

**SCHEDULE 2.1(c)**  
**STATEMENT OF WORK FOR DEPOT COLLECTION SERVICES**

This Statement of Work is incorporated into and forms part of the Master Services Agreement made between Village of Port Alice ("Contractor") and Multi-Material BC Society ("MMBC") made as of November 30, 2013 (the "Agreement"). The effective date of this Statement of Work (the "SOW Effective Date") is November 30, 2013.

**SECTION 1. Interpretation**

1.1 **Definitions.** In this Statement of Work, the following terms will have the following meaning. Capitalized terms used but not defined in this Statement of Work will have the respective meanings ascribed to them in the Agreement.

"**Agreement**" has the meaning set out on the first page of this Statement of Work.

"**Container**" means any container used for storage of In-Scope PPP at a Depot.

"**Corrugated Cardboard**" or "**OCC**" means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards.

"**Customer**" means all British Columbia residential users of the SOW Services at a Depot listed in the Service Area.

"**Depot**" means a location operated by Contractor to which In-Scope PPP can be delivered by Customers, and includes all surrounding portions of such site from the public entrance way onward, including any parking lots, buildings, and storage facilities.

"**Designated Post-Collection Service Provider**" means the entity, designated by MMBC, responsible for removing the Contractor-collected In-Scope PPP from the Depot.

"**In-Scope PPP**" mean the PPP set out in Attachment 2.1.2 and such other materials identified as In-Scope PPP by MMBC in writing from time to time.

"**Industrial, Commercial and Institutional**" or "**ICI**" means any operation or facility other than a residential household, including: industrial operations of any size; commercial operations of any size including small businesses with one or more employees, retail stores, offices, strip malls and vacation facilities, such as hotels, motels, cottages, cabins and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional operations of any size including schools, churches, community buildings, local government buildings, arenas, libraries, fire halls, police stations, social or community service organizations and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

"**Non-PPP Items**" means any material that is not In-Scope PPP.

"**Reuse**" means conventional reuse where the item is used again whole and intact for the same function (e.g. a refillable milk bottle refilled with milk by a dairy), and next-life reuse where the item is used for a different function (e.g. a wine bottle reused to hold flowers).

"**Scavenge**" means unauthorized rerouting of collected In-Scope PPP to anyone other than the Designated Post-Collection Service Provider. Scavenging does not include the diversion of In-Scope PPP for Reuse.

"Service Area" means the Depots at specific physical locations or the Depots that are mobile or transitory when at approved locations, in each case identified in Attachment 2.1.1

"Service Commencement Date" means May 19, 2014.

"SOW Effective Date" has the meaning set out on the first page of this Statement of Work.

"SOW Services" has the meaning set out in Section 2.

- 1.2 Attachments. As of the Effective Date, the following Attachments form part of this Agreement (note that Attachment numbering is not sequential and is based on a related section reference):

Attachment	Description
Attachment 2.1.1	– Service Area
Attachment 2.1.2	– In-Scope PPP
Attachment 3.4	– Service Level Failures
Attachment 5	– Fees

## SECTION 2. SERVICES

Contractor will provide, on the terms and conditions set out in the Agreement as supplemented and modified by the terms and conditions of this Statement of Work, the following Services (the "SOW Services"):

- 2.1 Depot Collection Services. Beginning on the Service Commencement Date, Contractor will collect In-Scope PPP from residential Customers at Depots located within the Service Area as further described in this Section 2.1 (the "Depot Collection") and in accordance with the terms of the Agreement and this SOW.

### 2.1.1 Service Area.

- (a) Contractor will perform Depot Collection at the Depots listed in the Service Area.
- (b) Contractor will provide notice to MMBC, at least 60 days in advance, of any location at which a mobile or transitory Depot will be operating. Each mobile or transitory Depot must be associated with a primary fixed location Depot.
- (c) Contractor may request to add Depots to the Service Area. MMBC will consider the request and may add the Depots to the Service Area on a date to be agreed by MMBC and Contractor. When notified, Contractor will perform Depot Collection starting on the date provided by MMBC in such notice, and Fees will be adjusted in accordance with SECTION 5.
- (d) Contractor may request to remove Depots from the Service Area. MMBC will consider the request and may remove the Depots from the Service Area on a date to be agreed by MMBC and Contractor. Fees will be adjusted in accordance with SECTION 5.

