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Inspector General

STEVE QUISENBERRY
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Office of the Inspector General

May 23, 2024

D'Andrea L. Walker
County Administrative Officer
400 Washington Avenue
Towson, Maryland 21204

Re: OIG Investigative Report – Case No. 23-004

The mission of the Office of the Inspector General (hereafter “the Office”) is to provide increased accountability and oversight in the operations of the Baltimore County government (hereafter “the County”) by identifying fraud, waste, and abuse, while also striving to find ways to promote efficiency, accountability, and integrity.

In August 2022, the Office received a complaint that a trash hauler (hereafter “the Company”), which was an authorized residential trash hauler for the County that also had several commercial clients in Baltimore County, had been committing fraud for numerous years by comingling a portion of its collected commercial trash in with its collected residential trash to avoid paying commercial trash tipping fees. In response to the complaint, the Office initiated an investigation. The investigation consisted of interviews, surveillance, and a review of various records. The records examined included documents from the County, the Company, the Company’s commercial clients, and other jurisdictions adjacent to Baltimore County.

Based on the investigation, the Office concluded that for at least the period 2018 through approximately August 2023 (hereafter “the Relevant Period”), the Company had been comingling its collected commercial trash in with its collected residential trash, and fraudulently representing it all as residential trash, so as to avoid paying a per ton commercial trash tipping fee to a third-party hauler (hereafter “the Hauler”). The Hauler was contracted by the County to transfer such commercial trash out of the County’s Western Acceptance Facility where the Company dumped its commercial loads. While the fraud committed by the Company resulted in lost profits to the Hauler during the Relevant Period, the fraud also resulted in a loss to the County in that the comingled commercial and residential trash, which the County believed at the time was all residential trash, essentially caused the County to inadvertently landfill more trash at its Eastern Sanitary Landfill than it needed to. During the Relevant Period, the County assessed a rate of \$100 per ton on any commercial trash that was landfilled at its Eastern Sanitary Landfill. Thus, the loss to the County was calculated by determining the estimated tons of commercial trash that were comingled during the Relevant Period times the \$100 per ton rate, which equated to \$224,737.

I. The County's Service Agreement with the Company

Listed below are excerpts from one of the two Service Agreements between the County and the Company that are relevant to the investigation. The language below is standard in all of the County's Service Agreements with its residential trash haulers. A copy of the Service Agreement in its entirety is attached as **Exhibit 1**.

Section 6.10. Quality of Performance of Contractor

It is the intent of the County to ensure that the Contractor and its subcontractors provide high-quality Collection Service. To this end, all complaints received by the County and reported to the Contractor must be promptly resolved pursuant to the provisions of this Agreement. The County and the Contractor agree that quantifying losses arising due to the Contractor's failure to perform or for violations of this Agreement are difficult to ascertain and may impact the County's reputation of providing high quality Collection Service to its Residents/customers. Therefore, the County and the Contractor further stipulate that the agreed upon sum is not a penalty, but a reasonable measure of damages intended to cover reputational and other losses suffered by the County, given the nature of the losses that may result from Contractor's failure to perform or for violations of this Agreement. For performance failures or contractual violations by the Contractor as specified in this Agreement, the Agreement Administrator may assess administrative charges up to the amounts listed in this Section 6.10. Such administrative charges will be separate and apart from any fines or penalties imposed by federal, state, or local governments, including those imposed under Baltimore County Code:

(A) If the Contractor fails to perform in a satisfactory manner, as determined by the County, deductions for performance may be made by the County from payment due. Performance deductions will be applied, after notification by the County, in a tiered system as detailed here:

TIER 3 (\$1,000) – These deductions will be applied for the following Agreement violations OR if any Tier 2 violations are repeated by the Contractor within a one-month period:

- Falsification of documents by the Contractor or its employees.

TIER 4 (\$1,000+) (Assessed at the discretion of the County on a case-by-case basis)

- Mixing non-designated commercial properties in the County and/or out-of-County trash/recyclables/yard material/organics in the same collection vehicle as County Trash/Recyclables/Yard Material/Organics.

(D) Chronic violations of three (3) or more similar violations at the same Dwelling Unit, or similar administrative or operational violations of this Agreement within a twelve (12) month period, will be subject to administrative charges as defined in this Agreement. Violations are deemed cumulative and can be subject to administrative charges as defined

in this Agreement until the termination of this Agreement.

(F) The assessment of administrative charges, pursuant to Section 6.10, is a supplementary remedy and does not replace any other remedies available to the County under this Agreement, or otherwise, for failure of the Contractor to provide a high-quality level of service.

II. Background on the Bureau of Solid Waste Management

The Bureau of Solid Waste Management (hereafter “Solid Waste”), which is located within the Department of Public Works and Transportation, is the County agency that is primarily responsible for monitoring and managing the County’s trash disposal sites. The County has three such sites – a landfill with two co-located trash transfer stations called Eastern Sanitary Landfill (ESL) located in White Marsh; a trash transfer facility and a co-located single stream recycling facility called the Central Acceptance Facility (CAF) located in Cockeysville; and a trash transfer facility called the Western Acceptance Facility (WAF) located in Halethorpe.

The ESL, CAF, and WAF (hereafter collectively “the Trash Disposal Sites”) all accept residential trash and most commercial trash from haulers like the Company. Because the CAF and the WAF are transfer facilities, all trash received at those sites is transferred out to other locations on a daily basis by companies that have contracts with the County such as the Hauler. The Hauler’s contract with the County is specific to the WAF. Typically, residential trash that is brought to the CAF and the WAF is sent to a waste-to-energy facility in Baltimore City (hereafter “the Waste-to-Energy Facility”). Because part of the ESL is a landfill, a portion of the trash brought to the ESL each year is landfilled while the remainder is transferred out by a contracted hauler to other locations. Each year, Solid Waste actively manages how much trash is landfilled at the ESL due to the landfill’s projected life expectancy, which is based on disposal rates and its estimated capacity limit.¹ It should be noted that the County’s contractual requirements with the Waste-to-Energy Facility, in the form of guaranteed tons delivered on an annual basis, factor into how Solid Waste manages how much trash is landfilled each year at the ESL.

During the Relevant Period, the majority of trash dumped at the Trash Disposal Sites was delivered by trash haulers, such as the Company, which were operating under a service agreement with the County or under a contracted rate. In the case of the Company, they had both in that they had a service agreement with the County in which the County paid them to pick up residential trash on designated routes and dispose of it at no cost at one of the Trash Disposal Sites. The Company also had a contractual relationship with the Hauler such that any commercial trash the Company brought to the WAF, the Hauler would “transfer” it to one of its own vehicles and remove it from the WAF for permanent disposal for a specified fee. Aside from the trash brought in by haulers like the Company, as well as the residential trash dropped off directly by County residents at no cost, the majority of the remaining trash that ended up being landfilled at the ESL

¹ It should be noted that from Solid Waste’s standpoint, trash is fungible and is managed by Solid Waste in tons across the Trash Disposal Sites. For example, if one ton of commercial trash is brought to ESL, it is possible that exact trash may get landfilled even though the County does not technically landfill commercial trash. However, to offset the landfilling of that one ton of commercial trash, Solid Waste will transfer one ton of residential trash that would have otherwise been landfilled at the ESL.

during the Relevant Period was assessed at the County’s commercial rate of \$100 per ton, which is a rate set by the County’s Administrative Officer and is contained in the County’s rate book.

III. The Complaint

In August 2022, the Office received a complaint from a former long-time employee of the Company (hereafter “the Former Employee”). According to the Former Employee, the Company had several commercial clients in Baltimore County that paid the Company to pick up their commercial trash on a regular basis. The Company was then supposed to haul that commercial trash to the WAF for temporary disposal. One of the costs associated with the Company’s commercial hauling business was the price it had to pay to the Hauler to transfer that trash at the WAF and haul it away for permanent disposal. During the Relevant Period, the fee charged by the Hauler to the Company was \$67.83 per ton plus miscellaneous fees. Thus, the more commercial tons transferred by the Hauler on behalf of the Company, the higher the cost to the Company. In order to reduce these costs, the Company regularly comingled a portion of the trash it had collected from its commercial clients with its residential customers’ trash as the Company was able to dispose of residential trash for free as part of its service agreement with the County.

As part of the complaint, the Former Employee provided the Office with details about the Company. The details included names of key personnel, the structure of the Company, an overview of the Company’s operations, and a list of some of the Company’s commercial clients. While the Former Employee was not able to estimate the total amount of the fraud, they believed the fraud was significant based on the length of time it had been occurring and the volume of commercial trash handled by the Company historically.

IV. The Relevant County Data

As part of the investigation, the Office obtained from Solid Waste the number of tons of commercial trash and residential trash delivered by the Company to the Trash Disposal Sites for the Relevant Period. The numbers reflected that all of the commercial trash was brought to the WAF and the residential trash was dumped at either the CAF or the WAF. The Office also noted the number of disposals made by the Company at the Trash Disposal Sites. These figures are summarized by calendar year in the following table:

Commercial and Residential Trash Disposed of by the Company by Calendar Year (Table 1)

Calendar Year	Commercial Tons Disposed Of	No. of Commercial Disposals	Residential Tons Disposed Of	No. of Residential Disposals
2018	470.63	205	10,918.62	1,225
2019	319.15	146	10,997.20	1,288
2020	118.13	59	14,825.09	1,610
2021	44.44	40	9,460.60	930
2022	6.75	6	13,380.48	1,379
2023. ²	14.32	8	9,100.09	1,016
Totals	973.42 tons	464 disposals	68,682.08 tons	7,448 disposals

² The Office’s analysis included data through approximately August 2023.

V. The Relevant Data from the Company and its Clients

In order to determine if the commercial disposal figures summarized in Table 1 were artificially low and the residential disposal figures were artificially high, which would be indicative of the Company fraudulently including its collected commercial trash in with its residential trash disposals, the Office utilized subpoenas to obtain financial records and related information about the Company’s service arrangements with its commercial clients. The subpoenas were issued to the Company and when necessary, its clients. In response to the subpoenas, the Office obtained the following types of information for each of the clients:

- the period during which the client used the Company for its commercial trash service;
- the frequency of the trash collections;
- the number of dumpsters utilized by the client;
- and the size of the dumpsters utilized by the client.

Using the data obtained through the subpoena process, which at times needed to be clarified by the Company’s representative or the client itself, the Office determined the estimated number of trash collections per calendar year per client. Using that information, the Office then calculated an estimated number of tons of trash collected per year per client using the following formula:

$$[\text{estimated number of collections}] \times [\text{ton capacity of the dumpster(s)}] \times [0.75]^3$$

A summary of the number of trash collections and total tons of trash collected per calendar year for each of the Company’s commercial clients is listed in the following table:

Estimated Tons Collected Per Commercial Client Per Calendar Year (Table 2)

Client No.	Calendar Year	Total No. of Collections Per Year	Dumpster(s) Serviced ⁴	Assumption that Dumpsters were 3/4 Full	Estimated Tons Collected
1	2018	17.33	4-yard (0.4 tons)	0.75	5.20
	2019	17.33	4-yard (0.4 tons)	0.75	5.20
	2020	3.00	4-yard (0.4 tons)	0.75	0.90
	2021	0.00	4-yard (0.4 tons)	0.75	0.00
	2022	0.00	4-yard (0.4 tons)	0.75	0.00
	2023	0.00	4-yard (0.4 tons)	0.75	0.00
2	2018	52.00	4-yard (0.4 tons)	0.75	15.60
	2019	52.00	4-yard (0.4 tons)	0.75	15.60
	2020	44.00	4-yard (0.4 tons)	0.75	13.20

³ Because there was no way of knowing how full the dumpsters were each time the Company picked them up from the listed clients, the Office assumed they were on average three-quarters full. So, a factor of 0.75 was applied to each of the calculations.

⁴ The Office used the following website to obtain estimates on how many tons of trash different dumpsters can hold: www.dumpsters.com/sizes/dumpster-sizes. For an 8-yard dumpster, which can hold an estimated range of 1,400 to 1,600 pounds, the Office used the average, which is 1,500 pounds or 0.75 tons. Also, when the dumpster size could not be confirmed, the Office assumed it was the smallest dumpster serviced by the Company, which is 4-yards.

Client No.	Calendar Year	Total No. of Collections Per Year	Dumpster(s) Serviced . ⁴	Assumption that Dumpsters were 3/4 Full	Estimated Tons Collected
	2021	52.00	4-yard (0.4 tons)	0.75	15.60
	2022	30.00	4-yard (0.4 tons)	0.75	9.00
	2023	0.00	4-yard (0.4 tons)	0.75	0.00
3	2018	52.00	6-yard (0.6 tons)	0.75	23.40
	2019	52.00	6-yard (0.6 tons)	0.75	23.40
	2020	52.00	6-yard (0.6 tons)	0.75	23.40
	2021	52.00	6-yard (0.6 tons)	0.75	23.40
	2022	30.00	6-yard (0.6 tons)	0.75	13.50
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
4	2018	52.00	4-yard (0.4 tons)	0.75	15.60
	2019	52.00	4-yard (0.4 tons)	0.75	15.60
	2020	52.00	4-yard (0.4 tons)	0.75	15.60
	2021	52.00	4-yard (0.4 tons)	0.75	15.60
	2022	26.00	4-yard (0.4 tons)	0.75	7.80
	2023	0.00	4-yard (0.4 tons)	0.75	0.00
5	2018	52.00	8-yard (0.75 tons)	0.75	29.25
	2019	52.00	8-yard (0.75 tons)	0.75	29.25
	2020	52.00	8-yard (0.75 tons)	0.75	29.25
	2021	52.00	8-yard (0.75 tons)	0.75	29.25
	2022	28.00	8-yard (0.75 tons)	0.75	15.75
	2023	0.00	8-yard (0.75 tons)	0.75	0.00
6	2018	52.00	8-yard (0.75 tons)	0.75	29.25
	2019	52.00	8-yard (0.75 tons)	0.75	29.25
	2020	52.00	8-yard (0.75 tons)	0.75	29.25
	2021	52.00	8-yard (0.75 tons)	0.75	29.25
	2022	30.00	8-yard (0.75 tons)	0.75	16.88
	2023	0.00	8-yard (0.75 tons)	0.75	0.00
7	2018	0.00	6-yard (0.6 tons)	0.75	0.00
	2019	0.00	6-yard (0.6 tons)	0.75	0.00
	2020	0.00	6-yard (0.6 tons)	0.75	0.00
	2021	56.00	6-yard (0.6 tons)	0.75	25.20
	2022	56.00	6-yard (0.6 tons)	0.75	25.20
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
8	2018	12.00	6-yard (0.6 tons)	0.75	5.40
	2019	12.00	6-yard (0.6 tons)	0.75	5.40
	2020	12.00	6-yard (0.6 tons)	0.75	5.40
	2021	12.00	6-yard (0.6 tons)	0.75	5.40
	2022	6.00	6-yard (0.6 tons)	0.75	2.70
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
9	2018	52.00	6-yard (0.6 tons)	0.75	23.40
	2019	52.00	6-yard (0.6 tons)	0.75	23.40
	2020	52.00	6-yard (0.6 tons)	0.75	23.40
	2021	52.00	6-yard (0.6 tons)	0.75	23.40
	2022	26.00	6-yard (0.6 tons)	0.75	11.70

