CHRISTIAN COUNTY, KENTUCKY

ORDINANCE NO. 02 -2026

AN ORDINANCE GRANTING AN EXCLUSIVE FRANCHISE TO IMPACT WASTE SERVICE, LLC FOR THE COLLECTION, TRANSPORTATION, AND DISPOSAL OF SOLID WASTE IN THE UNINCORPORATED AREAS OF CHRISTIAN COUNTY, KENTUCKY, AND AUTHORIZING THE COUNTY JUDGE/EXECUTIVE TO EXECUTE A SOLID WASTE FRANCHISE AGREEMENT

WHEREAS, Section 164 of the Constitution of Kentucky authorizes the County to grant franchises and privileges, provided that no such franchise shall be granted for a term exceeding twenty (20) years and that the franchise shall be awarded to the highest and best bidder after due advertisement; and

WHEREAS, KRS 67.083(3)(o) authorizes the Fiscal Court of Christian County to provide for the exclusive management of solid wastes by ordinance, by contract, or by both; and

WHEREAS, KRS 67.077 authorizes the Fiscal Court to enact ordinances necessary or appropriate to the exercise of its statutory powers; and

WHEREAS, the Christian County Administrative Code, Chapter 8, prescribes the procedures for the solicitation and award of contracts and franchises by the County, and Section 3.7 of the Administrative Code requires that the award of a franchise be authorized by ordinance of the Fiscal Court; and

WHEREAS, the existing solid waste franchise for the unincorporated areas of Christian County, originally awarded to Waste Management of Kentucky, L.L.C. on August 8, 2006, and subsequently assigned to GFL Environmental, Inc., is expiring by its terms on June 30, 2026; and

WHEREAS, this procurement constitutes the replacement of an existing franchise upon its expiration and is therefore exempt from the requirements of KRS 109.0417 pursuant to KRS 109.0417(1)(b)(1); and

WHEREAS, the County advertised an Invitation for Sealed Bids for the award of an exclusive solid waste franchise by publication in a newspaper of general circulation in Christian County in accordance with KRS 424.130 and KRS 424.260, and otherwise complied with all applicable competitive procurement requirements of the Christian County Administrative Code; and

WHEREAS, sealed bids were publicly opened and read aloud on May 19, 2026, in accordance with the Christian County Administrative Code, Section 8.2(E), and two (2) responsive bids were received, namely from Impact Waste Service, LLC and GFL Environmental, Inc.; and

WHEREAS, the Christian County Solid Waste Committee has reviewed the bids and has recommended to the Fiscal Court that the franchise be awarded to Impact Waste Service, LLC; and

WHEREAS, the Fiscal Court, having independently considered the bids received, the recommendation of the Solid Waste Committee, the proposed rates to residential and commercial customers, the proposed franchise fee payable to the County, the experience, qualifications, and references of the bidders, the transition plan submitted by each bidder, the financial capacity of each bidder, and the overall benefit to the citizens of Christian County, hereby finds that the bid of Impact Waste Service, LLC is the highest and best bid as required by Section 164 of the Constitution of Kentucky; and

WHEREAS, the Fiscal Court further finds that the award of an exclusive franchise to Impact Waste Service, LLC, on the terms set forth in the Solid Waste Franchise Agreement attached hereto, is in the best interest of the citizens of Christian County;

NOW, THEREFORE, BE IT ORDAINED BY THE FISCAL COURT OF CHRISTIAN COUNTY, KENTUCKY, AS FOLLOWS:

SECTION 1. FINDINGS OF FACT.

The recitals set forth above are hereby incorporated by reference as findings of fact of the Fiscal Court and made a part of this Ordinance as if fully set forth herein.

SECTION 2. GRANT OF EXCLUSIVE FRANCHISE.

Subject to the terms and conditions of the Solid Waste Franchise Agreement attached hereto and incorporated herein as Exhibit A, the Fiscal Court hereby grants to Impact Waste Service, LLC, a Kentucky limited liability company having its principal office at 11155 Johnson Mill Road, Crofton, Kentucky 42217 (Organization No. 1190014) (the "Franchisee"), the exclusive right, privilege, and obligation to collect, store, transport, and arrange for the processing and disposal of all solid waste generated by residential, commercial, and industrial customers located within the unincorporated areas of Christian County, Kentucky, and to use for that purpose the public streets, roads, and rights-of-way of the unincorporated areas of the County.

SECTION 3. TERM.

The franchise granted herein shall be for an initial term of five (5) years, commencing on July 1, 2026, and expiring at 11:59 p.m. on June 30, 2031. Upon the expiration of the initial term, the franchise may be renewed for up to three (3) additional terms of five (5) years each, at the sole and absolute discretion of the Fiscal Court, upon mutual written agreement of the parties, provided that the cumulative duration of the franchise, including all renewals, shall in no event exceed twenty (20) years from the commencement date, consistent with Section 164 of the Constitution of Kentucky. No renewal shall be automatic, and each renewal shall require separate authorization by the Fiscal Court.

SECTION 4. INCORPORATION OF FRANCHISE AGREEMENT.

