

EXCLUSIVE FRANCHISE AGREEMENT
BETWEEN
CITY OF SOUTH GATE
AND
UNIVERSAL WASTE SYSTEMS, INCORPORATED
FOR
RECYCLING, ORGANICS, AND SOLID WASTE COLLECTION
AND
RECYCLING, ORGANICS, AND C&D PROCESSING SERVICES

JULY 12, 2022

{This page intentionally left blank}

Table of Contents

TABLE OF CONTENTS	i
LIST OF EXHIBITS.....	iv
RECITALS	1
ARTICLE 1. GRANT AND ACCEPTANCE OF FRANCHISE	2
1.1 GRANT AND ACCEPTANCE OF FRANCHISE.....	2
1.2 LIMITATIONS TO THE FRANCHISE.....	2
1.3 OBLIGATIONS OF PARTIES	4
ARTICLE 2. TERM OF AGREEMENT.....	5
2.1 TERM AND OPTION TO EXTEND	5
2.1.1 OPTION TO EXTEND TERM.....	5
2.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT	5
2.3 DELEGATION OF AUTHORITY	6
ARTICLE 3. SCOPE OF AGREEMENT	6
3.1 SUMMARY SCOPE OF SERVICES	6
3.2 USE OF APPROVED FACILITIES	7
3.3 SUBCONTRACTING	7
3.4 RESPONSIBILITY FOR MATERIALS	7
3.5 CITY-DIRECTED CHANGES TO SCOPE	8
ARTICLE 4. SCOPE OF SERVICES	8
4.1 RECYCLABLE AND ORGANIC MATERIALS	9
4.2 SOLID WASTE.....	11
4.3 BULKY ITEMS AND REUSABLE MATERIALS	11
4.4 CITY SPONSORED EVENTS	12
4.5 PUBLIC EDUCATION AND OUTREACH	13
4.6 BILLING.....	13
4.7 CUSTOMER SERVICE PROGRAM.....	15
4.7.1 PROGRAM REQUIREMENTS	15
4.7.2 MISSED COLLECTIONS.....	17
4.7.3 SB 1383 NON-COMPLIANCE COMPLAINTS.....	18
4.8 ACCESS TO CUSTOMER SERVICE AND BILLING SYSTEMS	18
4.9 SERVICE EXEMPTIONS	18
4.9.1 GENERAL EXEMPTIONS.....	18
4.9.2 COMMERCIAL AND MULTI-FAMILY CUSTOMER WAIVERS.....	18
4.9.3 CONTRACTOR SERVICE EXEMPTIONS.....	20
4.10 CONTAMINATION MONITORING	20
4.10.1 ANNUAL ROUTE REVIEWS.....	20
4.10.2 WASTE CHARACTERIZATION STUDIES	24
4.11 ROUTE AUDIT	26
ARTICLE 5. STANDARD OF PERFORMANCE.....	27
5.1 GENERAL.....	27
5.2 OPERATING HOURS AND SCHEDULES	27
5.3 COLLECTION STANDARDS	28

5.4	TRANSFER AND PROCESSING STANDARDS	30
5.4.1	EQUIPMENT AND SUPPLIES	30
5.4.2	SCALES AND WEIGHING	31
5.5	COLLECTION VEHICLE REQUIREMENTS	31
5.6	CONTAINER REQUIREMENTS	33
5.7	PERSONNEL	36
5.8	HAZARDOUS WASTE INSPECTION AND HANDLING	38
5.9	CONTRACT MANAGEMENT	39
5.10	ENVIRONMENTALLY PREFERABLE PURCHASING	39
5.11	LOCAL PURCHASING PREFERENCE	40
5.12	MINIMUM DIVERSION REQUIREMENTS	40
ARTICLE 6. RECORD KEEPING AND REPORTING		41
6.1	RECORD KEEPING	41
6.2	REPORT SUBMITTAL REQUIREMENTS	42
6.3	PERFORMANCE REVIEW	42
6.4	PERFORMANCE SATISFACTION SURVEY	43
6.5	BIENNIAL AUDIT	43
6.5.1	PAYMENTS AND REFUNDS	44
ARTICLE 7. CITY FEES		44
7.1	FRANCHISE FEE	44
7.1.1	ADJUSTMENT TO FRANCHISE FEE	45
7.2	AB 939/SB 1383 REIMBURSEMENT	45
7.3	ADJUSTMENT TO AB 939/SB 1383 REIMBURSEMENT	45
7.4	PAYMENT SCHEDULE AND LATE FEES	45
7.5	CONTRACTING FEE	45
7.6	OTHER FEES	45
7.7	DISCONTINUANCE OF FEES	46
ARTICLE 8. CONTRACTOR'S COMPENSATION AND RATE SETTING		46
8.1	GENERAL	46
8.2	INITIAL RATES	46
8.3	SCHEDULE OF FUTURE ADJUSTMENTS	46
8.4	METHOD OF ADJUSTMENTS	47
8.4.1	GENERAL	47
8.4.1.1	INDEMNIFICATION	47
8.4.2	RATE ADJUSTMENT CALCULATION	47
8.5	EXTRAORDINARY ADJUSTMENTS	47
ARTICLE 9. INDEMNITY, INSURANCE, AND PERFORMANCE BOND		48
9.1	INDEMNIFICATION	48
9.2	INSURANCE	51
9.3	FAITHFUL PERFORMANCE BOND	53
9.4	FAITHFUL PERFORMANCE LETTER OF CREDIT	53
9.5	FORFEITURE OF PERFORMANCE BOND	53
9.6	FORFEITURE OF LETTER OF CREDIT	54
9.7	PERFORMANCE SECURITY BEYOND SERVICE TERM	54
ARTICLE 10		54

CITY'S RIGHT TO PERFORM SERVICE.....	54
10.1 GENERAL.....	54
10.2 TEMPORARY POSSESSION OF CONTRACTOR'S PROPERTY	55
10.3 BILLING AND COMPENSATION TO CITY DURING CITY'S POSSESSION	55
10.4 CITY'S RIGHT TO RELINQUISH POSSESSION	56
10.5 CITY'S POSSESSION NOT A TAKING.....	56
10.6 DURATION OF CITY'S POSSESSION	56
10.7 DISASTER PREPAREDNESS PLAN.....	56
ARTICLE 11. DEFAULT AND REMEDIES	57
11.1 EVENTS OF DEFAULT	57
11.2 CONTRACTOR'S RIGHT TO CURE; RIGHT TO TERMINATE UPON EVENT OF DEFAULT.....	59
11.3 CITY'S REMEDIES IN THE EVENT OF DEFAULT	59
11.4 POSSESSION OF RECORDS UPON TERMINATION.....	60
11.5 CITY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE.....	60
11.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES.....	60
11.7 EXCUSE FROM PERFORMANCE.....	67
11.8 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE	68
11.9 DISPUTE RESOLUTION.....	68
ARTICLE 12. REPRESENTATIONS AND WARRANTIES OF THE PARTIES.....	69
12.1 CONTRACTOR'S CORPORATE STATUS	69
12.2 CONTRACTOR'S CORPORATE AUTHORIZATION	69
12.3 AGREEMENT WILL NOT CAUSE BREACH.....	69
12.4 NO LITIGATION.....	70
12.5 NO ADVERSE JUDICIAL DECISIONS	70
12.6 NO LEGAL PROHIBITION	70
12.7 CONTRACTOR'S ABILITY TO PERFORM	70
ARTICLE 13. OTHER AGREEMENTS OF THE PARTIES	70
13.1 RELATIONSHIP OF PARTIES	70
13.2 COMPLIANCE WITH LAW	71
13.3 GOVERNING LAW	71
13.4 ARBITRATION	71
13.5 BINDING ON SUCCESSORS	71
13.6 ASSIGNMENT	71
13.7 NO THIRD-PARTY BENEFICIARIES.....	73
13.8 WAIVER.....	73
13.9 AFFILIATED COMPANIES	73
13.10 TRANSITION TO NEXT CONTRACTOR	73
13.11 CONTRACTOR'S INVESTIGATION	74
13.12 CONDEMNATION	74
13.13 NOTICE PROCEDURES	74
13.14 REPRESENTATIVES OF THE PARTIES	75
13.15 COMPLIANCE WITH MUNICIPAL CODE	75
13.16 COOPERATION FOLLOWING TERMINATION.....	75
13.17 COMPLIANCE WITH IMMIGRATION LAWS.....	75
ARTICLE 14. MISCELLANEOUS AGREEMENTS	76

14.1	ENTIRE AGREEMENT	76
14.2	SECTION HEADINGS	76
14.3	REFERENCES TO LAWS	76
14.4	INTERPRETATION	76
14.5	AMENDMENTS	76
14.6	SEVERABILITY	76
14.7	COUNTERPARTS	76
14.8	EXHIBITS	77
14.9	NON-WAIVER PROVISION	77
14.10	ATTORNEYS' FEES	77

List of Exhibits

- A. Definitions
- B. Direct Services
 - B1. Single-Family Residential Services
 - B2. Multi-Family Residential Services
 - B3. Commercial Services
 - B4. City Services
 - B5. City Service Levels and Locations
- C. Public Education and Outreach Requirements
- D. Initial Maximum Rates
- E. Example Rate Adjustment Formula
- F. Reporting Requirements
- G. Exhibit Reserved
- H. Contractor's Faithful Performance Bond
- I. Notary Certification
- J. Contractor's Implementation Plan and Schedule
- K. Environmentally Preferable Purchasing Policy
- L. AB 341 and SB 1383 Implementation Plan

1 **Exclusive Franchise Agreement**
2 **between**
3 **City of South Gate**
4 **and**
5 **Universal Waste Systems, Incorporated**
6 **for Recycling, Organics, and Solid Waste Collection**
7 **and Recycling, Organics, and C&D Processing Services**

8 THIS EXCLUSIVE FRANCHISE AGREEMENT (hereinafter "Agreement") is made and entered into as of July
9 12, 2022 between the City of South Gate, California, a municipal corporation (hereinafter "City"), and
10 Universal Waste Systems, Incorporated (hereinafter referred to as the "Contractor") (each a "Party" and
11 collectively the "Parties").

12 **RECITALS**

13 This Agreement is entered into with reference to the following facts and circumstances:

14 **WHEREAS**, the Legislature of the State of California, by enactment of the California Integrated Waste
15 Management Act of 1989 (AB 939) (California Public Resources Code Section 40000 et seq.), has declared
16 that it is in the public interest to authorize and require local agencies to make adequate provisions for
17 Solid Waste Collection within their jurisdiction; and,

18 **WHEREAS**, the State of California has found and declared that the amount of refuse generated in
19 California, coupled with diminishing Disposal capacity and potential adverse environmental impacts from
20 landfilling and the need to conserve natural resources, have created an urgent need for State and local
21 agencies to enact and implement an aggressive integrated waste management program. The State has,
22 through enactment of AB 939 and subsequent related legislation including, but not limited to: the Jobs
23 and Recycling Act of 2011 (AB 341), the Event and Venue Recycling Act of 2004 (AB 2176), SB 1016
24 (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]), the Mandatory Commercial Organics Recycling Act of
25 2014 (AB 1826), and the Short-Lived Climate Pollutants Bill of 2016 (SB 1383), directed the responsible
26 State agency, and all local agencies, to promote Diversion and to maximize the use of feasible waste
27 reduction, re-use, Recycling, and Composting options in order to reduce the amount of refuse that must
28 be Disposed; and,

29 **WHEREAS**, SB 1383 establishes regulatory requirements for jurisdictions, Generators, haulers, Solid Waste
30 facilities, and other entities to support achievement of State-wide Organic Waste Disposal reduction
31 targets; and,

32 **WHEREAS**, SB 1383 requires the City to implement Collection programs, meet Processing Facility
33 requirements, conduct contamination monitoring, provide education, maintain records, submit reports,
34 monitor compliance, conduct enforcement, and fulfill other requirements; and, the City has chosen to
35 delegate some of its responsibilities to the Contractor, acting as the City's designee, through this
36 Agreement; and,

37 **WHEREAS**, pursuant to California Public Resources Code Section 40059(a)(2), the City has determined that
38 the public health, safety, and well-being require that exclusive rights be awarded to one or more qualified

39 Contractor to provide for the Collection of Recyclable Materials, Organic Materials, and Solid Waste and
40 other services related to meeting the City's economic and environmental goals; and,

41 **WHEREAS**, the City further declares its intent to approve and maintain reasonable Rates for the Collection,
42 Recycling, Processing, Composting, and/or Disposal of Recyclable Materials, Organic Materials, and Solid
43 Waste; and,

44 **WHEREAS**, the City desires, having determined that Contractor, by demonstrated experience, reputation
45 and capacity is qualified to provide for both the Collection of Recyclables Materials, Organic Materials,
46 and Solid Waste within the corporate limits of the City and the Transportation of such material to
47 appropriate places of Processing, Recycling, Composting, and/or Disposal, that Contractor be engaged to
48 perform such services on the basis set forth in this Agreement; and,

49 **WHEREAS**, the City and Contractor have attempted to address conditions affecting their performance of
50 services under this Agreement but recognize that reasonably unanticipated conditions may occur during
51 the Term of this Agreement that will require the Parties to meet and confer to reasonably respond to such
52 changed conditions; and,

53 **WHEREAS**, under Municipal Code Section 13.100.160, the City may enter into a contract for the Collection,
54 removal and Disposal of all refuse in and from the City and the collection of Rates therefor, and the City
55 Council is authorized to enter into such contract with any terms it deems necessary to protect the best
56 interests of the City.

57 **NOW, THEREFORE**, in consideration of the mutual promises, covenants, and conditions contained in this
58 Agreement and for other good and valuable consideration, the Parties agree as follows:

59 **ARTICLE 1.**
60 **GRANT AND ACCEPTANCE OF FRANCHISE**

61 **1.1 GRANT AND ACCEPTANCE OF FRANCHISE**

62 By the signing of this Agreement, the City grants to Contractor, and Contractor accepts, a exclusive
63 franchise within the corporate limits of the City. The franchise granted to Contractor shall be for the scope
64 of services described in this Agreement, subject to the limitations described in Section 1.2 and except
65 where otherwise precluded by Federal, State, and local laws and regulations.

66 **1.2 LIMITATIONS TO THE FRANCHISE**

67 The award of this Agreement shall not preclude the categories of Recyclable Materials, Organic Materials,
68 Solid Waste, or other materials listed below from being delivered to and Collected and Transported by
69 other Persons, provided that nothing in this Agreement is intended to or shall be construed to excuse any
70 Person from obtaining any authorization from the City which is otherwise required by law:

- 71 A. **Recyclable and Organic Materials.** Other Persons shall maintain the right to: (1) accept Source
72 Separated Recyclable Materials and Source Separated Organic Materials donated from the service
73 recipient, or (2) to pay the service recipient for Source Separated Recyclable Materials and Source
74 Separated Organic Materials provided that there is no net payment made by the service recipient
75 to such other Person.

- 76 B. **Self-Hauled Materials.** A Commercial business Owner or Resident may Transport Recyclable
77 Materials, and Organic Materials for Processing, generated in or on their own Premises with their
78 own vehicle.
- 79 C. **Construction and Demolition Debris (C&D).** Construction and Demolition Debris which is
80 removed by a duly-licensed construction or demolition company or as part of a total service
81 offered by said licensed company or by the City, where the licensed company utilizes its own
82 equipment.
- 83 D. **Donated or Sold Materials.** Any items which are Source Separated at any Premises by the
84 Generator and (a) sold or (b) donated to youth, civic, or charitable organizations. Materials will
85 not be deemed donated if they are Collected by a non-franchised waste hauler that is not a
86 501(c)(3) organization.
- 87 E. **Edible Food.** Edible Food which is Collected from a Generator by other Person(s), such as a Person
88 from a Food Recovery Organization or Food Recovery Service, for the purposes of Food Recovery;
89 or which is Self-Hauled by the Generator to another Person(s), such as a Person from a Food
90 Recovery Organization, for the purposes of Food Recovery, regardless of whether the Generator
91 donates, sells, or pays a fee to the other Person(s) to Collect or receive the Edible Food.
- 92 F. **Food Scraps.** Food Scraps that are separated by the Generator and used by the Generator or
93 distributed to other Person(s) for lawful use as animal feed, in accordance with 14 CCR Section
94 18983.1(b)(7). Food Scraps intended for animal feed may be Self-Hauled by Generator or hauled
95 by another party.
- 96 G. **Materials That Contractor Does Not Divert.** Discarded Materials which the Contractor is not
97 required to Process and Divert under this Agreement as of the Effective Date of this Agreement
98 which subsequently, in the City's reasonable judgment, become economically feasible to Divert.
99 In such event, Contractor shall have the right to Collect and Process such materials if Contractor
100 agrees to do so without any change in Rates. If Contractor is unwilling to Process and Divert such
101 new materials at existing Rates, the City may provide for Collection, Processing, and Diversion of
102 such materials in any manner it deems appropriate. Such materials may include, but not be limited
103 to, Organic Materials which Contractor would otherwise Dispose. Contractor may not enforce its
104 franchise rights in a manner that would prevent the Diversion of material that Contractor is unable
105 or unwilling to Divert.
- 106 H. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container
107 Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code.
- 108 I. **Materials Removed by Customer's Contractor as an Incidental Part of Services.** Recyclable
109 Materials, Organic Materials, Solid Waste, and Bulky Items removed from a Premises by a
110 contractor (e.g., gardener, landscaper, tree-trimming service, construction contractor, Residential
111 clean-out service) as an incidental part of the service being performed, rather than as a separately
112 contracted or subcontracted hauling service; or if such contractor is providing a service which is
113 not included in the scope of this Agreement.
- 114 J. **On-site or Community Composting.** Organic Materials Composted or otherwise legally managed
115 at the site where it is generated (e.g., backyard Composting, or on-site anaerobic digestion) or at
116 a Community Composting site.

- 117 K. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or
118 butcher shops, grease, or used cooking oil.
- 119 L. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash,
120 grit, and screenings.
- 121 M. **Excluded Waste.** Excluded Waste regardless of its source.
- 122 N. **Materials Generated by State and County Facilities.** Materials generated by State and County
123 facilities located in the City, including but not limited to the Los Angeles, Downey, Lynwood, and
124 Paramount Unified School Districts, provided that the Generator has arranged services with other
125 Persons or has arranged services with the Contractor through a separate agreement.

126 Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to
127 Collect any and all types of materials excluded from the scope of this Franchise, as set forth above, without
128 seeking or obtaining approval of Contractor. If Contractor can produce evidence that other Persons are
129 servicing Collection Containers or are Collecting and Transporting Recyclable Materials, Organic Materials,
130 and/or Solid Waste in a manner that is not consistent with this Agreement or the City's Code, it shall
131 report the location, the name and phone number of the Person or company to the City Manager, or his
132 or her designee, along with Contractor's evidence. In such case, City may notify the Generator and Person
133 providing service of Contractor's rights under this Agreement.

134 This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now
135 and during the Term of the Agreement. If future judicial interpretations of current law or new laws,
136 regulations, or judicial interpretations limit the ability of the City to lawfully contract for the scope of
137 services in the manner and consistent with all provisions as specifically set forth herein, Contractor agrees
138 that the scope of the Agreement will be limited to those services and materials which may be lawfully
139 included herein and that the City shall not be responsible for any lost profits or losses claimed by
140 Contractor to arise out of limitations to the scope or provisions of the Agreement set forth herein. In such
141 an event, it shall be the responsibility of Contractor to minimize the financial impact of such future judicial
142 interpretations or new laws and the Contractor may meet and confer with City and may petition for a Rate
143 adjustment pursuant to Section 8.5.

144 **1.3 OBLIGATIONS OF PARTIES**

145 In addition to the specific performance required under the Agreement, City and Contractor shall:

- 146 1. Provide timely notice to one another of a perceived failure to perform any obligations under this
147 Agreement and access to information demonstrating the Party's failure to perform.
- 148 2. Provide timely access to the City Manager and the Contractor's designated representative and
149 complete and timely responses to requests of the other Party.
- 150 3. Provide timely notice of matters which may affect either Party's ability to perform under the
151 Agreement.

152
153

**ARTICLE 2.
TERM OF AGREEMENT**

154 **2.1 TERM AND OPTION TO EXTEND**

155 The Term of this Agreement shall commence January 1, 2023 (Commencement Date) and continue in full
156 force for a period of ten (10) years, through and including December 31, 2033, unless the Agreement is
157 extended in accordance with Section 2.1.1 or terminated pursuant to Section 11.2.

158 **2.1.1 Option to Extend Term**

159 City shall have the sole option to extend this Agreement up to twenty-four (24) months. The City may,
160 upon 90-day advance written notice to the Contractor prior to Agreement expiration, exercise the
161 extension option. If such extension notice is provided by City, the Agreement will renew monthly through
162 Council action, up to a maximum of twenty-four (24) months unless City gives Contractor a 60-day written
163 notice of expiration.

164 **2.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

165 The obligation of City to permit this Agreement to become effective and to perform its undertakings
166 provided for in this Agreement is subject to the satisfaction of all the conditions below, each of which may
167 be waived, in written form only, in whole or in part by City.

168 **A. Accuracy of Representations.** The Contractor’s representations and warranties made in
169 Contractor’s Proposal and Article 12 of this Agreement are true and correct on and as of the
170 Effective Date.

171 **B. Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the
172 insurance and performance bond required by Article 9 that is satisfactory to the City.

173 **C. Absence of Litigation.** To the best of Contractor's knowledge, after reasonable investigation,
174 there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or
175 governmental authority, commission, board, agency or instrumentality decided, pending or
176 threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single
177 case or in the aggregate, would:

- 178 1. Materially adversely affect the performance by Contractor of its obligations hereunder;
- 179 2. Adversely affect the validity or enforceability of this Agreement; or,
- 180 3. Have a material adverse effect on the financial condition of Contractor, or any surety or
181 entity guaranteeing Contractor's performance under this Agreement.

182 **D. Permits Furnished.** Contractor has provided City with copies of all permits necessary for operation
183 of all Approved Facilities owned or operated by Contractor or any Subcontractor for use under
184 the terms of this Agreement.

185 **E. Legal Challenge.** Contractor understands and acknowledges that the award of this Agreement and
186 related decisions may be subject to review and repeal by the City’s citizens through a referendum

187 or similar petition, and to various types of legal and environmental challenges (such referenda,
188 similar petition and legal and environmental challenges being referred to collectively as "Legal
189 Challenges"). Accordingly, this Agreement shall not become effective until the City reasonably
190 determines that (1) any Legal Challenges that had been initiated as of the time of such
191 determination have been resolved in favor of the City's award of this Agreement to Contractor;
192 and (2) the deadline to initiate any additional Legal Challenges has expired; provided, however,
193 that Contractor shall be entitled to rescind this Agreement upon thirty (30) days' prior written
194 notice to the City if such determination is not made by December 31, 2022.

195 **2.3 DELEGATION OF AUTHORITY**

196 The administration of this Agreement by the City shall be under the supervision and direction of the City
197 Manager's office and the actions specified in this Agreement, unless otherwise stated, shall be taken by
198 the City Manager, or his or her designee.

199 **ARTICLE 3.** 200 **SCOPE OF AGREEMENT**

201 **3.1 SUMMARY SCOPE OF SERVICES**

202 The Contractor or its Subcontractor(s) shall be responsible for the following:

- 203 A. Providing a three-Container Collection program for the separate Collection of Recyclable
204 Materials, Organic Materials, and Solid Waste generated by and placed for Collection by Single-
205 Family Residential Customers pursuant to the requirements of Article 4 and Exhibit B1.
- 206 B. Dependent upon the needs of Multi-Family and Commercial Customers, Contractor shall provide
207 one of the following Collection programs pursuant to the requirements of Article 4 and Exhibits
208 B2 and B3:
- 209 a. Three-Container Collection program for the separate Collection of Recyclable Materials,
210 Organic Materials, and Solid Waste;
 - 211 b. Three-Container Collection program consisting of commingled Solid Waste and Food
212 Waste (Mixed Waste), Source Separated Recyclable Materials, and commingled Yard
213 Trimmings and wood waste;
 - 214 c. Two-Container Collection program consisting of commingled Solid Waste and Organic
215 Materials (Mixed Waste), and Source Separated Recyclable Materials;
 - 216 d. Source Separated Food Waste in 32-gallon, 64-gallon, and 2-cubic yard Containers with
217 the three-Container or two-Container Collection programs.
- 218 B. Transporting Collected materials to the appropriate Approved Facilities pursuant to requirements
219 of Article 4 and Exhibit B;
- 220 C. Processing Collected Recyclable Materials and Organic Materials at the appropriate Approved
221 Facilities pursuant to the requirements of Article 4 and Exhibit B;

- 222 D. Performing all other services required by this Agreement including, but not limited to, Customer
223 billing, public education, Customer service, contamination monitoring, record keeping, and
224 reporting pursuant to Articles 4 and 6 and Exhibits C (Public Education & Outreach) and F
225 (Reporting);
- 226 E. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and
227 all other items and services necessary to perform its obligations under this Agreement;
- 228 F. Paying all expenses related to provision of services required by this Agreement including, but not
229 limited to, taxes, regulatory fees (including City Fees and Reimbursements), and utilities;
- 230 G. Performing or providing all services necessary to fulfill its obligations in full accordance with this
231 Agreement at all times using best industry practice for comparable operations; and,
- 232 H. Complying with all Applicable Laws.

233 The enumeration and specification of particular aspects of service, labor, or equipment requirements shall
234 not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations
235 under this Agreement, regardless of whether such requirements are enumerated elsewhere in the
236 Agreement, unless excused in accordance with Section 11.7.

237 **3.2 USE OF APPROVED FACILITIES**

238 The Contractor, without constraint and as a free-market business decision in accepting this Agreement,
239 agrees to use the Approved Facilities for the purposes of Processing and/or Disposing of all Recyclable
240 Materials, Organic Materials, Solid Waste, and other materials Collected in the City. Use of a facility must
241 be approved, in writing, by the City prior to use consistent with the requirements of Article 4. Such
242 decision by Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law
243 regarding Flow Control limitations or any definition thereof.

244 **3.3 SUBCONTRACTING**

245 Contractor shall not engage any Subcontractors for Collection, Transportation, or Processing of Recyclable
246 Materials, Organic Materials, or Solid Waste services without the prior written consent of City Manager
247 and/or City Council. As of the Effective Date of this Agreement, City has approved Contractor's use of
248 those Subcontractors identified in Contractor's Proposal. If the Contractor plans to engage affiliated or
249 related party entities in the provision of services, Contractor shall provide City Manager with thirty (30)
250 days written notification of its plans and provide an explanation of any potential impacts related to the
251 quality, timeliness, or cost of providing services under this Agreement. All insurance documents must be
252 reviewed and approved by the City's Risk Manager prior to City acceptance. Contractor shall require that
253 all Subcontractors file insurance certificates with the City, name City as an additional insured, and comply
254 with all material terms of this Agreement.

255 **3.4 RESPONSIBILITY FOR MATERIALS**

256 Once Recyclable Materials, Organic Materials, and/or Solid Waste are placed in the Contractor's
257 Containers and at the Collection location, the responsibility for their proper handling shall transfer directly
258 from the Generator to Contractor, with the exception of Excluded Waste if the Contractor can identify the
259 Generator pursuant to Section 5.8.B. Once Recyclable Materials, Organic Materials, and/or Solid Waste

260 are deposited by Contractor at the appropriate Approved Facility, such materials shall become the
261 responsibility of the Owner or operator of the Approved Facility except for Excluded Waste pursuant to
262 Section 5.8.C.

263 Responsibility for Excluded Waste that has been inadvertently Collected by the Contractor shall remain
264 with the Contractor if it cannot identify the Generator, and Contractor shall assume all responsibility for
265 its proper Disposal.

266 **3.5 CITY-DIRECTED CHANGES TO SCOPE**

267 City may require a proposal from Contractor to establish the scope of any modification to existing services
268 (which may include use of Approved Facilities) to be provided under this Agreement. In such case,
269 Contractor shall present, within thirty (30) calendar days of City's request, unless an alternate schedule is
270 mutually agreed-upon, a written proposal to provide such modified or additional services. City shall review
271 the Contractor's Proposal for the change in scope of services. City and Contractor may meet and confer
272 to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as appropriate,
273 to reflect the mutually agreed-upon changes in scope. If the City and Contractor are unable to agree on
274 terms and conditions, including compensation adjustments, of such services within ninety (90) calendar
275 days from City's receipt of Contractor's Proposal for such services, the City may permit other Persons to
276 provide such services. Nothing herein shall prevent the City from soliciting cost and operating information
277 from other Persons in order to inform the City's evaluation of Contractor's Proposal.

278 At any time during the Term of this Agreement, the City may solicit proposals from other Persons for
279 services not contemplated under this Agreement. In the event that contracting with other Persons for
280 such services will reduce Contractor's Compensation under this Agreement, as described in Article 8, the
281 Contractor shall be offered the opportunity to match any other Person's proposed pricing and retain the
282 added scope of services. However, nothing in this Agreement shall prevent the City from contracting with
283 other Persons in the event that Contractor is unable or unwilling to provide such services at or below the
284 cost proposed by the other Person.

285 **ARTICLE 4.** 286 **SCOPE OF SERVICES**

287 Contractor shall perform the Recyclable Materials, Organic Materials, Solid Waste, and Bulky Item services
288 described in this Article 4, for any Customer in the City that subscribes to Contractor's Collection services.
289 Contractor's Collection services shall be offered to any Customer that places Containers in a public right-
290 of-way or that provides a waiver for Contractor to access the Private Road(s) where Customer places its
291 Containers.

292 This Article 4 describes the general requirements for the services to be provided. More specific
293 requirements for how each service shall be provided to each Customer Type are described in Exhibit B.
294 Failure to specifically require an act necessary to perform the service does not relieve Contractor of its
295 obligation to perform such act.

296 **4.1 RECYCLABLE AND ORGANIC MATERIALS**

297 **A. Collection.** Contractor shall provide Recyclable and Organic Materials Collection services as
298 described in Exhibit B.

299 **B. Transfer.** Contractor plans to Transport Discarded Materials to the Approved Transfer Facility
300 where the materials will be unloaded from Collection vehicles and loaded into large-capacity
301 vehicles and Transported to the Approved Processing Facilities. Contractor shall keep all existing
302 permits and approvals necessary for use of the Approved Transfer Facility in full regulatory
303 compliance. Upon request, Contractor shall provide copies of facility permits and/or notices of
304 violations (obtained from its Transfer Facility Subcontractor if necessary) to City Manager. If the
305 Contractor is unable to use the Approved Transfer Facility, then the Contractor shall be
306 responsible for making other Transportation arrangements. In such event, Contractor shall not be
307 compensated for any additional costs. If the Contractor plans to change its Transfer method,
308 Contractor shall obtain written approval from the City prior to making the change.

309 **C. Processing.** Contractor shall Transport and deliver all Source Separated Recyclable Materials
310 placed in Recyclable Material Containers to the Approved Recyclable Materials Processing Facility,
311 Source Separated Organic Materials placed in Organic Material Containers in the City to the
312 Approved Organic Materials Processing Facility, and Mixed Waste to the Approved High Diversion
313 Organics Waste Processing Facility. All tipping fees and other costs associated with Transporting
314 to and Processing of such Recyclable and Organic Materials at the Approved Processing Facilities
315 and Disposing of the Residue as required in Section 4.1.1 below shall be paid by Contractor.

316 **D. Capacity Guarantee.** Contractor guarantees sufficient capacity at the Approved Processing
317 Facilities to Process all Source Separated Recyclable Materials, Source Separated Organic
318 Materials and Mixed Waste Collected by Contractor under this Agreement throughout the Term
319 of the Agreement.

320 **E. Compliance with Regulatory Requirements and Applicable Law.** Contractor shall keep all existing
321 permits and approvals necessary for use of the Approved Processing Facilities in full regulatory
322 compliance. Upon request, Contractor shall provide copies of facility permits and/or notices of
323 violations (obtained from its Processing Facility Subcontractor if necessary) to City Manager.

324 **F. Notification of Emergency Conditions.** Each Approved Facility shall notify the City of any
325 unforeseen operational restrictions that have been imposed upon the Facility by a regulatory
326 agency or any unforeseen equipment or operational failure that will temporarily prevent the
327 Facility from Processing the Discarded Materials Collected under this Agreement.

328 **G. Approved Facility(ies) Unavailable/Use of Alternative Facility(ies).** If Contractor is unable to use
329 the Approved Processing Facility due to an event that meets the requirements for excusing
330 Contractor from performance of this specific obligation as described in Section 11.7, Contractor
331 shall use an alternative Processing Facility provided that the Contractor provides written notice
332 to City Manager. Within forty-eight (48) hours of emergency or sudden and unforeseen closure,
333 the Contractor shall provide a written description of the reasons the use of the Approved
334 Processing Facility is not feasible, and the period of time Contractor proposes to use the
335 alternative Processing Facility. Such a change in Processing Facility shall be temporarily permitted
336 until such time as the City Manager is able to consider and respond to the use of the proposed

337 alternative Processing Facility. If the use of the proposed alternative Processing Facility is
338 anticipated to or actually does exceed thirty (30) days in a consecutive twelve (12) month period,
339 the use of such Processing Facility shall be subject to approval by the City Manager. The City
340 Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or
341 disapprove of the use of the proposed alternative Processing Facility. If the City disapproves the
342 use of the proposed alternative Processing Facility, the Parties shall meet and confer to determine
343 an acceptable Processing Facility.

344 If the use of an alternative Processing Facility is for reasons within Contractor's, or its Processing
345 Facility Subcontractor's control, Contractor's Compensation shall not be adjusted for any change
346 in Transportation and Processing costs associated with use of the alternative Processing Facility.
347 However, if the use of an alternative Processing Facility is due to reasons beyond Contractor's or
348 its Subcontractor's control, then City shall adjust, either up or down, Contractor's Compensation
349 for changes in Transportation and Processing costs associated with the use of the alternative
350 Processing Facility. In the event that the change in the Processing Facility results in increased
351 costs, City may identify and direct Contractor to an alternative Processing Facility, at the
352 Contractor's expense, which results in less cost than the Contractor-identified alternative.

353 Except for the emergency conditions described in this Section, Contractor shall not change its
354 selection of the Approved Processing Facilities without City's written approval, which may be
355 withheld in the City's sole discretion. If Contractor elects to use a Processing Facility that is
356 different than the initial Approved Processing Facilities, it shall request written approval from the
357 City Manager sixty (60) calendar days prior to use of the site and obtain City's written approval no
358 later than ten (10) calendar days prior to use of the site. Failure to meet the requirements of this
359 Section shall result in Liquidated Damage as identified in Section 11.6.

360 Contractor shall observe and comply with all regulations in effect at the Approved Processing
361 Facilities and cooperate with and take direction from the operator thereof with respect to delivery
362 of Recyclable and Organic Materials. Contractor shall actively work with the Approved Processing
363 Facility operators throughout the Term of this Agreement to ensure that contamination of the
364 Recyclable and Organic Materials Collected under this Agreement and delivered to the Processing
365 Facility remains below the limits established by Applicable Law including, without limitation, SB
366 1383.

367 **H. Marketing.** The Contractor shall be responsible for marketing Recyclable Materials and Organic
368 Materials Collected in the City that are delivered for Processing at the Approved Processing
369 Facilities. Contractor's marketing strategy shall promote the highest and best use of materials
370 presented in the waste management hierarchy established by AB 939. Where practical, the
371 marketing strategy should include use of local markets for Recyclable and Organic Materials.

372 **I. Residue Disposal.** Residue from the Processing of Recyclable Materials, Organic Materials, and
373 Mixed Waste Collected under this Agreement at the Approved Processing Facilities, which cannot
374 be marketed, shall be Disposed of by Contractor, or the Processing Facility Subcontractor. Residue
375 delivered for Disposal shall not include any Excluded Waste.

376 **J. Compostable Plastics.** If Compostable Plastics are accepted at the Approved Organic Materials
377 Processing Facility, Customers may place Compostable Plastics in the Organic Materials Container
378 for Collection, including Compostable Plastic bags used by Customers to contain Food Waste prior

379 to placement in the Organic Materials Container for Collection. Contractor may prohibit use of
380 Compostable Plastics in Organic Material Containers. Contractor shall Collect and Transport such
381 materials for Processing at the Approved Organic Waste Processing Facility. At least six (6) months
382 prior to the commencement of the Agreement, and annually thereafter, Contractor shall provide
383 a written notification to the City authorizing that the Facility has and will continue to have the
384 capability to Process and recover the Compostable Plastics throughout the Term of the
385 Agreement; and the Contractor shall not revoke this authorization at any time during the Term of
386 the Agreement. If the Contractor does not submit such notification, or if at any time during the
387 Term of the Agreement the Approved Organic Waste Processing Facility can no longer accept
388 and/or Process Compostable Plastics, the City may assess Liquidated Damages or deem such
389 failure an event of default of the Contractor under Article 11. Contractor shall notify the City
390 within seven (7) days of the Facility's inability to accept the Compostable Plastics. The notification
391 shall, at a minimum, include: the date and a description of the reasons that the Facility is not able
392 to Process and recover the Compostable Plastics; the period of time the Facility will not Process
393 and recover these materials; and the Contractor's proposed plan to find an alternative Facility or
394 arrangement to Process the Compostable Plastics, subject to City approval. City may prohibit or
395 restrict the use of Compostable Plastics, with a six (6) month notice to Contractor, and this shall
396 not constitute a City-Directed Change in Scope or Change in Law under this Agreement.

397 **4.2 SOLID WASTE**

398 Contractor shall offer and provide Solid Waste Collection services as described in Exhibit B.

399 Contractor acknowledges that City is committed to Diverting materials from Disposal through the
400 implementation of source reduction, reuse, Recycling, Composting, and other programs, and that City
401 may implement new programs, with or without the involvement of the Contractor, that may impact the
402 overall quantity or composition of Solid Waste to be Collected by Contractor. Contractor shall not be
403 entitled to any compensation or other relief resulting from a decline in Solid Waste volumes or Tonnage
404 or from a change in the composition of Solid Waste.

405 Contractor shall Transport all Solid Waste Collected in City to the Approved Disposal
406 Facility. Contractor shall pay all costs associated with Transportation and Disposal of Solid Waste including
407 payment of any gate fees charged at the Approved Disposal Facility. Contractor shall observe and comply
408 with all regulations and posted rules in effect at the Approved Disposal Facility and cooperate with and
409 take direction from the operator thereof with respect to delivery of Solid Waste.

410 **4.3 BULKY ITEMS AND REUSABLE MATERIALS**

411 Contractor shall offer Bulky Item and Reusable Materials Collection services as described in Exhibit B. On-
412 call Bulky Item and Reusable Materials Collection services shall be offered to Customers within one (1)
413 Working Day of Contractor's receipt of such a Customer request for service, pursuant to Exhibit B.
414 Contractor shall make reasonable efforts to schedule on-call Bulky Item and Reusable Materials
415 Collections on a day that is convenient to the Customer. Contractor shall Transport all Bulky Items or
416 Reusable Materials Collected under this Agreement to the Approved Reusable Materials Processing
417 Facility. Contractor shall pay all costs associated with Transporting and Processing Bulky Items and
418 Reusable Materials. Contractor shall observe and comply with all regulations in effect at the Approved
419 Reusable Materials Processing Facility and cooperate with and take direction from the operator thereof
420 with respect to delivery of Bulky Items and/or Reusable Materials

421 **4.4 CITY SPONSORED EVENTS**

422 Contractor shall provide Recyclable Materials, Organic Materials, and Solid Waste services to City
423 sponsored events, at no cost to the event or City. Special event services include all of the following unless
424 specifically waived in writing by City Manager.

425 **A. Event Collection Stations.** Contractor shall provide and set-up event Collection stations for
426 Collection of Recyclable Materials, Organic Materials, and Solid Waste at City-sponsored events.
427 Each event Collection station shall include a separate Cart for each of Recyclable Materials,
428 Organic Materials, and Solid Waste, as appropriate. Contractor shall provide a sufficient number
429 of event Collection stations of sufficient capacity to meet the needs of the event as determined
430 by Contractor in cooperation with the City and/or the event organizer. Collection stations shall
431 utilize the same Carts used to provide services to Residential Customers, unless alternative
432 Containers are approved by the City. Contractor shall provide liners/bags for the Carts at the
433 Collection stations and shall line the Carts as a part of the station set-up. Collection stations shall
434 include adequate signs and labeling.

435 **B. Roll-Off Boxes.** Upon request, Contractor shall provide Containers for the aggregation of material
436 removed from event Collection stations during the course of the event. Contractor shall provide
437 Containers in sufficient number of appropriate type(s) for the needs of the event as determined
438 by Contractor in cooperation with the City and/or the event organizer. Contractor shall service
439 Containers, as agreed-upon with the City and/or the event organizer, and deliver Collected
440 materials to the appropriate Approved Facility for Processing and/or Disposal.

441 **C. Public Education Booth.** Upon request of either the City Manager or the event organizer,
442 Contractor shall staff a booth or exhibit at the event for the purpose of educating the public about
443 the services and programs provided by Contractor under this Agreement and the benefits of
444 source reduction, reuse, Recycling, and Composting.

445 **D. Portable Restrooms.** Contractor shall provide portable restrooms for all City-sponsored events.
446 The number and location of portable restrooms at each City-sponsored event shall be determined
447 by the City.

448 **E. Reporting.** Within fourteen (14) calendar days of the end of the event, Contractor shall submit a
449 report to the City Manager and event organizer. The report should include, at a minimum: the
450 number of event Collection stations deployed at the event, the Tonnage of each material type
451 (i.e., Recyclable Materials, Organic Materials, and Solid Waste) Collected, and a description of the
452 public education provided at the event.

453 Contractor may, at its sole discretion and expense, coordinate with local youth, community, or charitable
454 organizations to provide some or all of the required services. Regardless of Contractor's use of such an
455 organization, Contractor shall be responsible for ensuring that service is provided to the Customer in a
456 professional and timely manner.

457 For special events which are not identified in Exhibit B5 or otherwise hosted or sponsored by the City,
458 Contractor shall provide the above-described special event services at the request of the event organizer
459 and may negotiate the charges for such services with the event organizer based on the specific needs of
460 the event, or provide the services at their sole expense, at no cost to the City or ratepayers.

461 **4.5 PUBLIC EDUCATION AND OUTREACH**

462 The public education and outreach activities included in the scope of services provided by Contractor
463 under this Agreement are described in Exhibit C.