### 2.1.2 PPP Materials.

- (a) Contractor will collect all In-Scope PPP that Customers bring to a Depot.

- (b) Collected In-Scope PPP may not contain more than three percent (3%) by weight of Non-PPP Items. PPP picked-up by the Designated Post-Collection Service Provider will consist of no more than three percent (3%) by weight of Non-PPP Items. Loads exceeding three percent (3%) by weight of Non-PPP Items may be subject to rejection by the Designated Post-Collection Service Provider and Service Level Failure Credits.
- (c) Notwithstanding Section 2.1.2(b) above, Contractor may not collect, and collected In-Scope PPP may not contain, any packaging containing hazardous or special waste under this SOW.

#### 2.1.3 Collection.

- (a) Contractor will not place limits on the quantity of In-Scope PPP delivered by Customers if the In-Scope PPP is from a household.
- (b) Where a Depot is at a specific physical location, the Depot must be staffed when open to Customers and securely fenced and locked when closed to Customers.
- (c) Where a Depot is mobile or transitory and available to Customers for a portion of a single day, the Depot must be staffed when open to Customers and all aspects of the Depot Collection service must be removed or rendered inaccessible to Customers and other members of the public when the Depot is closed to Customers or, at a minimum, at the end of the operating day.
- (d) Contractor will monitor the quality of In-Scope PPP received from Customers. Customers delivering Non-PPP Items are to be instructed to remove these items from future deliveries of In-Scope PPP. The Contractor may refuse to accept Non-PPP Items from Customers.
- (e) Unless otherwise agreed with the Designated Post-Collection Service Provider, if Contractor is:
  - (i) Baling printed paper, paper packaging and/or OCC, the minimum bale density must be 450 kg per cubic meter;
  - (ii) Baling polyethylene film packaging, the minimum bale density must be 350 kg per cubic meter;
  - (iii) Baling polystyrene foam packaging, the minimum bale density must be 75 kg per cubic meter; or
  - (iv) Densifying polystyrene foam packaging, the minimum biscuit density must be 275 kg per cubic meter.

#### 2.1.4 Containers

- (a) Containers to be removed from the Depot for transport of In-Scope PPP by the Designated Post-Collection Service Provider will be provided by the Designated Post-Collection Service Provider.
- (b) Upon termination or expiration of this SOW or the Agreement, Containers provided by the Designated Post-Collection Service Provider and used by the Contractor to provide Depot Collection will revert to the Post-Collection Service Provider.
- (c) The provision of any Containers intended to remain at the Depot such that the Container is not removed by the Designated Post-Collection Service Provider will

be provided by Contractor. Upon termination or expiration of this SOW or the Agreement, Containers provided by Contractor to provide the Depot Collection service will remain the property of Contractor.

- (d) If Contractor does not allow In-Scope PPP to be in single-use plastic bags when put in Containers, Contractor will not start allowing In-Scope PPP in single-use plastic bags in Containers without MMBC's prior written approval

#### 2.1.5 Designated Post-Collection Service Provider.

- (a) The Designated Post-Collection Service Provider will pick-up the collected In-Scope PPP from each fixed location Depot. Contractor is responsible for transporting In-Scope PPP collected at a mobile or transitory Depot to the applicable fixed location Depot.
- (b) Contractor will maintain all collected In-Scope PPP for pick-up by the Designated Post-Collection Service Provider in a manner that is segregated, at a minimum, as set out in Attachment 2.1.2, and which is baled (or not baled) in accordance with the selections in the table(s) in Section 1(a) of Attachment 5.
- (c) Contractor will ensure all collected In-Scope PPP is issued to a Designated Post-Collection Service Provider and Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection therewith. Contractor will not release In-Scope PPP to anyone other than the Designated Post-Collection Service Provider or dispose of any collected In-Scope PPP without prior written authorization from MMBC.
- (d) Contractor will store In-Scope PPP in a manner acceptable to the Designated Post-Collection Service Provider.
- (e) MMBC may change the Designated Post-Collection Service Provider upon 30 days' notice.
- (f) If the Designated Post-Collection Service Provider refuses to receive In-Scope PPP from Contractor due to a verified claim that Contractor's collected In-Scope PPP contains more than three percent (3%) by weight of Non-PPP Items or contains any hazardous or special waste, MMBC reserves the right to designate an alternative Designated Post-Collection Service Provider and deduct any additional costs associated with use of the alternative Designated Post-Collection Service Provider from the Fees due to Contractor.