The Solid Waste Franchise Agreement between Christian County, Kentucky and Impact Waste Service, LLC, attached hereto as Exhibit A, is hereby approved in all respects and is incorporated herein by reference and made a part of this Ordinance. The terms and conditions of the franchise, including but not limited to the scope of services, rates and charges, franchise fee, performance standards, performance bond, insurance, indemnification, reporting obligations, and termination provisions, shall be as set forth in the Solid Waste Franchise Agreement.

SECTION 5. RATES AND CHARGES.

The maximum rates that the Franchisee may charge customers for collection services during the term of this franchise shall be those set forth in Article V of the Solid Waste Franchise Agreement, including the following maximum monthly residential rates: $12.41 in Year 1; $12.78 in Year 2; $13.16 in Year 3; $13.55 in Year 4; and $13.96 in Year 5. Commercial rates and additional-container rates shall likewise be governed by Article V of the Solid Waste Franchise Agreement. No rate may be increased except in accordance with the Solid Waste Franchise Agreement and, where required, with the prior written approval of the Fiscal Court.

SECTION 6. FRANCHISE FEE.

The Franchisee shall pay to Christian County, Kentucky, as a franchise fee, an amount equal to ten and one-half percent (10.5%) of the gross monthly revenue collected by the Franchisee from customers within the unincorporated areas of the County for services rendered pursuant to the Solid Waste Franchise Agreement. The franchise fee shall be remitted monthly, in the manner and accompanied by the reports prescribed in Article VI of the Solid Waste Franchise Agreement.

SECTION 7. PERFORMANCE BOND.

On or before July 1, 2026, the Franchisee shall deliver to the County a performance bond in the penal sum of Two Hundred Fifty Thousand Dollars ($250,000.00), in a form acceptable to the County Attorney, guaranteeing the faithful performance of the Solid Waste Franchise Agreement and the due payment of all franchise fees and other sums payable to the County thereunder. The performance bond shall be maintained in full force and effect throughout the term of the franchise and any renewal thereof.

SECTION 8. INSURANCE AND INDEMNIFICATION.

The Franchisee shall maintain the insurance coverages and shall defend, indemnify, and hold harmless the County as set forth in Article VIII of the Solid Waste Franchise Agreement.

SECTION 9. DISPOSAL.

The Franchisee shall transport and deliver all solid waste collected under this franchise to a permitted solid waste management facility lawfully authorized to accept such waste under applicable federal, state, and local law. Consistent with the Commerce Clause of the United States Constitution and the holding of the United States Court of Appeals for the Sixth Circuit in Huish Detergents, Inc. v. Warren County, 214 F.3d 707 (6th Cir. 2000), this Ordinance does not require, and shall not be construed as requiring, that solid waste be disposed of at any in-state, in-county, or otherwise designated facility.

SECTION 10. COMPLIANCE WITH SOLID WASTE ORDINANCE.

The Franchisee shall comply with all provisions of the Christian County Solid Waste Ordinance, as the same may be amended from time to time, and with all other applicable federal, state, and local laws, statutes, ordinances, codes, rules, and regulations. Any violation of the Christian County Solid Waste Ordinance by the Franchisee shall constitute a violation of this Ordinance and of the Solid Waste Franchise Agreement.

SECTION 11. AUTHORIZATION TO EXECUTE.

The County Judge/Executive is hereby authorized, empowered, and directed to execute and deliver, on behalf of Christian County, Kentucky, the Solid Waste Franchise Agreement attached hereto as Exhibit A, together with such other instruments, certificates, and documents as may be necessary or appropriate to carry out the terms and intent of this Ordinance. The County Attorney is authorized to approve the Solid Waste Franchise Agreement as to form and legality and to make non-substantive revisions thereto consistent with this Ordinance.

SECTION 12. PUBLICATION.

In accordance with KRS 67.077, KRS 424.130, and KRS 424.260, a summary of this Ordinance, prepared and certified by the County Attorney, shall be published one (1) time in a newspaper of general circulation in Christian County within thirty (30) days after the passage of this Ordinance. The full text of this Ordinance, together with Exhibit A, shall be available for public inspection in the Office of the Christian County Clerk, 216 West 7th Street, Hopkinsville, Kentucky 42240, during regular business hours.

SECTION 13. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, or is preempted or superseded by federal or state law, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 14. REPEAL OF CONFLICTING ORDINANCES.

All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict. Nothing in this Ordinance shall be construed to repeal the Christian County Solid Waste Ordinance, which shall remain in full force and effect.

SECTION 15. EFFECTIVE DATE.

This Ordinance shall take effect upon its passage, the publication of the certified summary required by Section 12, and the execution of the Solid Waste Franchise Agreement, in accordance with KRS 67.077 and KRS Chapter 424.

INTRODUCED AND READ by title and summary on first reading this 9 day of June, 2026.

PUBLISHED by summary in a newspaper of general circulation in Christian County, Kentucky on the 13 day of June, 2026, in accordance with KRS 424.130 and KRS 424.260.

READ AND ADOPTED on second reading by the Fiscal Court of Christian County, Kentucky, this 23 day of June, 2026.