Client No.	Calendar Year	Total No. of Collections Per Year	Dumpster(s) Serviced . ⁴	Assumption that Dumpsters were 3/4 Full	Estimated Tons Collected
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
10	2018	104.00	6-yard (0.6 tons)	0.75	46.80
	2019	104.00	6-yard (0.6 tons)	0.75	46.80
	2020	97.00	6-yard (0.6 tons)	0.75	43.65
	2021	104.00	6-yard (0.6 tons)	0.75	46.80
	2022	56.00	6-yard (0.6 tons)	0.75	25.20
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
11	2018	312.00	8-yard (0.75 tons)	0.75	175.50
	2019	312.00	8-yard (0.75 tons)	0.75	175.50
	2020	312.00	8-yard (0.75 tons)	0.75	175.50
	2021	312.00	8-yard (0.75 tons)	0.75	175.50
	2022	182.00	8-yard (0.75 tons)	0.75	102.38
	2023	0.00	8-yard (0.75 tons)	0.75	0.00
12	2018	52.00	4-yard (0.4 tons)	0.75	15.60
	2019	52.00	4-yard (0.4 tons)	0.75	15.60
	2020	52.00	4-yard (0.4 tons)	0.75	15.60
	2021	52.00	4-yard (0.4 tons)	0.75	15.60
	2022	26.00	4-yard (0.4 tons)	0.75	7.80
	2023	0.00	4-yard (0.4 tons)	0.75	0.00
13	2018	26.00	6-yard (0.6 tons)	0.75	11.70
	2019	26.00	6-yard (0.6 tons)	0.75	11.70
	2020	26.00	6-yard (0.6 tons)	0.75	11.70
	2021	26.00	6-yard (0.6 tons)	0.75	11.70
	2022	14.00	6-yard (0.6 tons)	0.75	6.30
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
14	2018	260.00	8-yard (0.75 tons)	0.75	146.25
	2019	260.00	8-yard (0.75 tons)	0.75	146.25
	2020	260.00	8-yard (0.75 tons)	0.75	146.25
	2021	217.00	8-yard & 6-yard (1.35 tons)	0.75	219.71
		100.00	6-yard (0.6 tons)	0.75	45.00
	2022	260.00	8-yard & 2 @ 6-yards (1.95 tons)	0.75	380.25
	2023	216.67	8-yard & 2 @ 6-yards (1.95 tons)	0.75	316.88
15	2018	52.00	2-yard (0.2 tons)	0.75	7.80
	2019	52.00	2-yard (0.2 tons)	0.75	7.80
	2020	52.00	2-yard (0.2 tons)	0.75	7.80
	2021	52.00	2-yard (0.2 tons)	0.75	7.80
	2022	21.00	2-yard (0.2 tons)	0.75	3.15
	2023	0.00	2-yard (0.2 tons)	0.75	0.00
16	2018	156.00	6-yard (0.6 tons)	0.75	70.20
	2019	156.00	6-yard (0.6 tons)	0.75	70.20
	2020	104.00	6-yard (0.6 tons)	0.75	46.80
	2021	104.00	6-yard (0.6 tons)	0.75	46.80
	2022	60.00	6-yard (0.6 tons)	0.75	27.00
	2023	0.00	6-yard (0.6 tons)	0.75	0.00

Client No.	Calendar Year	Total No. of Collections Per Year	Dumpster(s) Serviced . ⁴	Assumption that Dumpsters were 3/4 Full	Estimated Tons Collected
17	2018	52.00	6-yard (0.6 tons)	0.75	23.40
	2019	34.00	6-yard (0.6 tons)	0.75	15.30
	2020	0.00	6-yard (0.6 tons)	0.75	0.00
	2021	0.00	6-yard (0.6 tons)	0.75	0.00
	2022	0.00	6-yard (0.6 tons)	0.75	0.00
	2023	0.00	6-yard (0.6 tons)	0.75	0.00
Totals for All Clients for All Years		6,329.66 Collections			3,575.80 Tons Collected

Using the data from Table 1 and Table 2, the Office compared the estimated commercial trash collected by the Company during the Relevant Period (Table 2) to what Solid Waste had on record for commercial trash disposed of by the Company at the Trash Disposal Sites during the same timeframe (Table 1) and the difference, which represents the unaccounted-for commercial trash, is depicted in the two tables below:

Unaccounted-for Commercial Trash Collections (Table 3)

Total No. of Estimated Commercial Trash Collections	Total No. of Known Commercial Trash Disposals	No. of Unaccounted-for Commercial Trash Collections
6,329	464	5,865

Unaccounted-for Tons of Commercial Trash (Table 4)

Total Estimated Tons of Commercial Trash Collected	Total Known Tons of Commercial Trash Disposed of	Unaccounted-for Tons of Commercial Trash
3,575.80 tons	973.42 tons	2,602.38 tons

VI. Data from Other Jurisdictions

To ensure that the unaccounted-for commercial trash highlighted in Table 3 and Table 4 was not disposed of by the Company in a jurisdiction adjacent to Baltimore County, the Office contacted the jurisdictions listed below and obtained the noted results:

Jurisdiction	Account Information for the Company
Anne Arundel County	No account information on file for the Company
Baltimore City	No account information on file for the Company
Carroll County	No account information on file for the Company
Harford County	No account information on file for the Company
Howard County	The Company has an account for disposal at the Alpha Ridge Landfill. However, Howard County mandates that only trash generated in Howard County may be disposed of at Alpha Ridge. Therefore, because all 17 of the clients listed in Table 2 are based in Baltimore County, the Office deemed it appropriate to not factor any of the Howard County disposal data into its analysis.

While it was determined that none of the 2,602.38 tons of unaccounted-for commercial trash highlighted in Table 4 was disposed of in any of the jurisdictions neighboring Baltimore County, the Company did assert that it had disposed of some of the commercial tons at a private facility in Carroll County (hereafter “the Private Facility”). Therefore, the Office obtained the Private Facility’s billing data for the Company’s account for the Relevant Period. Using that data, the Office calculated that the Company could have disposed of approximately 355.01 tons of commercial trash at the Private Facility during the Relevant Period. While there was no way to prove that any of the unaccounted-for commercial tons were disposed of at the Private Facility, the Office, in keeping with its conservative approach to its analysis, gave the Company credit for all of those tons, which brought the total unaccounted-for commercial tons collected by the Company during the Relevant Period to 2,247.37 tons (2,602.38 tons - 355.01 tons).

VII. Victims of the Fraud

By misrepresenting 2,247.37 tons of commercial trash as residential trash during the Relevant Period, the Company financially affected two entities – the Hauler and the County. Had the Company dumped all of the 2,247.37 tons as commercial trash at the WAF, which is what would have happened had the Company not been hiding these tons among its collected residential trash, the Hauler would have received \$67.83 per ton plus fees from the Company to transfer that trash at the WAF and haul it away to another location for permanent disposal. Presumably, the Hauler had built a profit margin into the \$67.83 per ton figure it was charging the Company. Thus, the loss to the Hauler would be their profit margin on the \$67.83 per ton multiplied by the 2,247.37 tons it never had the opportunity to transfer at the WAF because of the Company’s fraudulent conduct.

With regard to the financial impact on the County, all residential trash received at the Trash Disposal Sites is either landfilled at ESL or it is sent to the Waste-to-Energy Facility in Baltimore City. As noted in Section IV of the report, all of the residential trash collected by the Company during the Relevant Period was brought to either the CAF or the WAF. Because of the geographic proximity of the CAF and the WAF to the Waste-to-Energy Facility, the residential trash received at those two sites was disposed of at the Waste-to-Energy Facility. As noted in Table 1, the Company made 7,448 trips to either the CAF or the WAF during the Relevant Period and dumped 68,682.08 tons of trash it represented as residential. However, included among those tons were approximately 2,247.37 tons of commercial trash. Thus, those tons of commercial trash effectively displaced about 2,247.37 tons of legitimate residential trash that the County could have sent to the Waste-to-Energy Facility. Because there is no other place for the County to send those displaced tons, they ended up being landfilled at the ESL. Because there is no contractual rate associated with such tons, they should be assessed at the \$100 per ton commercial rate set by the County Administrative Officer. Thus, the estimated loss incurred by the County due to the Company’s conduct was \$224,737 (2,247.37 tons x \$100 per ton).

VIII. Conclusion

As shown in the findings set forth in the report, the Office was able to substantiate the complaint made by the Former Employee that the Company was comingling commercial trash in with residential trash to avoid paying commercial tipping fees to the Hauler. Specifically, the Office was able to show that the Company, during the Relevant Period, had comingled approximately 2,247.37 tons of commercial trash, which it had picked up from its commercial clients in Baltimore County, in with residential trash, which it had collected pursuant to a service agreement with the County. Thus, the Company was able to dump those tons of commercial trash free of charge as “residential” trash. Had the Company not engaged in this fraudulent conduct, those 2,247.37 tons would have been dumped at the WAF as commercial trash and subsequently removed by the Hauler, for a fee, to one of its contracted disposal sites. Instead, the County unknowingly was forced to landfill an extra 2,247.37 tons of trash at the ESL. For the County’s purpose, the estimated loss was determined to be \$224,737, as the County placed a \$100 per ton cost on each of those 2,247.37 tons. While the Office was not permitted to interview the owner of the Company about the specific details of the fraud, the Company, through its counsel, was cooperative throughout the investigation in that it provided records in response to the Office’s subpoena along with explanations and clarifications of those records upon request.

It should be noted that while the investigation focused on the Relevant Period, the Former Employee stated that the fraud had been going on for many years prior to the Relevant Period. Because it would have been difficult to obtain all of the necessary records to prove that the fraud had occurred during the years prior to 2018, the Office excluded any of those years from its analysis. It should also be noted that in accordance with the County’s Service Agreement with the Company (Exhibit 1), the conduct described in the report constitutes both Tier 3 and Tier 4 violations of the Service Agreement, which come with administrative charges up to “\$1,000” and “\$1,000+” respectively.

Based on the results of the investigation, the Office recommends that the County consider requiring its contracted trash haulers to include Global Positioning Systems (GPS) and cameras on the vehicles used to service the County. Among the benefits that would be provided from the inclusion of such devices would be the deterrence to commit the type of conduct that is outlined in this report.

The Office would like to thank Solid Waste for its assistance throughout the investigation. The Office made several requests of them for records and other pertinent information in order to construct the analyses contained in this report and to provide context to the Company’s fraudulent conduct.

In addition to referring the conduct set forth in this report to the appropriate agencies, the Office is referring this matter to you for an official response. Please respond in writing by June 22, 2024, indicating what action has been taken or what actions you intend to take regarding this matter. Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,



Kelly Madigan

Inspector General

Office of the Inspector General

cc: John A. Olszewski, Jr., County Executive
Dori Henry, Chief of Staff
James R. Benjamin, Jr., County Attorney
Lauren Buckler, Acting Director, Department of Public Works and Transportation
Nicholas Rodricks, Chief, Bureau of Solid Waste

EXCLUSIVE RESIDENTIAL TRASH, RECYCLABLE MATERIALS, AND YARD MATERIALS COLLECTION SERVICE AGREEMENT

ARTICLE I REPRESENTATIONS

SECTION 1.01. REPRESENTATIONS OF THE COUNTY

The County makes the following representations as the basis for the undertakings on the part of Contractor in accordance with this Agreement:

(A) The County is duly organized and validly existing as a body corporate and politic, and a political subdivision of the State of Maryland.

(B) The County has full power and authority to enter into the transactions contemplated by this Agreement.

SECTION 1.02. REPRESENTATIONS OF THE CONTRACTOR

Contractor makes the following representations as the basis for the undertakings on the part of the County in accordance with this Agreement:

(A) Contractor is duly organized, lawfully existing, and in good standing under the laws of the State of Maryland, authorized to do business in the State of Maryland, and Baltimore County, and has all requisite corporate power and authority to enter into and fully perform as required under the terms of this Agreement. All necessary corporate action on the part of Contractor relating to the authorization of its execution and delivery of this Agreement and its performance of its duties and obligations contained in this Agreement have been duly taken, and this Agreement, when executed and delivered, will be valid and enforceable against Contractor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

(B) Contractor is willing, ready, and able to fully perform the duties and obligations contained in this Agreement.

ARTICLE II DEFINITIONS

SECTION 2.01. DEFINITIONS.

For purposes of this Agreement, the capitalized words will have the following meanings unless a different meaning clearly appears from the context:

"ADA Collection Service" or "ADA Service" – collection service that is provided, per the federal American with Disabilities Act (ADA), by the Contractor to a Resident who, due to physical limitations, is unable to place their Trash Containers, Recycling Containers, Yard Material Containers or Organics Containers Curbside for collection. The location of the Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers will be determined by the County.

"Agreement" - this exclusive Collection Service Agreement.

"Agreement Administrator" – The Agreement Administrator is the County Bureau Chief of Solid Waste Management who is responsible to represent the County in the administration, supervision, and execution of the Agreement. The Agreement Administrator may provide in writing to the Contractor, a designated point of contact, such as the County Collection Superintendent, to manage certain day-to-day items within the Agreement, and who will communicate with the Contractor regarding the resolution or management of these items.

"Agreement Commencement" - the date upon which the Contractor commences Collection Service. The Agreement Commencement date is retroactive to July 1, 2021. Section 7.01 details the term of the Agreement.

"Agreement Execution" - the date upon which the County signs and thereby executes the Agreement.

"Anniversary Date" - the annual anniversary of the Agreement Commencement. The first Anniversary date is July 1, 2022, and subsequent anniversary dates will be on July 1 of those subsequent years.

"Appliances" - discarded refrigerators, ranges, water heaters, freezers, and other similar domestic appliances.

"Base Annual Compensation" – refers to the estimated annual compensation the Contractor will receive for the services performed during the first, base, year of this Agreement and included in Appendix B.

"Building" - any structure, whether temporary or permanent, built for the support, shelter or enclosure of persons, chattel, or property of any kind.

"Bulk Material" - items that cannot fit into a Trash Container and require special handling and management because of their volume, e.g., large household goods, furniture, and items resulting from minor home improvement projects e.g., a door, sink, and toilet. The term Bulk Material includes Appliances and Exempt Waste.

