

EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF
MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS
IN THE CITY OF FAIR OAKS RANCH, TEXAS

OCTOBER 1, 2024

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IN THE CITY OF FAIR OAKS RANCH, TEXAS**

STATE OF TEXAS

COUNTIES OF BEXAR, COMAL AND KENDALL

THIS EXCLUSIVE FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of October 1, 2024, by and between Frontier Texas Ventures I, LLC, a Delaware limited liability company doing business in Texas as "Frontier Waste Solutions" (the "Service Provider"), and the City of Fair Oaks Ranch, Texas (the "City").

WHEREAS, the City, subject to the terms and conditions set forth herein and the ordinances and regulations of the City, desires to grant to the Service Provider the exclusive franchise, license and privilege to collect, haul and recycle or dispose of Municipal Solid Waste and Recyclable Materials (as such terms are defined herein) Brush and Bulky items, Household Hazardous items, Recyclables, and Wastewater Sludge and Screening (as such terms are defined herein) within the City's corporate limits.

NOW, THEREFORE, in consideration of the premises and the mutual promises, covenants and agreements set forth herein, the Service Provider and the City hereby agree as follows:

SECTION 1. DEFINED TERMS.

The following terms, as used herein, will be defined as follows:

Brush Items – Brush includes personally-trimmed and severed parts of all domestically cultivated trees and shrubbery that do not exceed twenty (20) cubic yards in total volume per residential collection.

Bulky Items - Bulky Items consist of household items such as appliances with Freon removed, household fixtures, furniture, yard equipment with gas removed, mattresses, and other similar Items. Items have no size limitations but are limited to a weight limit of 300 pounds per household pick up. Does not include Construction and Demolition Waste.

Brush and Bulky Items Curbside Pick-Up – The scheduled collection and disposal of curbside Brush and Bulky Items.

Business Day - Any day that is not a Saturday, a Sunday, or other day on which banks are required or authorized by law to be closed in the City.

City – The City of Fair Oaks Ranch.

City Facilities – All municipal-owned buildings located at 7286 Dietz Elkhorn (City Hall Complex), 30955 Meadow Creek Trail (Fire Station), 7895 Fair Oaks Parkway (Fire Station), and the Wastewater Treatment Plant on No Le Hache Road and any future facilities.

City Manager – The Fair Oaks Ranch City Manager or authorized designee.

Collection - Unless defined a Holiday under this Agreement, Service Provider shall provide one curbside Municipal Solid Waste collection and one curbside Recyclable Material collection per week, for each Residential Unit located within the City. The Recyclable Material curbside collection will occur on the same day as normal curbside Municipal Solid Waste. Such collection services must be provided between the hours of 7:00 A.M. and 7:00 P.M.

Construction and Demolition Waste - Solid Waste resulting from construction or demolition activities or that is directly or indirectly the by-product of such activities, including, but not limited to, cartons, concrete, excelsior, gypsum board, metal, paper, plastic, rubber and wood products. Construction and Demolition Waste does not include Hazardous Waste, Household Hazardous Waste, Municipal Solid Waste, Recyclable Materials or Brush and Bulky Items.

Container – Any receptacle, including, but not limited to, Roll-Offs and Rollouts, provided to the City by the Service Provider and utilized by a Residential Unit for collecting Municipal Solid Waste or Recyclable Materials. Containers are designed to hold between ninety-five (95) gallons and forty (40) cubic yards of Solid Waste. Commercial metal receptacles, used at City Facilities, are designed to be lifted and emptied mechanically.

Contract Year – Any one-year period of time from October 1 to September 30 during the term of this Agreement.

Dead Animal Collection – The collection and disposal of dead animals stored in the City’s storage cooler.

Hazardous Waste - Waste defined as, or of a character or in sufficient quantity to be defined as, a Hazardous Waste by the Resource Conservation and Recovery Act, as amended, or by Texas law with respect thereto, or a “toxic substance” as defined in the Toxic Substance Control Act, as amended, or any regulations with respect thereto, or any reportable quantity of a “hazardous substance” as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or any regulations with respect thereto.

Handicapped Residential Unit - Any residential dwelling that is inhabited by persons, all of whom are physically handicapped to the extent that they are unable to place Municipal Solid Waste or Recyclable Materials at the curbside, and that generates and accumulates Municipal Solid Waste and Recyclable Materials.

Holidays - The following days:

- (1) New Year's Day (January 1st)
- (2) Memorial Day
- (3) Independence Day (July 4th)

- (4) Labor Day
- (5) Thanksgiving Day
- (6) Christmas Day (December 25th).

Household Hazardous Waste - Any solid waste generated in a household by a consumer which, except for the exclusion provided in 40 Code of Federal Regulations (CFR) §261.4(b)(1), would be classified as a hazardous waste under 40 CFR Part 261

Landfill - Any facility or area of land receiving Municipal Solid Waste and operating under the regulation and authority of the Texas Commission on Environmental Quality ("TCEQ") within the State of Texas, or the appropriate governing agency for landfills located outside the State of Texas. Includes sanitary landfills permitted or approved by all appropriate governmental agencies having jurisdiction and requiring such licenses, franchises, permits or approvals to receive for processing or final disposal Municipal Solid Waste and dead animals.

Monthly Residential Rate – Monthly fee charged by the Service Provider to all single-family residential receiving solid waste collection, disposal and recycling services authorized by City Council.

Municipal Solid Waste - Solid Waste resulting from or incidental to residential, municipal and community, commercial, institutional, or recreational activities, or manufacturing, mining, or agricultural operations. Municipal Solid Waste does not include Construction and Demolition Waste, Hazardous Waste or Household Hazardous Waste.