CHRISTIAN COUNTY FISCAL COURT

By: [signature]
Jerry Gilliam, Christian County Judge/Executive

ATTEST:

By: Melinda Humphries
Melinda Humphries, Christian County Court Clerk

APPROVED AS TO FORM AND LEGALITY:

By: [signature] LWF
Lincoln W. Foster, Christian County Attorney

VOTE OF THE FISCAL COURT ON ADOPTION:

Aye: 8 Nay: Ø Abstain: Ø Absent: Ø

CERTIFICATION

I, Melinda Humphries, Christian County Court Clerk, do hereby certify that Ordinance No. 02 -2026 was duly introduced and read by title and summary on first reading on the 9 day of June, 2026; that a certified summary was published in a newspaper of general circulation in Christian County, Kentucky on the 13 day of June, 2026, in accordance with KRS 424.130 and KRS 424.260; that the Ordinance was thereafter read by title on second reading and was duly adopted by a majority of the entire Fiscal Court of Christian County, Kentucky on the 23 day of June, 2026; and that the foregoing is a true, correct, and complete copy of said Ordinance as adopted.

Witness my hand and the seal of Christian County, Kentucky, this 23 day of June, 2026.

Melinda S Humphries

Melinda Humprhies, Christian County Clerk

EXHIBIT A

Solid Waste Franchise Agreement between Christian County, Kentucky and Impact Waste Service, LLC (attached and incorporated by reference)

SOLID WASTE FRANCHISE AGREEMENT

FOR THE

UNINCORPORATED AREAS OF CHRISTIAN COUNTY, KENTUCKY

BY AND BETWEEN

CHRISTIAN COUNTY FISCAL COURT

AND

IMPACT WASTE SERVICE, LLC

Effective Date: **July 1, 2026**

Term: Five (5) Years

Authorized by Ordinance No. 02 -2026

PARTIES AND RECITALS

This Solid Waste Franchise Agreement (the "Agreement") is made and entered into this 23 day of June, 2026 (the "Execution Date"), by and between the **CHRISTIAN COUNTY FISCAL COURT**, a political subdivision of the Commonwealth of Kentucky, with offices at 216 West 7th Street, Hopkinsville, Kentucky 42240 (the "County"), and **IMPACT WASTE SERVICE, LLC**, a Kentucky limited liability company in good standing (Organization No. 1190014), with its principal office at 11155 Johnson Mill Road, Crofton, Kentucky 42217 (the "Contractor"). The County and the Contractor are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the County is authorized to grant exclusive franchises for the collection and disposal of solid waste within the unincorporated areas of Christian County, Kentucky pursuant to Section 164 of the Constitution of Kentucky, KRS 67.083(3)(o), KRS 67.077, and the Christian County Administrative Code, Chapter 8; and

WHEREAS, the County advertised an Invitation for Sealed Bids for the award of the solid waste collection franchise in accordance with KRS 424.130 and KRS 424.260, and otherwise complied with all applicable competitive procurement requirements of the Christian County Administrative Code; and

WHEREAS, this procurement constitutes the replacement of an existing franchise upon its expiration and is therefore exempt from the requirements of KRS 109.0417 pursuant to KRS 109.0417(1)(b)(1); and

WHEREAS, upon review of the sealed bids received, the Christian County Solid Waste Committee recommended, and the Christian County Fiscal Court determined, that the bid submitted by Impact Waste Service, LLC is the highest and best bid as required by Section 164 of the Constitution of Kentucky; and

WHEREAS, by Ordinance No. 02 -2026, duly adopted by the Christian County Fiscal Court and published in accordance with KRS 424.130 and KRS 424.260, the County has authorized the award of this Franchise to the Contractor and the execution of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and obligations set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I — DEFINITIONS

For the purpose of this Agreement, the following terms shall have the meanings set forth below. Words used in the present tense include the future; words in the plural include the singular and vice versa. The word "shall" is mandatory; the word "may" is permissive.

"Agreement" means this Solid Waste Franchise Agreement, including all exhibits and attachments hereto, as may be amended in writing from time to time.

"Approved Container" means a wheeled, lidded cart with a capacity of ninety (90) gallons or greater, constructed of durable material and suitable for automated or semi-automated collection, furnished by the Contractor pursuant to Article IV of this Agreement.

"Collection" means the act of picking up Solid Waste from a Customer, loading it into a collection vehicle, and transporting it for processing or disposal.

"Commercial Establishment" means any business, corporation, company, association, partnership, political subdivision, or organization of any kind that manufactures, distributes, stores, sells, or provides any service or product, and which generates Solid Waste in the Service Area.

"Commencement Date" means July 1, 2026, the date upon which the Contractor shall commence active Collection service under this Agreement.

"County" means Christian County, Kentucky, acting by and through the Christian County Fiscal Court.

"Customer" means any Residential Unit or Commercial Establishment located within the Service Area that receives Collection services from the Contractor pursuant to this Agreement.

"Fiscal Court" means the Christian County Fiscal Court.

