

**SCHEDULE 2.1(b)**  
**STATEMENT OF WORK FOR MULTI-FAMILY BUILDING COLLECTION SERVICES**

This Statement of Work is incorporated into and forms part of the Master Services Agreement made between [redacted] (“**Contractor**”) and Multi-Material Stewardship Manitoba Inc. (“MMSM”) (“**MMSM**”) made as of [redacted] (the “**Agreement**”). The effective date of this Statement of Work (the “**SOW Effective Date**”) is [redacted].

**SECTION 1. Interpretation**

- 1.1 Definitions. In this Statement of Work (including the attachments hereto), the following terms will have the following meanings. Capitalized terms used but not defined in this Statement of Work will have the respective meanings ascribed to them in the Agreement.

“**Accepted Materials PPP**” means the PPP identified by MMSM to be targeted as accepted for collection as set out in Attachment 1 and such other materials identified as Accepted Materials PPP by MMSM in writing from time to time.

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

“**Approved Multi-Family Building**” means a Multi-Family Building on the list of approved Multi-Family Buildings maintained by MMSM in accordance with Section 2.1.1.

“**Claim Information**” has the meaning set out in Section 3.3.2.

“**Container**” means any roll-off or large container acceptable to MMSM used for storage of Accepted Materials PPP at a central location in a Multi-Family Building complex, but, for the avoidance of doubt, does not include any reusable bin, box, tote, bag, open container or cart used for single-family household curbside set-out (“Single-Household Containers”). A Multi-Family Building using Single-Household Containers will be considered to be providing collection services to curbside households (“Curbside Household Collection”).

“**Contractor**” has the meaning set out on the first page of this Statement of Work.

“**Customer**” means any owner, property manager or resident of an Approved Multi-Family Building.

“**Designated Post-Collection Facility**” means the facility at which Contractor delivers Contractor-collected Accepted Materials PPP to the Designated Post-Collection Service Provider

“**Designated Post-Collection Service Provider**” means the entity, designated by MMSM, to receive Contractor-collected Accepted Materials PPP.

“**Industrial, Commercial and Institutional**” or “**ICI**” means any operation or facility other than a Multi-Family Household, including but not limited to commercial facilities such as retail stores or offices located in the street level or lower levels of a Multi-Family Building and vacation facilities, such as hotels, motels, and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional facilities such social or community service organizations and personal or health care facilities located in the street level or lower levels of a multi-family building and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

“**Missed Collection**” means any failure of Contractor to collect Accepted Materials PPP from an Approved Multi-Family Building on the Approved Multi-Family Building’s scheduled collection day.

“**Multi-Family Building**” means a complex, where residents are expected to deliver Accepted Materials PPP to a central storage area accessible by all residents, from which collection occurs.

**“Multi-Family Building Collection”** has the meaning set out in Section 2.1.

**“Multi-Family Household”** means a self-contained dwelling unit where the resident is expected to deliver Accepted Materials PPP to a central location on the property of the Multi-Family Building from which Accepted Materials PPP is collected from a vehicle that is not used for single-family households.

**“Not Accepted Materials”** means, collectively, any material that is not PPP (as that term is defined in the Agreement).

**“Private Road”** means a privately-owned and maintained way that allows for access by a service vehicle and that serves multiple residences.

**“Public Street”** means a public right-of-way used for public travel, including public alleys and lanes.

**“Service Area”** means the geographic area delineated in Attachment 2.1.1.

**“Service Commencement Date”** means [●].

**“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.

**“SOW Term”** has the meaning set out in Section 4.

1.2 Attachments. As of the Effective Date, the following Attachments form part of this Agreement:

| <u>Attachment</u> | <u>Description</u>                                                   |
|-------------------|----------------------------------------------------------------------|
| Attachment 1      | – PPP Definitions                                                    |
| Attachment 2.1.1  | – Service Area                                                       |
| Attachment 3.4    | – Service Level Failure Credits                                      |
| Attachment 4      | – Rejected Load Protocol                                             |
| Attachment 5      | – Fees                                                               |
| Attachment 6      | – Protocol for Determining Contamination Rates and Resulting Actions |

## **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 Multi-Family Building Collection Services. Beginning on the Service Commencement Date, Contractor will collect Accepted Materials PPP from Multi-Family Buildings in the Service Area as further described in this Section 2.1 (**“Multi-Family Building Collection”**) and in accordance with the terms of the Agreement and this Statement of Work.

2.1.1 Approved Multi-Family Buildings.

- (a) Subject to Section 2.1.1(e), Contractor will not collect Accepted Materials PPP from any location other than an Approved Multi-Family Building. MMSM will maintain a list of Approved Multi-Family Buildings, which list will be initially comprised of the Multi-Family Buildings agreed on by MMSM and Contractor prior to the SOW Effective Date.

- (b) On a quarterly basis or at any other time as MMSM may in its sole discretion agree, Contractor may request to add one or more Multi-Family Buildings in the Service Area to the list of Approved Multi-Family Buildings. MMSM will consider the request and, if the request is approved, add such Multi-Family Building to the list of Approved Multi-Family Buildings on a date to be agreed by MMSM and Contractor. Effective as of the date such Multi-Family Building is added to the list of Approved Multi-Family Buildings, Attachment 5 will be amended if and to the extent necessary.
- (c) On a quarterly basis or at any other time as MMSM may in its sole discretion agree, Contractor may request to remove one or more Multi-Family Buildings from the list of Approved Multi-Family Buildings. MMSM will consider the request and, if the request is approved, remove such Multi-Family Building from the list of Approved Multi-Family Buildings on a date to be agreed by MMSM and Contractor. Effective as of the date such Multi-Family Building is removed from the list of Approved Multi-Family Buildings, Attachment 5 will be amended if and to the extent necessary.
- (d) MMSM may remove all or a portion of a Multi-Family Building from the list of Approved Multi-Family Buildings, immediately upon notice, where Contractor has committed any breach of this Agreement in respect of such Multi-Family Building or portion thereof (including a failure to meet or exceed applicable Service Levels) and has failed to cure such breach within 30 days of being given notice thereof by MMSM.
- (e) Contractor will collect Accepted Materials PPP only from ICI locations approved by MMSM in advance. MMSM shall have the right, exercisable at any time in its sole discretion, to revoke its approval of any one or more ICI locations.
- (f) Contractor will not be entitled to receive any Fees or other payments in respect of Accepted Materials PPP collected from ICI locations and will be solely responsible for all costs associated with the collection and post-collection management of Accepted Materials PPP collected from ICI locations. MMSM reserves the right to develop and apply a methodology, at its own sole discretion, for calculating the amount of Accepted Materials PPP from ICI locations included in Contractor-collected Accepted Materials PPP delivered to the Designated Post-Collection Facility (the “**Determined ICI Amount**”). Without limiting the generality of the foregoing, Contractor acknowledges and agrees that Contractor will be solely responsible for any costs or fees charged by the Designated Post-Collection Service Provider in respect of the Determined ICI Amount.

