

**ADDENDUM NO. 1**  
**TO THE REQUEST FOR PROPOSALS FOR SOLID WASTE, RECYCLABLE**  
**MATERIALS, AND ORGANIC WASTE COLLECTION, PROCESSING,**  
**AND DISPOSAL SERVICES**

City of Hidden Hills  
6165 Spring Valley Road  
Hidden Hills, CA 91302

**Applications Due to the City by 12:00 p.m., September 30, 2024**

The Request for Proposals (RFP) Documents is revised as stated in this addendum; insofar as original documents are in variance with this Addendum, this Addendum governs. The Draft Franchise Agreement has been updated based on the responses in the questions below. Changes to the RFP Attachment 3 and Attachment 4 listed below are incorporated by reference:

**Revisions to RFP Attachment 3 (Rate Proposal Forms):**

- Attachment 3-C is updated to reflect the following:
  - Title is updated to reflect “Projected Estimated First-Year Refuse Rate Revenue for Bin Customers.”
  - Footnote 2 is updated to reflect “96 Gallon refuse containers are available to customers subscribed to bin service for recycling and/or organic waste at the additional residential refuse cart rate.”
  - Footnote 3 is updated “Number of containers as reported by the current hauler.”
- Attachment 3-D is updated to reflect the following:
  - Title is updated to reflect “Projected Estimated First-Year Recycling Rate Revenue for Bin Customers.”
  - Footnote 2 is updated to reflect “96 Gallon recycling containers are available to customers subscribed to bin service for refuse and/or organic waste.”
  - Footnote 3 is updated “Number of containers as reported by the current hauler.”
- Attachment 3-E is updated to reflect the following:
  - Title is updated to reflect “Projected Estimated Yard Trimmings/Manure/Organic Waste Rate Revenue for Bin Customers.”
  - Footnote 2 is updated to reflect “Organic waste carts are available to customers subscribed to bin service for refuse and/or recycling.”
  - Footnote 3 is updated “Number of containers as reported by the current hauler.”

**Revisions to RFP Attachment 4 (Supporting Cost and Operating Data Worksheets):**

- Attachments 4-A and 4-B are updated to reflect the following:
  - Row 13 Annualized Auditing Cost is updated to reflect the audit cost of \$10,800.
  - Footnote 3 is updated to reflect “See draft franchise agreement Section 6.3 for audit costs. Amortized cost equals three audits times \$36,000 per audit in current price levels divided by 10-year term of agreement equals \$10,800.”
  - Footnote 4 is updated to reflect “\$250,000 amortized over the 10-year base term of the agreement. See Section 7.5 for additional information.”

**Responses to Written Questions:**

Q1. Can the City provide hauler tonnage information or the latest tonnage report from the current service provider?

A1. *See Attachment 1 to this addendum for CY 2023 tonnage report from the incumbent hauler.*

Q2. If any inquiries arise after the rate forms are provided, would it be possible to extend the deadline for submitting questions related to the attachments?

A2. *The Microsoft Excel file containing Attachments 3 and 4 are attached to Addendum 1. As outlined under “Proposal Clarifications and Updates” on page 2 of the RFP, “...if proposers have simple questions regarding how to complete submittal forms or otherwise complete the proposal requirements, proposers may continue to request assistance until the proposal due date.”*

Q3. Section 2.1. Term And Option To Extend: Will the City revise this section to provide for extension of the term upon written agreement with the Contractor? Unilateral extension rights do not permit Contractor to meet and confer with the City to discuss or account for circumstances on the ground that may warrant amendment to the agreement and places an undue and burden on Contractor. In addition, three months advance notice is likely not enough time to permit the Contractor to either wind down services or prepare for an extension. Will the City extend this notice period?

A3. *The City has updated the advance notice of the extension from three months to six months. Section 2.1 has been updated as shown in the attached updated draft agreement.*

Q4. Article 2.1.1. Option to Extend Term: As currently written, Section 2.1.1 of the Draft Agreement states that the “City reserves the right, in its sole and unfettered discretion, to extend the Term of the Agreement...” In the spirit of cooperation and respect for the potential position of the other Party, would the City be willing to consider language to extend the term by mutual consent of the Parties?

A4. *The City desires the language contained in the draft agreement.*

- Q5. Article 4.7.2 B. Missed Collections Schedule for Resolution: If Contractor is able to provide video footage confirming that the service took place, and do so to the satisfaction of City staff, will Contractor be permitted to charge for returning to the Customer’s address for a missed pick-up?
- A5. *Proposer may propose language in its proposal for consideration by the City.*
- Q6. Article 4.12 C. Bulk Compost and/or Mulch Give-aways Events: As currently written in Section 4.12 of the Draft Agreement, “Contractor will provide up to 40 Tons per event” for a total of eighty [80] tons per year. This equivocates to approximately 250 pounds per home per year for every home in Hidden Hills, which would be a rather large allocation for a program specifically benefitting those residents who garden. Could you please confirm the amounts stated is in fact tons and not cubic yards? If tons, would the City be open to language that sets this as a maximum that could be adjusted by the City Manager based on customer participation.
- A6. *Section 4.12.C has been updated as shown in the attached updated draft agreement.*
- Q7. Section 5.6 C. Container Colors: As currently written in Section 5.6 C. of the Draft Agreement states that “Contractor shall provide all Customers with Collection Containers that comply with the Container color requirements specified in this Section, or other Applicable Law,” but then goes on to state the lids and bodies of containers are to be of a uniform color. SB 1383 regulations allow for containers to have lids in colors identifying their contents, bodies in colors identifying their contents, or lids and bodies of the same color identifying their contents. Based on this, would the City allow proposers to select one of these three SB 1383-compliant options? In the case lids and bodies must be of a uniform color, does the City intend this section to apply to all Containers, which is currently defined by the Draft Agreement as both Carts and Bins?
- A7. *Yes, the City will allow proposers to select an SB 1383-compliant option regarding color requirements for all Containers (Carts and Bins). Section 5.6 C has been updated as shown in the attached updated draft agreement.*