464 **A. Program Objectives.** The City's public education and outreach strategy shall focus on improving
465 Generator understanding of the benefits of and opportunities for source reduction, reuse, and
466 landfill Disposal reduction and supporting compliance with Applicable Laws and regulations,
467 including, but not limited to AB 939, AB 341, and SB 1383. Examples of goals of the City-provided
468 public education and outreach program include, but are not limited to: (i) informing Generators
469 about the services that are provided under this Agreement with specific focus on describing the
470 methods and benefits of source reduction, reuse, Recycling, and Composting; (ii) instructing
471 Generators on the proper method for placing materials in Containers for Collection and setting
472 Containers out for Collection, with specific focus on minimizing contamination of Recyclable
473 Materials and Organic Materials; (iii) clearly defining Excluded Waste and educating Generators
474 about the hazards of such materials and their opportunities for proper handling; (iv) discouraging
475 Generators from buying products if the product and its packaging are not readily reusable,
476 Recyclable, or Compostable; (v) informing Generators subject to Food Recovery requirements
477 under SB 1383 of their obligation to recover Edible Food and actions they can take to prevent the
478 creation of Food Waste; (vi) encouraging the use of Compost and recovered Organic Waste
479 products; and, (vii) encouraging Generators to purchase products/packaging made with Recycled
480 content materials. The cumulative intended effect of these efforts is to reduce generation of Solid
481 Waste and, ultimately, Disposal of Solid Waste by each Generator in the City, and Contractor
482 agrees to support and not undermine or interfere with such efforts.

483 **B. Contractor Public Education Requirements.** Contractor agrees to print, produce, and distribute
484 education materials and conduct outreach detailed in Exhibit C at no additional cost to ratepayers
485 or City.

486 Contractor shall obtain approval from the City Manager on all Contractor-provided advertising,
487 promotional, or service-related materials used within the City before publication, distribution,
488 and/or release. The City Manager, in their sole discretion, shall have the right to deny the use of
489 any materials or content or may request that Contractor include City identification and contact
490 information on materials and Contractor's approval of such requests shall not be unreasonably
491 withheld.

492 **C. Non-English Language Requirements.** The Contractor shall make all public education and
493 outreach materials required by this Section available in English and Spanish.

494 Upon City's request, Contractor shall provide materials in additional languages beyond those
495 specified in this Section in response to shifting demographics within the City; updates to State
496 requirements or Applicable Law; or any other reason deemed appropriate by the City

497 **4.6 BILLING**

498 Contractor shall bill all Customers and be solely responsible for collecting billings at Rates set in
499 accordance with Article 8. Billing shall be performed on the basis of services rendered and this Agreement
500 shall create no obligation on the part of any Person on the sole basis of the ownership of property.
501 Individual contracts between Contractor and a Customer for services provided under this Agreement shall

502 be prohibited.

503 Contractor shall bill all Single-Family Residential Customers monthly in arrears. Contractor shall bill all
504 Commercial and Multi-Family Customers for scheduled and regularly recurring services on a monthly basis
505 in advance of services provided. Contractor shall bill Customers for any on-call and/or non-recurring
506 services no more frequently than monthly and may only bill for services provided during the previous
507 month. Contractor shall remit invoices to Single-Family Residential Customers no earlier than the last day
508 of the service period billed for. Contractor shall remit invoices to Commercial and Multi-Family Customers
509 no earlier than the twentieth (20th) day of the month preceding the period for which service is being
510 billed.

511 Contractor shall develop, maintain, and regularly update a Customer Account Information Database,
512 which shall include but is not limited to:

- 513 i. Customer name;
- 514 ii. Phone number;
- 515 iii. Service address;
- 516 iv. Email address; and,
- 517 v. Customer Service Levels, including:
 - 518 a. Customer Service Levels exceptions, and,
 - 519 b. Customer service waivers.

520 Contractor shall make such database available, upon no more than five (5) Working Days request from
521 the City Manager, in accordance with this Section and Section 6.1. Contractor shall additionally, on an
522 annual basis, reconcile all Customer accounts with City's GIS information. Failure to maintain database in
523 accordance with this Section shall result in Liquidated Damages as identified in Section 11.6.

524 Contractor shall provide Customers the option to receive invoices electronically using paperless invoices,
525 or by standard mail, using standard (paper) invoices. Contractor shall permit Customers the ability to pay
526 their bills through an electronic check or credit card and include the ability for Customer billings to be
527 automatically charged on a recurring basis. Contractor shall prepare, mail, and collect bills from Customers
528 who decline to use such internet-based billing system. Contractor shall make arrangements to allow such
529 Customers to pay bills by cash, check, electronic check, money order, and credit card.

530 Up to once per quarter, City may direct Contractor to attach inserts to Customer invoices. Contractor shall
531 provide electronic bill inserts to Customers who are billed electronically, and paper bill inserts to
532 Customers who receive paper bills. Electronic bill inserts/attachments must be readily available for the
533 Customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City
534 request for such attachments, Contractor shall comply with such request during its next billing cycle for
535 the targeted Customer group. Contractor shall perform this service with no additional requirement for
536 compensation.

537 Contractor shall maintain copies of all billings and receipts, each in chronological order, for the Term of

538 this Agreement, for inspection and verification by the City Manager at any reasonable time but in no case
539 more than thirty (30) calendar days after receiving a request to do so.

540 Contractor shall be responsible for collection of payment from Customers with past due accounts ("bad
541 debt"). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through
542 issuance of late payment notices, telephone requests for payments, and assistance from collection
543 agencies.

544 Monthly Single-Family Residential Customer invoices shall be due thirty (30) calendar days from the last
545 day of the billing period. Monthly Commercial and Multi-Family Customer invoices shall be due thirty (30)
546 calendar days from the first day of the billing period. In the event that any account becomes more than
547 thirty (30) calendar days past due, Contractor shall notify such Customer of the delinquency via written
548 correspondence, instructing the Customer that unpaid bills which become more than thirty (30) calendar
549 days delinquent may be assessed a one- and one-half percent (1.5%) late fee per month. Contractor shall
550 provide a second written notice of delinquency to any account which becomes more than forty five (45)
551 calendar days past due, and a third written notice of delinquency to any account which becomes more
552 than sixty (60) calendar days past due. Should any account become more than ninety (90) days calendar
553 days past due, Contractor may discontinue providing service to the Customer. In the event the billing
554 address and service address differ, notices shall be mailed to both addresses. No less than seven (7)
555 calendar days prior to discontinuing service to a Customer, Contractor shall notify the City Manager of the
556 address, Service Level, service frequency, and delinquent billing amount. Contractor may withhold service
557 from a delinquent account until past delinquencies are paid in full. Upon restoring service to a previously
558 delinquent account, Contractor may require a deposit from the Customer not to exceed one (1) month's
559 billings at the Customer's Service Level.

560 If Contractor fails to invoice a Customer, or otherwise under-charges a Customer for services provided for
561 more than six (6) months, Contractor may not subsequently attempt to collect the under-charged amount
562 for more than six months of service. If Contractor over-charges a Customer for a period of more than six
563 (6) months, Contractor shall reimburse or credit the Customer for at least six months of the over-charged
564 service but is not required by this Agreement to reimburse or credit the Customer for more than six (6)
565 months of overcharges. This Agreement also does not prohibit Contractor from reimbursing or crediting
566 a Customer for more than six (6) months of over-charges.

567 If a Customer reduces or cancels service during a billing cycle, the Customer shall be entitled to a proration
568 of the billing from the date that the service change was requested, in the case of cancellations or
569 reductions in the Customer's bill, or the date the service change was fulfilled, in the case of increases in
570 the Customer's bill.

571 **4.7 CUSTOMER SERVICE PROGRAM**

572 **4.7.1 Program Requirements**

573 **A. Customer Service Office**

574 Office hours shall be, at a minimum, from 8:00 A.M. to 5:00 P.M., Monday through Friday, and
575 Saturday from 7:00 A.M. to 12:00 P.M., exclusive of Holidays. A responsible and qualified
576 representative of Contractor shall be available during office hours for communication with the
577 public. Normal office hour telephone numbers shall be a toll-free call. Contractor's telephone
578 system shall be adequate to handle the volume of calls typically experienced on the busiest days.

579 The City shall have the right to require Contractor to increase its call handling capacity without
580 requirement for any additional compensation to the Contractor. Contractor shall also maintain a
581 toll-free telephone number for use during other than normal business hours. Contractor shall
582 have a representative, answering or message providing/receiving (voicemail) service available at
583 said after-hours telephone number. After-hour calls shall be responded to on the next Business
584 Day (excluding Saturday, Sunday and Holidays defined in Exhibit A.
585

586 Contractor will maintain an emergency telephone number for use outside normal office hours.
587 Contractor shall have a representative, or an answering service to contact such representative,
588 available at said emergency telephone number during all hours other than normal office hours.
589 Contractor shall be able to respond to inquiries in English, Spanish, and other languages as
590 directed by the City. Contractor must also provide a Telecommunications Device for the Deaf
591 (TDD) service for use by persons with hearing or speech difficulties.
592

593 Contractor shall provide four (4) customer service representatives dedicated to the City at
594 Contractor's facility located within the City of South Gate. These customer service representatives
595 will be assisted by Contractor's customer service representatives located in other offices as
596 needed.
597

598 **B. Complaint Documentation**

599 Daily logs of Complaints shall be retained for a minimum of twenty-four (24) months and shall be
600 available to City at all times upon request.
601

602 Contractor shall log all Complaints received by telephone, and or email, and said log shall include
603 the date and time the Complaint was received, name, address and telephone number of callers,
604 description of Complaint, employee recording Complaint and the action taken by Contractor to
605 respond to and remedy Complaint. Missed pickups shall be included in this log.
606

607 All Customer Complaints and inquiries shall be date-stamped when received and shall be initially
608 responded to within one (1) Business Day (excluding Saturday, Sunday and Holidays as defined in
609 Exhibit A) of receipt. Contractor shall log action taken by Contractor to respond to and remedy
610 the Complaint.
611

612 All Customer service records and logs kept by Contractor shall be available to City upon request
613 and at no cost to City. City shall, at any time during regular Contractor business hours, have access
614 to Contractor's City Liaison for purposes that may include monitoring the quality of Customer
615 service or researching Customer Complaints.
616

617 **C Resolution of Customer Complaints**

618 Disputes between Contractor and its Customers regarding the services provided in accordance
619 with this Agreement may be resolved by the City, including Contractor reimbursement to
620 Customers for damages to personal property. The City's decision shall be final and binding.
621 Contractor shall reimburse the City's legal and consultant costs for each City intervention in a
622 dispute between Contractor and a Customer if the City reasonably deems intervention is required
623 and the Customer's dispute is valid.
624

625 Should Contractor and Customers not be able to establish a mutually acceptable fee to be charged
626 for special hauling services, the matter shall also be determined by the City, and the City's decision
627 shall be final.

628
629 Intervention by the City is not a condition precedent to any rights or remedies third parties might
630 otherwise have in any dispute with Contractor. Nothing in this Section is intended to affect the
631 remedies of third parties against Contractor. To the extent that remedies are warranted through
632 this Agreement, this Section shall apply.

633 **D. Web Site and Email Access.** Contractor shall develop and maintain a web site that is accessible by
634 the public and solely dedicated to the operations under this Agreement in the City. Contractor's
635 web site shall include all Rates allowed to be charged under the Agreement, all public education
636 and outreach materials produced and distributed under this Agreement and provide the public
637 the ability to e-mail Contractor questions, service requests, or Complaints. Contractor shall
638 respond the same day to all Customers who leave e-mail messages by 5:00 p.m. on a Working Day
639 and shall respond by noon of the following Working Day for any e-mail messages left after 5:00
640 p.m. Contractor may respond to Customer e-mails either via e-mail or phone.

641 **4.7.2 Missed Collections**

642 **A. Missed Collection Complaints.** When handling Customer Complaints related to missed or
643 incomplete Collections, Contractor shall not question or contest the Customer's claim that the
644 Collection was missed or incomplete, even in cases where the route driver recorded the
645 Container(s) in question as already "Collected" or "not out."

646 **B. Schedule for Resolution.** Contractor shall resolve every Customer Complaint of a missed or
647 incomplete Collection by returning to the Customer address and completing the Collection. For all
648 Complaints related to missed Collections that are received by 3:00 p.m. on a Working Day, the
649 Contractor shall return to the Customer address and Collect the missed materials on the same
650 Working Day on which the missed Collection was reported. For those Complaints related to missed
651 Collections that are received after 3:00 p.m. on a Working Day, the Contractor shall have until the
652 end of the following Working Day to resolve the Complaint. Contractor's failure to comply with this
653 Section 4.7.3 may result in Liquidated Damages, in accordance with Section 11.6.

654 Contractor shall not be required to return and complete a Collection in response to a Complaint if
655 the Contractor's driver has left a Non-Collection Notice in accordance with Section 4.10.

656 **C. Courtesy Collections for Admitted Late Set-Outs.** In the event that a Customer: (i) reports that their
657 Container(s) were placed for Collection after Contractor's Collection vehicle had already passed the
658 Premises for regularly scheduled Collection; (ii) does not claim that Contractor missed the
659 Collection; and, (iii) requests that the Contractor return and Collect their Containers, Contractor
660 shall return to the Customer Premises and provide a courtesy Collection at no charge to the
661 Customer. Contractor is not required to provide more than three (3) courtesy Collections for
662 admitted late set-outs per Customer per calendar year. For Residential Customers, one (1) courtesy
663 Collection represents Collection of up to three (3) Carts (Recyclable Materials, Organic Materials,
664 Solid Waste) per incident. Contractor shall complete the courtesy Collection by the end of the
665 following Working Day. The provisions of this Section shall only apply if the Customer acknowledges,
666 and Contractor documents in writing, that the event did not constitute a missed or incomplete
667 Collection event by the Contractor.

668 **4.7.3 SB 1383 Non-Compliance Complaints**

669 For Complaints received in which the Person alleges that an entity is in violation of SB 1383 requirements,
670 Contractor shall document the information listed in Exhibit F. Contractor shall provide this information in
671 a brief Complaint report to the City for each SB 1383-noncompliance Complaint within seven (7) days of
672 receipt of such Complaint, and a monthly summary report of SB 1383-non-compliance Complaints in
673 accordance with Exhibit F.

674 Upon City request, Contractor shall conduct follow-up inspections and/or outreach to the violating entity,
675 and shall document the information in the reports provided pursuant to Exhibit F.

676 **4.8 ACCESS TO CUSTOMER SERVICE AND BILLING SYSTEMS**

677 Upon request of City, Contractor shall provide access and any necessary training to one (1) or more City
678 employee(s) (as designated by the City) regarding the use of Contractor information systems as described
679 in this Section. Contractor shall designate one (1) member of Contractor staff to work directly with such
680 City employee. Contractor shall provide such City employee with access to Customer service, call center,
681 and operations information systems in order to validate Contractor performance standards and
682 recommend changes to Customer Service Levels to resolve service issues or otherwise address Customer
683 needs. If recommended Service Level changes are made, the designated City staff will work with
684 Contractor's route manager to make such changes, which shall not be denied by Contractor except for
685 reasons related to Customer, route driver, and/or equipment safety. Contractor shall also provide access
686 to Customer contact information (including email addresses) for purposes of City-provided public
687 education and outreach activities. In addition, Contractor shall ensure that the City Manager and any other
688 City staff, as requested by the City, have read-only access to all service order, billing, and Customer service
689 records in Contractor's internal information systems. Such read-only access is intended to provide the City
690 the ability to review notes related to Customer service and/or billing issues.

691 **4.9 SERVICE EXEMPTIONS**

692 **4.9.1 General Exemptions**

693 Upon Customer request, and with written approval from the City Manager, Contractor shall cease
694 providing, and collecting payment for, Collection services to a Premises which is anticipated to be vacant
695 for no less than thirty (30) days. In addition, upon written direction from the City Manager, Contractor
696 shall modify or otherwise cease providing Collection services to Customers requesting other service
697 exemptions, provided that such Customers consistently demonstrate the ability to responsibly manage
698 Discarded Materials generated at the Premises in question, in a manner consistent with Applicable Law.

699 **4.9.2 Commercial and Multi-Family Customer Waivers**

700 **A. General.** The City may grant waivers described in this Section to Commercial or Multi-Family
701 Generators that impact the scope of Contractor's provision of service for those Customers;
702 provided, the Generator shall continue to subscribe with Contractor for franchised Collection
703 services to the extent such services are not waived by the City. Waivers issued shall be subject to
704 compliance with SB 1383 requirements, pursuant to 14 CCR Section 18984.11, or other
705 requirements specified by the City.

706 **B. Types of Generator Waivers**

- 707 1. De Minimis Waivers. The City may waive a Commercial business' or Multi-Family property's
708 obligation to comply with some or all of the Recyclable Materials and Organic Materials
709 requirements set forth in this Agreement, SB 1383, and of the Municipal Code if the Generator
710 provides documentation or the City has evidence demonstrating one of the following de
711 minimis conditions:
- 712 a. The Commercial or Multi-Family Generator's total Discarded Materials Collection
713 service is two (2) cubic yards or more per week, and Organic Waste subject to Collection
714 in a Recyclable Materials Container or Organic Materials Container comprises less than
715 twenty (20) gallons per week, per applicable Container, of the Commercial business'
716 total waste; or,
- 717 b. The Commercial or Multi-Family Generator's total Discarded Materials Collection
718 service is less than two (2) cubic yards per week, and Organic Waste subject to
719 Collection in a Recyclable Materials Container or Organic Materials Container comprises
720 less than ten (10) gallons per week, per applicable Container, of the Commercial
721 business' total waste.
- 722 2. Physical Space Waivers. The City may waive a Commercial or Multi-Family Generator's
723 obligation to comply with some or all of the Recyclable Materials and Organic Materials
724 requirements set forth in this Agreement, SB 1383, and the Municipal Code if the Commercial
725 or Multi-Family Generator provides documentation, or the City has evidence from its staff,
726 the Contractor, licensed architect, engineer, or similarly qualified source demonstrating that
727 the Premises lacks adequate space for Recyclable Materials Containers and/or Organic
728 Materials Containers.
- 729 **C. Contractor Review of Waiver Requests.** Generators may submit requests for de minimis waivers
730 and physical space waivers to the City or Contractor. The City shall notify Contractor of the request,
731 and Contractor shall within seven (7) days of receipt of the City's request, inspect the Generator's
732 Premises to verify the accuracy of the application. Contractor shall provide documentation of the
733 inspection, including the date of the inspection, Customer name and address, a description of the
734 Premises, evaluation of each criterion of the relevant waiver type, and photographic evidence. The
735 Contractor shall send this information and documentation to the City in a timely manner, not to
736 exceed three (3) days after the date of inspection. The City ultimately retains the right to approve
737 or deny any application, regardless of the information provided by the Contractor. Contractor shall
738 report information regarding waivers reviewed within the month, if any, in accordance with this
739 Section and Section 11.6.
- 740 **D. Service Level Updates.** When the City grants a waiver to a Customer, or the Customer's waiver
741 status changes after a re-verification determination, the City shall notify the Contractor within seven
742 (7) days of the waiver approval or status change with information on the Customer and any changes
743 to Service Level or Collection service requirements for the Customer. Contractor shall have seven
744 (7) days to modify the Customer's Service Level, Customer account data, and billing statement, as
745 needed.
- 746 **E. Waiver Re-verification.** The City shall be responsible for re-verification of waivers. Upon request of
747 the City, the Contractor shall support the City in this re-verification process by providing requested
748 Customer information as per Customer database requirements in Section 4.6 In the event that a

749 waiver status changes, Contractor shall update the Customer's information and Service Level in
750 accordance with subsection 4.9.2.D above.

751 **4.9.3 Contractor Service Exemptions**

752 **A. Disaster Waivers.** In the event of a disaster, the City may grant Contractor a waiver of some or all
753 Discarded Materials Collection requirements under this Agreement and 14 CCR, Division 7, Chapter
754 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver
755 has been approved by CalRecycle. Any resulting changes in Collection requirements shall be
756 addressed as a change in scope in accordance with Section 3.5.

757 **B. Quarantined Waste.** If approved by the City, the Contractor may Dispose of, rather than Process,
758 specific types of Organic Materials and/or Recyclable Materials that are subject to quarantine and
759 meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by
760 the City or until the City provides notice that the quarantine has been removed and directs
761 Contractor to Transport the materials to the Approved Facilities for such material.

762 In accordance with Exhibit F, the Contractor shall maintain records and submit reports regarding
763 compliance agreements for quarantined Organic Materials and Recyclable Materials that are
764 Disposed of pursuant to this subsection.

765 **4.10 CONTAMINATION MONITORING**

766 It is the City's intention that Residential, Multi-Family and Commercial Customers are to be provided a
767 transition period prior to being issued Courtesy Pickup Notices, Non-Collection Notices or assessed
768 Contamination Processing Fees.

769 Residential and Multi-Family Customers' transition period shall be the twelve-month period beginning
770 January 1, 2023 and ending December 31, 2023.

771 Commercial Customers' initial transition period shall be the six-month period beginning January 2, 2023
772 and ending June 30, 2023, with the City's sole option of extending the initial transition period for an
773 additional six months ending December 31, 2023.

774 During the transition periods Contractor shall monitor contamination and provide public education and
775 outreach and technical assistance to encourage proper separation of materials.

776 Contractor shall be required to comply with subsections A and F of Section 4.10.1 during the Customer
777 transition periods.

778 **4.10.1 Annual Route Reviews**

779 **A. Methodology.** The Contractor shall, at its sole expense, conduct route reviews of Containers for
780 Prohibited Container Contaminants in a manner that meets the requirements of this Section; is
781 approved by the City; and results in all routes being reviewed at least annually.

782 The Contractor's route review shall include all Container types in service (Recyclable Materials,
783 Organic Materials, and Solid Waste Containers) for all Customer Types. The Containers shall be
784 randomly selected prior to beginning the route review.

785 Contractor shall ensure that a minimum of 1 percent (1%) of accounts or 25 accounts, whichever
786 is larger, on each and every hauler route are inspected annually.

787 Contractor shall develop a specific route review methodology to accomplish the above Container
788 inspection requirements and such methodology shall comply with the requirements of 14 CCR
789 Section 18984.5(b). Contractor shall submit its proposed route review methodology for the
790 coming year to the City no later than January 15 of each year describing its proposed methodology
791 for the calendar year and schedule for performance of each route's annual review. Contractor's
792 proposed route review methodology shall include not only its plan for Container inspections but
793 shall also include its plan for prioritizing the inspection of Customers that are more likely to be
794 out of compliance. The City and/or CalRecycle will review and approve the proposed
795 methodology. Contractor may commence with the proposed methodology upon approval.

796 If the City and/or CalRecycle notifies the Contractor that the methodology is inadequate to meet
797 the requirements of 14 CCR Section 18984.5(b), Contractor shall, at its sole expense, revise the
798 methodology and, after obtaining City or CalRecycle approval, conduct additional route reviews,
799 increased Container inspections, or implement other changes using the revised procedure. If the
800 Contractor's proposed methodology meets the requirements of 14 CCR Section 18984.5(b), but
801 has been deemed inadequate by the City, the Contractor shall, at the expense of the City, revise
802 the methodology and implement the necessary changes using the revised procedure.

803 The City Manager, or his or her designee, may request, and Contractor shall accept, modifications
804 to the schedule to permit observation of the route reviews by the City. In addition, Contractor
805 shall provide an email notice to the City Manager no less than ten (10) Working Days prior to each
806 scheduled Route review that includes the specific time(s), which shall be within the City's normal
807 business hours, and location(s).

808 **B. Contamination Notification.** Upon identification of Prohibited Container Contaminants in a
809 Customer's Container, Contractor shall provide the Customer with a notice of contamination in
810 the form of either a Courtesy Pick-Up Notice or a Non-Collection Notice as determined by the
811 route auditor.

812 **C. Courtesy Pick-Up Notice.** Upon identification of Prohibited Container Contaminants in a
813 Customer's Container, Contractor shall provide the Customer a Courtesy Pick-Up Notice at the
814 Customer's door or gate; or, subject to City's approval, may deliver the notice by mail, e-mail, or
815 text message. Contractor shall also attach or adhere Courtesy Pick-Up Notice to Generators
816 contaminated Containers.

817 The courtesy pick-up notification shall, at a minimum:

- 818 1. Inform the Customer of the observed presence of Prohibited Container Contaminants;
- 819 2. Include the date and time the Prohibited Container Contaminants were observed;
- 820 3. Include information on the Customer's requirement to properly separate materials
821 into the appropriate Containers, and the accepted and prohibited materials for
822 Collection in each Container;
- 823 4. Inform the Customer of the courtesy pick-up of the contaminated materials on this

824 occasion with information that the Contractor may assess contamination Processing
825 fees and/or issue a Non-Collection Notice in the future; and,

826 5. Include photographic evidence.

827 The format of the Courtesy Pick-Up Notice shall be approved by the City Manager and must be a
828 distinct color from the Non-Collection Notices.

829 Contractor shall Collect the contaminated Recyclable Materials and/or Organic Materials
830 Containers and either Transport the material to the appropriate Approved Facility for Processing;
831 or, Contractor may Collect the contaminated materials with the Solid Waste and Transport the
832 contaminated materials to the Approved Disposal Facility. A Courtesy Collection of contaminated
833 Recyclable Materials or Organic Materials where the materials are sent to the Approved Disposal
834 Facility may be made with a Solid Waste Collection vehicle, provided that the contaminants may
835 safely and lawfully be Collected as Solid Waste.

836 **D. Non-Collection Notices**

837 1. Non-Collection Notice. If the Contractor observes twenty percent (20%) or more Prohibited
838 Container Contaminants or Excluded Waste, Contractor shall provide a Non-Collection
839 Notice to the Generator.

840 The Non-Collection Notice shall, at a minimum:

- 841 a. Inform the Customer of the reason(s) for non-Collection;
- 842 b. Include the date and time the notice was left or issued;
- 843 c. Describe the premium charge to Customer for Contractor to return and
844 Collect the Container after Customer removes the Contamination;
- 845 d. Provide a warning statement that a contamination Processing fee may be
846 assessed; and,
- 847 e. Include photographic evidence of the violation(s).

848 2. Communications with Customer. Whenever a Container at the Premises of a Commercial or
849 a Multi-Family Customer is not Collected, Contractor shall contact the Customer on the
850 scheduled Collection day or within two (2) hours of the scheduled Collection day by
851 telephone, email, text message, or other verbal or electronic message to explain why the
852 Container was not Collected. Contractor shall include a telephone number in all
853 communication to Customers in order to allow direct communication with a customer
854 service representative or to leave voice messages during non-business hours. Whenever a
855 Container is not Collected because of Prohibited Container Contaminants, a Customer
856 service representative shall contact the Customer to discuss and encourage the Customer
857 to adopt proper Discarded Materials preparation and separation procedures.

858 3. Contractor Return for Collection. Upon request from Customer, Contractor shall Collect
859 Containers that received Non-Collection Notices within one (1) Working Day of Customer's

860 request if the request is made at least two (2) Working Days prior to the regularly scheduled
861 Collection Day. Contractor shall bill Customer for the extra Collection service event ("extra
862 pick-up") at the applicable City-approved Rates only if Contractor notifies Customer of the
863 premium Rate for this service at the time the request is made by Customer.

864 **E. Assessment of Contamination Processing Fees.** If the Contractor observes twenty percent (20%)
865 or more Prohibited Container Contaminants and has issued a Courtesy Pick-Up Notice or Non-
866 Collection notice, as appropriate, the Contractor may impose a contamination Fee approved by
867 the City for that Customer's Service Level. The intent of Contamination Fees is to provide a
868 behavioral tool to educate and prevent Customers from placing Source Separated Discarded
869 Material into the improper designated Container(s). To ensure that assessment of fees are to be
870 used for the intended purposes and not as a form of revenue generation, Contractor agrees that
871 Contamination fees shall not exceed one percent (1%) of Contractor's Gross Receipts in any
872 calendar quarter. In the event that Contamination fees exceed one percent (1%) of Contractor's
873 Gross Receipts in any calendar quarter, the assessment of Contamination fees shall be suspended
874 immediately and indefinitely pending a program assessment by the City and Contractor. Upon
875 program suspension or at the request of the City at any time during the Term of the Agreement,
876 City and Contractor shall meet and confer regarding the application and effectiveness of
877 Contamination fees in accomplishing the behavior change. If the program is suspended due to
878 excessive revenue generation, the City may require Contractor to either: i) modify the program
879 parameters; ii) modify the amount of the Contamination fee; or, iii) return to the City any funds
880 generated by the Contamination fee which exceed one percent (1%) of Contractor's Gross
881 Receipts for a given period of time. In addition, where there are two (2) or more documented
882 instances of Prohibited Container Contaminants in a Customer's Container within a ninety (90)
883 day period, Contractor may, upon City Manager's or his or her designee's approval, modify service
884 requirements through additional Containers, increased frequency of Collection, use of locking
885 Containers, or other appropriate means.

886 Failure to comply with the requirements of this Section shall equate to Ligated Damages in
887 accordance with Section 11.6.

888 Contractor shall leave a contamination Processing fee notice attached to the Generators'
889 contaminated Container(s). Contractor must also deliver notice by mail to the bill-payer's address
890 within twenty-four (24) hours of assessing the contamination fee.

891 1. Contamination Processing Fee Notice. Contamination Processing Fee Notices shall be in a
892 format approved by the City Manager. Contractor shall notify the City in its monthly report
893 of Customers for which contamination Processing fees were assessed per Section 4.10.1(F).

894 Each Contamination Processing Fee Notice shall, at a minimum:

- 895 i. Describe the specific material(s) of issue;
- 896 ii. Explain how to correct future set outs; and,
- 897 iii. Indicate that the Customer will be charged a contamination
898 Processing fee on their next bill.

899 **F. Reporting Requirements.**

- 900 1. **Container Contaminant Log:** The driver or other Contractor representative shall record
 901 each event of identification of Prohibited Container Contaminants in a written log or in the
 902 on-board computer system including, but not limited to: date, time, Customer's address,
 903 type of Container, and maintain photographic evidence.
- 904 2. **Contaminant Fees Assessment Report:** Additionally, on no less than a weekly basis,
 905 Contractor's Contract Administrator shall update the Customer's account records to note
 906 the contaminant event(s) as identified by driver(s). Contractor shall maintain records and
 907 report to the City monthly on contamination monitoring activities and actions taken,
 908 consistent with the submittal timing and content requirements of Exhibit F. Failure to meet
 909 the requirements of this Section 4.10.1(F)(2), shall equate to Liquidated Damages as
 910 identified in Section 11.6.
- 911 3. **Monthly Report:** The monthly report shall include, but is not limited to: list of Customers
 912 that were assessed charges; photographic evidence of each contamination event(s) where
 913 a fee(s) was assessed; verification processes to assure accurate fee assessment; date of
 914 notification, form(s) of notification given to Customer; list of efforts made in educating the
 915 Customer that was assessed a fee; list of Customer Complaints in response to fee
 916 assessment; Contractor's response and actions taken in response to Customer Complaints;
 917 and, the dollar amount of Contamination Fees assessed during the reporting period. Failure
 918 to meet the requirements of this Section 4.10.1(F)(3), shall equate to Liquidated Damages
 919 as identified in Section 11.6.

920 **4.10.2 Waste Characterization Studies**

921 A. **Recyclable Materials.** Contractor shall, at its sole expense, design and perform a Residue
 922 characterization of the Recyclable Materials Processed at the Approved Recyclable Materials
 923 Processing Facility a minimum of one (1) time per calendar per year. Contractor shall propose a
 924 study methodology that must include separately Processing at least thirty (30) Tons of Recyclable
 925 Materials, stratified across no fewer than three (3) distinct days of service, from the City at the
 926 Approved Recyclable Materials Processing Facility under normal operating conditions for the
 927 facility (i.e., staffing levels, belt speed, burden depth, etc.). The methodology must be approved
 928 by the City Manager in writing prior to Contractor conducting such a study.

929 B. **Organic Materials.** Contractor shall, at its sole expense, design and perform waste
 930 characterization studies for Prohibited Container Contaminants for Organic Materials Collected in
 931 the City. The Contractor shall conduct waste composition studies at least two (2) times per year
 932 and the studies shall occur in two (2) distinct seasons of the year. The Contractor shall submit a
 933 proposed methodology to the City for review and approval, and the methodology must include
 934 the requirements presented below.

935 The study shall include samples of Organic Materials and Solid Waste taken from Containers
 936 located in different areas of the City that are representative of the City's waste stream. Contractor
 937 shall ensure that a minimum of 1 percent (1%) of accounts or 25 accounts, whichever is larger, on
 938 each and every hauler route are inspected.

939 The Contractor shall Transport all of the material Collected for sampling to a sorting area at an
 940 Approved Facility, where the presence of Prohibited Container Contaminants for each Container
 941 type shall be measured to determine the ratio of Prohibited Container Contaminants present in

942 each material stream by weight. To determine the ratio of Prohibited Container Contaminants,
943 the Contractor shall use the following protocol:

944 1. The Contractor shall take one sample of at least a two hundred (200) pounds from the
945 material Collected from each material stream for sampling. For example, Contractor shall
946 take a two hundred (200) pound sample taken from the combined contents of the Organic
947 Materials Container samples.

948 2. The two hundred (200) pound sample shall be randomly selected from different areas of
949 the pile of Collected material for that material stream.

950 3. For each two hundred (200) pound sample, the Contractor shall remove any Prohibited
951 Container Contaminants and determine the weight of Prohibited Container Contaminants.

952 4. The Contractor shall determine the ratio of Prohibited Container Contaminants in the
953 sample by dividing the total weight of Prohibited Container Contaminants by the total
954 weight of the sample.

955 5. All weights shall be recorded in pounds.

956 **C. Scheduling and Observation of Studies.** Contractor shall, no later than January 15 of each
957 calendar year, provide the City with a proposed methodology for each type of study and a
958 schedule of studies for the calendar year for review and approval by the City. The City shall be
959 notified at least thirty (30) days in advance of each study and the City, or the City's designated
960 third party, maintains the right to observe all aspects of the study. The studies shall be scheduled
961 within the City's normal business hours, and the City Manager may request, and Contractor shall
962 accept, modifications to the schedule to permit observation by the City.

963 **D. Recordkeeping and Reporting.** Contractor shall maintain records of each study conducted and
964 report results directly to the City within fourteen (14) days of completing the study as well as
965 include the results in the Contractor's annual report, in accordance with Exhibit F.

966 **E. General.** Pursuant to the requirements of SB 1383, 14 CCR, Division 7, Chapter 12, Article 10, the
967 City is responsible for developing and implementing a Food Recovery program in the City. The
968 Contractor shall cooperate with and shall not impede, interfere, or attempt to impede or interfere
969 with the implementation, expansion, or operation of Food Recovery program efforts in the City.

970 **F. Identification of Commercial Edible Food Generators.** Contractor shall assist the City with
971 identifying Tier One and Tier Two Commercial Edible Food Generators for the purpose of the Food
972 Recovery program. No later than six (6) months after the Effective Date of the Agreement, and
973 annually thereafter, the Contractor shall identify and provide a list to the City of Commercial
974 Customers that qualify, or appear to qualify, as Tier One or Tier Two Commercial Edible Food
975 Generators, as defined by this Agreement. The list shall include, at a minimum: the Customer
976 name; service address; contact information; Tier One or Tier Two classification; and, type of
977 business as it relates to the categories of entities specified under the definitions of Tier One and
978 Tier Two Commercial Edible Food Generators. The Contractor shall update this information
979 annually; maintain an up-to-date database; and include this information in the Contractor's
980 annual report, in accordance with Exhibit F.

981 **4.11 ROUTE AUDIT**

982 Once during the first year and thereafter at City's request (but not more than once every three years),
983 Contractor shall conduct an audit of its Collection routes in the City. City may use information from the
984 audit to develop a request for proposals for a new service provider. City may instruct Contractor when
985 to conduct the audit in order for the results to be available for use in preparation of a request for proposals
986 or for other City uses. City may also instruct Contractor to conduct an audit at a time that would produce
987 the most accurate Customer service information for a new service provider to use in establishing service
988 with Customers. In setting these audit dates, City will establish due dates for Contractor providing routing
989 and account information, and later, the report, to City.

990 The route audit, at minimum, shall consist of an independent physical observation by Person(s) other than
991 the route driver of each Customer in City. This Person(s) is to be approved in advance by City. The route
992 audit information shall include, as a minimum, the following information for each account:

993 For Cart Customers:

- 994 • Route Number;
- 995 • Truck Number;
- 996 • Number and size of Carts by waste stream (Refuse, Recyclable Materials, and Organic Waste)
- 997 • Cart condition;

998 For Bin and Roll-off Customers:

- 999 • Route Number;
- 1000 • Truck Number;
- 1001 • Account Name;
- 1002 • Account Number;
- 1003 • Account Service Address;
- 1004 • Account Type (Residential, Commercial, Roll-off);
- 1005 • Service level per Contractor Billing system (Quantity, Size, Frequency, Waste Stream);
- 1006 • Observed Containers (Quantity, Size, Frequency, Waste Stream).
- 1007 • Container condition;
- 1008 • Proper signage; and,
- 1009 • Graffiti.

1010 Within thirty (30) days after the completion of the route audit, Contractor shall submit to City a report

- 1011 summarizing the results of the audit. This summary shall include:
- 1012 • Identification of the routes;
 - 1013 • Route map;
 - 1014 • Truck numbers;
 - 1015 • Number of accounts, by route and in total (Residential, Commercial and Roll-off);
 - 1016 • Confirmation that all routes are dedicated exclusively to City Customers;
 - 1017 • Number and type of exceptions observed;
 - 1018 • Name and addresses of Customers that do not have Source Separated Recyclable Materials
 - 1019 Collection services and documentation of waivers if any for each account;
 - 1020 • Name and addresses of Customers that do not have SSGCWO Collection services and
 - 1021 documentation of waivers if any for each account;
 - 1022 • Total monthly service charge (Residential, Commercial and Roll-off Box), pre-audit for each
 - 1023 Customer; and,
 - 1024 • Total monthly service charge (Residential, Commercial and Roll-off), post-audit (subsequent
 - 1025 to corrections of identified exceptions) for each Customer.
- 1026 The report shall include a description of the procedures followed to complete the route audit. This
- 1027 description shall include the names and titles of those supervising the route audits and the name and titles
- 1028 of those performing the observations.
- 1029 The report shall also include a description of the changes and Contractor's plans to resolve the exceptions.
- 1030 The results of the audit, and supporting back-up data, shall be available for review by City or its
- 1031 representative.

1032 **ARTICLE 5.**

1033 **STANDARD OF PERFORMANCE**

1034 **5.1 GENERAL**

1035 Contractor shall at all times comply with Applicable Law and provide services in a manner that is safe to

1036 the public and the Contractor's employees. Except to the extent that a higher performance standard is

1037 specified in this Agreement, Contractor shall perform services in accordance with Recyclable Materials,

1038 Organic Materials, and Solid Waste management practices common to the Los Angeles area.

1039 **5.2 OPERATING HOURS AND SCHEDULES**

1040 **A. Hours of Collection.** Unless otherwise authorized by the City Manager, Contractor's days and

1041 hours for Collection operations shall be as follows:

1042 1. **Residential and Commercial Premises.** Collection from Residential and Commercial
1043 Premises shall only occur between the hours of 6:00 a.m. and 6:00 p.m., Monday through
1044 Friday.

1045 2. **City Facilities.** The Collection schedule for City facilities shall be the same as Commercial
1046 Premises specified in subsection 5.2.A.2 above.

1047 **B. Changes in Collection Routes.** Prior to Commencement of this Agreement, Contractor shall
1048 provide the City with route maps identifying at a minimum: the type of route (e.g., Single-Family,
1049 Multi-Family, Commercial, etc.) and the service day. City shall either approve or deny proposed
1050 standard Collection routes. If City denies any standard Collection routes, Contractor may request
1051 a meet and confer with the City Manager to discuss potential options. The City Managers decision
1052 shall be final with respect to any routing changes that may impact the day of service of any
1053 Customer. Contractor may, at any time during the Term of this Agreement, propose changes or
1054 additional routes, subject to City approval. If a standard Collection route change is approved,
1055 Contractor must notify all affected Customers fourteen (14) days prior to Contractor
1056 implementing the new route. Failure to obtain City approval on route changes resulting in service
1057 day changes for Customers shall be subject to Liquidated damages as identified in Section 11.6.

1058 **C. Holiday Collection.** Contractor, at its sole discretion, may choose not to provide Collection
1059 services on a Holiday. In such event, Contractor shall provide Single-Family Collection services on
1060 the day following the Holiday thereby adjusting subsequent work that week with normally
1061 scheduled Friday Collection Services being performed on Saturday; however, Customer service
1062 days shall be returned to the normal schedule within one (1) week of the Holiday. Multi-Family,
1063 Commercial, and City Collection Services shall be adjusted as agreed between the Contractor and
1064 the Customer but must meet the minimum frequency requirement of one (1) time per week. The
1065 Contractor shall provide Customers notice of Holiday-related changes in Collection schedules at
1066 least two (2) weeks prior to the change.

1067 **5.3 COLLECTION STANDARDS**

1068 **A. Servicing Containers.** Contractor shall Collect and return each Container to the location where
1069 the Occupant placed the Container for Collection. Contractor shall place the Containers upright
1070 with lids properly secured. For Customers other than Single-Family Residential Customers,
1071 Contractor may provide scout service, pull-out service, accessing Container enclosures with a key
1072 or access code, or locking bin service as described in Exhibit B3..

1073 **B. Non-Collection, Courtesy Noticing.** Prior to the Commencement Date, Contractor shall develop,
1074 and submit to the City Manager for review and approval, and as per the requirements of Section
1075 4.10.1(D)

1076 1. A template Non-Collection Notice, for use in instances of acceptable non-Collection of
1077 Discarded Materials; and,

1078 2. A template Courtesy Pick-Up Notice, for use in instances of improper set-out of Discarded
1079 Materials, which the Contractor, at its sole option, elects to Collect as a courtesy to the
1080 Customer.

1081 Per the requirements identified in Section 4.10.1, in the event that Contractor encounters

1082 circumstances at a Customer Premises which prevents the Contractor from Collecting Discarded
1083 Materials which have been placed for Collection, Contractor shall leave a Non-Collection Notice
1084 at the Customer Premises clearly explaining Contractor's reason for refusal to Collect the
1085 Discarded Materials. Contractor shall not be required to Collect Discarded Materials which are
1086 reasonably believed to contain Excluded Waste, pursuant to the requirements of Section 5.8.
1087 Contractor may propose an alternative to a paper Non-Collection Notice left at Customer
1088 Premises (e.g., Customer notification via a phone call or e-mail) subject to City approval. Such an
1089 alternative must involve pro-active communication with Customer, initiated by Contractor.

