

**NORTH CAROLINA**

**SERVICES AGREEMENT  
OVER \$50,000**

**WAKE COUNTY**

THIS AGREEMENT, is made and entered into this 12<sup>th</sup> day of September, 2018 by and between Wake County, North Carolina (the "County") party of the first part; and Central Carolina Holdings, LLC (the "Provider"), party of the second part;

WITNESSETH:

For the purpose and subject to the terms and conditions hereinafter set forth, the County hereby contracts for the services of the Provider, and the Provider agrees to provide the services to the County in accordance with the terms of this Agreement.

**I.SERVICES TO BE PROVIDED**

The services to be performed by the Provider are described in Attachment A.

Provider shall not sub-contract all or any part of the services provided for in this Agreement without written approval of the County.

**II.TERM**

The services of the Provider shall begin on November 1, 2018, and unless sooner terminated by mutual consent, shall be provided until October 31, 2023 with two, one-year optional extension at the discretion of Wake County.

**III.MAXIMUM AMOUNT PAYABLE**

Twelve million, six hundred and ninety-seven thousand eight hundred and four dollars (\$12,697,804.00)

- FY 2019 the approximate amount is \$1,393,649
- FY 2020 the approximate amount is \$2,256,549
- FY 2021 the approximate amount is \$2,448,015
- FY 2022 the approximate amount is \$2,655,747
- FY 2023 the approximate amount is \$2,881,124
- FY 2024 the approximate amount is \$1,062,721

**IV.PAYMENT**

Provider shall submit an invoice for services provided. The invoice shall contain Provider's name and federal tax identification number and shall be signed and dated by an officer of Provider. It shall detail all services provided in payment requests. The County will make payments to Provider upon receipt of and approval of the invoice by the contracting department.

**V.RELATIONSHIP OF PARTIES**

Provider is an independent contractor of the County. Provider represents that it has or will secure, at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this Agreement shall be fully qualified and shall be authorized or permitted under state and local law to perform such services. It is further agreed that the Provider will obey all State and Federal statutes,

rules and regulations that are applicable to provisions of the services called herein. Neither Provider nor any employee of the Provider shall be deemed an officer, employee or agent of the County.

#### VI. CANCELLATION

This Agreement may be canceled by Provider upon thirty (30) days' written notice to the County, and the County may terminate this agreement upon thirty (30) days' written notice to Provider.

#### VII. INSURANCE REQUIREMENTS

The Provider shall obtain, at its sole expense, all insurance required in the following paragraphs and shall not commence work until such insurance is in effect and certification thereof has been received by Wake County's Finance Office. If any required insurance policy expires during the term of this agreement, Provider must provide a certificate of insurance to the Wake County Finance as evidence of policy renewal prior to such policy expiration.

Provider signature on this agreement indicates that Provider agrees to the terms of this insurance section and understands that failure to comply may result in cancellation of this agreement at Wake County's option.

Workers' Compensation Insurance, with limits for Coverage A Statutory- for State of North Carolina and Coverage B - Employers Liability \$500,000 each accident/disease each employee/disease policy limit.

Commercial General Liability, with limits no less than \$1,000,000 per occurrence and \$2,000,000 aggregate, including contractual liability.

Commercial Automobile Liability, with limits no less than \$1,000,000 per occurrence for bodily injury and property damage for any vehicle used during performance of contract services, including coverage for owned, hired, and non-owned vehicles. Evidence of commercial automobile coverage is only necessary if vehicles are used in the provision of services under this Agreement.

Professional Liability Insurance, applicable to any professional services provided under this Contract with limits of no less than \$1,000,000 per claim and \$2,000,000 aggregate.

If any coverage is on a claims-made basis, Provider agrees to maintain a retroactive date prior to or equal to the effective date of this Agreement and to purchase and maintain Supplemental Extended Reporting Period or 'tail coverage' with a minimum reporting period of not less than three (3) years if the policy expires or is cancelled or non-renewed. If coverage is replaced, the new policy must include full prior acts coverage or a retroactive date to cover the effective dates of this Agreement. Provider shall provide a Certificate of Insurance annually to Wake County indicating any claims made coverage and respective retroactive date. The duty to provide extended coverage as set forth herein survives the effective dates of this Agreement.