"Collection Service" – refers to residential Curbside Trash, Recyclable Material, Yard Material and Organics collection and hauling provided to Dwelling Units by the Contractors, hauled to the applicable County designated facility. The term also includes Trash, Recyclable Material, Yard Material and Organics collection and hauling, as applicable, from certain Designated Commercial Property(ies) to the applicable County designated facility.

"Collection Superintendent"– or designee is an employee of the County who oversees the Collection Supervisors and all matters regarding the services provided by the Contractors.

"Collection Supervisor"- or designee is an employee of the County designated by the Agreement Administrator to interface with the Contractor on the provision of Collection Service. The Collection Supervisor reports to the Collection Superintendent.

"COMAR" - the Code of Maryland Regulations.

"Commercial Containers" – Contractor will provide and maintain commercial grade Trash and Recycling Containers at any Designated Commercial Property that requests them. The fee for the containers will be negotiated between the Contractor and the Designated Commercial Property. Designated Commercial Customers have the option to provide and maintain their own Trash Containers and Recycling Containers that the Contractor confirms in writing are acceptable.

"Consumer Price Index (CPI)" – The Consumer Price Index (CPI), issued by the Department of Labor, Bureau of Labor Statistics for all Urban Consumers (CPI-U) issued for the Baltimore-Columbia-Towson, MD Metropolitan area by the United States Department of Labor, Bureau of Labor Statistics, is a measure of the average change in prices over time.

"Contaminant" - any item placed in Recycling Containers other than Recyclable Materials, any item placed in Yard Material Containers other than Yard Materials or any item placed in Organics Containers other than Organics.

"Contractor" – The signatory to this Agreement performing the Collection Services described herein and who previously provided these services per a County granting.

"County" - Baltimore County, Maryland.

"Curbside" - a location that is (A) within ten (10) feet of the curb, (B) within ten (10) feet of the roadway if there is no curb, (C) within ten (10) feet of the closest accessible right-of-way, (D) adjacent to the front or side of the Building for Dwelling Units receiving ADA Service, or (E) any other outside location designated by the Agreement Administrator that will provide a safe and efficient collection point for Contractor's crew and vehicle, and is accessible to the Resident. Such location shall be absent the presence of hazards or threatening or dangerous situations, dogs, or other animals.

"Customer" – a property that is included to receive Collection Service under this Agreement.

"Customer List" – a list of names and addresses for all Dwelling Units and Designated Commercial Properties within the Service Area provided by the County to the Contractor to which Contractor provides Collection Service.

"Designated Commercial Property" – certain multi-family properties, religious institutions, and County areas and facilities designated by the County to receive Trash Collection Service and Recyclable Materials Collection Service.

"Designated Disposal Facility" - the place or places specifically designated by the County for the disposal of Trash. Currently, these facilities include, but are not limited to: The Central Acceptance Facility, 10275 Beaver Dam Rd., Cockeysville, MD; Western Acceptance Facility, 3310 Transway Rd., Halethorpe, MD 21227; and Eastern Sanitary Landfill, 6259 Days Cove Rd., White Marsh, MD 21162, in addition to other County approved alternative Designated Disposal Facilities.

"Designated Organics Recycling Facility" - the place or places specifically designated by the County for the processing of Organics. The Contractor will be directed by the County if and when an Organics Pilot Program is implemented as an Amendment to this Agreement.

"Designated Recycling Facility" - the place or places specifically designated by the County for the processing and marketing of Recyclables. The Contractor will be directed by the County to one of the following facilities: Central Acceptance Facility, 10275 Beaver Dam Rd., Cockeysville, MD 21030; Western Acceptance Facility 3310 Transway Rd., Halethorpe, MD 21227; and Eastern Sanitary Landfill, 6259 Days Cove Rd., White Marsh, MD 21162

"Designated Yard Material Recycling Facility" - the place or places specifically designated by the County for the processing of Yard Material. The Contractor will be directed by the County to one of the following facilities: The Central Acceptance Facility, 10275 Beaver Dam Rd., Cockeysville, MD 21030; Western Acceptance Facility, 3310 Transway Rd., Halethorpe, MD 21227; and Eastern Sanitary Landfill, 6259 Days Cove Rd., White Marsh, MD 21162

"Duplex" - a Building that contains two attached Dwelling Units.

"Dwelling Unit" - a Building, or a portion thereof, lawfully used for residential purposes, consisting of one (1) or more rooms arranged, designed, used, or intended to be used as living quarters for one (1) family only.

"Exempt Waste" - Biological Waste, Biomedical Waste, Hazardous Waste, lead acid batteries, used oil, hot ashes, construction and demolition debris, and any material not accepted by the County for collection as defined in this Agreement.

"Fiscal Year" - that period beginning July 1st of each year and ending on June 30th of the subsequent year.

"Hazardous Waste" - hazardous solid waste, liquid waste, and other controlled hazardous substances as defined in the Environment Article of the Annotated Code of Maryland. Includes highly flammable materials, explosives, pathological wastes, and radioactive materials.

"Hot House" - a Dwelling Unit that the County has determined requires monitoring and special attention by the Contractor.

"Key Personnel" - Contractor's employees who serve an integral part of the management and administration of the service provided under this Agreement. These employees include but are not limited to the Owner, Chairman of the Board, President, CEO, Vice President, General Manager, Regional Manager, Operations Manager, Route Manager(s), and all other management related staff. They must have decision making authority and can act on behalf of the Contractor in the administration of this Agreement.

"Missed Collection (Misses)" - reports made by Residents to the County that Collection Service was not provided to their Dwelling Unit on their scheduled Service Day. These reports are deemed valid by the County, and Contractor must therefore return to the Dwelling Unit to provide Collection Service per Section 6.09 after it is reported to the Contractor by the County.

"Organics" - source separated residential (or commercial as determined by the County in writing), organic material resulting from the handling, preparation, cooking, and consumption of foods, as well as soiled compostable paper/cardboard materials that are readily putrescible. These materials are collected separately or collected with Yard Materials for processing/recycling (as determined in writing by the County) and are not for disposal.

"Organics Collection Service" the process whereby source separated residential Organics (or commercial as determined by the County in writing), are removed from a Dwelling Unit by the Contractor and transported to a Designated Organics Recycling Facility. These materials may be collected with Yard Materials for processing/recycling, as determined in writing by the County.

"Organics Container" - one (1) or more containers suitable for temporary storage of residential (or commercial as determined by the County in writing), source separated Organics that is provided, utilized and set out by the Resident/Occupant of each Dwelling Unit, for the Organics to be collected and delivered by the Contractor to a Designated Organics Recycling Facility. This includes cardboard boxes, paper bags, or a dedicated Organics can or cart, identifiable and stickered as such (sticker supplied by County for Resident) that can be clearly seen by the Contractor from the street, only allowed if the Contractor has a cart lifting device/mechanical tipper for the can or cart. Under a pilot program, this may include a County provided container with wheels suitable for tipping into the Contractor's vehicle. Additional details such as size and weight requirements are detailed in Section 3.10 This container may be combined with the Yard Material Container, as determined by the County in writing. The can or cart must be rigid and made of commercial grade plastic, metal or fiberglass with handles of adequate strength for lifting by hand, capable of adequately containing Organics without spillage.

"Organics Pilot Program" - a new Collection Service that either includes collecting source separated Organics in a separate lidded Organics Container supplied by the County or combines collecting source separated Yard Materials and Organics in the same lidded container supplied by the County, created as a result of an amendment to this Agreement with the Contractor.

"Price Adjustment" - the change in the CPI in effect on December 1, pursuant to Section 6.11 of this Agreement.

"Recovered Material" - metal, paper, glass, plastic, or other materials that have known recycling potential, can be feasibly recycled, and have been diverted and source separated or have been removed from the household Solid Waste stream for sale, use, or reuse as raw materials, whether or not the materials require subsequent processing or separation from each other, but does not include materials destined for any use that constitutes disposal.

"Recyclable Material" or "Recyclables" - those residential (or commercial as determined by the County in writing), Recovered Materials designated by the County which are capable of being recycled and which would otherwise be processed or disposed of as Trash. The materials initially designated by the County, but are not limited to, Single Stream Recyclables. Yard Material and Organics are deemed Recyclable Material, but for collection and processing purposes, are defined separately in this Agreement.

"Recyclable Material Collection Service" - the removal and conveyance of source separated residential (or commercial as determined by the County in writing), Recyclable Material from temporary Recyclable Material storage points, such as appropriately marked Recycling Containers placed Curbside at a Dwelling Unit, to processing sites such as the Designated Recycling Facility by the Contractor using vehicles designed for that purpose.

"Recycling Container" or "Recyclable(s) Container" - one (1) or more containers suitable for temporary storage of residential (or commercial as determined by the County in writing), source separated, Single Stream Recyclables, that is provided, utilized and set out by the Resident/Occupant of each Dwelling Unit, for the Recyclables to be collected and delivered by the Contractor to a Designated Recycling Facility. Paper bags and cardboard boxes, rigid cans or like containers made of commercial grade plastic, metal or fiberglass with handles of adequate strength for lifting by hand may be used, capable of adequately containing Recyclables without spillage. Paper and cardboard may be tied in bundles secured with non-plastic string. Each Recycling Container must be for residential collection, or commercial collection as applicable, and clearly and appropriately marked with a large "X" or displaying a County-provided recycling sticker that can be clearly seen by the Contractor from the street. Under a pilot program, this may include a County provided container with wheels suitable for tipping into the Contractor's vehicle.

"Rejection Tag" - a brightly colored adhesive or string attached notice provided to the Contractor by the County, used by the Contractor to inform the Resident of the reason their Trash, Recyclable Material, or Yard Material was not collected, and the necessary corrective action for the Resident.

"Replacement Contractor" - the contractor selected pursuant to the Baltimore County Purchasing Regulations after an emergency procurement to fulfill the remaining term of this Agreement.

"Resident" or "Occupant" - the Occupant of a premises, whether the Occupant is the owner or not, is responsible for the sanitary condition of the premises occupied. If a property is occupied by a tenant, the tenant is responsible for the property assigned to the tenant; and the owner is responsible for the portions of the property not leased to the tenant.

"Residential Property" - single family Dwelling Units, and certain designated multi-family properties in the Service Area.

"Route" - the area served by a single truck and crew in one (1) Service Day.

"Same-Days" - reports made by residents to the County on their scheduled collection day that Collection Service has not been provided to their Dwelling Unit. These reports are deemed valid by the County, and Contractor must therefore return to the Dwelling Unit to provide Collection Service within twenty-four (24) hours after it is reported to the Contractor by the County.

"Service Area" - that portion of the unincorporated area of the County described in Appendix B.

"Service Day" - the day of the week on which once per week Collection Services are provided for Trash, Yard Materials, Organics, and/or Recyclables.

"Service Issue" - any complaint regarding the performance of the Contractor. Typical examples include, but are not limited to Misses, Same Days, container placement, litter after collection, property damage, and employee misconduct.

"Single-Family Residence" - a Building that contains a single Dwelling Unit.

"Single Stream Recyclables" - those source separated residential (or commercial as determined by the County in writing), Recyclable Materials, collected together and designated by the County which are capable of being recycled and which would otherwise be processed or disposed of as Trash. The materials initially designated by the County but are not limited to: Paper items including newspapers and magazines (including all inserts); phone books; catalogs and other mail; envelopes; books (including paperbacks, textbooks and hardbacks); writing, computer, fax and letterhead paper; copy paper (including NCR—No Carbon Required—copy paper); card stock; paperboard (such

as cereal, frozen food and shoe boxes); cardboard; milk and juice cartons and boxes; Ice cream containers; and paper bags. metal items including aluminum and steel food and beverage cans, empty aerosol cans (except pesticide and spray paint cans), aluminum foil, and aluminum pie pans. Plastic items including all plastic bottles and jugs, wide-mouth plastic containers (such as butter, cottage cheese, peanut butter, yogurt, mayonnaise, sour cream and whipped topping containers), and rigid plastics (such as buckets, drinking cups, coolers, drums, five-gallon water bottles, flowerpots, lawn furniture, pallets, plastic window well covers and clothes hangers). At its sole direction, the County can add additional Single Stream Recyclables to be collected at no additional charge to the County.

"Solid Waste" - all garbage, rubbish, refuse, rubble, incinerator ash, offal, animal carcasses, Trash, Recyclables, Yard Material, Organics and other materials generated from any property, public or private, which unless recycled into a product for reuse, would be subject to incineration or disposal. Solid Waste includes medical waste and Special Waste.

"Solid Waste Collection Permit" - A permit granted by the County's Environmental Protection and Sustainability Department (EPS), that grants the Contractor or other persons primarily engaged in the Solid Waste collection business the ability to conduct removal and conveyance of Solid Waste from temporary Solid Waste storage points to disposal or processing sites using vehicles designed for this purpose.

"Special Waste" - any Solid Waste material approved for sanitary landfill disposal by the County that requires special handling procedures as determined by the County.

"Temporary Contractor" - the contractor(s) selected to temporarily fulfill the Collection Service pursuant to this Agreement after default by the Contractor and prior to an emergency procurement by the County.

"Trash" - Includes residential (or commercial as determined by the County in writing), garbage, rubbish, and Solid Waste (except as noted below) generated by a Dwelling Unit for which Collection Service is provided pursuant to this Agreement. The term does not include Exempt Waste, Bulk Materials, Yard Materials, Organics and Recyclable Materials.

"Trash Collection Service" - the removal and conveyance of residential (or commercial as determined by the County in writing), Trash from Dwelling Units' temporary Solid Waste storage points by the Contractor and transported to Designated Disposal Facilities using vehicles designed for this purpose.

"Trash Container" - any commonly available light gauge steel, plastic, or galvanized water-tight receptacle of a non-absorbent material, closed at one end and open at the other, furnished with a closely fitted water-tight top or lid and handle(s), or a heavy duty, securely tied, plastic bag designed for use as a Trash receptacle, for residential (or commercial as determined by the County in writing) purposes. A cardboard box containing secured Trash is also acceptable. Such Trash Containers provided by the Resident/Occupant shall not exceed forty-five (45) gallons in size and weigh no more than forty-five (45) pounds when full.

"Yard Material" - Residential (or commercial as determined by the County in writing) vegetative matter resulting from yard and landscape maintenance.

"Yard Material Collection Service" - the process whereby source separated residential (or commercial as determined by the County in writing), Yard Material is removed from a Dwelling Unit by the Contractor and transported to a Designated Yard Material Recycling Facility.