#### 2.1.6 PPP from Industrial, Commercial and Institutional Sources

- (a) Contractor will separate residential In-Scope PPP from ICI In-Scope PPP where practical and feasible to accommodate separate weighing of residential In-Scope PPP.
- (b) Where it is not practical and feasible to segregate ICI In-Scope PPP from residential In-Scope PPP, 25% (the "ICI Deduction Percentage") of collected PPP will be deducted from the weight of the In-Scope PPP to reflect ICI In-Scope PPP. MMBC will monitor the quantity of In-Scope PPP collected at Depots and, should the quantity collected at a specific Depot or group of Depots be higher than the typical capture rate of residential In-Scope PPP available for collection (consistent with other Depots), MMBC will increase the ICI Deduction Percentage

so that the quantity of residential In-Scope PPP collected at these Depots is within the typical range of residential In-Scope PPP collected at similar Depots.

(c) Contractor may request an adjustment to the ICI Deduction Percentage. To support a request to reduce the ICI Deduction Percentage, Contractor must either:

1. Accept only residential In-Scope PPP and support this policy by
  - Communicating to the community being served by the Depot that only In-Scope PPP from households is accepted at the Depot and that ICI In-Scope PPP is not accepted by making this statement prominently on the Depot's website, in all Depot communications materials and on signs at the Depot; and
  - Documenting how the residential-only policy is implemented and enforced by Depot staff.

or

2. Provide records to confirm that the ICI In-Scope PPP received at the Depot represents less than 25% of the In-Scope PPP received at the Depot. Records would be comprised of:
  - The number of vehicles from a residential address that did not contain ICI In-Scope PPP and the number of vehicles containing ICI In-Scope PPP over a period that represents at least 20% of the annual tonnage collected by the Depot; and
  - The weight of residential In-Scope PPP and the weight of ICI In-Scope PPP received over a period that represents at least 20% of the annual tonnage collected by the Depot.

Applications received will be reviewed by MMBC. A decision to reduce the factor is solely at MMBC's discretion but will not be unreasonably withheld if the information provided in the application is complete, considered to be accurate and reliable and supports a lower factor.

#### 2.1.7 Spillage.

- (a) All In-Scope PPP collected by Contractor will be completely contained at the Depot location at all times.
- (b) Any spillage of materials that occurs during Depot Collection will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and of its clean-up, and will make such records available to MMBC on request, and if requested by MMBC, as part of a regular report to be delivered with such frequency as requested by MMBC (but not more frequently than monthly). Contractor expressly acknowledges it is solely responsible for any violations of Applicable Law that may result from said spillage.
- (c) Without limiting subsection (b) above, any discharge of liquid wastes or oils that may occur at Depots will be promptly cleaned up or removed by Contractor and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with photographs and notice of such clean-up or removal will be provided to MMBC in writing. Contractor will comply with all Applicable Laws in respect of ground-water or drainage systems safety and standards.

2.1.8 Schedule.

- (a) Contractor will indicate the day(s) of the week that Depot Collection will occur for each Depot.
- (b) Contractor may change the day(s) of the week that Depot Collection will be available to Customers by giving written notice to MMBC at least 45 days prior to the effective date of the proposed change and obtaining written approval from MMBC. If MMBC approves the proposed change, Contractor will provide Customers with a minimum of 30 days' notice of the schedule change.
- (c) Contractor will provide collection on the day(s) of the week specified under Section 2.1.8(a) regardless of weather conditions, unless weather conditions are such that continued operation would result in danger to Contractor personnel, Customers or property. Contractor will maintain accurate records of all disruptions to Service that are due to hazardous weather, including time closed.