Recycling and Recycling Facility- Recycling shall mean a process by which Recyclable Materials are collected, sorted, processed, or prepared into marketable commodities for manufacturing into new products. Recycling Facility shall mean a facility where Recyclable Materials are sorted and processed.

Recyclable Materials -

- (a) Newspapers, magazines, and catalogs, and other paper items such as mail, paper bags or other paper;
- (b) Glass bottles and jars (excluding mirrors, windows, ceramics and other glass products);
- (c) Metal cans composed of tin, steel or aluminum (excluding scrap metal); and
- (d) Plastic containers including all varieties of the types designated as #1, #2, #3, #4, #5 and #7.

Recycling Container – A Container of approximately 95 gallons of capacity and provided by the Service Provider to any Residential Unit and City Facilities for the collection of Recyclable Materials.

Residential Unit - Any residential dwelling that is designed for, and inhabited by, a single person or family unit that generates and accumulates Municipal Solid Waste and Recyclable Materials.

Roll-Off - A metal Container with twenty (20) cubic yards to forty (40) cubic yards of capacity.

RollOut - A wheeled rigid plastic Container with ninety-five (95) gallons of capacity.

Screenings - That floating and suspended matter, both organic and inorganic, that is removed from the wastewater entering the treatment plant by the mechanically cleaned coarse screens.

Service Provider – The person, corporation, partnership, or legal entity performing the services provided for under this Agreement.

Solid Waste - As defined by the Texas Health and Safety Code, Chapter 363 Municipal Solid Waste Section 363.004 (19) whether such waste is mixed with or constitutes Recyclable Materials.

Special Waste - Special Waste is any Solid Waste at City locations which, because of its physical characteristics, chemical make-up, or biological nature requires either special handling, disposal procedures including liquids for solidification at the Landfill, documentation, and/or regulatory authorization, or poses an unusual threat to human health, equipment, property, or the environment. Special Waste includes, but is not limited, to sludge from the City's wastewater treatment plants and animal carcasses. Special Waste must conform in all respects with a Service Provider-approved Special Waste Profile. Special Waste does not include any Hazardous Waste.

Special Waste Profile – Service Provider's form of documentation, as provided as an Attachment to the Agreement, that the City must complete, and Service Provider must approve, with respect to any Special Waste prior to Service Provider's acceptance of such Special Waste.

Unacceptable Waste - Means highly flammable substances, Hazardous Waste, liquid wastes, certain pathological and biological wastes, explosives, toxic materials, radioactive materials, material that the disposal facility is not authorized to receive and/or dispose of, and other materials deemed by Texas or federal law, to be dangerous or threatening to health or the environment, or which cannot be legally accepted at the applicable disposal facility. Household Hazardous Waste collected by Provider does not necessarily constitute Unacceptable Waste.

Wastewater Sludge - The accumulated solids separated from the wastewater during processing. That portion of settled solids from the final clarifiers removed from the wastewater treatment processes to the solids drying beds or other solids handling facilities.

White Good - Any item consisting of household items such as appliances with Freon removed, hot water heaters, sinks, household fixtures, furniture, yard equipment with gas removed, and mattresses. Does not include Construction and Demolition Waste.

SECTION 2. EXCLUSIVE FRANCHISE GRANT.

The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling, recycling and disposal of Municipal Solid Waste and Recyclable Materials, the exclusive franchise, license and privilege to collect, haul and recycle

or dispose of Municipal Solid Waste and Recyclable Materials over, upon, along and across the City's present and future streets, alleys, bridges and public properties, within the City's corporate limits. In order to maintain the exclusive franchise in favor of the Service Provider contained herein, the City shall take appropriate legal action pursuant to the City's Code of Ordinances, Chapter 13, Section 13.02.001.

SECTION 3. OPERATIONS.

A. Scope of Operations. It is expressly understood and agreed that the Service Provider will collect, haul and recycle or dispose of all Municipal Solid Waste and Recyclable Materials (as provided herein) (i) generated and accumulated by Residential Units, and (ii) placed within Containers by those Residential Units receiving the services of the Service Provider (or otherwise generated and accumulated in the manner herein provided by those Residential Units), all within the City's corporate limits, including any territories annexed by the City during the term of this Agreement, subject to applicable law (the "Services").

B. Nature of Operations. The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling and recycling or disposal of Municipal Solid Waste and Recyclable Materials, the title to all Municipal Solid Waste and Recyclable Materials collected, hauled and recycled or disposed of by the Service Provider over, upon, along and across the City's present and future streets, alleys, bridges and public properties. All title to and liability for materials excluded from this Agreement shall remain with the generator of such materials.

C. Disposal. All Municipal Solid Waste shall be disposed of at a Landfill.

D. Right of Refusal. Service Provider may, in its sole discretion, reject any Unacceptable Waste. If Unacceptable Waste is discovered before it is collected by Service Provider, Service Provider may refuse to collect the entire Container.

E. Legal Compliance. Service Provider shall be required to follow all applicable local, state and federal laws and regulation pertaining to the provision of the services detailed herein, including but not limited to those related to safety. Service Provider shall acquire title to the materials when such materials are loaded into its vehicle; provided, however, that when Service Provider is providing disposal services only and not collection services, Service Provider shall acquire title when the materials are delivered to its premises. Title to and liability for any Unacceptable Waste shall at no time pass to the Service Provider.

SECTION 4. RESIDENTIAL UNIT COLLECTIONS.