- Q8. Section 8.4.2 B. Rate Adjustment Calculation: States that the disposal component of the annual rate adjustment will be based on the percentage change in the Maximum Gate Rate at the Calabasas Landfill. In light of the fact that the Calabasas landfill cannot accept manure or organics with more than de-minimis levels of food waste, is the City open to amending the annual rate adjustment calculation language to include the actual permitted waste facility that the waste will go to, so long as the disposal rates are managed by a third party or government entity? Additionally, is the City open to adding a processing component to the annual rate adjustment calculation to account for changes to tip fees for trash, commingled recycling, and organics?
- A8. *The City desires the language contained in the draft agreement.*
- Q9. Section 5.3. Collection Standards: As currently written in Exhibit B of the Draft Agreement, the “Contractor shall provide Standard Valet Service Collection to Single-Family Customers at no additional cost to the Customer.” Based on our initial review of lot sizes in Hidden Hills, the distance to and from customers’ outdoor storage areas could exceed one hundred (100) feet and some customers appear to have containers stored in multiple locations. Would the City be open to a maximum cap in the distance or the imposition of a distance charge beyond a certain number of feet?
- A9. *No, proposed rates shall include Standard Valet Service to Single Family Customers at no additional cost to the Customer as provided for in the City’s existing rate structure.*
- Q10. Section 9.2. Insurance: As currently written in Section 9.2 of the Draft Agreement, the Contractor is required to provide an Employee Blanket Fidelity Bond. Would the City accept the substitution of an equivalent Commercial Crime insurance that includes coverage for Employee Dishonesty?
- A10. *The City is open to considering alternatives. Proposer may propose language in its proposal for consideration by the City.*
- Q11. Section 9.3. Security: As currently written in Section 9.3 of the Draft Agreement, the Contractor has the option to deliver the required security amount of two hundred fifty thousand dollars (\$250,000) either entirely by an irrevocable letter of credit or a letter of credit and a performance bond, split equally at 50% of the total. With the purpose of the security under either option being the same, would the City allow the option of delivering the performance security entirely as a performance bond?
- A11. *No.*

Q12 Section 9.4. Forfeiture of Security: As currently written in Section 9.4 of the Draft Agreement, the performance bond, once partially forfeited or in total, is required to be restored to its face value amount within thirty 30 days to avoid a material breach of the Agreement. With only general criteria as to what may cause a forfeiture, this language inadvertently appears to create a surety of potentially infinite value. If intended as written, is there a missing reference to the section with the substantiating circumstances within the Draft Agreement? If unintended, would the City provide clarifying language as to the total aggregate amount of the performance bond?

A12. *The City desires the language contained in the draft agreement.*

Q13. Exhibit H. Contractor’s Faithful Performance Bond: As currently written in Exhibit H of the Draft Agreement, the amount listed in the recitals of the bond language format is “three hundred and fifty thousand dollars (\$350,000)”, which differs from the amount stated in Section 9.3 of the Draft Agreement. Would the City clarify the correct amount?

A13. *The correct amount of the Security is two hundred and fifty thousand dollars (\$250,000). Proposers can either provide this entirely by an irrevocable letter of credit in the amount of \$250,000, or a combination of a letter of credit and a performance bond, split equally at 50% of the total (\$125,000 each). Exhibit H has been updated as shown in the attached updated draft agreement.*

Q14. RFP Section VI. This section states that all information provided to the City as part of this RFP becomes the City’s property. However, the RFP also requests protected confidential information, proprietary information, and intellectual property from proposers. Will the City please confirm that it will maintain the confidentiality of any such information that comes into its possession as part of this RFP, and that it will notify each applicable hauler in the event that any such protected information is requested for disclosure under any applicable statute (including California’s Public Records Act and the Freedom of Information Act), a court order by a court of competent jurisdiction, or other similar request for disclosure?

A14. *Information provided in proposals will be part of public record.*

Q15. Section 1.2. Limitation To The Franchise: Some of the exceptions to the scope of the franchise appear to be contradictory—for example, there are two different exceptions related to donating or selling material, and two exceptions related to C&D handling and materials removed by another contract as an incidental part of services that appear to overlap. Please clarify the intent and scope of these sections and confirm that clarifying changes will be made

A15. *Section 1.2 has been updated as shown in the attached updated draft agreement.*

Q16. Section 3.4, Responsibility For Materials and Section 5.8. Hazardous Waste Inspection and Handling: The agreement requires Contractor to handle and process Excluded Waste that it inadvertently collects. Will the City please add language to the agreement that clarifies that, while Contractor will handle Excluded Waste that is inadvertently collected in accordance with Section 5.8, nothing in this Agreement requires Contractor to take possession of, or title to, Excluded Waste?