2.1.9 Pilot Programs.

- (a) MMBC may wish to test or implement one or more new services or developments in PPP material segregation, processing, or collection technology. MMBC will notify Contractor in writing at least 90 days prior of its intention to implement a pilot program or of its intentions to utilize a new technology system in a Service Area. The costs (or savings) accrued by MMBC-initiated pilot programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the main body of the Agreement. If MMBC deems the pilot a success, and desires to incorporate the service or development represented in the pilot program into this SOW, such a change will be made pursuant to Section the change process in Section 2.2 of the main body of the Agreement.
- (b) Contractor-initiated pilot programs will require prior written notification to and written approval by MMBC. Contractor-initiated pilot programs will be performed at no additional cost to MMBC.

2.2 Customer Service.

2.2.1 Customer Service Requirements

- (a) Contractor will staff Depot with sufficient staff to provide personal Customer service, educate Customers regarding In-Scope PPP accepted and avoid Customer delay.
- (b) Contractor will place signage at the Depot to assist Customers in delivering In-Scope PPP to the appropriate areas of the Depot. Signage is to incorporate images and graphics available from MMBC, should clearly state the Depot's hours of operation and is subject to approval by MMBC.
- (c) Contractor's Customer service office and call center will be accessible by a local area code and prefix phone number. Customer service representatives will be available through Contractor's call center during office hours for communication with Customers and MMBC representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls, and include in the message

an emergency telephone number for Customers to call outside of normal office hours in case of an emergency.

- (d) Contractor will maintain a twenty-four (24) emergency telephone number for use by MMBC. Contractor will have a representative, or an answering service to contact such representative, available at such emergency telephone number for MMBC-use during all hours, including normal office hours.
- (e) Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service.

#### 2.2.2 Customer Service Representative Staffing

- (a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by all methods including telephone, letters, e-mails and text messages. If staffing is deemed to be insufficient by MMBC to handle Customer complaints and service requests in a timely manner, the Contractor will increase staffing levels to address the performance deficiency.
- (b) Contractor will provide additional staffing from Service Commencement Date through the end of the fourth month after the Service Commencement Date to ensure that sufficient staffing is available to minimize Customer waits and inconvenience and Customers are engaged in how to use the Depot Collection service for the In-Scope PPP. Contractor will receive no additional compensation for increased staffing levels during the implementation period. Staffing levels during the implementation period will be subject to prior MMBC review and approval.

#### 2.2.3 Customer Complaints and Requests

- (a) Contractor will record all Customer complaints and service requests, regardless of how received, including date, time, Customer's name and address, if the Customer is willing to give this information, method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Any telephone calls received via Contractor's non-office hours voice mail or answering service will be recorded in the log the following business day. Contractor will make a conscientious effort to resolve all complaints and service requests within twenty-four (24) hours of the original contact. If a longer response time is necessary for complaints or requests, the reason for the delay will be noted in the log, along with a description of Contractor's efforts to resolve the complaint or request.
- (b) Customer service log will be available for inspection by MMBC during Contractor's office hours, and will be in a format approved by MMBC. Contractor will provide a copy of this log in an electronic format from the Microsoft Office suite of software to MMBC on request, and if requested by MMBC, as part of a regular report to be delivered with such frequency as requested by MMBC (but not more frequently than monthly).

### 2.3 Promotion and Education.

- 2.3.1 Where the Contractor is not a local government, MMBC will have primary responsibility for developing, designing, and executing public promotion, education, and outreach programs. The Contractor will provide MMBC with assistance and

cooperation, including distributing MMBC-developed promotional and educational brochures and assisting with promotion, education and outreach programs at the direction of MMBC. Where Contractor is a local government, Contractor will have primary responsibility for executing public promotion, education, and outreach programs, incorporating MMBC-developed communications messages and images in Contractor public promotion, education, and outreach programs

- 2.3.2 Contractor will have primary responsibility for providing Customers service-oriented information such as hours of operation of the Depot.

### **SECTION 3. Performance Standards and Operational Requirements**

#### **3.1 Personnel Conduct.**

- 3.1.1 Contractor personnel performing Depot Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property.