#### 2.1.2 PPP Materials.

- (a) Contractor will collect all Accepted Materials PPP from all Approved Multi-Family Buildings that is placed in Containers (including both Contractor-provided Containers and Containers provided by Approved Multi-Family Buildings or their residents).
- (b) Materials collected by Contractor may be subject to rejection by the Designated Post-Collection Service Provider, as outlined in Attachment 4 and may result in Service Level Failure Credits as set out in Attachment 3.4 and/or corrective action plan.
- (c) Materials collected under this Statement of Work may not contain hazardous or special waste.

- (d) Contractor will implement and maintain reasonable procedures to ensure that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, including procedures to monitor the content of collected materials and procedures to notify and reject material from Approved Multi-Family Buildings who do not comply with such requirements. Such procedures are subject to review by MMSM at any time and from time to time. If MMSM determines that such procedures are inadequate, Contractor will adopt such procedures as MMSM may reasonably require in order to ensure compliance with this Section 2.1.2.
- (e) If immediately prior to the SOW Effective Date Contractor (i) did not provide Multi-Family Building Collection from Multi-Family Buildings in the Service Area or (ii) did not provide Multi-Family Building Collection from Multi-Family Buildings in the Service Area pursuant to a statement of work with MMSM, Contractor will not be required to comply with Section 2.1.2 **Error! Reference source not found.** until the six month anniversary of the Service Commencement Date. Following approval of the remediation plan by MMSM, Contractor will use its best efforts to implement the plan and provide monthly reporting to MMSM detailing the progress and outcomes of the remediation plan. If Contractor is not in compliance with Section 2.1.2 **Error! Reference source not found.** within 90 days after implementing the remediation plan, Contractor will work with MMSM to establish additional changes and to adopt best practices recommended by MMSM in order to achieve the stated objective.

#### 2.1.3 Collection.

- (a) Contractor shall not place limits on the quantity of Accepted Materials PPP collected from Approved Multi-Family Buildings.
- (b) Contractor will pick up Accepted Materials PPP from Approved Multi-Family Buildings in Containers that are directly, or reasonably, accessible by the collection vehicle. The Containers may be on a Public Street if the Approved Multi-Family Building has permission from the local government to store the Containers on a Public Street.
- (c) Contractor will perform Multi-Family Building Collection with sufficient frequency that each Approved Multi-Family Building always maintains sufficient capacity in its uncollected Containers so as not to be a barrier to use of Multi-Family Collection services by the residents of such Approved Multi-Family Building; provided that the service standard hereunder is not intended to require Contractor to perform Multi-Family Building Collection more frequently than once per week. Without limiting the generality of the foregoing, Contractor will coordinate with each Approved Multi-Family Building to arrange for a pick-up schedule for the Approved Multi-Family Building that, if requested by the Approved Multi-Family Building, is consistent.
- (d) Contractor will make collections in an orderly, non-disruptive and quiet manner, and will return Containers with their lids closed in their set out location in an orderly manner. The location of returned Containers should not block sidewalks, driveways or street parking.
- (e) If Contractor provided Multi-Family Building Collection from Multi-Family Buildings in the Service Area immediately prior to the Service Commencement Date, Contractor will provide Multi-Family Building Collection services that meet or exceed the level of service provided by Contractor prior to the Service Commencement Date.

#### 2.1.4 Containers.

- (a) Except to the extent and on the conditions otherwise approved by MMSM in writing, Contractor will provide Containers to each Approved Multi-Family Building that provide sufficient volume to accommodate Accepted Materials PPP generated by such Approved Multi-Family Building between collections so that Container capacity and design is not a barrier to use of Multi-Family Collection services by the residents of such Approved Multi-Family Building.
- (b) Except to the extent and on the conditions otherwise approved by MMSM in writing, if Multi-Family Buildings are added to the list of Approved Multi-Family Buildings under Section 2.1.1(b), Contractor will deliver Containers to any such Multi-Family Buildings at least ten Business Days prior to the start date provided agreed on by Contractor and MMSM.
- (c) Except to the extent and on the conditions otherwise approved by MMSM in writing, Contractor will deliver a Container to a requesting Approved Multi-Family Building within seven Business Days of the Approved Multi-Family Building's initial request.
- (d) If any Approved Multi-Family Building chooses to provide its own Containers, Contractor will handle such Containers in such a way as to prevent undue damage, and Contractor will be responsible for unnecessary or unreasonable damage to such Containers.
- (e) If Contractor did not provide Multi-Family Building Collection in the Service Area immediately prior to the Service Commencement Date, Contractor will deliver Containers that meet the requirements set out in this Agreement to each Approved Multi-Family Building at least ten Business Days prior to the Service Commencement Date unless otherwise approved by MMSM in writing.
- (f) If Contractor proposes to change the type of Containers it uses for Multi-Family Building Collection in the Service Area, Contractor will submit a detailed transition plan to MMSM a minimum of six months prior to the scheduled or planned change. Any change to the type of Containers used for Multi-Family Building Collection in the Service Area is subject to approval in writing by MMSM, which approval will not be unreasonably withheld.

