the Recycle-BC Services Agreement include the unamortized cost of any equipment used by the Contractor in the performance of the Services, including collection vehicles, the Contractor will grant the City an option to purchase any such equipment from the Contractor at its unamortized cost in a transaction to be completed within 90 days of the City's election to exercise such option.~~

11. ORGANICS

11.1 Organics Collection

The Contractor will:

- (a) collect both the Yard Waste and the Food Waste from the Container Locations at all Single Family Dwellings and MURDs;
- (b) collect Food Waste from the Container Location at all City Facilities;
- (c) collect the Yard Waste and the Food Waste from the Container Location(s) at all MURBs; and
- (d) deliver the Yard Waste and the Food Waste collected by the Contractor pursuant to this Contract to the Organics Facility,

(collectively, the "**Organics Collection**").

11.2 Organics Limits

The Contractor will typically be required to collect the following amounts of Organics:

- (a) from each Single Family Dwelling (with or without a Secondary Suite) and MURD, one 90-litre Cart, 120-litre Cart, 180-litre Cart, 240-litre Cart or 360-litre Cart per collection period; and
- (b) from each City Facility and MURB, one 240-litre Cart or 360-litre Cart per collection period,

but will collect amounts in excess to the above that are put out for collection, provided that the excess Yard Waste is placed in any of the following and is marked as containing only Organics:

- (c) biodegradable paper bags or boxes;
- (d) Carts or Cans which have been marked as containing only Organics;
- (e) Bundles; or
- (f) combinations of any of the above,

The Contractor will use reasonable efforts in accordance with Good Industry Practice to not collect Organics that do not comply with the above or other applicable Collection Requirements, provided that if the Contractor does not collect any Organics on the basis of non-compliance then the Contractor will attach a Notice of Non-Compliance to items as described in Section 12.11. If the Contractor identifies ongoing issues with respect to the adequacy of the Cart capacity for specific Customer Units, then Section 12.4 will apply.

11.3 Comingled Organics

The Contractor will take reasonable efforts in accordance with Good Industry Practice to not collect Organics which is comingled with Garbage and/or Recyclables and will comply with Section 12.11, provided that, and notwithstanding the reasonableness of the Contractor's efforts, the Contractor will pay, and will indemnify the City for, any additional costs, fines or penalties related to any delivery of comingled Organic and inclusion of non-Organics in a load of Organics.

11.4 Types of Yard Waste

Without limiting any other provision of the Contract, the Contractor will collect the following as Yard Waste: Christmas trees, provided that they have been cut so that the branching spread is no more than one metre and pieces of trunk are no more than two metres in length; a small number of rocks less than five centimetres in diameter; and any biological yard waste material approved by the City's Representative for inclusion as Yard Waste.

11.5 City's Right to Amend Lists

The City may, at its sole discretion, amend the list of Single Family Dwellings, Schedule 2 – List of City Facilities and Schedule 3 – List of MURBS at any time and may direct the Contractor to begin collecting Organics from locations other than those set out in Section 11.1. Any such an amendment will not be a Change, but will be subject to adjustment in accordance with Section 19.2.

11.6 City's Rights to Change the Organics Facility

The City's Representative may upon written notice to the Contractor change the Organics Facility location. Upon receipt of notice of such a change in location, the Contractor will transport and dispose of all collected Organics to the new facility and location as directed by the City's Representative. Notwithstanding Section 12.14, if such a change reasonably requires the Contractor to incur new road or bridge tolls to transport and dispose of the Organics, the City will reimburse the Contractor for such tolls

(but subject to the express provisions in Section 19.4 for certainty the City will not be required to pay any other additional costs as may be incurred by the Contractor as account of the change in location).

12. COLLECTIONS

12.1 Collection Area

The Contractor will provide the Services within the collection area (the “**Collection Area**”) set out as [Area A/Area B/Areas A and B] on the Collection Area Map attached as Schedule 4 to this Contract.

[Note to Proponents: The final Contract will be for either Area A, Area B or both Area A and Area B.]

12.2 Advisories, Collection Requirements

The City may, as the City determines is required and at no additional cost to the Contractor, arrange to deliver information, notices and educational material to residents concerning the requirements for the Services (the “**Advisories**”). Advisories may relate to matters such as proper placement of Containers, Container specifications, acceptable Collection Materials, segregation of materials and other collection requirements (generally, the “**Collection Requirements**”). Advisories will be prepared by the City. The content of Advisories will be determined in the sole discretion of the City. The Contractor may provide input to the City if the Contractor determines that an Advisory is advisable and, in such an event, the City will take such input into consideration but will not be obligated to issue an Advisory.

12.3 Container Specifications

The Contractor will collect the Collection Materials that are set out in containers (collectively the “**Containers**” and each a “**Container**”) or in Bundles that meet the following specifications:

- (a) a 90, 120, 180, 240 or 360-litre plastic container equipped with wheels, handles and a tight fitting cover that is capable of being mechanically unloaded into the Contractor’s collection vehicles (a “**Cart**”);
- (b) a securely tied bundle (using natural fibre twine) of Yard Waste that is no greater than 60 centimetres in circumference, no greater than 1 metre in length, no greater than 23 kilograms (50 pounds) in weight and contains no individual pieces of Yard Waste with a diameter of more than 15 centimetres (a “**Bundle**”);
- (c) a watertight, galvanized, sheet metal or plastic receptacle not exceeding 121 litres in capacity and 23 kilograms (50 pounds) in weight, fitted with at least one sturdy handle on the receptacle and a tight cover also equipped with a handle that is rodent and insect proof (a “**Can**”); and
- (d) any other receptacle permitted under this Contract or approved by the City’s Representative.

The Contractor is not responsible for collecting Collection Material from Containers or Bundles that do not comply with the above.

12.4 Cart Capacity

If, in respect of a specific Customer Unit, the Contractor identifies ongoing instances of volumes of Recyclables or Organics in excess of the capacity of the Customer Unit's Carts for Recyclables or Organics respectively, the Contractor will notify the City of such instances and the City will take reasonable steps to reduce such instances, including notifying the Customer Unit, replacing the Customer Unit's Cart with a larger capacity Carts or providing the Customer Unit with an additional Cart. Any such notifications of ongoing overages from the Contractor must be appropriately documented with photographic evidence and presented to the City in a manner that is acceptable to the City's Representative.

12.5 Responsibility for Containers

The City is responsible for acquiring, delivering and maintaining in serviceable order all Carts required for the Services, including any subsequent Cart(s) required by a resident. Residents will be responsible for obtaining all Containers other than Carts. Residents will also be responsible for keeping their Containers in a sanitary condition. The Contractor's responsibility with respect to Carts will be limited to the performance deduction as set out in Section 20.1(15). In the event of a dispute as to the cause of damage to a Container, the City and the Contractor will attempt jointly to determine the cause of any Container damage but if agreement cannot be reached, the decision of the City's Representative, acting reasonably, will be final and binding.

12.6 Container Locations

The Contractor will collect the Collection Materials from Containers and in Bundles that are placed out for collection in the following locations (the "**Container Locations**"):

- (a) except as provided in Sections 12.6(b) and 12.6(c), the Contractor will make collections from Containers and in Bundles placed at the curb on the public road outside each Customer Unit ("**Curbside**");
- (b) the City's Representative may allow or direct the Contractor to perform collections other than at Curbside, whether from lanes or any other location, if, in the City's Representative's discretion acting reasonably, Curbside is not an appropriate location. The City anticipates that most MURBs will require collection from a centralized location, and not from Curbside;
- (c) if the Contractor decides that the Curbside or any other location should be changed as permitted by Section 12.6(b), then the Contractor may give written notice to the City's Representative requesting a change, with reasons, and the City's Representative will give reasonable consideration to such request except that:
 - (1) no change in the collection location may occur except with the approval of the City's Representative; and
 - (2) until such approval the Contractor will continue to perform the collections at the disputed location without interruption;

- (d) where the approved or directed location for MURBs or City Facilities is not at Curbside then:
- (1) the Contractor will at its own risk enter onto private property for the purpose of collection, including above ground locations and underground locations;
 - (2) the Contractor will be responsible to obtain any necessary means of access to the private property from the management or occupant of a MURB or City Facility, provided that the City will use reasonable commercial efforts to facilitate access for the Contractor, including obtaining any access keys or codes in its, or a previous collection contractor's, possession;
 - (3) the Contractor will be responsible to protect the security of any access codes or keys, and to return and account for such codes and keys to the management or occupant of a MURB or City Facility at the conclusion of this Contract; and
 - (4) the Contractor will indemnify the City and the City's Representative and its employees, representatives and agents from and against any third party claims relating to the entry onto private property to perform the Services under this Contract, and the Contractor will obtain and maintain insurance, including third party liability insurance, to cover risk of damage to persons and property relating to the entry onto private property as described in this Section 12.6(d), and to, on request from the City's Representative, provide evidence of such insurance; to the City's Representative.

Any disagreements over correct placement of Containers and Bundles for collection will be determined by the City's Representative and be final and binding.

12.7 Container Adjustment for Collection

The Contractor will be required to make reasonable efforts in accordance with Good Industry Practice to manually adjust or reposition Containers to allow for Collection. Such adjustment or repositioning may be required in various instances including, the obstruction of Containers by parked vehicles, snowbanks and Containers facing the wrong direction.

If Container placement is non-compliant on a continuous basis with the waste collection set out requirements in the Waste Management Bylaw, the Contractor may leave a Notice of Non-Compliance in accordance with Section 12.11.

12.8 Leaving Container Locations Neat and Orderly

The Contractor will:

- (a) pick up all scattered Collection Materials in close proximity to Container Locations;

- (b) immediately notify the City's Representative if there are excessive amounts of scattered Collection Materials at a Container Location or the Collection Materials are scattered beyond close proximity to Container Locations; and
- (c) return each Container in a neat, upright and orderly way, with its lid closed, if applicable, at approximately the original Container Location after performing a collection.

12.9 Damaged Containers

The City will replace or repair Containers that are damaged in the Collection Area during the collection process, or dropped into the collection vehicle and not retrieved before hauling, at the Contractor's cost. The Contractor will pay for any Container that is damaged or hauled away at the City's purchase price of the Container. The Contractor's costs will include all of the City's travel, staff, part or cart costs related to replacing or repairing damaged or missing Containers. The Contractor must report damage to Carts, or the hauling of Carts, immediately after the Contractor becomes, or should have become, aware of such occurrence.

12.10 Disposal

No disposal fees will be charged to the Contractor for Garbage or Organics delivered under this Contract. ~~The City~~ Except in respect of mattresses and box springs collected as part of LIPU pursuant to Section 9.7, and upholstered furniture collected pursuant to Section 9.10, the Contractor will not pay any disposal fees directly to the applicable for Garbage Facility and/or Organics Facility, provided that the material being disposed of was collected from within the Collection Area and in accordance with the delivered under this Contract.

12.11 Tags for Non-Compliant Collection Materials

If the Contractor cannot perform collections because of non-compliance with any of the Collection Requirements, the Contractor will leave a notice, tag or sticker placed on the Collection Materials not collected courteously identifying the nature of the non-compliance (the "**Notice of Non-Compliance**"). The City will prepare standard-form Notices of Non-Compliance and provide them to the Contractor for the Contractor's use.

The Contractor will submit a written report in real-time to the City's Representative, in a form satisfactory to the City's Representative, with the date and location of any issued Notice of Non-Compliance, concurrently with the leaving of a Notice of Non-Compliance.

12.12 Assisted Collections

The Contractor will, as part of the Services and at no additional cost to the City, take additional steps in circumstances where a Customer Unit qualifies, as determined by the City, for additional services due to disability or other challenge. The City will notify of the Contractor which Customer Units qualify for additional services. In such cases, the Contractor will take all reasonable steps to collect the Collection Materials from a location that is convenient for the customer, provided that the Contractor is provided with reasonable access to the Collection Material. The Contractor will provide its Personnel with the addresses and photographs of the Customer Units that are to receive additional services.

[Note to Proponents: The historical number of Assisted Collections has provided in the Data Bank and the City does not anticipate that the number will increase significantly during the Term.]

12.13 Scavenging Forbidden

The Contractor will not scavenge, or permit any person to scavenge at any time, including during collections, from the Collection Materials, at the Garbage Facility or the Organics Facility or otherwise. Scavenging includes sorting through the Collection Materials at any stage of the Services to look for items of possible value. Scavenging will not include searches for misplaced or lost items nor will it include sorting and removing non-compliant material.

12.14 Transportation Costs for Delivery of Collection Materials

The Contractor will bear all costs of transportation of Collection Materials, subject to the express terms of this Contract, including Sections 8.6, 11.6 and 19.4. For greater certainty, the Contractor is responsible for any road or bridge toll and for any other fee, levy, tax or similar charge incurred as a result of the transportation of Collection Material pursuant to this Contract.

12.15 Delivery and Risk

The Contractor will be responsible for all risks including but not limited to risk of loss of, or damage caused by Collection Materials from the time Collection Materials are collected by the Contractor until delivery to the Garbage Facility, Organics Facility or Recycling Facility, as the case may be. Collection Materials will be deemed to be delivered when they are off-loaded from the Contractor's collection vehicles at the Garbage Facility, Organics Facility or Recycling Facility, as the case may be.

13. ROUTES AND SCHEDULE

13.1 Sectors

The Contractor will divide the Collection Area into five separate collection sectors (each a "**Sector**"), which must be approved by the City's Representative's prior to the commencement of the Services. Each Sector will be of a size that allows the Contractor to perform the Services in accordance with the Regular Schedule described in Section 13.4. No alteration may be made to an approved Sector without the prior approval of the City's Representative.

13.2 Maps & Routing

The Contractor will work with the City's Representative to subdivide each Sector into collection routes ("**Routes**", and each a "**Route**") and will generate an electronic map of collection day boundaries, indicating the Route boundaries, collection vehicle number, licence plate number and driver's name for each Route. The Contractor will not make any changes to Route quantities and/or boundaries without the prior approval of the City's Representative. The Contractor will use reasonable commercial efforts to perform the Services so that drivers retain the same Route and collection vehicle number for each collection day. The Contractor will inform the City on a daily basis of any changes to collection vehicles or drivers for each Route. If the Contractor revises a Route map, the Contractor will retain a complete record of the replaced Route, including details of the Route before the revision.