#### **3.2 Facility Standards.** Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of Depot Collection.

- 3.2.1 Facilities used to perform Depot Collection will be of sufficient size and dimension to provide Depot Collection to Customers and access for Post-Collection Service Providers.
- 3.2.2 All Depot facilities will be maintained in a clean and sanitary manner. All collection areas will have appropriate safety markings, all in accordance with applicable law. Equipment will be maintained in good condition at all times. All facilities and the equipment to manage the In-Scope PPP will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to MMBC. All vehicles used by the facility for the management of In-Scope PPP will be equipped with variable tone or proximity activated reverse movement back-up alarms.
- 3.2.3 Contractor will receive prior written approval from MMBC for all Depot signage, including Contractor labeling and program information. Contractor will place MMBC-provided logos on Depot as directed at no additional cost to MMBC.

#### **3.3 SOW Record and Reporting Requirements.** In addition to the record keeping and reporting requirements in the Agreement, Contractor will:

##### **3.3.1 Service Delivery Reporting**

- (a) provide to MMBC, on the Service Commencement Date, a complete initial inventory of the equipment to be used to perform Depot Collection. Contractor will revise the inventory to reflect any changes.
- (b) maintain an electronic record of all Customer requests and complaints including: Customer name, mailing address, contact information (both telephone number and e-mail, if available) and mailing address; date of contact; results of Customer request, complaint, additional follow-up needed, follow-up conducted, results of follow-up, and educational or outreach materials provided.



- (c) maintain the following records, and such other records as may be requested by MMBC:
  - (i) Tonnage by the date on which the Designated Post-Collection Service Provider removed the In-Scope PPP from the Depot;
  - (ii) Changes to equipment or inventory; and
  - (iii) Customer communications related to Depot Collection including telephone calls, letters, e-mails and text messages.
- (d) make all records maintained pursuant to this Statement of Work available to MMBC upon request, and if requested by MMBC, will provide a regular (but no more frequently than monthly) report to MMBC, in a format and by a method approved by MMBC, setting out or summarizing (at MMBC's discretion) such records as may be indicated by MMBC for the reporting period.
- (e) upon MMBC's request, provide up to four ad-hoc reports each year, at no additional cost to MMBC. These reports may include Customer service database tabulations to identify specific Service Level or participation patterns or other similar information. Reports will be provided in MMBC-defined format and software compatibility. These reports will not require the Contractor to expend more than sixty (60) staff hours per year to complete.

### 3.3.2 Claims Reporting

- (a) All loads must be documented in a manner specified by MMBC, from time to time, including by a certified scale ticket provided by the Designated Post-Collection Service Provider, with Depot name and address, Designated Post-Collection Service Provider name and address, date, time, truck number, net weight by material type (by material types set out in Attachment 2.1.2, by baled versus loose, and for Category 5 PPP, by white versus coloured; MMBC's claim reporting system will be customized to display only the material types classifications applicable to Contractor, the terminology for which may differ than that set out in Attachment 2.1.2 ), and such other information as MMBC may designate (collectively, "Claim Information"). Standard tare weights for specific trucks may only be used on specific written permission of MMBC.
- (b) At least every two weeks, Contractor will report the Claim Information through MMBC's claims reporting portal, or through such other method as MMBC may designate.
- (c) MMBC will issue a claim summary to Contractor (which, if agreed by Contractor, MMBC, and Designated Post-Collection Service Provider, may be based on Claim Information directly provided to MMBC by the Designated Post-Collection Service Provider), and Contractor will review the claim summary for accuracy. Contractor must report to MMBC any content in the claim summary that Contractor disputes within 5 days of the claim summary being issued.
- (d) After MMBC has approved the Claim Information for Contractor, MMBC will issue a purchase order to Contractor, including a reference number. If MMBC requires an invoice for such purchase order and Contractor has the right to invoice for such purchase order, Contractor may then invoice MMBC for such purchase order. Contractor must include the purchase order reference number on its

invoice. For clarity, issuance of a claim summary does not indicate or evidence that MMBC has approved the applicable Claim Information.

- 3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, MMBC will be entitled to the applicable Service Level Failures set out in Attachment 3.4.

#### **SECTION 4. SOW Term**

This Statement of Work will commence on the SOW Effective Date and its initial term will continue until the expiry of a five (5) year period following the SOW Effective Date. MMBC may extend this Statement of Work for up to two (2) further periods of one (1) year each, by giving Contractor notice in writing not less than 30 days' before the expiration of the initial term or any such additional term or terms. The initial term and any such additional term or terms are herein referred to as the "SOW Term".