#### 2.1.5 Designated Post-Collection Facility.

- (a) Contractor will deliver all collected Accepted Materials PPP to the Designated Post-Collection Facility on the day of collection, unless alternative arrangements have been approved in writing by MMSM. If Contractor is unable to deliver collected Accepted Materials PPP to the Designated Post-Collection Facility on the day of collection for an unforeseen reason outside Contractor's reasonable control, Contractor will deliver such collected Accepted Materials PPP to the Designated Post-Collection Facility as soon as possible thereafter and will store such Accepted Materials PPP during the interim in a safe and secure manner. Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection with such storage. Contractor will not deliver Accepted Materials PPP to any location other than the Designated Post-Collection Facility or dispose of any collected Accepted Materials PPP without prior written authorization from MMSM.

- (b) Contractor will deliver all collected Accepted Materials PPP to the Designated Post-Collection Facility segregated, at a minimum, in the manner set out in Attachment 2.1.2.
- (c) Contractor will follow all reasonable instructions and procedures regarding the delivery of Accepted Materials PPP as directed by the Designated Post-Collection Service Provider and MMSM, including but not limited to instructions and procedures pertaining to health and safety, delivery and unloading of Accepted Materials PPP, audit procedures and weigh scale operation.
- (d) If Contractor is scheduled to collect Accepted Materials PPP from an Approved Multi-Family Building on a holiday, Contractor will coordinate directly with the Designated Post-Collection Service Provider a minimum of ten Business Days in advance of such holiday in order to schedule the delivery of such Accepted Materials PPP.
- (e) Unless MMSM otherwise agrees in writing, Contractor may not consolidate or otherwise sort Accepted Materials PPP collected from Approved Multi-Family Buildings before delivering such materials to the Designated Post-Collection Facility. Such approval may be subject to such conditions or procedures as MMSM considers appropriate or necessary in the circumstances and may be revoked at any time by MMSM in its sole discretion, including without limitation if Contractor has failed to comply with such conditions or procedures.
- (f) If the Designated Post-Collection Service Provider rejects a load of Accepted Materials PPP from Contractor in accordance with rejection protocol outlined in Attachment 4, MMSM reserves the right to designate alternative procedures and requirements associated with that load and to deduct any additional costs associated therewith from the Fees otherwise due to Contractor.

#### 2.1.6 Spillage.

- (a) All loads collected by Contractor will be completely contained in collection vehicles at all times, except when material is actually being loaded. Hoppers on all collection vehicles will be cleared frequently to prevent the occurrence of blowing or spillage.
- (b) Any spillage of materials that occurs during Multi-Family Building 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 MMSM on request and, if requested by MMSM, as part of a regular report to be delivered with such frequency as requested by MMSM (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 Section 2.1.6(b) above, Contractor will maintain all collection vehicles to ensure that no liquid wastes (e.g., leachate) or oils (e.g., lubricating, hydraulic, or fuel) are discharged on the property of Approved Multi-Family Buildings, Public Streets or Private Roads. All collection and route supervisor vehicles used by Contractor will be equipped with a spill kit sufficient in size to contain a spill of equivalent volume to the largest lubricating, hydraulic or fuel tank on the largest collection vehicle. Any discharge of liquid wastes or oils that may occur from Contractor's collection vehicles will be cleaned up or removed by Contractor within three hours of the discharge and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with pictures,

and notice of such clean-up or removal will be provided to MMSM in writing. Contractor will comply with all Applicable Laws in respect of ground-water or drainage systems safety and standards.

#### 2.1.7 Routes.

- (a) Except for Accepted Materials PPP collected from ICI locations in accordance with Section 2.1.1(e), Contractor collection vehicles used to perform Multi-Family Building Collection may only be used to collect materials from locations other than Approved Multi-Family Buildings if they are emptied before and after such other use and Contractor has obtained prior approval from MMSM in writing.

#### 2.1.8 Pilot Programs.

- (a) MMSM may wish to test or implement one or more new services or developments in PPP material segregation, processing, or collection technology. MMSM 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 the Service Area. The allocation of any costs (or savings) accrued by MMSM-initiated pilot programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the MSA. If MMSM deems the pilot a success, and desires to incorporate the service or development represented in the pilot program into this Statement of Work, such a change will be made pursuant to the change process in Section 2.2 of the MSA.
- (b) Contractor-initiated pilot programs will require prior written notification to and written approval by MMSM. Contractor-initiated pilot programs will be performed at no additional cost to MMSM.

### 2.2 Customer Service and Management. As part of Multi-Family Building Collection, Contractor will provide the following services.

#### 2.2.1 Customer Service Requirements.

- (a) 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 MMSM 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.
- (b) Contractor will maintain a 24-hour emergency telephone number for use by MMSM. Contractor will have a representative, or an answering service to contact such representative, available at such emergency telephone number for MMSM-use during all hours, including normal office hours.
- (c) If possible, Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service. If electronic access is not feasible, a call record should be available.

#### 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 MMSM to handle Customer complaints and service requests in a timely manner, Contractor will increase staffing levels to address the performance deficiency.
- (b) If Contractor did not provide Multi-Family Building Collection in the Service Area immediately prior to the Service Commencement Date, Contractor will provide additional staffing from Service Commencement Date through the four month anniversary of the Service Commencement Date to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. 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 MMSM 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 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) Contractor's customer service log will be available for inspection by MMSM during Contractor's office hours, and will be in a format approved by MMSM. Contractor will provide a copy of this log in an electronic format from the Microsoft Office suite of software to MMSM on request, and if requested by MMSM, as part of a regular report to be delivered with such frequency as requested by MMSM (but not more frequently than monthly).

## 2.3 Promotion and Education.

- 2.3.1 Where Contractor is not a local government, MMSM will have primary responsibility for developing, designing, and executing public promotion, education, and outreach programs. Contractor will provide MMSM with assistance and cooperation, including distributing MMSM-developed promotional and educational brochures and assisting with promotion, education and outreach programs at the direction of MMSM. Where Contractor is a local government, Contractor will have primary responsibility for executing public promotion, education, and outreach programs associated with the collection of Accepted Materials PPP, provided however that Contractor will incorporate MMSM-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 dates and times of Multi-Family Building Collection.
- 2.3.3 MMSM reserves the right, at its sole discretion, to require Contractor to seek advance approval of any or all public promotion, education and outreach materials associated with the collection of Accepted Materials PPP, including but not limited to recycling guides, collection calendars, website content and "oops tags."