"Yard Material Container" - one (1) or more containers suitable for temporary storage of residential (or commercial as determined by the County in writing), source separated Yard Material that is provided, utilized and set out by the Resident/Occupant of each Dwelling Unit, for the Yard Material to be collected and delivered by the Contractor to a Designated Yard Material Recycling Facility. This includes cardboard boxes, paper bags, bundled Yard Material or a dedicated Yard Material can or cart, identifiable and stickered as such (sticker supplied by County for Resident) that can be clearly seen by the Contractor from the street, only allowed if the Contractor has a cart lifting device/mechanical tipper for the can or cart. Under a pilot program, this may include a County provided container with wheels suitable for tipping into the Contractor's vehicle. Additional details such as size and weight requirements are detailed in Section 3.04. This container may be combined with the Organics Container, as determined by the County in writing. The can or cart must be rigid and made of commercial grade plastic, metal or fiberglass with handles of adequate strength for lifting by hand, capable of adequately containing Yard Material without spillage.

ARTICLE III
GENERAL PROVISIONS, TRASH, RECYCLABLE MATERIAL AND YARD MATERIAL COLLECTION SERVICE, ADA COLLECTION SERVICE AND ORGANICS PILOT PROGRAM

SECTION 3.01. GENERAL PROVISIONS.

(A) Contractor must provide Collection Service to all Dwelling Units and certain Designated Commercial Property located within the Service Area. The estimated number of residential Dwelling Units and Commercial Properties in the Service Area is provided in Appendix B (Service Area Basis for Compensation, Map, and Data). The Contractor and the County agree that the number of Dwelling Units and Designated Commercial Facilities is an estimate, and is subject to change due to construction, demolition, or transfer into or out of the Service Area. Appendix B contains a detailed map of the Service Area, and a list of Dwelling Units and Designated Commercial Facilities in the Service Area as of the Agreement Commencement Date. The County will provide the Contractor notification of changes to the list of Dwelling Units and Designated Commercial Facilities as soon as practical. The Contractor will be responsible to follow the rules and regulations of the Designated Facilities. The Contractor must provide or discontinue Collection Service upon written/email notification by the County. Collection Service to new Dwelling Units and Commercial Facilities in the Service Area must be provided as defined under this Agreement, and at the same per unit rate that is in effect at the time notice is given by the County to the Contractor.

(B) In accordance with Section 6.08 herein, the County will always provide or identify one (1) or more Designated Disposal Facilities, Designated Recycling Facilities and Designated Yard Material Recycling Facilities. All Trash, Recyclables and Yard Material collected by Contractor must be delivered to the applicable Designated Disposal Facility, Designated Recycling Facility or Designated Yard Material Recycling Facility and the applicable charge will be paid by the County. The transportation by the Contractor of Trash, Recyclables or Yard Material to a facility other than the County Designated Disposal Facility, Designated Recycling Facility or Designated Yard Material Recycling Facility is prohibited, unless approved in writing by the Agreement Administrator.

(C) The Contractor is subject to all laws, rules, and regulations applicable to Collection Service. This Agreement does not and must not be construed to relieve the Contractor from any obligation to address any permit, condition, term, approval, or restriction and will not relieve the Contractor, or its successors, of the obligation to comply with any law, ordinance, rule, or regulation governing said permitting requirements, terms, approvals, or restrictions.

(D) The Contractor must not suspend or terminate Collection Service for any reason, without prior written authorization by the Agreement Administrator.

(E) Information regarding Collection Service may be disseminated by the County to Residents and Commercial Facilities that may differ from the requirements of this Agreement. This Agreement will govern the requirements of the service applicable to the Contractor.

(F) The Contractor must repair or replace any property of others damaged by the Contractor to the satisfaction of the Agreement Administrator.

(G) During collection, loading, and hauling of Trash, Recyclable Material and Yard Material, the Contractor must use care to minimize the spillage or scattering of material. In the event of any spillage or scattering of material, the Contractor must promptly clean the affected area. Every collection vehicle must be equipped with a broom and dustpan. During hauling, all Trash, Recyclable Material and Yard Material must be contained, tied, taped, or enclosed so that leaking, spilling, and blowing is prevented. During transport, the hopper of all collection vehicles must be empty, unless the slide/sweep blade is securing material.

(H) During Collection Service, the Contractor must utilize pedestrian walkways, avoiding public or private landscaped surfaces. The Contractor must not loiter on, or tamper or interfere with private property.

(I) All Same Day and Misses reported to the Contractor by the County must be collected by the Contractor within twenty-four (24) hours.

(J) The Contractor must not commingle Trash, Yard Material, or Recyclable Material.

(K) The Contractor must provide and confirm service to all Dwelling Units on the Hot House list. This list of Dwelling Units requiring special attention the following week by the Contractor is emailed to the Contractor by the County on the last day of the work week. The Route Manager must confirm to the County that no Service Issues exist at Dwelling Units on the Hot House list.

(L) The Contractor must complete and attach a Rejection Tag to any Trash Container, Recycling Container, Yard Material Container or Organics Container that is or contains material that is unacceptable for collection, and therefore not serviced by the Contractor, and communicate with the County Collection Supervisor.

(M) The Contractor must always remain in close proximity to the collection vehicle, and not move ahead.

(N) The Contractor must not place Trash Containers, Recycling Containers, Yard Material Containers, or Organics Containers in the street or pile together items that have been set out for collection.

(O) The Resident will provide and maintain its Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers for its Dwelling Unit. The Contractor will provide and maintain Commercial Recycling Containers for Designated Commercial Properties (see definitions).

(P) The Contractor will supply and keep a spill kit on each Contractor collection vehicle used to deliver Collection Service. The spill kit must contain absorbent material that can be placed on the area where a spill occurs from vehicle hose breakage, hydraulic leaks or liquid spilled from the rear of the Contractor collection vehicle. Additionally, the absorbent material must be cleaned up and removed by the Contractor within twenty-four (24) hours. Best efforts are to be made by the Contractor to abate any odors and stains resulting from liquid spills during the compaction cycles of the Contractor collection vehicle. The Contractor will follow the directives of the County as necessary to ensure that cleanup efforts are successful. The Contractor shall comply with the requirements of the Maryland Department of the Environment (MDE) on spills to include proper reporting. The Contractor will also equip each of collection vehicle with litter cleanup equipment in the event Trash, Yard Materials, Recyclables, construction/demolition materials, or Organics are spilled or scattered during the process of providing Collection Service.

SECTION 3.02. COLLECTION OF TRASH

(A) Trash will be placed in Trash Containers and placed at Curbside prior to 4:00 a.m. on the Service Day. Trash will not be mixed in the same Trash Container/Recycling Container/Yard Material Container/Organics Container as Yard Material, Organics or Recyclable Material. All Trash must be properly containerized in Trash Containers and placed Curbside. No filled Trash Container or individual item can exceed forty-five (45) pounds in weight or forty-five (45) gallons in capacity unless cart lifting devices/mechanical tippers are in use. When cart lifting devices/mechanical tippers are in use, the cart size can be as large as ninety-six (96) gallons in capacity. The Contractor rear load collection vehicles are required to install cart lifting devices/mechanical tippers; see Section 6.07.L.

(B) All Trash Containers placed Curbside must be collected as specified in Section 3.05 of this Agreement.

(C) Exempt Waste or Trash Containers holding Exempt Waste may be left Curbside by the Contractor. The Contractor must complete and attach a Rejection Tag explaining why the Exempt Waste or Trash Container is not acceptable and therefore not serviced by the Contractor.

(D) The Contractor must collect organic material such as fecal matter, small dead animals, and any other potentially noxious material, provided that the Resident wraps the material in a manner that protects the Contractor from its noxious effects.

(E) The Contractor will communicate with the Collection Supervisor when a Rejection Tag is placed on any customer container if the collection involves a Hot House. Such communication shall take place as soon as possible and no later than the end of each collection day and indicate the address and type of Rejection Tag that was left.

SECTION 3.03. COLLECTION OF RECYCLABLES

(A) Subject to the holiday provisions set forth in Section 6.04, one (1) weekly Recyclable Material Service Day will be scheduled for a Residential Property located within the Service Area.

(B) All Recyclable Material to be collected from the Residential Property must be in approved Recycling Containers placed Curbside, which shall not exceed 45 gallons in size and weigh no more than 45 pounds when full, unless cart lifting devices/mechanical tippers are in use. Recyclables are not allowed to be collected in plastic bags or dedicated Yard Material Containers/Trash Containers/Organics Containers.

(C) To minimize the volume of Contaminants, the Contractor must train their collection crews to know which Recyclable Materials are and are not accepted by the County as described in the County's web page ([Recycling and Waste Prevention - Baltimore County \(baltimorecountymd.gov\)](http://www.baltimorecountymd.gov)). The training must be provided to all Contractor supervisors, drivers, and helpers before assuming their duties on the route.

SECTION 3.04. COLLECTION OF YARD MATERIAL

(A) The Contractor must provide Collection Service for Yard Material from designated Residential Properties.

(B) Subject to the holiday provisions set forth in Section 6.04, one (1) Yard Material Service Day must be scheduled for Residential Properties located within the Service Area every other week beginning the first week of April and continue through the second week of December. Christmas trees will be collected the second and third weeks of January.

(C) Yard Material collected and transported by the Contractor must be delivered to the County Designated Yard Material Recycling Facility. The transportation by the Contractor of Yard Material to a facility other than the County Designated Yard Material Recycling Facility is prohibited, unless approved in writing by the Agreement Administrator.

(D) Starting April 1, 2022, Yard Material will be placed by Dwelling Units in heavy duty paper bags, cardboard boxes, or bundled separately Curbside prior to 4:00 a.m. on the Service Day. Plastic bags for Yard Material are specifically prohibited and are not to be collected on or after October 1, 2021. All Yard Material generated by Residential Properties be prepared for collection as follows:

1. All stumps, trees, and limbs must be cut into lengths no longer than three (3) feet, and no more than three (3) inches in diameter. Limbs must be bundled and tied. Bundles of limbs, trees, and stumps must be in manageable piles. No bundle of limbs, single stump, tree, or limb can exceed forty-five (45) pounds in weight.
2. All grass clippings, leaves, and similar small vegetative debris must be placed in heavy duty paper bags or cardboard boxes, which cannot exceed forty-five (45) pounds each.
3. Yard Material must not be mixed with Trash, or Recyclable Materials and must not be collected together.
4. Christmas Trees must be collected as Yard Material, but must be collected whole, and are exempt from the provisions in Section 4.06.

(E) Yard Material can only be collected in a Yard Material Container, if cart lifting devices/mechanical tippers are in use and the container is marked for Yard Materials only. Yard Material is not allowed to be collected in plastic bags.

(F) Yard Material not properly prepared by the Resident may be left Curbside by the Contractor. The Contractor must complete and attach a Rejection Tag explaining why the Yard Material was not serviced by the Contractor.

(G) The Contractor and County agree that the quantity of Yard Material will vary seasonally. The Contractor agrees to provide the required type and quantity of equipment and personnel to collect all Yard Material placed Curbside on the weekly designated Service Day on and after October 1, 2021, within 24 hours.

SECTION 3.05. ADA COLLECTION SERVICE

(A) The Contractor must provide Collection Services as applicable to Dwelling Units if all adult Occupants residing in the Dwelling Units are disabled or incapable of bringing their containers to the curb, and if a request for ADA Service was made to and approved by the County's ADA coordinator

(B) The Agreement Administrator will notify the Contractor in writing of all Dwelling Units that shall receive ADA Service. Except for the service location, all other provisions of this Agreement will apply to ADA Service.

(C) Any missed ADA Collection must be picked up by the Contractor within twenty-four (24) hours of notice by the County Collection Supervisor.

SECTION 3.06. MANNER OF COLLECTION SERVICE

(A) The Contractor is subject to all federal, state, and local laws, rules, and regulations.

(B) The Contractor must provide Collection Service to Residential Properties and Designated Commercial Properties with as little disturbance as possible, and unless otherwise approved in advance by the Agreement Administrator, in the same sequence and manner each Service Day. Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers placed Curbside must be opened and emptied at truck-side; and all plastic bags, cardboard boxes, and individual items placed Curbside must be removed by the Contractor. Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers with detachable lids must be returned in an upright position to the same point from which they were collected. Trash Containers/Recycling Containers/Yard

Material Containers/Organics Containers without lids must be returned to the same point from which they were collected. Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers must be placed, not thrown, kicked, or slid by Contractor. Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers must not obstruct a mailbox, sidewalk, parking space, roadway, driveway, or right-of-way or be left in a ditch, lawn or landscaped area. Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers must be emptied using a cart tipping device, once installed, and returned in an upright position. Paper bags or cardboard boxes can be used as Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers until such time that the County may provide Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers. The Contractor must collect cardboard boxes that are broken down, cut, and flattened, or left whole. Mixed paper must be collected if bundled and tied with string. No bundle may exceed forty-five (45) pounds in weight. To be eligible for pick-up, Trash, Recyclable Material and Yard Material must be placed in applicable Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers and the Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers must be placed Curbside. The Contractor must not commingle with Trash nor dispose of collected Recyclable Material, Organics or Yard Material as Trash.

(C) A Trash Container/Recycling Container/Yard Material Container/Organics Container damaged by the Contractor must be replaced or repaired by the Contractor within seven (7) calendar days after notice from the County when it is established conclusively that the Contractor is at fault. The Contractor must notify the Agreement Administrator of any damaged Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers. Any disputes arising from the responsibility for the replacement of damaged Trash Containers/Recycling Containers/Yard Material Containers/Organics Containers will be settled by the Agreement Administrator. Refer to Section 6.09 and Section 7.05 for more dispute resolution terms, as needed.

(D) The Contractor must not collect Appliances that contain chemical refrigerants, chlorofluorocarbons (CFCs), or hydrochlorofluorocarbons (HCFCs) in a rear load collection vehicle or other packer-type vehicle that would crush or break the appliance.

(E) The Contractor must always adhere to all traffic and safety rules and laws. At no time shall a Contractor collection vehicle cross the center line of a street or roadway unless blocking the street for a safety related matter, or for turning around. Private driveways must not be used for turnarounds. Vehicles used in the performance of this Agreement must be properly licensed and registered with the State of Maryland and Baltimore County, and adhere to the provisions set forth in Article 13, Title 4 of the Baltimore County Code.

SECTION 3.07. HAZARDOUS WASTE

The Contractor is not required to collect and dispose of Hazardous Waste under this Agreement. All collection and disposal of Hazardous Waste are not regulated under this Agreement, unless and until a separate agreement is entered into by and between the County and the Contractor.

SECTION 3.08. MARKETING RECYCLABLE MATERIAL AND YARD MATERIAL

The County is responsible for processing and marketing all Recyclable Material and Yard Material collected by the Contractor.

SECTION 3.09. TITLE TO AND REVENUE FROM SALE OF RECYCLABLE MATERIAL AND YARD MATERIAL

The County holds title to and ownership of all Recyclable Material and Yard Material located Curbside and collected by the Contractor pursuant to this Agreement. The County will retain the revenues obtained from its sale of these materials.