A. Residential Units. The Service Provider will collect Municipal Solid Waste once per week and Recyclable Materials once per week from Residential Units; provided, that (i) such Municipal Solid Waste and Recyclable Materials are placed in Containers provided by the Service Provider, and (ii) such Containers are placed within five (5) feet of the curbside or right of way adjacent to the Single-Family Residential Unit no later than 7:00 a.m. on the scheduled collection day. The Recyclable Materials curbside collection shall occur on the same day as the curbside Municipal

Solid Waste collection. Collection services must be provided between the hours of 7:00 A.M. and 7:00 P.M.

B. Excess or Misplaced Municipal Solid Waste. The Service Provider shall only be responsible for collecting, hauling and recycling or disposing of Municipal Solid Waste and Recyclable Materials placed inside the Containers provided by the Service Provider. Municipal Solid Waste and Recyclable Materials in excess of the Containers' limits, or placed outside or adjacent to the Containers, will not be collected by the Service Provider. However, such excess or misplaced Municipal Solid Waste and Recyclable Materials may be collected on occasion and within reason due to Holidays or other extraordinary circumstances as determined by the Service Provider in its sole discretion. If the excess or misplaced Municipal Solid Waste and/or Recyclable Materials continues, the Service Provider shall require the Residential Unit to utilize an additional Container so that the excess or misplaced Municipal Solid Waste and/or Recyclable Materials will be regularly contained. The Service Provider shall be compensated for these additional Services as provided for in Section 9 hereto.

C. Handicapped Residential Units. Notwithstanding anything to the contrary contained herein, the Service Provider agrees to assist Handicapped Residential Units with house-side collection of their Containers; provided, that the Service Provider receives prior written notice from the Handicapped Residential Unit of such special need. The Service Provider shall not be responsible for any other modifications and accommodations required by the Americans with Disabilities Act or any other applicable law or regulation in connection with the services provided hereunder to Residential Units.

D. Household Hazardous Waste Collection. The Service Provider will collect Household Hazardous Waste from Residential Units once per month, as designated by the Service Provider; provided, that the Household Hazardous Waste (i) is placed on the porch/doorstep no later than 7:00 a.m. on the scheduled collection day, (ii) is reasonably contained in a box or bag provided by the Service Provider, and (iii) the Residential Unit notifies the Service Provider of the need for such collection at least 7 days prior to the scheduled collection day for such Household Hazardous Waste. The Service Provider shall only be responsible for collecting, hauling and disposing of Household Hazardous Waste from those Residential Units that have complied with this Section 4.D.

The Service Provider will accept the following items for collection as Household Hazardous Waste:

- Aerosol products
- Ammunition, home use fireworks
- Antifreeze
- Auto fluids
- Ballasts (non-PCB & PCB)
- Batteries – auto, sump, power tool & household sizes
- Blacktop sealer - oil based
- Cleaning products
- Cooking Oil
- Fire Extinguishers

- Fluorescent bulbs (tubes and CFLs)
- Gasoline & oil/gas mixtures
- HID (headlight bulbs)
- Hobby & photo chemicals
- Lawn chemicals
- Mercury containing Devices (thermostats, etc.)
- Motor oil
- Oxygen tanks
- Paint (Oil-based paints, stains, varnishes; and Latex Paint)
- Pesticides, poisons, herbicides, insecticides
- Pharmaceuticals/medications
- Pool chemicals
- Propane tanks
- Resins, Glues, Adhesives
- Smoke Detectors
- Solvents

The Service Provider will not accept the following items for collection as Household Hazardous Waste:

- Acetylene cylinders
- Biological or medical waste
- Business generated waste
- Foam cylinders (Part A/Part B)
- Explosives
- MAPP gases
- Radioactive Material
- Syringes/needles
- Farm machinery oil

Each Household Hazardous Waste collection per month shall be limited as follows:

- Fluorescent light bulbs: Minimum 1, Maximum 8.
- Used motor oils or antifreeze: Minimum 1 gallon, Maximum 2 gallons.
- Paints and supplies; Pool & Household Chemicals: Minimum 1 gallon, Maximum 5 gallons.
- Household Cleaners; Pesticides & Fertilizers: Minimum 1 item, Maximum 8 items.
- Household Batteries: Minimum 1, Maximum 20.

Acceptable Items are subject to change.

SECTION 5. RECYCLING EDUCATION PROGRAM.

The Service Provider shall implement, as part of the contract proposal price, maintain and manage a public education program to promote participation in the City's recycling program, including providing educational material to Residential Units regarding acceptable Recyclable Materials.

The educational material, at a minimum, shall be sent once each Contract Year to all Residential Units.

SECTION 6. SPECIAL COLLECTIONS AND SERVICES.

A. The Service Provider will provide, at no cost to the City, the following Containers to collect Municipal Solid Waste at certain municipal locations within the City as set forth below:

- City Hall Complex – collected in fifteen (15) 95-gallon Rollouts and a four-yard commercial dumpster at a frequency of once (1) per week on the same day of the week as the collection of Residential Units.
- Fire Stations – collected in four (4) 95-gallon Rollouts at a frequency of once (1) per week on the same day of the week as the collection of Residential Units.

Wastewater Treatment Plant – collected in (10) 96-gallon Rollouts and one (1) 20-yard Roll-Off and one (1) 30-yard Roll-Off at a frequency of twice weekly on the same day of the week as the collection of Residential Units.

B. Dead animals shall be collected at and disposed from the City-owned storage cooler on each date the Service Provider provides Municipal Solid Waste Collection services under this Agreement.