- 2.3.4 If Contractor receives Resident Education Top Up payments in accordance with Attachment 5, Contractor must spend the total amount of the Resident Education Top Up payments paid to Contractor on promotion, education and outreach programs on an annual basis.
- 2.3.5 Except for logos of the applicable local government, MMSM, Contractor or any sub-contractor of Contractor, Contractor may not affix or otherwise include any logo of, or any reference to, any other party or person on a Container in any manner whatsoever, including stickers and hot stamps.
- 2.3.6 If requested, the Contractor shall provide to MMSM, in a format provided by MMSM, all necessary household-level data required to support promotion & education initiatives directed at residents. This data includes, but is not limited to:
- Full residential address (street number, street name, unit number if applicable)
  - Local government jurisdiction (municipality, First Nation, city, etc.)
  - Postal code

The provided data will be used solely for the purpose of enabling MMSM to communicate effectively with residents regarding waste diversion programs, recycling guidelines, collection schedules, and other relevant initiatives.

- 2.4 Transition and Implementation Services. If immediately prior to the SOW Effective Date Contractor (i) did not perform Multi-Family Building Collection in the Service Area or (ii) did not provide Multi-Family Building Collection in the Service Area pursuant to a statement of work with MMSM, Contractor will, beginning on the SOW Effective Date, and with MMSM's input, develop and submit to MMSM no later than two weeks after the SOW Effective Date a transition and implementation plan (the "**Transition and Implementation Plan**") for implementing Multi-Family Building Collection in the Service Area, including a specific timeline as to when different activities and events will occur, details of how different events impact other events in the timeline, and the process to be used to ensure that implementation occurs on the Service Commencement Date with no disruption. The Transition and Implementation Plan will cover the entire period from the SOW Effective Date to and including the six month anniversary of the Service Commencement Date. Contractor will describe in detail what is involved with each of the activities and events listed in the Transition and Implementation Plan. Finalization of the Transition and Implementation Plan will be subject to MMSM's prior approval.

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

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

- 3.1.1 Contractor personnel performing Multi-Family Building 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. If on private property, Contractor personnel will follow the regular pedestrian walkways and paths. Contractor personnel will not trespass or loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand.
- 3.1.2 Contractor personnel will wear a professional and presentable uniform with an identifying badge with photo identification and company emblem visible to the average observer.

- 3.2 Vehicle Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of collection vehicles used to perform Multi-Family Building Collection:

- 3.2.1 All collection vehicles will be maintained in a clean and sanitary manner, and will be thoroughly washed at least once each week. All collection vehicles will have appropriate safety markings in accordance with applicable law. All collection vehicles and all parts and systems of all collection vehicles will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to MMSM. Any collection vehicles not meeting these standards will not be used in the Service Area until repairs are made. All collection vehicles will be equipped with variable tone or proximity activated reverse movement back-up alarms.
- 3.2.2 Contractor will maintain all vehicles used in the performance of Multi-Family Building Collection in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs, and fuel use.
- 3.3 SOW Record and Reporting Requirements.
- 3.3.1 Service Delivery Reporting. In addition to the record keeping and reporting requirements in the Agreement, Contractor will:
- (a) maintain an electronic record of all calls related to Missed Collections and the response provided by Contractor;
  - (b) maintain an electronic record of all Customer requests, complaints and inquiries, including Customer name, mailing address, contact information (both telephone number and e-mail, if available), property name and service address, if different from mailing address, date of contact, reason for contact, results of Customer request, complaint or inquiry, resulting changes, additional follow-up needed, follow-up conducted, results of follow-up, and list of educational or outreach materials provided;
  - (c) have all necessary information to allow all loads documented by the Designated Post-Collection Service Provider, and include a certified scale ticket and, at minimum:
    - Service date mmddyyy;
    - Delivery date mmddyyy;
    - Originating site for community or depot name and postal code;
    - Collection channel or service type (“**Valtype**”) (i.e., Single-family Household, Multi-family Dwelling, Depot and Facilities, etc.)
    - Collection Contractor ID number;
    - Collection Vehicle number;
    - Scale ticket number;
    - Gross Weight (kilograms);
    - Tare Weight (kilograms); and
    - Net Weight (kilograms)
  - (d) maintain such other records as may be requested by MMSM, including:
    - (i) tonnage by collection date and weight scale ticket.
    - (ii) changes to equipment or inventory;
    - (iii) customer communications related to Multi-Family Building Collection including telephone calls, letters, e-mails and text messages; and

- (iv) notices left for Customers.
- (e) make all records maintained pursuant to this Statement of Work available to MMSM upon request and, if requested by MMSM, provide a regular (but no more frequently than monthly) report to MMSM, in a format and by a method approved by MMSM, setting out or summarizing (at MMSM's discretion) such records as may be indicated by MMSM for the reporting period;
- (f) upon MMSM's request, provide up to two reports each year on associated collection metrics necessary to the calculation of the greenhouse gas emissions associated with the performance of Multi-Family Building Collection; and
- (g) upon MMSM's request, provide up to four ad-hoc reports each year, at no additional cost to MMSM. 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 MMSM-defined format and software compatibility. These reports will not require Contractor to expend more than 60 staff hours per year to complete.

### 3.3.2 Claims Reporting.

- (a) At MMSM's discretion, claim reporting under Section 3.3.2(b) shall be assigned by Contractor to the Designated Post-Collection Service Provider.
- (b) All loads must be documented by Contractor or the Designated Post-Collection Service Provider, as the case may be, and include requirements defined in 3.3.1(c) and such other information as MMSM may designate (collectively, "**Claim Information**"). Claim Information with respect to any delivery of Accepted Materials PPP to the Designated Post-Collection Facility must be submitted within ten Business Days of the delivery date.
- (c) MMSM will issue a claim summary to Contractor based on Claim Information directly provided to MMSM pursuant to Section 3.3.2(b), and Contractor will review the claim summary for accuracy. Contractor must report to MMSM any content in the claim summary that Contractor disputes within five days of the claim summary being issued.
- (d) After MMSM has approved the Claim Information, MMSM will issue a purchase order to Contractor, including a reference number. MMSM may, at its discretion, choose to issue payment to Contractor based on the approved purchase order without the need for Contractor to submit an invoice. Where invoices are required by MMSM, Contractor will invoice MMSM using the contact information provided by MMSM for such purpose (as may be updated by MMSM from time to time).
- (e) Standard tare weights for specific trucks may only be used on specific written permission of MMSM.