13.3 Separate Collections on each Route

Except with the prior approval of the City's Representative or in accordance with Section 13.9, only one of Garbage, Organics, or Recyclables may be collected along a Route on any collection trip with the same collection equipment or Personnel, and for clarity, the Collection Materials from each Container Location will be collected on three separate collections trips, one for Garbage, one for Organics, and one for Recyclables. Notwithstanding the foregoing, the City's Representative will generally approve the use of suitable split-body vehicles for collection.

13.4 Regular Schedule

The Contractor will perform the collection of Collection Materials in accordance with the following schedule (the "**Regular Schedule**"):

- (a) provide weekly Organics Collection Services to each Customer Unit, by providing Organics Collection Services to one of the five Sectors on each of the five days of the week between Monday and Friday;
- (b) provide alternating biweekly Garbage Collection Services and biweekly Recyclables Collection Services to each Customer Unit, by providing Garbage Collection Services to one of the five Sectors on each of the five days of one week between Monday and Friday, and providing the Recyclables Collection Services to that Sector on the alternate week;
- (c) in respect of a given calendar week, provide all the collection Services to a Customer Unit, and to a Sector, (Organics Collection and Garbage Collection Services in one week; Organics Collection and Recyclables Collection Services in the alternate week) on the same day of the week; and
- (d) provide weekly Organics and weekly Recyclables Collection Services to each MURB and City Facility by providing weekly organics and recycling to one of the five Sectors on each of the five days of the week between Monday and Friday;
- (e) provide weekly Organics Collection Services to each MURB and City Facility by providing weekly organics to one of the five Sectors on each of the five days of the week between Monday and Friday;
- (f) provide weekly Recyclables Collection Services to each MURB and City Facility by providing weekly recyclables to one of the five Sectors on each of the five days of the week between Monday and Friday;
- (g) perform the collection Services following the Routes as determined under Section 13.2; and
- (h) perform the collection Services between the hours of 7:30 a.m. and 7:00 p.m.

[Note to Proponents: The frequency of Garbage, Recyclables and Organics collection may be different in the Final Contract, as described in the RFP.]

13.5 Regular Schedule to be Maintained

The quantity of Collection Materials may vary from week-to-week or from season-to-season. The Contractor will maintain the Regular Schedule despite such variation, whether by using additional collection vehicles, equipment, Personnel, overtime or any other means, all at the Contractor's sole cost, as part of the Services. Subject to Section 13.7, the Contractor will maintain the Regular Schedule under all weather conditions and circumstances, except with the prior approval of the City's Representative.

The Contractor may change the Regular Schedule only with the prior written consent of the City's Representative. In the case of a change to the Regular Schedule consented to by the City's Representative, the Contractor will notify residents in writing along the affected Routes two weeks before implementing the change.

13.6 Holidays

The Contractor will perform the collection Services on all holidays, except for Christmas Day and New Year's Day. If Christmas Day or New Year's Day falls on a regular collection day, then the Regular Schedule will be interrupted such that collections for the remainder of that week will shift to be one day later and make up collection days as required will occur on the next occurring Saturdays. Thereafter the Regular Schedule will be resumed.

13.7 Approved Disruptions

The Contractor will maintain the Regular Schedule under:

- (a) all weather conditions, including snow and ice; and
- (b) all other conditions, including where vehicular access is limited as a result of construction or any other reason,

except with the prior approval of the City's Representative. The City's Representative will act reasonably in providing such approval. If conditions prevent the Contractor from performing the collection Services in part of the Collection Area, the Contractor will collect in other parts not so affected. After a disruption to the Regular Schedule, the Contractor will make reasonable commercial efforts, including the use of additional collection vehicles, equipment, Personnel and overtime or any other means to restore the Regular Schedule as soon as practicable, all at its own cost.

13.8 Missed Collections

If a resident, the City or any other source notifies the Contractor that a Container was missed during collections on the Regular Schedule for reasons within the Contractor's control (a "**Missed Collection**") then:

- (a) the Contractor will retrieve the Missed Collections promptly and without any additional cost to the City;
- (b) if notice of the Missed Collection is received before 3:00 p.m. on a weekday, the Contractor will retrieve the Missed Collection on the same day that notice is received;

- (c) if notice of the Missed Collections is received after 3:00 p.m. on a weekday, the Contractor will retrieve the Missed Collection by 10:00 a.m. the next day after notice is received;
- (d) the Contractor will pick up all Collection Material when retrieving the Missed Collection, including any Collection Material that has accumulated during the interval between the scheduled collection and the retrieval of the Missed Collection;
- (e) the Contractor will record all notices of Missed Collections, whether by phone or otherwise; and
- (f) upon receipt of a complaint, whether from a resident directly or pursuant to Section 14.1 or Section 14.2, the City's Representative will, acting reasonably, determine whether or not the complainant's street has received collection Services. If it is determined that the street or complainant's Collection Materials had been missed, the Missed Collection processes under this Section 13.8 and/or resulting deductions under Section 20 will apply.

Subject to the City's reasonable discretion after follow-up investigation and review, it will not be considered a Missed Collection if the Contractor is able to demonstrate in real time that a collection has not been missed by submitting to the City details of each alleged incident of Missed Collection, together with the date, locations, description, supporting documentation and photographs of the incident. It will also not be considered a Missed Collection if the Collection Material does not comply with the Collection Requirements and the Contractor leaves a Notices of Non-Compliance.

13.9 Single Vehicle for Missed Collections

Notwithstanding Section 13.3, the Contractor may collect all Collection Materials for a Missed Collection in one collection trip on the condition that:

- (a) the Contractor uses collection vehicles that have separated compartments so as to keep the Garbage, Organics and Recyclables separate; and
- (b) the Contractor delivers such Collection Materials to the appropriate Garbage, Organics or Recyclables Facility.

14. COMPLAINTS AND INQUIRIES

14.1 Solid Waste Program Telephone Number

The City will at its cost operate a public telephone line throughout the Term (the "**Solid Waste Program Telephone Number**"), which will be the primary method for the public to make complaints and inquires with respect to the Services. The City will be responsible for keeping records of inquires and complaints it receives on the Solid Waste Program Telephone Number as such records are required under this Contract.

14.2 LIPU Telephone Number and Online Service Requests

The Contractor will at its cost operate a public telephone line throughout the Term for the purposes of administering LIPU (the “**LIPU Telephone Number**”). The City may advertise the LIPU Telephone Number as the telephone number for residents to use for LIPU. The City may forward calls it receives relating to the administration of LIPU to the Contractor at the LIPU Telephone Number.

The Contractor will staff the LIPU Telephone Number between the hours of 7:30 a.m. and 5:30 p.m. on each day of the Regular Schedule that collections occur. The Contractor will also staff the LIPU Telephone Number during any other time period outside these hours, upon request by the City. The Contractor will provide voice messaging or an answering service, together with the capability for public-service information, out of regular office hours and on weekends, to the satisfaction of the City’s Representative.

In addition to the LIPU Telephone Number, the Contractor will schedule pick-ups for, and respond to, LIPU Item collection requests received through the City’s online service request system or other means as determined by the City from time-to-time.

14.3 Complaints and Inquiries Received by the Contractor

If the Contractor is contacted by a member of the public wishing to make a complaint or inquiry relating to the Services or if a complaint or inquiry is referred to the Contractor by the City, the Contractor will handle such complaint or inquiry and will:

- (a) keep electronic records, in a format pre-approved by the City’s Representative that includes, at a minimum:
 - (1) the date and time of the call, and the name and address of the person complaining or inquiring;
 - (2) the nature of the complaint or inquiry; and
 - (3) the action taken by the Contractor to address the complaint or inquiry, and the time such action was taken;
- (b) record information in an electronic database accessible by the City in service request forms in a format as directed by the City’s Representative; and
- (c) provide written reports of all complaints and repeat complaints (a repeat collection complaint is an initial collection complaint that was not resolved, or a reoccurrence of a collection complaint at the same address during a six month period) to the City on both a monthly basis and immediately upon request by the City for such a report. The report will be sorted by Sector and by Route and will include a detailed description of the steps taken by the Contractor to protect against a similar complaint reoccurring.

14.4 Responsiveness to the City

The Contractor will:

- (a) cause a representative of the Contractor to return calls and emails to the City within 30 minutes of any inquiry from the City's Representative;
- (b) notify the City's Representative by 5:00 p.m. on any day that collections were not performed in any area or zone within the City; and
- (c) within 24 hours of a request by the City's Representative, make available an appropriate representative of the Contractor to meet with the City's Representative and/or a resident to resolve any complaints regarding spillage, a refusal to collect, Missed Collections or any other deficiency in the Services.

14.5 Contact with the Public

The Contractor will:

- (a) insert its name, contact person details and the Solid Waste Program Telephone Number in all notices, schedules, advertisements and other documents to ensure proper contact with the public;
- (b) respond to complaints courteously on the day they are received, attempting to resolve the complaint in fulfillment of its obligations under the Contract and in the spirit of good public relations; and
- (c) provide a full time route supervisor at all times and will, within 30 days of direction of the City's Representative, provide a second full-time supervisor.

The City reserves the right, in the event that complaints are not satisfactorily corrected by the Contractor within 48 hours, to take such action that the City deems necessary to correct such complaints and without limiting other rights under this Contract to claim from the Contractor double the resulting cost incurred by the City, including applicable City overheads.

15. COLLECTION VEHICLES AND EQUIPMENT

15.1 Collection Vehicle Minimum Requirements

The Contractor will use collection vehicles that at a minimum:

- (a) use compressed natural gas ("**CNG**"), which, for clarity, includes renewable natural gas ("**RNG**"), as their source of fuel;
- (b) are new as of the Collection Commencement Date;
- (c) conform with all applicable laws and safety standards, including Bylaw No. 13007, Highway and Traffic;
- (d) do not exceed gross vehicle weight limits established by the City (including when the vehicles are fully loaded);

- (e) are watertight and designed to prevent the discharge of leachates, paper and other materials;
- (f) are clean and sanitary and in a state of good appearance and repair; and
- (g) are equipped with:
 - (1) ambient noise backup alarms;
 - (2) the tracking system described in Section 15.14; and
 - (3) digital cameras so that upon specific requests from the City, Personnel can record collection at a particular location.

15.2 Fuelling of Collection Vehicles

The Contractor will be solely responsible for ~~fuelling~~ fueling all of the collection vehicles, and will pay all fuel costs and any other costs related to fueling the collection vehicles. For clarity, the Contractor's compensation for its fueling costs will be deemed to be included in the annual lump sum prices for Garbage Collection, Recyclables Collection and Organics Collection set out in Schedule 1 – Prices, as described in Section 18.10.

15.3 City's RNG Option

During the Term, the City will have the option (the "**RNG Option**") to require the Contractor to use RNG to fuel its collection vehicles used in the performance of the Services. The City may exercise its RNG Option at any time on or after the Effective Date, in its sole discretion, by providing written notice to the Contractor, and upon receipt of such notice, the Contractor will comply with Section 15.4.

15.4 Purchase of RNG, Part 3 Fuel Supplier and Low Carbon Fuel Credits

Subject to the City exercising its RNG Option, the City and Contractor shall comply with the following:

- (a) the City will designate the Contractor as a Designated Customer;
- (b) the Contractor will, as a Designated Customer, purchase all RNG required for use in its collection vehicles pursuant to Section 15.1(a) from FortisBC Energy Inc. ("**FEI**");
- (c) the Contractor will enter into an agreement with FEI on the terms and conditions of the applicable BCUC-approved FortisBC rate schedule, as established or amended from time to time, with respect to all purchases of RNG under paragraph (b). Such agreement must contain such terms and conditions necessary for the Contractor to comply with its obligations under this Contract.
- (d) the Contractor will provide the City with all information reasonably requested by the City in writing in respect of the Contractor's purchase of RNG, to permit the City to verify the Contractor's purchases under paragraph (b) as a result of becoming a Designated Customer;

- (e) by no later than October 15th each year, the City and the Contractor will jointly determine the quantity of RNG (in gigajoules) intended to be purchased from FEI under paragraph (b) during the following Contract Year (the “**Nominated Quantity**”);
- (f) by no later than November 30th each year, the Contractor will submit to the City a report detailing the actual consumption of RNG by its collection vehicles during the previous Contract Year, and an estimate of the Low Carbon Fuel Credits the Contractor will transfer to the City under paragraph (h);
- (g) if the Contractor requires a change to be made to the Nominated Quantity for a given Contract Year during that Contract Year, the Contractor must advise the City in writing of such change as soon as reasonably practicable, and in any event by no later than June 15th;
- (h) the parties acknowledge and agree that the Contractor will claim and receive all Low Carbon Fuel Credits associated with the Contractor’s use of RNG in the collection vehicles (and all environmental attributes associated with such gas) during a given Contract Year. However, within 60 days of having such Low Carbon Fuel Credits validated by the BC Ministry of Energy, Mines and Low Carbon Innovation (the “**Ministry of Energy**”), the Contractor will calculate the Low Carbon Fuel Credits it has received as a Part 3 Fuel Supplier for all RNG purchased under paragraph (b) during that Contract Year (“**RNG Credits**”), using the Carbon Intensity for such RNG as issued to the City, and shall initiate a transfer of such RNG Credits to the City.

The City understands that transfer of the RNG Credits is at the sole discretion of the Ministry of Energy and no such transfer can occur until such time as such transfer is approved by the Ministry of Energy;

- (i) for each purchase under paragraph (b), the City will reimburse the Contractor the difference between the commodity rate paid by the Contractor to FEI for RNG and the applicable commodity rate for CNG in force at the time of purchase. The reimbursement for the RNG will be billed to the City by the Contractor on a monthly basis in accordance with Section 18;
- (j) the City may, at any time after the City has exercised its RNG Option, and for any reason, direct the Contractor in writing to stop purchasing RNG and to revert to the use of CNG in its collection vehicles, and the City will reimburse the Contractor for the purchase of RNG up to and including the date of such direction. Subject to receipt of such direction by the City:
 - (1) The City will compensate the Contractor for its use of CNG to provide the Services as set out in Schedule 1 – Prices, subject only to escalation in accordance with Schedule 5 – Inflation Adjustments; and
 - (2) the Contractor will claim, receive, and transfer all Low Carbon Fuel Credit associated with the Contractor’s use of CNG in collection vehicles, in accordance with paragraph (h), *mutatis mutandis*; and

- (k) Provide information to enable the City in meeting its reporting requirement under the B.C. Low Carbon Fuel Standard (BC-LCFS) program and Climate Action Revenue Incentive Program (CARIP).