C. Christmas trees shall be collected annually by no later than January 15 of each year.

D. Storm damage and debris produced by strong winds, rain, hail, lightning, flooding, tornadoes, or other turbulent weather that is identified at the City Manager's discretion, acting reasonably, that requires clean-up and disposal on City-owned property shall be performed within 48 hours written request from the City Manager.

E. Wastewater Sludge and Screenings removal and disposal:

- a. Wastewater Sludge – Collected in a 30-yard Roll-Off Container at a frequency of twice (2) per week.
- b. Screenings - Collected in four (4) 96-gallon wheeled, drainable, plastic waste wheelers at a frequency of twice (2) per week.

F. Special Waste Profile If services include Special Waste, the City shall utilize the Service Provider's Special Waste Profile, signed by the City employee who is responsible for environmental compliance, containing a complete and accurate description of the waste stream, including the generating process and chemical and physical characteristics.

- a. Upon successful conclusion of the waste characterization approval process, the City shall thereafter update the Special Waste Profile (1) upon request of Service Provider or (2) immediately upon any change in the composition, generating process or

characteristics of the waste. The City agrees, upon written request of Service Provider, to provide a Special Waste Profile or, in Service Provider's discretion, a representative sample and full analytical characterization of any Special Waste to Service Provider or others in connection with the proper management of the Special Waste.

- b. The City warrants that it has sufficient knowledge and information to ensure that the Special Waste Profile provided is true and correct at the time of tender of every load of Special Waste and that each load of Special Waste tendered for management by the Service Provider (1) shall be fully and precisely described in a Special Waste Profile; (2) shall conform to the information provided in the Special Waste Profile; and (3) shall not contain any Hazardous Waste or Unacceptable Waste.
- c. The City will use best efforts and will provide information to the best of its knowledge.

SECTION 7. BULKY ITEMS; BRUSH.

A. Pre-Arranged Bulky Collections. The Service Provider will collect Bulky Items from Residential Units once per month, as designated by the Service Provider; provided, that (i) the Residential Units requiring such collections notify the Service Provider no later than the end of the Business Day prior to the scheduled collection day, and (ii) the Bulky Items (A) are placed at the curbside no later than 7:00 a.m. on the scheduled collection day, and (B) do not exceed 300 pounds per household pick up White Goods containing refrigerants will not be collected by the Service Provider unless such White Goods have been certified in writing by a professional technician to have had all such refrigerants removed. Bulky Items will be collected during the last full week of the month. The City, at its sole discretion, may elect to alter the Citywide collection in lieu of individually scheduled collections.

B. Pre-Arranged Brush Collections. The Service Provider will collect loose brush from Residential Units twice per Contract Year, as designated by the Service Provider; provided, that (i) the Residential Units requiring such collections notify the Service Provider no later than the end of the Business Day prior to the scheduled collection day and (ii) the loose brush (A) is placed at the curbside no later than 7:00 a.m. on the scheduled collection day and (B) do not exceed twenty (20) cubic yards in total volume per collection per Residential Unit. Brush will be collected during the last full week of the month. The City, at its sole discretion, may elect to alter the Citywide collection in lieu of individually scheduled collections.

C. The Service Provider shall only be responsible for collecting, hauling, and recycling or disposing of Bulky Items and Brush from those Residential Units that have complied with this Section 7.

D. Negotiated Collections. It is understood and agreed that the service provided under this Section 7 does not include the collection of Bulky Items comprised of Construction and Demolition Waste, or any materials resulting from remodeling, general property clean-up or clearing of property for the preparation of construction. However, the Service Provider may

negotiate an agreement on an individual basis with the owner or occupant of a Residential Unit regarding the collection of such items by utilizing the Service Provider's Roll-Off Services.

SECTION 8. TITLE TO EQUIPMENT.

Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that all equipment, including, but not limited to, Containers, provided by the Service Provider in connection with the Services, shall at all times remain the property of the Service Provider.

SECTION 9. RATES AND FEES.

Subject to adjustment, as provided in Section 10 hereof, the rates and fees to be charged and received by the Service Provider are as follows:

A. Single-Family Residential Unit Services. For the Services provided to Single-Family Residential Units pursuant to this Agreement located within the City's corporate limits, the Service Provider shall initially charge \$28.47 per month for each Single-Family Residential Unit utilizing one (1) Roll-Out for the collection of Municipal Solid Waste and one (1) Roll-Out for the collection of Recyclable Materials, plus the following additional amounts per month for each additional Roll-Out utilized by such Single-Family Residential Unit and an additional \$15.00 per month for each additional Roll-Out utilized by a Single-Family Residential Unit. Any Single-Family Residential Unit that needs the replacement of any Roll-Out that is lost, stolen, damaged or destroyed by the Single-Family Residential Unit will be charged \$60.00 for the cost of such Roll-Out, plus a \$25.00 delivery fee. Total monthly residential rate includes collection and disposal costs for the services under this Agreement.

B. Storm Debris. In the event the Service Provider provides special or storm related debris collection and disposal services for the City, the Service Provider shall receive \$185.00 per truck hour for all time spent providing such services and \$50.00 for each cubic yard of material collected in connection with such services. The City is not obligated to use Service Provider and may use any provider of their choice for this service. This does not include debris collection and disposal located on City-owned properties (see Section 6.D).

C. Fees. For additional fees, see Sections 10.D and 15.A. and B.

SECTION 10. RATE ADJUSTMENT.