1090 In the event that Contractor encounters circumstances at a Customer Premises which allow for
1091 safe Collection of Discarded Materials, but do not otherwise reflect proper set-out procedures
1092 (including, but not limited to spills not caused by the Contractor, Carts placed too close together,
1093 Carts placed in front of one another, and/or Carts placed too close to parked cars), Contractor
1094 shall Collect the material and leave a Courtesy Pick-Up Notice at the Customer Premises clearly
1095 explaining how the Customer failed to comply with proper set-out procedures.

1096 Contractor may educate the public on proper set-out procedures designed to maximize the
1097 efficiency of Collection (e.g., Carts spaced three (3) feet apart). However, Contractor
1098 acknowledges that such procedures are not practical in all circumstances and failure of the
1099 Customer to follow such procedures does not constitute a reason for non-Collection if the
1100 Discarded Materials may be safely and reasonably serviced. Contractor's route drivers shall
1101 dismount their Collection vehicles and reposition Containers as necessary to provide Collection
1102 service. Contractor may not require a Customer to set out the Customer's Containers in such a
1103 manner that would block vehicle access to Customer's driveway. Contractor and Customers may
1104 mutually agree to uncommon service locations if necessary for Collection in specific areas (e.g.,
1105 setting out all of the Carts in a court in a line down the middle of the court as opposed to Curbside.)

1106 Contractor may refuse to Collect Recyclable Materials or Organic Materials Containers which are
1107 contaminated in accordance with Exhibit B and Section 4.10 and shall leave an approved Non-
1108 Collection notice informing Customer how to properly separate materials.

1109 **C. Litter Abatement.** Contractor shall use due care to prevent spills or leaks of material placed for
1110 Collection, fuel, and other vehicle fluids while providing services under this Agreement. If any
1111 materials are spilled or leaked during Collection and Transportation, the Contractor shall clean up
1112 all spills or leaks before leaving the site of the spill.

1113 Contractor shall not Transfer loads from one vehicle to another on any Public Street, unless it is
1114 necessary to do so because of mechanical failure, combustion of material in the truck, or
1115 accidental damage to a vehicle.

1116 Contractor shall cover all open Roll-Off Boxes at the pickup location before Transporting materials
1117 to the Approved Facility.

1118 Contractor shall conduct public outreach and staff training to Customers on best management
1119 practices for litter abatement at no extra charge. Such best management practices include,
1120 without limitation:

1121 1. Closing Container lids and right sizing service: Contractor staff will tag overfull Containers
1122 with Courtesy Pick-Up Notices, which will serve as outreach and education to the Customer.

1123 Photos of the Container will be taken by drivers, attached to the Customer's account, and
1124 will be available to outreach and Customer service staff in order to demonstrate to the
1125 Customer where a problem exists.

1126 2. Outreach to Customer on importance of bagging lightweight materials such as plastic bags,
1127 film plastics, foam peanuts, and other materials that can easily become litter due to their
1128 lightweight nature.

1129 3. Driver training on litter reduction techniques and litter removal best management
1130 practices.

1131 4. Affixing signage to the back of Contractor trucks which provides a phone number for
1132 residents to report material spills.

1133 **D. Development and Review of Collection Specifications.** Contractor shall work with the City to
1134 develop standard specifications for Collection Container enclosures at Commercial and Multi-
1135 Family Premises. These specifications shall be developed to ensure that the Collection Container
1136 enclosures are built to provide adequate space for and suitable configuration to allow the
1137 Contractor to safely and efficiently service Recyclable Materials, Organic Materials, Solid Waste,
1138 and/or Mixed Waste Containers. Contractor's Operations Manager or other appropriately
1139 qualified staff shall, upon request by the City Manager, provide a review of plans for new Multi-
1140 Family and Commercial development or project design drawings. Contractor shall provide
1141 comments and recommendations resulting from the review in writing within ten (10) Working
1142 Days of receipt of the documents for review. In each review report, Contractor shall comment on
1143 the acceptability of the proposed enclosure arrangements in terms of: i) the adequacy of space
1144 for Recyclable Materials, Organic Materials, Solid Waste, and/or Mixed Waste Containers; ii) the
1145 accessibility of the Containers for Collection including whether additional charges (e.g., pull-out
1146 or scout service, etc.) would apply; and iii) ease of use by tenants.

1147 **E. No Commingling of Materials.** Contractor shall Collect materials generated in the City in
1148 Collection vehicles separately from other materials generated outside the City service area, unless
1149 otherwise approved by the City Manager. Contractor shall not commingle materials which have
1150 been Source Separated with other material types (for example, Source Separated Recyclable
1151 Materials which have been properly placed for Collection shall not be combined with Solid Waste
1152 or Source Separated Organic Materials).

1153 **5.4 TRANSFER AND PROCESSING STANDARDS**

1154 **5.4.1 Equipment and Supplies**

1155 Contractor shall equip and operate the Approved Processing Facilities in a manner to fulfill Contractor's
1156 obligations under this Agreement. Contractor is solely responsible for the adequacy, safety, and suitability
1157 of the Approved Processing Facilities. Contractor shall modify, enhance, and/or improve the Approved
1158 Processing Facilities as needed to fulfill Services under this Agreement.

1159 Contractor shall provide all rolling stock, stationary equipment, material storage containers, spare parts,
1160 maintenance supplies, Transfer, Transport, and Processing equipment, and other consumables as
1161 appropriate and necessary to operate the Approved Processing Facilities and provide all services required
1162 by this Agreement. Contractor shall place the equipment in the charge of competent operators.

1163 Contractor shall repair and maintain all equipment at its own cost and expense.

1164 **5.4.2 Scales and Weighing**

1165 Contractor is solely responsible for ensuring accurate weighing of all materials entering and leaving the
1166 Approved Processing Facilities.

1167 **A. Facility Scales.** Contractor shall maintain State-certified motor vehicle scales in accordance with
1168 Applicable Law. All scales shall be linked to a centralized computer recording system at the
1169 Approved Processing Facilities to record weights for all incoming and outgoing materials. Contractor
1170 shall provide back-up generator(s) capable of supplying power to the scales in the event of a power
1171 outage. Contractor shall promptly arrange for use of substitute portable scales should its usual
1172 scales not be available for whatever reason. Pending substitution of portable scales, Contractor shall
1173 as necessary estimate the Tonnages of materials delivered to and Transported from the Approved
1174 Processing Facilities, on the basis of delivery vehicle and Transfer trailer volumes, tare weights,
1175 and/or other available facility weight records. These estimates shall take the place of actual weights
1176 while scales are inoperable and shall be identified as estimates in electronic records and reporting.

1177 **B. Tare Weights.** No less than thirty (30) calendar days prior to the Commencement Date, Contractor
1178 shall ensure that all vehicles used by Contractor to deliver Recyclable Materials, Organic Materials,
1179 Solid Waste, and Mixed Waste to the Approved Processing Facilities are weighed to determine
1180 unloaded ("tare") weights. Contractor shall electronically record the tare weight, identify vehicle as
1181 Contractor owned, and provide a distinct vehicle identification number for each vehicle. Contractor
1182 shall provide City with a report listing the vehicle tare weight information upon request. Contractor
1183 shall promptly weigh additional or replacement vehicles prior to placing them into service.
1184 Contractor shall check tare weights at least annually, or within fourteen (14) calendar days of a City
1185 request and shall re-tare vehicles immediately after any major maintenance or service event.

1186 **C. Testing.** Contractor shall test and calibrate all scales in accordance with Applicable Law, but at least
1187 one (1) test and recalibration per scale every twelve (12) months or upon City request.

1188 **D. Records.** Contractor shall maintain computerized scale records and reports that provide
1189 information including date of receipt, inbound time, inbound and outbound weights of vehicles, and
1190 vehicle identification number. Contractor shall also maintain computerized scale records and
1191 reports providing historical vehicle tare weights for each vehicle and the date and location for each
1192 tare weight recorded.

1193 **E. Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded on video
1194 cameras at the Approved Processing Facilities, Contractor shall make those videos available for City
1195 review during the Approved Processing Facility's operating hours, upon request of the City, and shall
1196 provide the name of the driver of any particular load if available.

1197 **5.5 COLLECTION VEHICLE REQUIREMENTS**

1198 **A. Vehicle Requirements.** Contractor shall provide a fleet of Collection vehicles sufficient in number
1199 and capacity to efficiently perform the work required by the Agreement in strict accordance with
1200 its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection
1201 vehicle used to respond to scheduled and unscheduled maintenance, service requests, Complaints,
1202 and emergencies.

- 1203 1. Vehicles shall be new and model year 2021 or later by January 1, 2024 under this Agreement.
1204 Furthermore, Contractor shall operate no vehicles within the City over 14-years in age during
1205 the Term of this Agreement should this Agreement be extended beyond the initial Term and
1206 extended as described in Sections 2.1 and 2.1.1. All such vehicles shall have watertight bodies
1207 designed to prevent leakage, spillage, or overflow. All such vehicles shall meet 2022 On-Road
1208 Heavy Duty Vehicle emissions requirements, regardless of the actual model year of
1209 Contractor's vehicles, and generally comply with all Federal, State, and local laws and
1210 regulations. Contractor's vehicles shall utilize Recycled motor oil to the extent practicable.
- 1211 2. All Collection vehicles, excluding spares, scout vehicles, supervisor vehicles, Container
1212 delivery and other specialty vehicles used on a sporadic basis, used by Contractor under this
1213 Agreement shall be powered by renewable natural gas (RNG), or alternatively Contractor may
1214 utilize electric vehicles (EV). Contractor shall maintain records of the amount of RNG
1215 purchased and shall report this information in accordance with Exhibit F. Contractor shall
1216 agree to the City the right to report this RNG usage toward the City's fulfilment of its annual
1217 recovered Organic Waste product procurement target in accordance with 14 CCR Section
1218 18993.1.
- 1219 3. Collection vehicles shall have the capacity to Collect and Transport loose Cardboard overages,
1220 to ensure that Contractor is capable of complying with Exhibit B.
- 1221 4. Collection vehicles shall present a clean appearance while providing service under this
1222 Agreement.
- 1223 **B. Vehicle Display.** Contractor's name and local telephone number shall be displayed on all vehicles in
1224 at least four (4) inch characters. Vehicles shall be equipped with sign board holders or other
1225 hardware to allow public education signage of no less than thirty-six (36) by forty-eight (48) inches
1226 to be displayed on both sides of the vehicle.
- 1227 **C. Vehicle Inspection.** Contractor shall inspect each vehicle daily to ensure that all equipment is
1228 operating properly. Vehicles that are not operating properly shall be taken out of service until they
1229 are repaired and operate properly. Contractor shall repair or arrange for the repair of all its vehicles
1230 and equipment for which repairs are needed because of accident, breakdown or any other cause so
1231 as to maintain all equipment in a safe and operable condition. City Manager may inspect vehicles at
1232 any reasonable time, and within three (3) calendar days of such a request, to determine compliance
1233 with sanitation requirements.
- 1234 **D. Vehicle Operations.** All Collection operations shall be conducted as quietly as possible and shall
1235 conform to applicable Federal, State, County, and City noise level regulations, including the
1236 requirement that the noise level during the stationary compaction process not exceed sixty (60)
1237 decibels with the exception of sixty-five (65) decibels for one (1) minute duration. All decibel
1238 readings shall be based on a distance of ten (10) feet from any part of the Vehicle. The City may
1239 request Contractor to check any piece of equipment for conformance with the noise limits in
1240 response to Complaints and/or when the City Manager believes it is reasonable to do so.
- 1241 **E. Leaks and Spill Mitigation.** Contractor shall clean up any leaks or spills from its vehicles per the
1242 National Pollutant Discharge Elimination System (NPDES) permit in effect at the time. Contractor
1243 shall notify City of any leaks or spills reported to Contractor or observed by any employee of
1244 Contractor. Contractor shall ensure that leaks or spills are remediated within two (2) hours of

1245 notification or observation. Contractor shall notify City immediately upon remediation of leaks or
1246 spills. No pollutant that leaks, spills, or otherwise escapes from any Contractor vehicle may be
1247 washed into a storm drain or otherwise allowed to enter a storm drain at any time. Contractor must
1248 take all measures necessary to prevent the discharge of any such pollutant into a storm drain. All
1249 NPDES dry-cleaning measures shall be complied with. All Collection Vehicles must be equipped with
1250 absorbent for such cleanup efforts. Contractor shall provide photographic evidence to the City for
1251 each clean up. Payment of Liquidated Damages for failure to clean up leaks or spills within the
1252 required timeframe, and/or for failure to follow the cleanup procedures, does not excuse
1253 Contractor from the clean-up requirements contained in this Section 5.5.E.

1254 **5.6 CONTAINER REQUIREMENTS**

1255 **A. Containers Provided to Customers.** On or before the Commencement Date, Contractor shall
1256 provide Customers (including Single-Family, Multi-Family, Commercial, and City facility Customers)
1257 with new Collection Containers as requested by the Customer to meet its desired Service Level.
1258 Contractor shall provide Containers to new Customers requesting service initiation within three (3)
1259 Working Days of Contractor's first receipt of the Customer request. Contractor-provided Containers
1260 shall be new and shall comply with the Container standards set forth in the Section. All Containers
1261 shall display the Contractor's name, logo, telephone number, website, capacity (yards or gallons)
1262 and some identifying inventory or serial number. Contractor shall cooperate with the previous City
1263 Collection contractor to ensure that all existing Containers are replaced with Contractor-provided
1264 Containers within thirty (30) calendar days following the Commencement Date.

1265 **B. Container Standards**

1266 1. All Carts shall be manufactured by injection or rotational molding methods. The Cart handles
1267 and handle mounts may be an integrally molded part of the Cart body or molded as part of
1268 the lid. The Cart handles shall provide comfortable gripping area for pulling or pushing the
1269 Cart or lifting the lid. Pinch points are unacceptable. Carts provided to Customer shall have a
1270 useful life of ten (10) or more years or more as evidenced by a manufacturer's warranty or
1271 other documentation acceptable to the City.

1272 2. Carts shall remain durable, and at a minimum, shall meet the following durability
1273 requirements to satisfy its intended use and performance, for the Term of this Agreement:
1274 maintain its original shape and appearance; be resistant to kicks and blows; require no routine
1275 maintenance and essentially be maintenance free; not warp, crack, rust, discolor, or
1276 otherwise deteriorate over time in a manner that shall interfere with its intended use; resist
1277 degradation from ultraviolet radiation; be incapable of penetration by biting or clawing of
1278 household pets (i.e., dogs and cats); the bottoms of Cart bodies must remain impervious to
1279 any damage, that would interfere with the Cart's intended use after repeated contact with
1280 gravel, concrete, asphalt, or any other rough and abrasive surface; all wheel and axle
1281 assemblies are to provide continuous maneuverability and mobility as originally designed and
1282 intended.

1283 3. Carts shall be resistant to common household or Residential products and chemicals; human
1284 and animal urine and feces; and, airborne gases or particulate matter currently present in the
1285 ambient air of the Service Area.

- 1286 4. All Bins with a capacity of one (1) cubic yard or more shall meet applicable Federal regulations
1287 for Bin safety and be covered with attached lids.
- 1288 5. Contractor shall obtain the City's written approval of Container material, design, colors,
1289 labeling, and other specifications before acquisition, painting, labeling, or distribution occurs.
- 1290 6. When purchasing plastic Collection Containers, Contractor shall purchase Containers that
1291 contain a minimum of thirty percent (30%) post-consumer recycled plastic content, unless
1292 such requirement is waived by the City Manager.
- 1293 7. Container lids shall be designed such that the follow requirements are met:
- 1294 a. Prevents the intrusion of rainwater and vectors;
- 1295 b. Prevents the emissions on odors;
- 1296 c. Enables the free and complete flow of material from the Container during the dump
1297 cycle without interference with the material already deposited in the truck body or the
1298 truck body itself and its lifting mechanism;
- 1299 d. Permits users of the Cart to conveniently and easily open and shut the lid throughout
1300 the serviceable life of the Cart;
- 1301 e. Hinges to the Cart body in such a manner to enable the lid to be fully opened, free of
1302 tension, to a position whereby it may rest against the backside of the Cart body;
- 1303 f. Prevents damage to the Container body, the lid itself, or any component parts through
1304 repeated opening and closing of the lid by Generators or in the dumping process as
1305 intended;
- 1306 g. Remains closed in winds up to twenty-five (25) miles per hour from any direction. All lid
1307 hinges must remain fully functional and continually hold the lid in the original designed
1308 and intended positions when either opened or closed or any position between the two
1309 (2) extremes; and,
- 1310 h. Designed and constructed such that it prevents physical injury to the user while opening
1311 and closing the Cart.
- 1312 8. Containers shall be stable and self-balancing in the upright position, when either empty or
1313 loaded to its maximum design capacity with an evenly distributed load, and with the lid in
1314 either a closed or an open position. Containers shall be capable of maintaining upright
1315 position in sustained or gusting winds of up to twenty-five (25) miles per hour as applied from
1316 any direction.
- 1317 9. Containers shall be capable of being easily moved and maneuvered, if applicable, with an
1318 evenly distributed load equal in weight to its maximum design capacity on a level, sloped or
1319 stepped surface.

1320 10. All such Containers shall be one hundred percent (100%) recyclable at the end of their useful
1321 life.

1322 11. All Containers shall be designed and constructed to be watertight and prevent the leakage of
1323 liquids.

1324 **C. Container Colors.** Contractor shall provide all Customers with Collection Containers that comply
1325 with the Container color requirements specified in this section, or as otherwise specified in 14
1326 CCR Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other Applicable Law. Colors shall
1327 be colorfast and resistant to fading as a result of weathering or ultraviolet degradation; and the
1328 lids and bodies shall be uniform for each Container type, as follows:

1329 1. Recyclable Materials Container bodies and lids shall be blue;

1330 2. Organic Materials Container bodies and lids shall be green;

1331 3. Solid Waste Container bodies and lids shall be black or grey;

1332 4. Mixed Waste Container bodies and lids shall be black; and,

1333 5. Food Waste Container bodies and lids shall be brown.

1334 Hardware such as hinges and wheels on the Containers may be a different color than specified
1335 above. All Containers shall comply with these color requirements, including Split-Bins. Each
1336 section of the Split-Bin shall be painted in accordance with the color requirements in this Section
1337 for the applicable Discarded Material type intended for that segregated section of the Bin (e.g., a
1338 Split-Bin for Solid Waste and Recyclable Materials would be half gray and half blue, respectively).

1339 **D. Container Labeling.** All markings on the Containers shall be approved by the City in advance of
1340 ordering such Containers. On the lid of each Cart, and the body of each Bin and Roll-Off Box,
1341 Contractor shall label the ultimate destination of such materials as follows: "LANDFILL" for Solid
1342 Waste; "RECYCLE" for Recyclable Materials (including Cardboard, mixed paper, metal, etc.); and,
1343 "COMPOST" for Organic Materials (including Food Waste, Yard Trimmings, wood waste, etc.). On
1344 the body of each Cart, Bin, and Roll-Off Box, Contractor shall label the Container capacity (in
1345 gallons for Carts, and cubic yards for Bins and Roll-Off Boxes). Container body labeling shall be
1346 positioned on the side of each Container, so it is visible to the Customer at all times.

1347 Carts shall have positional marking in the form of an arrow (at least three (3) inches by five (5)
1348 inches) hot stamped on the Cart lid, indicating the direction of Cart placement; and, in character
1349 size of no less than 3/16 inches, the phrase: "PLACE CART WITH ARROW FACING STREET FOR
1350 COLLECTION."

1351 All Carts shall include a high-quality educational information label using in-mold technology, such
1352 that all labeling shall be integral to the lid, though the use of injection molding, and shall not be
1353 affixed to any part of the Cart or lid using adhesives. Notwithstanding the provisions of this
1354 Section, or the requirements of SB 1383, the in-mold lid label shall, at a minimum, include for each
1355 Container: primary materials accepted; primary materials prohibited; a clear indication of
1356 Prohibited Container Contaminants for that Container type, acceptable materials; prohibited
1357 materials; notification forbidding Hazardous Waste and describing proper Disposal thereof;

1358 notification forbidding scavenging (through words and international symbols) and describing the
1359 penalties therefore under California law or City Resolution; and, information about the Collection
1360 program.

1361 **E. Repair and Replacement of Containers; Inventory.** Contractor shall be responsible for repairing
1362 or replacing Containers when Contractor determines the Container is no longer suitable for
1363 service; or when the City or Customer requests replacement of a Container that does not properly
1364 function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be responsible for
1365 acquiring and providing the replacement Containers. Contractor shall repair or replace all
1366 damaged or broken Containers within three (3) Working Days of Customer or City request. Minor
1367 cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts
1368 shall be readily repairable by the Contractor personnel. All repairs must restore the Cart to its full
1369 functionality to meet the design and performance requirements as set for herein.

1370 Contractor shall maintain a sufficient inventory of Containers to accommodate new Customer
1371 requests for service, requests for change in Service Levels (size, type, or number of Containers)
1372 from current subscribers, and requests for replacement due to damage.

1373 Contractor shall provide to Single-Family Customers at least one (1) free Cart replacement per any
1374 twelve (12) month period for any reason, upon Customer request. If Customer requests more
1375 than one (1) Cart replacement per any twelve (12) month period, Contractor shall make Carts
1376 available at the City-approved Rate for such services. In addition, Single-Family Customers may
1377 also request one Cart size exchange per Rate Period at no charge. All such Containers shall be
1378 provided within three (3) Working Days of request. Contractor's failure to comply with the
1379 Container requirements may result in assessment of Liquidated Damages pursuant to Section
1380 11.6.

1381 **F. Maintenance, Cleaning, Painting.** All Containers shall be maintained in a safe, serviceable, and
1382 functional condition, and present a clean appearance. Contractor shall repair or replace all
1383 Containers damaged by Collection operations in accordance with standards specified in Section
1384 5.6.D, unless damage is caused by Customer's gross negligence, in which case, the Customer will
1385 be billed for repair or replacement of Container at a City-approved Rate for such service. All
1386 Containers shall be maintained in a functional condition.

1387 Contractor shall steam clean and/or repaint all Containers as needed (other than Carts) to present
1388 a clean appearance. Contractor shall offer steam cleaning service (or clean Container exchange)
1389 to Customers requesting such service and shall charge Customers for such cleaning (or Container
1390 exchange) at the City-approved Rate for such service.

1391 Contractor shall remove graffiti from Containers within two (2) Working Days or notification at no
1392 additional charge.

1393 Upon request from the City Manager, Contractor shall provide the City with a list of Containers
1394 and the date each Container was painted and maintained.

1395 **5.7 PERSONNEL**

1396 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to provide the
1397 services required by this Agreement in a safe and efficient manner.

1398 Contractor shall use its best efforts to assure that all employees present a neat appearance and
1399 conduct themselves in a courteous manner. Contractor shall not permit its employees to accept,
1400 demand, or solicit, directly or indirectly, any additional compensation, or gratuity from Customers
1401 or members of the public.

1402 **B. Hiring of Displaced Employees.** Contractor is aware of and shall comply with the requirements of
1403 and duties imposed by Sections 1072 and 1075 of the California Labor Code regarding offers of
1404 employment to any displaced employees resulting from a change in service provider, if any,
1405 resulting from this Agreement or upon the expiration of this Agreement.

1406 **C. Driver Qualifications.** All drivers must have in effect a valid license, of the appropriate class, issued
1407 by the California Department of Motor Vehicles. Contractor shall use the Class II California
1408 Department of Motor Vehicles employer "Pull Notice Program" to monitor its drivers for safety.

1409 **D. Safety Training.** Contractor shall provide suitable operational and safety training for all employees
1410 who operate Collection vehicles or equipment. Contractor shall train its employees involved in
1411 Collection to identify, and not to Collect, Excluded Waste. Upon the City Manager's request,
1412 Contractor shall provide a copy of its safety policy and safety training program, the name of its
1413 safety officer, and the frequency of its trainings.

1414 **E. Designated Staff.**

1415 1. Contractor's Contract Administrator. Contractor shall designate at least one (1) qualified
1416 employee as City's primary point of contact with Contractor who is principally responsible
1417 for Collection operations and resolution of service requests and Complaints. Such individual
1418 shall be empowered to negotiate on behalf of and bind Contractor with respect to any
1419 changes in scope, dispute resolution, compensation adjustments, and service-related
1420 matters which may arise during the Term of this Agreement. Such individual is defined as
1421 Contractor's General Manager.

1422 2. Field Supervisor. Contractor shall designate one (1) qualified full-time employee as
1423 supervisor of field operations. The designated Field Supervisor will devote at least fifty
1424 percent (50%) of their time in the City in the field checking on Collection operations,
1425 including responding to Customer requests, inquiries, and Complaints.

1426 3. Zero Waste Account Representatives. Contractor shall provide two (2) Zero Waste Account
1427 Representatives in advance of the Commencement Date and the Zero Waste Account
1428 Representatives shall assist in contacting all Multi-Family and Commercial Customers prior
1429 to the Commencement Date to determine Service Levels. The duties of the Zero Waste
1430 Account Representatives will be focused on public education, community outreach,
1431 Commercial and Multi-Family site visits, and technical assistance, and will be substantially
1432 as proposed by Contractor in Exhibit L, Contractor's Proposal and in Exhibit C, Public
1433 Education and Outreach Requirements. Zero Waste Account Representatives shall be full-
1434 time, regular, and professional positions. Contractor acknowledges that the Zero Waste
1435 Account Representative role is not intended to be an internship, or entry-level role.

1436 **F. Key Personnel.** Contractor shall make every reasonable effort to maintain the stability and
1437 continuity of Contractor's staff assigned to perform the services required under this Agreement.
1438 Contractor shall notify the City of any changes in Contractor's key staff to be assigned to perform

1439 the services required under this Agreement and shall obtain the approval of the City Manager of
1440 all proposed key staff members who are to be assigned to perform services under this Agreement
1441 prior to any such performance.

1442 Notwithstanding City's approval of Contractor's personnel, Contractor shall not be relieved from
1443 any liability resulting from the work to be performed under this Agreement, nor shall Contractor
1444 be relieved from its obligation to ensure that its personnel maintain all requisite certifications,
1445 licenses, and the like, and Contractor shall ensure that its personnel at all times fully comply with
1446 Applicable Law.

1447 At any point during the Term of this Agreement, the City may request, in writing, that any of
1448 Contractor's employees be reassigned such that they no longer perform any work relating to this
1449 Agreement and shall provide a statement describing the reason for such request. Within twenty-
1450 four (24) hours of Contractor's receipt of such request, or such other time agreed to by City in
1451 writing, Contractor shall remove the identified employee(s) from performing any work related to
1452 this Agreement; the vacated position(s) must be filled by Contractor with a suitable replacement
1453 within ten (10) calendar days and Contractor shall immediately fill the vacated position with a
1454 temporary replacement if required to perform, without delay, all services required under this
1455 Agreement.

1456 **5.8 HAZARDOUS WASTE INSPECTION AND HANDLING**

1457 **A. Inspection Program and Training.** Contractor shall develop a load inspection program that
1458 includes the following components: (i) personnel and training; (ii) load checking activities; (iii)
1459 management of wastes; and, (iv) record keeping and emergency procedures.

1460 Contractor's load checking personnel, including its Collection vehicle drivers, shall be trained in:
1461 (i) the effects of Hazardous Substances on human health and the environment; (ii) identification
1462 of prohibited materials; and, (iii) emergency notification and response procedures. Collection
1463 vehicle drivers shall inspect Containers before Collection when practical.

1464 **B. Response to Excluded Waste Identified During Collection.** If Contractor determines that material
1465 placed in any Container for Collection is Excluded Waste or presents a hazard to Contractor's
1466 employees, the Contractor shall have the right to refuse to accept such material. The Generator
1467 shall be contacted by the Contractor and requested to arrange proper Disposal. If the Generator
1468 cannot be reached immediately, the Contractor shall, before leaving the Premises, leave Non-
1469 Collection Notice, which indicates the reason for refusing to Collect the material and lists the
1470 phone number of a facility that accepts the Excluded Waste or a phone number of an entity that
1471 can provide information on proper Disposal of the Excluded Waste. Under no circumstances shall
1472 Contractor's employees knowingly Collect Excluded Waste or remove unsafe or poorly
1473 containerized Excluded Waste from a Collection Container.

1474 If Excluded Waste is found in a Collection Container or Collection area that could possibly result
1475 in imminent danger to people or property, the Contractor shall immediately notify the Fire
1476 Department.

1477 **C. Response to Excluded Waste Identified At Processing or Disposal Facility.** Materials Collected by
1478 Contractor will be delivered to the Approved Facilities for purposes of Processing or Disposal. In
1479 the event that load checkers and/or equipment operators at such facility identify Excluded Waste

1480 in the loads delivered by Contractor, such personnel shall remove these materials for storage in
1481 approved, on-site, Excluded Waste storage Container(s). Contractor shall arrange for removal of
1482 the Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws and
1483 regulatory requirements. The Contractor may at its sole expense attempt to identify and recover
1484 the cost of Disposal from the Generator. If the Generator can be successfully identified, the cost
1485 of this effort, as well as the cost of Disposal shall be chargeable to the Generator.

1486 **5.9 CONTRACT MANAGEMENT**

1487 The City Manager shall monitor and administer of this Agreement. Contractor shall designate an employee
1488 to serve as Contractor's Contract Administrator(s), to be responsible for working closely with the City
1489 Manager in the monitoring and administration of this Agreement.

1490 The Contractor's Contract Administrator shall meet and confer with the City Contract Administrator to
1491 resolve differences of interpretation and implement and execute the requirements of this Agreement in
1492 an efficient, effective, manner that is consistent with the stated objectives of this Agreement.

1493 The City Manager, or their designee, and the Contractor's Contract Administrator shall hold contract
1494 management meetings monthly or at such other frequency as designated by the City Manager. This
1495 meeting is intended to review the status of Contractor's implementation of programs and services
1496 required under this Agreement, coordinate shared efforts between the parties, and such other agenda
1497 items as are deemed appropriate by the Parties for such meetings.

1498 From time to time the City Manager may designate other agents of City to work with Contractor on specific
1499 matters. In such cases, those individuals should be considered designates of the City Manager for those
1500 matters to which they have been engaged. Such designates shall be afforded all of the rights and access
1501 granted thereto. In the event of a dispute between the City Manager's designate and Contractor, the City
1502 Manager's determination shall be conclusive.

1503 In the event of dispute between the City Manager and the Contractor regarding the interpretation of or
1504 the performance of services under this Agreement, the City Manager's determination shall be conclusive
1505 except where such determination results in a material impact to the Contractor's revenue and/or cost of
1506 operations. In the event of a dispute between the City Manager and the Contractor results in such material
1507 impact to the Contractor, the provisions of Section 11.9 shall apply. For the purposes of this Section,
1508 "material impact" is an amount equal to or greater than one percent (1%) of Contractor's annual Gross
1509 Receipts under this Agreement.

1510 City Manager or their designate shall have the right to observe and review Contractor operations and
1511 Processing Facilities and enter Premises for the purposes of such observation and review, including review
1512 of Contractor's records, during reasonable hours with reasonable notice. In no event shall Contractor
1513 prevent access to such Premises for a period of more than three (3) calendar days after receiving such a
1514 request. City Manager shall be granted access to Contractor's information systems and Customer service
1515 database in accordance with Section 4.8.

1516 **5.10 ENVIRONMENTALLY PREFERABLE PURCHASING**

1517 Contractor shall, prior to the Commencement Date, develop and implement an "Environmentally
1518 Preferable Purchasing Policy". The policy shall be subject to review, request for modification, and approval
1519 by the City Manager. The policy shall, at a minimum, include provisions for: (i) purchasing materials with

1520 the highest available Recycled content without materially degrading the performance of the product; (ii)
1521 purchasing materials that utilize non-toxic, non-polluting alternative chemistry; (iii) a twenty percent
1522 (20%) price preference, relative to virgin or toxic content products, for purchasing environmentally
1523 preferable materials and supplies; and, (iv) source reduction and pollution prevention strategies for
1524 Contractor's operations.

1525 **5.11 LOCAL PURCHASING PREFERENCE**

1526 Contractor shall, throughout the Term of this Agreement, give preference to purchasing materials and
1527 supplies used in connection with Agreement from local vendors within the City. At a minimum, Contractor
1528 shall purchase the following items from vendors within the City where possible: vehicle supplies (e.g., fuel,
1529 fluids, tires, parts, etc.); printing and publishing services for any and all public education and outreach
1530 materials; uniforms, safety clothing/equipment, work boots; and office supplies. Additionally, Contractor
1531 shall support restaurants and food suppliers located within the City when catering special events for the
1532 City or the community, and for Contractor's employees. Contractor shall submit an annual report, as
1533 required in Exhibit F, to City identifying their compliance with this Section.

1534 **5.12 MINIMUM DIVERSION REQUIREMENTS**

1535 Contractor shall Divert from landfilling a minimum of 36% of all Discarded Material it Collects under this
1536 Agreement excluding Construction and Demolition Debris. Compliance will be measured on a calendar
1537 year basis, beginning with calendar year 2023. Discarded Materials Collected shall only be considered to
1538 have been Recycled or Diverted as required under this Agreement if it is deemed to be Diversion by
1539 CalRecycle in connection with efforts to meet City's Diversion goals. The Contractor shall make reasonable
1540 efforts to assure that Recyclable Materials, Organic Materials, and Mixed Waste are Transported, handled
1541 at the Approved Processing Facilities, so as to prevent or minimize the amount of such materials taken to
1542 a landfill and to maximize Diversion credits for the City. Contractor shall provide documentation to the
1543 City within thirty (30) days of the end of each calendar year stating and supporting that calendar year's
1544 Diversion rate. Diversion from sources other than Contractor's Collection and Diversion efforts (such as
1545 source reduction, reuse, or Recyclable Materials and Organic Materials Diverted by other enterprises,
1546 Collection of materials that are not the subject of this Agreement, or the efforts of Self-Haulers) is not to
1547 be counted as Diversion achieved by Contractor. Transformation may be used as a method to achieve the
1548 minimum Recycling requirements to the extent that is allowable as Diversion as defined by CalRecycle.

1549 Contractor shall Divert from landfilling the State-mandated Construction and Demolition Diversion
1550 percentage of all Construction and Demolition Debris loads Contractor Collects under this Agreement.

1551 Upon the request of either Party, not more often than once every two (2) years, the Parties agree to meet
1552 and confer regarding adjustments to the minimum Diversion rate, based on factors including waste
1553 composition data provided by Contractor, trends in source reduction and reuse, trends in third party
1554 Diversion, extent of reverse logistics, emerging methods of Processing and Recycling/reusing new waste
1555 materials, the availability of markets, Transportation constraints, embargoes, and the impact of
1556 scavenging. City shall consider such information provided by Contractor and other industry data and shall,
1557 at its sole discretion, determine if any adjustments to the minimum Diversion requirements shall be made,
1558 and such changes must be approved by the City Council before becoming effective. If these Diversion
1559 requirements are not met, City may instruct Contractor to initiate new programs at Contractor's expense
1560 in order for this goal to be met on a consistent basis.

1561
1562

ARTICLE 6. RECORD KEEPING AND REPORTING

1563 6.1 RECORD KEEPING

1564 Contractor shall maintain Customer contact data, Customer service, accounting, statistical, operational,
1565 programmatic, and other records, and associated documentation, related to its performance as shall be
1566 necessary to provide detailed and accurate reports under this Agreement, and to demonstrate compliance
1567 with this Agreement and Applicable Law. Unless otherwise required in this Article, Contractor shall retain
1568 all records and data required to be maintained by this Agreement for the Term of this Agreement plus five
1569 (5) years after its expiration or earlier termination. Records and data shall be in chronological and
1570 organized form that is readily and easily interpreted to facilitate the flexible use of data to structure
1571 reports. Contractor's records shall be stored in one central location, physical or electronic, that can be
1572 readily accessed by Contractor. Upon request, any such records shall be retrieved in a timely manner, not
1573 to exceed five (5) Working Days of a request by the City Manager, and made available to the City Manager;
1574 including any record or documentation that City, in their sole discretion, may deem necessary, for the City
1575 to fulfill obligations under Applicable Law including, but not limited to, AB 939, AB 341, AB 876, AB 901,
1576 SB 1383, and other current or future Federal, State, or local regulations, as amended.

1577 Contractor shall maintain adequate record security to preserve records from events that can be
1578 reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained data and records
1579 shall be protected and backed-up. The City reserves the right to require the Contractor to maintain the
1580 records required herein using a City-approved web-based software platform, at Contractor's expense. To
1581 the extent that Contractor utilizes its computer systems to comply with record keeping and reporting
1582 requirements under this Agreement, Contractor shall, on a monthly basis, save all system-generated
1583 reports supporting those record keeping and reporting requirements in a static format in order to provide
1584 an audit trail for all data required by City, as requested, under this Agreement.

1585 At a mutually agreed upon time during normal business hours, but within five (5) Work Days of a written
1586 request, Contractor shall provide to the City the Contractor's data and records with respect to the matters
1587 covered by this Agreement and Applicable Law. Contractor shall permit the City, or its designee, to audit,
1588 examine, and make excerpts or transcripts from such data and records, and make copies of all data
1589 relating to all matters covered by this Agreement and the Applicable Law. Contractor shall maintain such
1590 data and records in an accessible location and condition for a period of not less than five (5) years
1591 following the City's receipt of final payment under this Agreement unless the City agrees in writing to an
1592 earlier disposition. Contractor agrees that all data regarding business operations, Customer lists, routing,
1593 Tonnage, Service Levels, work orders issued from dispatch, Customer service logs and account notes, and
1594 work force and bargaining agreements, do not constitute Proprietary Information or Trade Secrets and
1595 shall be made available to the City Manager or their designee upon request and within the timelines
1596 required by this Section 6.1. City is subject to the California Public Records Act (Government Code section
1597 6250, *et. seq.*) and nothing in this Agreement is intended to impair City's requirements or obligations
1598 under that Act.

1599 City views its ability to defend itself against Comprehensive Environmental Response, Compensation and
1600 Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, City regards
1601 its ability to prove where Collected Recyclable Materials, Organic Materials, Solid Waste, and Mixed Waste
1602 are taken for Transfer, Processing, or Disposal. Contractor shall maintain records which can establish
1603 where Recyclable Materials, Organic Materials, Solid Waste, and Mixed Waste Collected were

1604 Transferred, Processed, or Disposed. This provision shall survive the expiration or earlier termination of
1605 this Agreement. Contractor shall maintain these records for a minimum of ten (10) years beyond
1606 expiration or earlier termination of the Agreement. Contractor shall provide these records to City (upon
1607 request or at the end of the record retention period) in an organized and indexed manner rather than
1608 destroying or Disposing of them.

1609 **6.2 REPORT SUBMITTAL REQUIREMENTS**

1610 Contractor shall submit monthly reports within twenty (20) calendar days after the end of the calendar
1611 month and annual reports no later than forty-five (45) calendar days after the end of each calendar year.
1612 Monthly and annual reports shall include at a minimum, all data and information described in Exhibit F,
1613 unless otherwise specified under this Agreement.

1614 Contractor may propose report formats that are responsive to the objectives and audiences for each
1615 report. The format of each report shall be approved by the City Manager, or their designee, in their sole
1616 discretion. City Manager may, from time to time during the Term, review, and request changes to
1617 Contractor's report formats and content and Contractor shall not unreasonably deny such requests.

1618 Contractor shall submit all reports to the City Manager electronically via e-mail using software acceptable
1619 to the City. The City reserves the right to require the Contractor to maintain records and submit the
1620 reports required herein through use of a City-selected web-based software platform, at the Contractor's
1621 expense.

1622 City reserves the right to require Contractor to provide additional reports or documents as City Manager
1623 reasonably determines to be required for the administration of this Agreement or compliance with
1624 Applicable Law.

1625 **6.3 PERFORMANCE REVIEW**

1626 City may hold a public hearing, or other meeting, on or about the two-year anniversary of the start of this
1627 Agreement, and each 12 months thereafter, at which time Contractor shall be present and shall
1628 participate, to review the Discarded Materials Collection, source reduction, Processing and other
1629 Diversion services and overall performance. The purpose of the hearing is to provide for a discussion and
1630 review of technological, economic, and regulatory changes in Collection, source reduction, Recycling,
1631 Processing and Disposal to achieve a continuing, advanced Discarded Materials Collection, source
1632 reduction and Recycling and Disposal system; and to ensure services are being provided with adequate
1633 quality, effectiveness and economy.

1634 Forty-five (45) days after receiving notice from City of a Performance Review Hearing, Contractor shall, at
1635 a minimum, submit a report to City indicating the following:

- 1636 a. Changes recommended and/or new services to improve City's ability to meet the goals of AB 939,
1637 AB 341, SB 1383, and any current or future regulations, and to contain costs and minimize impacts
1638 on Rates. A specific plan for regulatory compliance shall be included.
- 1639 b. Any specific plans and proposed costs for provision of changed or new services by Contractor.
- 1640 c. Results of the most recent route audit as described in Section 4.11.

1641 The reports required by this Agreement regarding Customer Complaints shall be used as one basis for
1642 review. Contractor may submit other relevant performance information and reports for consideration.
1643 City may request Contractor to submit specific information for the hearing. In addition, any Customer
1644 may submit comments or Complaints during or before the hearing, either orally or in writing, and these
1645 shall be considered.

1646 Topics for discussion and review at the Performance Review Hearing shall include, but shall not be limited
1647 to, services provided, route audit results, feasibility of providing new services, application of new
1648 technologies, Customer Complaints, amendments to this Agreement, developments in the law, new
1649 initiatives for meeting or exceeding AB 939's goals, regulatory constraints and Contractor performance.
1650 City and Contractor may each select additional topics for discussion at any Performance Review Hearing.

1651 Not later than sixty (60) days after the conclusion of each Performance Review Hearing, City may issue a
1652 report. As a result of the review, City may require Contractor to provide expanded or new services within
1653 a reasonable time and for reasonable Rates and compensation and City may direct or take corrective
1654 actions for any performance inadequacies.