All insurance companies must be authorized to do business in North Carolina and have an AM Best rating of "A-/VII" or better; or have reasonable equivalent financial strength to the satisfaction of the County's Finance Office. Proof of rating shall be provided to the county upon request.

Insurance with limits no less than those specified above shall be evidenced by a Certificate of Insurance issued by a duly authorized representative of the insurer and dated no more than thirty (30) days prior to the start date of the agreement. In the case of self-insurance, a letter of explanation must be provided to and approved by Wake County Risk Management.

The Provider shall be responsible for providing immediate notice of policy cancellation or non-renewal during the term of this Agreement to the Wake County Finance Office and for three years subsequent for any claims made coverage.

If Provider does not meet the insurance requirements specified above, alternate insurance coverage satisfactory to Wake County may be considered. Any requests for consideration of alternate coverage must be presented by Provider PRIOR TO provision of any services associated with this Agreement.

In the event that Provider uses subcontractors to perform any of the services under this Agreement, then and in that event, Provider shall contractually require such subcontractor(s) to meet all of the requirements of this section.

#### VIII. INDEMNIFICATION

Provider agrees to defend, indemnify, and hold harmless the County, for all loss, liability, claims or expense (including reasonable attorney's fees) arising from bodily injury, including death or property damage, to any person or persons caused in whole or in part by the negligence or misconduct of the Provider, except to the extent same are caused by the negligence or willful misconduct of the County. It is the intent of this section to require Provider to indemnify Wake County to the extent permitted under North Carolina law.

#### IX. NO WAIVER OF SOVEREIGN IMMUNITY

Wake County and the Provider agree that nothing in this Agreement shall be construed to mandate purchase of insurance by Wake County pursuant to N.C.G.S. 153A-435; or to be inconsistent with Wake County's "Resolution Regarding Limited Waiver of Sovereign Immunity" enacted October 6, 2003; or to in any other way waive Wake County's defense of sovereign or government immunity from any cause of action alleged or brought against Wake County for any reason if otherwise available as a matter of law.

#### X. NON-ASSIGNMENT

Provider shall not assign all or any portion of this Agreement, including rights to payments, to any other party without the prior written consent of the County.

#### XI. ENTIRE AGREEMENT

The parties have read this Agreement and agree to be bound by all of its terms, and further agree that it constitutes the complete and exclusive statement of the Agreement between the parties unless and until modified in writing and signed by the parties. Modifications may be evidenced by telefacsimile signatures.

#### XII. NON-APPROPRIATION

Provider recognizes that Wake County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate.

In the event that public funds are not available and not appropriated to purchase the services specified in this Agreement, then this Agreement shall automatically expire without penalty to Wake County and without the thirty (30) day notice requirement set forth in Section VI.

In the event of a legal change in Wake County's statutory authority, mandate, and mandated functions which adversely affects Wake County's authority to continue its obligations under this Agreement, then this Agreement shall automatically expire without penalty to Wake County and without the thirty (30) day notice requirement set forth in Section VI.

#### XIII. GOVERNING LAW

Both parties agree that this Agreement shall be governed by the laws of the State of North Carolina.

#### XIV. E-VERIFY REQUIREMENTS

To ensure compliance with the E-Verify requirements of the General Statutes of North Carolina, all contractors, including any subcontractors employed by the contract(s), by submitting a bid, proposal or any

other response, or by providing any material, equipment, supplies, services, etc, attest and affirm that they are aware and in full compliance with Article 2 of Chapter 64, (NCGS 64-26(a)) relating to the E-Verify requirements.

**XV. IRAN DIVESTMENT**

By signing this agreement; accepting this contract/purchase order; or submitting any bid, proposal, etc., vendors and contractors certify that as of the date of execution, receipt, or submission they are not listed on the Final Divestment List created by the NC Office of State Treasurer pursuant to NCGS 147 Article 6E, Iran Divestment Act, Iran Divestment Act Certification. Vendors and contractors shall not utilize any subcontractor that is identified on the Final Divestment List. Any organization defined under NCGS 147-86.80(2), Divestment from Companies Boycotting Israel, shall not engage in business totaling more than \$1,000 with any company/business, etc. that boycotts Israel. A list of companies that boycott Israel is maintained by the NC Office of State Treasurer, pursuant to NCGS 147-86.81(a)(1). Any company listed as boycotting Israel is not eligible to do business with any State agency or political subdivision of the State.