#### **SECTION 5. Fees**

The Fees payable by MMBC for the performance by Contractor of the SOW Services are set out in Attachment 5 to this Statement of Work, and such Fees begin after the Service Commencement Date.

#### **SECTION 6. Additional Terms**

- 6.1 No Double Charge. Contractor will not charge Customers a price for delivery of the SOW Services that includes the value of the Fees to be paid by MMBC under this Statement of Work.
- 6.2 Scavenging Forbidden. Contractor will not Scavenge, or permit any person (including its employees) to Scavenge, any materials from In-Scope PPP that have been delivered by Customers to the Depot) at any time and at any location during Contractor's performance of the Services or otherwise.
- 6.3 Risk. Contractor will bear all costs of receipt and storage of the In-Scope PPP. Contractor will be responsible for all risks, including risk of loss of, or damage caused by, the In-Scope PPP from the time the In-Scope PPP is received by Contractor until pick up by the Designated Post-Collection Service Provider. In-Scope PPP will be deemed to be delivered to the Designated Post-Collection Service Provider when picked up from Contractor's facility and accepted by the signature of an authorized representative of the Designated Post-Collection Service Provider. Contractor will be responsible for the cost of any damage to Containers or the Designated Post-Collection Service Provider facility caused by the Contractor.
- 6.4 Shared Services. Contractor may collect material other than In-Scope PPP at the Depot if the activities do not interfere with Depot Collection of In-Scope PPP from Customers.
- 6.5 No Exclusivity. Execution of this SOW does not confer to Contractor exclusive access to Customers in the Service Area for the provision of Depot Collection.

(Signature page follows.)

**ATTACHMENT 2.1.1 TO SCHEDULE 2.1(c)  
SERVICE AREA**

<b>Depot Name</b>	<b>Street Number</b>	<b>Street</b>	<b>Location</b>	<b>Postal Code</b>
Port Alice Recycling Depot	721	Marine Dr.	Port Alice	V0N 2N0

**ATTACHMENT 2.1.2 TO SCHEDULE 2.1(c)  
IN-SCOPE PPP**

For the purpose of this Statement of Work, In-Scope PPP will mean the material described in the categories of PPP below that have been selected as indicated by an x in the associated check box (and the In-Scope PPP shall be segregated, at a minimum, in the streams that have been selected below):

- PPP in Category 1 segregated from all other PPP.
- PPP in Category 2 segregated from all other PPP.
- PPP in Category 3(a) segregated from all other PPP.
- PPP in Category 3(b) segregated from all other PPP.
- PPP in Category 4 segregated from all other PPP.
- PPP in Category 5 (white) segregated from all other PPP.
- PPP in Category 5 (coloured) segregated from all other PPP.
- PPP in Category 6 segregated from all other PPP.
- PPP in Category 7 segregated from all other PPP.
- PPP in Category 8 segregated from all other PPP.
- PPP in Category 1, Category 2, and Category 3(b) which may be comingled together, but must be segregated from all other PPP.
- PPP in Category 3(a), Category 6, and Category 7 which may be comingled together, but must be segregated from all other PPP.

And, to the extent beverage containers as defined in Schedule 1 of the *Recycling Regulation* to the *Environmental Management Act* (BC) are comingled with In-Scope PPP that Customers drop off at the Depot, such beverage containers shall be deemed to be In-Scope PPP for the purposes of this Statement of Work.

**ATTACHMENT 3.4 TO SCHEDULE 2.1(c)  
SERVICE LEVELS FAILURES**

Contractor will incur the following Service Level Failure Credits on the following Service Level Failures:

	<b>Service Level Failure</b>	<b>Service Level Credit</b>
1	Failure to clean-up or collect materials that have spilled outside the Depot boundary within 2 hours.	Twice the cost of cleanup incurred by MMBC (if MMBC performs the cleanup) and \$500 per incident (regardless of who performs the cleanup).
2	Pick up of In-Scope PPP by Designated Post-Collection Service Provider that contains more than 3% by weight of Non-PPP Items.	\$5,000 per weigh-scale ticketed load, but not to exceed in the aggregate in any year: (i) an amount that is equal to 24 loads at the foregoing Service Level Failure Credit amount, or (ii) the total Fees paid or payable to Contractor in the year, whichever is lower.
3	Contractor releases In-Scope PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Service Provider without the prior written permission of MMBC	\$25,000 per weigh-scale ticketed load.