15.5 Storage of Collection Vehicles

The Contractor will be solely responsible for the storage of all collection vehicles.

15.6 Maintenance of Collection Vehicles

The Contractor will be solely responsible for all maintenance of the collection vehicles.

15.7 List of Vehicles and Equipment

On or before November 1, 2022, the Contractor will provide to the City's Representative a list of all vehicles and equipment to be used to perform the Services, including:

- (a) make, model and year of all collection vehicles; and
- (b) capacity, model and year of equipment mounted on the collection vehicles.

The Contractor will regularly, and immediately upon request by the City, update the collection vehicle list and provide it to the City. The Contractor will not replace or substitute any collection vehicle or equipment used in performing the Services without the prior consent of the City's Representative.

15.8 Inspection of Vehicles by the City's Representative

All collection vehicles are from time to time during the Term subject to inspection by the City's Representative. If the City's Representative, in its sole discretion, deems a collection vehicle to be not in a clean and safe condition or not in good repair, that collection vehicle will immediately be removed from service and the Contractor will promptly provide a substitute satisfactory to the City's Representative.

15.9 Number of Vehicles

The Contractor will maintain an adequate number of regular operating and standby collection vehicles in good operating condition as necessary to perform the Services.

15.10 No Storage of Vehicles or Equipment

The following provisions apply to use and storage of collection vehicles and equipment:

- (a) the Contractor will not park or store any collection vehicles on City property for more than a two-hour period without the prior written permission of the City;
- (b) the Contractor will remove unserviceable collection vehicles from City streets by 6:00 p.m. on the day of breakdown; and
- (c) no collection vehicles or other equipment may be on any City street or roadway or Provincial Highway except while performing the Services.

15.11 Spills from Vehicles

The following provisions apply to spills from collection vehicles:

- (a) if a spill starts from any collection vehicle, that collection vehicle will immediately cease operations and will remain at the spill site until the Contractor's Representative arrives;
- (b) the Contractor will immediately contain and clean any spill. Dry-all or other absorbent material will be placed down immediately, collected and repeated as necessary. Failure to respond promptly may result in asphalt or other damage for which the Contractor is responsible;
- (c) the Contractor will promptly notify the City of any hydraulic oil fluids, leachate spills or any spill that creates a hazardous condition;
- (d) if necessary, or at the City's Representative's direction, a power wash or other measures may be required to restore the site to the condition in which it was prior to the spillage; and
- (e) the Contractor will pay for all costs and expenses arising from any spillage clean-up activities under this Section 15.11.

15.12 Vehicle Markings

The Contractor will, to the satisfaction of the City's Representative:

- (a) paint or body wrap all vehicles and equipment used to perform the Services in a standard uniform colour or design;
- (b) paint or decal the Contractor's name on each side and the rear of all vehicles that will be used to perform the Services;
- (c) paint or decal the Solid Waste Program Telephone Number and a vehicle identification number in a contrasting colour on each side and the rear of all collection vehicles that will be used to perform the Services (lettering to be no less than 50 mm in size);
- (d) paint or decal in a contrasting colour messaging as determined by the City's Representative (letter to be no less than 250 mm in size) on all vehicles that will be used to perform the Recyclables Collection;
- (e) permit or arrange for messaging/advertising on vehicles, if directed by the City at the City's' cost; and
- (f) the Contractor may use vehicle body wraps, decals, or marketing materials to promote the program, with the prior written approval of the City.

The Contractor will use consecutive numbers when painting identification numbers on the collection vehicles used to perform the Services. Except for the information required to be displayed by this Section

15.12, no words or advertising will be allowed on the collection vehicles without the express written permission of the City's Representative.

15.13 Exclusively Use

The Contractor will not, without the prior written consent of the City's Representative, use the collection vehicles:

- (a) for any purpose other than for the performance of the Services; and
- (b) make collections from any entity or place other than as set out in this Contract, including from any other property, firm, establishment, municipality or regional district.

15.14 GPS, Video and Cart Service Tracking

As part of the Services, and prior to January 31, 2023 the Contractor will provide the City with a fully commissioned and operational GPS/AVL/RFID tracking system (including equipping Collection Vehicles to meet the requirements of the Contract) that communicates effectively between the RFID Tags, Collection Vehicles and the City's internal cart inventory management software system. The GPS/AVL/RFID tracking system will be used for tracking and management of operator behaviours (for safety reasons), route completion, problem service areas, contamination issues, etc. The Contractor and the City will each have access to the GPS/AVL/RFID tracking system secure web-based user application and its underlying data.

The Contractor will be required to ensure the GPS/AVL/RFID tracking system for all Collection Vehicles is fully operational at all times. The Contractor will not utilize any Collection Vehicles that are not equipped with a fully operational GPS/AVL/RFID tracking system. The City reserves the right to request the Contractor to remove any Collection Vehicles from its operation that does not have a fully operational GPS/AVL/RFID tracking system, due to equipment damage or deliberate removal/ deactivation.

The Contractor will report to the City any GPS/AVL/RFID equipment damage and malfunction, no later than 8 hours from time of damage or malfunction. Any fault equipment is to be repaired within 5 Business Days. Any planned outage activities that may affect the functionality of the GPS/AVL/RFID tracking system, user application and data are required to be reported to the City at least 7 working days prior to the planned event. The Contractor will be solely responsible for complying with applicable privacy legislation.

The contractor may change the GPS/AVL/RFID tracking system only with the prior written consent of the City's representative and provided that it meets the City's requirements under this Section 15.14 and Section 15.15. In the event of a change to the GPS/AVL/RFID tracking system, the Contractor will provide the applicable training to City staff.

The Contractor's compensation for the City's use of the GPS/AVL/RFID tracking system in connection with this Contract is included in the prices set out in Schedule 1 – Prices.

[Note to Proponents: The City intends to pursue a procurement for the provision of its own GPS/AVL/RFID tracking system. If the City procures such system during the RFP process, this Contract will accordingly

be amended by Addendum to provide that the Contractor will be required to use such system and comply with any related requirements.]

15.15 GPS/AVL/Rfid Data

The Contractor will ensure that the data collected from and by the GPS/AVL/Rfid system and vehicle mounted cameras is transmitted to the secure web-based user application in real-time and provide, as a minimum, the following:

- (a) current location and direction, and route progress (including direction of travel) of each Collection Vehicle on a street base map;
- (b) display each Collection Vehicle movement on a street base map at a minimum of 15 second intervals;
- (c) report and record the speed traveled by the Collection Vehicles;
- (d) service verification with date/time stamp and GPS coordinates for all pickup, including addresses and Cart RFID;
- (e) occurrence of the following incidents:
 - (1) Missed Collection;
 - (2) issuance of a Notice of Non-Compliance;
 - (3) Garbage/Recycling/Organics Contamination (must specify which commodity is contaminated);
 - (4) Cart not set out;
 - (5) access to Cart blocked;
 - (6) overfull Cart;
 - (7) excess Materials set aside; and
 - (8) any other common type of incident; and
- (f) digital images with timestamp, to document any incidents.

The Contractor will collect and save the digital data from a minimum of two viewpoints:

- (g) one which must capture digital image of Cart contents as Carts are emptied into the Collection Vehicle; and
- (h) one which must capture digital image of the curbside where Carts are placed for collection showing the placement of the Cart relative to household it was placed in front of.

The City will use the exception data to auto-generate and populate personalized letters to be sent to the corresponding Dwelling Units for educational purposes.

The GPS/AVL/RFID tracking system and secure web-based user application will have data storage and access capabilities that meet the following requirements:

- (i) web-based location and event data to be stored and accessible for a minimum of 12 months;
- (j) the City may require the Contractor to send location and event data to the City in an agreed upon format, at any time, including after the 12 month period;
- (k) the Contractor will provide the requested data in digital download format within 48 hours of the request;
- (l) the location and event data are to be provided in a Microsoft Excel compatible format as agreed upon by the City
- (n) all GPS/AVL/RFID web-based location and event data will be made available via a secure, query able web service on a real time basis.

15.16 Cell Phones

All the Contractor's management personnel, including route supervisors, will carry cell phones with voicemail so that such personnel are reachable by the City's Representative. The Contractor will be solely responsible for the costs associated with its cell phones and their use by the Contractor's management personnel.

15.17 Environmental

The Contractor will:

- (a) have due regard for the protection of the environment in the performance of the Services;
- (b) not place or handle any Collections Materials or other materials in a manner contrary to any Federal, Provincial or Municipal environmental laws, regulations or bylaws; and
- (c) not produce or discharge, or permit to be produced or discharged, in any manner or form, directly or indirectly, any chemicals or toxic substances. For certainty, the engine combustion emissions discharged as a result of the normal operation of the collection vehicles used to perform the Services will not be considered chemical or toxic substances for purposes of this Contract. The Contractor will provide the City with an environmental plan acceptable to the City, outlining the procedures that will be followed to prevent the production or discharge of chemicals or toxic substances into the environment.

15.18 Ownership of Vehicles and Equipment

All vehicles and equipment used in the performance of the Services will be wholly owned by the Contractor, provided that leases, conditional sale contracts, mortgages, or other agreements for the use or financing the purchase of vehicles and equipment may be allowed with the prior written consent of the City's Representative. All such leases, conditional sale contracts, mortgages, or other agreements will provide that in the event of the Contractor's failure to perform its obligations under this Contract, the City, at its option, will have the right to take possession of and operate vehicles, facilities, equipment, and property covered by such lease or agreement for the unexpired portion of the Term. No further encumbrance will be placed upon any such vehicles, facilities, or equipment without the prior written consent of the City's Representative. Vehicles may not be owned by employees of the Contractor.

16. PERSONNEL

16.1 Conduct of Personnel

The Contractor will ensure that:

- (a) all personnel performing the Services (the "**Personnel**") conduct themselves in a courteous and respectful manner that is conducive to positive public relations; and
- (b) all Personnel will wear a uniform provided by the Contractor in a form satisfactory to the City's Representative and that abides by all clothing requirements under the *Workers Compensation Act* and Regulations pursuant thereto.

16.2 Reassignment of Personnel

The City's Representative may direct the Contractor to remove any Personnel from involvement in the performance of Services where such Personnel has engaged in conduct which, in the City's Representative's sole discretion, is not courteous, respectful, or conducive to positive public relations, or where any Personnel is found to be under the influence of alcohol, drugs, or other substance in the performance of Services.

16.3 Drug and Alcohol Policy

The Contractor will develop in a form satisfactory to the City's Representative a Drug and Alcohol Policy for its Personnel.

16.4 Worker's Compensation Board and Occupational Health and Safety

With respect to Worker's Compensation Board coverage and Occupational Health and Safety, the Contractor:

- (a) will, at its own expense, procure and carry full Workers' Compensation Board coverage for itself and all Personnel, workers, employees, servants and others engaged in the supply of the Services;

- (b) will at the execution of this Contract provide the City with the Contractor's Workers' Compensation Board registration number and a clearance letter from the Worker's Compensation Board confirming that the Contractor is registered in good standing with the Workers' Compensation Board and has satisfied all outstanding remittances requirements and has no assessments or penalties outstanding;
- (c) without limiting the generality of any other indemnities granted by the Contractor in this Contract, will indemnify and save harmless the Indemnified Parties from and against all claims, demands, causes of action, suits, losses, damages, costs, liabilities, expenses, judgments, penalties and proceedings (including all actual legal costs) which any of the Indemnified Parties incur, suffer or are put to arising out of or in any way related to unpaid Workers' Compensation Board assessments owing from any person or corporation engaged in the performance of this Contract or arising out of or in any way related to the failure to observe safety rules, regulations and practices of the Workers' Compensation Board, including penalties levied by the Workers' Compensation Board;
- (d) will ensure compliance with and conform to all health and safety laws, standards, bylaws and regulations of the Province of British Columbia, including the *Workers Compensation Act* and the Regulations pursuant thereto. The Contractor agrees that it is the "prime contractor" for the Services for the purposes of the *Workers Compensation Act*. The Contractor will appoint a qualified coordinator for the purposes of coordinating health and safety activities in the workplace; and
- (e) understands and undertakes to comply with all the Workers' Compensation Board Occupational Health and Safety Regulations for hazardous materials and substances, and in particular with the "Workplace Hazardous Materials Information System (WHMIS)" Regulation Section. All "Material Safety Data Sheets (MSDS)" will be shipped along with the Collection Materials and any future MSDS updates will be forwarded; and

the City:

- (f) has the unfettered right to set off the amount of the unpaid premiums and assessments for the Workers' Compensation Board coverage against any monies owing by the City to the Contractor;
- (g) will have the right to withhold payment under this Contract until the Workers' Compensation Board premiums, assessments or penalties in respect of the Services have been paid in full; and
- (h) may install devices or rectify any conditions creating an immediate hazard existing that would be likely to result in injury to any person. However, in no case will the City be responsible for ascertaining or discovering, through inspections or review of the operations of the Contractor or otherwise, any deficiency or immediate hazard.

17. REPORTING AND RECORDS

In addition to any other reporting requirements in this Contract, the Contractor will provide the City with the reports set out in this Section 17.

17.1 Monthly Reports

Each month during the Term following the Collection Commencement Date the Contractor will provide the City with a report, in a form satisfactory to the City, describing:

- (a) a summary of LIPU collections in the previous month, including a breakdown of the LIPU Items requested for collection, the number of items collected per collection day, the number of collection vehicles used, the percentage of LIPU Items recycled, tonnages, dates and times of requests and collections, and the schedule for collection by the Contractor;
- (b) the Recyclables information required by Section 10.9;
- (c) a monthly electronic flat file of all the previous month's weight receipts, including corrections to any miss coding from the weekly files;
- (d) a summary of service performance and trends including all monthly performance related to performance incentives in Section 20;
- (e) a listing of any overweight collection vehicles, including the date, time, collection vehicle number, total collection vehicle weight and weight over the legal limit;
- (f) the daily tonnage of Garbage, Recyclables and Organics collected from which Sectors within the Collection Area;
- (g) a listing of all repeat collection complaints received by the Contractor;
- (h) the status of all complaints or Contract violation notices forwarded to the Contractor in writing or electronic format from the City or from customers during the month and recent actions taken earlier violations including, but not limited to:
 - (1) replacement of Containers;
 - (2) employee discipline and misconduct in accordance with applicable privacy legislation; and
 - (3) Contractor responses to citizen's damage claims.