A16. *Proposer may propose language in its proposal for consideration by the City.*

Q17. Section 4.10. Contamination Monitoring: As drafted, courtesy pick-up notices under this section require the inclusion of photographic evidence, but there is no way to provide photographic evidence on a physical tag at the time of collection. Will the City permit Contractor to only provide courtesy pick-up notices by electronic means or discuss reasonable revisions to this section during negotiations to better align with remote monitoring technology used by Contractor?

A17. *Per Section 4.10, a courtesy pick-up notice that includes photographic evidence may be delivered by mail, e-mail, or text message subject to the City's approval.*

Q18. Section 4.13. Extended Producer Responsibility Programs: This section states that Contractor is precluded from requesting an extraordinary adjustment under the agreement if we are compensated "in whole or in part" for costs associated with participating in extended producer responsibility programs. It is unreasonable to expect that the Contractor only be compensated in part for its participation and still preclude an extraordinary adjustment. Given the uncertainty of the potential impact of EPR programs, will the City please remove "or in part" from the last sentence of this section, or revise this section to state that the parties will meet and confer to discuss adjust to the rates as appropriate?

A18. *"In whole or in part" has been removed. Section 4.13 has been updated as shown in the attached updated draft agreement.*

Q19. Section 5.5. Collection Vehicle Requirement: The agreement requires the Contractor to comply with Advanced Clean Fleets Regulations. However, it is likely that these regulations will be subject to change in the coming years and full electrification is not required until 2045. Similarly, there is not sufficient information to determine the cost of ACF compliant vehicles, as they are not commercially available for use at this time. As such, it is unreasonable and impractical to require that the hauler comply with ACF Regulations as of the Effective Date without the ability to request an extraordinary adjustment to the rates. Please confirm the City is willing to revise these requirements to permit the hauler to request reasonable adjustments to the rates for costs associated with compliance with CFT Regulations (particularly Section 8.5) or is willing to discuss reasonable changes to these requirements during negotiations with the selected haulers.

A19. *Proposer may propose language in its proposal for consideration by the City.*

Q20. Section 6.1, Record Keeping, Section 6.3, Triennial Audit, Section 11.4. Possession of Record upon Termination: The scope of records required to be disclosed under these sections is too broad and requires disclosure of protected confidential information, proprietary information, and intellectual property. Please revise this section, or confirm that the City is willing to discuss language during negotiations, to either limit the scope of records, provide for review but not possession by the City of confidential or proprietary information, and/or to include protections for Contractor's confidential information, proprietary information, and protected intellectual property.

A20. *The City desires the language contained in the draft agreement.*

Q21. Section 9.1. Indemnification: Some of the indemnities detailed in this section appear to conflict and deal with the same subject matter in different terms. For example, there are two different indemnities related to handling of Excluded Waste. This results in ambiguity and confusion about which indemnity may apply. Please clarify and confirm that the City will discuss reasonable revision to these sections during negotiations.

A21. *Proposer may propose language in its proposal for consideration by the City.*



Q22. Article 10. City Right to Perform Service: Will the City discuss reasonable revisions to this article during negotiations with proposers? As written, this article is too broad and extremely burdensome on proposers—it is not reasonable, practical, or possible from a liability perspective for the City to take possession Contractor’s equipment and property and perform the services, or for the City to provide Contractor’s equipment, property, or facilities to any third party to provide the services. It is more reasonable to revise this section to state that in the event that the City reasonably determines that the accumulation of waste endangers or menaces public health, safety, or welfare, the City may contract with a third-party to perform the services until such time as Contractor is able resume performance.

*A22. Proposer may propose language in its proposal for consideration by the City.*

Q23. Section 11.2. Contractor’s Right To Cure; Right To Terminate Upon Event Of Default, Performance Standards and Liquidated Damages Excuse From Performance: This section appears to be drafted in error, such that opportunities to cure have been rendered ineffective. For example, as drafted, Contractor is not entitled to notice of or opportunity to cure any default with respect to subsection H of Section 11.1, which is “Any other act or omission by Contractor which violates the terms, conditions, or requirements of this Agreement, or Applicable Law and which is not corrected or remedied within the time set in the written notice of the violation.” These statements clearly conflict, which suggests that this section is not drafted correctly.

*A23. City does not see an inconsistency in the language as drafted but is open to clarification language if needed based on discussions with the successful proposer. Proposer may propose language in its proposal for consideration by the City.*

Q24. Section 11.6. Performance Standards And Liquidated Damages: Will the City please provide its basis for the amounts detailed in this section and detail how the City determined these amounts were a reasonable estimate of damages for the alleged failure? Further, some damages listed in this section are determinable at the time of assessment and therefore cannot be liquidated damages by definition, making them unlawful penalties. Similarly, there are other “damages” that appear to just be penalties added on top of other liquidated damages, which are prohibited as unlawful penalties. Other penalties are unduly burdensome on Contractor or do not cite to particular sections of the Agreement so they are ambiguous as to the standards and obligations required to comply. Will the City permit mutually agreeable revisions to this Section during negotiations to resolve these issues?