**XVI. FEDERAL FUNDS**

If the source of funds for this contract is federal funds, the following federal provisions apply pursuant to 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II (as applicable): Equal Employment Opportunity (41 C.F.R. Part 60); Davis-Bacon Act (40 U.S.C. 3141-3148); Copeland "Anti-Kickback" Act (40 U.S.C. 3145); Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708); Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387); Debarment and Suspension (Executive Orders 12549 and 12689); Byrd Anti-Lobbying Amendment (31 U.S.C. 1352); Procurement of Recovered Materials (2 C.F.R. § 200.322); and Record Retention Requirements (2 CFR § 200.324)

**WAKE COUNTY, NORTH CAROLINA**

**PROVIDER**

By: \_\_\_\_\_  
Wake County Department Head

By: \_\_\_\_\_  
Central Carolina Holdings, LLC

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Wake County Manager or Designee

Central Carolina Holdings, LLC  
1616 McKoy Town Rd  
Cameron, NC 28326  
Mailing Address

Date: \_\_\_\_\_

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

\_\_\_\_\_  
FINANCE DIRECTOR

The person responsible for monitoring the contract performance requirements is

Meghan Baldwin

\_\_\_\_\_ Department Head Initials

## Attachment A

### Scope of Provider Services

Provide services to collect, transport and process scrap tires collected at various facilities in an environmentally sound manner and in compliance with all applicable local, state, federal and international laws and treaties. Wake County Solid Waste Management Division operates three County owned Facilities that collect scrap tires from residents and businesses. Additionally, scrap tires are collected a several remote locations throughout the County.

#### 1. Collection Sites

Wake County Solid Waste Management Division operates three County owned Facilities that collect scrap tires from residents and businesses. Additionally, scrap tires are collected a several remote locations throughout the County.

##### Wake County Facilities:

- a. North Wake Facility, 9029 Deponie Drive, Raleigh, NC 27614
- b. South Wake Facility, 6130 Old Smithfield Road, Apex, NC 27502
- c. East Wake Facility, 5051 Wendell Boulevard, Wendell, NC 27591

Scrap tires collected at the North Wake Facility are collected at loading wall that accommodates 2 trailers at a time. Scrap tires collected at the South Wake Facility will be collected in an old transfer station facility bay that can accommodate 1 trailer at a time. Both the North and South Wake Facilities have space to stage switch-out trailers. At the East Wake Facility, one trailer is staged at a loading dock and a Wake County site attendant will load the tires into the trailer.

- d. Colony Tire, 3116 Capital Blvd, Raleigh, NC 27604-3336
- e. McCarthy Tire 817 Purser Dr, Raleigh, NC 27603-4152
- f. Piedmont Truck, 6125 Westgate Road, Raleigh, NC 27617-761
- g. Snider Tire, 1250 Intrepid, Raleigh, NC 27610-7610
- h. Wingfoot, 460 Reedy Creek Rd, Cary, NC 27513-4114
- i. Tire Guy, 630 Rock Quarry Rd, Raleigh, NC 27610-3818
- j. Black's Tire Service, 4201 Capital Blvd, Raleigh, NC 27604-4310

Current service Provider stages trailers at the remote locations and trailers are loaded by site owner. Wake County pays the transportation and tip fee associated with the hauling of the scrap tires.

#### 2. Hours of Operation

- a. The North and South Wake Facility is open Monday through Saturday, 8:00 am to 4:00 pm.
- b. The East Wake Facility is open Saturday through Sunday, 8:00 am to 4:00 pm.
- c. Wake County Facilities are closed on New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Eve (at noon) and Christmas.
- d. The County may alter the hours of operation from time to time to provide for safe operations during inclement weather, unusual or emergency conditions or different holiday schedules. All changes will be made in writing with a reasonable amount of time to make adjustments.
- e. Provider will be provided with keys to access facilities for switch-outs.

#### 3. Daily Operations

- a. Provider shall furnish, maintain and replace as needed all personnel, labor, equipment, containers, vehicles, maintenance, tools, parts, supplies and all other items to accept, store, transport and

process scrap tires that are delivered to Wake County Facilities, all in accordance with the provisions of this Agreement.

- b. Provider shall not deny service to any residential or commercial customer during the Hours of Operation. Services may be altered from time to time subject to the mutual agreement of the parties.
- c. Provider shall comply with all regulations concerning the collection, storage, transportation and processing of scrap tires collected at the Wake County Facilities.

