

# SOLID WASTE TRASH & RECYCLING FACILITY OPERATING AGREEMENT

THIS AGREEMENT dated the 1<sup>st</sup> day of April 2022, by and between Surrey Township, Clare County, Michigan, hereinafter referred to as the "Township" and Green For Life Environmental Inc, Harrison, Michigan, hereinafter referred to as the "Contractor."

WHEREAS, the Township wishes to operate a solid waste transfer facility for the collection of solid waste and recyclables;

WHEREAS, the Township wishes to provide for the residents of Surrey Township a place for the collection, transportation, and disposal of solid waste collected at the Facility;

WHEREAS, the Township wishes to enter into an agreement with the Contractor for lease of transfer facility and the transportation and disposal of solid waste collected at the Facility;

WHEREAS, the Township will provide resident verification hereinafter referred to as the "CARD" for the purpose of verifying that only those Surrey Township residents are disposing of residential solid waste;

WHEREAS, the Contractor represents that it has the resources to provide the necessary capital, equipment, ability and experience to perform said services;

NOW, THEREFORE, it is hereby agreed between the parties hereto as follows:

1. Term. This agreement shall be effective commencing on 1 April, 2022, and shall remain in full force and effect for Five years. The initial term of this contract may be extended in accordance with the provisions of Extension of Term, paragraph 25.
2. Facility Ownership. The Township owns an existing facility located at 7590 Old State Ave Farwell, MI 48622, and described as Transfer Station. The Facility is designed for transfer of residential waste and recycling from Township residents for proper disposal.

During the period of the agreement, the Township may not actively seek purchasers, nor may they enter into an agreement to sell, lease or transfer ownership of the Facility building, and the property described under Site Property, paragraph 2, without first (a) notifying the Contractor of their intent to so do at least 90 days in advance of such action, and (b) allow the contractor the opportunity to acquire said property and improvements for an amount equal to the purchase price offer. Any sale of the site property to a purchaser other than the Contractor shall not abrogate the Contractor's rights under this Agreement.

The Township acknowledge that the site meets all applicable local, state, and federal environmental standards and that there are existing monitor wells

on the facility, with no contamination present that exceeds any local, state, or federal standards. If pre-existing contamination is discovered, the party in control of the facility during the time in which such contamination took place shall be responsible for all associated clean-up cost. During the terms of this contract, any additional testing, monitoring, or other cost associated with the environmental compliance shall be the responsibility of the Contractor and the Contractor agrees that the site shall be returned to the Township in full compliance with all existing (after termination of the contract/agreement) local, state, and federal to the site, the Contractor shall be responsible for such cost as may be necessary to bring the site back to existing (as of the time of the termination of this Agreement) local, state, or federal environmental standards.

Contractor will provide an environmental assessment and show condition of property prior to the Contractor takeover. We will share report with The Township.

Any temporary buildings, trailers, or other structures shall be removed by the Contractor at the termination of this Agreement. All permanent building and fixtures to buildings shall remain property of the Township.

3. Payments to the Township. For and in consideration of the exclusive right to operate the Facility and the use of its premises during the term of the Agreement, the Contractor shall Dispose the Township Residents Waste and Recycling at no charge each month for the operation of service, as defined under Trash & Recycling Operation, paragraph 4, are performed, or should be performed.
4. Trash & Recycling Facility Operation. For and In consideration of the payments made by the Contractor to the Township as stated hereinbefore, the Township agrees that the Contractor shall have exclusive operating rights to the Facility and its premises during the term of the Agreement. In operating the Facility, the Contractor/Township shall provide:
  - a) Township shall staff and operate the Facility for Township residents transfer station operating days.
  - b) Contractor shall staff and operate Facility for dumping of contractor waste and recycling.
  - c) The Contractor will conduct roadside clean-up of litter on Old State Road, between Surrey and Ziggy Road as necessary, but at least on a quarterly basis.
  - d) The Township will maintain the composting and wood-chipping
5. Transporting Solid Waste. The Contractor shall remove solid waste from the Facility on a regular basis and at such frequencies as so to ensure that the Facility and any adjoining Township owned property is not overloaded or unsightly. The Contractor shall transport solid waste with properly licensed vehicles by properly licensed drivers. All vehicles furnished by the Contactor and used to transport solid waste of

Michigan Act 641, Public Act of 1978, as amended. The Contractor shall be responsible and liable for the transporting of the solid waste from the Facility to the disposal site or storage facility.