Monthly reports will be provided to the City no later than the 10th of the following month.

17.2 Quarterly Reports

Each quarter (the three month period ending March 31, June 30, September 30 and December 31) throughout the Term following the Collection Commencement Date the Contractor will provide the City with:

- (a) a summary of monthly performance data, trends and actions taken to improve performance;
- (b) opportunities to improve City and contractor service cooperation;
- (c) description of progress in meeting the implementation schedule including any problems encountered and how they were resolved; and
- (d) discussion of education and publicity efforts and their results.

The Contractor will provide the City with the quarterly report within 15 business days of the end of the quarter.

17.3 Annual Reports

Each year during the Term the Contractor will provide the City with an annual electronic listing of fleet inventory, including collection vehicle numbers, licensed and permitted gross vehicle weight, number of axles, year, make and model, and other detail as specified. The Contractor will provide the City with the annual report within one month of the anniversary of start of the Collection Commencement Date.

17.4 Keeping of Records

The Contractor will keep complete books and records (the “**Records**”) relating to the performance of the Services, including any or all ledgers, books of accounts, invoices, weight slips, vouchers and cancelled cheques, as well as all other records and documents evidencing or relating to the charges for services, expenditures or disbursements borne by the City for a minimum period of three years, or for any longer period required by law, from the date of final payment to the Contractor pursuant to this Contract. The Records are the City’s property which the Contractor will maintain during the Term and preserve thereafter as required by this Contract. The Contractor will maintain the confidentiality of the Records at all times.

17.5 Inspection of Records

The Contractor will make the Records available for inspection or audit by the City during the regular business hours at the Contractor’s address indicated for receipt of notices in this Contract. The City’s Representative may request access to the Records by notice in writing to the Contractor. If requested, and to the extent practicable, copies of the Records to be inspected will be provided to the City’s Representative.

17.6 Custody of Records

The City may, on written request, require the Contractor to transfer custody of the Records to the City to be maintained by the City. The City will grant access to the Records in the custody of the City to any party authorized in writing by the Contractor, its representatives or its successor-in-interest.

18. PAYMENT

18.1 Contract Price

The City will pay the Contractor for the performance of the Services an amount calculated annually as the sum of the following (the “**Contract Price**”):

- (a) the price for Garbage Collections as set out in Schedule 1 – Prices;
- (b) the price for Recyclables Collections as set out in Schedule 1 – Prices;
- (c) the price for Organics Collections as set out in Schedule 1 – Prices;
- (d) the compensation for LIPU as set out in Section 9.3; and
- (e) the compensation for RNG as set out in Section 15.4(i).

18.2 Monthly Invoices

Within five working days after the end of a calendar month during the Term the Contractor will, in a format satisfactory to the City’s Representative prepare an invoice for the monthly period ending the last day of the preceding month listing:

- (a) the Contractor’s name, address, telephone number and G.S.T. number;
- (b) the invoice number;
- (c) a subtotal and supporting information for each item set out in Section 18.1;
- (d) the amount of G.S.T.; and
- (e) the total amount owing by the City to the Contractor.

18.3 Submission of Invoices

The Contractor will submit invoices and monthly reports to:

The City of Surrey
13450 – 104th Avenue
Surrey, B.C. V3T 1V8

Attention: Harry Janda, Solid Waste Manager

18.4 Determination of Invoice

Within thirty (30) business days of receipt of a complete invoice, as described in Section 18.2, the City's Representative will review the invoice and approve it for payment as follows:

- (a) approve it in the full amount if the City's Representative agrees it is complete and correct as submitted; or
- (b) if the City's Representative does not agree with the Contractor regarding any aspect of the invoice, then the City's Representative will:
 - (1) prior to approving the invoice, fully advise the Contractor of the reasons for the disagreement; and then
 - (2) approve the invoice with a copy to the Contractor, in the amounts the City's Representative determines are correct.

18.5 Invoice Certification

No amount claimed on any invoice will be paid by the City unless the invoice is approved for payment by the City's Representative. The City's Representative will not approve an invoice for payment unless satisfied that it is correctly calculated.

18.6 Declaration

If requested in writing by the City's Representative, the Contractor will, as a precondition to the payment of the invoices, provide a sworn declaration, in a form acceptable to the City's Representative, that all amounts relating to the Services due and owing to third parties, including all Subcontractors and suppliers, as of the end of the month covered by the invoices, have been paid and that the Contractor is currently in good standing with the Workers' Compensation Board.

18.7 Due Date for Payment

The amount certified for payment by the City's Representative as shown for payment on the invoices will be due and payable to the Contractor on the later of:

- (a) the last working day in the calendar month following the invoice period; or
- (b) 15 business days following the receipt of a complete invoice as required under Section 18.2, and subject to the City having received the tonnage reports from each applicable Garbage, Recycling, and Organics Facility and RecycleBC, as necessary for the City to verify invoiced amounts.

18.8 Performance Failure Deductions

The City may deduct from the Contractor's monthly payment the deductions, if any, on account of performance failures as described in Section 20 which occurred during the monthly invoice period.

18.9 Deductions and Set Off

In addition to any other deduction or withholding, the City may set off and deduct from any payment owing to the Contractor sums in respect of, but not limited to:

- (a) assessments or compensation payable by the Contractor or Subcontractor pursuant to the *Workers Compensation Act* if the Contractor or an authorized Subcontractor has failed to pay them;
- (b) such sums as the City's Representative deems necessary to secure the Contractor's obligations arising out of Section 25.1; and
- (c) any claim that the City has against the Contractor under this Contract or otherwise.

18.10 Entire Compensation

The annual lump sum prices for Garbage Collection, Recyclables Collection and Organics Collection, all as set out in Schedule 1 – Prices, will be deemed to include all costs to perform the Services, including ~~compensation for RNG as set out in~~ all costs related to fueling the collection vehicles (excluding only the reimbursement by the Owner of RNG fuel costs pursuant to Section 15.4(i) ~~all costs of,~~ supervision, labour, material, equipment, overhead, financing, insurance, head office, and all other costs and expenses whatsoever incurred in performing the collections Services, and will include all profit, and all applicable taxes (except for HST, GST) payable on amounts owing to the Contractor. ~~-(If at any time during the Term the Province of British Columbia repeals the HST payable as of the Effective Date and substitutes a new tax or taxes for such HST, then the City will pay any net increase in taxes owing on payments owing to the Contractor, but will be entitled to the full benefit of any net reduction in taxes payable.)~~

19. PRICE ADJUSTMENTS

19.1 Inflation Adjustments

For the Contract Year commencing April 1, 2024 and ending March 31, 2025, and for each subsequent Contract Year, each price set out in Schedule 1 – Prices will be adjusted for inflation by multiplying such price by the Inflation Adjustment Factor applicable to that Contract Year, as provided in Schedule 5 – Inflation Adjustments. At no time will such adjustment be a negative adjustment.

19.2 Ongoing Inflation and Service Adjustments

For the month commencing May 2023, and for each subsequent month, each price set out in Schedule 1 – Prices will be adjusted monthly, resulting in a new Adjusted Price for each month, which is calculated as provided in Schedule 6 – Service Level Adjustments and as follows:

The “**Adjusted Price**” for a given month =

Where:

“**W**” = the applicable price listed in Schedule 1 – Prices

“X” = the Inflation Adjustment Factor for that Contract Year

“Y” = the applicable Tonnage Adjustment Factor for each of Garbage, Recycling and Organics for that month

“Z” = the applicable Cart Adjustment Factor for each of Garbage, Recycling and Organics for that month

See Schedule 7 – Sample Inflation and Service Level Adjustment Calculations.

In the event of a negative adjustment for the Adjusted Price from the monthly base payment for any given month, the City will pay the Contractor the monthly base amount for service.

The frequency of the calculation of the Adjusted Price may be changed from monthly to quarterly or annually provided that the Parties agree.

19.3 Determination of Quantity of Carts

The actual quantities of Carts will vary continuously during the Term for various reasons, such as due to new construction and growth in the City. For the purposes of calculating the adjustments set out in this Section 19 the quantity of Carts will be determined as of the last day of the applicable Contract month as follows:

- (a) the quantity of Carts at Single Family Dwellings will be the total number of Carts at Single Family Dwellings within the Collection Area as set out in the City's solid waste utility assessment roll (the “**Assessment Roll**”);
- (b) the quantity of Carts at City Facilities will be the total number of Carts at City Facilities within the Collection Area as set out in Schedule 2 – List of City Facilities, as may be amended in accordance with this Contract; and
- (c) the quantity of Carts at MURBs will be the total number of Carts at MURBs within the Collection Area as set out in Schedule 3 – List of MURBS, as may be amended in accordance with this Contract.

19.4 Transportation Adjustment

If the City alters the location of:

- (a) the Garbage Facility in accordance with Section 8.6; or
- (b) the Organics Facility in accordance Section 11.6,

the Contractor's compensation will be subject to a monthly price adjustment for each changed facility to reflect the change in distance the Contractor must transport the applicable waste stream (the “**Transportation Adjustment**”), provided that if the change is for a period of time less than two weeks, there will be no adjustment. If the change in location results in an increase in transportation distance, the

Contractor will receive an additional payment but if the change in location results in a decrease in transportation distance, the Contractor will receive a deduction.

The Transportation Adjustment will be calculated as follows:

- (c) the Route center for the Collection Area will be defined as the intersection of [TBD]; [Note to Proponents: A street intersection at center of the Collection Area will be determined after RFP.]
- (d) the City will measure the distance from the Route center to the current applicable facility, in kilometres, one way, along the most direct route on streets usable by collection vehicles;
- (e) the City will measure the distance from the Route center to the new applicable facility, in kilometres, one way, along the most direct route on streets usable by collection vehicles;
- (f) the City will then multiply the difference in those two distances by the number of tons of Garbage, Organics, and/or Recyclables (as applicable) collected under this Contract and actually delivered to the alternate or new transfer station site in a Contract Year; and
- (g) the City will then multiply the resulting number of tonne-km by the rate of \$0.374 per tonne-km, and adjust the Contractor’s monthly payment by that amount.

The \$0.374 per tonne-km value will be adjusted each Contract Year by multiplying the value by the Inflation Adjustment Factor.

See Schedule 8 – Sample Transportation Adjustment Calculations for examples of how the Transportation Adjustment will be applied.

19.5 Indicator Replacement

In the event that one or more of the indicators used in this Contract ceases to be published or is otherwise unavailable, the Contractor and the City will use good faith efforts to agree on a replacement indicator, provided that if the parties cannot agree, the City’s Representative will, acting reasonably, select the replacement indicator and such decision will be final and binding.

20. PERFORMANCE DEDUCTIONS AND INCENTIVES

20.1 Performance Deductions

Without limiting in any way the City’s rights under this Contract or otherwise, the following deductions will be applied to specific failures by the Contractor to provide the Services or otherwise comply with the Contract. The failures listed in this Section 20.1 reflect a lower quality of Service that the Contractor expressly agrees calls for a deduction from the price the City should be required to pay for the Services, including:

Performance Requirement	Deduction
<u>Collection Failure</u>	

Performance Requirement	Deduction
(1) Failure to collect a Missed Collection in accordance with Section 13.8.	\$100 per Container
(2) Missed collection of an entire block (three or more houses on the same side of the street or lane between two streets) not expressly authorized by the Contract.	\$300 per block
(3) A third miss within one year of any particular service at a particular address.	\$500 per incident
<u>Manner of Collection</u>	
(4) Performing collections outside of the hours as specified in Section 13.4.	\$250 per incident, to a maximum of \$1000 per vehicle per day
(5) Collecting Commingled Garbage, Recycling or Organics	\$100 per incident
(6) Performing collections on a day contrary to Section 13.5.	\$100 per Customer Unit, to a maximum of \$1000 per vehicle per day
(7) Fails to inspect and correct hydraulic/oil fluid leaks daily	\$250 per incident
(8) Fails to provide and maintain vehicle identification numbers, company name and phone number on each side of all vehicles used in the performance of this Contract	\$250 per incident
(9) Failure to repair the City's or a resident's property that was damaged by the Contractor within 14 days of the occurrence of the damage	\$250 per incident
(10) Fails to provide follow-up written reports concerning complaints to the City by the close of the next working day of the event	\$250 per incident
(11) Failure to place Containers and/or lids back in original location or collect spillage in accordance with Section 12.8.	\$100 per incident \$1000 per route per day
(12) Using collection vehicles exceeding weight limits set in accordance with Section 15.1.	\$250 each incident
(13) Unsatisfactory performance by Contractor after two notices to correct specific incidences involving the same address or collector in any six-month period, e.g., leaving gates or doors open, crossing planted areas, abusive language to customers, failure to return Containers to their original location after collection, failure to perform collections, or similar violations.	\$300 each incident
(14) Emptying or discarding properly labeled Carts, bins, bags or materials into the wrong collection vehicle. This does not apply if a resident improperly places materials into the wrong Cart and such Cart is properly collected by the appropriate collection vehicle	\$1,000 for first instance, \$5,000 for second instance. Driver and Swamper prohibited from performing work after third failure
(15) Damage to a Container caused by the Contractor	\$100 per incident
<u>Significant Omissions</u>	
(16) Submitting false data, information or reports to the City.	\$5,000 per incident
(17) Not having the required number of collection vehicles at the Collection Commencement Date or failing to maintain an adequate inventory of collection vehicles during the Term.	\$10,000 per day
(18) Using a vehicle assigned to this Contract to service property, a firm or an establishment not part of the Services.	\$10,000 per vehicle per property, firm, or establishment

Performance Requirement	Deduction
(19) Using a vehicle assigned to this Contract to service another municipality.	\$10,000 per vehicle per municipality

20.2 Missed Collections Adjustment

The following service standards will apply with respect to Missed Collections:

- (a) Missed Collections will be less than 1 per 1,000 service stops; and
- (b) a repeat Missed Collection will be less than 1 per 10,000 service stops.