"Franchise" means the exclusive right and obligation granted to the Contractor under this Agreement to collect, transport, and dispose of Solid Waste generated within the Service Area.

"Franchise Fee" means the fee payable by the Contractor to the County pursuant to Article VI of this Agreement.

"Hazardous Waste" means any chemical, compound, mixture, substance, or article designated as "hazardous" by the United States Environmental Protection Agency or the Kentucky Energy and Environment Cabinet pursuant to applicable federal or state law or regulation.

"Ordinance" means the Christian County Solid Waste Ordinance, as the same may be amended from time to time, and Ordinance No. 02 -2026, which authorizes this Agreement.

"Residential Unit" means a dwelling within the Service Area occupied by a person or group of persons. A Residential Unit shall be deemed occupied when electric or water service, public or private, is supplied thereto. Each unit of an apartment, condominium, or multi-family dwelling shall be treated as a separate Residential Unit.

"Service Area" means all unincorporated areas of Christian County, Kentucky as the same may exist from time to time during the term of this Agreement.

"Solid Waste" means garbage, refuse, trash, and discarded materials generated by residential, commercial, industrial, or community activities, except as expressly excluded under Article IV of this Agreement.

"Term" means the period set forth in Article III of this Agreement.

ARTICLE II — GRANT OF EXCLUSIVE FRANCHISE

2.1 Grant.

Pursuant to Section 164 of the Constitution of Kentucky, KRS 67.083(3)(o), KRS 67.077, and Ordinance No. 02 -2026, the County hereby grants to the Contractor, and the Contractor hereby accepts, the exclusive right, privilege, and obligation to collect, store, transport, and arrange for the processing and disposal of all Solid Waste generated by Residential Units, Commercial Establishments, and industrial Customers located within the Service Area, subject to the terms and conditions of this Agreement.

2.2 Exclusivity.

During the Term, no other person or entity shall collect, transport, or otherwise haul Solid Waste for compensation from within the Service Area, except as expressly permitted by Kentucky law, the Christian County Solid Waste Ordinance, or this Agreement. The Contractor's rights hereunder are subject to all applicable provisions of the Kentucky Revised Statutes and the Christian County Administrative Code.

2.3 Compliance with Ordinance.

The terms of the Christian County Solid Waste Ordinance, as the same may be amended from time to time, are incorporated by reference and made a part of this Agreement. Any violation of the Ordinance by the Contractor shall constitute a violation of this Agreement.

ARTICLE III — TERM

3.1 Initial Term.

The initial Term of this Agreement shall be five (5) years, commencing on July 1, 2026, and expiring at 11:59 p.m. on June 30, 2031, unless sooner terminated as provided herein.

3.2 Renewal.

Upon the expiration of the initial Term, this Agreement may be renewed for up to three (3) additional terms of five (5) years each, at the sole and absolute discretion of the Fiscal Court, upon mutual written agreement of the Parties, provided that the cumulative duration of this Agreement, including all renewals, shall in no event exceed twenty (20) years from the Commencement Date, in accordance with Section 164 of the Constitution of Kentucky. The Fiscal Court shall provide written notice of its intent to renew, or not to renew, not less than one hundred eighty (180) days prior to the expiration of the then-current term.

3.3 No Automatic Renewal.

Nothing in this Agreement shall create any expectation or right of renewal. The decision whether to renew this Agreement, or to advertise a new Invitation for Sealed Bids, rests within the exclusive discretion of the Fiscal Court.

ARTICLE IV — SCOPE OF SERVICES

4.1 Residential Collection.

The Contractor shall provide once-per-week curbside Collection of Solid Waste to each Residential Unit in the Service Area that subscribes to service. The Contractor shall furnish, at no separate cost beyond the rates set forth in Article V, one (1) Approved Container per Residential Unit. Additional Approved Containers shall be available at the rate set forth in Article V.

4.2 Commercial Collection.

The Contractor shall provide Collection services to Commercial Establishments in the Service Area utilizing front-load containers in two-yard (2 yd^3), four-yard (4 yd^3), six-yard (6 yd^3), or eight-yard (8 yd^3) capacities, with container size and frequency of service determined by the needs of the Customer. Service for containers in excess of eight (8) cubic yards, or for roll-off services, shall be negotiated directly between the Contractor and the Customer at rates not to exceed the per-yard rates established in Article V.

4.3 Hours of Operation.

Routine Collection shall not begin earlier than 5:00 a.m. local time and shall be conducted in a manner that minimizes disruption to Customers and the general public. The Contractor shall not perform routine Collection on Sundays except in the event of make-up service necessitated by a Holiday or emergency, and only after notice to the Fiscal Court.

4.4 Holiday Schedule.

The Contractor shall observe the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a holiday falls on a regularly scheduled Collection day, Collection for that day and each remaining Collection day of that week shall be deferred by one (1) business day. The Contractor shall publish the holiday schedule annually and provide notice of any changes through the communication channels described in Section 4.7.