*A24. Proposer may propose language in its proposal for consideration by the City.*

Q25. Section 11.7. Excuse From Performance: This section requires demonstration of impossibility to have performance of any obligation under the agreement excused, which is an extremely high legal burden to demonstrate and is an unreasonable and unduly burdensome standard to ask either party to prove. Please revise this section to use a more typical standard for excuse from performance (e.g. circumstances outside the reasonable control of the party seeking an excuse from performance), or confirm that the City is willing to discuss reasonable revision to this section during negotiations with proposers.

*A25. Proposer may propose language in its proposal for consideration by the City.*

**Addendum No. 1**  
RFP – Residential Solid Waste, Recyclable Materials, and Organic Waste  
Collection, Processing, and Disposal Services

**Addendum No. 1 Attachments:**

1. Attachment 1 – CY 2023 Tonnage Report
2. Attachment 2 – Updated Draft Franchise Agreement
3. See Excel file for updated RFP Cost Forms (Attachments 3 and 4 to the RFP)



<b>Recycle</b> Manure	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Recycle</b> Unsorted C&D / Mixed Inerts	22.01	8.54	7.56	27.03	129.00	58.32	73.01	224.22	64.76	15.43	7.13	-	<b>637.01</b>
<b>Organic</b> Mixed Organics	1.63	-	-	5.85	-	-	5.44	-	-	-	-	-	<b>12.92</b>
<b>Disposal</b> Special Waste (Tires, Treated Wood)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Tons Collected</b>	<b>106.11</b>	<b>78.20</b>	<b>60.84</b>	<b>97.95</b>	<b>205.72</b>	<b>153.61</b>	<b>183.37</b>	<b>365.31</b>	<b>199.84</b>	<b>126.40</b>	<b>97.64</b>	<b>84.97</b>	<b>1,759.96</b>
<b>Total Tons Landfilled</b>	<b>15.83</b>	<b>16.80</b>	<b>9.33</b>	<b>11.40</b>	<b>14.26</b>	<b>31.15</b>	<b>20.88</b>	<b>39.03</b>	<b>38.02</b>	<b>31.55</b>	<b>17.85</b>	<b>23.42</b>	<b>269.52</b>
<b>Total Tons Diverted From Landfill</b>	<b>90.28</b>	<b>61.40</b>	<b>51.51</b>	<b>86.55</b>	<b>191.46</b>	<b>122.46</b>	<b>162.49</b>	<b>326.28</b>	<b>161.82</b>	<b>94.85</b>	<b>79.79</b>	<b>61.55</b>	<b>1,490.44</b>
<b>Roll-off Diversion %</b>	<b>85.1%</b>	<b>78.5%</b>	<b>84.7%</b>	<b>88.4%</b>	<b>93.1%</b>	<b>79.7%</b>	<b>88.6%</b>	<b>89.3%</b>	<b>81.0%</b>	<b>75.0%</b>	<b>81.7%</b>	<b>72.4%</b>	<b>84.7%</b>

Attachment 2

**EXCLUSIVE FRANCHISE AGREEMENT**

**BETWEEN**

**CITY OF HIDDEN HILLS**

**AND**

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**FOR**

**SOLID WASTE, RECYCLABLE MATERIALS, AND ORGANIC WASTE  
COLLECTION, PROCESSING, AND DISPOSAL SERVICES**

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**XXXX, 2025**

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1 **Exclusive Franchise Agreement**  
2 **between**  
3 **City of Hidden Hills**  
4 **and**

5 \_\_\_\_\_  
6 **for Solid Waste, Recyclable Materials, and Organic Waste Collection,**  
7 **Processing, and Disposal Services**

8 THIS EXCLUSIVE FRANCHISE AGREEMENT (hereinafter "Agreement") is made and entered into as of XXXX,  
9 2025 between the City of Hidden Hills, California, a municipal corporation (hereinafter "City"), and  
10 \_\_\_\_\_ (hereinafter referred to as the "Contractor") (each a "Party" and collectively the "Parties").

11 **RECITALS**

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

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

17 **WHEREAS**, the State of California has found and declared that the amount of refuse generated in  
18 California, coupled with diminishing Disposal capacity and potential adverse environmental impacts from  
19 landfilling and the need to conserve natural resources, have created an urgent need for State and local  
20 agencies to enact and implement an aggressive integrated waste management program. The State has,  
21 through enactment of AB 939 and subsequent related legislation including, but not limited to: the Event  
22 and Venue Recycling Act of 2004 (AB 2176), SB 1016 (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]),  
23 the Short-Lived Climate Pollutants Bill of 2016 (SB 1383), the California Green Building Standards Code  
24 (CALGreen), AB 1594, AB 1201, AB 343, and the Plastic Pollution Prevention and Packaging Producer  
25 Responsibility Act (SB 54), directed the responsible State agency, and all local agencies, to promote  
26 Diversion and to maximize the use of feasible waste reduction, re-use, Recycling, and Composting options  
27 in order to reduce the amount of refuse that must be Disposed; and,