**ATTACHMENT 5 TO SCHEDULE 2.1(c)  
FEES**

1. In consideration for Contractor's performance of the SOW Services MMBC will pay Contractor:

(a) The selected (as indicated by an x in the associated check box) per tonne amounts (including, if selected, the additional baled amount), to be invoiced and paid pursuant to the claims submission process in accordance with the terms of the Agreement.

PPP Description Categories	Materials	Depot Collection Financial Incentive		
		Depot In Municipality Without PPP Curbside Collection	Depot in Municipality with PPP Curbside Collection	Additional Incentive If Baled <sup>1</sup>
		(\$/tonne)	(\$/tonne)	(\$/tonne)
Category 1	Printed papers	<input type="checkbox"/> \$80	<input type="checkbox"/> \$60	<input type="checkbox"/> + \$100
Category 2	Old corrugated cardboard	<input type="checkbox"/> \$80	<input type="checkbox"/> \$60	<input type="checkbox"/> + \$100
Category 3 (a)	Other paper packaging (containing liquids when sold)	<input type="checkbox"/> \$120	<input type="checkbox"/> \$90	
Category 3 (b)	Other paper packaging (not containing liquids when sold)	<input type="checkbox"/> \$80	<input type="checkbox"/> \$60	<input type="checkbox"/> + \$100
Category 4	Polyethylene film packaging	<input checked="" type="checkbox"/> \$175	<input type="checkbox"/> \$175	<input type="checkbox"/> + \$330
Category 5	Polystyrene foam packaging – white	<input checked="" type="checkbox"/> \$175	<input type="checkbox"/> \$175	<input type="checkbox"/> + \$330
Category 5	Polystyrene foam packaging – coloured	<input checked="" type="checkbox"/> \$175	<input type="checkbox"/> \$175	<input type="checkbox"/> + \$330
Category 6	Other plastic packaging	<input type="checkbox"/> \$120	<input type="checkbox"/> \$90	
Category 7	Metal packaging	<input type="checkbox"/> \$120	<input type="checkbox"/> \$90	
Category 8	Glass packaging	<input checked="" type="checkbox"/> \$80	<input type="checkbox"/> \$80	
Categories 1, 2 & 3(b)	Printed papers, old corrugated cardboard, and other paper packaging (not containing liquids when sold)	<input checked="" type="checkbox"/> \$80	<input type="checkbox"/> \$60	<input type="checkbox"/> + \$100
Categories 3 (a), 6 & 7	Other paper packaging (containing liquids when sold), other plastic packaging and metal packaging	<input checked="" type="checkbox"/> \$120	<input type="checkbox"/> \$90	

Any change in whether Contractor bales or does not bale PPP must be made pursuant to the change procedure in Section 2.2 of the main body of the Agreement.

(b) Each of the following that are selected (as indicated by an x in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; and

<sup>1</sup> In the case of polystyrene foam, baling includes densification.

(ii) the Service Administration Top Up amount, in each case as set out in the table below, times the number of Depot Only Households (to be invoiced and paid in arrears, in equal quarterly payments, provided that Contractor has submitted all applicable claims), where the number of Depot Only Households equals:

If MMBC provides curbside PPP collection in the service area: 0

If MMBC does not provide curbside PPP collection in the service area: 389

	<b>Top Up available to local governments accepting Depot Collection incentive</b>	<b>\$ per Depot Only Household per Year</b>
<input checked="" type="checkbox"/>	Resident Education Top Up	\$0.75
<input checked="" type="checkbox"/>	Service Administration Top Up	\$2.50

Without limiting Contractor's obligations under this Statement of Work (including without limiting the cost Contractor is required to incur to perform such obligations), the Resident Education Top Up amount must be used for the purpose of providing resident education in respect of the Depot Collection Services.