The following performance incentives and deductions will be applied on a monthly basis for performance above or below the above standards:

<u>Service standard</u>	<u>Low</u>	<u>High</u>	<u>Bonus (Debit)</u>	
6 Exceptional	0	<0.5	\$50	per complaint <u>Missed Collection</u> below 0.5/1,000
5 Above standard	0.5	<0.75	\$25	per complaint <u>Missed Collection</u> below 0.75/1,000
4 Standard	0.75	1	\$0	
3 Below standard	>1	1.5	(\$25)	per complaint <u>Missed Collection</u> above 1.0/1,000
2 Poor	>1.5	2	(\$50)	per complaint <u>Missed Collection</u> above 1.5/1,000
1 Failing	>2	NA	(\$100)	per complaint <u>Missed Collection</u> above 2.0/1,000

Bonuses or deductions will be applied separately for Missed Collections (per 1,000 stops) and repeat Missed Collections (per 10,000 stops) and applied separately for each of Garbage, Recyclables, and Organic collection. See Schedule 9 Part A – Sample Missed Collection Adjustments Calculations for examples of how the Missed Collections incentives and deductions will be applied and Schedule 9 Part B – Sample Missed Collection Adjustment Tables.

20.3 Quarterly Collaboration Process and Payments

The Contractor will work collaboratively with City to provide effective delivery, self-monitoring and timely, accurate communication in respect of the Services. The Contractor will describe the elements of the agreed collaborative working relationship in the Operations Plan. Each quarter the City will credit or deduct from the Contract Price up to \$3,000 per component for components (a) through (c) and credit up to \$6,000 per component for components (d) and (e), for succeeding or failing to achieve each of the following major components of effective Service and communication:

- (a) monitoring, resolving and reporting all service discrepancies;
- (b) completing all electronic communications as described in the Contract and Operations Plan;

- (c) performing all services in accordance with Service standards;
- (d) reducing contamination in Garbage, Recyclables or Organics; and
- (e) increasing waste diversion or reducing landfill waste.

20.4 Grace Period for Performance Deductions and Incentives

Notwithstanding the above provisions in this Section 20, the performance deductions and incentives set out in Sections 20.1(1), 20.1(2), 20.1(4), 20.1(11), 20.2, and 20.3 will not apply for the first three calendar months following the Collection Commencement Date, provided that the Contractor has made all reasonable commercial efforts to comply with its obligations under the Contract, as determined by the City's Representative acting reasonably.

21. CONTRACTOR'S DEFAULT

21.1 Contractor Bankruptcy or Insolvency

If the Contractor is adjudged bankrupt, makes a general assignment for the benefit of creditors because of the Contractor's insolvency or if a receiver is appointed because of the Contractor's insolvency, the City may, without prejudice to any other of the City's rights or remedies, terminate this Contract by giving the Contractor or receiver or trustee in bankruptcy written notice effective immediately upon receipt by the Contractor.

21.2 Failure to Perform

Without limiting the Contractor's performance obligations as set out otherwise in the Contract, if the Contractor:

- (a) commits a default as set out in Section 4.6;
- (b) submits false or altered weight slips;
- (c) to a material extent fails, refuses or neglects to perform the Services as required by this Contract;
- (d) fails to comply with a material requirement of this Contract including if the Contractor should put the safety of the public or the environment at risk;
- (e) commits a breach, or series of breaches, of any term, covenant or undertaking to the City, including a breach for which a deduction could be made, which demonstrates either a persistent inability, or a persistent unwillingness, to comply with its obligations under this Contract; and
- (f) fails to provide and maintain fleet of vehicles and associated Personnel sufficient in number and capacity to perform the Services at all times,

then the City may notify the Contractor in writing that the Contractor is in default of the Contractor's contractual obligations and instruct the Contractor to correct the default in the five days immediately following the receipt of such notice.

21.3 Correction of Default

If the correction of the default under Section 21.2 cannot be completed in the five days specified, the Contractor will be in compliance with the City's instructions if the Contractor:

- (a) immediately takes all reasonable steps to begin to correct the default;
- (b) provides the City's Representative with a schedule reasonably acceptable to the City's Representative for such correction; and
- (c) completes the correction in accordance with such schedule.

21.4 Remedies

If the Contractor fails to correct the default under Section 21.2 in the time specified or subsequently agreed upon, the City may, without prejudice to any other right or remedy:

- (a) correct such default and:
 - (1) deduct from any payment then or thereafter due to the Contractor; or
 - (2) draw on the Letter of Credit;

the City's reasonable costs of such correction (including the City's reasonable staff and administration costs) as certified by the City's Representative;
- (b) delete any portion of the Services from this Contract for the balance of the Term, in which event the Contractor will remain responsible for the performance of the remaining Services; and/or
- (c) give written notice to terminate the whole or any part of this Contract.

21.5 Rights Upon Termination

If the City terminates the whole or any part of this Contract, the City will, while taking all reasonable measures to minimize costs and delays:

- (a) be entitled to take possession of the materials, machinery and equipment intended for the Services, to utilize the materials, machinery and equipment, subject to the rights of third parties, and to perform the Services, using its own staff or third party operators, until the City implements new arrangements for the performance of the Services, including procurement of a new contract;

- (b) be entitled to procure, upon such terms and in such manner as the City may deem appropriate, services similar to those Services terminated and the Contractor will be liable to the City for any extra cost of such similar services including higher or additional prices;
- (c) be entitled to withhold any payments owing to the Contractor; and/or
- (d) be entitled to:
 - (1) deduct and retain from any amounts withheld from the Contractor; or
 - (2) draw on the Letter of Credit;

the total of any additional costs (the "**Default Costs**") in excess of the Contract Price which the City incurs because of the Contractor's default, including but not limited to the costs of other contractors, any administrative costs, the costs of the City's own forces and all the costs to the City of the City's Representative, and pay the balance, if any, to the Contractor. If the total of the Default Costs exceeds the total of the payments the City has withheld, then such excess will be immediately due and owing by the Contractor to the City.

21.6 Warranties to Continue

If for any reason the whole or any part of this Contract is terminated, the Contractor's obligations described in this Contract as to quality, correction and warranty will continue in force after such termination with respect to the Services performed by the Contractor up to the time of termination.

21.7 Remedies Non-exclusive

The rights and remedies of the City provided in this Section 21 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

22. BUSINESS PREMISES/LICENCE

22.1 Place of Business

The Contractor, at its own expense, will establish and maintain during the Services, a proper place of business at a convenient and lawful place within the Lower Mainland from which the business and supervision of this Contract will be carried out.

22.2 Business Licence

The Contractor will at all times during the Term following the Collection Commencement Date be in possession of a valid and subsisting business licence issued to it by the City and authorizing it to carry out and perform the Services required to be performed under this Contract.

23. COVENANTS, REPRESENTATIONS & WARRANTIES OF CONTRACTOR

23.1 Covenants, Representations and Warranties

The Contractor covenants, represents and warrants to the City that:

- (a) the Contractor is a [corporation, partnership, joint venture] duly organized, validly existing and legally entitled to carry on business in British Columbia and is in good standing with respect to filings of annual reports according to the records of the Registrar of Companies of British Columbia;

[Note to Proponents: This will be modified once known.]

- (b) the Contractor has the power and capacity to enter into this Contract and to comply with every term and condition of this Contract;
- (c) all necessary proceedings have been taken to authorize the Contractor to enter into this Contract and to execute and deliver this Contract;
- (d) this Contract has been properly executed by the Contractor and is enforceable against the Contractor in accordance with its terms;
- (e) any statement, representation or information, whether oral or written, made, furnished or given by the Contractor, its directors, officers or anyone acting on behalf of the Contractor, including those contained in the Contractor's proposal to the City in response to the RFP, to the City in connection with this Contract is materially correct and accurate;
- (f) the Contractor has no knowledge of any fact that materially adversely affects or, so far as is it can be foreseen, might materially adversely affect either its financial condition or its ability to fulfill its obligations under this Contract;
- (g) the observance and performance of the terms and conditions of this Contract will not constitute a breach by it or a default by it under any statute, regulation or by law of Canada, or of the Province of British Columbia applicable to or binding on it, its constating documents or any contract or agreement to which it is a party;
- (h) the Contractor is neither a party to nor threatened with any litigation and has no knowledge of any claims against it that in either case would materially adversely affect its financial condition or its ability to fulfill its obligations under this Contract;
- (i) the Contractor has filed all tax, corporate information and other returns required to be filed by the laws of British Columbia and Canada, and has complied with all Workers' Compensation legislation and other similar legislation to which it is subject and has paid all H.S.T., taxes, fees and assessments due by the Contractor under those laws as of the reference date of this Contract;
- (j) the Contractor holds all permits, licences, consents and authorities issued by any Governmental Authority that are required by law to conduct its business;

- (k) the Contractor's investigation of the Collection Area and all other requirements of this Contract has been based on its own examination, knowledge, information and judgment and not upon any statement, representation or information made or given by or on behalf of the City;
- (l) the Contractor has sufficiently trained Personnel, staff, facilities, materials, appropriate equipment and approved sub-contractual agreements in place and available to enable it to fully perform the Services;
- (m) the Contractor will pay punctually as they become due all accounts, expenses, wages, salaries, taxes, rates, fees and assessments required to be paid by it;
- (n) the Contractor will comply with all the requirements of this Contract and will perform all the Services and will supply all labour, equipment and materials necessary to do so;
- (o) the Contractor is an independent contractor and no partnership, joint venture or agency involving the City is created by this Contract;
- (p) the City's Representative may, from time to time, give such instructions to the Contractor as the City's Representative considers necessary in connection with provision of the Services, which instructions the Contractor will comply with but the Contractor will not be subject to the control of the City with respect to the manner in which such instructions are carried out;
- (q) all Personnel used by the Contractor to provide the Services are not the employees of the City; the Contractor is solely responsible for arranging all matters arising out of the relationship of employer and employee (if any); and
- (r) the Contractor will supply at its own costs and expense everything necessary for the proper completion of the Services and the proper performance of its obligations under this Contract.

24. DISPUTE RESOLUTION

24.1 Disputes

Any disputes (each a "**Dispute**") between the City and the Contractor arising out of or relating to this Contract, including with respect to any claim, or the performance of the Services, or the interpretation of this Contract, or any failure by the City and the Contractor to agree where this Contract calls for agreement, will be settled in accordance with the provisions of this Section 24. In the event of a Dispute then:

- (a) either party may give written notice of Dispute to the other party;
- (b) the parties will meet within ten business days after the notice of Dispute is given and will attempt in good faith, and using reasonable efforts, to resolve the matter equitably to the satisfaction of both parties;

- (c) within 30 days of delivery of a written notice of Dispute by either party, or such other time as the parties may agree in writing, the Dispute will, if not already settled by a written agreement, be referred to senior representative(s) of each of the parties who, to the extent reasonably practicable, have not been previously involved in the events leading to the Dispute, for a settlement meeting to occur within such 30 day period. The senior representative(s) of the parties will attempt in good faith, and using reasonable efforts, to resolve the matter equitably to the satisfaction of both parties by without prejudice negotiations;
- (d) if the parties cannot resolve the Dispute within fifteen business days after the meeting of the senior representatives of the parties, or if the senior representatives of the parties fail to meet within fifteen business days of the first request for such meeting, then either party may by notice to the other party refer the matter to mediation. Within seven days of delivery of such notice, the parties will mutually appoint a mediator. If the parties fail to agree on the appointment of the mediator, then either party may apply to the British Columbia International Commercial Arbitration Centre for appointment of a mediator. The parties will continue to attempt in good faith, and using reasonable efforts, to resolve the Dispute equitably to the satisfaction of both parties with the assistance of the mediator. The place of mediation will be Surrey, British Columbia. Each party will equally bear the costs of the mediator and other out-of-pocket costs, and each party will bear its own costs of participating in the mediation; and
- (e) in the event that both parties do not consent to mediation, or the parties have not settled the Dispute by written agreement within 90 days of the appointment of a mediator, or if the mediator advises that there is no reasonable possibility of the parties reaching a negotiated resolution, then either party may without further notice commence litigation in the courts of British Columbia with respect to the Dispute.

24.2 Performance to Continue

The Contractor will continue performance of this Contract during a Dispute with the City and, notwithstanding any Dispute, the Contractor will comply with all written directions from the City's Representative relating to the performance of the Services, without prejudice to the Contractor's rights. The timely performance of the Services may not be delayed or postponed pending resolution of any Dispute.

25. INSURANCE & DAMAGES

25.1 Indemnity

The Contractor will indemnify and save harmless the City and all of its elected and appointed officials, officers, employees, servants, representatives and agents (collectively the "**Indemnified Parties**") from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) for damage to or destruction or loss of property, including loss of use, and injury to or death of any person or persons which any of the Indemnified Parties incur, suffer or are put to arising out of or in connection with any failure, breach or non-performance by the

Contractor of any obligation of this Contract, or any wrongful or negligent act or omission of the Contractor or any employee, authorized Subcontractor or agent of the Contractor.

25.2 Survival of Indemnity

The indemnity described in Section 25.1 will survive the termination or completion of this Contract and, notwithstanding such termination or completion, will continue in full force and effect for the benefit of the Indemnified Parties.

25.3 Contractor's Insurance Policies

The Contractor will, without limiting its obligations or liabilities and at its own expense, provide and maintain throughout the Term following the Collection Commencement Date the following insurance in forms and amounts acceptable to the City from insurers licensed to conduct business in Canada:

- (a) commercial general liability insurance on an occurrence basis, in an amount not less than \$5,000,000 dollars inclusive per occurrence against death, bodily injury and property damage arising directly or indirectly out of the provision of the Services by the Contractor, its employees, agents, and authorized Subcontractors. The insurance policy will be endorsed to add the City as additional insured, solely with respect to liability arising out of the operations of the Contractor and its employees, agents and authorized subcontractors, and will include cross liability and severability of interests such that the coverage will apply in the same manner and to the same extent as though a separate policy had been issued to each insured. The insurance will include, but not be limited to:
 - (1) blanket contractual;
 - (2) employees as additional insureds;
 - (3) non-owned automobile;
 - (4) owners and contractors protective liability;
 - (5) contingent employers liability;
 - (6) personal injury;
 - (7) debris removal;
 - (8) liability arising from the loading and /or unloading of automobiles; and
 - (9) where such further risk exists, advertising liability;
- (b) automobile liability insurance on all vehicles owned, operated or licensed in the name of the Contractor in an amount not less than \$10,000,000 dollars per occurrence for bodily injury, death and damage to property; and
- (c) pollution liability insurance in an amount not less than \$5,000,000 per occurrence covering losses arising from the sudden and accidental release of contaminants as a

result of the collection and transportation of Garbage, Recyclables and Organics. This insurance may be provided under the automobile liability insurance required by Section 25.3(b) provided such insurance covers the collection as well as transportation of Garbage, Recyclables and Organics and does not specifically exclude the release of pollutants.