On a routine schedule, the Contractor shall inspect each vehicle used to transport solid waste to assure that there are no leaks or spills occurring from same. The Contractor shall be responsible for the cleanup of any spills that occur during the transportation of solid waste. The Contractor shall obey all the road restrictions, weight laws and other safety provisions when transporting the solid waste. No Breach of Contract shall be declared if the Contractor shall have violated the provisions of this action if he takes the necessary steps to forthwith correct any equipment problem and if steps are taken to ensure future compliance with applicable law. The Contractor shall be responsible for the payment of fine and penalties resulting from any violation of road restrictions, weight laws and other safety provisions when performing duties under this Agreement.

6. Storage of Solid Waste. There will be no storage of solid waste at this Facility.
7. Compliance with Applicable Local, State, and Federal Laws. The Contractor shall comply with all applicable laws and regulations pertaining to loading and unloading, transporting, and disposal of solid waste.

The Township shall notify the Contractor, in written form within ten (10) days, whenever a notice or letter of non-compliance is received by the Township pertaining to the loading and unloading, transporting or disposal of solid wastes. If the item of non-compliance pertains to the operations performed by the Contractor under this Agreement, the Contractor shall correct such non-compliance in a timely fashion or in accordance with the requirements of the notice of non-compliance received by the Township. If the item of non-compliance pertains to the operations performed by the Township under this Agreement, the Township shall correct such non-compliance in a timely fashion or in accordance with the requirements of the notice of non-compliance received by the Township.

If the Contractor fails to comply with a reasonable amount of time with any notice of non-compliance, the Township shall have the same remedies as provided under Breach of Contract, paragraph 26.

If the Township fails to comply with the requirements of any notice of non-compliance and such non-compliance jeopardizes the operations carried out by the Contractor under this agreement, the Contractor shall have the same remedies, as provided under Breach of Contract, paragraph 26.

8. Facility Operation License. The Contractor shall be responsible for and bear all cost of obtaining and maintaining at all times an Operating License, as required under Michigan Act 641, P.A. of 1978, and any subsequent amendments thereto, for the

license application the premium or fee to obtain bonding for the Facility, and any required license application fee. The Township will not be held responsible for failing to maintain the operation license if the loss is caused by the manner in which the Contractor operates the Facility, or the Contractor's disposal of waste from the Facility.

The Township shall not be responsible for the removal of any waste, materials, or contamination from the site, and in the event any hazardous substance is placed on the site for any reason, (except by Township employees and/or contractors hired or directed by the Township), it shall be the responsibility of the Contractor to require the generator (if known) to remove same or, in the alternative, for the Contractor to take such steps as may be necessary to remove same including, but not limited to, the Contractor hiring a third party to remove any substance for which the Contractor is not licensed to handle. All such removals shall be at the expense of the Contractor and shall not be charged to the Township.

9. Quality and Characteristic of Solid Waste. The Contractor shall be familiar with the nature of general refuse and should anticipate hauling solid waste generated from residences. The Township makes no guarantees, as to the nature of the solid waste. The Contractor is expected to only transport those materials for which he is licensed and material that are in conformance with Public Act 641, P.C. 1978. Should the Contractor discover a material that is classified as hazardous, should immediately cease and desist from disposal of such material, secure the material, and immediately notify the Township and generator (if known) such that action is taken to comply with all laws and regulations.
10. Hold Harmless. Both parties shall indemnify defend and hold harmless each other from and against all claims or demands based on or arising out of damages or injuries to persons or property caused by willful conduct, error, omission, or negligent act of both parties or any of its agents, subcontractors, and employees arising out of or because of the work covered by this Agreement of conditions thereof. The Contractor agrees to maintain, at minimum, the insurance requirements described under Insurance Held by Contractor, paragraph 11.
11. Insurance Held by Contractor. The Contractor shall purchase and maintain in full force and effect, throughout the term of this Agreement and Throughout any extension of renewal thereof, the insurance set forth on the attached exhibits, or insurance reasonably comparable with regard to the type of coverage and minimum limits of liability thereto. If any insurance policy is amended or replaced during the term of this Agreement, the amendment or replacement policy will be provided to the Township.

