

PREPARED BY:

VILLAGE OF CHANNAHON
24555 S. NAVAJO DRIVE
CHANNAHON, IL 60410

MAIL TO:
VILLAGE OF CHANNAHON
24555 S. NAVAJO DRIVE
CHANNAHON, IL 60410

RECORDER'S STAMP

ORDINANCE NO. 2008

**AN ORDINANCE AUTHORIZING THE EXECUTION OF A
RESIDENTIAL REFUSE SERVICE AGREEMENT BETWEEN
THE VILLAGE OF CHANNAHON AND ENVIRONMENTAL
RECYCLING AND DISPOSAL SERVICES, INC.**

**ADOPTED BY THE
BOARD OF TRUSTEES
VILLAGE OF CHANNAHON**

THIS 2nd DAY OF March, 2020

**PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE BOARD OF TRUSTEES OF THE
VILLAGE OF CHANNAHON, WILL AND GRUNDY COUNTIES, ILLINOIS**

THIS 2nd DAY OF March, 2020

ORDINANCE NO. 2006

AN ORDINANCE AUTHORIZING THE EXECUTION OF A RESIDENTIAL REFUSE SERVICE AGREEMENT BETWEEN THE VILLAGE OF CHANNAHON AND ENVIRONMENTAL RECYCLING AND DISPOSAL SERVICES, INC.

BE IT RESOLVED by the President and Board of Trustees of the Village of Channahon, Will and Grundy Counties, Illinois in the exercise of its home rule and other powers as follows.

Section 1. That the Village President and Village Clerk are authorized and directed to execute on behalf of the Village of Channahon an Agreement between the Village of Channahon and Environmental Recycling and Disposal Services, Inc. for waste hauling, collection and disposal services substantially in the form of Exhibit A.

Section 2. Severability. If any section, paragraph, clause or provision of this Ordinance is held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 3. Repealer. All ordinances, orders or parts thereof, which conflict with the provisions of this Ordinance, is to the extent of such conflict, hereby repealed.

Section 4, Effective Date. This Ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form.

PASSED this 2nd day of March, 2020 with 6 members voting aye, 0 members voting nay, the President not voting, with 0 members absent or passing and said vote being:

GRECO	<u>aye</u>	HOST	<u>aye</u>
McMILLIN	<u>aye</u>	PERINAR	<u>aye</u>
SLOCUM	<u>aye</u>	SCAGGS	<u>aye</u>

Kristin Hall
KRISTIN HALL, Village Clerk

APPROVED this 2nd day of March, 2020.

(SEAL)

M. Moorman Schumacher
MISSEY MOORMAN SCHUMACHER
Village President

Kristin Hall
KRISTIN HALL, Village Clerk

**RESIDENTIAL REFUSE SERVICE AGREEMENT BETWEEN THE
VILLAGE OF CHANNAHON
AND
ENVIRONMENTAL RECYCLING AND DISPOSAL
SERVICES, INC.**

This Residential Refuse Service Agreement (the “Agreement”) is made and entered into as of the 2nd day of March, 2020, by and between the Village of Channahon, an Illinois municipal corporation with offices located at 24555 S. Navajo Drive, Channahon, Illinois (the “Municipality”) and Environmental Recycling and Disposal Services, Inc., an Illinois Corporation with offices located at 2145 W. Moen Avenue, Rockdale, IL 60436 (the “Contractor”).

PREAMBLE

WHEREAS, the Municipality wishes to contract for the waste hauling, collection, and disposal services specified in this Agreement; and

WHEREAS, the Municipality, in order to protect the public health and welfare of its residents, has deemed it necessary to collect, transport and dispose of Solid Waste and Other Waste, both as defined below; and

WHEREAS, the Municipality has determined to provide municipal waste collection, transportation and disposal services for its residents; and

WHEREAS, the Municipality has determined that it is in the best interests of the Municipality and its residents to contract with the Contractor to collect, transport, and dispose of Solid Waste and Other Waste pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Contractor, pursuant to the terms of this Agreement and on behalf of the Municipality, is willing to collect, transport, and dispose of all Solid Waste and all Other Waste pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein contained.

ARTICLE I
DEFINITIONS

Section 1.1 Recitals

The foregoing recitals and all Exhibits are incorporated into this Section 1.1 as though fully set forth herein.

Section 1.2 Definitions

As used in this Agreement, each of the following terms shall have the meaning set forth below:

“Act” means the Environmental Protection Act, ILCS 1993, Chapter 415, Section 5/1 *et seq.*, as amended from time to time, and applicable rules and regulations promulgated there under.

“Agreement” means this Agreement, dated March 2, 2020, by and between the Municipality and the Contractor, as amended from time to time.

“Breach” means one of the items described in Article X.

“Bulk Items” means items including, but not limited to, pianos, beds, box springs, mattresses, sofas, furniture, furnishings, fixtures.

“Change in Law” means that after May 1, 2020, the State of Illinois or the Federal Government imposes any new fee, or increases or decreases any existing fee, which relates to the pick-up, transfer or disposal of Waste under the terms of this Agreement.

“Contractor” means Environmental Recycling and Disposal, Inc., an Illinois Corporation and its successors and assignees.

“Customers” means all detached single family, duplex, and townhome units, and all multi-family dwellings when the building has six (6) or less residential dwelling units and the municipal facilities. Customers does not include multi-family dwellings with more than six (6) residential units per building.

“Event of Default” has the meaning specified in Article X.

“Garbage” means waste resulting from handling, processing, cooking and consumption of food and wastes resulting from the handling, processing, storage and sale of produce.

“Holiday” means New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. During the week of a holiday, each succeeding collection day including and following a holiday shall occur one day after the regular schedule. Holidays which occur on a Sunday will be observed the following Monday with collections delayed one day the remainder of that week. No collection may occur on a Sunday unless mutually agreed upon between the Village and the Contractor.

“IEPA” means the Illinois Environmental Protection Agency.

“Landscape Waste” means items including, but not limited to, grass clippings, shrubbery cuttings, leaves, tree limbs less than four (4) inches in diameter bundled a maximum two (2) feet in diameter and three (3) feet in length and other materials accumulated as a result of the care of lawns, shrubbery, vines and trees.

“Municipal Facilities” means those municipally-owned or municipally-affiliated facilities set forth in the Scope of Services, as such list may be modified from time to time by mutual agreement between the Contractor and the Municipality.

“Municipality” means Village of Channahon, an Illinois home rule municipal corporation.