25.4 Insurance Requirements

The Contractor will provide the City with evidence of the required insurance prior to the commencement of the Term. The Contractor will, on request from the City, provide certified copies of all of the Contractor's insurance policies providing coverage relating to the Service. All required insurance will be endorsed to provide the City with 30 days advance written notice of cancellation. The Contractor will require and ensure that each authorized Subcontractor maintains insurance comparable to that required above. The Contractor will be responsible for deductible amounts under the insurance policies. All of the Contractor's insurance policies will be primary and not require the sharing of any loss by the City or any insurer of the City.

25.5 Waiver of Subrogation

The Contractor hereby waives all rights of subrogation against the City for loss or damage to the Contractor's property.

25.6 Additional Insurance

Subject to any specific agreements that the City and the Contractor may have reached with respect to insurance, as may be set out in other provisions of this Contract, the Contractor will, as part of the Services, cooperate with the City to obtain additional insurance covering the Services if the City, in its discretion, determines that additional insurance is required. The City will pay the cost of the premiums for any additional insurance.

The Contractor acknowledges that any requirements of the City as to the amount of coverage under any policy of insurance will not constitute a representation by the City that the amount required is adequate and the Contractor acknowledges and agrees that the Contractor is solely responsible for obtaining and maintaining policies of insurance in adequate amounts. The insurance policy coverage limits will not be construed as relieving the Contractor from responsibility for any amounts for which the Contractor may be legally liable which may exceed these limits.

25.7 Notice of Claims

If at any time during the performance of the Services the Contractor becomes aware of a claim or potential claim against any insurance policy that the Contractor has, pursuant to this Contract, indicated to the City may apply to the Services, then the Contractor will immediately advise the City in writing of such claim, including particulars.

25.8 Claims Management

The Contractor will have a claim management process in place to handle third party claims. The Contractor will respond to any claimant in a timely and courteous manner and in accordance with applicable ethical and professional standards.

26. GENERAL

26.1 Duty to Mitigate

In all cases where the Contractor is entitled to receive from the City any additional compensation or extension of time, the Contractor will use both all reasonable efforts and all due diligence to mitigate and reduce the amount required under this Contract to be paid by the City to the Contractor or the duration of the extension of the time for the performance of the Services. This obligation will be taken into account in the determination of the Contractor's entitlement to an extension of time for the performance of the Services or additional compensation or both.

26.2 Notice

Communications among the City, the City's Representative and the Contractor, including all written notices required by this Contract, may be delivered by hand, or by pre-paid registered mail to the addresses as set out below:

Notice to the City:

City of Surrey
13450 - 104th Avenue
Surrey, B.C. V3T 1V8

Attention: Harry Janda, Solid Waste Manager
Email: hsjanda@surrey.ca

Notice to the Contractor:

[insert Proponent]
[insert address for delivery]

Attention: [insert name and title]
Email: [insert email]

A communication or notice that is addressed as above will be considered to have been received:

- (a) immediately upon delivery, if delivered by hand;
- (b) immediately upon transmission if sent and received by fax; or
- (c) on the date it is actually received, if sent by registered mail.

The City or the Contractor may, at any time, change its address for notice by giving written notice to the other at the address then applicable. The sender of a notice by fax assumes all risk that the fax will be received properly.

26.3 Severability

In the event that any of the provisions or portions of this Contract are held to be unenforceable or invalid by any court of competent jurisdiction, the parties hereto will use their reasonable efforts to negotiate an adjustment in such provisions of this Contract with a view toward affecting the purpose of this Contract and the validity and enforceability of the remaining portions and/or provisions will not be affected thereby.

26.4 Strikes and Lockouts

If a strike or lockout of the Contractor's Personnel that interferes with the Contractor's performance of the Services continues for a period in excess of seven continuous calendar days, then such strike or lockout will be deemed to be a breach pursuant to Section 21.2 and the City may terminate this Contract forthwith at any time after the expiration of the seven continuous calendar day period provided such strike or lockout is still in progress, by giving the Contractor written notice of such termination, in which event the provisions of Section 21.5 will apply and the City will not be liable to pay to the Contractor any compensation or damages as may be incurred by the Contractor on account of the termination.

26.5 Civic Labour Dispute

In the event of a civic labour dispute where the City or other workers prevent the Contractor from performing the Services, the City may obtain an injunction or establish an agreed upon protocol with the City's union or such other union as the case may be, to cease disruption and to allow the Contractor to continue operations. If the Contractor does not continue to provide the Services after the said injunction or protocol has been received and implemented by the relevant party, then the City may terminate this Contract forthwith at any time after the expiration of a seven continuous calendar day period, provided such strike or lockout is still in progress, by giving the Contractor written notice of such termination, in which event the City will not be liable to pay to the Contractor any compensation or damages as may be incurred by the Contractor on account of the termination.

In the event of a civic labour dispute, the City and the Contractor will determine a suitable arrangement, to the mutual satisfaction of both parties, to cover additional costs incurred, if any, incurred by the Contractor as a result of the labour dispute.

26.6 Entire Contract

The Contract contains the entire agreement of the parties regarding the provision of the Services and no understandings or contracts, oral or otherwise, exist between the parties except as expressly set out in this Contract. The Contract supersedes and cancels all previous agreements between the parties relating to the provision of the Services.

26.7 Independent Contractor

The Contractor is an independent contractor. This Contract does not create the relationship of employer and employee, a partnership, or a joint venture. The City will not control or direct the details, means or process by which the Contractor performs the Services. The Contractor will completely and properly perform the Services within the days and times stipulated in this Contract for proper performance of the Services. The Contractor is primarily responsible for performance of the Services and may not delegate or assign any Services to any other person except as provided for in this Contract. The Contractor will be solely liable for the wages, fringe benefits, work schedules and work conditions of any partners, employees or authorized Subcontractors. All wage and benefit increases for the Contractor's Personnel will be born exclusively by the Contractor.

26.8 Governing Law

The Contract will be governed by and construed in accordance with the laws of the Province of British Columbia, which will be deemed to be the proper law hereof. The courts of British Columbia will have jurisdiction (but not exclusive jurisdiction) to entertain and determine all disputes and claims, whether for specific performance, injunction, declaration or otherwise arising out of or in any way connected with the construction, breach, or alleged, threatened or anticipated breach of this Contract and will have jurisdiction to hear and determine all questions as to the validity, existence or enforceability of this Contract. For the purposes of any legal actions or proceedings brought by the City in respect of this Contract, the Contractor hereby irrevocably submits and attorns to the jurisdiction of the courts of British Columbia and acknowledges their competence and the convenience and propriety of the venue and agrees to be bound by any judgment thereof and not to seek, and hereby waives, any review of its merits by the courts of any jurisdiction.

26.9 Waiving of Rights

No waiver of any term or condition is valid unless it is in writing and signed by a duly authorized representative of the waiving party. The failure or delay of either party to insist, in any one or more instances, upon the performance of any of the terms, covenants or conditions of this Contract or to exercise any right, power or privilege under this Contract will not operate or be construed as a relinquishing of performance under this Contract or as a waiver of any of the same or similar rights, power or privileges in the future, and the obligation of the other party with respect to such rights or performance will continue in full force and effect as if such failure or delay never occurred. A valid waiver is limited to the specific situation for which it was given.

26.10 Amendments

No amendment to this Contract will be binding on either party hereto unless such amendment is in writing and executed by both parties with the same formality as this Contract is executed.

26.11 Survival of Covenants

All obligations of each of the parties which expressly or by their nature survive termination or expiration or assignment of this Contract will continue in full force and effect subsequent to and notwithstanding such termination or expiration or assignment and until they are satisfied or by their nature expire.

26.12 Force Majeure

If a party is delayed in the performance of its obligations under this Contract by an event outside its reasonable control, then subject to the express terms of this Contract, including Sections 5, 21.1, 26.4, 26.5, and subject to a party's duty to take all reasonable commercial steps to minimize the effect of such event, the party delayed will be relieved of its obligations under this Contract to the extent of the delay, but in no event will a delayed party be entitled to claim compensation or payment from the other party on account of such event.

26.13 Time of the Essence

Time will be of the essence for this Contract.

26.14 Confidentiality and Protection of Privacy

No later than five business days after the Effective Date, the Contractor will deliver to the City a copy of the confidentiality and non-disclosure agreement attached as Schedule 11 – Confidentiality Agreement (the “**Confidentiality Agreement**”) signed by an authorized representative of the Contractor. At all times during the performance of the Services, the Contractor will comply with the Confidentiality Agreement and the protection of privacy obligations set out in Schedule 12 – Protection of Privacy.

26.15 Benefit

This Contract will enure to the benefit of and be binding upon the parties and their successors and permitted assigns.

26.16 Assignment

The Contractor will not assign this Contract, or any portion of this Contract, without the express written consent of the City's Representative, which consent the City's Representative may, in its absolute discretion, withhold.

26.17 Subcontractors

The Contractor may, with the express written consent of the City's Representative which may, in the City's absolute discretion, be withheld, enter into an agreement with a subcontractor (a "**Subcontractor**") to provide the Services or a part thereof. Any such subcontract will provide that the Subcontractor will provide the Services, or part thereof, subject to the terms and conditions of this Contract including, Section 4.2. Notwithstanding the City's consent to a subcontract, the Contractor will at all times during the Term remain fully liable and responsible for all the Contractor's obligations under this Contract.

IN WITNESS WHEREOF the parties hereto, by their respective representatives duly authorized in that behalf, have caused this Contract to be executed on the Effective Date.

CITY OF SURREY

by its authorized signatory(ies):

Name:

Name:

[]
by its authorized signatory(ies):

Name:

Name:

SCHEDULE- PRICES

[Pricing to be inserted from Preferred Proponent(s)' Proposal]

SCHEDULE – LIST OF CITY FACILITIES

(See attached.)

SCHEDULE – LIST OF MURBS

(See attached.)

SCHEDULE – MAP OF COLLECTION AREA

[Note to Proponents: See Appendix 3 to the RFP. The map of the applicable collection area will be included in this Schedule once finalized as part of negotiations of the Final Contract.]

SCHEDULE – INFLATION ADJUSTMENTS

1. INFLATION ADJUSTMENT FACTOR – RNG OPTION

This inflation adjustment will be used if the City elects to exercise its RNG Option under Section 15.3.

The “**Inflation Adjustment Factor**” is calculated as follows:

$$\text{Inflation Adjustment Factor} = .46X(C/CO) + .54*(E/E0)$$

Where:

- “**C**” = The annual average of monthly Consumer Price Index values for Vancouver, B.C. published by Statistics Canada for the most recently completed calendar year.
- “**C0**” = The annual average of monthly Consumer Price Index values for Vancouver, B.C. published by Statistics Canada for the year 2022.
- “**E**” = The Canadian Productivity Accounts Table 383-0012, Total Compensation per Hour Worked for Waste Management Services, annual average of quarterly values published by Statistics Canada for the most recently completed calendar year.
- “**E0**” = The Canadian Productivity Accounts Table 383-0012, Total Compensation per Hour Worked for Waste Management Services, annual average of quarterly values published by Statistics Canada for the year 2022.

1.

2. INFLATION ADJUSTMENT FACTOR – CNG OPTION

The “**Inflation Adjustment Factor**” is calculated as follows:

This inflation adjustment will be used if the City elects not to exercise its RNG Option under Section 15.3, or reverts from the use of RNG to CNG in accordance with Section 15.4(j).

$$\text{Inflation Adjustment Factor} = .42X(C/CO) + .08*(D)/D0) +.50*(E/E0)$$

Where:

- “**C**” = The annual average of monthly Consumer Price Index values for Vancouver, B.C. published by Statistics Canada for the most recently completed calendar year.
- “**C0**” = The annual average of monthly Consumer Price Index values for Vancouver, B.C. published by Statistics Canada for the year 2022.
- “**D**” = The Average Quarterly Fortis BC Compressed Natural Gas Rates published by Fortis BC for the most recently completed calendar year.
- “**D0**” = The Average Quarterly Fortis BC Compressed Natural Gas Rates published by Fortis BC for the year 2022.
- “**E**” = The Canadian Productivity Accounts Table 383-0012, Total Compensation per Hour Worked for Waste Management Services, annual average of quarterly values published by Statistics Canada for the most recently completed calendar year.
- “**E0**” = The Canadian Productivity Accounts Table 383-0012, Total Compensation per Hour Worked for Waste Management Services, annual average of quarterly values published by Statistics Canada for the year 2022.

SCHEDULE – SERVICE LEVEL ADJUSTMENTS

1. Garbage Tonnage Adjustment Factor

The “**Garbage Tonnage Adjustment Factor**” is calculated monthly upon the completion of the second and each subsequent contract month as follows:

Service Month	Description	Payment Adjustment:
April 2023	(a) Initial month of Contract	No payment adjustments will be applied to the April 2023 Service month.
May 2023	(b) Payment adjustments for May service will be based on May tonnage, invoiced and payable in June 2023	<p>Garbage Tonnage Adjustment Factor = $1 + (0.35 \times [A-B]/B)$</p> <p>Where:</p> <p>“A” = The tonnage of Garbage collected in May 2023</p> <p>“B” = The tonnage of Garbage collected in April 2023</p>
June 2023 to March 2024	(c) Payment adjustments will be based on the difference between the tonnage in the most recently completed contract month and the average tonnage for all preceding months of the first contract year	<p>Garbage Tonnage Adjustment Factor = $1 + (0.35 \times [C-D]/D)$</p> <p>Where:</p> <p>“C” = The tonnage of Garbage collected in the most recently completed month, e.g. June 2023</p> <p>“D” = The average tonnage of Garbage for all months from April 2023 through the prior completed month, e.g. May 2023</p>
April 2023 and each subsequent month of the Contract Term	(d) Payment adjustments for each service month will be made comparing tonnages in that service month with tonnages of the same month in the first contract year	<p>Garbage Tonnage Adjustment Factor = $1 + (0.35 \times [F-G]/G)$</p> <p>Where:</p> <p>“F” = The tonnage of Garbage collected in the most recently completed month</p> <p>“G” = The tonnage of Garbage collected for the same month in the first contract year</p>

2. Garbage Cart Adjustment Factor

The “**Garbage Cart Adjustment Factor**” is calculated monthly upon the completion of the second and each subsequent Contract month as follows:

$$\text{Garbage Cart Adjustment Factor} = 1 + (0.30 \times [H-I] / I)$$

Where:

“**H**” = The number of Carts in the Collection Area that received Garbage Collection from the most recently completed month.