3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, MMSM will be entitled to the applicable Service Level Failure Credits 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 [●]. MMSM may extend this Statement of Work for up to two further periods of one year each by giving Contractor notice in writing not less than 180 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 MMSM 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. For the avoidance of doubt, Contractor acknowledges and agrees that it will not be entitled to receive any Fees in respect of Accepted Materials PPP collected from ICI locations.

## **SECTION 6. Additional Terms**

- 6.1 No Double Charge. Contractor will not directly or indirectly charge Customers, including without limitation by way of tax, levy or other surcharge, for the cost of providing the SOW Services if and to the extent that such costs are covered by Fees (prior to deducting any Service Level Failure Credits as set out in Attachment 3.4) or other payments Contractor is entitled to receive from MMSM under this Statement of Work. Collection that is more frequent than once per week is considered to be above the service standard required of Contractor, and Contractor may charge Customers a fee for Multi-Family Building Collection that is more frequent than once per week.
- 6.2 Scavenging Forbidden. Contractor will not scavenge, or permit any employee (or, at the request of MMSM, any other person) to scavenge any materials (including, if permitted by law, materials other than Accepted Materials PPP that have been set out to be collected by other collection service providers) at any time and at any location during Contractor’s performance of the SOW Services or otherwise.
- 6.3 Risk. Contractor will be responsible for all risks, including risk of loss of, or damage caused by Collector to the Accepted Materials PPP from the time the Accepted Materials PPP is collected by Contractor until delivery to the Designated Post-Collection Facility. Accepted Materials PPP will be deemed to be delivered when off-loaded from Contractor’s vehicles at the Designated Post-Collection 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 Facility caused by Contractor.
- 6.4 No Shared Services. Contractor will not collect any material other than the Accepted Materials PPP to be collected under this Statement of Work (whether on Contractor’s own behalf, or on behalf of any third party) while providing the Multi-Family Building Collection pursuant to this Statement of Work.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Statement of Work effective as of the SOW Effective Date.

**MULTI-MATERIAL STEWARDSHIP  
MANITOBA INC.**

Per: [SAMPLE – NOT FOR SIGNATURE]  
(I have authority to bind MMSM)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

**[CONTRACTOR]**

Per: [SAMPLE – NOT FOR SIGNATURE]  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Per: [SAMPLE – NOT FOR SIGNATURE]  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Statement of Work to MMSM, Contractor and the first signatory represent that no additional signatories are required).

## **ATTACHMENT 1 TO SCHEDULE 2.1(b)**

**“Packaging and Printed Paper”** or **“PPP”** means the materials set out in MMSM’s Packaging and Printed Paper Description, a copy of which is set out in the table below:

| <b><u>PPP</u></b>                              | <b><u>Description/Examples</u></b>                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>Printed Paper</u></b>                    |                                                                                                                                                                                                                                                                                                                                                          |
| <u>Newsprint and flyers</u>                    | <u>Daily and weekly newspapers, and flyers</u>                                                                                                                                                                                                                                                                                                           |
| <u>Magazines &amp; catalogues</u>              | <u>Glossy magazines, catalogues, calendars and product manuals</u>                                                                                                                                                                                                                                                                                       |
| <u>Telephone directories</u>                   | <u>Telephone books and other directories</u>                                                                                                                                                                                                                                                                                                             |
| <u>Other Printed Paper</u>                     | <u>Writing paper, standard printing paper, paper gift cards, mail, bills, and statements</u>                                                                                                                                                                                                                                                             |
| <b><u>Paper Packaging</u></b>                  |                                                                                                                                                                                                                                                                                                                                                          |
| <u>Boxboard</u>                                | <u>Paperboard, cereal box, shoe box, frozen food box, and toilet paper rolls</u>                                                                                                                                                                                                                                                                         |
| <u>Polycoat</u>                                | <u>Polycoat containers with gable shaped tops used to package sugar, molasses, milk, milk substitutes, and other food and beverages</u><br><br><u>Items for future consideration: takeout coffee cups and other food and beverage containers not currently accepted.</u><br><br><u>Aseptic containers, spiral wound containers, ice cream containers</u> |
| <u>Residential corrugated cardboard</u>        | <u>Cardboard boxes, non-greasy pizza boxes, kraft paper bags and paper wrap, moving boxes</u>                                                                                                                                                                                                                                                            |
| <b><u>Aluminum Packaging</u></b>               |                                                                                                                                                                                                                                                                                                                                                          |
| <u>Aluminum food &amp; beverage containers</u> | <u>Soda cans, and aluminum food cans</u><br><br><u>Items for future consideration: aluminum foil wrap, pie plates, baking trays</u>                                                                                                                                                                                                                      |
| <b><u>Steel Packaging</u></b>                  |                                                                                                                                                                                                                                                                                                                                                          |
| <u>Steel food &amp; beverage containers</u>    | <u>Soup cans, pet food cans, and other steel food and beverage cans</u>                                                                                                                                                                                                                                                                                  |
| <b><u>Glass Packaging</u></b>                  |                                                                                                                                                                                                                                                                                                                                                          |

|                                               |                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Glass food &amp; beverage containers</u>   | <u>Clear and coloured glass containers such as pickle jars, salsa jars, baby food jars, sauce jars, vinegar bottles, wine bottles, and other glass food and beverage containers</u><br><br><u>Cosmetic cream containers, perfume bottles, aftershave bottles, glass storage containers</u> |
| <b><u>Plastic Packaging</u></b>               |                                                                                                                                                                                                                                                                                            |
| <u>PET Plastic (#1)</u>                       | <u>Soft drink bottles, juice bottles, cooking oil jars, clamshell containers, egg cartons, trays</u>                                                                                                                                                                                       |
| <u>HDPE Natural and Coloured Plastic (#2)</u> | <u>Milk jugs, soap and shampoo bottles, laundry detergent jugs, household cleaner bottle, #2 margarine containers, #2 yogurt containers</u>                                                                                                                                                |
| <u>Household Plastics (#3, #4, #5, #7)</u>    | <u>Rigid containers, hard packaging, plant pots, trays, pails (excludes black plastic)</u>                                                                                                                                                                                                 |

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

1. Under this Statement of Work, the Multi-Family Household Baseline (as defined in Attachment 5) will initially be [●].

2. The Service Area is: Multi-Family Buildings in the [Service Area] receiving Multi-Family Building Collection from Contractor as approved and held by MMSM in list format.