28 **WHEREAS**, SB 1383 establishes regulatory requirements for jurisdictions, Generators, haulers, Solid Waste  
29 facilities, and other entities to support the reduction of short-lived climate pollutants; and,

30 **WHEREAS**, SB 1383 allows waivers and exemptions pursuant to 14 CCR § 18984.12 and the City received  
31 a low population waiver for a period of five (5) years from January 1, 2022 through December 31, 2026  
32 from CalRecycle. This waives some or all requirements of 14 CCR § 18984 through 18984.13. The City may  
33 apply to renew the low population waiver at any time up to one hundred eighty (180) days prior to the  
34 expiration of their existing waiver; and,

35 **WHEREAS**, in response to the Governor of the State of California signing Executive Order N-79-20, the  
36 California Air Resources Board has established regulations, including, but not limited, the Advanced Clean  
37 Fleets Regulation, as part of a strategy to transition fleets to zero emissions vehicles, and provisions of  
38 such regulations apply to the Contractor's vehicle fleet under this Agreement; and,

**DRAFT**

39 **WHEREAS**, pursuant to California Public Resources Code Section 40059(a)(2), the City has determined that  
40 the public health, safety, and well-being require that exclusive rights be awarded to one (1) or more  
41 qualified Contractor(s) to provide for the Collection of Recyclable Materials, Organic Materials, and Solid  
42 Waste and other services related to meeting the City’s economic and environmental goals; and,

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

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

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

56 **WHEREAS**, under Municipal Code Section 3-4-2(B), the City may enter into a franchise, contract, license,  
57 permit, or other system for the Collection, removal, and Disposal of all refuse in and from the City and the  
58 collection of Rates therefore, and the City Council is authorized to enter into such arrangement with any  
59 terms it deems necessary to protect the best interests of the City.

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

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

64 **1.1 GRANT AND ACCEPTANCE OF FRANCHISE**

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

69 **1.2 LIMITATIONS TO THE FRANCHISE**

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

- 74 A. ~~Recyclable and Organic Materials. Section Reserved. Other Persons shall maintain the right to:~~  
75 ~~(1) accept Source Separated Recyclable Materials and Source Separated Organic Materials~~

**DRAFT**

76 ~~donated from the service recipient; or, (2) to pay the service recipient for Source Separated~~  
77 ~~Recyclable Materials and Source Separated Organic Materials provided that there is no net~~  
78 ~~payment made by the service recipient to such other Person.~~

79 B. **Self-Hauled Materials.** A Commercial business Owner or resident may Transport Recyclable  
80 Materials, and Organic Materials for Processing, generated in or on their own Premises with their  
81 own vehicle.

82 C. **C&D.** C&D that is removed by a duly-licensed C&D company or as part of a total service offered  
83 by said licensed company or by the City, where the licensed company utilizes its own equipment.  
84 Contractor recognizes the City’s non-exclusive C&D Collection service. Contractor shall comply  
85 with the City’s C&D Diversion ordinance (Ordinance No. 313), as adopted or as it may be amended.  
86 C&D materials, not subject to the C&D Ordinance, Disposed of in Bins or Roll-Off Boxes shall be  
87 Recycled at an Approved Processing Facility. ~~C&D that is removed by a duly-licensed C&D~~  
88 ~~company or as part of a total service offered by said licensed company or by the City, where the~~  
89 ~~licensed company utilizes its own equipment.~~

90 D. **Donated or Sold Materials.** Any items which are Source Separated at any Premises by the  
91 Generator and (a) sold; or, (b) donated, ~~to youth, civic, or charitable organizations. Materials will~~  
92 ~~not be deemed donated if they are Collected by a non-franchised waste hauler that is not a~~  
93 ~~501(c)(3) organization.~~

94 E. Section Reserved.

95 F. **Food Scraps.** Food Scraps that are separated by the Generator and used by the Generator or  
96 distributed to other Person(s) for lawful use as animal feed, in accordance with 14 CCR §  
97 18983.1(b)(7). Food Scraps intended for animal feed may be Self-Hauled by Generator or  
98 Transported by another party.

99 G. **Materials That Contractor Does Not Divert.** Discarded Materials that the Contractor is not  
100 required to Process and Divert under this Agreement as of the Effective Date of this Agreement  
101 which subsequently, in the City’s reasonable judgment, become economically feasible to Divert.  
102 In such event, Contractor shall have the right to Collect and Process such materials if Contractor  
103 agrees to do so without any change in Rates. If Contractor is unwilling to Process and Divert such  
104 new materials at existing Rates, the City may provide for Collection, Processing, and Diversion of  
105 such materials in any manner it deems appropriate. Such materials may include, but not be limited  
106 to, Organic Materials that Contractor would otherwise Dispose. Contractor may not enforce its  
107 franchise rights in a manner that would prevent the Diversion of material that Contractor is unable  
108 or unwilling to Divert.

109 H. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container  
110 Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code.