A guarantee that ten (10) days notice to the Township prior to cancellation of or change in any such insurance shall be endorsed on each certificate of Insurance. Any insurance policy purchased shall also include a statement of rider stating that the

rights of subrogation between the parties to this Agreement are waived. Failure to maintain such insurance or to provide proof of such insurance are grounds to terminate this Agreement.

12. Performance Bond. The Contractor shall obtain from a surety acceptable to the Township a Performance Bond to be executed to the Township in the account of one million (\$1,000,000) Dollars and conditioned for the faithful fulfillment of this Agreement and to include the protection of the Owner from all liens and damages arising out of the services rendered. The Contractor shall bear the cost of the premium and other charges, if any, for the Performance Bond.
13. Insurance Held by Township. The Township shall purchase and maintain in full force and effect throughout the term of this Agreement and throughout any extension or renewal thereof, comprehensive general liability insurance (including contractual liability), bodily injury insurance and property damage insurance in the form and minimum amount as those policies attached hereto. The Township shall provide the Contractor certificates showing proof that such insurance policies are owned by the Township within ten (10) days of the execution of this policy. The Township shall obtain endorsement on each certificate of insurance guaranteeing that Contractor will be given ten (10) day notice prior to cancellation of or change to any such insurance policy. Any insurance policy purchased shall also include a statement of rider stating that the rights of subrogation between the parties to this Agreement are waived. If the Township fails to provide such insurance, the Contractor may purchase the insurance in the name of the Township and the Township will be required to reimburse the Contractor.
14. Maintenance. The Contractor shall be responsible for all normal maintenance and repairs, or replacements of the equipment owned and used by the Contractor in connection with this Agreement.

The Contractor shall be responsible for the normal maintenance and repair of the Facility building and grounds including, but no limited to:

- a. Snow Removal.
- b. Pick up litter on site.
- c. Mowing of grass or cutting of weeds at the site.
- d. Maintenance and repairs of the Facility building as may result through normal wear and use of the Facility.
- e. Minor modifications of the Facility building or grounds that the Contractor believes will improve the efficiency of operations or the safety of employees or Facility customers. Minor modification, as used herein, shall be defined as an addition, deletion, or alternation to a portion of the Facility building or appurtenances in such a manner so not to significantly alter the aesthetic or functional characteristics of the Facility as a whole. Minor modifications shall

include, but not be limited to, the posting of signs, bulletin boards, the addition of a light socket or switch, etc. Said minor modifications may be performed without written approval of the Township.

The Contractor shall keep the site in a clean and sanitary condition acceptable to the Michigan Department of Natural resources and the Township.

The Contractor will be responsible for maintaining the access road to the Facility in a passable, safe, and reasonably smooth condition providing grading, graveling, and surfacing as necessary.

15. Utilities. The Contractor will be responsible for paying all electrical, telephone, heating (electrical, gas, etc.) and water bills, if any, generated at the Facility. The Contractor shall be responsible for the proper disposal of sanitary waste generated at the Facility.
16. Subcontracting. No Subcontracting by the Contractor shall be permitted without the written approval of the Township.
17. Extension of Term. This Agreement may be renewed or extended upon the written consent of both parties to do so.
18. Severability. If any term or provision of this Agreement shall be found to be void, unenforceable, or illegal, such finding shall be limited to such term of provision and shall not affect the enforceability or the remaining terms and provisions of this Agreement.
19. Successors and Assigns. The Contractor hereby binds itself, its successors, and assigns to the terms of this Agreement. The Contractor shall not assign, give, or transfer its interest in the Agreement without the prior written consent of the Township.