“Other Waste” means Landscape Waste, Recyclable Materials, Bulk Items, White Goods, E-Waste, as that term is defined in the Electronic Products Recycling and Refuse Act (415 ILCS 150/1, *et seq.*), and any other materials designated by the Municipality for collection.

“Recyclable Materials” means aluminum cans, tin, steel and bi-metal cans, clear, green and brown glass bottles and jars, newspapers, magazines, mixed papers (junk mail, chipboard, white and colored paper, brown Kraft paper bags): corrugated cardboard, # 1 PETE plastic containers and #2 HPDE plastic containers, aseptic beverage containers, and any other material or materials which the Municipality and the Contractor mutually agree to include as a “Recyclable Material” subsequent to the execution of this Agreement.

“Refuse” means all discarded and unwanted biodegradable and non-biodegradable household and kitchen waste, including, but not limited to, food, food residues and unwanted materials. (i) combustible trash, including, but not limited to, paper cartons, boxes, barrels, wood, excelsior, wood furniture, bedding; (ii) non-combustible trash, including, without limitation, metals, tin cans, metal furniture, glass, crockery; (iii) other mineral waste and street rubbish, including, without limitation, contents of litter receptacles. Refuse does not include any banned material from landfills or which is prohibited from collection per local, state or federal law. Such materials are defined as, but may not be limited to, all electronic waste (i.e. TV’s, computers, printers, etc.), appliances, tires, batteries, automobile items (i.e. engines, fenders, seats) and landscape waste.

“Senior and Disabled Veteran Discount” means Village residents who are primary residents of single family homes who are 65 years of age and older are eligible for a discount on the monthly collection rate. Disabled veterans are also eligible for a discount. Qualifications of seniors and disabled veterans must be mutually agreed upon by both the Village and the Contractor.

“Services” means the specified waste hauling, collection and disposal services to be provided by the Contractor, pursuant to Section 2.1.

“State” means the State of Illinois.

“Solid Waste” shall mean Garbage, Refuse, other general household waste, and waste created by the Municipal Facilities.

“Subcontractor” means a person or entity that has a direct contract with the Contractor to perform a portion of the Services. (The term "Subcontractor" is referred to throughout this Agreement as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a separate contractor or Subcontractors of a separate contractor.)

“Waste” means all Solid Waste, Landscape Waste, Other Waste and any other articles collected by the Contractor.

“White Goods” means White Goods as defined in Section 5/22.28 of the Act.

ARTICLE II **SCOPE OF SERVICES**

Section 2.1 Services Provided to Municipality

The Contractor shall provide the following waste collection, hauling, and disposal services for the Municipal Facilities and all Customers located within the Municipality during this Agreement’s term:

Collection, transportation, and disposal of Solid waste and Other Waste as set forth in the Scope of Services in Exhibit 1 (the “Scope of Services”).

ARTICLE III **TERM OF AGREEMENT**

Section 3.1 Term of Agreement

The term of this Agreement shall commence on May 1, 2020 and end on April 30, 2026 (the “Initial Term”). At the expiration of the Initial Term of six (6) years, the Municipality may notify the Contractor of the desire to extend the contract after the Initial Term, in writing, no later than nine (9) months (270 days) before the expiration of the initial term. Within fourteen (14) days of such notification, the parties agree to engage in good faith negotiations to develop rates and terms for the extension period, the contract shall terminate at the end of the initial term, unless both parties agree to extend the negotiation period.

ARTICLE IV **WASTE COLLECTION AND DISPOSAL**

Section 4.1 Description of Waste to be Collected

A. Solid Waste

Materials to be collected, transported and disposed of by the Contractor in accordance with the schedule prepared in accordance with Section 4.2 shall include all solid waste generated by Customers, as well as all waste generated by the Municipal Facilities.

B. Other Waste

Materials to be collected by the Contractor, in accordance with the schedule prepared in accordance with Section 4.2, and transported, as provided in Section 4.3, shall include the following:

1. Bulk Items as provided in Article VII.
2. White Goods as provided in Article VII.
3. E-Waste as provided in Article VII.
4. Landscape Waste, as provided in Article VIII.
5. Recyclable Materials as provided in Article IX.
6. Christmas Trees as provided in Article VII.

Section 4.2 Schedule and Location of Collection

Collection

- A. All Solid Waste and Other Waste (except E-Waste) is to be collected once per week and shall be collected in accordance with the Schedule included in the Scope of Services. Such schedule shall, among other items, establish the days of each week for collection. E-Waste shall be collected in accordance with Article VII and the Scope of Services.
- B. Customers shall place waste containers at the curb in front of each household and be made accessible to standard collection of refuse, recycling and landscape waste trucks.
- C. The Contractor will purchase, distribute, maintain and replace two-wheeled carts as set forth in the Scope of Services all, at no cost to the Customers, for each Customer.
- D. Collection shall not occur prior to 6:00 a.m. or after 6:00 p.m.

Section 4.3 Disposal of Waste

A. Solid Waste

The Contractor shall transport for processing all Solid Waste collected pursuant to this Agreement to a facility in full compliance with all local, state, and federal laws, rules, and regulations. Solid Waste shall not be commingled by the Contractor with any Other Waste. Disposal methods and sites shall be licensed and approved by the IEPA, and the Contractor shall provide the Municipality proof of such licensure and authority upon the Municipality's reasonable request.

B. Other Waste

1. Recyclable Materials shall be collected and transported, with an intermediate diversion(s) for processing permitted, in accordance with the requirements of Article IX and in accordance with applicable laws.
2. White Goods shall be collected and transported to permitted sites for disposal in accordance with applicable laws.
3. E-Waste shall be collected and transported to permitted sites for processing and recycling in accordance with applicable laws in the State of Illinois.
4. Bulk Items shall be collected and transported to permitted sites for disposal in accordance with applicable laws.
5. Landscape Waste shall be collected and transported to permitted sites for disposal in accordance with applicable laws.
6. Any material whatsoever picked up by the Contractor shall be transported and disposed of in full compliance with all local, state and federal laws, rules and regulations.

Section 4.4 Waste Collection Data

The Contractor shall provide monthly to the Municipality, a report on the quantity of all waste collected within the Municipality. The report shall contain a breakdown of waste collected including Other Waste.

Section 4.5 General Operating Requirements

A. The Contractor shall undertake to perform all Services rendered hereunder in a neat, thorough and workmanlike manner, without supervision by the Municipality, and to use care and diligence in the performance of all specified services and to provide neat, orderly, uniformed and courteous employees and personnel on its crews.

B. The Contractor shall provide the Services in compliance with all applicable governmental laws, rules, regulations and permits. Except as specifically identified in this Agreement, the Contractor shall pay as and when due all costs and expenses incurred with respect to the services to be provided pursuant to this Agreement.