4.5 Missed Collections.

In the event a Customer's scheduled Collection is missed and the Contractor receives notice of the missed Collection within twenty-four (24) hours, excluding Sundays, the Contractor shall return and collect the Solid Waste no later than the next business day. If a missed Collection occurs on a Friday, the Contractor shall complete the make-up Collection no later than the following Monday (or Tuesday if Monday is a Holiday). Where Collection is prevented by road closure, utility work, weather, or other conditions beyond the Contractor's reasonable control, the Contractor shall notify affected Customers and complete Collection promptly upon resolution of the obstruction.

4.6 Excluded Materials.

The Contractor shall not be required to collect Hazardous Waste, ammunition, explosives, infectious or medical waste, radioactive materials, dead animals, automobile bodies or parts, or other materials that the Contractor is not lawfully authorized to transport or dispose of. The Contractor may, at its discretion and at separately negotiated rates, collect bulk items such as household appliances, furniture, and tires.

4.7 Customer Service and Communication.

The Contractor shall maintain a local telephone line answered by a live representative during normal business hours and shall provide a website and at least one social media channel for service updates. The Contractor shall promptly notify Customers and the Office of the Christian

County Judge/Executive of any disruption in service, schedule change, or weather-related delay.

ARTICLE V — RATES AND CHARGES

5.1 Residential Rates.

The Contractor's maximum rates for residential Collection (once-per-week service, one Approved Container) shall not exceed the following:

Service Period	Monthly Rate	Annual Rate
July 1, 2026 – June 30, 2027	$12.41	$148.92
July 1, 2027 – June 30, 2028	$12.78	$153.36
July 1, 2028 – June 30, 2029	$13.16	$157.92
July 1, 2029 – June 30, 2030	$13.55	$162.60
July 1, 2030 – June 30, 2031	$13.96	$167.52

Each additional Approved Container provided to a Residential Unit shall be billed at four dollars ($4.00) per month for the duration of the Term.

5.2 Commercial Per-Yard Rates.

The Contractor's maximum rate per cubic yard of commercial container capacity (one Collection per week) shall not exceed the following:

Service Period	Rate Per Cubic Yard (monthly)
July 1, 2026 – June 30, 2027	$4.48
July 1, 2027 – June 30, 2028	$4.61
July 1, 2028 – June 30, 2029	$4.75
July 1, 2029 – June 30, 2030	$4.89
July 1, 2030 – June 30, 2031	$5.05

5.3 Commercial Rates by Container Size.

Maximum monthly and annual rates for commercial front-load containers (one Collection per week) shall not exceed the following:

Year 1 (7/1/2026 – 6/30/2027)	Monthly	Annual
2-yard container	$38.80	$465.60
4-yard container	$77.59	$931.08
6-yard container	$116.39	$1,396.68

8-yard container	$155.19	$1,862.28

Year 2 (7/1/2027 – 6/30/2028)	Monthly	Annual
2-yard container	$39.92	$479.04
4-yard container	$79.85	$958.20
6-yard container	$119.77	$1,437.24
8-yard container	$159.69	$1,916.28

Year 3 (7/1/2028 – 6/30/2029)	Monthly	Annual
2-yard container	$41.14	$493.68
4-yard container	$82.27	$987.24
6-yard container	$123.41	$1,480.92
8-yard container	$164.54	$1,974.48

Year 4 (7/1/2029 – 6/30/2030)	Monthly	Annual
2-yard container	$42.35	$508.20
4-yard container	$84.69	$1,016.28
6-yard container	$127.04	$1,524.48
8-yard container	$169.39	$2,032.68

Year 5 (7/1/2030 – 6/30/2031)	Monthly	Annual
2-yard container	$43.65	$523.80
4-yard container	$87.29	$1,047.48
6-yard container	$130.94	$1,571.28
8-yard container	$174.59	$2,095.08

5.4 Billing.

The Contractor shall bill residential Customers quarterly in advance and commercial Customers monthly. Residential billing shall be issued not later than one (1) month before the due date; commercial billing shall be issued not later than two (2) weeks before the due date. Customers shall be permitted a reasonable grace period for payment consistent with the Contractor's billing plan submitted with its bid.

5.5 No Increases Without Approval.

Except for the scheduled annual increases set forth in this Article V, the Contractor shall not increase any rate charged to Customers without the prior written approval of the Fiscal Court. The Contractor shall not impose any fuel surcharge, environmental surcharge, administrative fee, or similar charge except as expressly authorized by the Fiscal Court in writing.

5.6 Suspension of Service for Extended Absences.

A Customer who will be absent from a Residential Unit for an extended period may request suspension of service through the Contractor's local office. The Contractor shall not bill the Customer during the approved suspension period or, if the Customer has prepaid, shall credit the Customer's account accordingly.

ARTICLE VI — FRANCHISE FEE

6.1 Amount.

The Contractor shall pay to the County, as a Franchise Fee, an amount equal to ten and one-half percent (10.5%) of the gross monthly revenue collected by the Contractor from all Customers in the Service Area for services rendered pursuant to this Agreement. For purposes of this Article, "gross monthly revenue" means all amounts billed to and received by the Contractor from Customers for Collection services, excluding sales taxes collected on behalf of a taxing authority.