1655 **6.4 PERFORMANCE SATISFACTION SURVEY**

1656 If requested the City, City shall retain a third-party company to conduct a survey at Contractor's expense,
1657 not more than once per calendar year. The third-party company retained by Contractor shall be approved
1658 by the City. In the event the City does not approve the third-party company, the City shall have the right
1659 to select a company of their choosing, and the cost of the City-selected company shall be borne by the
1660 Contractor. The purpose of the survey is to determine Customer satisfaction with current Collection
1661 services and Customer service provided by the Contractor. Survey will be distributed to a minimum of
1662 10% of Single-Family Customers and 10% of Multi-Family Customers and 10% of Commercial Customers,
1663 selected at random. City will prepare separate Single-Family, Multi-Family and Commercial Customer
1664 surveys and will seek City approval of survey content and format prior to distribution and will incorporate
1665 City content, if City requests. If the survey is requested in conjunction with a performance review under
1666 Section 6.3, survey results must be made available to the City thirty (30) days prior to the hearing.

1667 **6.5 BIENNIAL AUDIT**

1668 City may conduct an audit of Contractor at any time. The scope of the audit, and auditing party, will be
1669 determined by City and the scope may include, but is not limited to:

- 1670 a. Compliance with terms of this Agreement;
- 1671 b. Customer Service Levels and Billing;
- 1672 c. Fee payments;
- 1673 d. Receipts;
- 1674 e. Tonnage;
- 1675 f. Complaint log;
- 1676 g. Compliance with Mandatory Commercial Recycling, Mandatory Commercial Organics Recycling,
1677 and SB 1383; and,
- 1678 h. Verification of Diversion rate.

1679 The first audit, to be performed during 2024, will be based on the Contractor's reports and records for
 1680 calendar year 2023. Audits will be performed every other year thereafter (the biennial audit). Contractor
 1681 will reimburse to the City the cost of such audits up to fifty thousand dollars (\$50,000) for the first audit,
 1682 and fifty thousand dollars (\$50,000) for each subsequent biennial audit in 2024 dollars. The fifty thousand
 1683 dollars (\$50,000) amount in subsequent years shall be adjusted annually by 2.5% per year as shown in the
 1684 table below:

Year Performed	Contractor Reimbursement
2024	\$ 50,000
2026	\$ 51,250
2028	\$ 52,531
2030	\$ 53,845
2032	\$ 55,191
2034 or thereafter	+2.5% per year

1685

1686 Should an audit by the City disclose that Franchise or other fees payable by the Contractor were underpaid
 1687 by three percent (3%) or more, or that more than two percent (2%) of the Customers were inaccurately
 1688 billed, for the period under review, Contractor shall reimburse the City for the actual cost of the audit to
 1689 the extent it exceeded fifty thousand dollars (\$50,000) and shall also pay for additional audit costs if City
 1690 determines it is necessary to expand the scope of the audit.

1691 **6.5.1 Payments and Refunds**

1692 Should an audit by the City disclose that the Franchise Fees payable by the Contractor were underpaid or
 1693 that Customers were overcharged for the period under review, Contractor shall pay to City any
 1694 underpayment of Franchise Fees and/or refund to Contractor's Customers any overcharges within thirty
 1695 (30) days following the date of the audit. Should an audit disclose that Franchise Fees were overpaid, City
 1696 shall refund to Contractor the amount of the overpayment within the same time frame. Should the audit
 1697 disclose that Customers were undercharged, Customers may be billed for up to, but not exceeding, ninety
 1698 (90) days of services not previously billed by Contractor or City.

1699
 1700

**ARTICLE 7.
 CITY FEES**

1701 **7.1 FRANCHISE FEE**

1702 The Contractor shall pay a Franchise Fee to City each month in exchange for the rights granted under this
 1703 Agreement. The amount of the Franchise Fee shall be equal to ten percent (10%) of Gross Receipts, paid
 1704 out of Contractor's Profit for all services performed under this Agreement and shall be paid monthly, paid
 1705 in arrears. Concurrent with each Franchise Fee payment, Contractor shall provide an accounting
 1706 worksheet showing the amount, if any, of delinquent Customer accounts. The Franchise Fee was the
 1707 product of extensive negotiation and represents the Parties' estimate of the reasonable value of the
 1708 Franchise.

1709 **7.1.1 Adjustment to Franchise Fee**

1710 City may adjust the amount of the Franchise Fee annually, with fee increases permitted only to the extent
1711 such an increase can be included in the approved Rates. Such adjustment shall be reflected in the Rates
1712 that Contractor is allowed to charge and collect from Customers in accordance with Article 8.

1713 **7.2 AB 939/SB 1383 REIMBURSEMENT**

1714 The Contractor shall pay an AB 939/SB 1383 Reimbursement to City each month. The amount of the AB
1715 939/SB 1383 Reimbursement shall be equal to two percent (2%) of Gross Receipts, paid out of Contractor's
1716 Profit for all services performed under this Agreement and shall be paid in monthly, paid in arrears. City
1717 shall use the AB 939/SB 1383 Reimbursement to refund expenses including but not limited to, staffing
1718 costs related to City programs, pilot studies, education and outreach campaigns, technical assistance to
1719 Customers, reporting, compliance, capacity planning, provision of special Containers, or other activities
1720 involved in compliance with AB 939 and/or SB 1383. The City shall retain the sole right to set priorities for
1721 the use of its AB 939/SB 1383 Fee.

1722 **7.3 ADJUSTMENT TO AB 939/SB 1383 REIMBURSEMENT**

1723 City may set other reimbursement payments or adjust the reimbursement amounts established in this
1724 Article from time-to-time during the Term of this Agreement and such adjustments shall be included in
1725 the adjustment of Rates described in Exhibit E.

1726 The amounts of the AB 939/SB 1383 Fee shall be adjusted for subsequent Rate Periods shall be adjusted
1727 annually by the change in CPI as defined in Exhibit A.

1728 **7.4 PAYMENT SCHEDULE AND LATE FEES**

1729 Within twenty (20) calendar days of the end of each calendar month, during the Term of this Agreement,
1730 Contractor shall remit to City all fees as described in this Article. Such fees shall be remitted to City and
1731 sent or delivered to the City Manager. If such remittance is not paid to City on or before the twentieth
1732 (20th) calendar day following the end of a calendar month, all fees due shall be subject to a delinquency
1733 penalty of one and one-half percent (1.5%), which attaches on the first day of delinquency. The
1734 delinquency penalty shall be increased an additional one and one-half percent (1.5%) for each additional
1735 month the payment remains delinquent.

1736 Each monthly remittance to City shall be accompanied by a statement listing the amount of each fee paid;
1737 calculation of each fee; and statement of Gross Receipts.

1738 **7.5 CONTRACTING FEE**

1739 Contractor shall pay to City a Contracting Fee in a one-time lump sum payment within seven (7) days of
1740 execution of this Agreement to reimburse the City for its out-of-pocket costs of awarding the Franchise.
1741 The Contracting Fee is estimated to be \$250,000.

1742 **7.6 OTHER FEES**

1743 City shall reserve the right to set other fees, or further adjust the Franchise Fee, AB 939/SB 1383
1744 Regulatory Reimbursement and Administrative Fee beyond the regular annual adjustments described
1745 above as it deems necessary, to the extent that such further adjustments are also included in the

1746 adjustments to the approved Rates.

1747 **7.7 DISCONTINUANCE OF FEES**

1748 In event one or more of the fees described in Sections 7.1 and 7.2 are discontinued during the Term of
1749 this Agreement including Agreement extensions granted by the City, Customer Rates will be reduced
1750 based on the amount of the discontinued fee(s).

1751 **ARTICLE 8.**
1752 **CONTRACTOR'S COMPENSATION AND RATE**
1753 **SETTING**

1754 **8.1 GENERAL**

1755 Contractor will perform the responsibilities and duties described in this Agreement in consideration of the
1756 right to receive compensation for services. Contractor Compensation provided for in this Article shall be
1757 the full, entire, and complete compensation due to Contractor pursuant to this Agreement for all labor,
1758 equipment, materials and supplies, taxes, insurance, bonds, overhead, Disposal, Recycling, Processing,
1759 Transfer, profit and all other things necessary to perform all the services required by this Agreement in
1760 the manner and at the times prescribed.

1761 **8.2 INITIAL RATES**

1762 The Rates for the Rate Period ending December 31, 2023, shall not exceed those set forth in Exhibit D
1763 hereto, unless amended by a written amendment to this Agreement entered into by and between the
1764 City and the Contractor. Contractor has reviewed these maximum Rates and agrees they are reasonably
1765 expected to generate sufficient revenues to provide adequate Contractor Compensation. Unless and until
1766 the maximum Rates set forth on Exhibit D are adjusted, Contractor will provide the services required by
1767 this Agreement, charging no more than the maximum Rates authorized by Exhibit D, except as provided
1768 herein in this Article 8.

1769 **8.3 SCHEDULE OF FUTURE ADJUSTMENTS**

1770 Beginning with Rate Period two (2) (January 1, 2024, to December 31, 2024) and for all subsequent Rate
1771 Periods, Contractor or City may request an annual adjustment (increase or decrease) to the maximum
1772 Rates shown in Exhibit D, excepting that Contractor shall be entitled to those automatic adjustments in
1773 Rates as provided in Section 8.4.2 hereof. The automatic adjustments must be submitted to the City on
1774 or before September 1 of each year for review by City Manager, or his or her designee, of accuracy of the
1775 supporting data. For all inflationary adjustments extending beyond those set forth in Section 8.4.2, the
1776 Contractor shall submit its request in writing, to be received by City in person or via certified mail, by
1777 September 1 of the year prior to the Rate Period which the increase is requested, based on the method
1778 of adjustment described in Section 8.5. Failure to submit a written request by September 1, shall result
1779 in Contractor waiving the right to request such an increase for the Rate Period. If an adjustment results in
1780 a Rate decrease, then the City shall maintain the current Rates and rollover the Rate decrease to the next
1781 Rate adjustment; the intent is to ensure subsequent Rate increases shall be offset with any decrease not
1782 previously implemented.

1783 **8.4 METHOD OF ADJUSTMENTS**

1784 **8.4.1 General**

1785 Pursuant to Section 8.3, Contractor may request an annual adjustment to the Total Rate according to the
1786 formula shown in Exhibit E, subject to review and approval of the City.

1787 **8.4.1.1 INDEMNIFICATION**

1788 To the maximum extent allowed by law, Contractor shall indemnify, defend and hold harmless the City,
1789 their officers, employees, agents and volunteers, (collectively, Indemnitees) from and against all claims,
1790 damages, injuries, losses, costs, including demands, debts, liens, liabilities, causes of action, suits, legal or
1791 administrative proceedings, interest, fines, charges, penalties and expenses (including attorneys' and
1792 expert witness fees, expenditures for investigations, and administration) and costs or losses of any kind
1793 whatsoever paid, imposed upon, endured or suffered by or assessed against Contractor or any of the
1794 Indemnitees resulting in any form from the City's establishing maximum Rates for service under this
1795 Agreement or in connection with the application of California Constitution Articles XIIC and Article XIID
1796 to the imposition, payment or collection of Rates and fees for services provided by Contractor under this
1797 Agreement. Notwithstanding the foregoing, this indemnity shall not extend to any portion of the Rates
1798 that is not associated with Contractor's costs in providing service, such as governmental fees, Franchise
1799 Fees or charges, nor shall it apply to any loss arising directly from the negligence of City, its officers and
1800 employees. Nothing herein is intended to imply that California Constitution Articles XIIC or XIID apply to
1801 the setting of Rates for the services provided under this Agreement; rather, this Section is provided merely
1802 to allocate risk of loss between the Parties.

1803 **8.4.2 Rate Adjustment Calculation**

1804 The approved Contractor compensation shall be based on the percentage change in the average annual
1805 published Consumer Price Index, for Trash and Garbage Collection (CUUR0000SEHG02), U.S. City average,
1806 as published by the United States Department of Labor, Bureau of Labor Statistics, between the 12 months
1807 ended June prior to the Rate Period anniversary date, and the 12 months ended the prior June. For
1808 example, for the first rate increase effective January 1, 2024, the change in the index shall be measured
1809 as the percentage change from the average of the monthly index for 12 months ending June 2022 to the
1810 average of the monthly index for the 12 months ending June 2023. An example calculation is included in
1811 Exhibit E. If the index is discontinued, an alternative index must be approved by the City Manager.

1812 If the rate adjustment calculation is calculated to be 0% or less, there shall be no changes to charges and
1813 rates during the Rate Period corresponding the rate adjustment calculation. In the case of a calculated
1814 rate decrease, the amount of such decrease shall be carried forward as an offset to future rate increases.

1815 **8.5 EXTRAORDINARY ADJUSTMENTS**

1816 Contractor or City may request an adjustment to maximum Rates at reasonable times other than that
1817 allowed under Section 8.3 in the event of extraordinary changes in the cost of providing service under this
1818 Agreement. Such changes shall not include changes in Recyclable Materials or Organic Waste Processing
1819 costs or, changes in the market value of Recyclable Materials from the values assumed in Contractor's
1820 Proposal, inaccurate estimates by the Contractor of its proposed cost of operations, unionization of
1821 Contractor's work force, or change in wage rates or employee benefits. Contractor may request an
1822 extraordinary adjustment based on changes in a direct per Ton fee assessed at the Disposal Site by
1823 Federal, State, or local regulatory agencies after the Effective Date. Extraordinary Rate adjustments may

1824 not be applied retroactively.

1825 For each request for an adjustment to the maximum Rates that Contractor may charge Customers brought
1826 pursuant to this Section Contractor shall prepare a schedule documenting the extraordinary costs. Such
1827 request shall be prepared in a form acceptable to City with support for assumptions made by Contractor
1828 in preparing the estimate. Contractor shall also submit a schedule showing how its total costs and total
1829 revenues have changed over the past three years for the services provided under this Agreement.

1830 Contractor shall provide to City a report of its annual revenues and expenses for the services provided in
1831 the City, and City shall have right to audit this information in connection with the City's review of
1832 Contractor's rate adjustment request. City may consider increases or decreases in the Contractor's total
1833 revenues and total cost of services when reviewing an extraordinary rate adjustment request. A rate
1834 adjustment request made in response to a new service requested by City will be determined in accordance
1835 with Section 3.5.

1836 Approval of any requested extraordinary adjustment in accordance with this section shall be at the sole
1837 discretion of the City.

1838

1839

1840

ARTICLE 9. INDEMNITY, INSURANCE, AND PERFORMANCE BOND

1841 9.1 INDEMNIFICATION

1842 **A. General.** Contractor shall indemnify, defend with counsel acceptable to City, and hold harmless
1843 (to the full extent permitted by law) City and its officers, officials, employees, volunteers, and
1844 agents from and against any and all claims, liability, loss, injuries, damage, expense, and costs
1845 (including without limitation costs and fees of litigation, including attorneys' and expert witness
1846 fees) (collectively, "Damages") of every nature arising out of or in connection with Contractor's
1847 performance, and the performance of any Subcontractor, or agent of Contractor, under this
1848 Agreement, or its failure to comply with any of its obligations contained in the Agreement, except
1849 to the extent such loss or damage was caused by the negligence or willful misconduct of City. This
1850 Section 9.1 shall survive the expiration or termination of this Agreement and shall not be
1851 construed as a waiver of City's legal and/or equitable rights as defined herein and permitted under
1852 Applicable Law.

1853 **B. Excluded Waste.** Contractor acknowledges that it is responsible for compliance during the entire
1854 Term of this Agreement with all Applicable Laws. Contractor shall not store, Transport, use, or
1855 Dispose of any Excluded Waste except in strict compliance with all Applicable Laws.

1856 If Contractor negligently or willfully mishandles Excluded Waste in the course of carrying out its
1857 activities under this Agreement, Contractor shall at its sole expense promptly take all investigatory
1858 and/or remedial action reasonably required for the remediation of such environmental
1859 contamination. Prior to undertaking any investigatory or remedial action, however, Contractor
1860 shall first obtain City's approval of any proposed investigatory or remedial action. Should
1861 Contractor fail at any time to promptly take such action, City may undertake such action at
1862 Contractor's sole cost and expense, and Contractor shall reimburse City for all such expenses
1863 within thirty (30) calendar days of being billed for those expenses, and any amount not paid within

1864 that thirty (30) calendar day period shall thereafter be deemed delinquent and subject to the
1865 delinquent fee payment provision of Section 7.4. These obligations are in addition to any defense
1866 and indemnity obligations that Contractor may have under this Agreement.

1867 Notwithstanding the foregoing, Contractor's duties under this subsection shall not extend to any
1868 claims arising from the Disposal of Solid Waste at the Approved Disposal Facility, including, but
1869 not limited to, claims arising under Comprehensive Environmental Response, Compensation and
1870 Liability Act (CERCLA) unless such claim is a direct result of Contractor's negligence or willful
1871 misconduct.

1872 **C. Environmental Indemnity.** Contractor shall defend with counsel acceptable to City, indemnify,
1873 and hold City harmless against and from any and all claims, suits, losses, penalties, damages, and
1874 liability for damages of every name, kind and description, including attorneys' fees and costs
1875 incurred, attributable to the negligence or willful misconduct of Contractor in handling Excluded
1876 Waste.

1877 **D. Electronic and Web based Information Indemnity.** Contractor shall defend with counsel
1878 acceptable to City, indemnify, and hold City harmless against and from any and all -related claims,
1879 including but not limited to, suits, losses, penalties, damages, responsibility for costs, regulatory
1880 fines, penalties, credit monitoring expenses, and liability for damages of every name, kind and
1881 description, including attorneys' fees and costs incurred, attributable to the negligence or willful
1882 misconduct of Contractor and any Subcontractors used in performance of this Agreement in
1883 handling or protecting Customer information over which Contractor has control, including but not
1884 limited to billing details, electronic payment(s), and Customer account information that is not
1885 readily available to the general public. Contractor shall maintain electronic files and Contractor's
1886 website in accordance with the industry best practices for maintaining such information as safely
1887 and securely as possible. Nothing in this Section 9.1(D) shall prevent or restrict Contractor's
1888 obligation and responsibility to provide City with information required under this Agreement.

1889 **E. Related to AB 939, AB 341, and SB 1383.** Contractor's duty to defend and indemnify herein
1890 includes all fines and/or penalties imposed by CalRecycle, if the requirements of AB 939, AB 341,
1891 AB 1826, and/or SB 1383 are not met by the Contractor with respect to the Contractor's
1892 obligations under this Agreement, and such failure is: (i) due to the failure of Contractor to meet
1893 its obligations under this Agreement; or, (ii) due to Contractor delays in providing information
1894 that prevents Contractor or City from submitting reports to regulators in a timely manner. This
1895 indemnity is subject to the provisions of Public Resources Code § 40059.1.

1896 **F. Related to Proposition 218.** Should there be a Change in Law or a new judicial interpretation of
1897 Applicable Law, including, but not limited to, Article XIII C and D of the California Constitution
1898 (Commonly Proposition 218), which impacts the Rates for the Collection services established in
1899 accordance with this Agreement, Contractor agrees to meet and confer with City to discuss the
1900 impact of such Change in Law on either Party's ability to perform under this Agreement.

1901 If, at any time, a Rate adjustment determined to be appropriate by both City and Contractor to
1902 compensate Contractor for increases in costs as described in this Agreement cannot be
1903 implemented for any reason, Contractor shall be granted the option to negotiate with City, in
1904 good faith, a reduction of services equal to the value of the Rate adjustment that cannot be
1905 implemented. If City and Contractor are unable to reach agreement about such a reduction in

1906 services, then Contractor may terminate this Agreement upon one (1) year's prior written notice
1907 to City, in which case the Contractor and City shall each be entitled to payment of amounts due
1908 for contract performance through the date of termination but otherwise will have no further
1909 obligation to one another unless this Agreement specifically states otherwise, after the date of
1910 such termination. Should a court of competent jurisdiction determine that the Contractor cannot
1911 charge and/or increase its Rates for charges related to Franchise Fees and governmental fees and
1912 charges, Contractor shall reduce the Rates it charges Customers a corresponding amount,
1913 providing said fees, reimbursements, Rates and/or charges disallowed by the court are not related
1914 to the cost of providing service hereunder and had been incorporated in the Rates charged by
1915 Contractor to its Customers.

1916 Nothing herein is intended to imply that California Constitution, Articles XIIC or XIID, apply to the
1917 Rates established for services provided under this Agreement; rather this Section is provided
1918 merely to allocate risk of an adverse judicial interpretation between the Parties.

1919 **G. CalPERS Eligibility Indemnification.** Contractor's employees, agents, or Subcontractors providing
1920 service under this Agreement shall not: (i) qualify for any compensation and benefit under
1921 CalPERS; (ii) be entitled to any benefits under CalPERS; (iii) enroll in CalPERS as an employee of
1922 City; (iv) receive any employer contributions paid by City for CalPERS benefits; or (v) be entitled
1923 to any other CalPERS-related benefit that would accrue to a City employee. Contractor's
1924 employees, agents, or Subcontractors hereby waive any claims to benefits or compensation
1925 described in this Section 9.1. This Section 9.1 applies to Contractor notwithstanding any other
1926 agency, State or Federal policy, rule, regulation, law, or ordinance to the contrary.

1927 If Contractor's employees, agents, or Subcontractors providing services under this Agreement
1928 claim, or are determined by a court of competent jurisdiction or the California Public Employees
1929 Retirement System ("CalPERS") to be eligible for enrollment in CalPERS of the City, Contractor
1930 shall indemnify, defend, and hold harmless City for the payment of any employer and employee
1931 contributions for CalPERS benefits on behalf of the employee as well as for payment of any
1932 penalties and interest on such contributions which would otherwise be the responsibility of the
1933 City.

1934 Contractor's Compensation under this Agreement shall be the full and complete compensation to
1935 which Contractor and Contractor's officers, employees, agents, and Subcontractors are entitled
1936 for performance of any work under this Agreement. Neither Contractor nor Contractor's officers,
1937 employees, agents, and Subcontractors are entitled to any salary or wages, or retirement, health,
1938 leave or other fringe benefits applicable to City employees. The City will not make any Federal or
1939 State tax withholdings on behalf of Contractor. The City shall not be required to pay any workers'
1940 compensation insurance on behalf of Contractor.

1941 Contractor agrees to defend and indemnify the City for any obligation, claim, suit, or demand for
1942 tax, retirement contribution including any contribution to CalPERS, social security, salary or
1943 wages, overtime payment, or workers' compensation payment which the City may be required to
1944 make on behalf of (1) Contractor, (2) any employee of Contractor, or (3) any employee of
1945 Contractor construed to be an employee of the City, for work performed under this Agreement.

1946 **9.2 INSURANCE**

1947 **A. General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all times
1948 during the Term of this Agreement not less than the following coverage and limits of insurance:

1949 **B. Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times
1950 maintain, at its expense, the following coverages and requirements. Failure to maintain the
1951 identified insurance requirements during the entire Term of this Agreement shall constitute an
1952 event of default subject to Section 11.1(C). The comprehensive general liability insurance shall
1953 include broad form property damage insurance.

1954 1. Minimum Coverages. Insurance coverage shall be with limits not less than the following:

1955 **Comprehensive General Liability** – \$10,000,000 combined single limit per occurrence for
1956 bodily injury, personal injury, and property damage.

1957 **Automobile Liability** – \$10,000,000 combined single limit per accident for bodily injury
1958 and property damage (include coverage for Hired and Non-owned vehicles).

1959 **Workers’ Compensation – Statutory Limits/Employers’ Liability** - \$1,000,000/accident
1960 for bodily injury or disease.

1961 **Employee Blanket Fidelity Bond** – \$500,000 per employee loss covering dishonesty,
1962 forgery, alteration, theft, disappearance, and destruction (inside or outside).

1963 **Pollution Liability** – \$10,000,000 per loss and annual aggregate applicable to bodily injury;
1964 property damage, including loss of use of damaged property or of property that has not
1965 been physically damaged or destroyed; clean-up costs, including first party cleanup of the
1966 City’s property and third-party cleanup, and bodily injury costs if pollutants impact other
1967 properties; and defense, including costs, fees and expenses incurred in the investigation,
1968 defense, or resolution of claims. Coverage shall include completed operations and shall
1969 apply to sudden and non-sudden pollution conditions. Coverage shall apply to acts, errors
1970 or omissions arising out of, or in connection with, Contractor’s scope of work under this
1971 Agreement. Coverage shall also apply to non-owned deposit sites (“NODS”) that shall
1972 protect against, for example, claims regarding bodily injury, property damage, and/or
1973 cleanup costs involving NODS. Coverage is preferred by the City to be occurrence based.
1974 However, if provided on a claims-made basis, Contractor warrants that any retroactive
1975 date applicable to coverage under the policy precedes the Effective Date of this
1976 Agreement, and that continuous coverage shall be maintained, or an extended discovery
1977 period will be exercised through completion or termination of this Agreement for a
1978 minimum of five (5) years. This provision does not limit or alter any rights or remedies to
1979 City allowable under this Agreement and/or Applicable Law in perpetuity.

1980 **Technology Professional Liability Errors and Omissions Insurance (Cyber Liability)**
1981 appropriate to the Contractor’s profession and industry practice, with limits not less than
1982 \$2,000,000 per occurrence. Coverage for cyber risks shall be sufficiently broad to respond
1983 to the duties and obligations as are undertaken by Contractor under this Agreement and
1984 shall include, but not be limited to claims involving infringement of intellectual property,
1985 including but not limited to infringement of copyright, trademark, trade dress, invasion

- 1986 of privacy violations, information theft, damage to or destruction of electronic
 1987 information, release of private information, alteration of electronic information,
 1988 extortion, and network security. The policy shall provide coverage for breach response
 1989 notification and remediation costs, regulatory fines and penalties, credit monitoring
 1990 expenses, electronic funds transfer losses, electronic data restoration expenses, and
 1991 business interruption costs with limits sufficient to respond to these obligations, in the
 1992 sole discretion of the City's Risk Manager.
- 1993 2. Additional Insured. City, its officers, agents, employees, and volunteers shall be named as
 1994 additional insured on all but the workers' compensation and professional liability
 1995 coverages.
- 1996 3. Said policies shall remain in force through the life of this Agreement and, with the
 1997 exception of pollution liability coverage, shall be payable on a "per occurrence" basis
 1998 unless City's Risk Manager specifically consents in writing to a "claims made" basis. For all
 1999 "claims made" coverage, if the Contractor changes insurance carriers Contractor shall
 2000 purchase "tail" coverage or otherwise provide for continuous coverage covering the Term
 2001 of this Agreement and not less than three (3) years thereafter, except for the five (5) year
 2002 tail of Pollution Liability Coverage as described above. Proof of such "tail" or other
 2003 continuous coverage shall be required at any time that the Contractor changes to a new
 2004 carrier prior to receipt of any payments due.
- 2005 4. The Contractor shall declare all aggregate limits on the coverage before commencing
 2006 performance of this Agreement, and City's Risk Manager reserves the right to require
 2007 higher aggregate limits to ensure that the coverage limits required for this Agreement as
 2008 set forth above are available throughout the performance of this Agreement.
- 2009 5. The deductibles or self-insured retentions are for the account of Contractor and shall be
 2010 the sole responsibility of the Contractor.
- 2011 6. Each insurance policy shall provide or be endorsed to state that coverage shall not be
 2012 suspended, voided, canceled by either Party, reduced in coverage or in limits except after
 2013 thirty (30) calendar days prior written notice by certified mail, return receipt requested,
 2014 has been given to the City Manager ten (10) Business Days for delinquent insurance
 2015 premium payments).
- 2016 7. Insurance must be placed with insurers with a current A.M. Best's rating of no less than
 2017 A-VII, or with a surplus line carrier appearing on the List of Approved Surplus Line Insurers,
 2018 ("LASLI") with a Best's Key Rating Guide of at least A: X. Insurers, and corresponding
 2019 policies required by this Section, must also comply with all other aspects of City Council
 2020 Policy # 70.
- 2021 8. The policies shall cover all activities of Contractor, its officers, employees, agents and
 2022 volunteers arising out of or in connection with this Agreement.
- 2023 9. For any claims relating to this Agreement, the Contractor's insurance coverage shall be
 2024 primary, including as respects City, its officers, agents, employees, and volunteers. Any
 2025 insurance maintained by City shall apply in excess of, and not contribute with, insurance
 2026 provided by Contractor's liability insurance policy.

2027 10. The Contractor shall waive all rights of subrogation against City, its officers, employees,
2028 agents, and volunteers.

2029 C. **Endorsements.** Prior to the Effective Date pursuant to this Agreement, Contractor shall furnish
2030 City Manager with certificates or original endorsements reflecting coverage required by this
2031 Agreement. The certificates or endorsements are to be signed by a Person authorized by that
2032 insurer to bind coverage on its behalf. All certificates or endorsements are to be received by, and
2033 are subject to the approval of, City Risk Manager before work commences.

2034 D. **Renewals.** During the Term of this Agreement, Contractor shall furnish City Manager with
2035 certificates or original endorsements reflecting renewals, changes in insurance companies, and
2036 any other documents reflecting the maintenance of the required coverage throughout the entire
2037 Term of this Agreement. The certificates or endorsements are to be signed by a Person authorized
2038 by that insurer to bind coverage on its behalf.

2039 E. **No Cap on Indemnity.** The minimum amounts of coverage described in this Section 9.2 will not
2040 constitute any limitations or cap on Contractor's indemnification obligations under this
2041 Agreement.

2042 F. **Workers' Compensation.** Contractor shall provide workers' compensation coverage as required
2043 by State law and shall comply with Section 3700 of the State Labor Code.

2044 **9.3 FAITHFUL PERFORMANCE BOND**

2045 Within fifteen (15) days of the execution of this Agreement, Contractor shall deliver to City a performance
2046 bond in the sum of the amount of Five Hundred Thousand Dollars (\$500,000), similar to the form provided
2047 in Exhibit H, which secures the faithful performance of this Agreement, including, without limitation,
2048 payment of any penalty and the funding of any work to cure a breach of this Agreement, unless such
2049 requirement is waived by the City Manager. The bond shall contain the original notarized signature of an
2050 authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of
2051 attorney. The bond shall be unconditional and remain in force (through annual renewals) until released
2052 in accordance with Section 9.7.

2053 **9.4 FAITHFUL PERFORMANCE LETTER OF CREDIT**

2054 In addition to a faithful performance bond as noted in Section 9.3 above, Contractor shall furnish an
2055 irrevocable letter of credit in the amount of Five Hundred Thousand Dollars (\$500,000), from a financial
2056 institution acceptable to the City and in a form acceptable to the City Attorney as security for the
2057 performance of this Agreement (the "LOC"). The LOC shall be the sole responsibility of Contractor and
2058 shall remain in force until released in accordance with Section 9.7. Alternatively, Contractor may furnish
2059 an irrevocable letter of credit in the amount of one million dollars (\$1,000,000) in lieu of the separate
2060 letter of credit of \$500,000 and separate performance bond of \$500,000 described in Section 9.3.

2061 **9.5 FORFEITURE OF PERFORMANCE BOND**

2062 In the event Contractor shall for any reason become unable to, or fail in any way to, perform as required
2063 by this Agreement, City may declare a portion or all of the performance bond which is necessary to
2064 recompense and make whole the City, forfeited to the City. Upon partial or full forfeiture of the
2065 performance bond, Contractor shall restore the performance bond to its face amount within 30 days of

2066 the City's declaration. Failure to restore the performance bond to its full amount within 30 days shall be
2067 a material breach of the Agreement.

2068 **9.6 FORFEITURE OF LETTER OF CREDIT**

2069 Thirty (30) days following City providing Contractor with written notice of its failure to pay City any amount
2070 owing under this Agreement, City may draw upon the LOC for purposes including, but not limited to:

2071 a. Payment of sums due under the Terms of this Agreement which Contractor has failed to timely
2072 pay to City

2073 b. Reimbursement of costs borne by City to correct violations of this Agreement not corrected by
2074 Contractor, including but not limited to the Liquidated Damages described in Section 11.6.

2075 City may draw upon the entire LOC and convert it to a cash deposit if Contractor fails to cause the LOC to
2076 be extended or replaced with another satisfactory letter of credit no later than 60 days prior to its
2077 expiration during the Term hereof.

2078 **9.7 PERFORMANCE SECURITY BEYOND SERVICE TERM**

2079 Some Agreement requirements extend beyond the Term of this Agreement and will not be substantiated
2080 until after the final service date. Therefore, the Contractor shall not terminate the performance bond or
2081 letter of credit and will renew them to ensure continuous availability to the City, until receiving a written
2082 release from the City. City will provide such a release when City, in its reasonable judgment, is fully
2083 satisfied that all requirements have been met. However, permission from the City to discontinue holding
2084 these performance securities does not relieve Contractor of payments to the City that may be due or may
2085 become due.

2086 **ARTICLE 10**

2087 **CITY'S RIGHT TO PERFORM SERVICE**

2088 **10.1 GENERAL**

2089 In the event that Contractor, for any reason whatsoever, fails, refuses or is unable to Collect, Recycle,
2090 Process, Transport or Dispose of any or all Discarded Materials which it is required by this Agreement, at
2091 the time and in the manner provided in this Agreement, for a period of more than two (2) Business Days,
2092 excluding Saturday, Sunday and Holidays defined in Exhibit A, and if, as a result thereof, Discarded
2093 Materials should accumulate in City to such an extent, in such a manner, or for such a time that such
2094 accumulation endangers or menaces the public health, safety or welfare, then City shall have the right,
2095 but not the obligation, upon twenty-four (24) hour prior written notice to Contractor during the period of
2096 such emergency as determined by City, (1) to perform, or cause to be performed, such services itself with
2097 its own or other personnel without liability to Contractor; and/or (2) to take possession of any or all of
2098 Contractor's land, equipment, and other property used or useful in the Collection and Transportation of
2099 Discarded Materials, and to use such property to Collect and Transport any Discarded Materials generated
2100 within City which Contractor would otherwise be obligated to Collect, Transport, and properly Dispose of
2101 or Process pursuant to this Agreement.

2102 Notice of Contractor's failure, refusal or neglect to Collect, Transport and properly Dispose of or Process

2103 Discarded Materials may be given orally by telephone to Contractor at its principal office and shall be
2104 effective immediately. Written confirmation of such oral notification shall be sent to Contractor within
2105 one Business Day, excluding Saturday, Sunday and Holidays defined in Exhibit A of the oral notification.

2106 Contractor further agrees that in such event:

2107 a. It will take direction from City to affect the transfer of possession of equipment and property to
2108 City for City's use, or for use by any Person or entity designated by the City.

2109 b. It will, if City so requests, keep in good repair and condition all of such equipment and property,
2110 provide all motor vehicles with fuel, oil and other service, and provide such other service as may
2111 be necessary to maintain said property in operational condition.

2112 c. City may immediately engage all or any personnel, including 3rd parties not directly employed by
2113 the City, necessary or useful for the Collection and Transportation of Discarded Materials,
2114 including, if City so desires, employees previously or then employed by Contractor. Contractor
2115 further agrees, if City so requests, to furnish City the services of any or all management or office
2116 personnel employed by Contractor whose services are necessary or useful for Discarded Materials
2117 Collection, Transportation, Processing and Disposal operations and for the Billing and collection
2118 of fees for these services.

2119 City agrees that it assumes complete responsibility for the proper and normal use of such equipment and
2120 Facilities while in its possession.

2121 If the interruption or discontinuance in service is caused by any of the reasons listed in Section 11.7, City
2122 shall pay to Contractor the reasonable rental value of the equipment and Facilities, possession of which is
2123 taken by City, for the period of City's possession, if any, which extends beyond the period of time for which
2124 Contractor has rendered bills in advance of service, for the class of service involved.

2125 **10.2 TEMPORARY POSSESSION OF CONTRACTOR'S PROPERTY**

2126 If City suffers an interruption or discontinuance of service (including interruptions and discontinuance due
2127 to events described in Section 11.7), City may take possession of and use all of Contractor's property
2128 described above until other suitable arrangements can be made for the provision of Discarded Materials
2129 Services which may include the grant of a Franchise to another waste hauling company.

2130 **10.3 BILLING AND COMPENSATION TO CITY DURING CITY'S POSSESSION**

2131 During such time that City is providing Discarded Materials services, as above provided, Contractor shall
2132 bill and Collect payment from all users of the above-mentioned services as described in Section 4.6.
2133 Contractor further agrees that, in such event, it shall reimburse City for any and all costs and expenses
2134 incurred by City beyond that billed and received by City in taking over possession of the above-mentioned
2135 equipment and property for Discarded Materials service in such manner and to an extent as would
2136 otherwise be required of Contractor under the Terms of this Agreement. Such reimbursement shall be
2137 made from time to time after submission by City to Contractor of each statement listing such costs and
2138 expenses, but in no event later than five (5) Business Days from and after each such submission.

2139 **10.4 CITY'S RIGHT TO RELINQUISH POSSESSION**

2140 It is further mutually agreed that City may at any time at its discretion relinquish possession of any or all
2141 of the above-mentioned property to Contractor and thereupon demand that Contractor resume the
2142 Discarded Materials services as provided in this Agreement, whereupon Contractor shall be bound to
2143 resume the same.

2144 **10.5 CITY'S POSSESSION NOT A TAKING**

2145 Except as otherwise expressly provided in the previous paragraph, City's exercise of its rights under this
2146 Article (1) does not constitute a taking of private property for which compensation must be paid, (2) will
2147 not create any liability on the part of City to Contractor, and (3) does not exempt Contractor from any of
2148 the indemnity and insurance provisions of this Agreement, which are meant to extend to circumstances
2149 arising under this Section provided that the Contractor is not required to indemnify the City against claims
2150 and damages arising from the sole negligence of the City, its elected and appointed officials, boards,
2151 commissions, officers, employees and agents in the operation of Collection vehicles during the time the
2152 City has taken possession of such vehicles.

2153 **10.6 DURATION OF CITY'S POSSESSION**

2154 City's right pursuant to this Article to retain temporary possession of Contractor's Facilities and
2155 equipment, and to render Collection services, shall terminate when City determines that such services can
2156 be resumed by Contractor, or when City no longer reasonably requires such property or equipment. In
2157 any case, City has no obligation to maintain possession of Contractor's property or equipment and/or
2158 continue its use for any period of time and may at any time, in its sole discretion, relinquish possession to
2159 Contractor.

2160 **10.7 DISASTER PREPAREDNESS PLAN**

2161 Within twelve (12) months of the Effective Date, Contractor shall, with City assistance, prepare a written
2162 plan detailing how Discarded Materials services will be delivered in a time of emergency or natural
2163 disaster. For the plan, City shall provide Contractor with a written list of critical Facilities being those
2164 Facilities that the City deems in need of special consideration in a time of emergency because they are
2165 critical to City's emergency response, of priority to the need of the community and/or represent a public
2166 health risk to the community. Contractor's written plan shall contain a protocol for contacting Contractor
2167 management in the event of an emergency, an overview of Contractor's resources available for
2168 emergency response, a plan for Collection, Disposal, and Recycling of Discarded Materials generated by
2169 critical Facilities until the time of emergency passes and a plan for resuming normal operations following
2170 an emergency.

2171 In the event of a disaster, the City may grant Contractor a waiver of some or all Collection requirements
2172 under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the
2173 duration of the waiver. Any resulting changes in Collection requirements shall be addressed as a change
2174 in scope in accordance with Section 3.5.

**ARTICLE 11.
DEFAULT AND REMEDIES**

2175
2176

2177 **11.1 EVENTS OF DEFAULT**

2178 All provisions of the Agreement are considered material. Each of the following shall constitute an event
2179 of default.

2180 **A. Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon the City.

2181 **B. Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts, or
2182 upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.

2183 **C. Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force the workers'
2184 compensation, insurance coverage required by Section 9.2, or indemnification coverage as
2185 required by this Agreement.

2186 **D. Violations of Regulation.** Contractor violates any orders or filings of any regulatory body having
2187 authority over Contractor relative to this Agreement, which violation the City reasonably
2188 determines is material. If Contractor contests any such orders or filings by appropriate
2189 proceedings conducted in good faith, and the regulatory body determines no violation occurred,
2190 no breach or default of this Agreement shall be deemed to have occurred.

2191 **E. Violations of Applicable Law.** Contractor violates Applicable Law relative to this Agreement,
2192 which violation the City reasonably determines is material.

2193 **F. Failure to Perform Direct Services.** Contractor ceases to provide Collection, Transportation, or
2194 Processing services as required under this Agreement for a period of two (2) consecutive calendar
2195 days or more, for any reason within the control of Contractor.

2196 **G. Failure to Pay or Report.** Contractor fails to make any payments to City required under this
2197 Agreement including payment of City Fees or Liquidated Damages and/or refuses to provide City
2198 with required information, reports, and/or records in a timely manner as provided for in the
2199 Agreement.

2200 **H. Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions,
2201 or requirements of this Agreement, or Applicable Law and which is not corrected or remedied
2202 within the time set in the written notice of the violation. Additionally, an event of default occurs
2203 if Contractor cannot reasonably correct or remedy the breach within the time set forth in a notice
2204 of violation, or if Contractor fails to commence to correct or remedy such violation within the time
2205 set forth in such notice and diligently effect such correction or remedy thereafter.

2206 **I. False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the City
2207 by Contractor in connection with or as an inducement to entering into this Agreement, or any
2208 future amendment to this Agreement, which proves to be false or misleading in any material
2209 respect as of the time such representation or disclosure is made, whether or not any such
2210 representation or disclosure appears as part of this Agreement. Additionally, a default occurs if
2211 any Contractor-provided report contains a misstatement, misrepresentation, data manipulation,

- 2212 or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical
2213 typographical and grammatical errors.
- 2214 **J. Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor's
2215 operating equipment, including without limits its equipment, maintenance or office facilities,
2216 Approved Facility(ies), or any part thereof.
- 2217 **K. Suspension or Termination of Service.** There is any termination or suspension of the transaction
2218 of business by Contractor related to this Agreement, including without limit, due to labor unrest
2219 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action
2220 lasting more than two (2) calendar days.
- 2221 **L. Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of criminal
2222 activity related directly or indirectly to performance of this Agreement or any other agreement
2223 held with the City.
- 2224 **M. Assignment without Approval.** Contractor transfers or assigns this Agreement without the
2225 expressed written approval of the City unless the assignment is permitted without City approval
2226 pursuant to Section 13.6.
- 2227 **N. Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a
2228 proposal for new services or changes to services or fails to implement a change in service as
2229 requested by the City as specified in Section 3.5.
- 2230 **O. Failure to Complete Transition.** Contractor fails to complete the tasks identified in Contractor's
2231 Implementation Plan.
- 2232 **P. Failure to Implement Collection Program.** Contractor fails to implement a Collection program
2233 that complies with the requirements of Article 4 and Exhibit B, which is essential for the City to
2234 achieve compliance with SB 1383.
- 2235 **Q. Failure to Provide Processing Capacity.** Contractor fails to provide adequate Processing capacity
2236 in accordance with Articles 4 and 5, which is essential for the City to achieve compliance with SB
2237 1383.
- 2238 **R. Failure to Achieve Processing Standards.** Contractor fails to achieve the Processing standards
2239 specified in Articles 4 and 5 including achievement of minimum Organic Waste recovery rates,
2240 which are essential for the City to achieve SB 1383 compliance.
- 2241 **S. Failure to Comply with Other Requirements of SB 1383.** Contractor fails to comply with other
2242 requirements of the Agreement including, but not limited to, public education, reporting,
2243 contamination monitoring, recordkeeping and reporting, or other obligations of this Agreement
2244 that delegate the City's responsibility and/or authority under SB 1383 to the Contractor.
- 2245 **T. Failure to Perform Any Obligation.** Contractor fails to perform any obligation established under
2246 this Agreement, which the City reasonably determines is material.
- 2247 City shall provide Contractor written notice of default within seven (7) calendar days of the City's first
2248 knowledge of the Contractor's default.