DRAFT

**ATTACHMENT 3.4 TO SCHEDULE 2.1(b)**  
**SERVICE LEVEL FAILURES**

1. Contractor will incur the following Service Level Failure Credits on the following Service Level Failures, provided, however, that the aggregate amount of Service Credit Level Failures in respect of any calendar year shall not exceed the aggregate amount of Fees payable to Contractor in respect of such calendar year:

|                                 | Service Level Failure                                                                                                                                                                                                                                    | Service Level Failure Credit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                 |                 |         |       |         |       |         |       |         |       |         |       |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|
| 1                               | Failure to clean-up or collect spilled materials within two hours.                                                                                                                                                                                       | Twice the cost of cleanup incurred by MMSM (if MMSM performs the cleanup) and \$[●] per incident (regardless of who performs the cleanup).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| 2                               | Overstatement of Multi-Family Households or understatement of industrial, commercial and institutional units in Approved Multi-Family Buildings.                                                                                                         | \$[●] per incident.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| 3                               | Failure to separate Accepted Materials PPP collected from Approved Multi-Family Buildings from any other materials collected by Contractor without prior written approval from MMSM.                                                                     | \$[●] per route, plus \$[●] per week (pro-rated in the case of a partial week) until the Service Level Failure has been remedied or a request for approval approved in writing by MMSM.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| 4                               | Delivery of Accepted Materials PPP to the Designated Post-Collection Facility that are rejected in accordance with the rejection protocol outlined in Attachment 4.                                                                                      | <p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <p>For the purpose of this Service Level Failure, the “<b>Per Load Amount</b>” in respect of any year will be determined by the Multi-Family Household Baseline for such year, in accordance with the following table:</p> <table><tr><th>Multi-Family Household Baseline</th><th>Per Load Amount</th></tr><tr><td>[●]-[●]</td><td>\$[●]</td></tr><tr><td>[●]-[●]</td><td>\$[●]</td></tr><tr><td>[●]-[●]</td><td>\$[●]</td></tr><tr><td>[●]-[●]</td><td>\$[●]</td></tr><tr><td>[●]-[●]</td><td>\$[●]</td></tr></table> | Multi-Family Household Baseline | Per Load Amount | [●]-[●] | \$[●] | [●]-[●] | \$[●] | [●]-[●] | \$[●] | [●]-[●] | \$[●] | [●]-[●] | \$[●] |
| Multi-Family Household Baseline | Per Load Amount                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| [●]-[●]                         | \$[●]                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| [●]-[●]                         | \$[●]                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| [●]-[●]                         | \$[●]                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| [●]-[●]                         | \$[●]                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| [●]-[●]                         | \$[●]                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| 5                               | The occurrence of a Labour Disruption, if Contractor fails to (i) implement its Business Continuity Plan in respect of such Labour Disruption or (ii) fails to comply with Section 4.6.1 or 4.6.2 of the Agreement in respect of such Labour Disruption. | An equitable reduction in the Fees to reflect the value of any SOW Services not received by MMSM plus \$[●] per day of Labour Disruption.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |                 |         |       |         |       |         |       |         |       |         |       |
| 6                               | Contractor delivers Accepted Materials PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Facility without the prior written permission of MMSM                                 | \$[●] per incident.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                 |                 |         |       |         |       |         |       |         |       |         |       |

**ATTACHMENT 4 TO SCHEDULE 2.1(b)**  
**REJECTED LOAD PROTOCOL**

1. Specially-trained Designated Post-Collection Service Provider staff shall inspect all inbound loads of Accepted Materials PPP upon delivery to the Designated Post-Collection Facility.
2. The Designated Post-Collection Service Provider may implement the procedure set out herein if the specially-trained staff identify Inbound Accepted Materials PPP containing:
  - a. More than 25% Hazardous Waste (or any occurrence of explosives, ammunition or putrescible medical waste);
  - b. More than 50% Not Accepted Materials;
  - c. Not Accepted Materials with dimensions greater than 1m x 1m x 1m (1m<sup>3</sup> or equivalent) that cannot be safely removed prior to sorting; or
  - d. Medical waste that cannot be safely sorted from the Accepted Materials PPP.
3. Where the Designated Post-Collection Service Provider has determined to implement the procedure set out herein, the Designated Post-Collection Service Provider shall segregate the Accepted Materials PPP until the Designated Post-Collection Service Provider receives a decision in writing from MMSM. This decision will be provided as soon as possible and no later than within two (2) hours.
4. If MMSM authorizes rejection of the Accepted Materials PPP in writing, the Contractor shall:
  - a. record the following:
    1. Date and time;
    2. Originating eligible community ID number, as applicable;
    3. Collection Contractor ID number or Designated Post-Collection Facility number, as applicable;
    4. Valtype (Single-family Households, Multi-family Dwellings, Depot, or Facility);
    5. Material type (Single Stream);
    6. Inbound load scale ticket number;
    7. Scale ticket number of rejected Recyclable Material; and
    8. Gross, tare and net weight of rejected Recyclable Material.
  - b. Handle the Accepted Materials PPP as directed by MMSM.
6. If MMSM does not authorize rejection of the Accepted Materials PPP, the Contractor shall continue to provide the Services with respect to the Accepted Materials PPP.
7. The Designated Post-Collection Service Provider shall be deemed to have accepted the load if the procedure set out herein has not been implemented within a one (1) hour period.

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

1. In this Attachment, the following terms will have the following meaning:

**“Multi-Family Household Baseline”** means the number of Multi-Family Households in Approved Multi-Family Buildings as initially set out in the list agreed on pursuant to Section 2.1.1(a), as may be modified when Multi-Family Buildings are added to or removed from the list of Approved Multi-Family Buildings in accordance with Section 2.1.1.