6.2 Remittance and Reporting.

On or before the twenty-first (21st) day of each month, the Contractor shall remit to the Fiscal Court the Franchise Fee earned during the preceding calendar month, together with a written report, certified by a duly authorized officer of the Contractor or by a Certified Public Accountant, setting forth: (a) the total number of Residential Units and Commercial Establishments served, categorized by container size; (b) the gross revenue collected during the reporting month; (c) the Franchise Fee due; and (d) an address-level listing of all Customers served during the reporting period.

6.3 Late Payment.

Any Franchise Fee payment not received by the County within thirty (30) days of its due date shall bear interest at the rate of eight percent (8%) per annum, simple interest, from the date due until paid in full, without prejudice to any other remedy available to the County.

6.4 Audit Rights.

The County, by its County Treasurer, County Attorney, or designated independent auditor, shall have the right to inspect and audit the Contractor's books, records, and accounts related to operations under this Agreement upon ten (10) business days' written notice. The Contractor shall maintain such records for not less than four (4) years following the end of the fiscal year to which they relate. If an audit discloses an underpayment of Franchise Fees in excess of three percent (3%), the reasonable cost of the audit shall be borne by the Contractor.

ARTICLE VII — PERFORMANCE STANDARDS

7.1 General Standard of Service.

The Contractor shall render prompt, courteous, and efficient service to all Customers in accordance with this Agreement, the Ordinance, and the Contractor's bid. The Contractor shall use vehicles and equipment that are clean, properly maintained, identified with the Contractor's name and telephone number, and operated in compliance with all applicable laws.

7.2 Performance Metrics.

The Contractor shall investigate and respond to Customer complaints within twenty-four (24) hours of receipt, excluding Sundays. The Contractor shall maintain a log of all complaints, the disposition of each, and the time required for resolution. The complaint log shall be made available to the Fiscal Court upon request.

7.3 Damaged or Lost Containers.

The Contractor shall repair or replace Approved Containers that are damaged in the course of Collection at no cost to the Customer, on or before the next scheduled Collection day. Containers damaged by Customer misuse may be replaced at a reasonable cost to the Customer not to exceed the Contractor's actual replacement cost.

7.4 Liquidated Damages.

In the event of repeated or systemic service failures, the Fiscal Court may, after written notice and an opportunity to cure as provided in Article XIII, assess liquidated damages of up to two hundred fifty dollars ($250.00) per day for each day a failure remains uncured. The Parties acknowledge that actual damages from service failures would be difficult to quantify and that the foregoing represents a reasonable forecast of just compensation, not a penalty.

ARTICLE VIII — PERFORMANCE BOND AND INSURANCE

8.1 Performance Bond.

On or before the Commencement Date, the Contractor shall deliver to the County a performance bond in the penal sum of two hundred fifty thousand dollars ($250,000.00), in a form acceptable to the County Attorney, guaranteeing the faithful performance of this Agreement and the due payment of all Franchise Fees and other sums payable to the County hereunder. The bond shall be issued by a surety company authorized to transact business in the Commonwealth of Kentucky and rated A- or better by A.M. Best. The bond shall remain in effect for the entire Term and shall be renewed annually upon the same terms.

8.2 Insurance.

The Contractor shall maintain, at its sole cost, the following insurance coverages throughout the Term:

(a) Workers' Compensation Insurance in accordance with the laws of the Commonwealth of Kentucky;

(b) Commercial General Liability Insurance with minimum limits of one million dollars ($1,000,000) per occurrence and two million dollars ($2,000,000) in the aggregate;

(c) Automobile Liability Insurance covering all owned, non-owned, and hired vehicles used in the performance of this Agreement with a combined single limit of not less than one million dollars ($1,000,000);

(d) Umbrella or Excess Liability Insurance with limits of not less than five million dollars ($5,000,000) per occurrence; and

(e) such additional coverage as the County Attorney may reasonably require.

8.3 Additional Insured.

The County, the Christian County Fiscal Court, and their respective officers, elected officials, employees, and agents shall be named as additional insureds on the policies required under Section 8.2(b), (c), and (d). Certificates of insurance evidencing the required coverages shall be delivered to the Fiscal Court on or before the Commencement Date and upon each renewal. Each policy shall provide that it shall not be canceled or materially modified without thirty (30) days' prior written notice to the County.

8.4 Indemnification.

The Contractor shall defend, indemnify, and hold harmless the County, the Fiscal Court, and their respective officers, elected officials, employees, and agents from and against any and all claims, demands, suits, judgments, losses, damages, costs, and expenses (including reasonable attorney's fees) arising out of or in any way connected with the performance or non-performance of this Agreement, except to the extent caused by the sole negligence or willful misconduct of the County. This obligation shall survive the expiration or earlier termination of this Agreement.

ARTICLE IX — DISPOSAL

9.1 Lawful Disposal.

The Contractor shall transport and deliver all Solid Waste collected under this Agreement to a permitted Solid Waste management facility lawfully authorized to accept such waste under applicable federal, state, and local law.