A. CPI-U Adjustment. Beginning on October 1, 2025, and on each subsequent anniversary date of this Agreement, the Service Provider shall have the right, in its sole discretion and upon giving prior notice to the City, to increase the rates set forth in Section 9 hereof (the "Initial Rates") in accordance with the CPI-U. As used herein, "CPI-U" shall mean the revised Consumer Price Index rate for garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted, based on the latest available figures from the Department of Labor's Bureau of Labor Statistics (the "Bureau"). The CPI-U used will be the CPI-U published by the Bureau during the month ninety (90) days preceding the adjustment under this Section 10.A. The amount of the increase under this Section 10.A. shall be equal to the percentage that the CPI-U has increased

over the previous twelve (12) month period; provided, that such increase shall not be more than four percent (4%) in any given year.

B. Operating Cost Adjustment. In addition to the rate adjustments provided for in Section 10.A., at any time during the term of this Agreement, the Service Provider may petition the City for additional rate and price adjustments at reasonable times on the basis of material or unusual changes in its cost of operations not otherwise the basis of any other rate adjustments herein. At the time of any such petition, the Service Provider shall provide the City with documents and records in reasonable form and sufficient detail to reasonably establish the necessity of any requested rate adjustment. The City shall place the requested adjustment before the City Council, as appropriate by law, at its next regularly scheduled meeting for their consideration. The City shall not unreasonably withhold, condition, or delay its consent to any requested rate increase. In the event the City fails or refuses to consent to any such requested rate increase and the Service Provider can demonstrate that such rate increase is necessary to offset the Service Provider's increased costs in connection with performing the services under this Agreement not otherwise offset by any previous rate adjustments hereunder, the Service Provider may, in its sole discretion, terminate this Agreement upon a two hundred and seventy (270) day written notice to the City.

C. Landfill Cost Adjustment. The parties acknowledge that the Municipal Solid Waste covered by this Agreement will be disposed of by the Service Provider at a Landfill(s) chosen by the Service Provider in its sole discretion (the "Initial Landfill(s)"). In the event that the Service Provider is unable to use the Initial Landfill(s) due to reasons out of its control, the Service Provider shall have the right, in its sole discretion, to dispose of the Municipal Solid Waste covered by this Agreement at another Landfill of its choosing.

D. Governmental Fees. The parties acknowledge that the rates herein include all applicable fees, taxes or similar assessments incurred under federal, state and local laws, rules and ordinances (excluding sales taxes and taxes imposed on income) (the "Fees"). The parties acknowledge and understand that the Fees may vary from time to time, and, in the event any of such Fees are increased or additional Fees are imposed subsequent to the effective date of this Agreement, the parties agree that the rates herein shall be immediately increased by the amount of any such increase in Fees or additional Fees.

SECTION 11. EXCLUSIONS.

Notwithstanding anything to the contrary contained herein, this Agreement shall not cover the collection, hauling, recycling or disposal of any Hazardous Waste, animal or human, dead animals, auto parts, used tires, concrete, dirt, gravel, rock or sand from any Container provided by the Service Provider located at any Residential Unit; provided, however, that the Service Provider and the owner or occupant of a Residential Unit may negotiate an agreement on an individual basis regarding the collection, hauling or disposal of Construction and Demolition Waste, auto parts, used tires, concrete, dirt, gravel, rock or sand by utilizing the Service Provider's Roll-Off Services.

SECTION 12. TERM OF AGREEMENT.

The initial term of this Agreement shall be for a period of five (5) years, commencing on October 1, 2024 and concluding on September 30, 2029 (the “Initial Term”). At the expiration of the Initial Term of this Agreement, the City, shall have the option to renew this Agreement for up to two (2) additional two (2) year terms. Both parties, in writing, shall agree to each extension, 180 days prior to the end of each term. There is no guarantee to the Service Provider that the City will exercise this option to continue this Agreement beyond the initial five-year period.

SECTION 13. ASSIGNMENT.

This Agreement shall not be assignable or otherwise transferable by the Service Provider without the prior written consent of the City; provided, however, that the Service Provider may assign this Agreement to any affiliate or subsidiary of the Service Provider or to any person or entity succeeding to all or substantially all of the Service Provider’s assets (whether by operation of law, merger, consolidation or otherwise) without the City’s consent.

SECTION 14. ENFORCEMENT.

During the term of this Agreement and any extension thereof, the City agrees to place before the City Council for their consideration, any revisions to existing City Codes governing solid waste requested by Service Provider, provided that such request is consistent with state law. The City shall take any action reasonably necessary to prevent any other solid waste collection company from conducting business in violation of the exclusive franchise granted herein. If the Service Provider experiences recurring problems of damage or destruction to or theft of the Containers provided by the Service Provider pursuant to this Agreement, the Service Provider may, prior to replacing or repairing such Containers, require security deposits from the Residential Units utilizing such Containers. To the maximum extent allowed by applicable law, the City also hereby grants to the Service Provider the right of ingress and egress from and upon the property of Residential Units for the purposes of rendering the Services contemplated hereby.

SECTION 15. PROCESSING, BILLING AND FEES.

A. Residential Monthly Statement. On a quarterly basis, in advance, the Service Provider agrees to bill and collect the rates and fees charged under Section 9 hereto plus an additional five percent (5%) franchise fee (the “Franchise Fee”) from all Residential Units within the City's corporate limits. Within thirty (30) days following the end of each quarter during the Term, the Service Provider will remit to the City all Franchise Fees collected by the Service Provider during such quarter, along with a report indicating the number and rate of Residential Units who paid the Franchise Fee during such quarter (the “Quarterly Statements”). The City may inspect the books of the Service Provider upon reasonable notice to ensure the accuracy of the Quarterly Statements.

B. Taxes. In addition to the amounts billed and collected by the Service Provider under Section 15.A., the Service Provider shall be responsible for collecting, remitting and paying any and all sales, use and service taxes assessed or payable in connection with the Services.