2249 **11.2 CONTRACTOR'S RIGHT TO CURE; RIGHT TO TERMINATE UPON EVENT OF**
2250 **DEFAULT**

2251 Contractor shall be given two (2) Business Days from written notification by the City Manager to cure any
2252 default which, in the City Manager's sole opinion, creates a potential public health and safety threat.

2253 Contractor shall be given two (2) Business Days from written notification by the City Manager to cure any
2254 default arising under subsections C, D, E, F, G, J, K, N, O, P, Q, R, S, and T in Section 11.1. However, the City
2255 shall not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has
2256 committed the same or similar breach/default within a twenty-four (24) month period. It is expressly
2257 understood that Contractor is not entitled to receive notice of default, or to cure such default, with respect
2258 to those matters listed in subsections A, B, H, I, L, and M above.

2259 Contractor shall be given thirty (30) calendar days from written notification by the City Manager to cure
2260 any other default (which is not required to be cured within two (2) Business Days). Furthermore, if
2261 Contractor cannot reasonably cure a default within the applicable period described in this Section, except
2262 for defaults that create a potential health and safety threat, and Contractor promptly commences the
2263 cure or remedy within the initial cure period and thereafter diligently pursues the cure or remedy to
2264 completion, Contractor shall not be in default of this Agreement. However, the City shall not be obligated
2265 to provide Contractor with a notice and cure opportunity if the Contractor has committed the same or
2266 similar breach/default within a twenty-four (24) month period.

2267 **11.3 CITY'S REMEDIES IN THE EVENT OF DEFAULT**

2268 Upon Contractor's default, City has the following remedies in the event of Contractor default:

2269 **A. Waiver of Default.** City may waive any event of default or may waive Contractor's requirement
2270 to cure a default event if City determines that such waiver would be in the best interest of the
2271 City. City's waiver of an event of default is not a waiver of future events of default that may have
2272 the same or similar conditions.

2273 **B. Suspension of Contractor's Obligation.** City may suspend Contractor's performance of its
2274 obligations if Contractor fails to cure default in the time frame specified in Section 11.2 until such
2275 time the Contractor can provide assurance of performance in accordance with Section 11.8.

2276 **C. Liquidated Damages.** City may assess Liquidated Damages for Contractor's failure to meet specific
2277 performance standards pursuant to Section 11.6.

2278 **D. Termination.** The City Manager may, in their sole discretion, set a public hearing for the City
2279 Council to determine whether to terminate this Agreement. Subject to Contractor's right to cure
2280 as described in Section 11.2, such termination hearing must be set if a default remains uncured
2281 thirty (30) calendar days after receipt of written notice of default from the City. Such termination
2282 hearing must also be set if a Contractor's default is not cured within two (2) calendar days and
2283 the default:

- 2284 1. Creates a potential public health and safety threat; or
2285 2. Arises under Section 11.1. C, D, E, F, G, J, K, N, O, P, Q, R, S, and T.

2286 If the City terminates this Agreement based on the adopted findings of the termination hearing,

2287 the City Manager shall first provide written notice to the Contractor twenty (20) calendar days
2288 before the date of termination. The Contractor shall thereafter be relieved on a going-forward
2289 basis of all liabilities and obligations required by this Agreement, except for Section 9.1 and any
2290 other provisions specifically identified to survive termination of this Agreement. Upon expiration
2291 of the twenty (20) day notice, the City may, in its sole discretion:

- 2292 1. Directly undertake performance of the services; or
- 2293 2. Arrange with other Persons to perform the services with or without a written
2294 agreement; or
- 2295 3. Permit Contractor to continue operating under this Agreement including
2296 Contractor's Compensation until such time that City is able to find substitute
2297 services.

2298 This right of termination is in addition to any other rights upon a failure of Contractor to perform
2299 its obligations under this Agreement.

2300 Contractor shall not be entitled to any further revenues from Collection operations authorized
2301 hereunder from and after the date of termination.

2302 E. **Other Available Remedies.** City's election of one (1) or more remedies described herein shall not
2303 limit the City from any and all other remedies at law and in equity including injunctive relief, etc.

2304 **11.4 POSSESSION OF RECORDS UPON TERMINATION**

2305 In the event of termination for an event of default, the Contractor shall furnish City Manager with
2306 immediate access to all of its business records, including without limitation, Proprietary Contractor
2307 computer systems, related to its Customers, Collection routes, and billing of accounts for Collection
2308 services.

2309 **11.5 CITY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE**

2310 City's rights to terminate the Agreement under Section 11.2 and to take possession of the Contractor's
2311 records under Section 11.4 are not exclusive, and City's termination of the Agreement and/or the
2312 imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall
2313 be in addition to any and all other legal and equitable rights and remedies which City may have.

2314 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service; the
2315 lead time required to effect alternative service; and, the rights granted by City to the Contractor, the
2316 remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive
2317 relief (including but not limited to specific performance).

2318 **11.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

2319 A. **General.** The Parties find that as of the time of the execution of this Agreement, it is impractical,
2320 if not impossible, to reasonably ascertain the extent of damages which shall be incurred by City
2321 as a result of a breach by Contractor of its obligations under this Agreement. The factors relating
2322 to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i)
2323 substantial damage results to members of the public who are denied services or denied quality or
2324 reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of

2325 the benefits of the Agreement to individual members of the general public for whose benefit this
2326 Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of
2327 measurement in precise monetary terms; (iii) that exclusive services might be available at
2328 substantially lower costs than alternative services and the monetary loss resulting from denial of
2329 services or denial of quality or reliable services is impossible to calculate in precise monetary
2330 terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are, at
2331 best, a means of future correction and not remedies which make the public whole for past
2332 breaches.

2333 **B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties
2334 further acknowledge that consistent, reliable Collection services are of utmost importance to City
2335 and that City has considered and relied on Contractor's representations regarding its quality-of-
2336 service commitment in awarding the Agreement to it. The Parties recognize that some quantified
2337 standards of performance are necessary and appropriate to ensure consistent and reliable service
2338 and performance. The Parties further recognize that if Contractor fails to achieve the performance
2339 standards or fails to submit required documents in a timely manner, City and its residents and
2340 businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to
2341 ascertain and determine the exact amount of damages which City will suffer. Therefore, without
2342 prejudice to City's right to treat such non-performance as an event of default under this Section,
2343 the Parties agree that the Liquidated Damages amounts established in this Section of this
2344 Agreement and the Liquidated Damage amounts therein represent a reasonable estimate of the
2345 amount of such damages considering all of the circumstances existing on the Effective Date of this
2346 Agreement, including the relationship of the sums to the range of harm to City that reasonably
2347 could be anticipated and the anticipation that proof of actual damages would be costly or
2348 impractical.

2349	Contractor	City
2350	Initial Here	Initial Here

2351 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth
2352 below:

2353 1. Collection Reliability

- 2354
- 2355 a) For each failure to commence service to a new Customer account within seven (7) days
2356 after order: \$100.00 per occurrence
 - 2357
 - 2358 b) For each failure to Collect Discarded Materials, which has been properly set out for
2359 Collection: \$100.00 per occurrence
 - 2360
 - 2361 c) For each failure to correct and Collect a missed service within the timeframe set forth in
2362 Section 4.7.3.B: \$100.00 per occurrence;
2363 each additional twenty-four (24) hour period: \$50.00 per occurrence.
 - 2364

2365 2. Collection Quality
2366

- 2367 a) For failure to properly return empty Containers to avoid pedestrian or vehicular traffic
2368 impediments or to place Containers upright which exceeds ten (10) Containers annually:
2369 \$50.00 per Container
2370
- 2371 b) For each occurrence of excessive noise or discourteous behavior:
2372 \$100.00 per occurrence
2373
- 2374 c) For each occurrence of Collecting Discarded Materials during unauthorized hours:
2375 \$100.00 per occurrence
2376
- 2377 d) For each occurrence of damage to private property which exceeds five (5) such
2378 occurrences annually: \$100.00 per occurrence
2379
- 2380 e) For each failure to clean up Discarded Materials spilled from Collection Containers within
2381 ninety (90) minutes: \$100.00 per occurrence
2382
- 2383 f) For each failure to clean up vehicle leaks or spills within the timeframe required by Section
2384 5.5.E: \$500 per occurrence
2385
- 2386 g) For each failure follow the cleanup procedures included in Section 5.5.E:
2387 \$500 per square foot of affected area
2388
- 2389 3. Customer Responsiveness
2390
- 2391 a) For each failure to initially respond to a Customer Complaint within one (1) Business Day
2392 (excluding Saturday, Sunday and Holidays listed in Section 4.7.1), and for each additional
2393 day in which the Complaint is not addressed, which exceed five (5) annually:
2394 \$50.00 per day
2395
- 2396 b) For each failure to process Customer Complaints as required by Article 5, which exceed
2397 five (5) annually: \$50.00 per occurrence
2398
- 2399 c) For each failure to record a response to a Customer Complaint or request within twenty-
2400 four (24) hours of resolution: \$100.00 per occurrence
2401
- 2402 For each additional twenty-four (24) hour period: \$50.00 per occurrence
2403
- 2404 d) For each failure to remove graffiti from Containers, or to replace with Containers bearing
2405 no graffiti, within two (2) Business Days (excluding Saturday, Sunday and Holidays defined
2406 in Exhibit A) of request from City or Customer: \$ 50.00 per day
2407
- 2408 For each additional day problem not resolved: \$25.00 per day
2409
- 2410 e) For each failure to repair or replace a damaged or missing Container within two (2)
2411 Business Days (excluding Saturday, Sunday and Holidays defined in Exhibit A) of request
2412 from City or Customer: \$ 50.00 per day
2413

- 2414 f) For each failure to process a claim for damages within thirty (30) days from the date
 2415 submitted to Contractor: \$100.00 per occurrence
 2416
- 2417 g) For each failure to issue a warning notice to a Container or materials not Collected due to
 2418 improper set out which exceeds ten (10) such occurrences annually:
 2419 \$100 per day per occurrence
 2420
- 2421 4. Failure to Submit Reports or Allow Access to Records
 2422
- 2423 For each failure to submit any individual report or provide access to records in compliance
 2424 with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports
 2425 shall be considered a failure to submit until such time as all information in the report has been
 2426 provided in a complete and accurate form. In the event City determines a report to be errant
 2427 or incomplete more than ten (10) Business Days after submittal by Contractor, Contractor
 2428 shall be given ten (10) Business Days to complete and correct and any pending Liquidated
 2429 Damages shall be tolled during that period.
 2430
- 2431 a) Monthly Reports: \$50 per day
 2432
 2433
- 2434 b) Quarterly Reports: \$50 per day
 2435
- 2436 c) Annual Reports: \$100 per day
 2437
- 2438 5. Accuracy of Billing
 2439
- 2440 a) Each Customer invoice that is not prepared in accordance with the City's approved rate
 2441 schedule, in excess of ten (10) annually:
 2442 \$25 per invoice not to exceed \$2,500 per Billing run
 2443
- 2444 b) For each instance or invoice in which Contractor imposes a special service fee not in
 2445 accordance with the approved rate schedule and not approved in advance in writing by
 2446 City, or not requested by the service recipient which exceeds ten (10) such occurrences
 2447 annually: \$50 per occurrence
 2448
- 2449 c) Failure to provide a Customer with a response, including an explanation and/or
 2450 correction, to a Billing Complaint within seven (7) Business Days from the Complaint:
 2451 \$100.00 per occurrence
 2452 Each additional day response not provided: \$50.00
 2453
- 2454 6. Public Education and Outreach
 2455
- 2456 a) Failure to perform public education and outreach activities:
 2457 1st violation - \$50 per occurrence
 2458 2nd violation - \$100 per occurrence
 2459 3rd and subsequent violations - \$250 per occurrence
 2460
- 2461 7. Cooperation with Service Provider Transition

2462
2463
2464
2465
2466
2467
2468
2469
2470
2471
2472
2473
2474
2475
2476
2477
2478
2479
2480
2481
2482
2483
2484
2485
2486
2487
2488
2489
2490
2491
2492
2493
2494
2495
2496
2497
2498
2499
2500
2501
2502
2503
2504
2505
2506
2507
2508
2509

- a) For each day routing information requested by City in accordance with Section 13.10 is received after City-established due dates, both for preparation of a request for proposals and for new service provider's implementation of service : \$1,000/day
- b) For each day delivery of keys, access codes, remote controls, or other means of access to Discarded Materials Containers is delayed beyond one (1) day prior to new service provider servicing Customers with access issues, as described in Section 13.10: \$1,000/day
- c) For delay in not meeting the requirements contained in Section 13.10 in a timely manner, in addition to the daily Liquidated Damages for breach under 7(a) and 7(b) above, Liquidated Damages of: \$20,000

8. Diversion Efforts

For each Rate Period (January 1, 2023 to December 31, 2023, considered the first Rate Period) in which Contractor fails to provide support to the City within thirty (30) days of year-end, documenting that it Diverted at least 36% of the Discarded Materials Contractor Collected under this Agreement per Section 5.12:
\$25 for each Ton below Tonnage level necessary to meet 36% Diversion goal

9. SB 1383 Requirements

- a) Use of Unauthorized Facilities. For each individual occurrence of delivering Discarded Materials to a Facility other than an Approved Facility(ies) for each Discarded Material type under this Agreement.
 - 1st violation - \$50 per Ton per offence
 - 2nd violation - \$100 per Ton per offence
 - 3rd and subsequent violations - \$250 per Ton per offence
- b) Failure to Implement three- /three-plus Container System. For each occurrence of failing to provide Customers with the three- /three-plus Container system required by and compliant with SB 1383 excluding Generators and Customers granted waivers pursuant to this Agreement and excluding Generators and Customers that demonstrate compliance with Recycling and Organic Waste Self-Hauling requirements pursuant to Chapter 3.20.180 of the Chino Hills Municipal Code and 14 CCR Division 7, Article 12, Article 7. Minor, moderate and major violations have the same meaning as defined in 14 CCR Section 18997.3

Damages are per Generator or Customer per occurrence:
 - \$500 - Minor violation
 - \$4,000 – Moderate violation
 - \$7,500 – Major violation
- c) Failure of the Approved High Diversion Organic Waste Processing Facility to Achieve Recovery Requirements. [Include only if Gray/Black Container Processing is required for the selected Collection system.] For each Ton of Mixed Waste received at the Facility in a

- 2510 quarterly reporting period when the quarterly average Mixed Waste organic content
 2511 recovery rate is lower than required by 14 CCR Section 18982(a)(33). Liquidated damages
 2512 are assessed in the quarterly reporting period when the failure occurred.
- 2513 1st violation - \$50 per Ton per offence
 2514 2nd violation - \$100 per Ton per offence
 2515 3rd and subsequent violations - \$250 per Ton per offence
 2516
- 2517 d) Failure of Approved Facility(ies) to Meet Limits on Incompatible Materials (if Applicable).
 2518 For each Ton of Mixed Waste, Source Separated Recyclable Materials Source Separated
 2519 Blue Container Organic Waste, Source Separated Green Container Organic Waste, or
 2520 Organic Materials received at the Facility(ies) in a quarterly reporting period when
 2521 Organic Waste recovered after Processing exceeds Incompatible Material thresholds
 2522 included in SB 1383 if limits on Organic Waste in materials sent to Disposal apply.
 2523 Liquidated damages are assessed in the quarterly reporting period when the failure
 2524 occurred.
- 2525 1st violation - \$50 per Ton per offence
 2526 2nd violation - \$100 per Ton per offence
 2527 3rd and subsequent violations - \$250 per Ton per offence
 2528
- 2529 e) Failure of Approved Facility(ies) to Meet Limits on Organic Waste in Materials Sent to
 2530 Disposal. For each Ton of Mixed Waste, Source Separate Recyclable Materials, Source
 2531 Separated Blue Container Organic Waste, Source Separated Green Container Organic
 2532 Waste, or Organic Materials received at the Facility(ies) in a quarterly reporting period
 2533 when Organic Waste in the materials sent to Disposal exceeds the thresholds included in
 2534 SB 1383 if limits on Organic Waste in materials sent to Disposal apply. Liquidated damages
 2535 are assessed in the quarterly reporting period when the failure occurred.
- 2536 1st violation - \$50 per Ton per offence
 2537 2nd violation - \$100 per Ton per offence
 2538 3rd and subsequent violations - \$250 per Ton per offence
 2539
- 2540 f) Failure to Perform Contamination Monitoring Requirements. For each failure to conduct
 2541 contamination monitoring in accordance with Section 4.10 of this Agreement. [Amend
 2542 depending on selected method ;
 2543
- 2544 1st violation - \$50 per route per occurrence or per waste evaluation per occurrence
 2545 2nd violation - \$100 per route per occurrence or per waste evaluation per occurrence
 2546 3rd and subsequent violations - \$250 per route per occurrence or per waste evaluation
 2547 per occurrence
 2548
- 2549 g) Failure to Comply with Container Labeling and Colors. For each occurrence of Contractor's
 2550 failure to comply with Container labeling and color requirements pursuant to SB 1383.
- 2551 1st violation - \$50 per Container occurrence
 2552 2nd violation - \$100 per Container occurrence
 2553 3rd and subsequent violations - \$250 per Container occurrence
 2554
- 2555 h) Failure to Conduct Compliance Tasks. For each failure to conduct any compliance review,
 2556 Discarded Materials evaluations pursuant to SB 1383, and/or other inspection required
 2557 by this Agreement.

2558 1st violation - \$50 per occurrence
2559 2nd violation - \$100 per occurrence
2560 3rd and subsequent violations - \$250 per occurrence

2561
2562 i) Failure to Issue Contamination Notices. For each failure of Contractor Collection
2563 personnel to issue contamination notices and contaminating processing fee notices and
2564 maintain documentation of issuance as required by Section 4.10 of this Agreement.

2565 1st violation - \$50 per route per day
2566 2nd violation - \$100 per route per day
2567 3rd and subsequent violations - \$250 per route per day
2568

2569 j) Failure to Conduct Follow-Up Inspections. For each failure to conduct a follow-up
2570 inspection as required by Section 4.10 of this Agreement.

2571 1st violation - \$50 per occurrence
2572 2nd violation - \$100 per occurrence
2573 3rd and subsequent violations - \$250 per occurrence
2574

2575 k) Failure to Maintain and/or Provide Access to Information Systems
2576 \$500 per day

2577 10. New Collection Vehicles

2578
2579 a) Failure to utilize Collection vehicles at all times that are all model year 2021 or later
2580 commencing January 1, 2023, in accordance with Section 5.5.A.1;
2581 \$1,000 per non-compliant Collection vehicle per month for the first 12 months
2582 \$3,000 per non-compliant Collection vehicle per month after the first 12 months
2583

2584 Commencing January 1, 2024, the use of any non-compliant Collection vehicles shall be
2585 deemed a material breach of this Agreement
2586

2587 11. General Contract Adherence
2588

2589 For each day that Contractor fails to provide services required under the Agreement, or comply
2590 with terms of the Agreement, five (5) Business Days after receipt of written notification from City
2591 that such services are not being provided or terms are not being met: \$100.00/day

2592 Before assessing Liquidated Damages, City Manager shall give Contractor notice of City's intention
2593 to do so. The notice will include a brief description of the incident(s) and non-performance. City
2594 Manager may review (and make copies at City's own expense) all information in the possession
2595 of Contractor relating to incident(s) and/or non-performance. City Manager may, within ten (10)
2596 Business Days after issuing the notice, request a meeting with Contractor. City Manager may
2597 present evidence of non-performance in writing and through testimony of City's employees and
2598 others relevant to the incident(s) and non-performance. City Manager will provide Contractor
2599 with a written explanation of their determination on each incident(s) and non-performance prior
2600 to authorizing the assessment of Liquidated Damages under this Section 11.6. The decision of City
2601 Manager may be appealed by Contractor to the Deputy City Manager.

2602 C. **Amount.** City may assess Liquidated Damages for each calendar day or event, as appropriate, that
2603 Contractor is determined to be liable in accordance with this Agreement.

2604 **D. Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by City within ten (10)
2605 days after they are assessed. If they are not paid within the ten (10) day period, City may proceed
2606 against the performance bond required by the Agreement or find Contractor in default and
2607 terminate this Agreement pursuant to Section 11.1, or both.

2608 **11.7 EXCUSE FROM PERFORMANCE**

2609 The Parties understand and agree herein that the services provided under this Agreement are critical to
2610 the protection of public health and safety and that Contractor is expected to perform these services
2611 despite the occurrence of events that may otherwise give rise to Force Majeure conditions. The Parties
2612 herein agree that the obligations for excuse from performance under this Agreement should and do have
2613 a higher standard than the common law understanding of Force Majeure. In particular, a Party shall be
2614 excused from performing their obligations hereunder and from any obligation to pay Liquidated Damages
2615 if they are prevented from so performing by reason of floods, earthquakes, other acts of nature, war, civil
2616 insurrection, riots, acts of any domestic government (including judicial action), and other similar
2617 catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from
2618 performance hereunder (excluding COVID-19 or similar pandemic). However, performance shall only be
2619 excused if the Party requesting relief from performance can specifically demonstrate that the
2620 performance of a specific obligation is impossible and shall only be excused from those requirements
2621 which are demonstrated to be impossible. All other performance obligations that remain possible, shall
2622 be required to continue.

2623 Contractor shall provide a contingency plan to the City prior to the execution of this Agreement
2624 demonstrating how services will be provided during the period impacted by COVID-19 or similar
2625 pandemic. The contingency plan is subject to City approval and Contractor shall amend the plan until it
2626 meets City requirements, including reasonably demonstrating how City's basic Collection and sanitary
2627 needs will be met to the City's satisfaction. This provision shall not, however, release the Contractor from
2628 using its best efforts to avoid or remove such cause and continue performance hereunder whenever such
2629 causes are removed.

2630 In the case of labor unrest or job action directed at a third party over whom Contractor has no control,
2631 the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness
2632 or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees
2633 while providing such services; or, (ii) make reasonable accommodations with respect to Container
2634 placement and point of Delivery, time of Collection, or other operating circumstances to minimize any
2635 confrontation with pickets or the number of Persons necessary to make Collections shall, to that limited
2636 extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in
2637 performing Collection services at different times and in different locations. Further, in the event of labor
2638 unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other
2639 concerted job action conducted by the Contractor's employees or directed at the Contractor, or a
2640 subsidiary, the Contractor shall not be excused from performance. In such case, Contractor shall continue
2641 to provide a reasonably satisfactory level of performance during the pendency thereof, but the Contractor
2642 shall not be required to adhere strictly to the specific requirements of this Agreement regarding routes,
2643 Collection times or similar matters; provided, however, that in no event shall more than seven (7) calendar
2644 days elapse between pickups for Residential and Commercial Customers. Any labor action initiated by
2645 Contractor, including but not limited to a lock-out, shall not be grounds for any excuse from performance
2646 and Contractor shall perform all obligations under this Agreement during the pendency of such
2647 Contractor-initiated labor action.

2648 The Party claiming excuse from performance shall, within two (2) calendar days after such Party has notice
2649 of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to
2650 excuse under this Section.

2651 If either Party validly exercises its rights under this Section, the Parties hereby waive any claim against
2652 each other for any damages sustained thereby.

2653 The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more
2654 of the events described in this Article shall not constitute a default by Contractor under this Agreement.
2655 Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations
2656 hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, City
2657 shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10)
2658 Business Days' notice to Contractor, in which case the provisions of Section 11.4 shall apply.

2659 **11.8 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2660 The Parties acknowledge that it is of the utmost importance to City and the health and safety of all those
2661 members of the public residing or doing business within City who will be adversely affected by interrupted
2662 waste management service, that there be no material interruption in services provided under this
2663 Agreement.

2664 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out,
2665 picketing or other concerted job action; (ii) appears in the reasonable judgment of City to be unable to
2666 regularly pay its bills as they become due; or, (iii) is the subject of a civil or criminal judgment or order
2667 entered by a Federal, State, regional or local agency for violation of an Applicable Law, and City believes
2668 in good faith that Contractor's ability to perform under the Agreement has thereby been placed in
2669 substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand
2670 from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form
2671 and substance as City believes in good faith is reasonably necessary in the circumstances to evidence
2672 continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory
2673 assurances of timely and proper performance in the form and by the date required by City, such failure or
2674 refusal shall be an event of default for purposes of Section 11.1.

2675 **11.9 DISPUTE RESOLUTION**

2676 In the event of dispute between the City Manager and the Contractor regarding the interpretation of or
2677 the performance of services under this Agreement which results in a material impact to the Contractor's
2678 revenue and/or cost of operations the provisions of Section 11.9 shall apply.

2679 **A. Meet and Confer.** In the event of disputes regarding the performance of any obligation under this
2680 Agreement which results in a material impact to the Contractor's revenue and/or cost of
2681 operations, the City and Contractor agree that they promptly will meet and confer to attempt to
2682 resolve the matter between themselves.

2683 **B. Mediation.** If disputes which arise under this Agreement cannot be resolved satisfactorily
2684 between the Parties in accordance with Section 11.9.A, the City and Contractor agree that such
2685 disputes shall be submitted to mandatory, non-binding mediation by a mutually agreed upon
2686 independent third party.

2687 C. **Period of Time.** Insofar as allowed by Applicable Law, the period otherwise applicable for filing
2688 claims against the City under Applicable Law shall be tolled during the period of time for which
2689 meet and confer or mediation procedures are pending, in accordance with Sections 11.9.A and
2690 10.9.B.

2691 D. **Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s)
2692 pursuant to Sections 11.9.A, 11.9.B, and 11.9.C have failed and any necessary claim(s) have been
2693 denied.

2694 E. **Waiver of Right to Jury and Arbitration.** In the event of such litigation, the City and Contractor
2695 agree that such litigation shall be subject to mandatory binding arbitration. To avoid delay and the
2696 limitations placed on the parties to obtain an efficient and timely determination of their
2697 respective disputes that may otherwise occur by reason of the backlog of cases pending before
2698 the judicial system, each party hereto knowingly and voluntarily waives its right to a jury trial and
2699 submits exclusively to the jurisdiction of the arbitration tribunal as stated in Section 13.4.

2700
2701
2702

ARTICLE 12. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

2703 The Parties, by acceptance of this Agreement, represents and warrants the conditions presented in this
2704 Article.

2705 12.1 CONTRACTOR'S CORPORATE STATUS

2706 Contractor, or parent company, is a corporation duly organized, validly existing and in good standing
2707 under the laws of the State. It is qualified to transact business in the State and has the power to own its
2708 properties and to carry on its business as now owned and operated and as required by this Agreement.

2709 12.2 CONTRACTOR'S CORPORATE AUTHORIZATION

2710 Contractor has the authority to enter this Agreement and perform its obligations under this Agreement.
2711 The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by
2712 law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement.
2713 The Person signing this Agreement on behalf of Contractor represents and warrants that they have
2714 authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

2715 12.3 AGREEMENT WILL NOT CAUSE BREACH

2716 To the best of Contractor's and City's knowledge after reasonable investigation, the execution or delivery
2717 of this Agreement or the performance by either Party of their obligations hereunder does not conflict
2718 with, violate, or result in a breach: (i) of any Applicable Law; or, (ii) any term or condition of any judgment,
2719 order, or decree of any court, administrative agency or other governmental authority, or any agreement
2720 or instrument to which Contractor or City is a party or by which Contractor or any of its properties or
2721 assets are bound, or constitutes a default hereunder.

2722 **12.4 NO LITIGATION**

2723 To the best of Contractor's and City's knowledge after reasonable investigation, there is no action, suit,
2724 proceeding or investigation, at law or in equity, before or by any court or governmental authority,
2725 commission, board, agency or instrumentality decided, pending or threatened against either Party
2726 wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

- 2727 A. Materially adversely affect the performance by Party of its obligations hereunder;
- 2728 B. Adversely affect the validity or enforceability of this Agreement; or,
- 2729 C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity
2730 guaranteeing Contractor's performance under this Agreement.

2731 **12.5 NO ADVERSE JUDICIAL DECISIONS**

2732 To the best of Contractor's and City's knowledge after reasonable investigation, there is no judicial
2733 decision that would prohibit this Agreement or subject this Agreement to legal challenge.

2734 **12.6 NO LEGAL PROHIBITION**

2735 To the best of each Party's knowledge, after reasonable investigation, there is no Applicable Law in effect
2736 on the date that Party signed this Agreement that would prohibit the performance of either their
2737 obligations under this Agreement and the transactions contemplated hereby.

2738 **12.7 CONTRACTOR'S ABILITY TO PERFORM**

2739 Contractor possesses the business, professional, and technical expertise to perform all services,
2740 obligations, and duties as described in and required by this Agreement including all Exhibits thereto.
2741 Contractor possesses the ability to secure equipment, facility, and employee resources required to
2742 perform its obligations under this Agreement.

2743 **ARTICLE 13.**
2744 **OTHER AGREEMENTS OF THE PARTIES**

2745 **13.1 RELATIONSHIP OF PARTIES**

2746 The Parties intend that Contractor shall perform the services required by this Agreement as an
2747 independent Contractor engaged by City and neither as an officer nor employee of City, nor as a partner
2748 or agent of, or joint venture with, City. No employee or agent of Contractor shall be, or shall be deemed
2749 to be, an employee or agent of City. Contractor shall have the exclusive control over the manner and
2750 means of performing services under this Agreement, except as expressly provided herein. Contractor shall
2751 be solely responsible for the acts and omissions of its officers, employees, Subcontractors and agents.
2752 Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any rights to
2753 retirement benefits, workers' compensation benefits, or any other benefits which accrue to City
2754 employees by virtue of their employment with City.

2755 **13.2 COMPLIANCE WITH LAW**

2756 Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the
2757 United States, the State, County, and City and with all applicable regulations promulgated by Federal,
2758 State, regional or local administrative and regulatory agencies, now in force and as they may be enacted,
2759 issued or amended during the Term.

2760 **13.3 GOVERNING LAW**

2761 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the
2762 State.

2763 **13.4 ARBITRATION**

2764 Subject to the Dispute Resolution requirements stated in Section 11.9, any claim, controversy, dispute or
2765 disagreement arising out of or related to this Agreement or the performance, breach or interpretation
2766 thereof, shall be submitted to binding arbitration (the "Arbitration"), at the request of either Party hereto,
2767 before a single arbitrator appointed by the Judicial Arbitration and Mediation Services, Inc. ("JAMS") in
2768 Los Angeles, California pursuant to the JAMS Streamlined Arbitration Rules and Procedures in effect at
2769 the time the Arbitration is elected (the "Rules"). The Parties hereto agree that the JAMS shall have the
2770 power to decide all issues of fact and law and report its decision thereon and issue all legal and equitable
2771 relief appropriate under the circumstances of the controversy or dispute before it. JAMS shall have the
2772 power to grant all legal and equitable remedies and award compensatory economic damages provided by
2773 California law. The Parties agree to be bound by JAM's final decision and to promptly provide JAMS and
2774 the other Party with any and all documents, instructions or other information necessary to allow JAMS to
2775 arrive at its decision and to give effect to that decision. The cost of such proceedings shall initially be
2776 borne equally by the Parties to the dispute. The cost of such proceedings shall initially be entitled to
2777 recover, in addition to all other costs, in contribution for the cost of arbitration proceedings as an item of
2778 damages and/or recoverable cost.

2779 **13.5 BINDING ON SUCCESSORS**

2780 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and
2781 permitted assigns of the Parties.

2782 **13.6 ASSIGNMENT**

2783 Except as may be provided for in Article 10 (City's Right to Perform Service), neither party shall assign its
2784 rights, nor delegate, subcontract or otherwise transfer its obligations under this Agreement to any other
2785 Person without the prior written consent of the other party. Any such assignment made without the
2786 consent of the other party shall be void and the attempted assignment shall constitute a material breach
2787 of this Agreement.

2788 For purposes of this Section when used in reference to Contractor, "assignment" shall include, but not be
2789 limited to (i) a sale, exchange or other transfer of substantially all of Contractor's assets dedicated to
2790 service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding
2791 common stock of Contractor to a third party provided said sale, exchange or transfer may result in a
2792 change of control of Contractor; (iii) any dissolution, reorganization, consolidation, merger, re-
2793 capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement,

2794 liquidation or other transaction to which results in a change of ownership or control of Contractor; (iv)
2795 any assignment by operation of law, including insolvency or bankruptcy, making assignment for the
2796 benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment
2797 of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate
2798 proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous
2799 transactions) which has the effect of any such transfer or change of ownership, or change of control of
2800 Contractor.

2801 Contractor acknowledges that this Agreement involved rendering a vital service to City's residents and
2802 businesses, and that City has selected Contractor to perform the services specified herein based on (1)
2803 Contractor's experience, skill and reputation for conducting its Discarded Materials management
2804 operations in a safe, effective and responsible fashion, at all times in keeping with applicable
2805 Environmental Laws, regulations and best Discarded Materials management practices, and (2)
2806 Contractor's financial resources to maintain the required equipment and to support its indemnity
2807 obligations to City under this Agreement. City has relied on each of these factors, among others, in
2808 choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

2809 If Contractor requests City's consideration of and consent to an assignment, City may deny or approve
2810 such request in its complete discretion. No request by Contractor for consent to an assignment need be
2811 considered by City unless and until Contractor has met the following requirements:

2812 a. Contractor shall undertake to pay City its reasonable expenses for attorney's fees and
2813 investigation costs necessary to investigate the suitability of any proposed assignee, and to review
2814 and finalize any documentation required as a condition for approving any such assignment;

2815 b. Contractor shall pay the City a transfer fee equal to 1% of the Gross Revenues times the number
2816 of years (pro-rated for partial years) remaining under this Agreement (based on actual rate
2817 revenues for the prior 12-months);

2818 c. Contractor shall furnish City with audited financial statements of the proposed assignee's
2819 operations for the immediately preceding three (3) operating years;

2820 d. A proforma financial statement (income statement and balance sheet) for the proposed assignee
2821 with the projected results of operations assuming that the assignment is completed. Such
2822 proforma financial statement shall reflect any debt to be incurred by the assignee as part of the
2823 acquisition of Contractor's operations; and,

2824 e. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten
2825 (10) years of Discarded Materials management experience on a scale equal to or exceeding the
2826 sale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years,
2827 the proposed assignee has not suffered any significant citations or other censure from any
2828 Federal, State, or local agency having jurisdiction over its Discarded Materials management
2829 operations due to any significant failure to comply with State, Federal, or local Environmental
2830 Laws and that the assignee has provided City with a complete list of such citations and censures;
2831 (iii) that the proposed assignee has at all times conducted its operations in an environmentally
2832 safe and conscientious fashion; (iv) that the proposed assignee conducts its Discarded Materials
2833 management practices in accordance with sound Discarded Materials management practices in
2834 full compliance with all Federal, State, and local laws regulating the Collection and Disposal of
2835 Discarded Materials including Hazardous Material; and, (v) of any other information required by

2836 City to ensure the proposed assignee can fulfill the Terms of this Agreement in a timely, safe and
2837 effective manner.

2838 Under no circumstances shall City be obliged to consider any proposed assignment by City if Contractor is
2839 in default at any time during the period of consideration.

2840 **13.7 NO THIRD-PARTY BENEFICIARIES**

2841 This Agreement is not intended to, and will not be construed to, create any right on the part of any third
2842 party to bring an action to enforce any of its terms.

2843 **13.8 WAIVER**

2844 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be
2845 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of
2846 violation of the same or any other provision. The subsequent acceptance by either Party of any monies
2847 which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach
2848 or violation by the other Party of any provision of this Agreement.

2849 **13.9 AFFILIATED COMPANIES**

2850 Contractor's accounting records shall be maintained on a basis showing the results of Contractor's
2851 operations under this Agreement separately from operations in other locations, as if Contractor were an
2852 independent entity providing service only to City. The costs and revenues associated with providing
2853 service to City shall not be combined, consolidated or in any other way incorporated with those of other
2854 operations conducted by Contractor in other locations, or with those of an Affiliate.

2855 If Contractor enters into any financial transactions with a Related Party Entity for the provision of labor,
2856 equipment, supplies, services, capital, etc., related to the furnishing of service under this Agreement, that
2857 relationship shall be disclosed to City, and in the financial reports submitted to City. In such event, City's
2858 rights to inspect records, and obtain financial data shall extend to such Related Party Entity or entities.

2859 **13.10 TRANSITION TO NEXT CONTRACTOR**

2860 Prior to, and at, the end of the Term or in the event this Agreement is terminated for cause prior to the
2861 end of the Term, Contractor shall cooperate fully with City and any subsequent Discarded Materials
2862 enterprise it designates to assure a smooth transition of Discarded Materials Handling Services.
2863 Contractor's cooperation shall include, but not be limited to, providing both the City and subsequent
2864 Discarded Materials enterprise with route lists, Billing information, lists of gate or other access codes and
2865 information needed for entry to service areas, Container placement areas by address, levels of service
2866 including any special needs or services required by each location, and other operating records needed to
2867 service all Premises covered by this Agreement. In recognition of the difficulty inherent in Customer's
2868 difficulty or inability to store two sets of Containers, Contractor shall remove its Containers in coordination
2869 with the distribution of Containers by the incoming service provider. Contractor shall cooperate with the
2870 City and incoming service provider in agreeing to the timing of Container removal; if Parties cannot agree
2871 on a phase-out schedule and Contractor does not remove Containers in a timely manner that requires
2872 Customers to store two Containers, City, incoming service provider, or another entity may remove
2873 Contractor's Containers and seek cost reimbursement from Contractor through its performance bond,
2874 letter of credit or other means. The failure to cooperate with City following termination shall be

2875 conclusively presumed to be grounds for specific performance of this covenant and/or other equitable
2876 relief necessary to enforce this covenant.

2877 Contractor shall, to the maximum extent feasible provide a new service provider with all keys, security
2878 codes and remote controls used to access garages and Bin enclosures. Contractor shall be responsible for
2879 coordinating Transfer immediately after Contractor's final pickups, so as not to disrupt service. Contractor
2880 shall provide City with detailed route sheets containing service names and addresses, Billing names and
2881 addresses, monthly rate and Service Levels (quantity, material type, and size of Containers and pickup
2882 days) at least 90 days prior to the transition date and provide an updated list two weeks before the
2883 transition and a final list of changes the day before the transition. Contractor shall provide means of
2884 access to the new service provider at least one full calendar day (excluding Saturday, Sunday and Holidays
2885 as defined in Exhibit A) prior to the first day of Collection by another party, and always within sufficient
2886 time so as not to impede in any way the new service provider from easily servicing all Containers.

2887 Contractor to provide documentation of any Customer declining request to provide keys, security codes,
2888 and/or remote controls used to access garages and Bin enclosures.

2889 **13.11 CONTRACTOR'S INVESTIGATION**

2890 Contractor has made an independent investigation (satisfactory to it) of the conditions and circumstances
2891 surrounding the Agreement and the work to be performed by it.

2892 **13.12 CONDEMNATION**

2893 City fully reserves the rights to acquire Contractor's property utilized in the performance of this
2894 Agreement, by purchase or through the exercise of the right of eminent domain. This provision is additive,
2895 and not intended to alter the rights of the Parties set forth in Article 10.

2896 **13.13 NOTICE PROCEDURES**

2897 All notices, demands, requests, proposals, approvals, consents, and other communications, which this
2898 Agreement requires, authorizes or contemplates, shall be in writing and shall either be personally
2899 delivered to a representative of the Parties at the address below or deposited in the United States mail,
2900 first class postage prepaid, addressed as follows:

2901 If to City:

2902 City of South Gate
2903 Attn: City Manager
2904 8650 California Avenue, South Gate, CA 90280
2905 (323) 563-9500
2906

2907 If to Contractor:

2908 Universal Waste Systems, Incorporated
2909 Matt Blackburn
2910 Executive Vice President
2911 Mailing Address: P.O Box 3038, Whittier, CA 90605
2912 Physical Address: 9010 Norwalk Boulevard, Santa Fe Springs, CA 90670

2913 (562) 695-8236

2914

2915 The address to which communications may be delivered may be changed from time to time by a notice
2916 given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered
2917 or, if mailed, three (3) calendar days from the date it is deposited in the mail. Either Party may choose to
2918 provide email notification to the other Party that notice has been deposited in the mail, however such
2919 email notification shall not constitute official notice.

2920 **13.14 REPRESENTATIVES OF THE PARTIES**

2921 References in this Agreement to the "City" shall mean the City's elected body and all actions to be taken
2922 by City except as otherwise provided in this Section 13.14. Each reference to an act performed by, or
2923 obligation of the City Manager in this Agreement is itself a delegation of authority from the City. The City
2924 may delegate, in writing, further authority to the City Manager and/or to other City officials and may
2925 permit such officials, in turn, to delegate in writing some or all of such authority to subordinate officers.
2926 The Contractor may rely upon actions taken by such delegates if they are within the scope of the authority
2927 properly delegated to them.

2928 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as
2929 the representative of the Contractor in all matters related to the Agreement and shall inform City in
2930 writing of such designation and of any limitations upon his or her authority to bind the Contractor. City
2931 may rely upon action taken by such designated representative as actions of the Contractor unless they
2932 are outside the scope of the authority delegated to him/her by the Contractor as communicated to City.

2933 **13.15 COMPLIANCE WITH MUNICIPAL CODE**

2934 Contractor shall comply with those provisions of the municipal code of City which are applicable, and with
2935 any and all amendments to such applicable provisions during the Term of this Agreement.