“**I**” = The number of Carts in the Collection Area that received Garbage Collection for the first month in the initial Contract Year.

3. Recycling Tonnage Adjustment Factor

The “**Recycling Tonnage Adjustment Factor**” is calculated monthly upon the completion of the second and each subsequent contract month as follows:

Service Month	Description	Payment Adjustment:
April 2023	(a) Initial month of Contract	No payment adjustments will be applied to the April 2023 Service month.
May 2023	(b) Payment adjustments for May service will be based on May tonnage, invoiced and payable in June 2023	<p>Recycling Tonnage Adjustment Factor = $1 + (0.20 \times [A-B]/B)$</p> <p>Where:</p> <p>“A” = The tonnage of Recycling collected in May 2023</p> <p>“B” = The tonnage of Recycling collected in April 2023</p>
June 2023 to March 2024	(c) Payment adjustments will be based on the difference between the tonnage in the most recently completed contract month and the average tonnage for all preceding months of the first contract year	<p>Recycling Tonnage Adjustment Factor = $1 + (0.20 \times [C-D]/D)$</p> <p>Where:</p> <p>“C” = The tonnage of Recycling collected in the most recently completed month, e.g. June 2023</p> <p>“D” = The average tonnage of Recycling for all months from April 2023 through the prior completed month, e.g. May 2023</p>
April 2023 and each	(d) Payment adjustments for each	Recycling Tonnage Adjustment Factor = $1 + (0.20 \times [F-G]/G)$

subsequent month of the Contract Term	service month will be made comparing tonnages in that service month with tonnages of the same month in the first contract year	Where: "F" = The tonnage of Recycling collected in the most recently completed month "G" = The tonnage of Recycling collected for the same month in the first contract year
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4. Recycling Cart Adjustment Factor

The "**Recycling Cart Adjustment Factor**" is calculated monthly upon the completion of the second and each subsequent Contract month as follows:

$$\text{Recycling Cart Adjustment Factor} = 1 + (0.35 \times [H-I] / I)$$

Where:

"H" = The number of Carts in the Collection Area that received Recycling Collection from the most recently completed month.

"I" = The number of Carts in the Collection Area that received Recycling Collection for the first month in the initial Contract Year.

5. Organics Tonnage Adjustment Factor

The "**Organics Tonnage Adjustment Factor**" is calculated monthly upon the completion of the second and each subsequent contract month as follows:

Service Month	Description	Payment Adjustment:
April 2023	(a) Initial month of Contract	No payment adjustments will be applied to the April 2023 Service month.
May 2023	(b) Payment adjustments for May service will be based on May tonnage, invoiced and payable in June 2023	Organics Tonnage Adjustment Factor = $1 + (0.45 \times [A-B]/B)$ Where: "A" = The tonnage of Organics collected in May 2023 "B" = The tonnage of Organics collected in April 2023
June 2023 to March 2024	(c) Payment adjustments will be based on the difference between the	Organics Tonnage Adjustment Factor = $1 + (0.45 \times [C-D]/D)$ Where:

	tonnage in the most recently completed contract month and the average tonnage for all preceding months of the first contract year	<p>“C” = The tonnage of Organics collected in the most recently completed month, e.g. June 2023</p> <p>“D” = The average tonnage of Organics for all months from April 2023 through the prior completed month, e.g. May 2023</p>
April 2023 and each subsequent month of the Contract Term	(d) Payment adjustments for each service month will be made comparing tonnages in that service month with tonnages of the same month in the first contract year	<p>Organics Tonnage Adjustment Factor = $1 + (0.45 \times [F-G]/G)$</p> <p>Where:</p> <p>“F” = The tonnage of Organics collected in the most recently completed month</p> <p>“G” = The tonnage of Organics collected for the same month in the first contract year</p>

6. Organics Cart Adjustment Factor

The “**Organics Cart Adjustment Factor**” is calculated monthly upon the completion of the second and each subsequent Contract month as follows:

$$\text{Organics Cart Adjustment Factor} = 1 + (0.35 \times [H-I] / I)$$

Where:

“H” = The number of Carts in the Collection Area that received Organics Collection from the most recently completed month.

“I” = The number of Carts in the Collection Area that received Organics Collection for the first month in the initial Contract Year.

SCHEDULE– SAMPLE INFLATION AND SERVICE LEVEL ADJUSTMENT CALCULATIONS

See the attached Monthly Payment Adjustment examples for Garbage, Recyclables and Organics collection for the Contract Year commencing April 1, 2023.

SCHEDULE – SAMPLE TRANSPORTATION ADJUSTMENT CALCULATIONS

Section 19.4 describes the Transportation Adjustment. Two adjustment calculations are shown below:

Example A:

The Contractor collects 60,000 tonnes of Garbage in the first Contract Year. The City in subsequent Contract Years directs the approximately 30,000 tonnes of Garbage to a new transfer facility outside the City.

Distance, Route Center to current Garbage Facility:	15.7 km
Distance, Route Center to new Garbage Facility:	20.5 km
Tonne-km redirected:	$(20.5 - 15.7) * 30,000 = 144,000$

Annual Payment Adjustment, to the Contractor: \$53,856 (addition)

The actual adjustment amount will be calculated and added to the Contractor's payment at the end of each relevant Contract month, after the number of affected tonnes of Garbage for that month has been determined.

Example B:

The Contractor collects 25,000 tonnes of Organics in the first Contract Year. The City in subsequent Contract Years directs all 25,000 tonnes to a new organics facility at the City's transfer location in Surrey.

Distance, Route Center to current Richmond facility:	22.7 km
Distance, Route Center to new Surrey bio-fuel facility:	15.7 km
Ton-miles redirected:	$(15.7 - 22.7) * 25,000 = - 175,000$

Annual Payment Adjustment, to the Contractor:- \$65,450 (deduction)

The actual adjustment amount will be calculated and subtracted from the Contractor's payment at the end of each relevant Contract month, after the number of affected tonnes of Organics for that month has been determined.

SCHEDULE(A) – SAMPLE MISSED COLLECTION ADJUSTMENTS CALCULATIONS

Performance above these standards will result in additional compensation for the Collector while performance below will result in deductions. This adjustment regime incorporates graduated scales, with the per unit adjustments (plus or minus) increasing for performance further above or below the standard range. Two adjustment calculation examples are shown below.

Example A:

The Contractor collects from a routed total of 400,000 pickups during a contract month. There are 240 Missed Collections for that month. That is equal to 0.60 misses per 1,000 pickups, and qualifies the Contractor for a bonus in the “Above Standard” category for misses below the threshold of 0.75/1,000.

The total misses above standard is $(0.75-0.60)/1,000 * 400,000 = 60$

The monthly bonus for this performance is $60 * \$25 = \$1,500$

The adjustment amount will be added to the Contractor’s monthly payment for that month.

Example B:

The Contractor collects from a routed total of 400,000 pickups during a contract month. There are 720 Collection Misses for that month. That is equal to 1.80 misses per 1,000 pickups, and qualifies the Contractor for a deduction in the “Poor” category for misses above the threshold of 1.5/1,000. Deductions for that performance level include lower per/unit deductions up to the threshold of 1.5/1,000 and higher deductions for Collection Misses above the threshold of 1.5/1,000.

Total Collection Missed below the standard range: $(1.8-1.0)/1,000 * 400,000 = 320$

Collection Misses in the “Below Standard” deduction range: $(1.5-1.0)/1,000 * 400,000 = 200$

Collection Misses in the “Poor” deduction range: $(1.8-1.5)/1,000 * 400,000 = 120$

The deduction calculation for this performance is:

$200 * \$25 = \$ 5,000$

$+ 120 * \$50 = \underline{\$ 6,000}$

\$11,000

The monthly deduction for this performance is: = \$11,000

The adjustment amount will be subtracted from the Contractor’s monthly payment for that month.

SCHEDULE (B) – SAMPLE MISSED COLLECTION ADJUSTMENT TABLES

Table 1

Service Standard	Low	High	Bonus	
			(Debit)	
6 Exceptional	0	0.5	\$50	\$50 per complaint below 0.5/1,000
5 Above standard	0.5	0.75	\$25	\$25 per complaint below 0.75/1,000
4 Standard	0.75	1		\$0
3 Below standard	1	1.5	-\$25	(\$25) per complaint above 1.0/1,000
2 Poor	1.5	2	-\$50	(\$50) per complaint above 1.5/1,000
1 Failing	2	NA	-\$100	(\$100) per complaint above 2.0/1,000

Column D in the Missed Collection Adjustment Tables below and subsequent pages will be updated monthly to reflect actuals.

EXCEPTIONAL SERVICE

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	Adjustment (Column F - Column E)/1,000 x Column D)	Bonus	Monthly Payment(C olumn G x Column H) + (25 x 0.25 x Column D / 1,000)	Annual Payment
0	21	0	802000	0.00	0.5	401	\$50	\$25,063	\$300,750
1	21	21	802000	0.03	0.5	380	\$50	\$24,013	\$288,150
2	21	42	802000	0.05	0.5	359	\$50	\$22,963	\$275,550
3	21	63	802000	0.08	0.5	338	\$50	\$21,913	\$262,950
4	21	84	802000	0.10	0.5	317	\$50	\$20,863	\$250,350
5	21	105	802000	0.13	0.5	296	\$50	\$19,813	\$237,750
6	21	126	802000	0.16	0.5	275	\$50	\$18,763	\$225,150
7	21	147	802000	0.18	0.5	254	\$50	\$17,713	\$212,550
8	21	168	802000	0.21	0.5	233	\$50	\$16,663	\$199,950
9	21	189	802000	0.24	0.5	212	\$50	\$15,613	\$187,350
10	21	210	802000	0.26	0.5	191	\$50	\$14,563	\$174,750
11	21	231	802000	0.29	0.5	170	\$50	\$13,513	\$162,150
12	21	252	802000	0.31	0.5	149	\$50	\$12,463	\$149,550
13	21	273	802000	0.34	0.5	128	\$50	\$11,413	\$136,950
14	21	294	802000	0.37	0.5	107	\$50	\$10,363	\$124,350
15	21	315	802000	0.39	0.5	86	\$50	\$9,313	\$111,750
16	21	336	802000	0.42	0.5	65	\$50	\$8,263	\$99,150
17	21	357	802000	0.45	0.5	44	\$50	\$7,213	\$86,550
18	21	378	802000	0.47	0.5	23	\$50	\$6,163	\$73,950
19	21	399	802000	0.50	0.5	2	\$50	\$5,113	\$61,350

ABOVE STANDARD SERVICE

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	Adjustment Factor (Column F - Column E)/1,000 x Column D)	Bonus	Monthly Payment Column H x Column I	Annual Payment
20	21	420	802000	0.52	0.75	181.5	\$25	\$4,538	\$54,450
21	21	441	802000	0.55	0.75	160.5	\$25	\$4,013	\$48,150
22	21	462	802000	0.58	0.75	139.5	\$25	\$3,488	\$41,850
23	21	483	802000	0.60	0.75	118.5	\$25	\$2,963	\$35,550
24	21	504	802000	0.63	0.75	97.5	\$25	\$2,438	\$29,250
25	21	525	802000	0.65	0.75	76.5	\$25	\$1,913	\$22,950
26	21	546	802000	0.68	0.75	55.5	\$25	\$1,388	\$16,650
27	21	567	802000	0.71	0.75	34.5	\$25	\$862	\$10,350
28	21	588	802000	0.73	0.75	13.5	\$25	\$338	\$4,050

STANDARD SERVICE

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	No Adjustment	Bonus (Debit)	Monthly Payment	Annual Payment (Deduction)
29	21	609	802000	0.76	0	0	\$0	\$0	\$0
30	21	630	802000	0.79	0	0	\$0	\$0	\$0
31	21	651	802000	0.81	0	0	\$0	\$0	\$0
32	21	672	802000	0.84	0	0	\$0	\$0	\$0
33	21	693	802000	0.86	0	0	\$0	\$0	\$0
34	21	714	802000	0.89	0	0	\$0	\$0	\$0
35	21	735	802000	0.92	0	0	\$0	\$0	\$0
36	21	756	802000	0.94	0	0	\$0	\$0	\$0
37	21	777	802000	0.97	0	0	\$0	\$0	\$0
38	21	798	802000	1.00	0	0	\$0	\$0	\$0

BELOW STANDARD SERVICE

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	Adjustment Factor (Column F - Column E)/1,000 x Column D)	Debit	Monthly Payment Column H x Column I	Annual Payment
39	21	819	802000	1.02	1.0	-17	\$25	-\$425	-\$5,100
40	21	840	802000	1.05	1.0	-38	\$25	-\$950	-\$11,400
41	21	861	802000	1.07	1.0	-59	\$25	-\$1,475	-\$17,700
42	21	882	802000	1.10	1.0	-80	\$25	-\$2,000	-\$24,000
43	21	903	802000	1.13	1.0	-101	\$25	-\$2,525	-\$30,300
44	21	924	802000	1.15	1.0	-122	\$25	-\$3,050	-\$36,600
45	21	945	802000	1.18	1.0	-143	\$25	-\$3,575	-\$42,900
46	21	966	802000	1.20	1.0	-164	\$25	-\$4,100	-\$49,200
47	21	987	802000	1.23	1.0	-185	\$25	-\$4,625	-\$55,500
48	21	1008	802000	1.26	1.0	-206	\$25	-\$5,150	-\$61,800
49	21	1029	802000	1.28	1.0	-227	\$25	-\$5,675	-\$68,100
50	21	1050	802000	1.31	1.0	-248	\$25	-\$6,200	-\$74,400
51	21	1071	802000	1.34	1.0	-269	\$25	-\$6,725	-\$80,700
52	21	1092	802000	1.36	1.0	-290	\$25	-\$7,250	-\$87,000
53	21	1113	802000	1.39	1.0	-311	\$25	-\$7,775	-\$93,300
54	21	1134	802000	1.41	1.0	-332	\$25	-\$8,300	-\$99,600
55	21	1155	802000	1.44	1.0	-353	\$25	-\$8,825	-\$105,900
56	21	1176	802000	1.47	1.0	-374	\$25	-\$9,350	-\$112,200
57	21	1197	802000	1.49	1.0	-395	\$25	-\$9,875	-\$118,500