C. Unpaid Rates/Fees. The Service Provider may, in its discretion, suspend services to any Residential Unit that is not current in its payment of the rates and fees under this Agreement.

D. Recyclable Sales. Within thirty (30) days following the end of each quarter, the Service Provider shall remit to the City an amount equal to fifty percent (50%) of the net proceeds received by the Service Provider during such quarter from the sale of all Recyclable Materials collected from the Residential Units.

SECTION 16. SPILLAGE.

It is understood and agreed that the Service Provider shall not be required to clean up, collect or dispose of any loose or spilled Municipal Solid Waste or Recyclable Materials not caused by the Service Provider's rendering of the Services, or be required to collect and dispose of any excess Municipal Solid Waste or Recyclable Materials placed outside of the Containers by any Residential Unit. The Service Provider may report the location of such conditions to the City so that the City can issue proper notice to the owner or occupant of the Residential Unit instructing the owner or occupant to properly contain such Municipal Solid Waste Recyclable Materials. Should excess Municipal Solid Waste or Recyclable Materials continue to be placed outside of the Containers, the Service Provider shall require the Residential Unit to increase the frequency of collection of such Municipal Solid Waste Recyclable Materials or require the Residential Unit to utilize a Container with sufficient capacity so that the excess Municipal Solid Waste Recyclable Materials will be regularly contained. The Service Provider shall be compensated for these additional Services as provided for in Section 9 hereof and shall be entitled to receive an extra collection charge for each additional Container requiring an extra collection.

SECTION 17. NON-COLLECTION NOTICE AND FOLLOW-UP.

A. Notice from the Service Provider. It is specifically understood and agreed that where the owner or occupant of a Residential Unit fails to timely place a Container as directed in Section 4 hereof, or is otherwise in violation of the City's ordinances and regulations, the Service Provider's reasonable rules adopted hereunder or the provisions of this Agreement relating to the nature, volume or weight of Municipal Solid Waste or Recyclable Materials to be removed, the Service Provider may refrain from collecting all or a portion of such Municipal Solid Waste or Recyclable Materials and will notify the City within eight (8) hours thereafter of the reason for such non-collection. The Service Provider will also provide written notice to the Residential Unit of the reason for such non-collection, unless such non-collection is the result of the Residential Unit's failure to timely place the Containers or Brush or Bulky Items out for collection. Such written notice shall be attached to the Container or the uncollected Municipal Solid Waste, shall indicate the nature of the violation and shall indicate the correction required in order that such Municipal Solid Waste or Recyclable Materials may be collected. An email will also be sent to customers who have provided a valid email address to the Service Provider.

B. Notice from a Residential Unit. When the Service Provider is notified by an owner or occupant of a Residential Unit that Municipal Solid Waste or Recyclable Materials has not been removed from such Residential Unit and where no notice of non-collection or a change in collection schedule has been received by the City from the Service Provider, or the Service

Provider has failed to collect Municipal Solid Waste or Recyclable Materials from the Residential Unit without cause, as supported by notice as described herein, then the Service Provider will use all reasonable efforts to collect such Municipal Solid Waste or Recyclable Materials on the day a collection order is requested by the owner or occupant; provided, however, that if the Service Provider fails to make such collection on the same day that a collection order is requested, the Service Provider shall make such collection no later than 12:00 p.m. on the following Business Day, and there shall be no charge to the Service Provider for any such original non-collection or late collection so long as the Service Provider makes such collection within such time.

SECTION 18. HOURS OF SERVICE.

For all the Services provided hereunder, the Service Provider's hours of service shall be between 7:00 a.m. to 7:00 p.m., Monday through Friday. The Service Provider will not be required to provide service on weekends or Holidays except during natural disasters or emergencies, and may, at its sole discretion, observe Holidays during the term of this Agreement; provided, however, that the Service Provider shall provide such services on the immediately following business day. If the Holiday is on a Thursday or Friday, Service Provider will collect on Saturday.

SECTION 19. CUSTOMER SERVICE.

The Service Provider agrees to field all inquiries and complaints for Residential Units relating to the collection, hauling, recycling and disposal of Municipal Solid Waste, Recyclable Materials, Brush and Bulky Items, and Household Hazardous Waste.

SECTION 20. COMPLIANCE WITH APPLICABLE LAWS.

The Service Provider shall comply with all applicable federal and state laws regarding the collection, hauling, recycling and disposal of Municipal Solid Waste and Recyclable Materials, including existing and future laws that may be enacted, as well as any regulations reasonably passed by the City that are not in derogation of this Agreement. Nothing in this Agreement shall be construed in any manner to abridge the City's right to pass or enforce necessary police and health regulations for the reasonable protection of its inhabitants. The City shall have the right to make reasonable inspections of the Service Provider in order to ensure compliance with this Section 20.

SECTION 21. VEHICLES AND EQUIPMENT.

Service Provider furnished equipment, such as Containers shall remain as Provider's property. Customers, including the City may be liable for loss or damage to such equipment (except for normal wear and tear and for loss or damage resulting from Service Provider's handling of the equipment). Customers shall use the equipment only for its proper and intended purpose and shall not overload (by weight or volume), move or alter the equipment. Customers shall provide safe,

unobstructed access to the equipment on the scheduled collection day. Provider may charge an additional fee for any additional collection service required by the failure to provide access.