2936 **13.16 COOPERATION FOLLOWING TERMINATION**

2937 At the end of the Term or in the event this Agreement is terminated prior to the end of the Term,
2938 Contractor shall cooperate fully with City and any subsequent Contractor to assure a smooth transition of
2939 Discarded Materials management services. Contractor's cooperation shall include, but not be limited to,
2940 providing operating records needed to service all properties covered by this Agreement. The failure to
2941 cooperate with City following termination shall be conclusively presumed to be grounds for specific
2942 performance of this covenant and/or other equitable relief necessary to enforce this covenant.

2943 **13.17 COMPLIANCE WITH IMMIGRATION LAWS**

2944 Contractor shall be knowledgeable of and comply with all local, State, and Federal laws which may apply
2945 to the performance of this Agreement. Contractor warrants and represents that all of its employees,
2946 including any and all prospective employees hired to perform services for the City under this Agreement
2947 and the employees of any Subcontractor retained by the Contractor to perform a portion of the services
2948 under this Agreement, are and will be authorized to perform the services contemplated by this Agreement
2949 in full compliance with all applicable State and Federal laws, rules and regulations, including, but not
2950 limited to, the Immigration Nationality Act of 1952 (commencing with Section 1101 of Title 8 of the United
2951 States Code), and the Immigration Nationality and the Immigration Reform and Control Act of 1986

2952 (commencing with Section 1324a of Title 8 of the United States Code), as amended. Contractor agrees to
2953 verify the legal status of all of its employees and provide documentation of such verification whenever
2954 requested by the City. If Contractor discovers that any employee it has retained is not in compliance with
2955 Immigration Laws, Contractor agrees to terminate such employee.

2956
2957

ARTICLE 14. MISCELLANEOUS AGREEMENTS

2958 14.1 ENTIRE AGREEMENT

2959 This Agreement is the entire agreement between the Parties with respect to the subject matter hereof
2960 and supersedes all prior and contemporaneous oral and written agreements and discussions. Each Party
2961 has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be
2962 construed against any Party on the basis of drafting. This Agreement may be amended only by an
2963 agreement in writing, signed by each of the Parties hereto.

2964 14.2 SECTION HEADINGS

2965 The article headings and section headings in this Agreement are for convenience of reference only and
2966 are not intended to be used in the construction of this Agreement nor to alter or affect any of its
2967 provisions.

2968 14.3 REFERENCES TO LAWS

2969 All references in this Agreement to laws and regulations shall be understood to include such laws as they
2970 may be subsequently amended or recodified, unless otherwise specifically provided herein.

2971 14.4 INTERPRETATION

2972 This Agreement, including the Exhibits attached hereto, shall be interpreted and construed reasonably
2973 and neither for nor against either party, regardless of the degree to which either party participated in its
2974 drafting.

2975 14.5 AMENDMENTS

2976 This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

2977 14.6 SEVERABILITY

2978 If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable,
2979 the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this
2980 Agreement, which shall be enforced as if such invalid or unenforceable provision had not been contained
2981 herein.

2982 14.7 COUNTERPARTS

2983 This Agreement may be executed in counterparts, each of which shall be considered an original.

2984 **14.8 EXHIBITS**

2985 Each of the Exhibits identified as Exhibit "A" through "M" is attached hereto and incorporated herein and
2986 made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and
2987 the terms of an Exhibit, the terms of this Agreement shall control. In the event of a conflict between
2988 Exhibit L, and any other Exhibit(s), such other Exhibit(s) shall control.

2989 **14.9 NON-WAIVER PROVISION**

2990 Failure of either party to exercise any of the remedies set forth herein within the time periods provided
2991 for shall not constitute a waiver of any rights of that party with regard to that failure to perform or
2992 subsequent failures to perform whether determined to be a breach, excused performance or unexcused
2993 defaults by the other party.

2994 **14.10 ATTORNEYS' FEES**

2995 If either party to this Agreement is required to initiate or defend or made a party to any action or
2996 proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding,
2997 in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to
2998 reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and, in addition,
2999 a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such
3000 action, taking depositions and discovery and all other necessary costs the court allows which are incurred
3001 in such litigation. All such fees shall be deemed to have accrued on commencement of such action and
3002 shall be enforceable whether or not such action is prosecuted to judgment.

3004 IN WITNESS WHEREOF, this Agreement is entered by the Parties hereto in Los Angeles County, California
3005 on the day and year first above written.

3006

City of South Gate
A Municipal Corporation "CITY"

Al Rios 10/20/22
Al Rios, Mayor Date

ATTEST:

[Signature] 10/24/22
Yodit Glaze, City Clerk Date
(SEAL)

APPROVED AS TO FORM:

[Signature]
Raul F. Salinas, City Attorney Date

Universal Waste Systems, Incorporated
"CONTRACTOR"

[Signature] 10/13/22
Signature Date

Mark Blackburn
Print Name of Signatory

President
Title of Signatory

FRANCHISE EXHIBITS

EXHIBIT A DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit and shall be capitalized throughout this Agreement:

“Abandoned Waste” means Recyclable Materials, Organic Materials, Solid Waste, C&D, Excluded Waste, Bulky Items, or other materials which have been abandoned, littered, or illegally dumped in the public right of way or on public or City property.

“AB 1826” means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

“AB 341” means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011 [Chesbro, AB 341]), also commonly referred to as “AB 341”, as amended, supplemented, superseded, and replaced from time to time.

“AB 939” means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

“Agreement” means this Agreement between City and Contractor, including all exhibits, and any future amendments hereto.

“Alternative Daily Cover” or “ADC” has the same meaning as in Section 20690 of Title 27 of the California Code of Regulations.

“Alternative Intermediate Cover” or “AIC” has the same meaning as in Section 20700 of Title 27 of the California Code of Regulations.

“Applicable Law” means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, and Processing of Recyclable Materials, Organic Materials, and Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383.

“Approved C&D Processing Facility” means the Direct Disposal C&D Recycling, 3720 Noakes Street, Los Angeles, which is owned and operated by California Waste Services, LLC, that is a C&D Processing Facility.

“Approved Disposal Facility” means the Chiquita Canyon Sanitary Landfill, 29201 Henry Mayo Drive, Castaic, which is owned and operated by Waste Connections, and Sunshine Canyon Landfill, 14747 San Fernando Road, Sylmar, which is owned and operated by Republic Services, that are Disposal Facilities.

EXHIBIT A DEFINITIONS

“Approved Facility(ies)” means any one of or any combination of the: Approved Recyclable Materials Processing Facility; Approved Organic Materials Processing Facility; Approved Organic Materials Processing Facility; Approved Transfer Facility; Approved Reusable Materials Processing Facility; and/or Approved Disposal Facility.

“Approved High Diversion Organic Waste Processing Facility” means the 24th Street Facility 2460 E. 24th Street, Los Angeles, which is owned and operated by Universal Waste Systems Incorporated, that is a High Diversion Organic Waste Processing Facility.

“Approved Processing Facility(ies)” means any one of or any combination of the: Approved Recyclable Materials Processing Facility; Approved Organic Materials Processing Facility; or, Approved Reusable Materials Processing Facility.

“Approved Organic Materials Processing Facility” means the Greewise Soil Technologies, 10120 Miller Way, South Gate, which is owned and operated by Greenwise Soil Technologies; , that is an Organics Materials Processing Facility.

“Approved Recyclable Materials Processing Facility” means the Universal Waste Systems, Inc. 9010 and 9016 Norwalk Boulevard, Santa Fe Springs, which is owned and operated by Universal Waste Systems, Incorporated, that is a Recyclable Materials Processing Facility.

“Approved Solid Waste Processing Facility” means the Universal Waste Systems, Inc. 9010 and 9016 Norwalk Boulevard, Santa Fe Springs, which is owned and operated by Universal Waste Systems, Incorporated, that is Solid Waste Processing Facility.

“Approved Transfer Facility” means the Universal Waste Systems, Inc. - 9010 and 9016 Norwalk Blvd. Santa Fe Springs, CA 90670 - Owned and operated by UWS, which is owned and operated by Universal Waste Systems, Incorporated, that is a Transfer Facility.

“Bin” means a Container with capacity of approximately one (1) to eight (8) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading Collection vehicle, including Bins with Compactors attached to increase the capacity of the Bin.

“Bulky Item” means discarded Appliances (including refrigerators), furniture, tires, carpets, mattresses, E-Waste, bundled and tied Yard Trimmings and/or wood waste, and similar large items which can be handled by two (2) people, weigh no more than two hundred (200) pounds, and require special Collection due to their size or nature, but can be Collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the Customer and at the service address wherein the Bulky Items are Collected. Bulky Items do not include abandoned automobiles, large auto parts, trees, Construction and Demolition Debris, or items herein defined as Excluded Waste.

“Business Days” mean days during which the City offices are open to do business with the public.

EXHIBIT A DEFINITIONS

“California Code of Regulations (CCR)” means the State of California Code of Regulations. CCR references in this Agreement are preceded with a number that refers to the relevant Title of the CCR (e.g., “14 CCR” refers to Title 14 of CCR).

“CalRecycle” means California's Department of Resources Recycling and Recovery.

“Cardboard” means corrugated fiberboard consisting of a fluted corrugated sheet and one (1) or two (2) flat linerboards, as is often used in the manufacture of shipping containers and corrugated boxes. Cardboard is a subset of Recyclable Materials.

“Cart” means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 32, 60 to 67, or 95 to 101 gallons (or similar volumes).

“City” means the City of South Gate, a municipal corporation, and all the territory lying within its boundaries as presently existing or as such boundaries may be modified during the Term of this Agreement.

“City Council” means the duly elected representative council, or its successor municipal governing body, of the City.

“City Manager” means City Manager, who is responsible for the administrative management of this Agreement, or their designee.

“City Fees” means all fees payable to the City, identified and referenced in Article 7 of this Agreement.

“Change in Law” means any of the following events or conditions that has a material and adverse effect on the performance by the Parties of their respective obligations under this Agreement (except for payment obligations):

- a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any Applicable Law on or after the Effective Date; or,
- b. The order or judgment of any governmental body, on or after the Effective Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of City or of the Contractor, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

“Collect” or “Collection” (or any variation thereof) means the act of taking possession of Recyclable Materials, Organic Materials, Solid Waste, Bulky Items, and other material at the place of generation in City.

EXHIBIT A DEFINITIONS

“Commencement Date” means the date specified in Section 2.1 when Collection, Transportation, and Processing services required by this Agreement shall be provided.

“Commercial” shall mean of, from, or pertaining to non-Residential Premises where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing, and industrial operations, but excluding businesses conducted upon Residential property which are permitted under applicable zoning regulations and are not the primary use of the property.

“Commercial Edible Food Generator” includes Tier One Commercial Edible Food Generators and Tier Two Commercial Edible Food Generators, or as otherwise defined in 14 CCR Section 18982(a)(7). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators, or as otherwise specified by 14 CCR Section 18982(a)(7).

“Community Composting” means any activity that Composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and Compost on-site at any one time does not exceed one hundred (100) cubic yards and seven hundred fifty (750) square feet, as specified in 14 CCR Section 6 17855(a)(4); or as otherwise defined in 14 CCR Section 18982(a)(8).

“Compostable Plastics” or “Compostable Plastic” means plastic materials that meet the ASTM D6400 standard for Compostability.

“Compactor” means a mechanical apparatus that compresses materials together with the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two (2) to eight (8) cubic yard Bin Compactors serviced by front-end loader Collection vehicles and ten (10) to forty (40) cubic yard Roll-Off Box Compactors serviced by roll-off Collection vehicles.

“Complaint” shall mean each written or orally communicated statement made by any Person, whether to City or Contractor, alleging: (1) non-performance, or deficiencies in Contractor’s performance, of its duties under this Agreement; (2) a violation by Contractor of this Agreement; or, (3) an SB 1383 Non-Compliance Complaint.

“Composting” or “Compost” (or any variation thereof) includes a controlled biological decomposition of Organic Materials yielding a safe and nuisance free Compost product.

“Construction and Demolition Debris (C&D)” includes discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair, or demolition operations on any pavements, excavation projects, houses, Commercial buildings, or other structures, excluding Excluded Waste. Construction and Demolition Debris includes rocks, soils, tree remains, and other Yard Trimmings which results from land clearing or land development operations in preparation for construction.

EXHIBIT A DEFINITIONS

“Consumer Price Index” “CPI” means the Consumer Price Index for All Urban Consumers (CUUR0000A0L1E), all items less food and energy – U.S. City Average.

“Container(s)” mean Bins, Carts, Compactors, and Roll-Off Boxes.

“Contamination Processing Fee Notice” means the notice as described in Section 4.11.1.E.

“Contractor” means Universal Waste Systems, Incorporated, organized and operating under the laws of the State and its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and Subcontractors.

“Contractor’s Compensation” means the monetary compensation received by Contractor in return for providing services in accordance with this Agreement as described in Article 8.

“Contractor’s Contract Administrator” means the individual authorized by Contractor as described by Section 5.7.E.1.

“Contractor’s Proposal” means the proposal submitted to City by Contractor on January 27, 2022, and subsequently updated on May 12, 2022, for provision of Recyclable Materials, Organic Materials, and Solid Waste Collection and Processing services and certain supplemental written materials, which are included as Exhibit G to this Agreement and are incorporated by reference.

“County” means the County of Los Angeles, a political subdivision of the State of California.

“Courtesy Pick-Up Notice” means the Contractor’s notice to Customer(s) as described in Section 4.10.1.C.

“Curb” or “Curbside” (or any variation thereof) means the cornered edging between the street and sidewalk. Curb or Curbside also means and describes the location of a Collection Container for pick-up, where such Container is placed on the street or alley against the face of the Curb, or where no Curb exists, the Container is placed not more than five (5) feet from the outside edge of the street or alley nearest the property’s entrance.

“Customer” means the Person whom Contractor submits its billing invoice to and collects payment from for Collection services provided to a Premises. The Customer may be either the Occupant or Owner of the Premises.

“Customer Account Information Database” means the Customer Account Information Database as identified in Section 4.7 that shall be developed, maintained, and monitored in accordance with the requirements of this Agreement.

“Customer Type” means the Customer’s sector category including, but not limited to, Single-Family, Multi-Family, Commercial, Roll-Off Box, and City.

EXHIBIT A DEFINITIONS

“Designated Waste” Designated Waste consists of those substances classified as Designated Waste by the State, in Section 13173 of the California Water Code ((CA Water Code § 13173 (2017) as may be amended from time to time, and is defined as either of the following:

- (a) Hazardous Waste that has been granted a variance from Hazardous Waste management requirements pursuant to Section 25143 of the Health and Safety Code.
- (b) Nonhazardous waste that consists of, or contains, pollutants that, under ambient environmental conditions at a waste management unit, could be released in concentrations exceeding applicable water quality objectives or that could reasonably be expected to affect beneficial uses of the waters of the State as contained in the appropriate state water quality control plan.

“Divert” or “Diversion” (or any variation thereof) means to prevent Discarded Materials from Disposal at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through source reduction, reuse, Recycling, Composting, anaerobic digestion or other method of Processing, subsequent to the provisions of AB 939. Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the City.

“Diversion Coordinator” means the individual authorized by Contractor as described by Section 5.7.E.3.

“Discarded Materials” means Recyclable Materials, Organic Materials, and Solid Waste placed by a Generator in a receptacle and/or at a location for the purposes of Collection by Contractor, excluding Excluded Waste.

“Disposal” or “Dispose” (or any variation thereof) means the final disposition of Solid Waste, or Processing Residue at a Disposal Facility.

“Disposal Facility” means a landfill, or other facility for ultimate Disposal of Solid Waste.

“Dwelling Unit” means any individual living unit in a; Single-Family dwelling (SFD) or Multi-Family dwelling (MFD) structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, Residential living other than a Hotel or Motel.

“Edible Food” means food intended for human consumption. For the purposes of this Agreement, Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code. If the definition in 14 CCR Section 18982(a)(18) for Edible Food differs from this definition, the definition in 14 CCR Section 18982(a)(18) shall apply to this Agreement.

“Effective Date” means the date on which the latter of the two Parties signs this Agreement.

EXHIBIT A DEFINITIONS

“Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Contractor reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Contractor’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code. Excluded Waste does not include used motor oil and filters, or household batteries when properly placed for Collection by Contractor as set forth in this Agreement.

“Extra Service Tags” are tags approved by City and provided by the Contractor which may be purchased by Residents and affixed to a bag provided by Residents for the Collection of Solid Waste overages.

“E-Waste” means discarded electronic equipment including, but not limited to, televisions, computer monitors, central processing units (CPUs), laptop computers, computer peripherals (including external hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some E-Waste or components thereof may be Hazardous Waste or include Hazardous Substances and thus require special handling, Processing, or Disposal.

“Field Supervisor” means the individual authorized by Contractor as described by Section 5.7.E.2.

“Federal” means belonging to or pertaining to the Federal government of the United States.

“Flow Control” means City right to direct Discarded Materials to a facility of the City’s choosing.

“Food Recovery” means actions to Collect and distribute food for human consumption which otherwise would be Disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

“Food Recovery Organization” means an entity that primarily engages in the Collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities, including, but not limited to:

- A. A food bank as defined in Section 113783 of the Health and Safety Code;
- B. A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,
- C. A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

EXHIBIT A DEFINITIONS

If the definition in 14 CCR Section 18982(a)(25) for Food Recovery Organization differs from this definition, the definition in 14 CCR Section 18982(a)(25) shall apply to this Agreement.

“Food Recovery Service” means a Person or entity that Collects and Transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery; or as otherwise defined in 14 CCR Section 18982(a)(26).

“Food Scraps” means those Discarded Materials that will decompose and/or putrefy including: (i) all kitchen and table Food Waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings and other Compostable Organic Waste common to the occupancy of Residential dwellings. Food Scraps are a subset of Food Waste.

“Food-Soiled Paper” means Compostable paper material that has come in contact with Food Scraps or liquid, such as, but not limited to, Compostable paper plates, paper coffee cups, napkins, pizza boxes, and milk cartons.

“Food Waste” means Source Separated Food Scraps, Food-Soiled Paper, and Compostable Plastics. Food Waste is a subset of Organic Materials.

“Generator” means any Person whose act or process produces Discarded Materials as defined in the Public Resources Code, or whose act first causes Discarded Materials to become subject to regulation.

“Franchise Fee” means the fee paid by Contractor to the City as described in Section 7.1.

“Gross Receipts” shall mean total cash receipts collected from Customers by the Contractor for the provision of services pursuant to this Agreement, without any deductions. Gross Receipts do not include revenues from the sale of Recyclable Materials.

“Hazardous Substance” means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant", or "toxic substances", or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

EXHIBIT A DEFINITIONS

“Hazardous Waste” means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

“Holidays” are defined as New Year’s Day, Thanksgiving Day, and Christmas Day.

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at Residential Premises within the City. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, used motor oil, used oil filter, batteries, household batteries, fluorescent bulbs , tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

“Infectious Waste” means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities and other similar establishments that are identified in Health and Safety Code Section 25117.5 as may be amended from time to time.

“In-Home Recycling Container” refers to a small, easily portable tote bag with a capacity of at least three (3) gallons to be included by Contractor in the Multi-Family Move-in Kit to facilitate convenient accumulation of Recyclable Materials within a Multi-Family Dwelling Unit.

“Liquidated Damages” means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 11.6.

“Mixed Waste” means Organic Materials Collected in a Container that is required by 14 CCR Sections 18984.1, 18984.2, or 18984.3 to be transported to a High Diversion Organic Waste Processing Facility.

“Multi-Family” or “MFD” means any Residential Premises, other than a Single-Family Premises, with five (5) or more Dwelling Units used for Residential purposes (regardless of whether residence therein is temporary or permanent), including such Premises when combined in the same building with Commercial establishments, that receive centralized, shared, Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Customers residing in Townhouses, mobile homes, condominiums, or other structures with five (5) or more Dwelling Units who receive individual service and are billed separately shall not be considered Multi-Family.

“Mulch” means a layer of material applied on top of soil, and, for the purposes of the Agreement, Mulch shall conform with the following conditions, or conditions as otherwise specified in 14 CCR Section 18993.1(f)(4):

- A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section

EXHIBIT A DEFINITIONS

17852(a)(24.5)(A)(1) through (3).

- B. Was produced at one or more of the following types of Facilities:
1. A Compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10); Guidance: Note that this criteria disallows Mulch produced from chipping and grinding operations to count toward fulfillment of a jurisdiction's annual Organic Waste product procurement target;
 2. A Transfer/Processing Facility or Transfer/Processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12; or,
 3. A Solid Waste landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

"Non-Collection Notice" means the notice as described in Section 4.10.1.D.

"Occupant" means the Person who occupies a Premises.

"Organic Materials" means Yard Trimmings and Food Waste, individually or collectively. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Recyclable Material and Solid Waste. Organic Materials are a subset of Organic Waste.

"Organic Waste" means wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

"Owner" means the Person(s) holding legal title to real property and/or any improvements thereon and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor.

"Party" or "Parties" refers to the City and Contractor, individually or together.

"Person(s)" means any individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, Commercial entity, governmental entity, public entity, or any other legal person.

"Premises" means any land or building in the City where Recyclable Materials, Organic Materials, or Solid Waste are generated or accumulated.

"Processing" or "Process" means to prepare, treat, or convert through some special method.

EXHIBIT A DEFINITIONS

“Processing Facility” means any plant or site used for the purpose of sorting, cleansing, treating or reconstituting Recyclable Materials, or Reusable Materials for the purpose of making such material available for Recycling or reuse or the facility for the Processing and/or Composting of Organic Materials.

“Prohibited Container Contaminants” means the following: (i) Discarded Materials placed in the Recyclable Materials Container that are not identified as acceptable Recyclable Materials for the City’s Collection program; (ii) Discarded Materials placed in the Organic Materials Container that are not identified as acceptable Organic Materials for the City’s Collection program; (iii) Discarded Materials placed in the Solid Waste Container that are acceptable Recyclable Materials and/or Organic Materials to be placed in the City’s Recyclable Materials or Organic Materials Containers or otherwise managed under the City’s Collection program; and, (iv) Excluded Waste placed in any Container.

“Proprietary Information” or “Proprietary” means that information provided by Contractor to the City which is protected from disclosure by the California Public Records Act and meets that definition of Proprietary Information. Nothing shall be considered Proprietary which is required to be submitted to the City in any report described in this Agreement. Contractor’s Customer lists for Customers served under this Agreement are specifically not considered Proprietary for the purposes of this Agreement, however, the City may protect such information from disclosure consistent with the provisions of the Public Records Act.

“Public Street” means all City-owned and maintained paved areas between the normal Curb line of a roadway, including public parking lots, roadway dividers, and medians.

“Rate” means the maximum amount, expressed as a dollar unit, approved by the City that the Contractor may bill a Customer for providing services under this Agreement. A Rate has been established for each individual Service Level and the initial Rates for Rate Period Zero and Rate Period One are presented in Exhibit G3. The Rates approved by City are the maximum Rate that Contractor may charge a Customer and Contractor may, in its sole discretion, charge any amount up to and including the maximum Rate approved by the City.

“Rate Period” means a twelve (12) month period, commencing January 1 and concluding December 31.

“Recyclable Materials” means those Discarded Materials that: the Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the Contractor and that exclude Excluded Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Organic Materials, and Solid Waste. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, gabletop beverage containers, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-lined paper and cartons, Tyvex non-tearing paper envelopes); chipboard; corrugated Cardboard; glass containers of any

EXHIBIT A DEFINITIONS

color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin, or bi-metal cans; mixed plastics such as plastic containers (no. one (1) to seven (7)), except expanded Polystyrene (EPS); bottles including containers made of HDPE, LDPE, or PET; film plastic (when clean, dry, and contained inside of a plastic bag); dry cell household batteries when placed on the Recycling Cart in a sealed heavy-duty plastic bag; and, those materials added by the Contractor from time to time.

“Recycle” or “Recycling” means the Process of sorting, cleansing, treating, and reconstituting at a Recyclable Materials Processing Facility materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes Processes deemed to constitute a reduction of landfill Disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

“Related-Party Entity” means all businesses (including corporations, limited and general partnerships, and sole proprietorships) which are directly or indirectly related to Contractor by virtue of direct or indirect Ownership interests or common management shall be deemed to be affiliated with Contractor and included within the term “Related-Party Entity” as used herein. A Related-Party Entity shall include a business in which Contractor Owns a direct or indirect Ownership interest, a business which has a direct or indirect Ownership interest in Contractor and/or a business which is also Owned, controlled, or managed by any business or individual which has a direct or indirect Ownership interest in Contractor. For purposes of determining whether an indirect Ownership interest exists, the constructive Ownership provisions of Section 318(a) of the Internal Revenue code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, the (i) “ten percent (10%)” shall be substituted for “fifty percent (50%)” in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining Ownership under this paragraph and constructive or indirect Ownership under Section 318(a), Ownership interest of less than ten percent (10%) shall be disregarded, and percentage interests shall be determined on the basis of the percentage of voting interest or value which the Ownership interest represents, whichever is greater. Related-Party Entities shall be limited to those businesses which are directly or indirectly involved in the provision of service under this Agreement.

“Renewable Natural Gas” or “RNG” means gas derived from Organic Waste that has been Diverted from a landfill and Processed at an in-vessel digestion facility that is permitted or otherwise authorized by 14 CCR to recover Organic Waste, or as otherwise defined in 14 CCR Section 18982(a)(62).

“Residential” shall mean of, from, or pertaining to a Single-Family Premises or Multi-Family Premises including Single-Family homes, apartments, condominiums, Townhouse complexes, mobile home parks, and cooperative apartments.

EXHIBIT A DEFINITIONS

“Residue” means those materials which, after Processing, are Disposed rather than Recycled due to either the lack of markets for materials or the inability of the Processing Facility to capture and recover the materials.

“Reusable Materials” means items that are capable of being used again after minimal Processing. Reusable Materials may be Collected Source Separated or recovered through a Processing Facility.

“Roll-Off Box” means an open-top Container with a capacity of ten (10) to forty (40) cubic yards that is serviced by a roll-off Collection vehicle.

“Service Opportunity” shall mean each individual scheduled opportunity the Contractor has to Collect from a Container at a Customer’s location. For example, a Commercial Customer receiving Recyclable Materials Collection service two (2) times per week from two (2) Containers, Organic Materials Collection service two (2) times per week from (2) Containers, and Solid Waste Collection service two (2) times per week from two (2) Containers would have a total of twelve (12) Service Opportunities each week. Service Opportunities shall be calculated based on the subscription levels presented in Contractor’s most recent Quarterly Report to City.

“SB 1383” means Senate Bill 1383 of 2016 approved by the Governor on September 19, 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants as amended, supplemented, superseded, and replaced from time to time.

For the purposes of this Agreement, SB 1383 specifically refers to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and adopted on November 3, 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR.

“Self-Hauler” or “Self-Haul” means a Person who hauls Discarded Materials, recovered material, or any other material, that such Person generates at their own Premises, to another Person, or as otherwise defined in 14 CCR Section 18982(a)(66). Self-Hauler also includes a Person who back-hauls waste from Premises they own and operate, as defined in 14 CCR Section 18982(a)(66)(A).

“Service Level” refers to the size of a Customer’s Container and the frequency of Collection service.

“Single-Family” or “SFD” means any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Single-Family includes Townhouses, and each independent unit of duplex, tri-plex, four-plex Residential structures, regardless of whether each unit is separately billed for their specific Service Level. Multi-Family properties of five or more units that receive Single-Family Cart service are considered Single-Family if each unit is billed directly by Contractor.

EXHIBIT A DEFINITIONS

“Solid Waste” means Solid Waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Solid Waste are Excluded Waste, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container not Source Separated from Solid Waste at the site of generation.

“Source Separated” means the segregation, by the Generator, of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

“Specialty Recyclable Material” means material not specified in this Agreement that can be or will be Collected for purposes of Recycling. Such Specialty Recyclable Material may include, but is not limited to, scrap metal, high-grade paper (including office mixed paper), pallets, and plastic film.

“Split-Bin” means a Bin that is split or divided into two (2) sections in order to segregate two (2) Source Separated Discarded Material types in one Container.

“State” means the State of California.

“Subcontractor” means a Party who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for the Contractor’s fulfillment of its obligations for providing service under this Agreement. Vendors providing materials and supplies to Contractor shall not be considered Subcontractors.

“Term” means the Term of this Agreement, including extension periods if granted, as provided for in Article 2.

“Tier One Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- A. Supermarket.
- B. Grocery Store with a total facility size equal to or greater than 10,000 square feet.
- C. Food Service Provider.
- D. Food Distributor.
- E. Wholesale Food Vendor.

If the definition in 14 CCR Section 18982(a)(73) of Tier One Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(73) shall apply to this Agreement.

EXHIBIT A DEFINITIONS

“Tier Two Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- A. Restaurant with two hundred fifty (250) or more seats, or a total facility size equal to or greater than five thousand (5,000) square feet.
- B. Hotel with an on-site food facility and two hundred (200) or more rooms.
- C. Health facility with an on-site food facility and one hundred (100) or more beds.
- D. Large Venue.
- E. Large Event.
- F. A State agency with a cafeteria with two hundred fifty (250) or more seats or total cafeteria facility size equal to or greater than five thousand (5,000) square feet.
- G. A local education agency with an on-site food facility. If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(74) shall apply to this Agreement.

“Ton” or “Tonnage” means a unit of measure for weight equivalent to two thousand (2,000) standard pounds where each pound contains sixteen (16) ounces.

“Total Service Opportunities” shall mean the sum of all Service Opportunities in a given time period.

“Townhouse” means an attached or semi-attached Single-Family Premises within a group of attached or semi-attached Single-Family Premises, regardless of whether the Premises is billed individually or through a central account (e.g., homeowner association, property manager), wherein each unit maintains individual Collection service subscription, as determined in writing by the City Manager.

“Trade Secrets” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (1) derives actual independent economic value from not being generally known to the public or to other Persons who can obtain economic value from its disclosure or use; and, (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

“Transfer” means the act of transferring the materials Collected by Contractor in its route vehicles into larger vehicles for Transport to other facilities for the purpose of Recycling or Disposing of such materials.

“Transportation” or “Transport” means the act of conveying Collected materials from one location to another.

“Universal Waste” or “U-Waste” means all wastes as defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and E-Waste.

“Working Days” means days on which the Contractor is required to provide regularly scheduled Collection services under this Agreement.

EXHIBIT A DEFINITIONS

“Yard Trimmings” means those Discarded Materials that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of Organic Materials resulting from normal yard and landscaping maintenance that may be specified in City Legislation for Collection and Processing as Organic Materials under this Agreement. Yard Trimmings does not include items herein defined as Excluded Waste. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the Contractor-provided Container.

EXHIBIT B: DIRECT SERVICES

The following Exhibits (B1 through B5) describe the programs which, in aggregate, represent the direct services to be performed under this Agreement by the Contractor.

Each of the following Exhibits (B1 through B5) present the programs to be provided to each Customer Type by Contractor. Within each program description are specific requirements for the:

- Type and size of Containers or Service Level to be offered by Contractor under each program;
- Frequency of service to be offered by Contractor to Customers;
- Location of service, including an indication of whether or not additional charges may apply if a Customer selects a location that is more costly to serve (e.g., back-yard service);
- Materials that are acceptable or prohibited within the program;
- Provision of additional services to the Customer if the standard Service Levels are inadequate, either on a regular or periodic basis, and an indication of whether or not additional charges may apply; and/or,
- Other requirements and considerations of the program.

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B5 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers one (1) time per week from Single-Family (including Townhouse) Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

- Containers:** Carts
- Container Sizes:** Standard Container size is 96 to 101 gallon. Smaller containers shall be made available upon request by Customer.
- Service Frequency:** One (1) time per week on the same day as Organic Materials and Solid Waste Collection services.
- Service Location:** Curbside or alley
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Solid Waste, Organic Materials, Excluded Waste
- Additional Service:** Single-Family Customers shall receive one (1) Recyclable Materials Cart standard and may request an unlimited number of additional Recyclable Materials Carts at no additional charge.

Other Requirements: Contractor shall accept household batteries in the Recyclable Materials program, provided that those batteries have been separately packaged in a sealed, fluorescent, storage plastic bag and placed on top of the Recyclable Materials Cart.

Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3 of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

2. Organic Materials Collection

Contractor shall Collect Organic Materials placed in Contractor-provided Carts one (1) time per week from Single-Family Customers (including Townhouse) and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

- Containers:** Carts
- Container Sizes:** Standard Container size is 96 to 101gallon. Smaller containers shall be made available upon request by Customer.
- Service Frequency:** One (1) time per week on the same day as Recyclable Materials and Solid Waste Collection service.
- Service Location:** Curbside

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Waste)
- Prohibited Materials:** Recyclable Materials, Solid Waste, Excluded Waste
- Additional Service:** Single-Family Customers shall receive one (1) Organic Materials Cart standard and may request up to two (2) additional Organic Materials Carts at no additional charge. Contractor shall provide additional Organic Materials Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.
- Other Requirements:** Contractor shall provide to all Single-Family Customers kitchen pails designed to contain Food Scraps prior to placement in the Customer's Organic Materials Cart. Kitchen pail specifications shall be approved by the City prior to ordering and distribution.
- If Contractor's Approved Organic Facility accepts Compostable Plastic bags, Single-Family Customers may place Organic Materials in Compostable Plastic bags and then place the bagged Organic Materials into their Organic Materials Carts for Collection. Such bags must be labeled as "Compostable" by the manufacturer and certified by BPI. Contractor shall submit the required Compostable Plastic Processing notifications in accordance with Section 4.1.J and Exhibit F of this Agreement.
- Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Carts one (1) time per week from Single-Family Customers (including Townhouse) and Transport all Solid Waste to the Approved Disposal Facility for Disposal.

- Containers:** Carts
- Container Sizes:** Standard Container size is 96 to 101 gallon. Smaller containers shall be made available upon request by Customer.
- Service Frequency:** One (1) time per week on the same day as Recyclable Materials and Organic Materials Collection service.
- Service Location:** Curbside
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste
- Additional Service:** Contractor shall provide additional Solid Waste Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Other Requirements: None

4. Section Reserved

5. On-Call Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Single-Family Customers (including Townhouse). Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

Containers: Not applicable

Service Level: Up to ten (10) Bulky Items/Reusable Materials

Service Frequency: Monthly

Service Location: Curbside

Acceptable Materials: Reusable Materials, Bulky Items, Recyclable Materials, Yard Trimmings, Electronic Waste, and Solid Waste

Prohibited Materials: Food Scraps, Hazardous Materials, abandoned automobiles, trees, Excluded Waste or any single item (e.g., large auto parts, etc.) that exceeds two hundred (200) lbs. in weight

Additional Service: Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rates approved by the City for such additional service.

Other Requirements: Contractor shall provide the service to the Customer within one (1) Working Day of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor. Contractor shall not Dispose of materials Collected through the on-call Bulky Item/Reusable Materials Collection program unless the materials cannot be reused or Recycled. Contractor shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the other options are practicable; then, (4) Dispose.

6. Holiday Tree Collection

Annually, commencing the day after December 25 and two (2) weeks thereafter, the Contractor shall Collect holiday trees from Single-Family Customers (including Townhouse). Customers are required to place the holiday trees Curbside on the Customer's regularly scheduled Collection day. Holiday trees must be removed from stands; cut into lengths no longer than four (4) feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. The Contractor shall not be required to Collect holiday trees that do not meet the aforementioned criteria. The Contractor shall affix a Non-Collection Notice to any non-Collected tree informing the Customer of the reason(s) for Non-Collection. Contractor may charge City-approved Rates to return and Collect a previously non-Collected holiday tree that has been corrected and

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

set out. Contractor shall deliver all Collected holiday trees to the Approved Organic Materials Processing Facility for Processing.

Holiday tree Collection services shall be provided at no additional cost to the City or the Customer.

7. Alternative Service Location for Disabled Single-Family Customers

Contractor shall allow for Persons that have a disability as defined by the Americans with Disabilities Act (which means Public Law 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 27 U.S.C. 225 and 611, and all Federal rules and regulations relating thereto) that are Occupants of Single-Family Premises (including Townhouse Premises) to receive Collection services at a location other than Curbside at no extra charge to the Customer. Contractor shall review all applications (which shall include statements from physicians) made by Customers to determine conformance with this exemption provision and shall grant exemptions, if applicable. Contractor shall make reasonable accommodations with regard to provision of and servicing of Containers (e.g., Container size and type, placement of Containers for Collection, etc.) at no additional cost to the Customer. Upon Customer request, Contractor may make such alternative service locations available to Single-Family Customers that do not have a disability (as defined herein) for an additional, City-approved Rate.

8. Sharps Waste Collection

Contractor shall provide Customers, at no additional charge, within one week of request, a pre-paid, postage-paid mail-back container to safely collect Sharps and send Sharps for proper Disposal. Contractor shall also make Sharps Containers available at pick-up location in the City as an alternative for the Customer. Residents are limited to four (4) Containers at no additional charge per year. Each Container shall be of adequate volume to accommodate the needs of a diabetic Person for a three-month period.

9. Temporary Bin Service

Contractor shall provide exclusive temporary Bin Service to Customers upon request for Collection of Solid Waste, Recyclable Materials, and Organic Materials. Contractor must deliver a temporary Bin to a Customer by the following business day (excluding Saturday, Sunday or Holidays), if requested by 12:00 noon; otherwise, delivery shall be no later than the second day. Rates for temporary Bin Service are listed separately in the approved rate schedule.

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from Multi-Family Customers receiving Solid Waste Bin service in accordance with the approved rate schedule and shall Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Recyclable Materials Collection Services shall be provided to Multi-Family Customers at no additional charge.

- Containers:** Carts, Bins
- Container Sizes:** 32-, 60 to 67-, and 96 to 101-gallon Carts (or comparable size approved by the City); and
1-, 2-, 3-, 4-, 5-, and 6-cubic yard Bins, and 3 cubic yard Split-Bins.
As requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), unless the Customer has received a Collection frequency waiver for Recyclable Materials in accordance with Section 4.9.2, in which case service frequency shall be not less than one (1) time per fourteen (14) days.
- Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Solid Waste, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.

Other Requirements:

Contractor shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every Multi-Family Customer at the same time that the Contractor delivers Solid Waste Containers.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers (additional charge may apply).

Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

EXHIBIT B2 MULTI-FAMILY RESIDENTIAL SERVICES

2. Organic Materials Collection

Contractor shall Collect Organic Materials, or Mixed Waste in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing, and Mixed Waste to the Approved High Diversion Organics Waste Processing Facility for Processing. Organic Materials or Mixed Waste Collection services shall be provided to Multi-Family Customers receiving Bin service in accordance with the approved rate schedule.

- Containers:** Carts, Bins
- Container Sizes:** 32-, 60 to 67- and 96 to 101-gallon Carts (or comparable size approved by the City); and,
1-, 2-, 3-, and 4-cubic yard Bins.
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by the Multi-Family Customer.
- Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises
- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Waste), or Mixed Waste
- Prohibited Materials:** Recyclable Materials, , Excluded Waste, Solid Waste in Source-Separated Organic Material Containers
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:** Contractor shall provide to all Multi-Family Dwelling Units kitchen pails designed to contain Food Scraps prior to placement in the Customer's Organic Materials or Mixed Waste Container. Kitchen pail specifications shall be approved by the City prior to ordering and distribution.

Contractor shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Organic Materials or Mixed Waste Containers to each and every Multi-Family Customer at the same time that the Contractor delivers Solid Waste Containers.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).

Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

type of the Container in question.

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Solid Waste to the Approved Disposal Facility for Disposal.

- Containers:** Carts, Bins
- Container Sizes:** 32, 60 to 67-, and 96 to 101-gallon Carts (or comparable size approved by the City); and
1-, 2-, 3-, 4-, 5-, and 6-cubic yard Bins, and 3 cubic yard Split-Bins.
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer, unless the Customer has received a Collection frequency waiver for Solid Waste in accordance with Section 4.9.2, in which case service frequency shall be not less than one (1) time per fourteen (14) days.
- Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge.
- Other Requirements:** Contractor shall make contact with each and every Multi-Family Customers in advance of the Commencement Date to determine appropriate Container sizes and service frequency.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers (additional charge may apply).

4. Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Multi-Family Customers. Tenants, property managers, and/or owners of Multi-Family properties may request Bulky Item/Reusable Materials Collection. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

- Containers:** Not applicable
- Service Level:** Up to ten (10) Bulky Items/Reusable Materials Per Dwelling Unit Per Month
- Service Frequency:** Monthly
- Service Location:** To be determined by Contractor and property owner or property manager
- Acceptable Materials:** Reusable Materials, Bulky Items, Recyclable Materials, Yard Trimmings, Electronic

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

Waste, and Solid Waste

Prohibited Materials: Food Scraps, Hazardous Materials, abandoned automobiles, trees, Excluded Waste or any single item (e.g., large auto parts, etc.) that exceeds two hundred (200) lbs. in weight

Additional Service: Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rates approved by the City for such additional service.

Other Requirements: Contractor shall provide the service to the Customer within one (1) Working Day of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor. Contractor shall not Dispose of materials Collected through the on-call Bulky Item/Reusable Materials Collection program unless the materials cannot be reused or Recycled. Contractor shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the other options are practicable, (4) Dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and two (2) weeks thereafter, or as otherwise approved by the City Manager, Contractor shall Collect Holiday trees from Multi-Family Customers at a mutually agreed upon time, date, and designated Collection location, as arranged by the Contractor and each Multi-Family property Owner or manager. Contractor shall offer each Multi-Family property Owner or manager the option to receive Christmas tree Collection service in Bins or Roll-Off Boxes, which Contractor shall provide for such service. Contractor shall also offer each Multi-Family property Owner or manager the option to receive un-containerized Christmas tree Collection service Curbside, or from designated location at the Multi-Family Premises mutually agreed upon between Contractor and the property Owner or manager.

Holiday trees must be removed from stands; cut into lengths no longer than four (4) feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. The Contractor shall not be required to Collect holiday trees that do not meet the aforementioned criteria and/or are not placed at the agreed upon Collection location and time period. The Contractor shall affix a Non-Collection Notice to any non-Collected holiday tree informing the Customer of the reason(s) for Non-Collection.

6. Scout Vehicles

Upon Customer request and approval by the City Manager, Contractor shall provide scout service in accordance the approved rate schedule, whereby Contractor will access Containers using a small vehicle either to move Containers to street or other public right-of-way for Collection, or Collecting directly from Container storage location, or retrieve a Container when operationally required in order to safely position

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

the Container for Collection. In the event of a dispute between Contractor and Customer as to whether scout service will be used, the City Manager will make the final determination.