111 I. **Materials Removed by Customer’s Contractor as an Incidental Part of Services.** Recyclable  
112 Materials, Organic Materials, Solid Waste, and Bulky Items removed from a Premises by a  
113 contractor (e.g., gardener, landscaper, tree-trimming service, construction contractor, Residential  
114 clean-out service) as an incidental part of the service being performed, rather than as a separately  
115 contracted or subcontracted hauling service; or if such contractor is providing a service that is not  
116 included in the scope of this Agreement.

- 117 J. **On-site or Community Composting.** Organic Materials Composted or otherwise legally managed  
118 at the site where it is generated (e.g., backyard Composting, or on-site anaerobic digestion) or at  
119 a Community Composting site.
- 120 K. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or  
121 butcher shops, grease, or used cooking oil.
- 122 L. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash,  
123 grit, and screenings.
- 124 M. **Excluded Waste.** Excluded Waste regardless of its source.
- 125 N. **Materials Generated by State and County Facilities.** Materials generated by State and County  
126 facilities located in the City and non-local entities as defined by 14 CCR § 18982(a)(42), provided  
127 that the Generator has arranged services with other Persons or has arranged services with the  
128 Contractor through a separate agreement.

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

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

### 147 **1.3 OBLIGATIONS OF PARTIES**

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

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



155 **ARTICLE 2.**  
156 **TERM OF AGREEMENT**

157 **2.1 TERM AND OPTION TO EXTEND**

158 The Term of this Agreement shall commence January 1, 2026 (Commencement Date) and continue in full  
159 force for a period of ten (10) years, through and including December 31, 2035, unless the Agreement is  
160 extended in accordance with Section 2.1.1 or terminated pursuant to Section 11.2.

161 **2.1.1 Option to Extend Term**

162 Unless terminated earlier in accordance with Article 13 of this Agreement, this Agreement shall continue  
163 in full force and effect until from and after January 1, 2026, and through and including the close of business  
164 on December 31, 2035. City reserves the right, in its sole and unfettered discretion, to extend the Term  
165 of this Agreement, under its then-existing terms and conditions on a month-to-month basis, for a  
166 maximum extension of up to twenty-four (24) months. City shall give notice of its intention to extend the  
167 Term, or any extended term, of this Agreement in writing no later than ~~three-six (36)~~ calendar months  
168 prior to expiration of the Term or any extended Term of the Agreement.

169 **2.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

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

173 **A. Accuracy of Representations.** The Contractor's representations and warranties made in  
174 Contractor's Proposal and Article 12 of this Agreement are true and correct on and as of the  
175 Effective Date.

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

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

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

187 **D. Permits Furnished.** Contractor has obtained all permits necessary for operation of all Approved  
188 Facilities owned or operated by Contractor or any Subcontractor for use under the terms of this  
189 Agreement.



190 E. **Legal Challenge.** Contractor understands and acknowledges that the award of this Agreement and  
 191 related decisions may be subject to review and repeal by the City’s citizens through a referendum  
 192 or similar petition, and to various types of legal and environmental challenges (such referenda,  
 193 similar petition, and legal and environmental challenges being referred to collectively as “Legal  
 194 Challenges”). Accordingly, this Agreement shall not become effective until the City reasonably  
 195 determines that (1) any Legal Challenges that had been initiated as of the time of such  
 196 determination have been resolved in favor of the City’s award of this Agreement to Contractor;  
 197 and (2) the deadline to initiate any additional Legal Challenges has expired; provided, however,  
 198 that Contractor shall be entitled to rescind this Agreement upon thirty (30) Business Days prior  
 199 written notice to the City if such determination is not made by XXXX, 202X. The successful  
 200 proposer will be responsible for any of the City’s costs or fees associated with any legal challenges  
 201 to the award of this Agreement.

202 **2.3 DELEGATION OF AUTHORITY**

203 The administration of this Agreement by the City shall be under the supervision and direction of the City  
 204 Manager’s office and the actions specified in this Agreement, unless otherwise stated, shall be taken by  
 205 the City Manager, or their designee.

206 **ARTICLE 3.**  
 207 **SCOPE OF AGREEMENT**

208 **3.1 SUMMARY SCOPE OF SERVICES**

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

210 A. *{Note to Proposers: This section may be amended depending on the City’s choice of Organic*  
 211 *Materials Processing proposal(s).}* Providing a three (3) -Container Collection program for the  
 212 separate Collection of Recyclable Materials, Organic Materials, and Solid Waste generated by and  
 213 placed for Collection by Single-Family Residential Customers pursuant to the requirements of  
 214 Article 4 and Exhibit B1.

215 B. *{Note to Proposers: This section may be amended depending on the City’s choice of Organic*  
 216 *Materials Processing proposal(s).}* Dependent upon the needs of City Facilities and the HHCA,  
 217 Contractor shall provide the following Collection programs pursuant to the requirements of  
 218 Article 4 and Exhibits B2 and B3:

219 a. Three (3) -Container Collection program for the separate Collection of Recyclable  
 220 Materials, Organic Materials, and Solid Waste.

221 b. Source Separated Manure Collection.

222 C. Transporting Collected materials to the appropriate Approved Facilities pursuant to requirements  
 223 of Article 4 and Exhibit B.