SECTION 3.10 COLLECTION OF ORGANICS UNDER AN ORGANICS PILOT PROGRAM

(A) The County may elect to collect Organics under an Organics Pilot Program under an amendment to this Agreement.

(B) The Contractor must provide Collection Service for Organics from designated Residential Properties.

- (C) Subject to the holiday provisions set forth in Section 6.04, one (1) Organics Service Day must be scheduled for Residential Properties located within the Service Area every week.
- (D) Organics collected and transported by the Contractor must be delivered to the County Designated Organics Recycling Facility. The transportation by the Contractor of Organics to a facility other than the County Designated Organics Recycling Facility is prohibited, unless approved in writing by the Agreement Administrator.
- (E) Organics will be placed in lidded containers with wheels Curbside prior to 4:00 a.m. on the Service Day. Plastic bags are specifically prohibited. All Organics generated by the Residential Property shall be prepared as follows:
 - a. All Organics must be placed in a County approved liner within the Organics Container. Organics must only be collected in an Organics Container, which shall not exceed 45 gallons in size and weigh no more than 45 pounds when full, unless cart lifting devices/mechanical tippers are in use.
 - b. Organics are not allowed to be collected in dedicated Recycling Containers/Trash Containers/Yard Material Containers. Organics must not be mixed with Trash, Recyclables or Yard Material and must not be collected together.
 - c. The County will be responsible for the supply and delivery of lidded Organics Containers.
- (F) The Contractor must not knowingly commingle Organics with Trash, Recyclables or Yard Material (unless approved by the County in writing) and they must not be collected together.
- (G) Organics must only be collected in County provided lidded Organics Containers, or cardboard boxes/paper bags, as needed by the Resident.
- (H) Organics not properly prepared by the Resident may be left Curbside by the Contractor. The Contractor must complete and attach a Rejection Tag explaining why the Organics were not serviced by the Contractor.
- (I) The Contractor and County agree that the quantity of Organics will vary seasonally. The Contractor agrees to provide the required type and quantity of equipment and personnel to collect all Organics placed Curbside on the weekly designated Service Day on and after the start of the Organics Pilot Program.
- (J) All previous referenced terms and conditions as referenced in Article III under Section 3.1 General Provisions, Section 3.05 ADA Collection Service, Section 3.06 Manner of Collection Service, Section 3.07 Hazardous Waste, Section 3.08 Marketing Recyclable Material and Yard Material, Section 3.09 Title To And Revenue From Sale of Recyclable Material and Yard Material, shall apply to the Organics Collection Service, unless otherwise stated in writing by the County.

ARTICLE IV (RESERVED)

ARTICLE V FEES, BILLING AND COLLECTION

SECTION 5.01. BILLING AND COLLECTION OF SERVICE AREA FEES

Unless otherwise specified in this Agreement, the County will bill and collect all fees related to services provided by the Contractor. Contractor is not authorized to bill or collect fees from Property Owners or Residents of Dwelling Units and Designated Commercial Properties for services provided under this Agreement for designated County services.

ARTICLE VI OPERATIONS

SECTION 6.01. OFFICE

(A) The Contractor must maintain an office equipped with sufficient telephones and must have a responsible person in charge during collection hours, or a telephone answering system to the answer the telephone, and at a minimum, must be open during normal business hours, 7:00 a.m. to 3:00 p.m. Monday through Friday and at all other times that the service is being provided, including holiday and weather-related slides. Any calls by the County received after hours must be recorded electronically and returned within 24 hours.

(B) The Contractor must install and maintain a computer with internet connection, a cell phone system compatible with that used by the County, an email account, and a telephone answering system for non-office hours specified in Section 6.01 (A); each to be used solely for communication between the Agreement Administrator and the Contractor.

SECTION 6.02. COLLECTION SCHEDULE

(A) Unless otherwise directed by the County, the Contractor must provide weekly Collection Service to all Dwelling Units and Designated Commercial Properties in the Service Area. Specific areas of the County require twice per week Trash Collection Service. The schedule for twice per week Trash Collection Service is provided in Appendix C. Any requests for changes to the collection schedule are subject to the approval of the Agreement Administrator and must be submitted in writing by the Contractor. The Agreement Administrator may make schedule and Route changes with not less than thirty (30) days written notice to the Contractor.

(B) The Contractor must make reasonable efforts to provide service due to roadway repairs or closures.

(C) Collection Service must begin no earlier than 4:00 a.m. at the designated start point, and all routes must be completed by dusk Monday through Friday (Saturday and Sunday if a slide is in effect). The days and hours of Collection Service may be extended due to extraordinary circumstances or conditions only at the written direction of or with the prior consent of the Agreement Administrator.

(D) The Contractor must notify the Collection Supervisor if a route(s) is running behind schedule. The Contractor must provide additional collection vehicles and crews to expedite the completion of the incomplete route(s) no later than dusk (unless roadway or road conditions apply).

SECTION 6.03. COLLECTION ROUTES

(A) All Routes must conform to the days of collection provided in Appendices B and C. No changes to the Collection Service Routes are permitted without prior written approval of the Agreement Administrator.

SECTION 6.04. HOLIDAYS

(A) The following will be holidays for the Contractor, and no Collection Service will be provided: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. If a holiday falls on a Sunday, the Contractor will observe that holiday on the Monday immediately following the holiday. In all other cases, the holiday will be observed on its actual calendar day.

(B) During the term of the Agreement, the County will institute a new holiday slide schedule (beginning January 1, 2022). At least sixty (60) days prior to the first of every calendar year, the County will provide the Contractor a listing of the slide dates for the holidays listed in Section 6.04 (A). The Contractor will provide Collection Services on the slide days as noticed by the County.

(1) Collection Service not provided due to a holiday must be provided on the day immediately following the holiday. All collection days for the rest of the week following a holiday shall slide forward one day, with Friday's Collection Services being provided on Saturday. If a holiday falls on a Saturday, any normally scheduled collections will be cancelled on that date, and there will be no slide day designated. If a holiday falls on a Sunday, the holiday will be observed on Monday, and collections for the rest of that week will follow the slide schedule.

(2) On Saturday slide days, the Contractor must begin all routes no earlier than 4:00 a.m. and continue until all routes are completed.

(3) For Routes that normally include two (2) Trash Collection Service per week, during holiday weeks, the first Trash Collection Service of the week will follow the slide rules above, and the second Trash Collection Service of the week will not occur.

SECTION 6.05. INCLEMENT WEATHER, STORMS, OR NATURAL OR MAN- MADE DISASTERS

(A) In the event of inclement weather, a storm, natural, or man-made disaster occurring in the Service Area, the Contractor must do all work as required by the Agreement and the Agreement Administrator within the Service Area(s).

(B) The County may suspend Collection Service due to inclement weather, natural or man-made disasters, or other emergencies. If Collection Service is suspended by the County, the Contractor must resume Collection Service within twenty-four (24) hours of notice from the Agreement Administrator. The Collection Service must resume at the point of suspension and continue until the Route is complete, and at the sole discretion of the Agreement Administrator, provide service until 9 p.m., and on Saturday and Sunday if necessary. One (1) day of suspended service will be subject to the slide schedule that is implemented for holidays and defined in Section 6.04 herein. If service is suspended for two (2) days, the Contractor must resume service at the point of suspension and continue until all service for the week is complete. For more than two (2) days of suspended service, the Agreement Administrator will, based on weather and road conditions, determine the appropriate schedule to resume service including implementing a holiday slide schedule, the resumption of Routes until complete, develop an alternate schedule, or resume the normal schedule on Monday following the suspension. The County will inform the Contractor of this by email notification and text message to the Contractor's designated cell phone number.

(C) The County, at its sole discretion, may enter into an agreement with a separate contractor to collect and transport debris resulting from a storm, natural, or person-made disaster. In the event a separate contractor is mobilized by the County, the Contractor must continue to provide Collection Service as defined in this Agreement.

(D) If the contractor after surveying the roadways on their assigned route believes that the route unsafe, the contractor may delay service until such a time as the roadways are made serviceable. The contractor upon making this determination must immediately notify their Collection Supervisor for approval.

SECTION 6.06. CONTRACTOR PERSONNEL

(A) The Contractor must assign and maintain qualified Key Personnel to oversee and manage the operations within the Service Area(s) and must provide and keep current with the Agreement Administrator, the name, email address, and cell phone number of each Key Personnel. The Contractor will update this listing when required and confirm it being current on the anniversary dates of this Agreement.

(B) To provide for their safety, the Contractor's collection employees and Route Manager(s) must always wear Personal Protective Equipment (PPE) in accordance with safety regulations issued by the Occupational Safety and Health Administration (OSHA) and Maryland Occupational and Safety Health (MOSH), including reflective vests, safety glasses, and impervious gloves. The outermost layer of clothing, including coats and vests, for all collection and supervisory personnel must be reflective. In addition to the above, hard hats must be worn by all personnel at the Designated Disposal Facility and Designated Recycling Facility.

(C) All drivers must always carry their valid State certified commercial driver's license (CDL), valid proof of insurance for the type of vehicle that they are driving. These documents must be presented to the County upon demand.

(D) Contractor must provide operating and safety training for all personnel no less than four (4) times each year. Collection personnel, the Operations Manager, and Route Manager(s) must be fully trained to perform their duties in the execution of this Agreement. Newly hired employees must receive comprehensive operational and safety training prior to assuming duties. Drivers and Route Manager(s) must have complete and thorough knowledge of collection Routes and schedules including Route start-, mid- and endpoints. Collection personnel must be fully trained in the rules and procedures that govern all the Collection Service as provided in this Agreement. The above-referenced training is required of the Contractor and any sub-contractors they employ. A summary of the training for each employee is to be kept at the Contractor's office and available for County inspection with reasonable notice.

(E) Contractor's employees must treat all Residents, County staff, and co-workers in a polite and courteous manner. Public urination and/or defecation and the use of loud or profane language is prohibited. The Contractor and personnel must not solicit, or request, gratuities of any kind. The Contractor must remove from service in the County Service Area any employee who engages in misconduct or fails to perform their duties in the execution of this Agreement, or is loud, disorderly, dishonest, intoxicated, or discourteous. Any complaint of employee misconduct received by the County will be immediately communicated to the Contractor. The Contractor must respond with a verbal report by the end of the working day, and by 12:00 p.m. the following day, a written report must be submitted to the Collection Superintendent.

(F) The Contractor must have a truck and crew, consisting of one (1) driver and at least one (1) helper per Trash, Recyclable Material, Organics, and Yard Material collection vehicle dedicated to every Route on every collection day (unless it is a Roll-Off or Front End truck).

(G) The Contractor must have appropriate equipment to collect the containers that are provided at the Designated Commercial Properties.

(H) The Contractor must comply with all Federal and State laws pertaining to the employment of its workers. The Contractor must not employ persons under the age of eighteen (18) years.

SECTION 6.07. COLLECTION EQUIPMENT

(A) At the commencement of this Agreement, collection equipment, including spares must pass an inspection by the County's **Environmental Protection and Sustainability**, and maintain a valid permit issued by the County's Permits, Acquisitions, and Inspection Department (PAI).

(B) The Contractor must always have on hand, and in good working order, sufficient equipment, including spares, that will permit the Contractor to adequately and efficiently perform the contractual duties specified in this Agreement. The Contractor is responsible for the purchase and maintenance of all collection vehicles.

(C) The Contractor must notify the Collection Supervisor in the event any collection equipment is out of service for more than five (5) consecutive days and must provide the details of the vehicle that will be used as its replacement. Any vehicle that is permanently removed from service, must be replaced within thirty (30) days.

(D) All collection equipment and vehicles must comply with the requirements of all federal, state, and local laws and regulations including the Baltimore County Code, Article 13. Title 4. All licenses, permits, and tags must be current and clearly displayed.

(E) All collection equipment must be painted or have magnetic signage with the name of the Contractor, and the number of the vehicle. All vehicles must be numbered and kept up to date in a record provided to the County by the Contractor.

(F) All collection vehicles will have a space in a size to be determined by the Agreement Administrator in writing on each side of the collection vehicle for alternating County-approved designs for the purpose of promoting source separation of materials, for County diversion/recycling programs. The County will provide to the Contractor actual magnetic signage, material to be affixed to the collection vehicle, or the design of the sign the Contractor will be required to affix and maintain on its collection vehicles. The County may switch this signage as frequently as it desires. Contractor does not have to maintain signage, but must notify the Collection Supervisor when a sign is missing or in disrepair.

(G) All of the Contractor's equipment must pass an annual inspection performed by the County's EPS, and maintain a valid permit issued by the County's PAI.

(H) The County, Agreement Administrator, or its designated agent has the right to inspect the equipment and vehicles used in the performance of this Agreement, and the Contractor must grant access to the County or its designated agent, at any location during normal business hours without prior notice by the County. The County, as necessary, may order the Contractor to repair, modify, or replace any equipment found in noncompliance. In addition to any inspections performed by the County or its agent, the Contractor shall have an inspection performed on all

collection vehicles to be used by the Contractor in the provision of services prior to the execution of this Agreement, and no less than once every twelve (12) months on all collection vehicles as required by the Federal Motor Carrier Service Act (FMCSA) Part §396. The results of these inspections must be provided by the Contractor to the County no more than ten (10) days from the date of the inspection.

(I) The Contractor shall not use equipment that is not compliant with all state, federal, and municipal regulations. The Contractor shall keep all equipment in proper repair and in a clean, sanitary, and presentable condition. All vehicles must be secure, preventing any leakage of fluids or littering of materials. All vehicles must be manufactured and maintained to conform to ANSI Z 245.1. Working truck hopper plugs must always be in place. Trucks found performing collection without the appropriate plugs in the drain holes of the hopper shall be stopped from collection until new hopper plugs are installed.

(J) When traveling to and from their Collection Service Routes, collection equipment must be covered, and hoppers empty to protect its contents from exposure to wind and weather and prevent material from escaping the vehicle.

(K) Collection equipment must be equipped with a broom and dustpan to clean up any spilled material, and a spill kit to clean up any liquid spills. Leaks and spills must be cleaned in accordance with regulations set forth by MDE no more than twenty-four (24) hours after the occurrence and reported immediately to the County.

(L) All rear load packer type collection vehicles must be equipped with a cart tipping device capable of emptying semi-automated Trash Containers, Recycling Containers, Yard Material Containers and/or Organics Containers as large as 96 gallons in capacity weighing up to 220 pounds each when filled. If the Contractor's current fleet has rear load packer type trucks which do not have cart tipping devices, the County will provide an \$8,500 grant towards their installation per truck (one per truck). The Contractor is fully responsible for having cart tipping devices added to/installed upon their trucks for operation on or before [date]. Contractors seeking grant(s) for the installation of cart tipping devices need to contact the Service Area Collection Supervisor who will assist them in applying for the cart tipping grant. The grant is available only for trucks which are dedicated to County Collection Service and which do not currently have a cart tipping device attached. A waiver for this requirement can only be granted by the Agreement Administrator.