2. In consideration for Contractor’s performance of the SOW Services MMSM will pay Contractor:

- (a) The selected (as indicated by an x in the associated check box) annual amount in the table below times the Multi-Family Household Baseline (to be payable in arrears, in equal **quarterly** payments on net 30 day terms, provided that Contractor has submitted all applicable claims.

| Multi-Family Collection Financial Incentive |                 |                                        |
|---------------------------------------------|-----------------|----------------------------------------|
|                                             | Collection Type | \$ per Multi-Family Household per Year |
| <input checked="" type="checkbox"/>         | [•]             | \$ <input checked="" type="checkbox"/> |

- (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 (ii) the Service Administration Top Up amount, in each case as set out in the table below times the Multi-Family Household Baseline to be invoiced and paid in arrears, in equal **quarterly** payments on net 30 day terms, provided that Contractor has submitted all applicable claims.

|                                     | Top Up                                             | \$ per Multi-Family Household per Year |
|-------------------------------------|----------------------------------------------------|----------------------------------------|
| <input checked="" type="checkbox"/> | Resident Education Top Up (local governments only) | \$ <input checked="" type="checkbox"/> |
| <input checked="" type="checkbox"/> | Service Administration Top Up                      | \$ <input checked="" type="checkbox"/> |

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 Multi-Family Building Collection.

- (c) If Contractor also provides collection services to curbside households pursuant to another Statement of Work under the Agreement (**“Curbside Collection”**), and Accepted Materials PPP collected from Multi-Family Buildings under this Statement of Work is collected in a vehicle with Accepted Materials PPP collected in respect of Curbside Household Collection, then, for the purpose of calculating the amounts payable under subsections (a) and (b), the Multi-Family Household Baseline will be adjusted to exclude the number of Multi-Family Households whose Accepted Materials PPP has been collected in this manner.

Compensation rates under this agreement shall be adjusted annually to reflect changes in the Consumer Price Index (CPI). The adjustment shall be based on the annual percentage

change in the [Canada CPI All-Items Index] as published by Statistics Canada, measured from the month of the Effective Service Date to the same month in the following year.

3. Adjustment of Multi-Family Household Baseline.

- (a) On an annual basis, on a date to be determined by MMSM, and at such other times as the parties may agree, Contractor will, in good faith, report and attest (in a form acceptable to MMSM) as to (i) the then-current number of Multi-Family Households in the Approved Multi-Family Buildings and (ii) the Multi-Family Buildings in the Service Area from which Contractor collects Accepted Materials PPP.
- (b) MMSM may also provide evidence of the then-current number of Multi-Family Households in the Approved Multi-Family Buildings. Based on Contractor's attestation and the evidence provided by MMSM, MMSM and Contractor will work in good faith to mutually agree on the new Multi-Family Household Baseline. If the agreed upon new values of the foregoing trigger a change in the Fees payable pursuant to this Attachment, the parties will update this Attachment by execution of a change order. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.

## ATTACHMENT 6 TO SCHEDULE 2.1(b) PROTOCOL FOR DETERMINING CONTAMINATION RATES AND RESULTING ACTIONS

### Audit Sampling and Security Protocol

MMSM will collect audit samples from a municipality or First Nation community (Entity). The audit samples will be determined using the following considerations:

- Size of entity – number of households;
- Single family households vs multi-family dwellings – based on counts provided by Entities.

A sample schedule will be provided to each Receiving, Consolidation, Transfer Facility (RCT) a minimum of one week prior to the beginning of the month. The schedule will be similar to the following:

| Single Family or Multi-Family | Collection Category | Receiving Facility Name | Facility Code | Collector Name      | Municipality | Week           | Date or Truck of Week | Time  |
|-------------------------------|---------------------|-------------------------|---------------|---------------------|--------------|----------------|-----------------------|-------|
| Single Family                 | Single Stream       | Receiving Facility #1   | RF1           | Fero                | Entity 98    | 07/01 to 07/05 | 2024-07-02            | 13:10 |
| Multi-Family                  | Single Stream       | Receiving Facility #1   | RF1           | Fero                | Entity 98    | 07/01 to 07/05 | anytime               |       |
| Single Family                 | Fibre Materials     | Receiving Facility #1   | RF1           | Miller              | Entity 80    | 07/15 to 07/19 | 2024-07-15            | 10:51 |
| Single Family                 | Container Materials | Receiving Facility #1   | RF1           | Miller              | Entity 80    | 07/15 to 07/19 | 2024-07-16            | 15:56 |
| Single Family                 | Single Stream       | Receiving Facility #1   | RF1           | Southern Sanitation | Entity 92    | 07/22 to 07/26 | 2024-07-24            | 12:26 |
| Multi-Family                  | Fibre Materials     | Receiving Facility #1   | RF1           | Fero                | Entity 98    | 07/22 to 07/26 | 2nd                   |       |
| Multi-Family                  | Container Materials | Receiving Facility #1   | RF1           | GFL                 | Entity 106   | 07/22 to 07/26 | 3rd                   |       |

Training on how to read and take samples will be provided to RCT employees.

### Audit Process

1. A sample will be immediately taken upon arrival of the single family/multi-family dwelling truck. The identified truck will be directed to a clear opening on the tip floor where the contents will be emptied.
2. A 100kg sample will be taken as per MMSM's requirements.
3. Materials from the truck will first be mixed with a front-end loader/skidsteer. Once mixed, material will be dropped into a specialty audit sample supersac. To avoid selection bias in the samples, any material which falls over the side of the supersac is not to be picked up. A second bucketload can be added if necessary to fill the supersac.
  - a. Generally, one supersac is needed, but two supersacs can be used for lighter container samples, to reach the required 100kg.
  - b. At no time are more than two supersacs to be used.
4. Each supersac is zipped close and sealed with an MMSM-provided serialized zip tie. The supersac sample will be clearly marked with a tag identifying the source (route, truck number, Entity, collection service provider), the material samples, date and time of the audit sample and the zip tie number.