C. The Contractor shall, in a manner consistent with applicable law, insurance requirements and recognized safety practice, establish and maintain appropriate safety procedures for the services provided.

D. The Contractor shall take reasonable precautions for the safety of and shall provide reasonable protection to prevent damage, injury or loss to employees performing the Services and other persons who may be affected thereby.

E. The Contractor shall take all reasonable actions to avoid damage, as a result of its and any Subcontractor's operations, to existing sidewalks, curbs, utilities, adjoining property, the work of separate contractors, and the property of the Municipality and others, and the Contractor shall repair any damage thereto specifically caused by the Contractor or its Subcontractors' operations. The Contractor shall also leave all property described in the preceding sentence in a clean condition. The Contractor shall clean up any spilled or leaked matter from its equipment in a prompt and efficient manner.

F. The Contractor shall employ qualified personnel, all of whom shall be licensed as required by law, in sufficient number to provide the Services specified under this Agreement.

G. The Contractor, at its expense, annually shall develop, print and distribute to all residential customers, a brochure, approved by the Municipality, explaining all services and programs covered by this contract. A sufficient supply shall be provided to the Municipality by the Contractor for the Municipality to distribute in the Municipality's newsletter and to new residents throughout the year. The brochure should be updated and distributed whenever there is a change in the service or programs. The brochure should include the map detailing dates of pick up and the Contractor's phone number used for complaints and concerns.

Section 4.6 Service Coordinators

The Municipality shall provide the Contractor with the name of its service coordinator with respect to matters that may arise during the performance of this Agreement, and such person shall have authority to transmit instructions and receive information and confer with the Contractor's service coordinator. The Contractor shall provide the Municipality with the name of its service coordinator with respect to matters that may arise during the performance of this Agreement, and such person shall have authority to transmit instructions and receive information and confer with the Agency's service coordinator. The Municipality or the Contractor may change their respective designations of service coordinators from time to time by notice to the other party.

ARTICLE V **COMPENSATION**

Section 5.1 Base Compensation

- A. Amounts charged in subsection 5.1 B, below shall provide the charges for the services set forth in the Scope of Services.
1. Collection, transportation and disposal of Solid Waste, as provided in this Agreement,
 2. Collection, transportation and disposal of Other Waste, as provided in this Agreement,
 3. Collection and transportation of all Municipal Facilities' refuse, which locations and requirements are set forth in the Scope of Services.
 4. Providing two-wheeled carts for weekly collection in accordance with the Scope of Services.

B. Monthly rates will be the rates listed in the “Price Sheet” attached and incorporated as Exhibit 3 for the services set forth in the Scope of Services and this Agreement.

Section 5.2 RESERVED

Section 5.3 Compensation Adjustment

Charges shall be adjusted as set forth in the Price Sheet. In the event in a Change in Law, the parties agree to negotiate, in good faith, an adjustment to the annual pricing list for the contract year and any Additional Term thereafter.

ARTICLE VI
TITLE TO WASTE

Section 6 Title to Waste

The Contractor shall transfer all Waste to a facility or facilities that are in compliance with all applicable local, state, and federal laws, rules, and regulations. Legal title to the Waste shall vest with the Contractor upon Contractor's collection of same. Village shall be indemnified from all liabilities of waste hauling and disposal once collected and placed in Contractor's vehicles.

ARTICLE VII
BULK ITEMS, WHITE GOODS, E-WASTE AND EMERGENCY SERVICE

Section 7.1 Oversized Bulk Items Collection Service

The Contractor shall furnish Oversized Bulk Items collection service to collect and dispose of all discarded materials, which are too large and bulky to be handled by packer-type equipment (i.e. pianos, hot tubs, etc.). All Bulk Items, if applicable, shall be placed at curbside by a Customer for collection on service collection day, provided a call has been made to the Contractor by the resident notifying the Contractor of the Bulk Item collection. There shall be no additional charge for the collection of one bulk item per pickup as noted in the Price Sheet. Oversized Bulk Item shall be defined in the Scope of Services.

Section 7.2 White Goods Collection Service

White Goods shall be collected as set forth in the Scope of Services and shall be disposed of as required by law. The charge for White Goods is listed in the Price Sheet.

Section 7.3 E-Waste Service

E-Waste shall be collected from Customers in accordance with the Scope of Services. E-Waste will be collected on a scheduled basis with the resident contacting the Contractor and the Contractor providing the collection day for the e-waste. The charge for E-Waste service is listed in the Price Sheet.

Section 7.4 Christmas Tree Collection

Christmas trees will be collected without charge curbside for the first three (3) weeks following Christmas on the resident's regular collection day. All decoration including tinsel, lights, ornaments and tree stands must be removed. Flocked trees cannot be recycled and must be disposed of through regular trash service. Trees must not be wrapped in any plastic or placed inside a plastic bag. Contractor reserves the right to dispose as refuse of any tree in violation of Section 7.4.

Section 7.5 Emergency Pick-Up Service

The Contractor shall, upon receipt of notice from the Municipality, provide any Customers with a special emergency pick-up service for garbage, rubbish and miscellaneous waste materials, in circumstances requiring prompt disposition of the waste material and where a delay in pick-up until the next regularly scheduled pick-up day would or might be injurious or detrimental to the health and/or welfare of the community. Any such special emergency pick-up service shall be on or before the next business day after the day of notification, excluding Saturday and Sunday, and no charge shall be made to the Municipality for this service. This provision does not and is not intended to provide free garbage service to the Municipality and its residents in the event of a natural disaster, such as windstorm, tornado, flooding, ice storm or another similar occurrence.

Section 7.6 Payment

The Municipality shall pay the Contractor in accordance with the Price Sheet in monthly payments based on the unit price times the number of units for that month based on figures provided by the Municipality from its accounting system. The Contractor recognizes that in certain instances there will be no pickup or related payment in instances when the resident has requested that services be suspended when the home will not be occupied for a period of not less than thirty (30) days or if payment is not received by Village due to non-payment and services are/have been suspended. The Municipality and Contractor shall coordinate efforts on this issue.

Contractor invoices shall be forwarded to the Municipality, Attention: Finance Director, no later than the 5th day of the month for payment within that month. Invoices will be paid in a timely manner.

Section 7.7

When a customer contacts Contractor to request the senior/disabled veteran discount, or a smaller cart, if applicable, Contractor shall notify Municipality for billing purposes by the last day of the month.

ARTICLE VIII **LANDSCAPE WASTE**

Section 8.1 Landscape Waste Collection Service

Landscape Waste shall be collected from Customers in accordance with the schedule provided in the Scope of Services.