224 D. Processing Collected Recyclable Materials and Organic Materials at the appropriate Approved  
 225 Facilities pursuant to the requirements of Article 3, Article 4, and Exhibit B.

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

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

### 240 **3.2 USE OF APPROVED FACILITIES**

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

### 247 **3.3 SUBCONTRACTING**

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

### 257 **3.4 RESPONSIBILITY FOR MATERIALS**

258 Once Discarded Materials are placed in the Contractor's Containers and at the Collection location and  
259 Bulky Items are placed at the Collection location, the responsibility for their proper handling shall transfer  
260 directly from the Generator to Contractor, with the exception of Excluded Waste if the Contractor can  
261 identify the Generator pursuant to Section 5.8. Once Recyclable Materials, Organic Materials, and/or Solid  
262 Waste are deposited by Contractor at the appropriate Approved Facility, such materials shall become the  
263 responsibility of the Owner or operator of the Approved Facility except for Excluded Waste pursuant to

264 Section 5.8.

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

268 **3.5 CITY-DIRECTED CHANGES TO SCOPE**

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

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

287 **ARTICLE 4.**  
288 **SCOPE OF SERVICES**

289 *{Note to Proposers: This section may be amended depending on the City’s choice of Organic Materials*  
290 *Processing proposal(s).}* Contractor shall perform the Recyclable Materials, Organic Materials, Solid  
291 Waste, and Bulky Item services described in this Article 4, for any Customer in the City that subscribes to  
292 Contractor’s Collection services. Contractor shall provide On-Premises Collection of Recyclable Materials,  
293 Organic Materials, Solid Waste, and Bulky Items for Single-Family Customers. Contractor’s Collection  
294 services shall be offered City Facility Customers that place Containers in a public right-of-way or that  
295 provide a waiver for Contractor to access the Private Road(s) where Customer places its Containers.

296 Contractor acknowledges that City is committed to Diverting materials from Disposal through the  
297 implementation of source reduction, reuse, Recycling, Composting, and other programs, and that City  
298 may implement new programs, with or without the involvement of the Contractor, that may impact the  
299 overall quantity or composition of Discarded Materials to be Collected by Contractor. Contractor shall not  
300 be entitled to any compensation or other relief resulting from a decline in Discarded Materials volumes  
301 or Tonnage or from a change in the composition of Discarded Materials.

302 This Article 4 describes the general requirements for the services to be provided. More specific  
303 requirements for how each service shall be provided to each Customer Type are described in Exhibit B.

304 Failure to specifically require an act necessary to perform the service does not relieve Contractor of its  
305 obligation to perform such act.

306 **4.1 RECYCLABLE, ORGANIC MATERIALS, AND MANURE**

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

309 **B. Transfer.** *{Note to Proposers: This section may be amended depending on selection of the*  
310 *Approved Facility.}* Contractor plans to Transport Discarded Materials to the Approved Transfer  
311 Facility where the materials will be unloaded from Collection vehicles and loaded into large-  
312 capacity vehicles and Transported to the Approved Processing Facilities. Contractor shall keep all  
313 existing permits and approvals necessary for use of the Approved Transfer Facility in full  
314 regulatory compliance. Upon request, Contractor shall provide copies of facility permits and/or  
315 notices of violations (obtained from its Transfer Facility Subcontractor if necessary) to City  
316 Manager. If the Contractor is unable to use the Approved Transfer Facility, then the Contractor  
317 shall be responsible for making other Transportation arrangements. In such event, Contractor  
318 shall not be compensated for any additional costs. If the Contractor plans to change its Transfer  
319 method, Contractor shall obtain written approval from the City prior to making the change.

320 **C. Processing.** Contractor shall Transport and deliver all Source Separated Recyclable Materials  
321 placed in Recyclable Material Containers to the Approved Recyclable Materials Processing Facility.  
322 Contractor shall Transport and deliver Source Separated Organic Materials and Source Separated  
323 Manure placed in Organic Materials or Manure Containers in the City to the Approved Organic  
324 Materials Processing Facility. All tipping fees and other costs associated with Transportation and  
325 Processing of such Recyclable and Organic Materials and Manure at the Approved Processing  
326 Facilities and Disposing of the Residue as required in Section 4.1.I below shall be paid by  
327 Contractor.

328 **D. Capacity Guarantee.** Contractor guarantees sufficient capacity at the Approved Processing  
329 Facilities to Process all Source Separated Recyclable Materials, Source Separated Organic  
330 Materials, and Manure Collected by Contractor under this Agreement throughout the Term of the  
331 Agreement.

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

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

340 **G. Approved Facility(ies) Unavailable/Use of Alternative Facility(ies).** If Contractor is unable to use  
341 the Approved Processing Facility due to an event that meets the requirements for excusing  
342 Contractor from performance of this specific obligation as described in Section 11.7, Contractor  
343 shall use an alternative Processing Facility provided that the Contractor provides written notice  
344 to City Manager. Within forty-eight (48) hours of emergency or sudden and unforeseen closure,

345 the Contractor shall provide a written description of the reasons the use of the Approved  
346 Processing Facility is not feasible, and the period of time Contractor proposes to use the  
347 alternative Processing Facility. Such a change in Processing Facility shall be temporarily permitted  
348 until such time as the City Manager is able to consider and respond to the use of the proposed  
349 alternative Processing Facility. If the use of the proposed alternative Processing Facility is  
350 anticipated to, or actually does, exceed thirty (30) days in a consecutive twelve (12) month period,  
351 the use of such Processing Facility shall be subject to approval by the City Manager. The City  
352 Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or  
353 disapprove of the use of the proposed alternative Processing Facility. If the City disapproves the  
354 use of the proposed alternative Processing Facility, the Parties shall meet and confer to determine  
355 an acceptable Processing Facility.