SECTION 6.08. USE OF DESIGNATED FUEL, DISPOSAL, RECYCLING, YARD MATERIAL RECYCLING AND ORGANICS RECYCLING FACILITIES

(A) As a material term of this Agreement, the Contractor must deliver Trash collected to a Designated Disposal Facility, Recyclable Materials collected to a Designated Recycling Facility, and Yard Materials collected to a Designated Yard Material Recycling Facility. In the event an Organics Pilot Program is implemented, the Contractor must deliver Organics collected to a Designated Organics Recycling Facility

(B) Contractor must comply with the provisions of all permits, rules, regulations, laws, and ordinances adopted or issued by the County, State of Maryland, or United States of America and applicable to the Designated Disposal Facility, Designated Recycling Facility, Designated Yard Material Recycling Facility and Designated Organics Recycling Facility.

(C) Loads of Recyclable Material, Yard Material and Organics delivered by the Contractor to the County Designated Recycling Facility, Designated Yard Material Recycling Facility and Designated Organics Recycling Facility must not contain more than a 30% level of Contaminants as determined by the County. Loads rejected at the Designated Recyclable Material Disposal Facility, Designated Yard Material Recycling Facility and Designated Organics Recycling Facility must be transported by the Contractor to the on-site disposal area, or transfer station. Administrative charges/liquidated damages as set forth in Section 6.10 of this Agreement will be assessed to the Contractor, in addition to any other remedy available to the County pursuant to the Baltimore County Code.

(D) The Contractor releases the County from all liability and shall indemnify and hold the County, its agents, and employees harmless from any and all claims and causes of action for loss of property, accident, personal injury or death by reason of any act or omission of the Contractor, its agents, or employees in the use of the Designated Disposal Facility, the Designated Recycling Facility, the Designated Yard Material Recycling Facility, and the Designated Organics Recycling Facility and for all claims and causes of action for violation of all permits, rules, regulations, laws and ordinances adopted or issued by the County, State of Maryland, and United States of America due to the placement or disposal of Hazardous Waste at any of the herein named designated facilities by reason of any act or omission of the Contractor, its agents, or employees in the use of the designated facilities named herein.

(E) The Contractor will ensure that all loads delivered to any of the designated facilities referred to herein are weighed and a weight ticket generated to determine the weight and origin of the load.

(F) The Contractor will dispense fuel from the County Designated Fuel Facilities as designated by the County. Addresses of these facilities can be found in Appendix G herein. Only vehicles used in the service of this Agreement or resulting amendments thereto of this Agreement, shall dispense fuel from the County. The Contractor will pay an amount as established by the County (currently \$2.06 per gallon), which includes a \$0.05 per gallon administrative fee. The County will provide fuel (charge) cards to the Contractor for each vehicle to use at the County fuel centers where fuel consumption will be tracked. The fuel consumption cost, plus administrative charge, will be deducted from the Contractor's payments. Contractor will be held responsible by the County in the event any person(s) not authorized to obtain fuel, or any vehicle that is not authorized obtains fuel from the Designated Disposal Facility. In addition to other remedies provided for in this Agreement, the County will deduct from the Contractor's payments the cost of the unauthorized fuel at a rate three (3) times the per gallon price of the fuel in effect at the time of the unauthorized consumption. From time-to-time County Designated Fuel Facilities will be brought down for repair and maintenance. The County will inform the Contractor of the anticipated date of such closure as soon as practicable.

(G) The Contractor shall repair, or cause to be repaired, at its own expense, all damage to County facilities, Buildings, grounds, equipment, vehicles, or property caused by the Contractor or employees, subcontractors, or agents of the Contractor. Such repairs shall be made immediately after Contractor's awareness of the damage, or notice by County, but in no event more than thirty (30) days after the occurrence.

(H) The Contractor and County shall work together to identify non-compliant Dwelling Units (residential or multi-family/commercial) so that the County can educate those Dwelling Units on how to improve the source separation and containerization of their materials and eliminate contamination when practical. The County will provide literature/stickers, for distribution by the County or Contractor, for educational purposes.

SECTION 6.09. SERVICE ISSUES AND SERVICE REQUESTS

The County receives all Resident complaints and service requests which will be communicated to the Contractor in the following manner:

(A) The Contractor must establish and maintain a dedicated email account to which notice of Service Issues, service requests, and the Hot House list will be sent by the County. Notice of Service Issues and service requests will be emailed and text messaged to the Contractor as soon as they are received by the County. The Contractor must monitor this email account consistently throughout the day to receive and notify the Route Manager(s) when a complaint has been forwarded by the County. The County will email the Hot House list for the following week to the Contractor on the last Service Day of each week.

(B) Service Issues communicated to the Contractor by the County must be resolved to the satisfaction of the Agreement Administrator within twenty-four (24) hours of the Contractor's receipt of the notice of the Service Issue from the County. The Contractor must have someone available in the Service Area to respond and resolve these Service Issues until all routes are complete each Service Day.

(C) The Contractor is responsible for any damage to private or public property caused by the Contractor or the Contractor's sub-contractors during the performance of the Agreement. The Contractor must at its own expense replace or restore to its original condition any such damaged property. Within five (5) business days of notification by the County or a Resident, of a claim of one-hundred dollars (\$100) or less, the Contractor must resolve or make a written commitment to pay the claim. Claims more than one-hundred dollars must be resolved within ten (10) calendar days of notification by the County or a Resident. In the event the Contractor and a Resident cannot mutually resolve a claim of damage or missing property, the Agreement Administrator will settle the dispute. If the Agreement Administrator determines the Contractor to be at fault, the Contractor must resolve the matter to the satisfaction of the Agreement Administrator, including paying for damaged or missing property within ten (10) days of notice by the Agreement Administrator. If the Contractor fails to resolve the matter, the Agreement Administrator may deduct the cost of the damage or missing property from the Contractor's next payment, either to be used for the County or Resident, as applicable. The Contractor has the right to appeal the Agreement Administrator's decision, and may submit its written appeal to the Agreement Administrator's direct supervisor, the County Director of the Department of Public Works and Transportation, within ten (10) days of notice by the Agreement Administrator. If the County Director of the Department of Public Works and Transportation determines the Contractor to be at fault, the Contractor must resolve the matter to the satisfaction of the County Director of the Department of Public Works and Transportation, including paying for damaged or missing property within ten (10) days of notice by the County Director of the Department of Public Works and Transportation. If the Contractor fails to resolve the matter, the County may deduct the cost of the damage or missing property from the Contractor's next payment, either to be used for the County or Resident, as applicable.

(D) Any other disputes under this Agreement shall follow the above protocol.

SECTION 6.10. QUALITY OF PERFORMANCE OF CONTRACTOR

It is the intent of the County to ensure that the Contractor and its subcontractors provide high-quality Collection Service. To this end, all complaints received by the County and reported to the Contractor must be promptly resolved pursuant to the provisions of this Agreement. The County and the Contractor agree that quantifying losses arising due to the Contractor's failure to perform or for violations of this Agreement are difficult to ascertain and may impact the County's reputation of providing high quality Collection Service to its Residents/customers. Therefore, the County and the Contractor further stipulate that the agreed upon sum is not a penalty, but a reasonable measure of damages intended to cover reputational and other losses suffered by the County, given the nature of the losses that may result from Contractor's failure to perform or for violations of this Agreement. For performance failures or contractual violations by the Contractor as specified in this Agreement, the Agreement Administrator may assess administrative charges up to the amounts listed in this Section 6.10. Such administrative charges will be separate and apart from any fines or penalties imposed by federal, state, or local governments, including those imposed under Baltimore County Code:

(A) If the Contractor fails to perform in a satisfactory manner, as determined by the County, deductions for performance may be made by the County from payment due. Performance deductions will be applied, after notification by the County, in a tiered system as detailed here:

TIER 1 (\$100) – These deductions will be applied for the following Agreement violations:

- Multiple missed collections at one or more Dwelling Unit(s) or Designated Commercial Property(ies) on a scheduled collection day.
- Failure to respond to complaints in accordance with this Agreement.
- Moving ahead of the collection vehicle to "stage" materials by placing cans together or bags in piles.
- Operating outside of the specified hours of operation (4:00 a.m. – 6:00 pm).
- Failure to equip trucks with absorbents for cleaning up liquid leaks and/or spills.
- Failure to clean up spilled materials and/or littering.
- Failure to return containers/lids to the collection point.
- Improperly marked or unmarked trucks.
- Failure of employees to wear safety vests and/or safety attire.
- Failure to provide the required type and quantity of collection vehicles to complete assigned Collection Service Area/Route on the scheduled day.
- Failure to deliver Trash to the Designated Disposal Facility.
- Failure to deliver Recyclable Materials to the Designated Recycling Facility.
- Failure to deliver Yard Material to the Designated Yard Material Recycling Facility.
- Failure to deliver Organics, if applicable, to the Designated Organics Recycling Facility.
- Failure to completely empty Trash, Recycling, Yard Material, or, if applicable, Organics containers.
- Failure to respond to claims of property damage within twenty-four (24) hours or in a timeframe acceptable to the County.
- Causing damage to private property on more than one occasion.
- Failure to leave a Rejection Tag provided by the County to explain why material was left uncollected.

TIER 2 (\$300) – These deductions will be applied for the following Agreement violations OR if any TIER 1 violations are repeated at the same address within a one-month period:

- Failure to follow Federal, State, or local traffic laws. Additionally, residents making a complaint will be advised to contact the police.
- Collection crews making collections from both sides of the street on a double-yellow line street.
- Collection crews participating in unacceptable behavior (e.g., public urination/defecation, creating excessive noise and/or a public nuisance, engaging residents in an unprofessional manner, soliciting gratuities, etc.).
- Failure to follow directions of site staff at Designated Disposal, Recycling, Yard Material Recycling, or Organics Recycling Facilities and/or failure to follow policies, procedures, and signage at Designated Facilities.

- Unnecessary delay in collecting missed Service Area(s)/Routes (or missed portions of Routes) following any interruption in service due to inclement weather or other emergency.

TIER 3 (\$1,000) – These deductions will be applied for the following Agreement violations OR if any Tier 2 violations are repeated by the Contractor within a one-month period:

- Collecting of any combination of Trash, Recyclables, Organics or Yard Materials in the same vehicle so that they are mixed together when containerized separately by the Resident.
- Falsification of documents by the Contractor or its employees.

TIER 4 (\$1,000+) (Assessed at the discretion of the County on a case-by-case basis)

- Collection of Trash, Recyclables, Yard Material or Organics from any source other than the Dwelling Units designated by the County for collection.
- Mixing non-designated commercial properties in the County and/or out-of-County trash/recyclables/yard material/organics in the same collection vehicle as County Trash/Recyclables/Yard Material/Organics.
- Failure to perform that results in costs incurred by the County to remedy the failure (e.g., using County resources to complete collection of a Service Area/Route). Charges may include costs for equipment, personnel, mileage, and other resources utilized by the County including administrative overhead to be determined by the County.

(B) The County may, at its sole discretion, issue a warning prior to performance deductions (see Section 6.11(B) and Appendix E). In addition to the performance issues detailed here, the County reserves the right to assess performance deductions for any other failures of service as determined by the County and provided in writing to the Contractor.

(C) Subject to the approval of the Agreement Administrator, the County may assess administrative charges monthly, pursuant to Section 6.10 in connection with this Agreement, and will, at the time of applying charges/deductions to the Contractor's payment, include in writing, a listing of the administrative charges assessed and the basis for each assessment. Administrative charges will be deducted from the Contractor's upcoming payment and following notice by the Agreement Administrator.

(D) Chronic violations of three (3) or more similar violations at the same Dwelling Unit, or similar administrative or operational violations of this Agreement within a twelve (12) month period, will be subject to administrative charges as defined in this Agreement. Violations are deemed cumulative and can be subject to administrative charges as defined in this Agreement until the termination of this Agreement.

(E) In the event the Contractor wishes to contest the assessment of administrative charges, it must provide written objections to the Agreement Administrator for each contested assessment or charge and, within five (5) calendar days after receiving the notice, request in writing an opportunity to be heard and present its written defense to the administrative assessment. The County will notify the Contractor in writing of any action taken with respect to Contractor's claims.

(F) The assessment of administrative charges, pursuant to Section 6.10, is a supplementary remedy and does not replace any other remedies available to the County under this Agreement, or otherwise, for failure of the Contractor to provide a high-quality level of service.

(G) Appendix E, Service Area Performance Evaluation/Deduction Form details how the County will evaluate the Contractor's performance per Service Area and apply the Tier 1-4 performance deductions, as necessary.

(H) In the event the Contractor's failure to perform under this Agreement necessitates the County to procure the services of another collection Contractor (or other contractor) to provide Collection Service, the compensation for the alternate Contractor/contractor will be deducted by the County from the Contractor's next payment, and the Contractor will not receive compensation during the period that the alternate Contractor/contractor performs the work.

(I) Costs incurred by the County as a result of the following situations shall be recovered through deductions from the Contractor's payments:

1. The Contractor's failure to perform, including the resultant costs incurred by the County to provide services.
2. Keeping the Designated Disposal, Recycling, Yard Materials Recycling, and Organics Recycling Facility(ies) open beyond normal operating hours to allow the Contractor to dispose of its load(s).