ARTICLE IX
RECYCLABLE MATERIALS

Section 9.1 Recyclable Materials Collection Service

Recyclable Materials shall be collected during the term of this Agreement on the same day as the Solid Waste and Landscape Waste is collected in conformance with the Scope of Services. From time to time and by mutual written Agreement between the Contractor and the Municipality, the acceptable items in the "Recyclable Materials" list may be modified as market conditions change.

ARTICLE X
BREACH; EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Breach by Contractor

Each of the following shall constitute a Breach on the part of the Contractor:

- A. Failure of the Contractor to perform timely any obligation under this Agreement except that such failure shall constitute a Breach only if such failure remains uncured for seven (7) business days after notice to the Contractor from the Municipality of such failure however, the occurrence of three (3) or more such failures occur within a six (6) month period shall constitute grounds for termination of this Agreement, in the sole discretion of the Municipality.
- B. The Contractor being or becoming insolvent or bankrupt or ceasing to pay its debts as they mature or making an arrangement with or for the benefit of its creditors or consenting to or acquiescing in the appointment of a receiver, trustee or liquidator for a substantial part of its property;
- C. A bankruptcy, winding up, reorganization, insolvency, arrangement or similar proceeding being instituted by the Contractor under the laws of any jurisdiction;
- D. A bankruptcy, winding up, reorganization, insolvency, arrangement or similar proceeding being instituted against the Contractor under the laws of any jurisdiction, which proceeding has not been dismissed within one hundred twenty (120) days;
- E. Any action or answer by the Contractor approving of, consenting to or acquiescing in any such proceeding; or
- F. The levy of any distress, execution or attachment upon the property of the Contractor which shall (or which reasonably might be expected to) substantially interfere with its performance under this Agreement.

Section 10.2 Events of Default and Remedies of Municipality

- A. If a Breach occurs under Section 10.1, the Municipality may exercise any one or more of the following remedies:
1. The Municipality may declare an Event of Default and may then terminate this Agreement immediately, upon notice to the Contractor and, subject to the provisions of sub-paragraph (6) below, upon such termination the Contractor shall cease providing services under this Agreement;
 2. The Municipality may seek and recover from the Contractor any and all damages, whether based upon contract, negligence (including tort), warranty, delay or otherwise, arising out of the performance or non-performance by the Contractor of its obligations under this Agreement.
 3. The Municipality may call upon the sureties to perform their obligations under performance bond, after releasing the sureties from their obligations under the performance bond, take over and perform the required services by its own devices, or may enter into a new contract for the required services, or any portion thereof, or may use such other methods as shall be required in the opinion of the Municipality for the performance of the required services.
 4. The Municipality shall have the power to proceed with any right or remedy granted by federal laws and laws of the State as it may deem best, including any suit, action or special proceeding in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any proper legal or equitable remedy as the Municipality shall deem most effectual to protect the rights aforesaid, insofar as such may be authorized by law.
 5. Upon any termination of this Agreement, the Contractor shall for a period requested by the Municipality, but not longer than six (6) months, continue to perform the contractual services during which period the Municipality shall continue to pay the Contractor its scheduled compensation.
 6. No remedy by the terms of this Agreement conferred upon or reserved to the Municipality is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Municipality. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

- B. In certain events, actual damages are difficult to calculate and therefore it is necessary to provide for Liquidated Damages. Liquidated Damages pursuant to this Agreement are limited solely to the following matters and in the amount set forth in the chart below. For all other breaches or default, actual damages shall apply.

Limited Liquidated Damages

Event	Liquidated Damages
Failure to respond to legitimate service complaints within twenty-four (24) hours	One hundred dollars (\$100) per incident.
Failure to collect properly notified missed collections within twenty-four (24) hours	Two-hundred fifty dollars (\$250) per incident.
Failure to provide carts that are in good working order for refuse, recycling or landscape waste to eligible units or Village facilities within one (1) week of request.	One-hundred dollars (\$100) per incident.
Failure to clean up spills occurring during collection operations within forty-eight (48) hours.	Two-hundred fifty (\$250) per incident.

- C. This Section 10.2 shall survive the voluntary or involuntary termination of this Agreement. Payment of liquidated damages shall not impair the rights of the Municipality to declare a breach pursuant to 10.1(A).

ARTICLE XI
INSURANCE AND INDEMNIFICATION

Section 11.1 Insurance

1. The Contractor shall procure and maintain the insurance requirements set forth in Exhibit 4 (the “Insurance Schedule”).

2. Prior to commencing Services under the agreements, the Contractor shall deliver, or cause to be delivered, to the Municipality, certificates of insurance (and other evidence of insurance requested by the Municipality) which the Contractor is required to purchase and maintain pursuant to this Insurance Schedule. The Contractor shall deliver certificates of renewal or replacement policies or coverage no less than ten (10) days prior to the effective date of each renewal or replacement policy or coverage.

3. All insurance coverage required to be purchased and maintained shall contain a provision or endorsement providing that the coverage afforded will not be cancelled, materially reduced or altered or renewal refused until at least thirty (30) days prior written notice has been given to the Municipality by certified mail.

4. The Contractor shall be responsible for promptly reporting all claims to the appropriate insurer on behalf of itself, the Municipality and the additional insureds set forth below.

5. The insurance policies indicated in the Insurance Schedule shall be endorsed to include the Municipality, the directors, officers, employees, agents and members of the Municipality as additional named insureds for all activities of the Contractor in the performance of the Agreement. Such insurance is to be primary and non-contributory with any insurance secured and maintained by such additional named insureds.

6. All Subcontractors shall provide the insurance and coverages required by this Article XI.

Section 11.2 Indemnification

A. To the maximum extent permitted by law, the Contractor shall at its sole cost and expense indemnify, defend, keep and save harmless the Municipality, its officials, employees, agents and consultants (individually, an "Indemnified Party" and collectively, the "Indemnified Parties") against all injuries, death, loss, damages, claims, patent claims, suits, liabilities, judgments, costs and expenses, which may in any way accrue against any such Indemnified Party (collectively referred to as the "Loss") in consequence of the this Agreement or the performance thereof, or which may in any way result therefrom, which are caused through the intentional misconduct, negligence or omission of the Contractor or any agent or employee, or any subcontractor or their respective employees. The Contractor shall, at its sole cost and expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against such Indemnified Party in any such action, the Contractor shall, at its sole cost and expense, satisfy the discharge the same. The Contractor expressly understands and agrees that the performance and payment bond and insurance required by this Agreement or otherwise provided by the Contractor or such Indemnified Party shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Indemnified Parties as herein provided.