Customers requiring Bin pushout service and scout service shall only be charged for scout service in accordance with the approved rate schedule.

If Contractor must place a Container in the public right-of-way to facilitate Collection, Contractor shall not permit the Container to remain in the public right-of-way over one hour. If the Container is stored under a chute for Collection, the Container must be serviced and returned immediately.

Any changes to the Customer scout service list shall be approved by City prior to Contractor adding or removing this service for any Customer.

7. Bin Pushout Service

Upon Customer request, Contractor shall provide Bin pushout service, whereby Contractor will move Containers manually to facilitate Collection. The Contractor may charge the pushout rates included in the approved rate schedule. For Containers in Bin enclosures, the measurement of distance shall be from location of the Bin once removed from the enclosure to the point of Collection. In the event of a dispute between Contractor and Customer as to whether pushout service will be used, the City Manager will make the final determination. If a Bin pushout fee is charged, then a scout service fee shall not be charged.

If Contractor must place a Bin in the public right-of-way to facilitate Collection, Contractor shall not permit the Bin to remain in the public right-of-way over one hour. If the Bin is stored under a chute for Collection, the Bin must be serviced and returned immediately.

EXHIBIT B3 COMMERCIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from Commercial Customers subscribing to Recyclable Materials Collection service and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Recyclable Materials Collection services shall be provided to Commercial Customers in accordance with the approved rate schedule.

- Containers:** Carts, Bins, Roll-Off Boxes, and Compactors
- Container Sizes:** 32-, 60 to 67-, and 96 to 101-gallon Carts (or comparable size approved by the City);
1-, 2-, 3-, 4-, 5-, and 6- cubic yard Bins; 3 cubic yard Split-Bins;
2-, 3-, and 4-cubic yard Bin Compactors, and,
10-, 20-, 30-, and 40- cubic yard Roll-Off Boxes; or,
Customer Owned Compactors
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer; unless the Customer has received a Collection frequency waiver for Recyclable Materials in accordance with Section 4.9.2, in which case service frequency shall be not less than one (1) time per fourteen (14) days
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises.
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Solid Waste, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:** Contractor shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every Commercial Customer at the same time that the Contractor delivers Solid Waste Containers, unless that Commercial Customer is exempted from Recyclable Materials services by the City or has demonstrated to the City that it is Diverting Recyclable Materials through subscription with another City-approved hauler, or other City-approved method.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).

Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits

EXHIBIT B3 COMMERCIAL SERVICES

described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

2. Organic Materials Collection

Contractor shall Collect Organic Materials or Mixed Waste placed in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Organic Materials to the Approved Commercial Organic Materials Processing Facility for Processing and Mixed Waste to the Approved High Diversion Organics Waste Processing Facility for Processing. Organic Materials Collection services shall be provided to Commercial Customers in accordance with the approved rate schedule. Nothing in this Section of Exhibit B3 shall prevent other Persons from also providing similar services to businesses in the City, and charging for such service, provided that such Persons maintain a City-issued permit granting such right, in accordance with the City's Municipal Code.

Containers:	Carts, Bins, Compactors
Container Sizes:	32-, 60 to 67-, and 96 to 101-gallon Carts (or comparable size approved by the City); 1-, 1.5-, and 2- cubic yard Bins; and, Customer-owned Compactors As requested by Customer.
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week, as requested by Customer.
Service Location:	Curbside or other Customer-selected service location at the Commercial Premises.
Acceptable Materials:	Organic Materials (including Yard Trimmings and Food Scraps), or Mixed Waste
Prohibited Materials:	Recyclable Materials, Excluded Waste, Solid Waste in Source-Separated Organic Material Containers
Additional Service:	Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service
Other Requirements:	Contractor shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Organic Materials or Mixed Waste Containers to each and every Commercial Customer at the same time that the Contractor delivers Solid Waste Containers, unless that Commercial Customer is exempted from Organic Materials services by the City or has demonstrated to the City that it is Diverting Organic Materials through subscription with another City-approved hauler, or other City-approved method. Contractor shall open and close gates, push and/or pull Containers, lock and

EXHIBIT B3 COMMERCIAL SERVICES

unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).

Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question.

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Solid Waste to the Approved Disposal Facility for Disposal. Solid Waste Collection services shall be provided to Commercial Customers in accordance with the approved rate schedule.

- Containers:** Carts, Bins, Roll-Off Boxes, Compactors.
- Container Sizes:** 32-, 60 to 67-, and 96 to 101-gallon Carts (or comparable size approved by the City);
1-, 2-, 3-, 4-, 5-, and 6- cubic yard Bins; 3 cubic yard Split-Bins;
2-, 3-, and 4-cubic yard Bin Compactors, and,
10-, 20-, 30-, and 40- cubic yard Roll-Off Boxes; or
Customer Owned Compactors.
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer.
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises.
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:** Contractor shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).

EXHIBIT B3 COMMERCIAL SERVICES

4. Scout Vehicles

Upon Customer request and approval by the City Manager, Contractor shall provide scout service in accordance the approved rate schedule, whereby Contractor will access Containers using a small vehicle either to move Containers to street or other public right-of-way for Collection, or Collecting directly from Container storage location, or retrieve a Container when operationally required in order to safely position the Container for Collection. In the event of a dispute between Contractor and Customer as to whether scout service will be used, the City Manager will make the final determination.

Customers requiring Bin pushout service and scout service shall only be charged for scout service in accordance with the approved rate schedule.

If Contractor must place a Container in the public right-of-way to facilitate Collection, Contractor shall not permit the Container to remain in the public right-of-way over one hour. If the Container is stored under a chute for Collection, the Container must be serviced and returned immediately.

Any changes to the Customer scout service list shall be approved by City prior to Contractor adding or removing this service for any Customer.

5. Bin Pushout Service

Upon Customer request, Contractor shall provide Bin pushout service, whereby Contractor will move Containers manually to facilitate Collection. The Contractor may charge the pushout rates included in the approved rate schedule. For Containers in Bin enclosures, the measurement of distance shall be from location of the Bin once removed from the enclosure to the point of Collection. In the event of a dispute between Contractor and Customer as to whether pushout service will be used, the City Manager will make the final determination. If a Bin pushout fee is charged, then a scout service fee shall not be charged.

6. Temporary Bin Service

Contractor shall provide exclusive temporary Bin Service to Customers upon request for Collection of Solid Waste, Recyclable Materials, and Organic Materials. Contractor must deliver a temporary Bin to a Customer by the following business day (excluding Saturday, Sunday or Holidays), if requested by 12:00 noon; otherwise, delivery shall be no later than the second day. Rates for temporary Bin Service are listed separately in the approved rate schedule.

EXHIBIT B4 CITY SERVICES

1. Commercial Customer Services to City Facilities

Contractor shall Collect Recyclable Materials, Organic Materials, and Solid Waste, from City facilities in the same manner as those services are provided to Commercial Customers and shall provide designated personnel in accordance with Section 5.7.E of this Agreement. Contractor shall provide service to all existing City facilities identified in Exhibit B5 as well as any future City facilities established after the Commencement Date. Contractor shall provide these services at no additional cost to the City. City facility service as described by this Section shall include unlimited Roll-Off Box Collection service, and periodic Bulky Item Collection. Contractor shall deliver Roll-Off Boxes within twenty-four (24) hours of City request. Contractor shall Collect, empty, and return Roll-Off Boxes within twenty-four (24) hours of City request. Contractor shall remove and not return Roll-Off-Boxes within twenty-four (24) hour of City request.

2. Emergency Services

Contractor shall provide emergency services (i.e., special Collections, Transport, Processing and Disposal) at the request of the City Manager in the event of major accidents, disruptions, or natural calamities. Contractor shall be capable of providing emergency services within twenty-four (24) hours of notification by the City Manager or as soon thereafter as is reasonably practical in light of the circumstances. For any services which exceed the scope of services under this Agreement, Contractor shall be entitled to compensation at the emergency service Rates approved under this Agreement. The City shall have discretion in the method of such compensation between direct payments by the City and allowing such costs to be considered in the adjustment of Rates for the following Rate Period.

3. Shredding Events

For Residential service Customers, Contractor shall provide at least two (2) annual shredding events free of charge. Contractor may require proof of residency at such events. The location of the events shall be within the City of South Gate and shall occur in the month specified by the City Manager. The limit of shredded material accepted will be three (3) standard office storage boxes per Residential Premises. Where appropriate, this limit may be waived by Contractor on a case-by-case basis.

4. Provision of Compost and Mulch Product

A. Bulk Compost and/or Mulch for City Use. Contractor shall provide to the City bulk Compost, Mulch, or both, each Calendar Year in an amount needed to fully achieve the City's recovered Organic Waste product purchasing requirements of SB 1383, as they may be determined and adjusted throughout the Term of this Agreement. The production, acquisition, advertising, storage, Transportation, distribution, and/or any other costs needed to achieve this requirement shall be performed by Contractor at no additional cost to the City or Customers. City will notify Contractor as to the City's needs for delivery of finished Compost, Mulch, or both, throughout each Calendar Year. Contractor shall deliver Compost, Mulch, or both, within five (5) Business Days of a request of the City Manager to any accessible location

EXHIBIT B4 CITY SERVICES

within City limits at no additional cost to City. Contractor shall work actively with the City Manager and appropriate City departments to educate, develop, test, and support expanded uses of qualified Compost and Mulch in the City. The City will specify the material type (i.e., Compost, Mulch, or both) to be provided and the quality specifications of the selected material type for any given application, even if that requires Contractor to procure such material from a third party in order to provide it to the City.

B. Bulk Compost and/or Mulch for Private Uses. If the City is unable to use the full amount of Compost, Mulch, or both, required by SB 1383 in a given Calendar Year, Contractor shall arrange the legal donation of the remainder of the City's SB 1383 allotment to other productive uses. The production, acquisition, advertising, storage, Transportation, distribution, or any other costs needed to achieve this requirement shall be performed by Contractor at no additional cost to the City or Customers.

C. Compost/Mulch Give-Away Events. Contractor shall distribute an annual total of at least one thousand (1,000) one (1) cubic-foot bags of Compost and/or Mulch to City residents at no additional cost to the City or Customers at two (2) public Compost/Mulch give-away events per Agreement Year (such that Contractor shall provide at least five hundred (500) bags per event). The location, date, and time of such events shall be mutually agreed upon by Contractor and the City Manager and may be held in conjunction with other City-approved events. Contractor shall deliver the bagged Compost/Mulch to the agreed-upon event location at no cost to City. Contractor shall provide at least one (1) attendant for at least six (6) hours per event. Any Compost and or Mulch given away to the community through this program shall count towards the Contractor's obligations to provide the City with the amount of Organic Waste products required under SB 1383.

Additionally, South Gate Single-Family and Multi-Family Residents may pick-up unlimited quantities of Compost and Mulch up to four (4) times per calendar year at no additional cost from the Contractor's facility located within the City.

D. SB 1383 Procurement. Contractor agrees that all Compost, Mulch, or both, provided through this Agreement shall comply with the municipal procurement requirements of SB 1383, including being generated from California Organic Waste Products, as defined by SB 1383 for each applicable material type.

E. Contractor Warranty of Recovered Organic Waste Products. Contractor shall provide assurance through the execution of a liability waiver stating that all Organic Waste products provided by the Contractor and used within the City are free from pathogens and inorganic waste material that may be harmful to the health and welfare of the City and meet or exceed the physical contamination, maximum metal concentration, and pathogen density standards for land application specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3). The Contractor shall indemnify and hold harmless the City against any claims arising from contaminated recovered Organic Waste products provided by the Contractor as set forth in this section.

EXHIBIT B4 CITY SERVICES

5. News Media Relations.

Contractor shall notify the City Manager by e-mail of all requests for news media interviews related to the Collection services program within twenty-four (24) hours of Contractor's receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect participation or Customer perception of services, Contractor will discuss Contractor's proposed response with the City Manager.

Copies of draft news releases or proposed articles related to the provision of Collection services under this Agreement shall be submitted to City for prior review and approval at least five (5) Business Days in advance of provision to such Persons, except where Contractor is required by any law or regulation to submit materials to any regulatory agency in a shorter period of time, in which case Contractor shall submit such materials to City simultaneously with Contractor's submittal to such regulatory agency.

Copies of articles resulting from media interviews or news releases shall be provided to the City within five (5) Business Days after publication.

6. Waste Generation, Characterization, and Pilot Studies.

Contractor acknowledges that City, CalRecycle, or other governmental agencies may wish to perform generation and characterization studies periodically with respect to materials covered under this Agreement. Contractor agrees to participate and cooperate with City and its agents and to perform studies and data collection exercises, as needed, to determine weights, volumes and composition of materials generated, Disposed, Diverted or otherwise Processed.

Contractor that acknowledges that the County, in coordination with the City, is required by SB 1383 to conduct Organic Waste and Edible Food capacity planning studies. The Contractor shall provide information to the City as needed for the City's participation in such capacity planning studies. This information and/or participation may include, but is not limited to, conducting or supporting waste characterization studies; providing information regarding existing and potential new or expanded capacity in the Contractor's operations for the Collection, Transport, or Processing of Recyclable and Organic Materials; and any other information deemed necessary by the City or County for purposes of the study. The Contractor shall respond to any request for information from the City within thirty (30) days, unless another timeframe is otherwise specified or authorized by the City.

Contractor acknowledges that the City may, wish to conduct and/or participate in pilot studies related to the Customers and materials that are the subject of this Agreement. If City requires Contractor to participate in any such a pilot study, Contractor and City shall mutually agree on the scope of services to be provided by Contractor and the amount of compensation, if any, that the City will pay to Contractor for such participation. In any event, Contractor shall permit and in no way interfere with the Collection and handling of the subject materials by other Persons for such purposes.

8. Abandoned Item Collection

Contractor will Collect all abandoned items upon notification by the City for no additional charge. If

EXHIBIT B4 CITY SERVICES

Contractor is notified before 1:00 p.m., items will be removed the same day. If Contractor is notified after 1:00 p.m., items will be removed by 12:00 noon the following day.

9. Abandoned Item Sweeps

Contractor will provide one (1) vehicle with a two (2) Person crew to Collect abandoned items on Mondays, Tuesdays, Wednesdays, Thursdays, Fridays, and Saturdays at no additional charge. Each sweep will be three (3) hours in duration. City shall work with Contractor to designate sweep areas and will provide Contractor a minimum of two (2) Business Days' notice for changes to locations.

10. Large Venue and Event Assistance, Event Recycling

Contractor shall assist City planners of Large Venue events with reporting and planning needs to provide Recycling and Organics Materials Diversion as may be useful in meeting the requirements of AB 2176 and SB 1383, and in lowering Disposal quantities generated at such events at no additional charge.

11. Neighborhood Cleanups

Contractor shall supply up to six (6) forty (40) yard Roll-off Containers and Containers in additional sizes per Rate Year for the Collection of Solid Waste, Recyclable Materials, and Organic Waste for six (6) annual City sponsored neighborhood cleanups at no additional charge to City or Customers.

Dates and locations of events shall be determined by City. City staff shall inform Contractor of the date and location for each annual event.

All material Collected must be Transferred, Processed, and/or Disposed in accordance with SB 1383.

12. Special Cleanup Events

Contractor shall provide Roll-off Boxes and/or Temporary Bins for up to six (6) special cleanup events per year at locations requested by the City at no additional charge. These special cleanup events include but are not limited to cleanup of temporary encampments as may be directed by the City. Contractor is required to provide Containers in the amount and size as requested by City, and to remove Containers upon notification by City.

12. City Sponsored Events

Contractor shall provide Solid Waste, Source Separated Recyclable Materials, and Source Separated Organic Waste Collection and Disposal/Processing service, and portable restrooms for City-sponsored events including but not limited to the City-sponsored events included in this Exhibit B5 at no additional charge to City or ratepayers. This shall include providing Discarded Material Containers (Carts, Bins, Roll-off Boxes, and Cardboard waste boxes with liners) to Collect and Dispose of, or Process, all Solid Waste. Contractor shall provide Collection Containers for the Collection of Source Separated Recyclable Materials, and Source Separated Organic Waste.

EXHIBIT B4 CITY SERVICES

13. Community Development Department Reviews

Contractor, upon City's request, shall assist the City in the review of applicants' plans for projects covered by Public Resources Code § 42911, including Single-Family and Multi-Family, and Commercial projects, to provide for effective and economical accumulation and Collection of Recyclable Materials, Organic Waste and Solid Waste.

14. Mulch, Compost and Wood Chips for City Facilities, Parks, and City Projects

Contractor, upon City's request, shall deliver to locations specified by the City, unlimited quantities of Compost, Mulch and wood chips for City's use at City facilities, parks, and City projects.

15. Job Fairs

Contractor shall host two job fairs per calendar year for South Gate residents interested in becoming Collection vehicle drivers for Contractor. Contractor shall pay the tuition for truck driving school for eligible South Gate residents, and if hired, new employees will receive a \$5,000 signing bonus from Contractor upon receiving the Commercial Class B License

16. Scholarships

Contractor shall contribute ten-thousand dollars (\$10,000) per calendar year in scholarships to South Gate high school students that have an interest in environmental studies. Contractor shall work with the City to select the students to receive the scholarships.

17. Annual Contribution for Sponsorships and Donations to City Events

Contractor shall contribute a minimum of one-hundred and twenty thousand dollars (\$120,000) per calendar year to the City in donation to City and community events which may include, but are not limited to, sponsorships, donations to community or school events, City functions, and school district events/programs. Contractor shall receive direction from the City regarding the distribution of these funds.

EXHIBIT B5
CITY FACILITY SERVICE LEVELS, LOCATIONS, AND SPECIAL
EVENTS

Contractor will Collect Recyclable Materials, Organic Materials, and Solid Waste from City facilities (including parks) in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all City facilities, present and future, at no additional cost to the City. Contractor shall provide City-sponsored event services pursuant to Section 4.4 of the Agreement. In addition to regular scheduled Collection services, Contractor shall provide, upon request, temporary Roll-Off Box services to all City facilities at no additional cost to the City. Contractor shall deliver Source Separated Yard Trimmings Collected from City facilities, parks, and clean-up operations in Roll-Off Boxes to the Approved Transfer Facility for Transfer to the Approved Organic Materials Processing Facility.

EXHIBIT B5
CITY FACILITY SERVICE LEVELS, LOCATIONS, AND SPECIAL EVENTS

Row	CITY FACILITY	WASTE TYPE	# CONTAINERS	CONTAINER SIZE	PU'S/WK
1	South Gate City Hall- 8650 California Ave	MSW	1	3 yard	3
2	South Gate City Hall- 8650 California Ave	Recycle	3	3 yard	2
3	South Gate City Hall- 8650 California Ave	Recycle	18	64 gallon	2
4	South Gate City Hall- 8650 California Ave	MSW	1	6 yard	1
5	South Gate City Hall- 8650 California Ave	Recycle	6	32 gallon	1
6	Park Maintenance Yard- 4933 Southern Ave	MSW	1	3 yard	1
7	Human Services Association- 9200 State St	Recycle	1	3 yard	1
8	Human Services Association- 9200 State St	MSW	1	3 yard	1
9	South Gate Police Department -8620 California Ave	MSW	1	3 yard	3
10	South Gate Police Department -8620 California Ave	Recycle	2	3 yard	1
11	South Gate Police Department -8620 California Ave	Recycle	4	32 gallon	1
12	South Gate Park- 4855 Tweedy Blvd	MSW	3	3 yard	3
13	South Gate Park- 4855 Tweedy Blvd	MSW	2	6 yard	2
14	South Gate Park- 4855 Tweedy Blvd	Recycle	3	3 yard	1
15	South Gate Library-8654 California Ave	MSW	2	3 yard	1
16	South Gate Sports Center- 9520 Hildreth Ave	Recycle	5	32 gallon	1
17	South Gate Water Tower - 8600 Santa Fe Ave.	MSW	1	3 yard	1
18	Hollydale Community Center- 12221 Industrial	MSW	1	3 yard	1
19	Hollydale Community Center- 12221 Industrial	Recycle	1	3 yard	1
20	LA County Fire Station 57- 5720 Gardendale St	MSW	1	96 gallon	1
21	Old Timers Housing - 8457 California Ave.	Recycle	1	64 gallon	1
22	South Gate Maintenance Yard-4244 Santa Ana St	MSW	2	3 yard	2
23	South Gate Maintenance Yard-4244 Santa Ana St	Recycle	1	3 yard	1
24	South Gate Maintenance Yard-4244 Santa Ana St	Recycle	4	32 gallon	1
25	South Gate Maintenance Yard-4244 Santa Ana St	Recycle	2	96 gallon	1
26	South Gate Maintenance Yard-4244 Santa Ana St	Recycle	1	64 gallon	1
27	South Gate Maintenance Yard-4244 Santa Ana St	MSW	4	40 yard	On call
28	South Gate Maintenance Yard-4244 Santa Ana St	Metal	1	25 yard	On call
29	South Gate Maintenance Yard-4244 Santa Ana St	Tires	1	40 yard	On call
30	South Gate Maintenance Yard-4244 Santa Ana St	C&D	1	10 yard	On call
31	Hollydale Community Park- 5400 Monroe Ave	MSW	2	6 yard	1
32	South Gate Public Works Yard- 9545 Salt Lake Ave	MSW	11	40 yard	1
33	South Gate Public Works Yard- 9545 Salt Lake Ave	Metal	1	40 yard	On call
34	South Gate Public Works Yard- 9545 Salt Lake Ave	Tires	1	40 yard	On call
35	South Gate Public Works Yard- 9545 Salt Lake Ave	Green waste	5	40 yard	On call
36	South Gate Public Works Yard- 9545 Salt Lake Ave	C&D	2	10 yard	On call

EXHIBIT C

PUBLIC EDUCATION & OUTREACH REQUIREMENTS

1. General Administration

The City has placed the utmost importance on effective public outreach and education in helping residents and businesses fully understand options for and benefits of source reduction, reuse, Recycling, and Composting. General provisions for public education and outreach are as follows:

- A. Prior to the Commencement Date and by October 1 of each following year during the Term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs designed by the City and performed by Contractor under this Agreement. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, identify program objectives, individual tasks, public education materials to be distributed, opportunities for expanded partnerships, and a timeline for implementation. The City Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Manager. Contractor shall meet with the City Manager to present and discuss the plan, review the prior year's activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to the City reflect the needs of City staff and the City Council. City Manager shall be allowed up to sixty (60) calendar days after receipt to review and request modifications. The City Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to fifteen (15) Business Days to revise the plan in response to any requested changes by the City Manager. Any further delays may result in Liquidated Damages for failure to perform education and outreach activities as identified in Exhibit C. Each Business Day that the plan is late shall count as a single occurrence.
- B. Upon request from the City Manager, City Manager and Contractor's Contract Administrator shall meet at least one (1) time per month to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.
- C. Contractor shall distribute instructional information, public education, and promotional materials in advance of, and following, Commencement of services. This shall entail, at a minimum, distributing program literature to all Customers at the Commencement of the Agreement as well as to any new Customer during the Agreement Term. Contractor shall use multiple media sources including print, radio television, electronic/social media, and events to notify Customers of the change in their service provider, if applicable, and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be distributed. The Contractor shall submit all draft materials to City Manager for review and approval.
- D. All City facilities shall receive any and all public education and outreach materials and services provided to the Commercial sector. Contractor shall provide all printed public education materials to City offices and facilities to have available for the public that visits those facilities and shall

EXHIBIT C

PUBLIC EDUCATION & OUTREACH REQUIREMENTS

replenish the materials as requested by the City Manager.

- E. Bill inserts may be designed by the City or Contractor. Bill inserts designed by Contractor shall be provided to the City Manager a minimum of sixty (60) prior to publication. The City Manager shall review bill inserts designed by Contractor; and the Contractor shall be responsible for printing and distributing the billing inserts to all Customers. Contractor shall provide electronic bill inserts (or separate email attachments) to Customers who are billed electronically, and paper bill inserts to Customers who receive paper bills. For Customers receiving electronic bills, Contractor agrees to distribute brochures, newsletters, or other information as attachments to Customer invoices. Electronic bill inserts/attachments must be readily available for the Customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City request for billing inserts, Contractor shall comply with such request during its next billing cycle for the targeted Customer group, if specified. Contractor shall perform this service with no additional requirement for compensation. In the event the billing and service addresses are different, public education and outreach shall be delivered to both addresses.

- F. Contractor shall develop a website specific to its operations in the City, with a section specific to City programs and Customers, which will be used to post educational materials for download, highlight program successes, and provide Diversion statistics. The Contractor's City specific website shall also include links to relevant web pages of the City's website where further information can be found. Content for the website shall be approved by the City Manager. Contractor shall review the website at a minimum annually to update information contained on website.

4. Sector-Specific Activities

The following tables present the public education and outreach activities to be performed by Contractor each Rate Period as minimum requirements under this Agreement. Each Customer faces unique Discarded Materials management opportunities and challenges; therefore, Contractor shall develop targeted, sector-specific educational materials and perform outreach activities as described for each Customer Type.

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | All Sectors

All printed materials also to be posted to the Company's website.

The following general public education and outreach materials shall each be produced for the benefit of all Customer Types that receive Collection service from the Contractor.

Activity	Description	Distribution/Frequency
Newspaper Advertisement	Distribute a newspaper advertisement that explains all programs that will be offered under the new Agreement.	One (1) time at beginning of the Agreement (20-30 days prior to contract start date).

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Single-Family Education and Outreach Activities

All printed materials also to be posted to the Company's website.

Activity	Description	Distribution/Frequency
Initial Mailing	Produce and Distribute a City-designed initial mailing to Single-Family Customers, which may include content such as explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; regulatory requirements, including SB 1383; and, the Effective Date of the change. Contractor shall include its Holiday schedule and the Residential Recycling and expanded services guide.	One (1) time at beginning of the Agreement (45-60 days prior to Commencement Date) via direct mail.
Community Workshops	Contractor will conduct a minimum of three (3) public workshops describing program changes, route changes, dates of program implementation, and other necessary information. Contractor will display new Containers to be distributed.	30 days prior Commencement Date.
Recycling Guide	Produce and Distribute a "Recycling guide" specific to Single-Family Customers. This guide shall include information on Collection methodologies, set out instructions, set out schedule, contact information, and acceptability and necessary preparation of materials for all Single-Family programs described in Exhibit B-1. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	Affixed (inside plastic bag, zip-tied to handle) to every Single-Family Recyclable Materials Cart delivered prior to the Commencement Date, and thereafter to all new Customers. By direct mail annually thereafter to each Single-Family Customer
Neighborhood Group & HOA Visits	Upon City request, visit homeowner associations and other neighborhood groups and associations to promote and explain the Recycling programs included in this Agreement.	At City Manager or Customer request.

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Quarterly Newsletter	Not less than four times per year during each Rate Year, Contractor shall be responsible for all costs incurred for the production and mailing of the City's Quarterly Newsletter. The City reserves the right to direct the production of the Quarterly Newsletter to a contractor of the City's choosing. The Quarterly Newsletter will include information on current regulations, and any additional regulations adopted during the Term of this Agreement and any extensions granted by the City. The Contractor shall be required to coordinate distribution via U.S. Mail of the Quarterly Newsletter with a local mailing house, including furnishing Customer mailing addresses.	
Corrective Action Notices	Produce and distribute a Single-Family Customer oriented Non-Collection Notice, and Courtesy Pick-Up Notices for use in instances where the Customer includes prohibited materials in a Container or fails to properly prepare or set-out Containers.	As needed.
Seasonal Program Notifications	Provide written notification to all Single-Family Customers advertising each scheduled neighborhood clean-up day pursuant to Exhibit B1.5, Christmas tree Collections pursuant to Exhibit B1.7, and any other seasonal or periodic program(s). The notification shall inform Customers of the schedule, acceptable and prohibited materials, and set-out requirements for the program.	At least fourteen (14) calendar days prior to event via direct mail.
Website	Contractor shall prepare a "Single-Family Customer" section of its website where it will present Customers with "how-to" information for participating in Contractor-provided programs including proper Container set-outs and provide Single-Family Customers with links to click on for additional resources. All other Single-Family educational materials specified in this Section shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current Rates charged to Single-Family Customers within the City.	At least sixty (60) calendar days prior to Commencement Date. Updated no less than quarterly.
Mandatory Recycling and Organics Outreach Activities	Produce and Distribute outreach materials containing information to assist City with outreach compliance for various Applicable Laws related to Mandatory Recycling and Organics, including but not limited to SB 1383.	One (1) time annually

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Multi-Family Education and Outreach Activities

All printed materials also to be posted to the Company's website.

Description	Purpose	Distribution/Frequency
New Programs Mailing	Produce and Distribute an initial mailing to all Multi-Family Dwelling Units within City explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; new regulatory requirements, including SB 1383; and, the Effective Date of the change.	One (1) time at beginning of the Agreement (45-60 days prior to Commencement Date) via direct mail to each Multi-Family Dwelling Units in City.
Recycling Guide	Produce and Distribute a "Recycling Guide" specific to Multi-Family Customers, and updated versions of the guide as needed. This guide shall include information such as Collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all Multi-Family programs described in Exhibit B2. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	One (1) time at beginning of the Agreement (20-30 days prior to Commencement Date) and as needed via direct mail to each Multi-Family Dwelling Units in City.
Technical Assistance: Diversion Opportunity Assessments	Offer Diversion opportunity assessments at least one (1) time annually to each and every Multi-Family Customer to meet with the property manager or Owner of Multi-Family Premises to promote Recyclable and Organic Materials Collection.	Offer in-person meetings to each and every Multi-Family Customer conducted one (1) time per year, plus follow-up meetings with individual Customers, as needed.
Workshops	Offer and respond to requests for on-site meetings and workshops. Contractor shall conduct workshops for Customers (when requested) that will show property managers and residents, in a hands-on interactive format, how to use the Recycling and Organics program and will provide resources for additional information and support.	At Customer's request.

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
"How-to" Guide: Electronic, Universal and Excluded Waste	Produce and Distribute a City designed "how-to" guide on proper Recycling, handling and Disposal of Household Hazardous Waste, E-Waste, and U-Waste directly to tenants of Multi-Family Premises. Contractor may arrange for distribution to each Dwelling Unit a flyer, door hanger, or other public education piece by coordinating with the Owner or property manager of the Premises.	One (1) time per year via direct mail or door-to-door.
Holiday Tree Collection Notification	Produce and Distribute a City-designed written notification to each Multi-Family property manager/Owner advertising the availability of holiday tree Collection services. The notification shall inform managers of the schedule, accepted and prohibited materials, Collection method options, and set-out requirements for the program. The notification shall include the Contractor contact information for Multi-Family Customers to contact to discuss schedule and designated Collection location. The format and content of the notification shall be approved by the City Manager.	At least fourteen (14) calendar days prior to event via direct mail, e-mail, or in-person.
Website	Contractor shall prepare a "Multi-Family Customer" section of its website where it will present "how-to" information for participating in Contractor-provided programs including proper Container set-outs and provide Multi-Family Customers with links to click on for additional resources. All other Multi-Family educational materials specified in this Exhibit shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current Rates charged to Multi-Family Customers within the City. The website shall also provide property managers of Multi-Family Premises with an opportunity to request "Diversion opportunity assessments", or additional education materials to provide to tenants.	At least sixty (60) calendar days prior to Commencement Date. Updated no less than quarterly.
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials containing information to assist City with outreach compliance for various Applicable Laws related to Mandatory Recycling and Organics, including but not limited to AB 341, AB 1826, and SB 1383.	One (1) time annually

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
Educational Materials for Employees/Tenants	Contractor shall provide Commercial and Multi-Family property managers/Owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and Customers of the property or business. The public education materials shall include, at a minimum, information about Organic Waste recovery requirements and proper sorting of Discarded Materials. Multi-Family property managers/Owners may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within 14 days of occupancy.	One (1) time annually; or more frequently upon Customer request.

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Commercial Education and Outreach Activities

All printed materials also to be posted to the Company's website.

Description	Purpose	Distribution/Frequency
New Programs Mailing	Prepare and distribute an initial mailing to all Commercial Customers within the City explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; and, the Effective Date of the change.	One (1) time at beginning of the Agreement (45-60 days prior to Commencement Date) via direct mail.
Recycling Guide	Contractor shall produce a "Recycling Guide" specific to Commercial Customers and update the guide as needed. This guide shall include information on Collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all Commercial programs described in Exhibit B3. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	One (1) time at beginning of the Agreement (20-30 days prior to Commencement Date) and as needed via direct mail. Distributed during Diversion opportunity assessments.
"How-to" Flyer: Recyclable Materials	Prepare and distribute a "how-to" brochure explaining the Recycling Materials Collection programs for each general business type (restaurants, office/Commercial buildings, strip malls, and large Commercial businesses).	One (1) time at beginning of the Agreement (20-30 days prior to contract start date) via direct mail. Distributed during Diversion opportunity assessments.
"How-to" Flyer: Organic Materials	Prepare and distribute a flyer describing the Organic Materials Collection services available and how to prepare Organic Materials for Collection for each general business type (restaurants, office/Commercial buildings, strip malls, and large Commercial businesses).	One (1) time at beginning of the Agreement (20-30 days prior to contract start date) via direct mail. Distributed during Diversion opportunity assessments.
Technical Assistance: Diversion Opportunity Waste Assessments	Offer Diversion opportunity assessments at least one (1) time annually to each and every Commercial Customer to promote Recyclable and Organic Materials Collection and replenish Recycling guides and Recycling and Organics posters as needed by each Customer.	Offer one (1) time annually during in-person meetings with each and every Commercial Customer, plus follow-up meetings with individual Customers, as required.

**EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN**

Description	Purpose	Distribution/Frequency
Recycling and Organics Posters	Produce and distribute (during Diversion opportunity assessments) laminated Recycling and Organics posters that provide graphic illustrations of acceptable and prohibited materials within each program.	Distributed during Diversion opportunity assessments.
Quarterly Bill Inserts	Prepare and distribute quarterly bill inserts that creatively inform Commercial Customers about such topics as: cost savings available from source reduction, reuse, and Recycling; tips for overcoming common operational challenges businesses have with Recycling and Organics programs; the environmental benefits of buying Recycled-content products and statistics, trends, and facts about programs performed under this Agreement (i.e. Collected, Tonnage, year over year increase/decrease, markets for material Collected, what each material is Recycled into) as appropriate. Contractor's annual public education plan shall define a theme for each quarterly insert.	One (1) time per quarter via direct mail to each Commercial Customer in City.
Corrective Action Notices	Produce a Commercial and Multi-Family Customer oriented corrective action notice for use in instances where the Customer includes prohibited materials in a Container or fails to properly prepare or set-out Containers.	As needed.
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials related to the mandatory nature of Recyclable Materials and Organic Materials Collection services, upon request from City Manager. Such outreach shall be designed to assist the City in complying with the outreach requirements of various Applicable Laws related to the mandatory provision of Recyclable Materials and Organic Materials Collection and Diversion services.	One (1) time annually
Educational Materials for Employees/Tenants	Contractor shall provide Commercial and Multi-Family property managers/Owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and Customers of the property or business. The public education materials shall include, at a minimum, information about Organic Waste recovery requirements and proper sorting of Discarded Materials. Commercial Customers may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within 14 days of occupancy.	One (1) time annually; or more frequently upon Customer request.

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
Commercial Edible Food Generator Education	<p>Contractor shall provide Customers that are Commercial Edible Food Generators with the following:</p> <ol style="list-style-type: none"> 1. Information about the City's Edible Food Recovery program; 2. Information about the Commercial Edible Food Generator requirements under 14 CCR, Division 7, Chapter 12, Article 10; 3. Information about Food Recovery Organizations and Food Recovery Services operating within the City, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and, 4. Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste 	One (1) time annually

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Special Events

All printed materials also to be posted to the Company's website as well as links to teacher resources.

Description	Purpose	Distribution/Frequency
Event Exhibit	Contractor shall staff an exhibit booth and distribute promotional and educational materials at special events. Contractor shall provide visual displays, copies of educational materials (including all guides, flyers, and brochures produced for this Agreement), and Recycling education activities appropriate to a variety of age groups. Display components will be professionally designed and created and shall be scalable to be appropriate for a variety of booth or display configurations. Materials will include those pertaining to the programs provided under this Agreement as well as general information on "green" and/or sustainable behaviors.	All special events listed in Exhibit B7 of this Agreement. Other events at City Manager's request.

EXHIBIT D: INITIAL MAXIMUM RATES

Following are the rates for January 1, 2023 through December 31, 2023:

Residential Rates Effective January 1, 2023

For each single family residence and for each dwelling-unit within a multiple-unit residential complex

Standard Monthly service charge for servicing one (1) standard residential refuse, recycling, and organics container of a 95 to 101-gallon capacity	\$	24.21
Reduced monthly service charge for servicing one (1) standard residential refuse, recycling, and organics container of a 60 to 67-gallon capacity	\$	22.38
Extra monthly service charge for each additional cart:		
Solid Waste - 32-gallon	\$	7.78
Solid Waste - 64-gallon	\$	8.78
Solid Waste - 95-gallon	\$	12.61
Organics - Additional carts above two, any size	\$	12.61

Other Services and Fees

Bulky item pick-up (1)	\$	25.00
Cart exchange (2)	\$	95.00
Re-start service fee	\$	35.00
Backyard Service - Non-Qualifying Customers	\$	25.00
Cart replacement due to customer negligence	\$	58.83
Return trip fee/extra pick-up (per occurrence)	\$	10.00

Residential Roll-off Box and Temporary Bin Service

Temporary Residential Roll-Off

Roll-Off Box Any Size, Any Material Type		
Haul plus 3 tons	\$ 677.50	per load (3)
Per Ton Charge Over 3 Tons/Load	\$ 75.50	per ton

Temporary Residential Bins

3-Cubic Yard Temp Bin		
Cost per container	\$ 250.00	per load
Additional Pickups	\$ 125.00	per load

(1) Charge per item in excess of 10 items per month. Includes e-waste

(2) Rate for additional exchange of all containers above one exchange per year.

(3) Includes pull and disposal fee up to three (3) tons.

Commercial Rates
Effective January 1, 2023

Commercial Refuse Service

Bin Size	1x week	2x week	3x week	4x week	5x week	6x week
64 gallon cart	\$ 79.00	\$ 158.00	\$ 237.00	\$ 316.00	\$ 395.00	\$ 474.00
95 gallon cart	\$ 89.00	\$ 178.00	\$ 267.00	\$ 356.00	\$ 445.00	\$ 534.00
2 CY bin	\$ 129.88	\$ 244.76	\$ 347.88	\$ 447.88	\$ 547.88	\$ 647.88
3 CY bin	\$ 149.88	\$ 249.88	\$ 349.88	\$ 449.88	\$ 549.88	\$ 649.88
4 CY bin	\$ 169.88	\$ 324.76	\$ 494.64	\$ 664.52	\$ 834.40	\$1,004.28
6 CY bin	\$ 219.88	\$ 424.76	\$ 644.64	\$ 864.52	\$1,084.40	\$1,304.28
2 CY compactor	\$ 363.97	\$ 727.94	\$1,091.91	\$1,455.88	\$1,819.85	\$2,183.82
3 CY compactor	\$ 471.56	\$ 943.12	\$1,414.68	\$1,886.24	\$2,357.80	\$2,829.36
4 CY compactor	\$ 544.21	\$1,088.42	\$1,632.63	\$2,176.84	\$2,721.05	\$3,265.26

Commercial Recycling Service

Bin Size	1x week	2x week	3x week	4x week	5x week	6x week
32 gallon cart	\$ 47.85	\$ 95.70	\$ 143.55	\$ 191.40	\$ 239.25	\$ 287.10
64 gallon cart	\$ 57.85	\$ 115.70	\$ 173.55	\$ 231.40	\$ 289.25	\$ 347.10
95 gallon cart	\$ 64.35	\$ 128.70	\$ 193.05	\$ 257.40	\$ 321.75	\$ 386.10
2 CY bin	\$ 68.22	\$ 136.44	\$ 204.66	\$ 272.88	\$ 341.10	\$ 409.32
3 CY bin	\$ 79.95	\$ 159.90	\$ 239.85	\$ 319.80	\$ 399.75	\$ 479.70
4 CY bin	\$ 90.72	\$ 181.44	\$ 272.16	\$ 362.88	\$ 453.60	\$ 544.32
6 CY bin	\$ 112.43	\$ 224.86	\$ 337.29	\$ 449.72	\$ 562.15	\$ 674.58

Commercial Organics Service

Bin Size	1x week	2x week	3x week	4x week	5x week
64 gallon cart	\$ 68.62	\$ 137.23	\$ 205.84	\$ 249.05	\$ 311.89
1 CY bin	\$ 88.00	\$ 176.00	\$ 264.00	\$ 352.00	\$ 440.00
1.5 CY bin	\$ 95.00	\$ 190.00	\$ 285.00	\$ 380.00	\$ 475.00
2 CY bin	\$ 105.00	\$ 210.00	\$ 315.00	\$ 420.00	\$ 525.00

Other Services and Fees

	1x week	2x week	3x week	4x week	5x week	6x week
Push Out - Per bin per month	\$ 32.20	\$ 64.40	\$ 96.60	\$ 128.80	\$ 161.00	\$ 193.20
Scout Service - Per bin per month	\$ 49.73	\$ 99.46	\$ 149.19	\$ 198.92	\$ 248.65	\$ 298.38
Locking Lids - Per bin per month	\$ 16.10	\$ 32.20	\$ 48.30	\$ 64.40	\$ 80.50	\$ 96.60

Multi-Family Bulky Item Pick-up (Bin Service Customers)	\$ 33.24	per item
Commercial Bulky Item Pick-up	\$ 33.24	per item
Extra Pick-up	\$ 57.27	per occurrence
Overage Fee	\$ 57.27	per occurrence
Return Trip Fee	\$ 40.00	per occurrence
Redelivery of Bins (due to non-payment)	\$ 26.56	per occurrence
Bin Exchange (excluding Bin Cleaning)	No charge	
AB 341 Non-Compliance Fee	\$ 75.33	per month
Bin Cleaning	\$ 50.00	per occurrence
Contamination Fee	\$ 26.59	per occurrence

Industrial Rates
Effective January 1, 2023

Commercial Roll-off Service

	Haul plus 5 tons		Charge Over 5 Tons/Load	
Permanent Roll-Off Box, Any Size, Any Material Type	\$677.50	per load	\$ 75.50	per ton
Compactor, Any Material Type	\$802.50	per load	\$ 75.50	per ton
Temporary Roll-Off Box, Any Size, Any Material Type	\$677.50	per load (1)	\$ 75.50	per ton

(1) Includes pull and disposal fee up to five (5) tons.