SECTION 6.11. CONTRACTOR COMPENSATION, PAYMENT AND ADJUSTMENTS

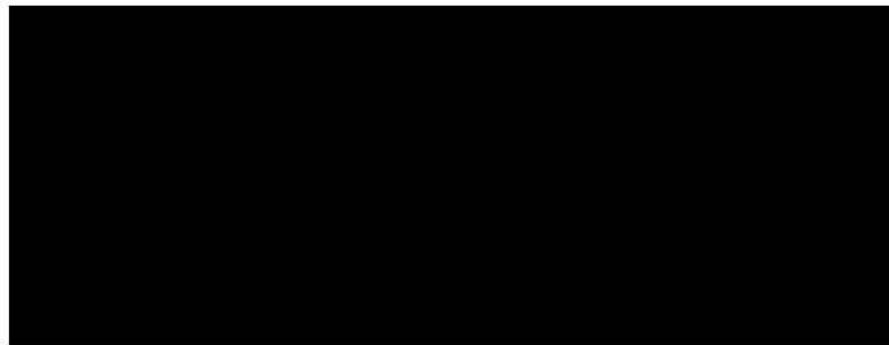
- (A) The Contractor will be compensated for the services specified by this Agreement in an annual total of \$ 1,164,682 in accordance with Appendix B of this Agreement and as specified by the summary identified as "Proposed Route Sheet" which is contained within Appendix B. The Contractor will be paid the annual total compensation in twenty-six (26) equal payments throughout the term of this Agreement on an every other week basis. The payments will be issued by check and/or ACH Payments. The County will make such payments within [#] days of the ending of each bi-weekly period.
- (B) The annual compensation and the twenty-six (26) equal payments will be subject to adjustments on an annual basis on the effective anniversary date of this Agreement, in accordance with Section 6.10 of this Agreement and deductions made as a result of performance deductions as documented by the form in Appendix E. The annual inflation adjustor for the County shall be 75% of any change in the Bureau of Labor Statistics Consumer Price Index ("CPI") for all Urban Consumers for Baltimore-Columbia-Towson, MD - All Items (1982-84=100).
- (C) The Contractor shall receive compensation for mileage per the Agreement based upon the published Internal Revenue Service (IRS) mileage rate for each calendar year.
- (D) The specified annual compensation is subject to adjustment associated with changes in the total number of Dwelling Units being serviced by the Contractor and in accordance with Section 3.01 of this Agreement and the scope of the Collection Services that are to be delivered. The County adds and subtracts Dwelling Units as the County is aware of them.
- (E) The Contractor is responsible for paying all retail sales, income, real estate, sales and use, transportation, special, and any other taxes applicable to and assessable against any goods, processes, and operations incident to or related to performance of this Agreement. The Contractor is responsible for ascertaining applicable taxes and making all necessary arrangement to pay same. All compensation amounts are to be inclusive of any State, Federal, or other applicable taxes, including Federal Excise Tax on trucks or any other goods or accessories.
- (F) The County shall continually review and audit the data (units, mileage, etc.) to provide accurate counts for the calculations of the Contractors compensation.

SECTION 6.12. PERMITS AND LICENSES

The Contractor must obtain, at its own expense, permits and licenses required by law or ordinance and maintain them in current full force and effect status. The Contractor shall obtain a Solid Waste Collection Permit from Baltimore County Department of Environmental Protection and Sustainability.

SECTION 6.13. POINT OF CONTACT

All dealings, contacts, notices, and payments between the Contractor and the County must be directed by the Contractor's designated point of contact below to the Agreement Administrator below unless otherwise specifically provided for in this Agreement or directed in writing by the Agreement Administrator.



SECTION 6.14. PROMOTIONAL REQUIREMENTS

(A) The County is responsible for the development and production of promotional material, including but not limited to Rejection Tags, Contractor vehicle signage, printed material, radio advertisements, and newspaper advertisements, to introduce and promote Collection Service. In addition, the County will develop periodic promotional programs to encourage increased participation and enhance public awareness.

(B) Any notices to Dwelling Units of changes in collection days or Routes will be developed and printed by the County at the County's expense. If the change in collection days or Routes are performed at the Contractors request these notices must be hung by the Contractor on the door of each Dwelling Unit affected by the change.

(C) The Contractor is not permitted to distribute printed material to Dwelling Units unless approved in writing by the Agreement Administrator.

SECTION 6.15. CHANGES IN SCOPE OF COLLECTION SERVICE

From time to time, at the sole option of the County, it may be necessary to modify the scope of the Collection Service to be provided under this Agreement. In such event, the Agreement Administrator will provide written notice to the Contractor not less than thirty (30) days prior to the proposed effective date. Any change in scope that does not increase the Contractor's actual cost of doing business must be implemented on the specified date without modification to this Agreement. If the change in scope does increase the Contractor's actual cost of doing business, the Contractor must notify the Agreement Administrator in writing within thirty (30) days of the notice and the Contractor will be entitled to an increase in the Service Area Fee equal to the incremental increase in its actual cost and provide the Contractor's suggested modifications to Appendix B. Any failure to agree upon a time or cost adjustment will be resolved in accordance with the dispute resolution terms, as described in Section 6.09 and Section 7.05. No charge for any extra work, time or material will be allowed, except as provided by this Agreement.

- (A) The County Fuel Program can be discontinued by the County in whole or in part at the County's sole discretion, at any given time, per the appropriate notice provided herein. The Contractor will be given 90 days' notice of such action, if it is to occur.
- (B) The County has the right to change collection types as required and assigned to units as necessary at the County's sole discretion.
- (C) The County has the right to add to or delete units from County facilities, religious institutions, apartments and/or multi-Dwelling Units at the County's sole discretion.

SECTION 6.16. REPLACEMENT OF DEFAULTED CONTRACTOR

In the event the Agreement Administrator determines that the Contractor is in default of this Agreement or gives the County notice that the Contractor will no longer provide Collection Service, the County has the right and responsibility to procure the services of another contractor to provide Collection Service of the Contractor's Service Area.

(A) To immediately provide Collection Service, the Agreement Administrator may temporarily assign this Agreement to one (1) or more contractors. The compensation to the Temporary Contractor(s) shall be the same per Dwelling Unit compensation as the Contractor's per Dwelling Unit compensation for services under their Agreement with the County for similar services, at the County's option. The Temporary Contractor(s) must continue providing services until a Replacement Contractor can be secured by the County.

(B) All terms and conditions of the defaulted Contractor's Agreement will transfer to the Temporary Contractor, including compensation. Effective the day the Agreement Administrator determines that the Contractor is in default, the Contractor will no longer receive payment under this Agreement.

**ARTICLE VII
GENERAL PROVISIONS**

SECTION 7.01. TERM OF AGREEMENT

The Contractor shall commence Collection Service on the Agreement Commencement date, which is retroactive to July 1, 2021. The term of this Agreement will be for the period beginning July 1, 2021 and ending June 30, 2026. At its sole option, the County may extend this Agreement for a period of two (2) one (1) year renewals on the same terms and conditions as set forth in this Agreement. In the event the County decides to exercise either of these options, the County will give the Contractor notice no later than 90 days prior to the end of the current term.

SECTION 7.02. GENERAL CONDITIONS

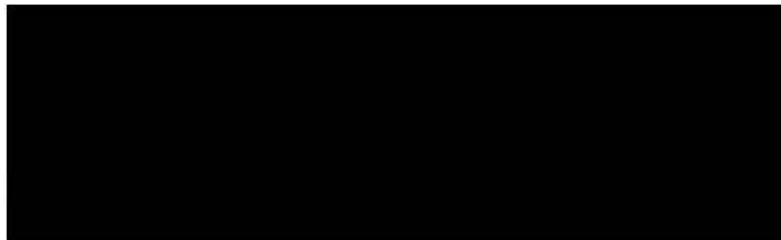
(A) The County's General Terms and Conditions of this Agreement between the County and the Contractor are set forth in Appendix A, and are attached hereto, and incorporated herein by reference.

SECTION 7.03. INSURANCE

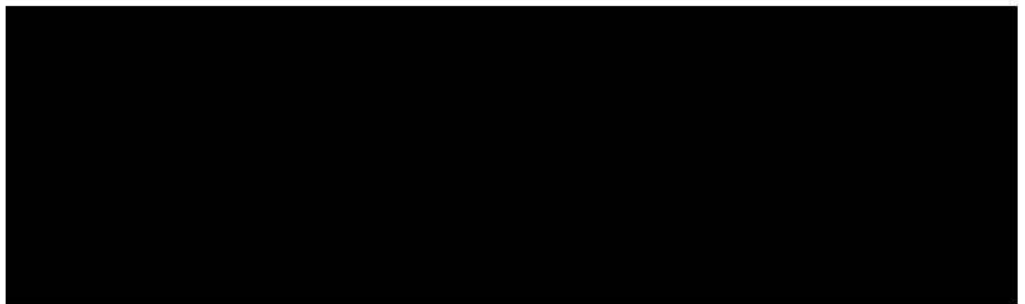
The Mandatory Insurance Requirements of this Agreement are set forth in Appendix D attached hereto and incorporated herein by reference. A copy of the Contractor's insurance certificates must be provided to the County prior to the execution of the Agreement, and renewal certificates provided to the County during the term of the Agreement. The Contractor will be required to include the County as an additional insured party in the insurance certificates provided to the County regarding this Agreement.

SECTION 7.05. NOTICE

All legal notices must be in writing and transmitted via overnight courier, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the Agreement Administrator:



All communication regarding dispute appeals, must be in writing and transmitted via overnight courier, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the County Director of the Department of Public Works and Transportation:



Each party shall notify the other of any change of address by providing the other party written notice within thirty (30) days of the date of the change in address. Each party is required to send an email notification as part of the notification.

SECTION 7.06 LAWS AND REGULATIONS

The Contractor shall comply with all applicable Federal, State, and local laws and ordinances.

SECTION 7.07 INDEMNIFICATION

The Contractor shall defend, indemnify and hold harmless the County, its employees, agents and officials from any and all liabilities, claims, suits, demands, costs and expenses, including attorneys' fees, howsoever arising or incurred, alleging personal injury, bodily injury, including death, or property damage which may be incurred or made against the County, its employees, agents or officials resulting from any act or omission committed in the performance of the duties imposed by and performed under the terms of this Agreement by the Contractor and by any subcontractors, agents, or employees.

SECTION 7.08 EQUAL OPPORTUNITY

(A) It is the policy of Baltimore County, Maryland, to ensure Equal Employment Opportunity for all persons, and to ensure that Minority and Women-Owned Business Enterprises have the maximum opportunity to participate in the performance of all County contracts for supplies and services.

(B) Every Contractor doing business with the County shall agree not to discriminate in any manner against any employee or applicant for employment because of race, age, creed, color, national origin, gender, religion, political affiliation, marital status, sexual orientation, gender identity or expression, genetic information, status as a veteran or disability unrelated in nature and extent so as to reasonably preclude the performance of the employment and shall be obligated to include a similar requirement in all subcontracts. The Contractor shall also agree to comply with all Federal, State, and local laws and Executive Orders and Regulations relating to Equal Employment Opportunity and Minority Business Enterprises.

SECTION 7.09. DEFAULT OF AGREEMENT

If the services provided by the Contractor hereunder are not performed in good faith and in accordance with the provisions of this Agreement, the Contractor is in default and the County has the right to terminate this Agreement, per Section 7.10. The Contractor has the right to remedy its position of default within a period of thirty (30) days of written notice by the County.

SECTION 7.10. TERMINATION FOR CAUSE BY DEFAULT

Notwithstanding anything contained herein, if the Contractor fails to fulfill its obligation under this Agreement properly and on time or otherwise violates any provision of this Agreement, and thus falls under default, per Section 7.09, the County may terminate this Agreement within thirty (30) days of written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for default and termination. The County shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the County may affirmatively collect damages.

SECTION 7.11. CHANGE OF LAW

(A) The parties understand and agree that changes in law in the future, including, but not limited to, legislative, judicial, or administrative changes, which mandate certain actions or programs for counties or municipalities may require changes or modifications in some of the terms, conditions, or obligations under this

Agreement. Nothing contained in this Agreement shall require any party to perform any act or function contrary to law.

(B) To the extent that any current law or any law effective after execution of this Agreement conflicts with or requires changes in the provisions of Collection Service or exclusive rights set out in this Agreement, the parties agree to enter into good-faith negotiations for the resolution of any such changes in this Agreement as a result of a change in law.

SECTION 7.12. REMEDIES

Except as otherwise expressly provided in this Agreement, no remedy conferred upon any party is intended to be exclusive of any other remedy. Each and every remedy will be cumulative and will be in addition to every other remedy provided for under this Agreement or existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.

SECTION 7.13. FORCE MAJEURE

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

SECTION 7.14 AVAILABILITY OF FUNDS

The obligations of the County under this Agreement are subject to the availability of funds appropriated by the County Council of Baltimore County, Maryland, and to receipt and availability of appropriated funds.

SECTION 7.15 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Labor Standard Act (FLSA) and shall indemnify, defend, and hold harmless the County, its officers, employees, and agents from any and all liability, including but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorney's fees arising under any wage and hours law, including but not limited to, FLSA for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

SECTION 7.16 CHANGES

The County reserves the right to add items to this Agreement at the County's sole discretion if the items meet the following criteria: The items added are, in the County's sole opinion, within the general scope of work established for this Agreement and/or are ancillary to the successful completion of Collection Service as provided for in this Agreement.

(A) The price for each item as offered by the Contractor is, in the County's sole opinion, fair and reasonable and consistent with the pricing for the balance of the resulting Agreement.

(B) The items added are relatively insignificant to the overall value and services under the Agreement.

SECTION 7.17. AMENDMENTS AND WAIVERS

No amendment, supplement, modification, or waiver of this Agreement is binding unless executed in writing by all parties to this Agreement. No waiver of any of the provisions of this Agreement will be deemed as or constitute a waiver of any other provision of this Agreement, whether similar or not, unless otherwise expressly provided.

SECTION 7.18. ASSIGNMENT AND SUBCONTRACT

No assignment or subcontract of this Agreement or any right occurring under this Agreement can be made in whole or in part by the Contractor without the express written consent of the County, which consent will not be unreasonably withheld. Assignment will include any transfer of 20% or more of stock or control in the Contractor.

The Contractor and subcontractor must enter into a written agreement which defines the responsibilities of both parties, and the terms and conditions of such agreement must coincide with those defined in this Agreement. The County will have full discretion to approve or deny, with or without cause, any subcontract, proposed assignment or assignment by the Contractor. Any assignment or subcontract of this Agreement made by the Contractor without the express written consent of the County will be null and void and may constitute grounds for the County to declare a default of this Agreement and immediately terminate this Agreement by giving written notice to the Contractor. Upon the date of this notice, this Agreement will be deemed immediately terminated, and upon such termination all liability of the County under this Agreement to the Contractor will cease and the Contractor will be deemed to have failed to perform its obligations under this Agreement, and the County will have the right to require performance or indemnification from any surety and shall be free to negotiate with other County contractors or any other person or company to provide Collection Service. In the event of any assignment with the consent of the County, the assignee must fully assume all the liabilities of the Contractor, provided, however, that the assignment and assumption will not relieve the Contractor of any liability or responsibility under this Agreement. The terms and conditions of this Agreement are the sole responsibility of the Contractor, and all subcontractors authorized by the County, working as agents of the Contractor, must perform, provide service, and be subject to the same provisions of this Agreement as the Contractor. The performance of subcontractors will be the responsibility of the Contractor. Any fines or penalties imposed as a result of performance of the subcontractor will be imposed upon the Contractor. The use of subcontractors shall not relieve the Contractor of any liability or responsibility under this Agreement.

Section 7.19 TERMINATION BY CONTRACTOR

The Contractor may terminate this Agreement by providing thirty (30) days written notice to the County. In the event of a retirement, the notice should be at least ninety (90) days in advance of the retirement date.