Service Provider shall provide and maintain a fleet of solid waste collection vehicles sufficient in number and capacity to perform the work and render the service required under this Agreement. All collection vehicles shall be washed and deodorized once per week and always kept in good condition and repair. The trucks used in the collection of garbage shall be all metal, with completely enclosed "packer" type bodies that are designed and manufactured for the collection of garbage and rubbish. Said collection vehicles shall have Provider's name and telephone numbers not less than two (2) inches in height on each vehicle.

Collection vehicles shall always carry a shovel and a broom or rake, to be used for collection of spilled refuse. Vehicles shall be equipped with two-way communications for constant contact, during operations, with the local office of the company and with a camera.

Vehicles shall be protected at all times while in transit to prevent the blowing or scattering of waste materials onto the City's public streets, or properties adjacent thereto.

SECTION 22. DUE CARE.

The Service Provider shall exercise due care and caution in providing the Services so that the City's public and private property, including streets and parking areas, will be protected and preserved.

SECTION 23. PERSONNEL AND PERFORMANCE STANDARDS.

The Service Provider shall not deny employment to any person on the basis of race, creed or religion, and will ensure that all federal and state laws pertaining to salaries, wages and operating requirements are met or exceeded. The Service Provider, its agents, servants and employees shall perform the Services in a courteous, competent and professional manner. During the term of this Agreement and any extension thereof, the Service Provider shall be responsible for the actions of its agents, servants and employees while such agents, servants and employees are acting within the scope of their employment or agency.

SECTION 24. INSURANCE COVERAGE.

Pursuant to this Agreement, the Service Provider shall carry the following types of insurance in an amount equal to or exceeding the limits specified below:

<u>Coverage</u>	<u>Limits of Liability</u>
(1) Worker's Compensation	Statutory
(2) Employer's Liability	\$500,000
(3) Commercial General Liability	\$1,000,000 per occurrence, \$2,000,000 in the aggregate,

	combined single limit for Bodily Injury and Property Damage Liability
(4) Automobile Liability	\$2,000,000 per occurrence combined single limit for Bodily Injury and Property Damage Liability
(5) Pollution Legal Liability	\$2,000,000 each loss
(6) Excess or Umbrella	\$5,000,000 per occurrence

Subcontractor: In the case of work sub-letted, the Service Provider shall require subcontractors working under the direction of the Service Provider to carry and maintain the same workers compensation and liability insurance required of the Service Provider.

To the extent permitted by law, any or all of the insurance coverage required by this Section 24 may be provided under a plan(s) of self-insurance, including coverage provided by the Service Provider's parent corporation. The Service Provider shall furnish the City with a certificate of insurance verifying the insurance coverage required by this Section 24 each year, or at any time coverage is renewed. The insurance required by this Agreement shall be written by a non-assessable insurance company licensed to do business in the State of Texas and currently rated "B+" or better by the A.M. Best Companies. All policies shall be written on a "per occurrence basis" and not a "claims made" form.

Service Provider shall secure the following for the benefit of the City with respect to the above required insurance, so that the City shall:

- Be identified as an additional insured on all policies except Worker Compensation Policy;
- Be provided with thirty-(30) days advance notice in writing of cancellation in any policy;
- Be provided with Certificates of Insurance evidencing the above required insurance pursuant to this Agreement, and thereafter with certificates evidencing renewals or replacement of said policies of insurance; and
- Be provided with waiver of Subrogation on Workers Compensation in favor of the City.

SECTION 25. PERFORMANCE SECURITY.

Service Provider shall deliver to City a performance bond in the amount equal to one hundred percent (100%) of the annual value of the Agreement, executed by a good and sufficient corporate surety eligible to conduct business in Texas, and conditioned that Service Provider shall well, truly, and faithfully perform its obligations under this Agreement and shall satisfy all claims and demands of any kind incurred under the Agreement, including, but not limited to, the payment of all amounts owed by Service Provider to City or landfills, and Service Provider shall fully indemnify and save harmless City from all costs and damage which City may suffer by Service Provider's failure to pay such amounts owed and shall reimburse and repay City all outlay and expense which City may incur in making good any such payment default, then the obligation shall

be void; otherwise, to remain in full force and effect. Said performance bond will be renewed annually for the term of the Agreement. The performance bond shall be in a form reasonably acceptable to City. Service Provider shall pay any and all premiums for the bond. A certificate from the surety showing that the bond premiums are paid in full shall be submitted to City on an annual basis for the Term of the Agreement.

SECTION 26. SAVINGS PROVISION.

In the event that any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its terms and provisions as if such invalid term or provision were not a part hereof.

SECTION 27. TERMINATION.

Any failure by the Service Provider or its successors and assigns to observe the terms and conditions of this Agreement shall, if continuing or persisting without remedy for more than thirty (30) days after the receipt of due written notice from the other party, constitute grounds for forfeiture and immediate termination of all the defaulting party's rights under this Agreement, and all such rights shall become null and void. If successive and substantial violations (including prior cured violations) persist within any contract year, the City may terminate the Agreement at the end of such contract year.

SECTION 28. FORCE MAJEURE.

The performance of this Agreement may be suspended, and the obligations hereunder excused in the event and during the period that such performance is prevented by a cause or causes beyond reasonable control of such party. The performance of this Agreement will be suspended, and the obligations hereunder excused only until the condition preventing performance is remedied. Such conditions shall include, but not be limited to, acts of God, acts of war, accident, explosion, fire, flood, riot, sabotage, acts of terrorists, unusually severe weather, lack of adequate fuel, or judicial or governmental laws or regulations.

SECTION 29. GOVERNING LAW.

This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Texas, without giving effect to the conflict of laws rules thereof. The parties hereby irrevocably submit to the jurisdiction of the courts of the State of Texas and the Federal courts of the United States located in Bexar County, Texas.