9.2 No Mandated Facility.

Consistent with the Commerce Clause of the United States Constitution and the holding of the United States Court of Appeals for the Sixth Circuit in Huish Detergents, Inc. v. Warren County, 214 F.3d 707 (6th Cir. 2000), the County does not require, and shall not be construed as requiring, that Solid Waste be disposed of at any in-state, in-county, or otherwise designated facility. The Contractor retains the discretion to select any lawfully permitted disposal facility, subject only to the requirement that disposal be lawful and that the Contractor maintain records of the facilities used.

9.3 Recordkeeping.

The Contractor shall maintain records of all facilities to which Solid Waste collected under this Agreement is delivered, including the name, location, and permit number of each facility, and shall make such records available to the County upon request.

ARTICLE X — REPORTS AND RECORDS

10.1 Monthly Report.

In addition to the Franchise Fee report required under Section 6.2, the Contractor shall submit to the Fiscal Court, on or before the twenty-first (21st) day of each month, a monthly operations report that includes: (a) the number of new Customers added and discontinued during the preceding month; (b) the number and nature of complaints received and the disposition of each; (c) the number of missed Collections and the cause of each; and (d) any other information reasonably requested by the Fiscal Court.

10.2 Semi-Annual Report.

On or before January 31 and July 31 of each year during the Term, the Contractor shall submit to the Fiscal Court a comprehensive semi-annual report summarizing operations under this Agreement, including total volume of Solid Waste collected, total revenue collected, total Franchise Fees paid, and a current address-level Customer list.

10.3 Books and Records.

The Contractor shall maintain accurate and complete books, records, and accounts relating to operations under this Agreement in accordance with generally accepted accounting principles, and shall retain such records for not less than four (4) years following the end of the fiscal year to which they relate.

ARTICLE XI — TRANSITION

11.1 Transition Plan.

The Contractor shall implement the transition plan submitted with its bid, including the timely procurement and distribution of Approved Containers, the establishment of central distribution sites, coordination with local media, the maintenance of social media communication, and notice to the Office of the Christian County Judge/Executive. All residential Approved Containers shall be delivered no later than June 30, 2026.

11.2 Cooperation with Outgoing Provider.

The Contractor shall cooperate in good faith with the outgoing franchisee to facilitate an orderly transition of service, including the exchange of Customer information to the extent permitted by applicable law and the timely retrieval and exchange of containers.

ARTICLE XII — ASSIGNMENT

12.1 Consent Required.

The Contractor shall not assign, transfer, sublet, or otherwise convey this Agreement or any right or obligation hereunder, in whole or in part, whether by operation of law or otherwise, without the prior written consent of the Fiscal Court, which consent may be withheld in the Fiscal Court's sole discretion. Any change in control of the Contractor, including a sale of substantially all of its assets or a transfer of more than fifty percent (50%) of its membership interests, shall be deemed an assignment subject to this Section.

12.2 No Release.

No assignment, even if consented to, shall release the Contractor from its obligations under this Agreement unless the Fiscal Court expressly agrees in writing to such release. Any unauthorized assignment shall be void and shall constitute a material breach of this Agreement.

ARTICLE XIII — DEFAULT, CURE, AND TERMINATION

13.1 Events of Default.

Each of the following shall constitute an Event of Default:

(a) the failure of the Contractor to provide Collection services in accordance with this Agreement;

(b) the failure of the Contractor to remit any Franchise Fee or other sum when due;

(c) the failure of the Contractor to maintain the performance bond or insurance required by Article VIII;

(d) the assignment or attempted assignment of this Agreement in violation of Article XII;

(e) the insolvency of the Contractor, the filing of a voluntary or involuntary petition in bankruptcy, the appointment of a receiver or trustee, or the assignment by the Contractor for the benefit of creditors;

(f) the conviction of the Contractor or any of its principals of a felony related to the operation of a waste hauling business;

(g) any material misrepresentation in the Contractor's bid or in any report required hereunder; or

(h) any other material breach of this Agreement or the Ordinance.

13.2 Notice and Cure.

Upon the occurrence of an Event of Default, the County shall provide the Contractor with written notice describing the default with reasonable specificity. The Contractor shall have thirty (30) days from receipt of such notice to cure the default. If the default is of a nature that cannot reasonably be cured within thirty (30) days, the Contractor shall not be in default if it commences a cure within the thirty (30) day period and diligently prosecutes the cure to completion.

13.3 Termination by County.

If the Contractor fails to cure an Event of Default within the period provided in Section 13.2, the Fiscal Court may, in addition to any other remedy available to it: (a) terminate this Agreement upon written notice to the Contractor specifying the effective date of termination, which date shall be no less than thirty (30) days after the date of such notice; (b) cure the default at the Contractor's expense; (c) draw upon the performance bond; (d) assess liquidated damages as provided in Section 7.4; and/or (e) pursue any other remedy at law or in equity.

13.4 Force Majeure.

Neither Party shall be liable for delay or failure of performance caused by events beyond its reasonable control, including acts of God, severe weather, war, terrorism, civil unrest, governmental orders, strikes, fires, or epidemics, provided that the affected Party gives prompt written notice to the other Party and uses commercially reasonable efforts to resume performance. Force majeure shall not excuse the Contractor's obligation to remit Franchise Fees on revenues actually collected.