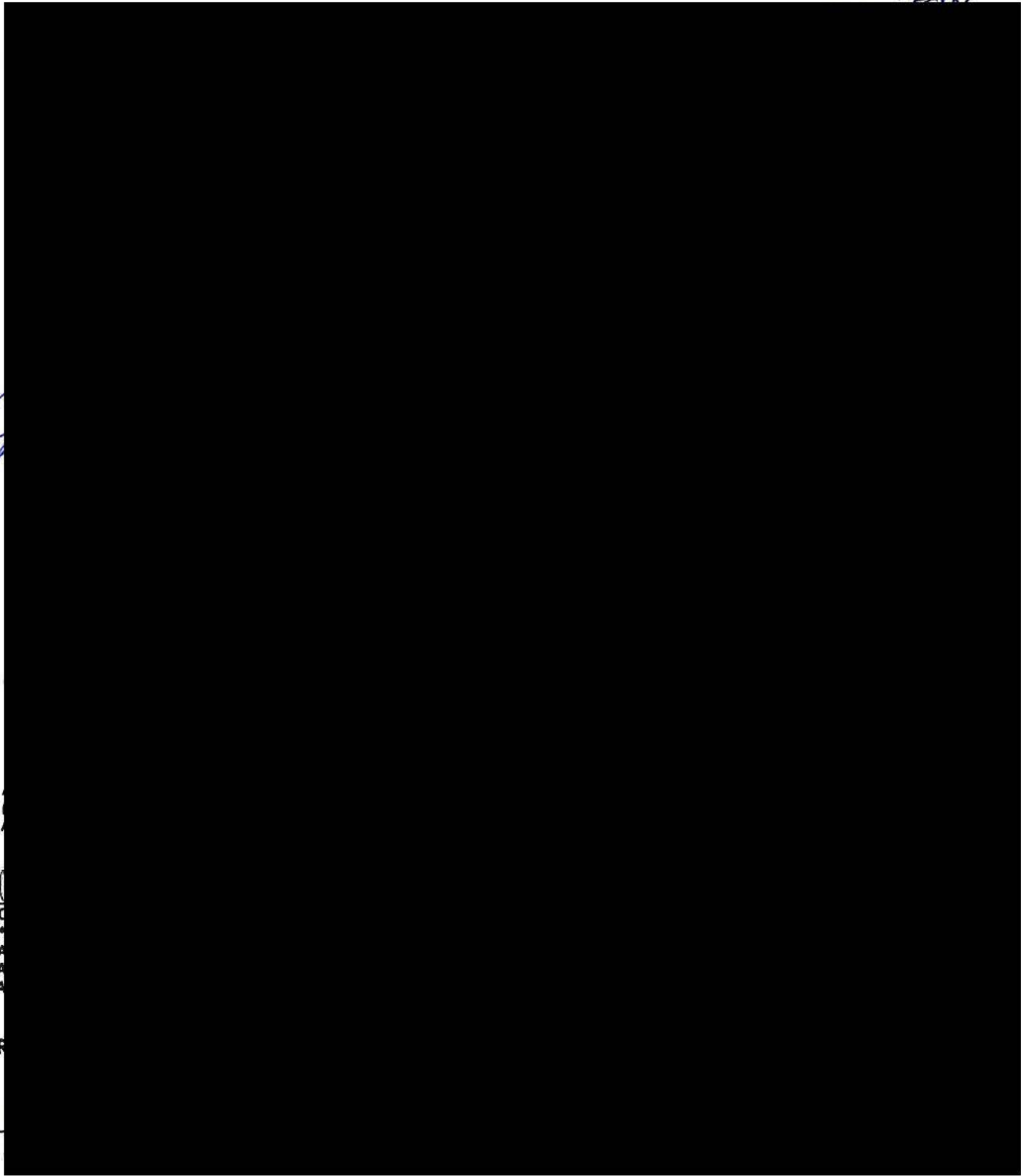
SECTION 7.20 PRIORITY OF DOCUMENTS

In the event of a conflict in the provisions of this Agreement, the following priority of documents shall control the resolution of such conflict.

- (A) This Agreement
- (B) General Terms and Conditions of Agreement between the County and the Contractor (Appendix A)
- (C) Mandatory Insurance Requirements (Appendix F)
- (D) Service Area(s) Basis for Compensation, Map, and Data (Appendix B)

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Route 12
mailed 07/12/20



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**APPENDIX ~~X~~ F
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**~~APPENDIX
PERFORMANCE BOND FORM AND LETTER OF CREDIT~~**

APPENDIX A

Appendix A will be incorporated to reflect the services as applicable

1. Purchases are subject to the Baltimore County Charter and Article 10, Title 2 of the Baltimore County Code, 2003, as amended. Baltimore County will not be responsible for any goods delivered or services rendered unless covered by an official order signed by the Purchasing Agent or his/her designee. No change, modification, or revision shall be binding upon Baltimore County unless made in writing by the Purchasing Agent or his/her designee. Contractor shall not assign its obligations to perform hereunder in whole or in part without the prior written consent of the Purchasing Agent or his/her designee.
2. If this Master Agreement, Contract, or Purchase Order is for an amount of \$25,000 or less, the County Executive and the County Administrative Officer are not required by the Baltimore County Code to sign. Accordingly, any such Master Agreement, Contract or Purchase Order that is for \$25,000 or less shall be signed by the Director of the Office of Budget and Finance or his designee as allowed for in the County Code.
3. The County's Solicitation, Request for Proposal, or Request for Bid, as applicable, shall be incorporated herein in its entirety.
4. The Contractor may not and shall not amend or modify the terms and conditions of this Master Agreement, Contract, or Purchase Order, as applicable, unless such amendment or modification is in writing and signed by a legally authorized signatory of the Contractor and the County, and the Baltimore County Office of Law.
5. Invoicing: Invoices must be submitted, in duplicate, to the Office of Budget and Finance, Disbursements Section, Room 148, 400 Washington Avenue, Towson, MD 21204-4665. Invoices must show the vendor's federal tax identification number (FEIN) or social security number, as appropriate and order number and line number(s) that correspond with the order(s). Cash discount periods will be computed either from the date of delivery and acceptance of the goods ordered, or the date of receipt of correct and proper invoices prepared in accordance with terms of Baltimore County's order, whichever date is later. Under no circumstances will interest be paid.
6. Incorporation by reference: If this purchase order is the result of a written solicitation, the solicitation and response are hereby incorporated by reference.
7. County Council Approval: Prior approval of the Baltimore County Council is required on contracts for services in excess of \$25,000 per year or in excess of two years.
8. Fee Prohibition: The contractor warrants and represents that it has not employed or engaged any person or entity to solicit or secure this agreement, and that it has not paid, or agreed to pay any person or entity a fee or any other consideration contingent on the making of this agreement. If any suit, claim, or demand shall arise concerning such a fee, the contractor agrees to indemnify, hold harmless, and defend the County from all such claims, suits, or demands.
9. Discrimination Prohibited: In the execution of the obligations and responsibilities hereunder, including, but not limited to, hiring or employment made possible by or relating to this agreement, the Contractor shall not discriminate against persons because of race, color, religion, sex, age, political affiliation, national origin, marital status, sexual orientation, gender identity or expression, genetic information, status as a veteran, or disability unrelated in nature and extent so as to reasonably preclude the performance of the employment.
11. Applicable Law: This agreement shall be governed and construed in accordance with the laws and regulations of the State of Maryland and Baltimore County.
12. Any litigation arising out of or relating in any way to this agreement or the performance thereunder shall be brought only in the courts of Maryland, and the Contractor hereby irrevocable consents to such jurisdiction. To the

extent that the County is a party to any litigation arising out of or relating in any way to this agreement or the performance thereunder, such an action shall be brought only in a court of competent jurisdiction in the courts of the State of Maryland.

13. Funding Out: If funds are not appropriated or otherwise made available to support continuation of this agreement in any fiscal year, the County shall have the right to terminate the agreement without prior notice to the contractor and without any obligation or penalty.

14. Material Safety Data Sheet: If products to be provided to the County contain any substances that could be hazardous or injurious to a person's health, a material safety data sheet (MSDS) must be provided to the Purchasing Division, 400 Washington Avenue, Room 148, Towson, MD 21204-4665. This applies also to any product used by a contractor when providing a service to the County.

15. Recycled and Recyclable Products: The Contractor agrees that it will not use packaging materials made of non-recyclable Styrofoam (Polystyrene). Additionally, any materials used in packing to cushion, protect and ship are to be made of recycled, recyclable or biodegradable materials.

16. Copiers, scanners, printers, facsimile equipment and any other office equipment that contain hard drives that have the capability to store data internally, will be required to provide overwrite capability with an option to return hard drives to the County for proper disposal at the end of life.

17. Termination for Convenience: The County may terminate this agreement, in whole or in part, without cause, by providing written notice thereof to the contractor. In the event of termination, without cause, the County shall advise the contractor in writing of the termination date and of work to be performed during the final days prior to termination. The contractor shall be paid for all reasonable costs incurred by the contractor up to the date of termination set forth in the written notice of termination. The contractor will not be reimbursed for any anticipatory profits, which have not been earned up to the date of termination. Payments to be provided on a lump sum basis shall be prorated by the County based on the services rendered or goods delivered up to the date of termination set forth in the written notice.

18. Termination for Default: In addition to other available rights and remedies, the County shall have the right upon the happening of any default, without providing notice to the contractor: 1) To terminate this agreement immediately, in whole or in part; 2) To suspend the contractor's authority to receive any undisbursed funds; and/or 3) To proceed at any time or from time to time to protect and enforce all rights and remedies available to the County, by suit or any other appropriate proceedings, whether for specific performance or any covenant, term or condition set forth in the contract, or for damages or other relief, or proceed to take any action authorized or permitted under applicable law or regulations. Upon termination of this agreement for default, the County may elect to pay the contractor for services provided or goods delivered up to the date of termination, less the amount of damages caused by the default, all as determined by the County in its sole discretion. If the damages exceed the undisbursed sums available for compensation, the County shall not be obligated to make any further disbursements hereunder.

19. Indemnification: The contractor shall indemnify and hold harmless the County, its employees, agents and officials from any and all liabilities, claims, suits, or demands including attorney's fees and court costs which may be incurred or made against the County, its employees, agents or officials resulting from any act or omission committed in the performance of the duties imposed by and performed under the terms of the agreement. The contractor shall not be responsible for acts of gross negligence or willful misconduct committed by the County. The contractor shall also indemnify and hold harmless the County, its employees, agents and officials from any and all liabilities, claims, suits, or demands including attorney's fees and court costs which may be made against the County, its employees, agents or officials by any third party arising from the alleged violation of any third party's trade secrets, proprietary information, trademark, copyright, patent rights, or intellectual property rights in connection with the agreement.

20. Defense: Unless notified in writing by the County to the contrary, the contractor shall provide defense for the County, its employees, agents and officials and in doing so the contractor shall allow the County to participate in said defense of the County, its employees, agents and officials, to the extent and as may be required by the

County and the contractor shall cooperate with the County in all aspects in connection therewith. All filings, actions, settlements, and pleadings shall be provided to the County for comment and review prior to filing or entering thereof. No filing, action, settlement or pleading shall be filed or entered without the prior consent and approval of the County.

21. Property Lost, Damaged or Destroyed: Any deliverables to be provided by the contractor will remain at the contractor's risk until written acceptance by Baltimore County; and the contractor will replace, at the contractor's expense, all deliverables lost, damaged or destroyed by any cause whatsoever.

~~Reviewed and Approved~~

~~Baltimore County, Maryland~~

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
Director of Budget and Finance
Or Director's designee
XXXXXXXXXXXXXXXXXXXX~~

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
County Administrative Office~~

~~Reviewed for Legal Sufficiency
(based upon proposed document)
XXXXXXXXXXXXXXXXXXXX~~

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
Baltimore County Office of Law
(approval does not convey approval or disapproval of substantive nature of the transaction)
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~



JOHN A. OLSZEWSKI, JR.
County Executive

D'ANDREA L. WALKER
County Administrative Officer

June 21, 2024

Ms. Kelly Madigan
Inspector General
Office of the Inspector General
Baltimore County Government
400 Washington Avenue
Towson, Maryland 21204

RE: IG Investigative Report-Case No. 23-004

Dear Ms. Madigan:

Thank you for submitting the Investigative Report, Case No.23-004, regarding allegations of fraud by a Baltimore County contracted trash hauler. The administration has reviewed the IG investigative Report 23-004 and offers the following response.

The report offered only one statement and one recommendation in its conclusion, located within section VIII. The statement and recommendation read as follows:

OIG Statement: "It should also be noted that in accordance with the County's Service Agreement with the company (Exhibit 1), the conduct described in the report constitutes both Tier 3 and Tier 4 violations of the Service Agreement, which come with administrative charges up to "\$1,000" and "\$1,000+" respectively."

Response: The county will be issuing tier fines in accordance with the County's service agreement with the contractor. Per the service agreement, three or more repeat violations of a like nature (which is the case in this situation) may result in additional administrative charges or termination. The County will be issuing four (4) Tier 4 fines of \$1,000 each. The final fine results in termination of the agreement. In short, the Bureau will be collecting on four (4), \$1,000 tier fines (for a total of \$4,000) and terminating the existing agreement.

OIG Recommendation: "Based on the results of the investigation, the office recommends that the county consider requiring its contracted trash haulers to include Global Positioning Systems (GPS) and cameras on the vehicles used to service the County. Among the benefits that would be provided from the inclusion of such devices would be the deterrence to commit the type of conduct that is outlined in this report."

Response: This is a recommendation that DPWT will take into consideration the next time that hauling contracts are negotiated.

In regards to other deterrents, the Bureau of Solid Waste Management (BSWM) implemented randomized spot checks at their facilities in October of 2023. These spot checks allow supervisors to inspect loads of MSW for any suspicious items or contaminated/unacceptable materials. While this system is not fail-proof, it provides the Department with an added layer of protection and provides the possibility of catching comingled deliveries. Spot checks are a deterrent and could have decreased the potential for the type of fraud described in this report. The relevant period described in this report ended two months before spot checks were established at Solid Waste facilities.

DPWT will continue to evaluate BSWM policies to ensure against future instances of fraud. The BSWM has been very proactive in enforcing policies and procedures related to MSW collection and will continue to monitor transactions for suspicious activity. As a result of this investigation DPWT will be collecting on the full damages outlined in this report (\$224,737) in addition to the \$4,000 in tier fines. DPWT will be terminating our agreement with this contractor as soon as possible.

Thank you for reaching out regarding this matter. If you have any questions or need any further clarification on this subject, please feel free to contact me.

Sincerely,



D'Andrea L. Walker
County Administrative Officer

Cc: John A. Olszewski, Jr., County Executive
Dori Henry, Chief of Staff
James R. Benjamin, Jr., County Attorney
Lauren Buckler, Acting Director, Department of Public Works and Transportation