SECTION 30. NOTICES.

Any notices required or permitted to be delivered hereunder shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the respective party at the address set forth below:

If to the City:

City of Fair Oaks Ranch 7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015
Attn: City Manager

If to the Service Provider:

Frontier Waste Solutions
P.O. Box 1283
Hillsboro, TX 76645
Attn: Vice President

or such other addresses as the parties may hereafter specify by written notice and delivered in accordance herewith.

SECTION 31. ATTORNEYS' FEES.

The prevailing party in any dispute between the parties arising out of the interpretation, application or enforcement of any provision hereof shall be entitled to recover all of its reasonable attorneys' fees and costs for any cause of action arising out of this Agreement, including without limitation costs and attorneys' fees related to or arising out of any trial or appellate proceedings.

SECTION 32. INDEPENDENT CONTRACTOR.

Service Provider acknowledges that it is an independent contractor of the City and is not an employee, agent, official or representative of the City. Service Provider shall not represent, either expressly or through implication, that Service Provider is an employee, agent, official or representative of the City. Income taxes, self-employment taxes, social security taxes and the like are the sole responsibility of Service Provider.

SECTION 33. CUMULATIVE REMEDIES.

Pursuit of the remedies described in herein shall not preclude pursuit of any other remedies provided in this Agreement or any other remedies provided by law, nor shall pursuit of any remedy provided in this Agreement constitute a waiver of any amount or performance due from the other party under this Agreement or of any damages accruing by reason of the violation of its term, provisions and covenants. No waiver of any violations shall be deemed or construed to constitute a waiver of any other violation or other breach of any the terms, provisions and covenants contained in this Agreement, and forbearance to enforce one or more of the remedies as provided on an event of default shall not be deemed or construed to constitute a waiver of such default or of any other remedy provided for in this Agreement.

SECTION 34. INDEMNITY

The Service Provider must indemnify, hold harmless and defend the City, its officers, agents and employees, from and against liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and

expenses, including court costs and attorneys' fees and other reasonable costs arising out of or resulting from the Service Provider's work and/or activities conducted in connection with or incidental to this Agreement and from any liability arising out of or resulting from the intentional acts or negligence, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part upon the negligent or intentional acts or omissions of Service Provider, including but not limited to its officers, agents, employees, subcontractors, licensees and invitees.

Service Provider must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, subcontractors, licensees and invitees, as well as their property, while in the vicinity where the work is being done. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Service Provider including but not limited to its officers, agent, employees, subcontractors, licensees and invitees.

Further, the City assumes no responsibility or liability for harm, injury, or any damaging events which are directly or indirectly attributable to premises defects which may now exist or which may hereafter arise upon the premises.

However, the Service Provider shall not be liable for any legal proceedings, claims, demands, damages, costs, liabilities, losses or expenses (including, but not limited to, attorneys' fees) caused by the willful misconduct or negligent act or omission of the City, its agents, directors, employees, officers and servants.

SECTION 35. DISCLOSURES, CONFLICTS AND DISPUTE RESOLUTION

Service Provider represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, Conflicts of Interest Questionnaire, Chapter 2252, Texas Government Code, and Form 1295, Certificate of Interested Parties, online filing with the Texas Ethics Commission.

This Agreement will be governed by the provisions of Subchapter I, Chapter 271, Tex. Local Gov't Code, regarding the obligations of the parties for any disputes arising hereunder.

SECTION 36. MANDATORY CONDITIONS FOR GOVERNMENT CONTRACTS

When applicable, the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it; (i) does not boycott Israel; (ii) will not boycott Israel during the term of the contract; (iii) does not boycott energy companies; (iv) will not boycott energy companies during the term of the contract; (v) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and (vi) will not discriminate during the term of the contract against a firearm entity or firearm trade association (Texas Government Code, Chapter 2271.002; 2274.002).

Service Provider hereby verifies that it does not boycott Israel, and agrees that, during the term of this agreement, will not boycott Israel as this term is defined in the Texas Government Code, Section 808.001, as amended. Service Provider hereby verifies that it does not boycott energy

companies, and agrees that, during the term of this agreement, will not boycott energy companies as this term is defined in Texas Government Code, Section 809.001, as amended. Service Provider hereby verifies that it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and agrees that, during the term of this agreement, will not discriminate against a firearm entity or firearm trade association as those terms are defined in Texas Government Code, Section 2274.001, as amended.

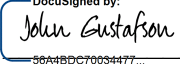
Further, Service Provider hereby certifies that it is not a company identified under Texas Government Code, Section 2252.152 as a company engaged in business with Iran, Sudan, or Foreign Terrorist Organizations.

[SIGNATURE PAGE TO FOLLOW]

37. ACCEPTANCE.

PASSED AND APPROVED BY THE CITY OF FAIR OAKS RANCH CITY COUNCIL MEETING AT A TIME AND PLACE IN COMPLETE CONFORMITY WITH THE OPEN MEETING LAWS OF THE STATE OF TEXAS AND ALL OTHER APPLICABLE LAWS THIS 15 DAY OF August, 2024.

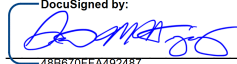
FRONTIER TEXAS VENTURES I, LLC

By:  DocuSigned by:
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Name: John Gustafson

Title: President

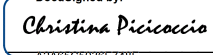
CITY OF FAIR OAKS RANCH, TX

By:  DocuSigned by:
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Name: Scott M. Huizenga

Title: City Manager

ATTEST:

By:  DocuSigned by:
AZA65C5036E748E...

Name: Christina Picioccio

Title: City Secretary