#### **4. Equipment**

- a. Provider shall service containers at each site as to maintain all containers with sufficient capacity to meet customer disposal needs.
- b. Collection containers shall be placed in an orderly fashion on site to enable customers can easily access them.
- c. Storage time and restrictions will be determined by Federal, State, and local regulations safety considerations, space demands and expense to the County for frequent pick-up by the provider.
- d. Provider shall be responsible for providing and maintaining equipment necessary to collect, transport and process scrap tires at the North Wake and South Wake Facilities.
- e. Provider shall provide all required maintenance, repair, and rehabilitation of equipment necessary to collect, transport and process scrap tires to ensure that it remains clean, free of defects, safe, in compliance with the all applicable local, state and federal regulations.
- f. Provider shall use equipment and vehicles that meet all local, state and federal rules and regulations.
- g. Unsuitable vehicles and equipment or vehicles shall not be stored at any Wake County Facility location. Provider shall not wash/clean equipment or vehicles at any Wake County Facility location. Provider shall notify the County immediately if any spills or leaks from equipment occur, and Provider shall take appropriate action to contain and clean-up spills or leaks.
- h. Provider shall remove or paint over graffiti from equipment within one business day of it being identified.
- i. Upon approval by the County, permanent increases or decreases in equipment may result in an increase or decrease in the monthly cost to the County.

#### **5. Site Conditions**

- a. Provider shall maintain the areas where containers are placed for use and storage.
- b. Trash, recyclable material and litter must be collected daily and placed into appropriate containers on site.

#### **6. Labor**

- a. All staff shall be qualified to perform all of the duties and responsibilities assigned, including but not limited to:
  - i. Adequate physical strength and capabilities
  - ii. Ability to interact positively with customers
  - iii. Good communication skills
  - iv. A basic understanding of solid waste management
- b.
- c. Provider shall maintain documents on staff background, qualifications and training, and provide to the County as requested.

- d. Provider must immediately notify Wake County of any Wake County Facility staff changes.
- e. Provider shall provide qualified and trained staff for the transportation of materials from the Wake County Facilities. Each equipment vehicle operator shall always carry a valid North Carolina Commercial Driver's License (CDL) for the type of vehicle or equipment that is being operated. Vendor must take appropriate action to ensure that vehicle operators abide by all laws, rules and regulations.
- f. The County reserves the right to adjust staffing needs at each site to ensure services are performed efficiently and effectively.
- g. The County reserves the right to change staffing providers at Wake County Facilities.
- h. The County retains the rights to request the disciplinary action including and up to the removal of staff from the sites.
- i. Scavenging of any kind, by anyone is prohibited. Staff shall not scavenge or allow others to scavenge at any time and must immediately report all scavenging to the Provide and the County. Provider shall terminate employees that have been confirmed to have scavenged material from Wake County Facilities.

#### **7. Staff Duties**

- a. Approach, greet and assist customers in a professional manner.
- b. Provide assistance to customers, including assisting with unloading of customer's scrap tires.
- c. Be available to answer customer questions and provide information to the customers as needed.
- d. Contact provider when containers are full and ready for collection.
- e. Maintain a visual presence to ensure that materials scrap tires are placed in the appropriate location.
- f. Maintain records and appropriate paper work on site.
- g. Unlock and lock any gates associated with the scrap tire operation when opening/closing North or South Wake sites.
- h. Unlock and lock gates when switching out trailers outside of normal business hours.
- i. Comply with Wake County's Emergency Response and Safety Plans.

#### **8. Safety and Compliance**

- a. Provider shall comply with all requirements within the Spill Prevention, Control and Countermeasure (SPCC) Plan when storing fuel onsite.
- b. Provider shall comply with all requirements within the Stormwater Pollution Prevention Plan (SPPP) when storing fuel onsite.
- c. Provider shall ensure trucks and trailers meet federal and state DOT regulations.
- d. All smoking, defined in G.S. 130A-492 is hereby prohibited in all buildings owned, leased, or occupied by the County. It is further ordained, all smoking is prohibited within 50 linear feet of a building owned, leased, or occupied by the County which houses a Human Services Department. This statute shall apply to all Wake County Convenience Centers.
- e. Provider shall comply with all Fire Marshall building code requirements.
- f. Provider shall comply will all applicable Federal, State and local rules, regulations and permit conditions.
- g. All containers must be transported in accordance with all applicable Federal, State and Local requirements.