POOR SERVICE

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	Adjustment Factor: (Column F - Column E)/1,000 x Column D)	Debit	Monthly Deduction	Annual Deduction
58	21	1218	802000	1.52	1.5	-15	\$50	-\$10,775	-\$129,300
59	21	1239	802000	1.54	1.5	-36	\$50	-\$11,825	-\$141,900
60	21	1260	802000	1.57	1.5	-57	\$50	-\$12,875	-\$154,500
61	21	1281	802000	1.60	1.5	-78	\$50	-\$13,925	-\$167,100
62	21	1302	802000	1.62	1.5	-99	\$50	-\$14,975	-\$179,700
63	21	1323	802000	1.65	1.5	-120	\$50	-\$16,025	-\$192,300
64	21	1344	802000	1.68	1.5	-141	\$50	-\$17,075	-\$204,900
65	21	1365	802000	1.70	1.5	-162	\$50	-\$18,125	-\$217,500
66	21	1386	802000	1.73	1.5	-183	\$50	-\$19,175	-\$230,100
67	21	1407	802000	1.75	1.5	-204	\$50	-\$20,225	-\$242,700
68	21	1428	802000	1.78	1.5	-225	\$50	-\$21,275	-\$255,300
69	21	1449	802000	1.81	1.5	-246	\$50	-\$22,325	-\$267,900
70	21	1470	802000	1.83	1.5	-267	\$50	-\$23,375	-\$280,500
71	21	1491	802000	1.86	1.5	-288	\$50	-\$24,425	-\$293,100
72	21	1512	802000	1.89	1.5	-309	\$50	-\$25,475	-\$305,700
73	21	1533	802000	1.91	1.5	-330	\$50	-\$26,525	-\$318,300
74	21	1554	802000	1.94	1.5	-351	\$50	-\$27,575	-\$330,900
75	21	1575	802000	1.96	1.5	-372	\$50	-\$28,625	-\$343,500
76	21	1596	802000	1.99	1.5	-393	\$50	-\$29,675	-\$356,100

FAILING SERVICE

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	Adjustment Factor: (Column F - Column E)/1,000 x Column D)	Debit	Monthly Deduction	Annual Deduction
77	21	1617	802000	2.02	2	-13	\$100	-\$31,375	-\$376,500
78	21	1638	802000	2.04	2	-34	\$100	-\$33,475	-\$401,700
79	21	1659	802000	2.07	2	-55	\$100	-\$35,575	-\$426,900
80	21	1680	802000	2.09	2	-76	\$100	-\$37,675	-\$452,100
81	21	1701	802000	2.12	2	-97	\$100	-\$39,775	-\$477,300
82	21	1722	802000	2.15	2	-118	\$100	-\$41,875	-\$502,500
83	21	1743	802000	2.17	2	-139	\$100	-\$43,975	-\$527,700
84	21	1764	802000	2.20	2	-160	\$100	-\$46,075	-\$552,900
85	21	1785	802000	2.23	2	-181	\$100	-\$48,175	-\$578,100
86	21	1806	802000	2.25	2	-202	\$100	-\$50,275	-\$603,300
87	21	1827	802000	2.28	2	-223	\$100	-\$52,375	-\$628,500
88	21	1848	802000	2.30	2	-244	\$100	-\$54,475	-\$653,700
89	21	1869	802000	2.33	2	-265	\$100	-\$56,575	-\$678,900
90	21	1890	802000	2.36	2	-286	\$100	-\$58,675	-\$704,100
91	21	1911	802000	2.38	2	-307	\$100	-\$60,775	-\$729,300
92	21	1932	802000	2.41	2	-328	\$100	-\$62,875	-\$754,500
93	21	1953	802000	2.44	2	-349	\$100	-\$64,975	-\$779,700
94	21	1974	802000	2.46	2	-370	\$100	-\$67,075	-\$804,900
95	21	1995	802000	2.49	2	-391	\$100	-\$69,175	-\$830,100
96	21	2016	802000	2.51	2	-412	\$100	-\$71,275	-\$855,300
97	21	2037	802000	2.54	2	-433	\$100	-\$73,375	-\$880,500
98	21	2058	802000	2.57	2	-454	\$100	-\$75,475	-\$905,700
99	21	2079	802000	2.59	2	-475	\$100	-\$77,575	-\$930,900
100	21	2100	802000	2.62	2	-496	\$100	-\$79,675	-\$956,100
101	21	2121	802000	2.64	2	-517	\$100	-\$81,775	-\$981,300
102	21	2142	802000	2.67	2	-538	\$100	-\$83,875	-\$1,006,500
103	21	2163	802000	2.70	2	-559	\$100	-\$85,975	-\$1,031,700
104	21	2184	802000	2.72	2	-580	\$100	-\$88,075	-\$1,056,900
105	21	2205	802000	2.75	2	-601	\$100	-\$90,175	-\$1,082,100
106	21	2226	802000	2.78	2	-622	\$100	-\$92,275	-\$1,107,300
107	21	2247	802000	2.80	2	-643	\$100	-\$94,375	-\$1,132,500
108	21	2268	802000	2.83	2	-664	\$100	-\$96,475	-\$1,157,700
109	21	2289	802000	2.85	2	-685	\$100	-\$98,575	-\$1,182,900
110	21	2310	802000	2.88	2	-706	\$100	-\$100,675	-\$1,208,100
111	21	2331	802000	2.91	2	-727	\$100	-\$102,775	-\$1,233,300
112	21	2352	802000	2.93	2	-748	\$100	-\$104,875	-\$1,258,500

GARBAGE, RECYCLABLES & ORGANICS COLLECTIONS

[INSERT DATE]

FAILING SERVICE (continued)

A	B	C	D	E	F	G	H	I	J
Missed Collections Per Day	Average Collection Days per Month	Missed Collections Per Month	# Carts Collected Per Month	Misses per 1,000 Stops	Adjustment Factor (from Table 1)	Adjustment Factor: (Column F - Column E)/1,000 x Column D)	Debit	Monthly Deduction	Annual Deduction
113	21	2373	802000	2.96	2	-769	\$100	-\$106,975	-\$1,283,700
114	21	2394	802000	2.99	2	-790	\$100	-\$109,075	-\$1,308,900
115	21	2415	802000	3.01	2	-811	\$100	-\$111,175	-\$1,334,100
116	21	2436	802000	3.04	2	-832	\$100	-\$113,275	-\$1,359,300
117	21	2457	802000	3.06	2	-853	\$100	-\$115,375	-\$1,384,500
118	21	2478	802000	3.09	2	-874	\$100	-\$117,475	-\$1,409,700
119	21	2499	802000	3.12	2	-895	\$100	-\$119,575	-\$1,434,900
120	21	2520	802000	3.14	2	-916	\$100	-\$121,675	-\$1,460,100

SCHEDULED – RECYCLE-BC SERVICES AGREEMENT

(See attached.)

GARBAGE, RECYCLABLES & ORGANICS COLLECTIONS

[INSERT DATE]

SCHEDULE 1 – CONFIDENTIALITY AGREEMENT

(See attached.)

SCHEDULE 12 – PROTECTION OF PRIVACY

1. Definitions

In this Schedule 12:

- (a) **"access"** means disclosure by the provision of access;
- (b) **"Act"** means the *Freedom of Information and Protection of Privacy Act* (British Columbia), as amended from time to time;
- (c) **"contact information"** means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual; and
- (d) **"personal information"** means recorded information about an identifiable individual, other than contact information, collected or created by the Contractor as a result of the Contract or any previous agreement between the City and the Contractor dealing with the same subject matter as the Contract but excluding any such information that, if this Schedule did not apply to it, would not be under the "control of a Public Body" within the meaning of the Act.

2. Purpose

The purpose of this Schedule is to:

- (a) enable the City to comply with its statutory obligations under the Act with respect to personal information; and
- (b) ensure that, as a service provider, the Contractor is aware of and complies with its statutory obligations under the Act with respect to personal information.

3. Collection of Personal Information

- (a) Unless the Contract otherwise specifies or the City otherwise directs in writing, the Contractor may only collect or create personal information that is necessary for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Contract.
- (b) Unless the Contract otherwise specifies or the City otherwise directs in writing, the Contractor must collect personal information directly from the individual the information is about.
- (c) Unless the Contract otherwise specifies or the City otherwise directs in writing, the Contractor must tell an individual from whom the Contractor collects personal information:
 - (i) the purpose for collecting it;

- (ii) the legal authority for collecting it; and
- (iii) the title, business address and business telephone number of the person designated by the City to answer questions about the Contractor's collection of personal information.

4. Accuracy of Personal Information

The Contractor must make every reasonable effort to ensure the accuracy and completeness of any personal information to be used by the Contractor or the City to make a decision that directly affects the individual the information is about.

5. Requests for Access to Personal Information

If the Contractor receives a request for access to personal information from a person other than the City, the Contractor must promptly advise the person to make the request to the City unless the Contract expressly requires the Contractor to provide such access and, if the City has advised the Contractor of the name or title and contact information of an official of the City to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

6. Correction of Personal Information

- (a) Within 5 business days of receiving a written direction from the City to correct or annotate any personal information, the Contractor must annotate or correct the information in accordance with the direction.
- (b) When issuing a written direction under Section 6(a), the City must advise the Contractor of the date the correction request to which the direction relates was received by the City in order that the Contractor may comply with Section 6(c).
- (c) Within 5 business days of correcting or annotating any personal information under Section 6(a), the Contractor must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to the City, the Contractor disclosed the information being corrected or annotated.
- (d) If the Contractor receives a request for correction of personal information from a person other than the City, the Contractor must promptly advise the person to make the request to the City and, if the City has advised the Contractor of the name or title and contact information of an official of the City to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

7. Protection of Personal Information

The Contractor must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure or disposal, including any expressly set out in the Contract.

8. Storage and Access to Personal Information

Unless the City otherwise directs in writing, the Contractor must not store personal information outside Canada or permit access to personal information from outside Canada.

9. Retention of Personal Information

Unless the Contract otherwise specifies, the Contractor must retain personal information until directed by the City in writing to dispose of it or deliver it as specified in the direction.

10. Use of Personal Information

Unless the City otherwise directs in writing, the Contractor may only use personal information if that use is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Contract.

11. Disclosure of Personal Information

Unless the City otherwise directs in writing, the Contractor may only disclose personal information inside Canada to any person other than the City if the disclosure is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Contract.

Unless the Contract otherwise specifies or the City otherwise directs in writing, the Contractor must not disclose personal information outside Canada.

12. Notice of Foreign Demands for Disclosure

In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.2 of the Act, if in relation to personal information in its custody or under its control the Contractor:

- (a) receives a foreign demand for disclosure;
- (b) receives a request to disclose, produce or provide access that the Contractor knows or has reason to suspect is for the purpose of responding to a foreign demand for disclosure; or

- (c) has reason to suspect that an unauthorized disclosure of personal information has occurred in response to a foreign demand for disclosure the Contractor must immediately notify the City and, in so doing, provide the information described in section 30.2(3) of the Act. In this Section 12, the phrases "foreign demand for disclosure" and "unauthorized disclosure of personal information" will bear the same meanings as in section 30.2 of the Act.

13. Notice of Unauthorized Disclosure

In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.5 of the Act, if the Contractor knows that there has been an unauthorized disclosure of personal information in its custody or under its control, the Contractor must immediately notify the City. In this Section 13, the phrase "unauthorized disclosure of personal information" will bear the same meaning as in section 30.5 of the Act.

14. Inspection of Personal Information

In addition to any other rights of inspection the City may have under the Contract or under statute, the City may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect any personal information in the possession of the Contractor or any of the Contractor's information management policies or practices relevant to its management of personal information or its compliance with this Schedule and the Contractor must permit, and provide reasonable assistance to, any such inspection.

15. Compliance with the Act and Directions

- (a) The Contractor must in relation to personal information comply with:
 - (i) the requirements of the Act applicable to the Contractor as a service provider, including any applicable order of the commissioner under the Act; and
 - (ii) any direction given by the City under this Schedule.
- (b) The Contractor acknowledges that it is familiar with the requirements of the Act governing personal information that are applicable to it as a service provider.

16. Notice of Non-Compliance

If for any reason the Contractor does not comply, or anticipates that it will be unable to comply, with a provision in this Schedule in any respect, the Contractor must promptly notify the City of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

17. Termination of Contract

18. In addition to any other rights of termination which the City may have under the Contract or otherwise at law, the City may, subject to any provisions in the Contract establishing mandatory cure periods for defaults by the Contractor, terminate the Contract by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

19. Interpretation

- (a) In this Schedule, references to sections by number are to sections of this Schedule unless otherwise specified in this Schedule.
- (b) Any reference to the "Contractor" in this Schedule includes any subcontractor or agent retained by the Contractor to perform obligations under the Contract and the Contractor must ensure that any such subcontractors and agents comply with this Schedule.
- (c) The obligations of the Contractor in this Schedule will survive the termination of the Contract.
- (d) If a provision of the Contract (including any direction given by the City under this Schedule) conflicts with a requirement of the Act or an applicable order of the commissioner under the Act, the conflicting provision of the Contract (or direction) will be inoperative to the extent of the conflict.
- (e) The Contractor must comply with the provisions of this Schedule despite any conflicting provision of this Agreement or, subject to Section 19(f), the law of any jurisdiction outside Canada.
- (f) Nothing in this Schedule requires the Contractor to contravene the law of any jurisdiction outside Canada unless such contravention is required to comply with the Act.

Document comparison by Workshare 10.0 on Tuesday, July 6, 2021 3:31:09 PM

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Document 2 ID	iManage://WORKSITE.CA.DENTONS.COM/NATDOCS/48988997/16
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