The Township hereby binds itself, its successors, and assigns to the terms of this Agreement. The Township shall not assign, give, or transfer its interest in the Agreement without the prior written consent of the Contractor.
20. Waiver. Failure to enforce any term or the waiver of any violation of a term of this Agreement shall not prevent the subsequent enforcement of any such term or any other term of this Agreement.



21. Notices. No waiver or notice shall be effective unless in writing. Notices shall be deemed sufficiently given when in writing and (a) when actually served on the party to be notified or when (b) placed in an envelope and directed to the party to be notified and sent by first class mail. Unless a change of address is provided, notices may be sent to the following addresses:

Township

SURREY TOWNSHIP  
SUPERVISOR  
P.O Box 647  
110 E. Michigan  
Farwell, MI 48622

Contractor

GFL Environmental  
P.O Box 621  
4102 Industrial Parkway  
Harrison, MI 48625

22. Termination. This Agreement may be terminated, in whole or in part, through the mutual written consent of both parties.
23. Additional Terms. Additional terms may be added to this Agreement when in writing and agreed upon by both parties.
24. Arbitration. Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association. Arbitration hearing shall commence within fourteen (14) calendar days from the date of the written notice requesting arbitration. The arbitrator(s) shall, after hearing all pertinent facts and information associated with the controversy or claim, make their decision within three (3) calendar days the parties shall be bound by the decision of the arbitrator(s). The decisions shall be considered final and not subject to appeal. Both the Contractor and the Township shall share equally in the payment of the charges made by the arbitrator(s) for their services.
- Prior to and during the arbitration proceedings, the Contractor shall continue to perform, except under conditions of Force Majeure, the services required under this Agreement and in accordance with the provisions of the Agreement. However, should the arbitrator(s) decision increase or decrease the monthly payment to the Township as described under Payment to the Township, paragraph 3, then said increase or decrease shall be retroactive to the date of the notice requesting arbitration proceedings.
25. Additional Services. Offer village agreement to dump at facility / costs between contractor and village as they are in geographical bounds and do pay taxes therein.
26. Breach of Contract (Agreement). If the Contractor fails to perform, or fails to perform in a satisfactory manner, or to perform in accordance with applicable ordinances, regulation or laws, the Township shall have the right to demand in

writing adequate assurance from the Contractor that steps have been or are being taken to rectify the situation. The Contractor must, within seven (7) days or receipt of such demand, return to the Township a written statement that explains reasons for non-performance of delayed, partial, or substandard performance during that period and any continuation thereof. The Contractor shall also have available to him the option to appear with an explanation before the Township Board. Upon receipt of the Contractor's statement of the failure of the Contractor to substantiate one, the Township may initiate arbitration proceedings as described under paragraph 24, Arbitration.

If the Township fails to perform, fail to perform in a satisfactory manner, or fails to perform in accordance with the applicable ordinance, regulations or laws, the Contractor shall have the right to demand in writing adequate assurance from the township that steps have been or are being taken to rectify the situation. The Township must, within seven (7) days of the receipt of such demand, return to the Contractor a written statement that explains reasons for nonperformance or delayed, partial, or substandard performed during that period and any continuation thereof. The Contractor shall have the right to cure and correct 30 days before forced arbitration. Upon receipt of the Township's statement or failure of the Township to substantiate one, the Contractor may initiate arbitration proceedings as described under paragraph 24, Arbitration.

27. Force Majeure. Neither the Contractor nor the Township shall be liable for the failure to perform their duties nor for any resultant damage, loss, etc., if such failure is caused by catastrophe, riot, war, governmental order or regulation, strike, fire, accident, act of God, or other similar or different contingency beyond the reasonable control of the Contractor or the Township.

If such circumstance persists, then this Agreement shall be renegotiated. If the parties cannot agree as to the terms for a renegotiated agreement, then this Agreement shall be terminated.

IN WITNESS WHEREOF, the parties hereto have set their hand and seals this April  
day of 11, 20 22.



WITNESSES:

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WITNESSES:

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TOWNSHIP:

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CONTRACTOR:

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