- h. Provider shall also operate and maintain vehicles and containers to prevent roadside litter during transport.

**9. Contract Rates**

Item	Rate	Unit
<b>Labor<sup>1</sup></b>		
North Wake Site Attendant	<b>\$13.50</b>	per ton
South Wake Site Attendant	<b>\$13.50</b>	per ton
<b>Equipment</b>		
North Wake Yard Truck	<b>\$250.00</b>	per month
South Wake Yard Truck	<b>\$250.00</b>	per month
<b>Hauling<sup>2</sup></b>		
Loaded Haul Rate from North Wake	<b>\$280.00</b>	per haul
Loaded Haul Rate from South Wake	<b>\$192.50</b>	per haul
Loaded Haul Rate from East Wake <sup>3</sup>	<b>\$280.00</b>	per haul
Cost Per Loaded Mile from Remote Sites	<b>\$3.50</b>	per mile
<b>Processing<sup>4</sup></b>		
Disposal Fee	<b>\$54.00</b>	per ton
Revenue Rate for Reusable Tires	<b>\$90.00</b>	per ton
Gate Tip Fee for Self-Haul Customers <sup>5</sup>	<b>\$3.00</b>	per ton

**10. Consumer Price Index**

- a. The initial Pricing to be assessed by the Provider to the County for services required shall be valid for the period extending from November 1, 2018 through June 30, 2019, plus the two, one-year contract extension options. Adjustments to the Pricing shall be made on an annual basis, beginning July 1, 2019, in accordance with the Adjustment Factors described below. No cost adjustment factors shall be applied to unit charges related to container and equipment rental charges.
- b. Consumer Price Index (CPI) Adjustment Factor shall be applied to the unit charges for Labor and Haul rates only. The unit charge adjustment factor shall be calculated based on the CPI, All Urban Consumers Southeast. In all cases. The adjustments to the unit prices will be made up or down, as indicated by the change in the index. The maximum increase in any one year is limited to 3 percent. The unit rates for Labor and Hauling may only by adjusted on July 1, 2019, 2020, 2021, 2022 and 2023 based on changes in the CPI. The base CPI for the contract shall be calculated using the average of the monthly CPI values reported for the 12-month period extending from March through February.

<sup>1</sup> Labor shall include all costs associated with the staffing and operation of the North and South Wake Facilities.

<sup>2</sup> Hauling Rate shall include the all costs associated with the transporting trailers to the drop off facilities, staging trailers, switching out trailers, transporting loaded trailers, fuel, and any other associated expenses.

<sup>3</sup> Based on a 10 ton minimum payload. Underweight loads may be assessed on a 10 ton minimum disposal fee.

<sup>4</sup> Processing fee is the cost associated with the disposal, recycling and/or reuse of tires. Any non-passenger tires collected will be assessed a \$0.20 per pound surcharge.

<sup>5</sup> If a Wake County resident or business direct hauls tire to the disposal facility, this is the tip fee that would be charged to Wake County



- c. Rate changes for Labor and Hauling shall be adjusted on July 1, 2019 based on a comparison of the average of the monthly CPI values reported for the 12-month period extending from March 1, 2018 to February 28, 2019 with the base CPI value. CPI adjustments will be made in the same fashion in subsequent years.
- d. Rate changes for disposal fees may be adjusted annually beginning July 1, 2019, if the Provider provides Wake County with supporting information and data regarding the proposed disposal fee value for the upcoming contract year at least 60 days prior to the end of each contract year. A proposed disposal fee change shall be based upon described changes to the end market demand for the product produced from scrap tires and may be adjusted up or down depending upon the market(s). Information provided shall compare the year to year changes in the end markets to justify the changes. Disposal fee adjustments shall be made in the same fashion in subsequent years.

**11. Invoicing and Data**

- a. The Provider shall submit monthly electronic invoices to Wake County by the tenth business day of the month for the preceding month to [meghan.baldwin@wakegov.com](mailto:meghan.baldwin@wakegov.com).
- b. The provider shall also submit electronic monthly data with monthly invoices in a format provided by Wake County by the tenth business day of the month for the preceding month to [meghan.baldwin@wakegov.com](mailto:meghan.baldwin@wakegov.com).