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Step One: Calculate percentage change in indices

		A	B	C
Row	Index	Old Index Value	New Index Value	Percent Change In Index, ((Column B/ Column A) -1)
1	CPI, Garbage and Trash Collection (1)	496.679	517.202	4.1%

Step Two: Apply percentage change to rates

		D	E	F	G
Row	Example Rate Categories	Current Customer Rate (2)	Percentage Change in Index (from Column C)	Rate Increase or Decrease (Column D x Column E)	Adjusted Rate (Column D + Column F)
2	Standard Residential Service	\$ 19.60	4.1%	\$ 0.81	\$ 20.41
3	Additional Refuse Cart	\$ 8.78	4.1%	\$ 0.36	\$ 9.14
4	Commercial 3 cubic yard 1x week	\$ 162.05	4.1%	\$ 6.70	\$ 168.75
5	Commercial 3 cubic yard 2x week	\$ 255.57	4.1%	\$ 10.56	\$ 266.13
6	Commercial recycling - 2 cubic yard 1x week	\$ 65.22	4.1%	\$ 2.69	\$ 67.91
7	Commercial organics - 64-gallon 1x week	\$ 62.38	4.1%	\$ 2.58	\$ 64.96
8	Commercial organics - 2 cubic yard 1x week	\$ 248.33	4.1%	\$ 10.26	\$ 258.59

(1) Consumer Price Index Consumer Price Index (CUUR0000SEHG02) for All Urban Consumers, garbage and trash collection – U.S. city average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics. Average annual change for the 12 months ending June prior to the Rate Year anniversary date compared to the 12 months ending June in the previous year.

(2) Example rates listed. Adjustment applies to all rates.

EXHIBIT E: EXAMPLE CALCULATION FOR AVERAGE ANNUAL CHANGE IN PUBLISHED INDEX

The rate adjustment index is calculated using the “average annual change” as demonstrated in the example below, measured for the 12 months ending June prior to the Rate Year anniversary date compared to the 12 months ending June in the previous year. The Bureau of Labor Statistics publishes the Consumer Price Index for All Urban Consumers for Garbage and Trash Collection (CUUR0000SEHG02) - U.S. City average.

If a rate adjustment based on this index were to be implemented as of January 1, 2022, the average annual index for the 12 months ended June 2021 of 517.202 would have been the “New Index Value” to be used in Column B of the example rate adjustment formula in Exhibit 5-1, and the average annual index for the 12 months ended June 2020 496.679 would have been the “Old Index Value” in Column A. This would have resulted in a 4.1% increase to the rates as calculated in Column C of Exhibit 5-1.

Consumer Price Index – All Urban Consumers, U.S. City Average Garbage and Trash Collection, CUUR0000SEHG02

**CPI-All Urban Consumers (Current Series)
Original Data Value**

Series Id: CUUR0000SEHG02
 Not Seasonally Adjusted
 Series Title: Garbage and trash collection in U.S. city average, all
 Area: U.S. city average
 Item: Garbage and trash collection
 Base Period: DECEMBER 1983=100
 Years: 2008 to 2018

Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Average Annual
2019/2020	482.138	483.987	484.346	486.133	486.485	486.708	491.003	494.429	495.288	494.432	494.946	496.679	489.715
2020/2021	498.564	500.882	501.756	503.315	504.970	508.190	512.722	517.270	518.505	518.579	516.440	517.202	509.866
Average Annual Change													4.1%

EXHIBIT F

REPORTING REQUIREMENTS

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

1. Determine and set Rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under Applicable Law.
4. Determine needs for adjustment to programs.
5. Evaluate Customer service and Complaints.
6. Determine Customer compliance with AB 341, SB 1383, and any subsequent State-mandated Recycling requirements.

1. Monthly Report Content

Monthly reports shall be submitted by Contractor to the City and shall include the following information pertaining to the most recently-completed calendar month. In addition, each monthly report shall include a year-to-date summary page that includes the data submitted from the monthly report(s) submitted in the calendar year prior to the submittal of the current monthly report. Contractor shall report the information included in the following subsections.

A. Tonnage Report

1. Tonnage delivered to each Approved Facility by Customer Type, subtotalling and clearly identifying those Tons that are Diverted and those that are Disposed.
2. Units of E-Waste, U-Waste, and Bulky Items Collected by Customer Type.
3. Solid Waste Tonnage Disposed.
4. Recyclable Materials Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.
5. Bulky Items and Reusable Materials Tonnage Marketed and Tonnage Disposed from non-Divertible materials and Processing Residue.
6. Monthly Diversion rate by Customer Type and in aggregate for all Customer Types under this Agreement.

B. Diversion Report

Contractor shall report the Diversion level for each month and the cumulative year-to-date Diversion Level, where Diversion level shall be calculated as: (Discarded Materials Collected – Solid Waste Collected – Processing Residue Disposed) / Discarded Materials Collected.

EXHIBIT F REPORTING REQUIREMENTS

C. Revenue Report

Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 7.4.

D. Customer Subscription and Collection Report

1. A summary of Customer subscription data, including the number of accounts; the number of Customers subscribing to each Service Level listed separately by Customer Type and Discarded Material type.
2. Number of Containers at each Service Level by Customer Type and program. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Roll-Off Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; and, Commercial Customer.
3. List of all Commercial and Multi-Family Customers with Solid Waste service. Such list shall include each such Customer's service address and subscribed Solid Waste, Recyclable Materials, and Organic Materials Service Levels, and other information as required by Section 5.12 of the Agreement. The list should include all information in one line for each Customer illustrating the Service Level for each Material Type and the total Service Level for all Material Types the Customer has subscribed to.
4. Number of Bulky Item/Reusable Materials Collection events by Customer Type.
5. Number of Customers subscribing to each City approved service exemption by Customer Type; including the total number of de minimis waivers, physical space constraint waivers, and Collection frequency waivers granted in the month in accordance with Section 4.9, including the Customer name and address for each waiver
6. The number of waivers reviewed, and number of reverification inspections performed by the Contractor pursuant to Section 4.9.2 of this Agreement in the month, if any, including a copy of documentation for each waiver review and reverification inspection.
7. List of Commercial Generators with decreased Service Levels, cancellation of service, and new service.

E. City Services Report

1. City facility Diversion rate report (i.e., volume of service by Service Type received by each City Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).
2. Summary report on the programs offered to City as described in Exhibit B5 focused on when each service was provided, and any issues/concerns identified.

F. Customer Service Report

EXHIBIT F

REPORTING REQUIREMENTS

1. Number of events of Discarded Materials being tagged for Non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste, etc.).
2. Number of Courtesy Pick-Up Collections summarized by the reason for leaving a Courtesy Pick-Up Notices (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste, etc.).
3. List of Customers for which Contractor has performed a Courtesy Pick-Up Collection, including the Customer address, and material type for which the Courtesy Pick-Up Collection was performed.
4. Record of SB 1383 non-compliance Complaints received, including the following information:
 - a. Total number of Complaints received, and total number of Complaints investigated.
 - b. Copies of documentation recorded for each Complaint received, which shall at a minimum include the following information: (i) The Complaint as received; (ii) The name and contact information of the complainant, if the Complaint is not submitted anonymously; (iii) The identity of the alleged violator, if known; (iv) A description of the alleged violation; including location(s) and all other relevant facts known to the complainant; (v) Any relevant photographic or documentary evidence submitted to support the allegations in the Complaint; and, (vi) The identity of any witnesses, if known.
 - c. Copies of all Complaint reports submitted to the City, pursuant to Article 6 of this Agreement.
 - d. Documentation of any follow-up inspections and/or outreach, if any, conducted upon City request pursuant to Section 4.7.4 of this Agreement, which shall include at a minimum: (i) The date the Contractor investigated the Complaint; (ii) documentation of the findings of the investigation; and (iii) Any photographic or other evidence collected during the investigation.

G. Contamination Monitoring Report

1. The number of route reviews conducted pursuant to Section 4.10 of this Agreement.
2. Description of the Contractor's process for determining the level of contamination or Bin overfilling during route reviews. Contractor shall document the contamination and/or overfilling through use of film or digital photography.
3. A record of each inspection and contamination fee assessed, which shall include, at a minimum:
 - a. Name and address of the Customer;
 - b. The date the contaminated Container was observed;
 - c. The staff who conducted the inspection;
 - d. The total number of violations found, and a description of what action was taken for

EXHIBIT F REPORTING REQUIREMENTS

each;

- f. Copies of all notices to Customers with Prohibited Container Contaminants; and,
 - g. Photographic documentation.
4. Documentation of the total number of Containers Disposed of due to observation of Prohibited Container Contaminants.
 5. Summary report of Courtesy Pick-Up Notices, Non-Collection Notices, and/or Contamination Processing Fee assessment notices issued, which for each notice shall include the date of issuance, Customer name, and service address.
 6. A list of all Customers assessed Contamination Processing Fees, pursuant to Section 4.10 of this Agreement, reported separately by Customer Type, and including the Customer name, Customer address, and reason for the assessment of the Contamination Processing Fee; the total number of instances Contamination Processing Fees were assessed in the month; and, the total amount of fees collected in the month.
 7. Results of the waste characterization studies conducted pursuant to Section 4.10.2 of this Agreement.
 8. Any other information reasonably requested by the City or specified in contamination monitoring provisions of this Agreement.

2. Quarterly Report Content

A. Education and Outreach

1. A copy of all education and outreach materials provided to Generators, or otherwise used for education and outreach efforts in accordance with Section 4.5 of the Agreement and Exhibit C, including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
3. A record of the date and to whom the information was disseminated, or direct contact made, in the form of a list that includes: the Generator's name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
4. For any mass distribution through mailings or bill inserts, provide a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.
5. A copy of all electronic media, including the dates posted or sent of: social media posts, e-mail communications, or other electronic messages. A summary report shall be provided for electronic marketing that itemizes each communication and reports performance metrics for each that are relevant to that type of communication (e.g., open and click-through rates for email marketing, engagement numbers for social media, etc.).

EXHIBIT F

REPORTING REQUIREMENTS

6. Summary of the results of the Diversion opportunity assessments provided to Customers (reporting Multi-Family separate from Commercial) by identifying the number of Diversion opportunity assessments conducted each month in the most-recently completed quarter, and contact information including address, contact names, telephone number of Persons contacted, number of Dwelling Units (for Multi-Family), and the Recyclable Materials, Organic Materials, and Solid Waste Service Level for each complex. Include any Service Level changes resulting from such visits.
7. Summary of the public education materials and activities provided to schools in the month, if any; including results from Diversion opportunity assessments as described in Exhibit C.
8. Dates, times, and group or event names of any site visits, meetings, and events attended in the month.

3. Annual Report Content

The annual report shall be the final monthly report, including annual totals, summary pages, and a compilation of any materials required by the monthly reports, plus the following additional information.

A. Summary Assessment

Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective relative to the financial and physical status of the program. The physical status assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly the Contractor's Diversion goals. Provide recommendations and plans to improve and highlight significant accomplishments and problems. Results shall be compared to other similar size communities served by the Contactor in the State.

B. Collection and Processing Report

1. The total Tonnage amount of Discarded Materials, listed separately by Discarded Material type, removed from homeless encampments and illegal disposal sites as part of an abatement activity, listing each Collection event separately by date, location, and Tonnage Collected, pursuant to Exhibit B4-12.
2. A record of all compliance agreements for quarantined Organic Waste that are Disposed of, including the name of Generator, date issued, location of final disposition, and the amount of quarantined Organic Waste that was required to be Disposed at a landfill, pursuant to Section 4.9.3.B of the Agreement.
3. Written notification that the Approved Organic Waste Processing Facility(ies) has and will continue to have the capabilities to Process and recover the Compostable Plastics, in accordance with Section 4.1.J of the Agreement.

C. Education and Outreach Report

EXHIBIT F

REPORTING REQUIREMENTS

1. A summary of the status of the annual education plan of the reporting year, including activities conducted and the quantitative and/or qualitative results of those activities.
2. The annual public education plan required by Section 4.5 of the Agreement and Exhibit C for the upcoming then-current calendar year. For example, Contractor submittal of a 2023 annual report in February 2024 shall include Contractor submittal of the annual public education plan for calendar year 2024.

D. Commercial Edible Food Generator Report

1. Commercial Customer list including contact information requested by the City Manager and designation of each Commercial Customer as either "Tier 1", "Tier 2", or "Non-Covered" Edible Food Generator.

E. Vehicle Inventory

1. A list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage on December 31.
2. The total amount of RNG procured by the Contractor for use in Contractor vehicles, in diesel gallon equivalents (DGE), including copies of any receipts, invoices, or other similar documentation evidencing procurement. In addition to the amount procured, Contractor shall include the total amount actually used in Contractor vehicles in the calendar year, if these values are different.
3. The name, physical location, and contact information of each entity, operation, or facility from whom the Contractor procured RNG for Collection vehicles.

F. AB 341 Compliance

Provide a listing of Commercial Customers subscribing to four (4) or more cubic yards of Solid Waste service per week who do not currently subscribe to Recyclable Materials Collection service from Contractor.

G. Local Purchasing

Provide a listing of all items purchased within the City for the reporting period as required in Section 5.11 of the Agreement.

4. Additional Reports

A. Upon Incident Reporting. City reserves the right to request additional reports or documents in the case of unforeseen events or additional requirements imposed upon the City. The Contractor shall provide the requested reports, documents, or information within ten (10) Business Days upon receipt of the request or within a timeframe determined by the City Manager.

EXHIBIT F

REPORTING REQUIREMENTS

B. AB 901 Reporting. At the City's option, City may require that Contractor provide the City copies of Contractor's AB 901 reports on a regular basis (such as monthly, quarterly, or annually) or within ten (10) Business Days of the request.

C. Customized Reports. The City reserves the right to request Contractor to prepare and provide customized reports from records Contractor is required to maintain; or require a specified format or submission system, such as the use of a web-based software platform.

EXHIBIT G
SECTION RESERVED

EXHIBIT H
CONTRACTOR'S FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That _____, a California _____, as PRINCIPAL, and _____, a Corporation organized and doing business by virtue of the laws of the State of California, and duly licensed for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as SURETY, are held and firmly bound to the City of South Gate ("City"), hereinafter called OBLIGEE, in the penal sum of six hundred and fifty thousand dollars (\$650,000) lawful money of the United States, for the payment of which, well and truly to be made, we and each of us hereby bind ourselves, and our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden PRINCIPAL has entered into a contract, entitled "INTEGRATED SOLID WASTE MANAGEMENT SERVICES" with City, to do and perform the following work, to wit: Collect, Process and Dispose of Solid Waste generated within City, in accordance with the contract.

NOW, THEREFORE, if the above bounden PRINCIPAL shall well and truly perform, or cause to be performed each and all of the requirements and obligations of said contract to be performed by said PRINCIPAL, as in said contract set forth, then this BOND shall be null and void after receipt of written release from the City as described in Section 9.7 of this Agreement; otherwise it will remain in full force and effect.

And the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligations on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

In the event suit is brought by OBLIGEE to enforce the provisions of this bond, said Surety will pay to OBLIGEE reasonable attorneys' fees, plus costs of suit, in an amount to be fixed by the court.

IN WITNESS WHEREOF, said PRINCIPAL and said SURETY have caused these presents to be duly signed and sealed this _____ DAY OF _____, 20__.

a California Corporation

SURETY

By: _____
(PRINCIPAL)
(SEAL)

By: _____
(ATTORNEY IN FACT)
(SEAL)

**EXHIBIT I:
NOTARY CERTIFICATION**

STATE OF CALIFORNIA

COUNTY OF _____) ss:

On _____, _____, before me, the undersigned, a Notary Public in and for the State of California, personally appeared _____, known to me to be the _____ of Contractor that executed the _____ within instrument on behalf of Contractor therein named, and acknowledged to me that such Contractor executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of _____ this _____ day of _____, _____.

Notary Public
My Commission Expires:

EXHIBIT J: CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

EXCERPT FROM CONTRACTOR'S INITIAL PROPOSAL. IMPLEMENTATION PLAN AND SCHEDULE WILL BE REFINED SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT

UWS will assign a City Liaison which will be Matt Blackburn and he will be the primary contact for implementation and will personally oversee the transition. Matt coordinated the transition in the City of Los Angeles, Maywood and Los Alamitos.

For purposes of the Timeline, it is assumed that the City Council will award the Franchise Agreement in July of 2022 and that service will commence on January 1, 2023.

Contract Award

Our executive team will be present in-person (or virtually as conditions may dictate) to ensure that we meet the timeline established in the RFP. Our Executive Management team includes the Owners and Senior Management personnel.

Execution of Agreement

Within five (5) calendar days following award of the contract, our executive team will be prepared to execute the Agreement and provide all supplemental exhibits and forms.

Certificates of insurance

Upon execution of the Agreement, we will file with the City Clerk copies of the certificates of liability policy forms and required endorsements evidencing the insurance required in Franchise Agreement.

Performance Bond and/or Letter of Credit

Within five (5) calendar days following execution of the Agreement, we will provide a Performance Bond and/or Letter of Credit described in Franchise Agreement in the amount of one million dollars (\$1,000,000.00).

Recruiting

Job Announcement

Following the award of the franchise agreement by the City Council, our representatives will post, and distribute an Employment Announcement for employees of the current service provider who may be displaced due to the change in contractors. The announcement will provide details on a proposed job fair where UWS representatives will be available to answer questions, describe pay and benefits and offer employment. Our goal would be to employ any and all displaced workers from the current service provider.

One-On-One Visit

Prospective employees are also invited to meet individually by appointment with a representative of our Human Resources Department to hear more about the benefits of working for UWS.

New Employee Orientation

We will host a mandatory New Employee Orientation for each prospective qualified individual that joins our team. The Orientation will be held approximately 60 to 90 days before we commence services in order to ensure a safe and smooth transition. Employees will be compensated for attending the orientation.

Transition Activities

Customer Support Activities

EXHIBIT J: CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

Customer Service Representative Training

In the weeks leading up to the start of service, reference materials for use by our Customer Service Representatives will be prepared and the Customer Service Representatives will undergo training before education and outreach activities commence so that they are prepared to receive and respond to Customer inquiries. This is an area that UWS has developed over the past few transitions and has been the key to a smooth and seamless transition. We will work diligently with our CSRs to make sure that are ready to address questions during and after the transition.

Customer Record Management

We will solicit customer information from the outgoing contractor and the City in order to maximize the accuracy. If we can start with an accurate data base of information, we will have a successful transition. UWS has worked successfully with many haulers during their transition so we are confident that we can safely assume the experience would be similar with Waste Management.

Subscriptions

We will mail subscription reservation forms to each Residential Customer to determine the Customer's preference of cart size and quantity and confirm billing information. Customers who do not respond with their subscription preferences will be assigned three 95 - gallon carts (GREY, BLUE and GREEN).

Outreach Activities

We will employ a multi-faceted approach to our public outreach campaign to help residents and businesses comply with the new program requirements, mandates and gain the most from our services. Below is a list of media we will use to provide for a successful implementation.

Website

As the recommended service provider, we will prepare a web page to illustrate our approach to public outreach. This web page will initially be available for private review by City officials and will go public after the City Council approves the Agreement. This will be a place where residents and business can go to receive up to date information in real time.

Social Media

After award of the agreement, we will initiate and continually utilize traditional social media outlets to inform our followers about our services and educate them regarding policies, procedures, and local and State mandates. We have found this type of communication is very effective and provides excellent data for the residents and businesses.

Brochures

For service roll-out, we will distribute professionally prepared literature designed to: welcome customers, explain our services, announce service and holiday schedules, and describe local and state requirements. This brochure will be tailored to the City, the programs and provide detailed information on all ancillary services.

Town Hall Meeting

Prior to the start of service, we will host a multiple town hall meetings to introduce ourselves to the community and describe services and local and state requirements. UWS believes this is a good way to get out in front of the community so they can but face with the name of the company. UWS is prepared

EXHIBIT J: CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

to provide for multiple town hall meetings in necessary.

Neighborhood Organizations

Prior to the start of service, we will seek out neighborhood organizations to arrange to meet with residents in a more intimate multi-lingual setting to explain our services and local and state requirements.

A special emphasis of this outreach will be directed to owners and managers of multi-family complexes.
Business Organizations

We will arrange to meet with members of business organizations to explain our services and local and state requirements. A special focus of this outreach will be directed owners and managers of eating and drinking establishments to help them understand their recycling and organic waste recycling obligations.

Public Facility Managers

We will reach out to individual public agency facility managers in an effort to establish model programs that maximize diversion.

Mandatory Recycling Program Outreach

As described in the Mandatory Recycling Programs Implementation Plan Section, our Zero Waste Account Representatives will make in-person contact with the representatives of each business establishment and each Multi-Family complex to confirm account information, explain service options and requirements, and arrange for service subscriptions.

Operational Activities and Equipment

Training

In the weeks leading up to starting service, we will conduct mandatory off-hour training sessions to familiarize transitioning employees with our procedures and technologies. Transitioning employees will be compensated for attending training sessions. This early activity with the personnel assigned to the City of Los Alamitos will again provide for a seamless transition with minimal disruption to the services .

Routing

We will optimize our collection routes with a computerized routing system and onboard devices that provide each driver all needed information for each stop including turn-by-turn directions. These data-driven driver assists will enable our drivers to complete routes error free. We will work to match the existing routes deployed by your current service provider in order to minimize the disruption to the customers.

Collection Vehicles

We currently have a sufficient number of new Renewable Natural Gas (RNG) powered collection vehicles to fulfill the requirements of the Agreement . We will not need to procure any additional equipment to meet the service requirements in the agreement.

Collection vehicles used in the City of South Gate will be equipped with 3rd Eye Systems fleet management and recording mobile camera systems. This latest technology provides us with turn by turn

review of the driver's activities as well as a camera system that provides documentation of our services and records the driver's daily performance.

Carts

EXHIBIT J: CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

Following execution of the agreement, we will place the order for the carts to be distributed to Residential and Commercial customers receiving individual cart collection. We have currently have stock of carts with our manufacture that could fulfill the cart requirements for the City of South Gate.

Each residential and commercial customer utilizing cart service will receive a new set of carts one-week prior to their collection day at the latest in order to prepare for commencement of service on January 1, 2023 . For most customers, that delivery schedule should synchronize with the last scheduled collection day performed by the outgoing service provider.

Each set of new carts distributed curbside will include a securely attached welcome packet in a weather-resistant pouch providing the customer with details on the upcoming program.

Commercial Bins & Roll-Off Containers

We currently maintain a working inventory of commercial bins and roll-off containers to meet the needs of our existing Customers. Following execution of the agreement, we will place orders for additional commercial bins and roll-off boxes if necessary, so that we have a sufficient number of containers to satisfy the needs of the customers.

UWS will procure additional containers if necessary and coordinate delivery of our containers with the remove of the current contractor's containers at one time. This approach eases the coordination of container removals and deliveries, works best with limited enclosure space and makes for a seamless transition for the Customer.

The implementation timeline assumes that container assets will be acquired from the outgoing service provider.

Bulky Item Collection

After reviewing the draft agreement, UWS proposes to handle the bulky-item collection as required in the RFP as well as provide an on-call service if a resident or multi-family residents is in need of additional service.

UWS proposes to use a flatbed collection vehicle to complete the bulky item collection program. Using a flatbed for collection will allow us to bring the items back to our fleet yard to determine the best use for the items prior to disposal.

UWS will use best management practices to follow the hierarchy of reuse, disassemble for reuse or recycling, recycle, and disposal. UWS will encourage customers to provide accurate information of the items that are being collected. UWS will encourage customers to donate to Goodwill or Salvation Army similar programs as much as possible.

Abandoned Item Sweep and Clean-up

UWS proposes to meet the requirements in the RFP and Franchise Agreement related to the abandon item sweep service. UWS will provide a collection of abandon items in in the public right of way. In addition, UWS will also survey the areas on a weekly basis during residential collection to ensure that abandon items are not accumulating on a weekly basis. UWS drivers will document where items are located and provide that information to dispatch to have a bulky-item collection truck collect them in order to try and minimize the accumulation of these types of items. This additional service is included in the proposed rate structure.

E-Waste Collection

EXHIBIT J: CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

Included as part of the bulky-item collection, UWS will collect e-waste items (televisions, and computer monitors and other electronic equipment) that fall under the definition of e-waste. These items will be collected from single and multi-family residents on their normal collection day prior advanced notice has been made. The items will be disposed of in accordance with proper guidelines.

Sharps Collection Program

UWS has developed and will implement a Sharps Collection program for the single and multi-family residents of the City. The program will be a mail-back sharps program and will be available to any residents who makes the request for the service at no additional charge. Disposal of the sharps will be handled as required by law in order to ensure proper disposal.

Holiday Tree Collection and Recycling

UWS will collect Christmas trees immediately following Christmas Day and for the first two weeks of January to ensure that all trees are collected and recycled. Once the trees are collected, they will be transported to the UWS owned Green Wise Compost facility for processing and mulching. The trees will be separated and have all contaminants removed prior to processing. Once mulched, the ground up trees will be blended with the other compost at the facility for delivery to a secondary market.

Sub-Contractors

Southland Disposal

Southland Disposal Company is family owned and operated with located in close proximity to South Gate with over 100 years of experience in the waste and recycling industry. The company was started when the Arsenian family emigrated from Armenia to the Los Angeles area in the early 1900's. Robert Arsenian's grandfather Aram Zakaroff began as a scavenger collecting and reselling items to save enough money to send for his family from Armenia.

After many years of hard work, the scavenging business evolved into the rubbish business and ultimately today we are operating as a full-service waste and recycling company. As the industry changed, the family business ventured into the hog raising business as an extension of collecting garbage from the commercial accounts to be processed and fed to the hogs.

Robert Arsenian has been the sole proprietor of Southland since 1971 and his company today has multiple franchise agreements, he owns and operator the City Terrance Material Recovery and transfer Station and they were just recently awarded a new exclusive franchise agreement with the City of Glendale.

Fleet Genius

On January 1, 2021, CDSRVS, LLC and Container Management Group, LLC (collectively, CanDO!®) rebranded as "Fleet Genius". This rebranding is tied to the value proposition sought by our customers: improved customer experience and increased sustainable logistics and asset management services utilizing our proprietary cutting-edge technology platform.

We are very proud to build upon our heritage and to keep the same CanDO!® attitude and customer-centric culture that our clients have known for over 20 years as their trusted partner, while growing our team and executing extensive internal development of new technologies and refined processes focusing on sustainability.

Bins are some of your most valuable assets. Most companies do not have the resources to effectively and efficiently manage their container inventories. This often leads to skyrocketing yearly capital equipment

EXHIBIT J:
CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

expenses, workers comp injuries, and poor customer service. Fleet Genius eliminates the headache of managing your containers and helps provide significant cost savings for your operations. Fleet Genius helps you focus on critical revenue-generating activities and provides you with peace of mind knowing that your valuable assets and customers are in capable hands.

EXHIBIT K: ENVIRONMENTALLY PREFERABLE PURCHASING POLICY



Environmentally Preferable Purchases and Practices Policy (EPPP)

It is the policy of the Universal Waste Systems Inc. for all departments and divisions to divert and reduce waste to the greatest extent possible in all aspects of company operations. This policy will establish practices to reduce waste by instituting new office practices; support the purchase of environmentally preferable products that minimize the impact on the environment, are not toxic, polluting, or hazardous to employees and community; and, encourage the purchase of products containing recycled materials, may be easily recycled or may be renewable, e.g. may be incorporated into the manufacturing of new products. Such products should perform satisfactorily and be available at a reasonably competitive price.

This policy formalizes existing practices and establishes an internal structure to help achieve this goal.

A. Environmentally Preferable Purchases and Practices Policy (EPPP)

1. All employees in all departments and divisions shall make waste diversion and reduction a routine part of their respective jobs whenever feasible to the extent it does not adversely affect health, safety, or operational efficiency and effectiveness as determined by each department.
2. Recommended waste reduction strategies include but are not limited to the following:
 - ◆ Office Practices
 - Institute practices which reduce waste and result in the purchase of fewer products whenever practicable and cost-effective while maintaining workplace quality.
 - Eliminate duplicate subscriptions and duplicate incoming and outgoing mail whenever feasible. Circulate subscriptions, etc. to eliminate duplicates.
 - Practice computer networking and "paperless" offices methods whenever feasible.
 - ◆ Printing and Faxing
 - Double-sided copying whenever feasible.
 - Setting fax machines to receive double-sided faxes.
 - Printing of emails, documents, memos, etc. should be reduced whenever practical.
 - All printings intended for distribution which use paper made of recycled materials shall be identified by a statement that the paper is of recycled content and, if possible, indicate the percentage of postconsumer recycled content.
 - ◆ Purchases
 - Consolidate orders and order in bulk whenever feasible, especially with regard to office supplies.
 - Purchases should be evaluated as to their short-term and long-term costs, expected lifetime compared to alternates, maintenance and operational costs,

EXHIBIT K: ENVIRONMENTALLY PREFERABLE PURCHASING POLICY

- and final disposal costs.
- Inform vendors of the Company's EPPP policy. Encourage vendors to reduce packaging to the greatest extent possible and to reuse pallets and other shipping materials.
- ◆ Durable and Reusable Products
 - Use durable containers for coffee and other drinks at the workplace whenever feasible instead of disposable or recyclable containers.
 - Purchase and use reusable/refillable products whenever feasible instead of disposable products.
- 2. Each department shall coordinate with the corporate office to assure maximum participation in this recycling program in the workplace, share with other departments any unique waste reduction strategies and to promote all strategies.
- 3. The Company's waste diversion and reduction ethic and related policies and practices shall be included in the orientation of all new employees if they will be working in any office or maintenance facility, will be responsible for bidding or purchase, and all management level employees.

B. Recycled Products Purchasing Policy (RCP)

See Section C below for Recycled-Content Paper Products and Recycled Content Printing and Writing Paper Requirements.

1. Each Department shall make every reasonable effort to purchase and use recycled products or those with recycled content, whenever feasible, to the extent such products do not adversely affect health, safety, or operational efficiency and effectiveness as determined by each department, including but not limited to, the items indicated on **Attachment 1**.
2. Each department shall review purchasing specifications and contract requirements and, where feasible, revise such specifications and contract requirements to encourage the use of recycled products. Each department shall consider, where feasible, the ability of products and/or their packaging to be reused, reconditioned, or recycled. Each department shall purchase, when practical, products which minimize waste and toxic by-products in their manufacture, use, recycling, and disposal. Each department shall also purchase/lease, when practical, capital equipment which is compatible with the use of products containing recycled materials.
3. Recycled content product pricing should not exceed twenty percent over comparable unrecycled products quoted costs by suppliers. The twenty percent price preference may be granted only if the quality of recycled products are at least equal to unrecycled products as determined solely by the buying department. Product price comparison shall include life cycle costs compared to alternates, maintenance and operational costs, and final disposal costs, when applicable.
4. Recycled content product information may be found at the California Department of Resources Recycling and Recovery Recycled-Content Product (RCP) Directory Home Page. Additional information may be found at the United States Environmental Protection Agency (EPA) website. The EPA has established minimum recycled content standard guidelines in the Comprehensive Procurement Guidelines (CPG). The key component of the CPG program is the EPA's list of designated products and the accompanying recycled content recommendations.

EXHIBIT K: ENVIRONMENTALLY PREFERABLE PURCHASING POLICY

C. Recycled-Content Paper Products and Recycled-Content Printing and Writing Paper Policy

1. All vendors providing Paper Products and Printing and Writing Paper shall:
 - (a) If fitness and quality are equal, provide Recycled-Content Paper Products and Recycled-Content Printing and Writing Paper that consists of at least 30 percent (30%), by fiber weight, postconsumer fiber instead of non-recycled products whenever recycled Paper Products and Printing and Writing Paper are available at the same or lesser total cost than non-recycled items or at a total cost of no more than 20% of the total cost for non-recycled items.
 - (b) Provide Paper Products and Printing and Writing Paper that meet Federal Trade Commission recyclability standard as defined in 16 Code of Federal Regulations (CFR) Section 260.12.
 - (c) Provide records to the accounts payable of all Paper Products and Printing and Writing Paper purchases within thirty (30) days of the purchase (both recycled-content and non-recycled content, if any is purchased) made by any division or department or employee of the City. Records shall include a copy (electronic or paper) of the invoice or other documentation of purchase, written certifications for recycled-content purchases, purchaser name, quantity purchased, date purchased, and recycled content (including products that contain none), and if non-recycled content Paper Products or Printing and Writing Papers are provided, include a description of why Recycled-Content Paper Products or Printing and Writing Papers were not provided.

EXHIBIT K: ENVIRONMENTALLY PREFERABLE PURCHASING POLICY

DEFINITIONS:

“Environmentally Preferable Products” means products that have a lesser or reduced impact on human health and the environment when compared with competing products that serve the same purpose. Such impacts include, but are not limited to, amount of raw material acquisition, production and manufacturing methods, packaging methods and materials, distribution, reuse, operation, and/or disposal of products.

“Feasible” shall mean whenever possible and within reason without reducing safety, quality, or effectiveness.

“Paper Products” include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling, or as otherwise defined in 14 CCR Section 18982(a)(51).

“Practical or Practicable” shall mean whenever possible without reducing safety, quality, or effectiveness and where the product or service is available at a reasonable cost in a reasonable amount time.

“Printing and Writing Papers” include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications, or as otherwise defined in 14 CCR Section 18982(a)(54).

“Recycled Material,” means any material derived from post-consumer waste, industrial scrap, manufacturing waste and/or waste that otherwise would not have been used.

“Recycled Product” means any product which contains recycled materials or are reusable or recyclable.

“Recycled-Content Paper” means Paper Products and Printing and Writing Paper that consists of at least 30 percent, by fiber weight, postconsumer fiber, or as otherwise defined in 14 CCR Section 18982(a)(61).

“Recycled Content Product,” means any product manufactured with waste material that has been recovered from or diverted from the waste stream.

EXHIBIT K: ENVIRONMENTALLY PREFERABLE PURCHASING POLICY

Attachment 1

List of Recycled Products

Plastic	Paper	Rubber
Carpet Construction	Business cards	Floor tiles Retread
wall covering Corrugated	Computer paper*	tires Rubberized
drain pipe Culverts	Copier paper*	asphalt Trailer
Curbside recycling containers	Corrugated boxes	bumpers Wheel
Dollies	Cover stock*	chocks
Fence posts	Envelopes Facial	
Garbage can liners	tissue Legal	
Indoor/outdoor furniture	pads Letterhead	Other materials
Locker room benches	Linerboard	Acoustic ceiling tiles
Lumber	Loose-fill packaging	Cellulose fiber insulation
Pallets	Mailing tubes	Compost
Parking bumpers	Napkins	Fly ash/concrete mixtures
Plastic bags	Newsprint	Reflective road striping
Playground equipment	Offset	Re-refined lubricating oil
Refuse carts	Padded mail bags	Road signs
Shower dividers	Paper towels	Roofing shingles
Speed bumps	Poster board	Oil and Filter
Toilet partitions	Toilet tissue	Tires
Traction mats		
Truck bed mats		
Urinal screens		

CAUTION: Some colored paper cannot be reused in the manufacturing of other products due to the nature of the coloring dye.

EXHIBIT L: AB 341 AND SB 1383 IMPLEMENTATION PLAN

EXCERPT FROM CONTRACTOR'S INITIAL PROPOSAL. AB 341 AND SB 1383 IMPLEMENTATION PLAN WILL BE REFINED SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT

Background

AB 341 (Mandatory Commercial Recycling) - Requires commercial establishments (i.e., businesses including public entities that generate 4 cubic yards or more of solid waste per week, and multi-family complexes of 5 or more dwelling units) to arrange for recycling services (i.e., recycling of containers and fiber products).

AB 827 (Recycling Containers) - Requires that businesses subject to AB 341 and AB 1826 and that are frequented by the public must provide recycling containers for public use.

AB 1 826 (Mandatory Commercial Organic Waste Recycling) - Requires businesses that generate 2 cubic yards or more of commercial solid waste per week to arrange for organic waste recycling services.

SB 1383 (Organic Waste Methane Emissions Reduction - Requires a 75% reduction in the 2014 disposal of organic waste including a 20% recovery edible food waste for human consumption.

Three key dates established by SB 1383 will occur during the term of the Franchise Agreement:

January 1 , 2022. CalRecycle's regulations to meet the organic waste reduction and the edible food recovery targets take effect. Also, on this date, the enforcement provisions, including penalties for noncompliance issued by the State, take effect. Legislation (SB619 Laird) passed in 2021 has made some changes to the potential penalties and fines associated with the bill, however Cities are still required to move forward with implementation and compliance.

January 1 , 2024. CalRecycle's regulations may require local jurisdictions to impose penalties for noncompliance on regulated entities subject to their authority.

January 1 , 2025. The State (and presumably each jurisdiction) must achieve 75% reduction in the disposal of organic waste (from 2104 levels); and, not less than 20% of currently disposed edible food must be recovered for human consumption.

Experience

RecycleLA, the City of Los Angeles' Zero Waste program, was designed before SB 1383 was adopted and yet the program anticipated what would become the State recycling and organic waste recycling mandate.

As a Contractor for RecyLA servicing the Northeast zone, we have been able to perfect our diversion implementation plan, recruit and train our team, and hone our customer education and outreach skills. Our Zero Waste team has extensive experience in assessing our customer needs, personalizing programs and getting results. This implementation plan is a product of that experience.

Staffing

Our Zero Waste Team is made up of fourteen Zero Waste Account Representatives with public relations skills and special training and expertise to personally assist Customers with tailoring solid waste services that maximize the recovery of recyclable material and organics.

Identification & Outreach

The first step in compliance begins with identifying the customer and assessing their waste and recycling needs. We accomplish this by following the steps listed below.

EXHIBIT L: AB 341 AND SB 1383 IMPLEMENTATION PLAN

Introductory Mailing

Sixty (60) days before the start of service, we will introduce the Recyclable and Organic Waste Recycling Program to Commercial and Multi-family Customers with a direct mailing to each Customer.

Initial Visit

Thirty (30) days following the introductory mailing, members of our Zero Waste Team will begin making personal visits with each account to introduce UWS services, confirm account information, perform a waste assessment, and create a service order with new service recommendations. The initial visit is a very important part of our outreach and education process.

Outreach & Education

In the initial visit, Zero Waste Account Representatives will provide Customers with literature introducing UWS and explaining Recycling, Organic Recycling, and Food Donation opportunities.

Confirm Account Information

Zero Waste account Representatives will verify the service and billing address, contact information, and service levels.

Waste Assessment

In the waste assessment portion of the initial visit, Zero Waste Account Representatives will make determinations about container location, container fullness on service days, use of recycling containers, willingness to donate edible food (if applicable), and issues that might impede collections.

Another objective of the initial visit will be to explain ways that the Customer can reduce costs while complying with diversion mandates.

During the initial visit, our Zero Waste Account Representatives will also make a determination regarding the Customer's compliance with AB341, AB1826 and AB827. When compiled, these individual determinations will become the City's database for compliance monitoring, enforcement, and reporting to CalRecycle.

When a Customer performs Recyclable or Organic Waste Recycling by self-hauling or through another authorized provider (e.g., yard waste removal by a landscape maintenance contractor), this information will be recorded.

Technology

Each member of our Zero Waste Account Team uses a Zero Waste Compliance Tool tablet application that guides the account representative through the initial visit process. It will also be used for follow-ups, monitoring, and enforcement procedures. The app allows the representative to attach photographs to the Customer record.

Monitoring

Compliance monitoring will be an ongoing procedure conducted by our Zero Waste Team. The monitoring process will consist of two elements: (1) Enrollment monitoring; and, (2) Contamination monitoring.

Enrollment Monitoring

Accounts that do not enroll in the appropriate diversion services will be identified in monthly exception reports generated for Zero Waste Team members to revisit the account and attempt to arrange services.

EXHIBIT L: AB 341 AND SB 1383 IMPLEMENTATION PLAN

A listing of accounts that fail to enroll in required diversion services will be provided to the City monthly for enforcement action.

Participation Monitoring

Accounts that are enrolled in recyclable and Organic Waste recycling services will be inspected on a periodic basis to confirm their participation and inspect for container contamination in a procedure referred to as lid flipping.

Customers not utilizing BLUE, GREEN or BROWN containers as intended will be personally contacted by a Zero Waste Account Representative as an outreach and education measure. Customers who do not make themselves available or who refuse to comply will be documented and the information will be shared with the City.

If contamination of BLUE, GREEN or BROWN containers is found to be an issue, the Zero Waste Account Representative will arrange a training session with the Customer to rectify the issues. Ongoing contamination issues will incur extra charges and potential removal of containers resulting in the Customer being reported to the City as not being in compliance.

All monitoring inspections and their outcomes are recorded in the Zero Waste Compliance Tool.

Reporting

Within 30-days following the start of service and monthly thereafter, UWS will transmit a report to the City identifying the following:

- AB 341
 - Total number of covered businesses
 - Total number of exempt businesses
 - Listing of exempt businesses
 - Total number of covered businesses recycling
 - Total number of covered businesses not recycling
 - Listing of each business not recycling
 - Total number of covered multi-family complexes
 - Total number of exempt multi-family complexes
 - Listing of exempt multi-family complexes
 - Total number of covered multi-family complexes recycling
 - Total number of covered multi-family complexes not recycling
 - Listing of each multi-family complex not recycling

- AB 1826
 - Total number of covered businesses
 - Total number of exempt businesses
 - Listing of exempt businesses
 - Total number of covered businesses recycling organic waste
 - Total number of covered businesses not recycling organic waste
 - Listing of each business not recycling organic waste
 - Total number of covered multi-family complexes
 - Total number of exempt multi-family complexes
 - Listing of exempt multi-family complexes
 - Total number of covered multi-family complexes recycling organic waste
 - Total number of covered multi-family complexes not recycling organic waste

EXHIBIT L: AB 341 AND SB 1383 IMPLEMENTATION PLAN

- Listing of each multi-family complex not recycling organic waste
- AB 827
 - Total number of businesses
 - Total number of exempt businesses
 - Total number of businesses in compliance
 - Total number of businesses not in compliance
 - Listing of each business not in compliance

Enforcement

UWS will support City's enforcement efforts and assist with follow-up outreach and education efforts as necessary.