B. The indemnification obligations set forth in this Agreement shall include indemnification for Losses resulting from claims made by third parties against any Indemnified Party. The provisions of this Section shall not apply to a Loss or portion thereof which arises, in whole or in part, out of intentional misconduct on the part of the Indemnified Party seeking indemnification, or to a Loss or portion thereof, which arises, in whole or in part, out of negligence on the part of such Indemnified Party, but only to the extent that such Indemnified Party's intentional misconduct or negligence contributed to the Loss, or that the Loss is attributable to such Indemnified Party's negligence or intentional misconduct.

C. Until such time as it has been (i) determined by a court of competent jurisdiction that any Indemnified Party is liable in whole or in part for a Loss caused by said Indemnified Party's own negligent acts or omissions or intentional misconduct, or (ii) mutually agreed between the Contractor and any Indemnified Party regarding allocation of liability for any Loss, the Contractor shall defend such Indemnified Party from such Loss at the Contractor's sole cost and expense. Each Indemnified Party shall furnish such information as may be reasonably required by the

Provider or defense counsel to provide an adequate defense and each such Indemnified Party shall cooperate fully in the defense of the claim giving rise to the Loss. If it is determined that such Indemnified Party is liable in whole or in omissions, to the extent indicated in the prior paragraph, the Indemnified Party shall be responsible for the payment of that portion of the reasonable attorneys' fees and related expenses incurred in the defense of the claim giving rise to the Loss equal to the Indemnified Party's adjudicated or agreed to share of liability for the Loss.

D. In addition to the Indemnification required above, the Contractor shall, to the maximum extent permitted by law, indemnify, defend, and hold harmless the Municipality, its officers, employees, agents, and attorneys from and against any and all liability, including without limitation, costs of response, removal, remediation, investigation, property damage, personal injury, damage to natural resources, health assessments, health settlements, attorneys' fees, and other related transaction costs arising under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, 42 U.S.C.A. Sec 9601, *et. seq.*, as amended, and all other applicable statutes, regulations, ordinances, and under common law for any release or threatened release of the waste material collected by the Contractor, both before and after its disposal.

E. This Section 11.2 shall survive the voluntary or involuntary termination of this Agreement.

ARTICLE XII **MISCELLANEOUS**

Section 12.1 Assignment

The Contractor shall not assign this Contract or any part hereof without prior written consent of the Municipality in a form approved by the Municipality. An assignment shall not be subject to a prior lien for service rendered or materials supplies for the performance of the work called for in said Contract in favor of all persons, firms, or corporations rendering such services or supplying such material.

Section 12.2 Equal Employment Opportunity

In the event of the Contractor's noncompliance with the provisions of this Section 12.2, the Illinois Human Rights Act or the Illinois Department of Human Rights Rules and Regulations, the Contractor may be declared ineligible for future contracts or subcontracts with the State or any of its political subdivisions or municipal corporations, and this Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation.

- A. During the performance of this Agreement, the Contractor agrees as follows:
1. That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; and further, that it will examine all job classifications to determine

if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.

2. That, if it hires additional employees in order to perform this Agreement or any portion hereof, it will determine the availability (in accordance with the Illinois Department of Human Rights Rules and Regulations) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.
3. That, in all solicitations or advertisements for employees placed by the Contractor or on the Contractor's behalf, the Contractor will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.
4. That the Contractor shall submit reports as required by the Illinois Department of Human Rights Rules and Regulations, furnish all relevant information as may from time to time be requested by the Illinois Department of Human Rights or the Municipality, and in all respects comply with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.
5. That the Contractor shall include, verbatim or by reference, the provisions of this Section 12.2 in every subcontract it awards under which any portion of the Agreement obligations are undertaken or assumed, so that such provisions will be binding upon each subcontractor. The Contractor will promptly notify the Municipality and the Illinois Department of Human Rights in the event any subcontractor fails or refuses to comply therewith. In addition, the Contractor will not utilize any subcontractor ineligible for contracts or subcontracts with the State or any of its political subdivisions or municipal corporations.

Section 12.3 Performance Bond

The Contractor shall furnish a performance bond for the faithful performance of this Agreement, such bond to be in the amount of \$300,000.00. Such performance bond shall be furnished annually by the Contractor for the following contract year and shall indemnify the Municipality against any loss resulting from any failure of performance by the Contractor. The initial bond shall be posted on or before the date that the Contractor commences providing Services to the Municipality and bond shall be posted within thirty (30) days of the anniversary of the date on which the Contractor commenced provision of Services pursuant to this Agreement.

Section 12.4 Prevailing Wages

The Village and Contractor agree that this Contractor shall be subject to the Prevailing Wage Act. The Contractor, and its subcontractors, shall comply with the Prevailing Wage Act (820 ILCS 130/1 *et. seq.*), as amended. The Contractor, and each subcontractor, shall keep, or cause to be kept, an accurate record showing the names and occupation of all laborers, workers and mechanics

employed by the Contractor or its subcontractors, in connection with the Work and showing the actual hourly wages paid to each such person. The submittal of an invoice or payment request to the City shall constitute the Contractor's certification to the City that all the wages paid for the work covered by the invoice or payment request have been paid in compliance with the Prevailing Wage Act. Upon the written request of the City, the Contractor, and its subcontractors, shall provide a complete and accurate copy of the records establishing compliance with the Prevailing Wage Act and this paragraph.

All contractors and subcontractors shall pay laborers, workers and mechanics performing services pursuant to this Agreement no less than the "prevailing rate of wages" (hourly cash wages plus fringe benefits) in the county where the work is performed. For information regarding current prevailing wage rates, please refer to the Illinois Department of Labor's website at: <http://www.state.il.us/agency/idol/rates/rates.htm>. All contractors and subcontractors rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties.

It is the responsibility of the Contractor to check the above-mentioned website for the most up to date wages for that month in which the work has taken place and to pay accordingly. Further, it is the responsibility of the contractor to supply the Municipality with certified payrolls for all work related to this contract. If you are unsure as to what a certified payroll sheet is that must be supplied, you may find one at the above mentioned website.

