

ARTICLE 3 COLLECTION SERVICES AGREEMENT

3.1 AGREEMENT TERM AND EXTENSIONS

A. Base Term

The Collection Services granted in this Agreement shall continue in force for a period of fifteen (15) years ("Base Term") from 12:00 AM on June 1, 2004 ("Effective Date") to Midnight, May 31, 2019. Contractor will receive no compensation provided for in this Agreement prior to the Effective Date. However, the Parties acknowledge that the Contractor will undertake all implementation measures (as described in Exhibit M, Implementation and Customer Service Plan) prior to the Effective Date such that rollout of all new services will be completed by the Effective Date.

By executing this Agreement, the Parties agree that: 1) the terms and conditions, including compensation, of the existing agreement entitled "An Ordinance Granting a Residential Solid Waste and Recyclable Material Franchise" with a termination date of January 31, 2004, are extended and shall remain in effect until Midnight of May 31, 2004; and 2) the terms and conditions, including compensation, of the Contractor's Commercial and Industrial Waste Collector permit as granted by the City are to continue to remain effective until Midnight, May 31, 2004.

B. Extensions

Following the Base Term, and at the sole discretion of the City with or without cause, the Contractor may be granted up to one (1) five-year Extension of this Agreement and its full rights and responsibilities. The City shall provide Contractor written notice of Extension no less than one hundred and twenty (120) days prior to the conclusion of the Base Term. The Contractor has no express or implied right to an Extension.

C. Agreement Transition Extension

By giving written notice ninety (90) days prior to the effective date of termination of the Base Term, the City, at its sole discretion, may require the Contractor to continue to provide Collection Services under the terms of this Agreement for up to one hundred and eighty (180) days following the effective date of termination. The purpose of such an Extension is to ensure uninterrupted Collection Services in the event of transition to a successor contractor and/or ongoing contract renegotiations with present the Contractor that the City anticipates may not be concluded by the effective date of termination.

3.2 COLLECTION SERVICES AGREEMENT

A. Services Provided

The City hereby grants the Contractor, and the Contractor shall have throughout the duration of this Agreement, the exclusive right to engage in Collection, transportation, processing, transport for transfer and Disposal, and material sales related to the following:

1. Solid Waste placed in Carts by residential and commercial Customers.
2. Solid Waste placed in Bins by residential and commercial Customers.