5. The individual in charge of the audit sampling will film the audit sampling process and keep the file for a minimum of 45 days after the end of the month, available for viewing by MMSM. The file name will be associated with the time and location of the audit sample taking the unique serial identification number and zip tie and the tag.
6. The weight of each supersac will be taken and recorded for each sample right on the identification tag.
7. Once the sample is taken and sealed, the sample will be placed in a secure area until it is picked up for transport to the auditing centre.

### **Audit Sorting Protocol**

1. A full-time audit team will be stationed at the auditing centre to complete audits in real-time. Upon arrival at the auditing centre, the supersacs will be removed from the truck and taken to the secure sample storage area.
2. The samples will be sorted in a large, secure room where sorting bins are clearly marked with each material category.
3. Each unique serial number identification number zip tie will be removed at the start of the audit of each sample and will be retained for future reference.
4. Each sample will be sorted individually. Scales will be certified for trade with the certificates stored at the site for ease of review by the MMSM representative. The tare weights of all bins will be clearly marked right on the bin which will be reset each week.
5. All samples will be completely sorted, and all materials weighed with all bins emptied before moving onto the next audit.
6. The information from each audit sample will be immediately entered into a computer and the total weight tallied. The weight will be compared to the audit sample weight to ensure consistency between the total sample weight and the total weight of the categorized materials.

### **Audit Verification**

To support sufficient coverage and accuracy, MMSM will set up at least two cameras at the audit centre to view the auditing process as it occurs. If there is any discrepancy over the results of the audits, this process will ensure the audit process can be reviewed to confirm accuracy.

Having all the audits completed at one location provides several key advantages:

- Higher quality audits with consistency in auditing approach;
- Ability to consistently train and oversee all staff at the same time;
- Support back-ups to oversee audits if an auditor needs to depart from one of the RFs or other designated auditing sample locations;
- Provide real time data with the sampling of each audit – no month end rush of data points;
- Less likelihood of a “lost” or “contaminated” sample resulting from having to store samples for a month at a time prior to sorting;

- Ability to oversee every audit daily;
- Ability to see first-hand and provide for proper sorting and assignment of new and emerging packaging into the proper categories (and to see new possibly difficult-to-manage packaging types);
- Ability to see all types of non-PPP received to support the development of targeted public education and promotion programs and feedback to collectors;
- Cost effective and efficient – doesn't require sending representatives to oversee audits at various locations every month; and
- Enables efficiencies thereby reducing the risk associated with statistically insufficient data particularly as collector report cards must have accurate data in support of any conclusions.

### **Extrapolating Results to Entities and Collectors**

The results of the audits are known by collector and by day of the week (i.e., in effect by route). MMSM will not use single data points for the purpose of extrapolating contamination rates for any Entity.

Report cards on contamination are based on all audits taken for an Entity/Collector over a period of six months. All audits will be combined on a normalized basis, i.e., the contamination rate is determined not by averaging each sample, but because sample sizes vary, the contamination rate is calculated at percentage per 100kg. A bare minimum of two (preferably three or more, respecting size of community will be a factor, for example small communities may only be randomly selected infrequently) will be taken before a report card will be generated.

The results of the calculations will be presented by material category to each Entity/Collector, with an accounting of the overall contamination rate for the period.

### **Entities/Collectors Exceeding Contamination Targets**

MMSM's overall goal for contamination is 5%. Note any packaging or paper material designated under the Stewardship Plan, regardless if it is considered recyclable at this time or not (e.g., multi-material, multi-laminated pouches), are not considered contamination for the purposes of calculating the overall contamination rate.

The focus will be starting with those Entities/Collectors which are the farthest from the target. Where an Entity/Collector is identified as having a contamination rate which needs attention, a meeting will be arranged with the Entity/Collector to review the results in more detail. The Contamination Reduction Plans will be implemented in phases if necessary.

#### **Phase 1: Initial Contamination Reduction Plan**

Where warranted, MMSM will request the Entity/Collector to develop a Contamination Reduction Plan to address the contamination issue. As the audit results will be broken down into more than 50 categories, the results will likely point to where attention is needed to reduce contamination rates. This will give the Entity/Collector an area of focus to support behaviour change and further public promotion and education. MMSM will support Entities in developing their Contamination Reduction Plan, as well as developing and deploying educational materials for commonly occurring contaminants in the audits.

The Entity will submit its Contamination Reduction Plan for review by MMSM. Upon approval by MMSM, the Entity/Collector will implement the plan. A further six months of samples will be taken and, perhaps, if

warranted, additional samples will be taken to evaluate the effectiveness of the Contamination Reduction Plan. The results of the next six months of audits will be shared with the Entity/Collector.

If the contamination rates show significant improvement, e.g., moving from 20% to 15%, MMSM will ask the first Contamination Reduction Plan to be continued, but no Service Level Failure Credits will be applied.

#### Phase 2: Follow-Up Contamination Reduction Plans

Where contamination rates have not improved or improved only marginally, a second Contamination Reduction Plan will be required from the Entity/Collector. The expectation will be for an enhanced approach with more frequent or targeted communication for a route, greater effort to sort out contamination ahead of collection (e.g., leaving materials behind with “oops” stickers). At this point, no Service Level Credit Failures will be applied.

The cycle will continue as necessary where continuous improvement in the contamination rates is not seen or is marginal. If after a third round of preparing and implementing a Contamination Reduction Plan fails to show improvement in the contamination rates, only then, and at the discretion of MMSM, will Service Level Failure Credits be applied.

Overall, from the beginning of the process until the completion of three rounds of Contamination Reduction Plans, the process will take between 18 and 24 months. The critical factor in avoiding any Service Level Failure Credits, even if 5% is not achieved after this period, is MMSM seeing continuous improvement.

Through its promotion and education plans, MMSM will employ strategies and tactics aimed at educating and influencing recycling behaviour. This includes, but is not limited to, educating consumers on the material accepted within the collection system, how to prepare materials for placement in the recycling collection system, and where collection systems can be accessed. Several communication tools will be deployed to address contamination and maximize reach.

Once MMSM establishes a consistent recycling program across the province with a harmonized list of acceptable materials, promotion and education will be implemented at a larger scale.