Section 12.5 Provision for Telephone Calls

The Contractor shall establish, maintain, and advertise: (i) a 1-800 telephone number or a telephone number with an exchange designated for the Municipality, in either case where it will receive service requests or complaints on all business days from 8:00 a.m. to 5:00 p.m., and (ii) a website designed for and capable of receiving customer complaints concerning the Services the Contractor provides under this Agreement. The Contractor shall staff the telephone line to minimize customer waiting time. All complaints or service calls shall receive prompt and courteous attention. Each complaint shall be investigated immediately. If a complaint is due to a failure to provide the regularly scheduled collection, not the fault of the resident and is verified, the Contractor shall provide a special collection within 24 hours of receipt of the complaint. The Contractor will provide the Municipality with a monthly report as to complaints and requests for service, indicating the type of complaint or request for service and action taken. All service request forms forwarded to the Contractor by the Municipality shall be completed and returned to the Municipality within two weeks after receipt by the Contractor. The Contractor or Village shall provide the capability for the transfer of telephone calls received by the Municipality to the Contractor.

Section 12.6 Equipment to be Used by Contractor

The Contractor agrees to collect all materials described in Section 4.1 in fully enclosed, leak-proof, modern trucks. The municipality shall have the right to inspect all vehicles to ensure that the vehicles are safe and capable of collecting Solid waste and Other Waste.

Section 12.7 Compliance with Laws

The Contractor shall comply at all times with all applicable federal, State and municipal laws, ordinances and regulations at any time applicable to the Contractor's operations under this Agreement with no increase to the Contractor's compensation, except as set forth in the next sentence. The Contractor and the Municipality shall negotiate an equitable adjustment to the Contractor's compensation to reflect any Change in Law. The Contractor shall obtain, at its own expense, all permits and licenses required by law or ordinance and maintain the same in full force and effect.

Section 12.8 No Alcohol or Drugs

The Contractor shall prohibit and use its best efforts to enforce the prohibition of any drinking of alcoholic beverages or use of illegal drugs by its drivers and crew members while on duty or in the course of performing their duties under this Agreement and shall enforce a reasonable policy requiring a Drug Free Workplace.

Section 12.9 Governing Law

This Agreement and any questions concerning its validity, construction or performance shall be governed by the laws of the State. Venue shall be the Circuit Court of Will County, Illinois.

Section 12.10 Compliance with Laws

The Contractor shall comply, and shall cause its agents, employees and Subcontractors to comply, with the requirements of all federal, state and local laws, rules, regulations, licenses, approvals and permits in all matters pertaining to (a) the Services and (b) all other transactions contemplated by this Agreement.

Section 12.11 Dispute Resolution

- A. In the event any controversy, claim or dispute between the Contractor and the Municipality shall arise with respect to the provisions of this Agreement or the transactions contemplated by this Agreement, the Municipality and the Contractor shall undertake in good faith to resolve the dispute.
- B. Except in the case of termination pursuant to Article X, the Contractor and the Municipality shall continue to perform diligently their respective obligations under this Agreement (i) notwithstanding the existence of any dispute, controversy or claim and (ii) during the pendency of any judicial, administrative or other dispute resolution process which is commenced by one or both parties. Notwithstanding the preceding provisions of this paragraph (b), a party may until payment discontinue performance of its obligations under this Agreement if the other party has failed to pay amounts which are undisputed and due or which are preliminarily determined by an arbitrator to be paid pending the final award or which are finally determined to be due.
- C. This Section 12.10 shall survive the termination of this Agreement.

Section 12.12 Further Assurances

Each party agrees to execute and deliver any instruments and to perform any acts that may be necessary or reasonably requested in order to carry forth the transactions contemplated by this Agreement so long as such instruments and acts (a) are not inconsistent with the provisions of this Agreement and (b) do not involve the assumption of obligations in addition to the obligations contemplated by this Agreement.

Section 12.13 Relationship of the Parties; Third Parties

Nothing in this Agreement shall be deemed to constitute one Party as the partner, agent or legal representative of the other Party. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties hereto and their respective legal representatives, successors, and permitted assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third parties to any party to this Agreement nor shall any provision give any third parties any right of subrogation or action over or against any party to this Agreement.

Section 12.14 Subcontractors

- A. All other Subcontractors who are retained to perform any of the Services required by this Agreement shall be hired by, and shall be the agents of, the Contractor. The Municipality shall have no relationship with such Subcontractors. The Municipality's prior written approval is required before the Contractor can enter into any subcontracts. Any consent by the Municipality to subcontracting any part of the work shall not be construed to be an acceptance of the subcontract or any of the terms, but shall operate only as an acceptance of the making of a subcontract between the Contractor and Subcontractor.
- B. Each subcontract shall also contain a provision whereby the Subcontractor acknowledges that, despite the fact that such Subcontractor is not in privity of contract with the Municipality, the Municipality shall have the right to bring a direct cause of action against such Subcontractor and its officers, agents and employees for its or their acts in connection with its provision of Services.
- C. The Subcontractor shall look only to the Contractor for the payment of the claims of any nature whatsoever arising out of any subcontract. The Contractor shall include in all agreements with Subcontractors, as pertaining to this Agreement, that its Subcontractor shall make no claim whatsoever against the Municipality or its officers, directors, employees, agents, for any work performed or thing done by reason of the subcontract, or for any other cause whatsoever that may arise by reason of the relationship created between the Contractor and the Subcontractor by the subcontract.
- D. A Subcontractor shall not be deemed an agent of the Municipality nor a third- party beneficiary of this Agreement.
- E. The Contractor shall be responsible for the compliance of its Subcontractors with the requirements of all federal, state, and municipal laws, ordinances, rules and regulations as may be applicable in the performance of this Agreement.

Section 12.15 Notices

Except as otherwise required, all notices or communications required or permitted pursuant to this Agreement shall be in writing and deemed given: (a) when delivered if delivered in person or transmitted by facsimile, telex or similar form of telecommunication, upon receipt that the transmission was successful; or (b) five (5) days after deposit in the United States mail, if sent by certified or registered mail, postage prepaid, addressed as follows:

If to the Municipality:

Village Administrator
Village of Channahon
24555 S. Navajo Drive
Channahon, IL 60410

If to the Contractor:

Environmental Recycling and Disposal
ATTN: Jay A. Ipema
P.O. Box 3429
Joliet, IL 60434-3429

With a Copy To:

Village Clerk
Village of Channahon
24555 S. Navajo Drive
Channahon, IL 60410

Changes in persons and addresses to which such notices may be directed may be made from time to time by any party by notice to the other party given in accordance with this Section 12.14.