13.5 Survival.

The Contractor's obligations under Sections 6.4 (Audit Rights), 8.4 (Indemnification), 10.3 (Books and Records), and any other provision that by its nature is intended to survive shall survive the expiration or earlier termination of this Agreement.

ARTICLE XIV — CONFLICT OF INTEREST

The Contractor represents and warrants that neither it nor any of its officers, members, managers, employees, or agents has any financial or personal interest, direct or indirect, that would conflict in any manner with the performance of this Agreement, and that no such relationship exists, or shall exist during the Term, between the Contractor and any employee, officer, or elected official of the County that could constitute a conflict of interest or the appearance of impropriety. The Contractor shall promptly disclose to the County any potential or actual conflict of interest that arises during the Term. Failure to disclose may result in termination of this Agreement.

ARTICLE XV — NON-DISCRIMINATION

The Contractor shall not discriminate against any employee, applicant for employment, or Customer on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, veteran status, or any other characteristic protected by applicable law. The Contractor shall comply with all applicable federal, state, and local laws and regulations concerning equal employment opportunity and non-discrimination.

ARTICLE XVI — COMPLIANCE WITH LAW

The Contractor shall, at all times during the Term, comply with all applicable federal, state, and local laws, statutes, ordinances, codes, rules, and regulations, including without limitation Section 164 of the Constitution of Kentucky, the Kentucky Revised Statutes (including but not limited to KRS Chapter 67, KRS Chapter 109, and KRS Chapter 224), the regulations of the Kentucky Energy and Environment Cabinet, the Christian County Administrative Code, the Christian County Solid Waste Ordinance, and all rules and regulations adopted pursuant thereto.

ARTICLE XVII — MISCELLANEOUS

17.1 Entire Agreement.

This Agreement, together with the Christian County Solid Waste Ordinance, Ordinance No. 02-2026, the Invitation for Sealed Bids, and the Contractor's bid (each of which is incorporated herein by reference), constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings, whether oral or written. In the event of any conflict, the documents shall control in the following order of precedence: (1) this Agreement; (2) Ordinance No. 02-2026; (3) the Christian County Solid Waste Ordinance; (4) the Invitation for Sealed Bids; and (5) the Contractor's bid.

17.2 Amendment.

This Agreement may be amended only by a written instrument executed by both Parties and, where required by law, approved by the Fiscal Court at a duly convened meeting.

17.3 Severability.

If any provision of this Agreement is held to be invalid, unconstitutional, or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect, and the invalid provision shall be reformed to the extent necessary to render it enforceable while preserving the original intent of the Parties to the maximum extent permitted by law.

17.4 Governing Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky, without regard to its conflict of laws principles. Exclusive venue and jurisdiction for any action arising out of or relating to this Agreement shall lie in the Christian Circuit Court, Christian County, Kentucky.

17.5 Notices.

All notices required or permitted under this Agreement shall be in writing and shall be deemed given when delivered personally, by certified mail (return receipt requested), or by nationally recognized overnight courier service, addressed as follows:

If to the County:

Christian County Judge/Executive
216 West 7th Street
Hopkinsville, Kentucky 42240
With a copy to: Christian County Attorney, at the same address.

If to the Contractor:

Impact Waste Service, LLC
Attn: Robert L. Janes, Member
11155 Johnson Mill Road
Crofton, Kentucky 42217

Either Party may change its address for notices by giving written notice in the manner provided herein.

17.6 Point of Contact.

All routine communications and operational matters between the Contractor and the County shall be directed by the Contractor to the Christian County Judge/Executive, or his or her designee.

17.7 No Third-Party Beneficiaries.

Nothing in this Agreement, whether express or implied, is intended or shall be construed to confer upon any person or entity other than the Parties any right, remedy, or claim under or by reason of this Agreement.

17.8 Waiver.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by the Party against whom such waiver is sought to be enforced. No waiver of any breach shall constitute a waiver of any other or subsequent breach.

17.9 Counterparts; Electronic Signatures.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures delivered by facsimile or other electronic means shall be deemed original signatures for all purposes.

17.10 Headings.

Headings used in this Agreement are for convenience only and shall not affect the construction or interpretation of any provision hereof.

17.11 Authority.

Each Party represents and warrants that the individual executing this Agreement on its behalf is duly authorized to do so and that this Agreement, when executed and delivered, shall constitute the valid and binding obligation of such Party.

SIGNATURES

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Execution Date first written above.

CHRISTIAN COUNTY FISCAL COURT

By: ______________________
Jerry Gilliam, Christian County Judge/Executive

Date: 6/23/26

ATTEST:

By: Melinda Humphries
Melinda Humphries, Christian County Clerk

APPROVED AS TO FORM AND LEGALITY:

By: ______________________
Lincoln W. Foster, Christian County Attorney

IMPACT WASTE SERVICE, LLC

By: Robert L. Janes
Robert L. Janes, Member

Date: 6/23/26