

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

FIRST TERM EXTENSION
AGREEMENT

THIS FIRST TERM EXTENSION AGREEMENT (the “First Term Extension”), made and entered into the 1st day of July, 2026 by and between the **City of Fayetteville**, a North Carolina municipal corporation (the “City”), by and through its Public Services Department Solid Waste Division and **Waste Management of Carolinas, Inc.**, with a principal business office located at 800 Capitol Street, Suite 3000, Houston, TX 77002 and a local office located at 420 I Distribution Drive, Fayetteville, North Carolina 28301 (the “Contractor”) (collectively, the “Parties”).

WITNESSETH:

WHEREAS, the City solicited a Request for Bids dated November 23, 2016 for the curbside collection of recyclable materials; and

WHEREAS, Contractor submitted a bid to the City in response to the Request for Bids; and

WHEREAS, the City determined that Contractor was the most qualified and responsible bidder and as such selected Contractor to perform certain services for the City as described in the Agreement (“Agreement”) between the Parties dated April 2017; and

WHEREAS, the City and Contractor amended the Agreement (“Exhibit A”) on March 30, 2021; and

WHEREAS, Article 10. Term of Exhibit A provides that the Parties may extend the Agreement up to two (2) two-year terms upon the Parties’ mutual written agreement following the Initial Term; and

WHEREAS, the Initial Term of Exhibit A ends on June 30, 2026; and

NOW THEREFORE, in consideration of the mutual promises recited in this First Term Extension, the Parties agree as follows:

AGREEMENT PROVISIONS

1.0 **TERM:** Under the provisions of Exhibit A of the Agreement dated March 30, 2021 (“Exhibit A”), the Parties agree to exercise the first two-year extension of the Renewal Term. Services under Exhibit A shall commence the 1st day of July, 2026 (the “Effective Date”). There is one remaining two-year extension of the Renewal Term.

2.0 **SCOPE OF SERVICES:** City added Juneteenth as an annual holiday that will be observed.

3.0 COMPENSATION

1. Recycling Cart Collection Rates

- a) The rate for every other week residential curbside recycling cart collections shall be three dollars and thirty-three cents (\$3.33) per cart per month.
- b) The rate for once per week recycling cart collections at City-owned facilities shall be five dollars (\$5.00) per cart per month.
- c) The rate for twice per week recycling cart collections at City-owned facilities shall be ten dollars and five cents (\$10.05) per cart per month.

2. Modification of Rates

- a) The fees or compensation payable to Contractor for subsequent years of the Term hereof shall be adjusted upward and downward to reflect the percentage change in the cost of doing business, as measured by fluctuations in the Consumer Price Index for Water, Sewer, and Trash, Not Seasonally Adjusted, All Areas (WST CPI), as published by the Bureau of Labor Statistics of the United States Department of Labor, for the most recently available 12-month period. Any annual adjustments described herein shall take effect on each anniversary of the Effective Date during the Term of this Agreement.
- b) In addition to the foregoing, the fees which may be charged by Contractor may be increased or decreased to reflect fluctuation in the number and type of Recyclable Materials that Contractor is required to collect. City will make a determination of which materials will be included in the program. If, during the Agreement, either Party desires to add or remove a material from the program (due to changes to market availability, low participation, etc.), the Party may make a written request to the other Party and the material may be added or deleted, if mutually agreed upon by both Parties.

4.0 LIQUIDATED DAMAGES

1. Contractor shall not be charged or responsible for any liquidated damages before the Effective Date.
2. Incidents. Quality customer service is of the utmost important to City. It is the intent of the Parties that Contractor shall provide high quality Recycling Collection services to City. Thus, Contractor shall provide service timely in accordance with this Agreement. City, without waiving other remedies it may have under this Agreement, at law or in equity, may deduct from any amounts otherwise payable to Contractor as liquidated damages. The amount of the liquidated damages set forth below is not intended as a penalty and is reasonably calculated based upon City's potential costs in completing the work or otherwise interfering with City's operations and public services.

- a) For damages to carts caused by Contractor, Contractor will pay the current contracted costs to City to repair carts to include damages lids, wheels, and whole cart replacement.
- b) Contractor will pay fifty dollars (\$50.00) per incident for its failure to respond to service complaints from the SeeClickFix Application, City's Call Center, City's Solid Waste Division, or other City departments within twenty-four (24) hours, and for reporting unresolved complaints as having been resolved.
- c) Contractor will fifty dollars (\$50.00) per building for its failure to respond to service complaints from the SeeClickFix Application, City's Call Center, City's Solid Waste Division, or other City departments within twenty-four (24) hours, and for reporting unresolved complaints as having been resolved.
- d) Contractor will pay fifty dollars (\$50.00) per day for repeat misses for its failure to respond to reported service complaints misses that are continually not collected from the SeeClickFix Applications, City's Call Center, City's Solid Waste Division, or other City departments within twenty-four (24) hours, and for reporting unresolved complaints as having been resolved.
- e) Contractor will pay one hundred dollars (\$100.00) per incident, for its failure to respond to service complaints for repeated Back Door Misses (requesting Back Doors be picked in route sequence) from the SeeClickFix Applications, City's Call Center, City's Solid Waste Division, or other City departments within twenty-four (24) hours, and for reporting unresolved complaints as having been resolved.
- f) Contractor will pay the greater of one hundred dollars (\$100.00) per missed collection or three hundred dollars (\$300.00) missed streets or neighborhoods per incident for its failure to collect missed collections of a street or neighborhood within twenty-four (24) hours of being notified of the missed collection.
- g) Contractor will pay fifty dollars (\$50.00) per incident for its failure to tag house/cart for leaving the Recycling Container either for non-compliance of the ordinance or contamination.
- h) Contractor will pay fifty dollars (\$50.00) per incident for its failure to collect cardboard set out with the cart but outside of the cart.
- i) Contractor will pay two hundred fifty (\$250.00) per incident in any rolling ninety (90) calendar day period for its failure to repair damage to customer property and/or clean spillage (oil, hydraulic fluid, Recyclable Materials, etc.) on the day Contractor receives written notice of needed repairs or spillage.

5.0 CITY'S TERMS SUPERSEDE: To the extent a conflict exists between the terms of this First Term Extension and the terms and conditions in any of the attachments to this First Term Extension, including Exhibit A, the terms of this First Term Extension shall govern and supersede any conflicting terms in such attachments.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this First Term Extension as of the date written above.

ATTEST:

BY:



Name Richard Huckabee
Title Director of Operations

Date: 5/20/24

CONTRACTOR

BY:



Name Tracey Shrader
Title Area V.P.

Date: 5/20/26

CITY OF FAYETTEVILLE

ATTEST:

BY:

JENNIFER L. AYRE
City Clerk

Date: _____

BY:

DR. DOUGLAS J. HEWETT, ICMA-CM
City Manager

Date: _____

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act

BY: _____

EXHIBIT LIST

Exhibit A: Services Agreements