Section 12.16 Waiver

- A. The waiver of a condition, Event of Default, or Breach under this Agreement must be in a written signed instrument except as otherwise specifically stated in this Agreement. The waiver by either party of an Event of Default or a Breach of any provision of this Agreement by the other party shall not operate or be construed to operate as a waiver of any subsequent Event of Default or Breach. The making or the acceptance of a payment by either party with knowledge of the existence of an Event of Default or Breach shall not operate or be construed to operate as a waiver of the existing or any subsequent Event of Default or Breach.
- B. No approval given by the Municipality under this Agreement shall operate to relieve the Contractor from any of its responsibilities under this Agreement or be deemed as an approval by the Municipality of any deviation contained in any items or document subject to such approval from, or of any failure by the Contractor to comply with, any requirement of this Agreement.

Section 12.17 Entire Agreement; Modification; Conflicts

This Agreement sets forth the rights and obligations of the parties to this Agreement. This Agreement (a) constitutes the entire and integrated agreement between the parties with respect to the transactions contemplated by this Agreement, (b) supersedes and replaces all prior negotiations, agreements or understandings with respect to the transactions contemplated by this Agreement and (c) may be modified only by written instrument which refers to this Agreement and which is duly executed by both parties.

Section 12.18 Construction

Captions and headings in this Agreement are for ease of reference only and do not constitute a part of this Agreement. This Agreement shall not be construed against either the Municipality or the Contractor. Wherever a date or period of time is specified in this Agreement, such date or period of time shall be of the essence of this Agreement.

Section 12.19 Counterparts

This Agreement may be executed in more than one counterpart, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 12.20 Taxes

The Contractor shall timely pay all federal, state, and local taxes, including sales tax, social security, worker's compensation, unemployment insurance and other taxes, which may be chargeable against labor, material, equipment, real estate, and any other items necessary to and in the performance of this Agreement.

Section 12.21 Delays

It is expressly agreed that in no event shall the Municipality be liable or responsible to the Contractor or any other person on account of stoppages or delays in the Services, by injunction or other legal or equitable proceedings brought against the Contractor, or by account of any delay from any cause whatsoever over which the Municipality has no control.

Section 12.22 Severability

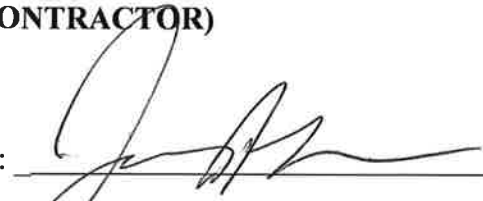
In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal or unenforceable in any respect, the parties shall negotiate in good faith and agree to such amendments, modifications or supplements to this Agreement or such other appropriate actions as shall, to the maximum extent practical in light of such determinations, implement and give effect to the intentions of the parties as set forth in this Agreement; and the other provisions of this Agreement shall, as and to the extent so amended, modified, supplemented or otherwise affected by such action, remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives, all on the day and year first above written.

(CONTRACTOR)

VILLAGE OF CHANNAHON, an Illinois municipal corporation

By: _____



By: _____



Its: _____

President

Its: _____

VILLAGE PRESIDENT

ATTEST:

ATTEST:

By: _____



By: _____

Keathell

Its: _____

Vice President

Its: _____

Village Clerk

EXHIBIT LIST

- Exhibit 1 Scope of Services
- Exhibit 2 Collection Schedule
- Exhibit 3 Price Sheet
- Exhibit 4 Insurance Requirements

EXHIBIT 1 – VILLAGE OF CHANNANON SCOPE OF SERVICES

Environmental Recycling and Disposal will provide service on a four day per week pick up schedule of Monday through Thursday. Environmental Recycling & Disposal will be responsible to inform all residents of their scheduled day and provide customer care pamphlets that will make any transition in service go smoothly.

REFUSE SERVICE: Residents will be provided a 95 gallon refuse cart for weekly collection of household waste. Residents will have the option to choose the 65 gallon or 35 gallon cart instead of the 95 gallon standard cart on a one time request basis. Contractor will make available additional carts for Residents to rent for a per month charge on an annual basis.

RECYCLING SERVICE: Residents will be provided a 95 gallon recycling cart for weekly collection of recyclables. Resident will have the option to choose the 65 gallon cart instead of the 95 gallon standard cart on a one time request basis. Contractor will make available additional carts for Residents to rent for a per month charge on an annual basis.

YARD WASTE SERVICE: Residents will be provided with a 95 gallon cart for yard waste. Carts can hold the equivalent of four to five yard waste bags and make collection faster, simpler, and safer. Overflow yard waste will also be collected in standard size Kraft paper yard waste bags. Residents may decline the container. Contractor will make available additional carts for Residents to rent for a per month charge on an annual basis.

ELECTRONIC WASTE: All items will be billed directly to the resident on a per item basis. Four (4) times a year, contractor will schedule to pick up electronics curbside. Residents can call to be added to the schedule. Contractor will keep residents notified of additional drop off options available through Will County and Grundy County and Illinois EPA.

COMMERCIAL SERVICES: Contractor will provide weekly commercial refuse and recycling containers at its Village Hall, Public Works buildings and any new locations determined by the Municipality.

- | | |
|------------------------------------|------------------------|
| 1) Village Hall/ Police Department | 24555 S. Navajo Drive |
| 2) Department of Public Works | 25217 W. Jessup Street |
| 3) Public Works Building | 26156 Blackberry Lane |

ROLL OFF SERVICE: Roll off containers of various sizes will be made available to the residents of the Village of Channahon at a discounted rate (as contained in dumpster service program in Exhibit 3 below. Other conditions may apply).

VILLAGE SPECIAL EVENTS: Environmental Recycling & Disposal will provide up to ten (10) 30 cubic yard roll off containers, up to ten (10) 2 cubic yard containers or twenty (20) 95-gallon carts. All ancillary services will be provided at no additional cost for Village sponsored events.

PORTABLE TOILETS: Up to 2 portable toilets with weekly service will be provided at locations designated by the village. Up to five (5) additional portable toilets will be made available each year for temporary use at Village sponsored events.

STREET SWEEPING: Street sweeping will be provided for up to 90 centerline miles, three times per year. The Village of Channahon will provide the water supply and disposal at the public works yard.

USE OF MOEN TRANSFER STATION: After the facility is opened (scheduled for summer 2020), the Village will be able to dispose of an additional 50 tons per year of MSW, yard waste, or recyclables at Moen Transfer Station at no additional cost.

EXHIBIT 2 – COLLECTION SCHEDULE

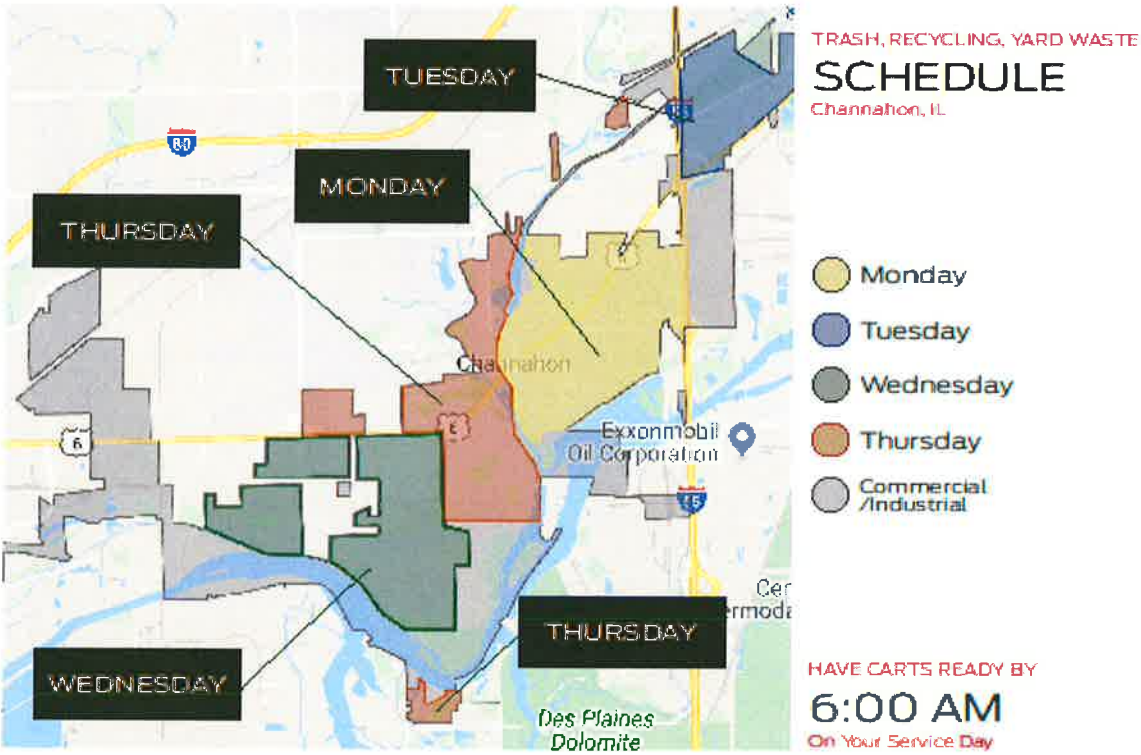


EXHIBIT 3 - VILLAGE OF CHANNAHON PRICE SHEET

95, 65, 35-Gallon Cart Program:

Contract Year	Monthly Unit Rate	Senior/100% Disabled Veteran Rate
May 1, 2020 through April 30, 2021	\$19.64	\$17.64
May 1, 2021 through April 30, 2022	\$20.28	\$18.28
May 1, 2022 through April 30, 2023	\$20.94	\$18.94
May 1, 2023 through April 30, 2024	\$21.62	\$19.62
May 1, 2024 through April 30, 2025	\$22.32	\$20.32
May 1, 2025 through April 30, 2026	\$23.05	\$21.05

Ad-Hoc Waste Program:

Oversized Bulk Item	\$.00 per 1st item \$ 35.00 per each item after
Extra Cart Rental (garbage, recycling, or yard waste)	\$ 6.00 per cart/month
White Goods Collection and Disposal (one item/ week)	\$.00 per pickup/item
Quarterly E-Waste Collection	\$ 35.00 per pickup/item

Per Dumpster Service Program upon Village Request

Per cubic yard/per cart	\$ 12.50
Delivery/pickup	\$ 35.00

6 yard container delivery/pickup included up to 1 ton	\$ 245.00
10 yard roll off delivery/pickup included up to 4 tons	\$ 300.00
20 yard roll off delivery/pickup included up to 4 tons	\$ 380.00
30 yard roll off delivery/pickup included up to 4 tons	\$ 420.00

EXHIBIT 4 – INSURANCE REQUIREMENTS

The Contractor shall procure and maintain the following insurance during the entire term of the Agreement:

Type of Insurance Required Limits of Liability

1. Workers' Compensation, statutory.
2. Employers' Liability \$1,000,000 per accident. \$1,000,000 disease (policy limit) \$1,000,000 disease (each employee).
3. Commercial General Liability, including "occurrence" coverage for:
 - a. Premises and operations, Independent contractors protective, contractual liability, broad form property damage and XCU hazards \$2,000,000 per occurrence for bodily injury and property damage combined.
 - b. Products and operations, (including broad form property damage). \$2,000,000 per occurrence for bodily injury and property damage combined.
 - c. Personal injury liability \$2,000,000 per occurrence. Coverages a, b and c \$2,000,000 policy aggregate.
4. Business Auto liability (including owned, non-owned and hired vehicles and coverage for environmental liability). \$2,000,000 per accident for bodily injury and property damage combined.
5. Umbrella/Excess Liability \$10,000,000 per occurrence.
6. Pollution Legal Liability (to apply as Excess over 2, 3 and 4 above). \$2,000,000 Per Pollution Condition \$2,000,000 policy aggregate.

B. Miscellaneous Provisions

1. Equivalent insurance must be maintained by each subcontractor of the Contractor.
2. All insurance companies must be reasonably acceptable to the Municipality and may include self-insurance obtained by the Contractor. Minimum insurance carrier requirements include a current rating from A.M. Best Co., Inc. (or any successor publication of comparable standing within the industry) of "AVIII" and a license to do business in the State of Illinois.
3. All liability coverages shall be written on an occurrence basis.
4. Prior to commencing Services under the agreements, the Contractor shall deliver, or cause to be delivered, to the Municipality, certificates of insurance (and other evidence of insurance requested by the Municipality) which the Contractor is required to purchase and maintain pursuant to this Schedule. The Contractor shall deliver certificates of renewal or replacement policies or coverage no less than ten (10) days prior to the effective date of

each renewal or replacement policy or coverage.

5. All insurance coverage required to be purchased and maintained shall contain a provision or endorsement providing that the coverage afforded will not be cancelled, materially reduced or altered or renewal refused until at least thirty (30) days prior written notice has been given to the Municipality by certified mail.
6. The Contractor shall be responsible for promptly reporting all claims to the appropriate insurer on behalf of itself, the Municipality and the additional insureds set forth below.

The insurance policies set forth in items 3, 4 and 5 above shall be endorsed to include the Municipality, the directors, officers, employees, agents and members of the Municipality as additional named insureds for all activities of the Contractor in the performance of the Agreement. Such insurance is to be primary and non-contributory with any insurance secured and maintained by such additional named insureds.