356 If the use of an alternative Processing Facility is for reasons within Contractor's, or its Processing  
357 Facility Subcontractor's control, Contractor's Compensation shall not be adjusted for any change  
358 in Transportation and Processing costs associated with use of the alternative Processing Facility.  
359 However, if the use of an alternative Processing Facility is due to reasons beyond Contractor's or  
360 its Subcontractor's control, then City shall adjust, either up or down, Contractor's Compensation  
361 for changes in Transportation and Processing costs associated with the use of the alternative  
362 Processing Facility. In the event that the change in the Processing Facility results in increased  
363 costs, City may identify and direct Contractor to an alternative Processing Facility, at the  
364 Contractor's expense, which results in less cost than the Contractor-identified alternative.

365 Except for the emergency conditions described in this Section, Contractor shall not change its  
366 selection of the Approved Processing Facilities without City's written approval, which may be  
367 withheld in the City's sole discretion. If Contractor elects to use a Processing Facility that is  
368 different than the initial Approved Processing Facilities, it shall request written approval from the  
369 City Manager sixty (60) calendar days prior to use of the site and obtain City's written approval no  
370 later than ten (10) calendar days prior to use of the site.

371 Contractor shall observe and comply with all regulations in effect at the Approved Processing  
372 Facilities and cooperate with and take direction from the operator thereof with respect to delivery  
373 of Recyclable and Organic Materials. Contractor shall actively work with the Approved Processing  
374 Facility operators throughout the Term of this Agreement to ensure that contamination of the  
375 Recyclable and Organic Materials Collected under this Agreement and delivered to the Processing  
376 Facility remains below the limits established by Applicable Law.

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

383 **I. Residue Disposal.** Residue from the Processing of Recyclable Materials, Organic Materials, and  
384 Manure Collected under this Agreement at the Approved Processing Facilities, which cannot be  
385 marketed, shall be Disposed of by Contractor, or the Processing Facility Subcontractor. Residue  
386 delivered for Disposal shall not include any Excluded Waste.

387 J. **Compostable Plastics.** *{Note to Proposers: This section may be amended depending on the City's*  
388 *choice of Organic Materials Processing proposal(s).}* If Compostable Plastics are accepted at the  
389 Approved Organic Materials Processing Facility, Customers may place Compostable Plastics in the  
390 Organic Materials Container for Collection, including Compostable Plastic bags used by Customers  
391 to contain Food Waste prior to placement in the Organic Materials Container for Collection if they  
392 are accepted at the Approved Organic Waste Processing Facility. Contractor shall Collect and  
393 Transport such materials for Processing at the Approved Organic Waste Processing Facility. At  
394 least six (6) months prior to the commencement of the Agreement, Contractor shall provide a  
395 written notification to the City authorizing if the Facility has the capability to Process and recover  
396 the Compostable Plastics. If there are any changes to the Facility's ability to Compostable Plastics,  
397 Contractor shall notify the City within seven (7) days and shall provide a notice to Customers at  
398 least thirty (30) days prior to issuing any contamination notices. The notification shall, at a  
399 minimum, include: the date and a description of the reasons that the Facility is not able to Process  
400 and recover the Compostable Plastics.

## 401 4.2 SOLID WASTE

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

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

## 408 4.3 BULKY ITEMS, HOUSEHOLD HAZARDOUS WASTE, AND E-WASTE

409 A. **Bulky Item Annual Collection.** Contractor shall provide at no additional cost, an annual Bulky Item  
410 Collection service for one (1) week during each calendar year. Customer shall schedule an  
411 appointment with Contractor for Collection. Contractor shall publish and distribute a notice to all  
412 Single-Family Customers. The notice shall contain information including, definitions of materials  
413 to be Collected (including E-waste), procedures for setting out the materials, and Contractor  
414 Customer service number. The notice shall be provided in English and Spanish in a format  
415 approved by the City. This Collection shall take place during a week that is mutually acceptable  
416 to City and Contractor.

417 B. **On-Call Bulky Item, HHW, and E-Waste Collection.** Contractor shall offer on-call Bulky Item, HHW,  
418 and E-Waste Collection services as described in Exhibit B for an additional charge to Customers.  
419 On-call Bulky Item, HHW, and E-Waste Collection services shall be provided to Customers prior to  
420 the Customer's next regularly scheduled Collection day, pursuant to Exhibit B, provided that the  
421 Customer notify Contractor at least twenty-four (24) hours prior to Customer's next regularly  
422 scheduled Collection Day. Provided the Customer does not notify Contractor at least twenty-four  
423 (24) hours prior to their regularly scheduled Collection Day, Contractor shall provide services prior  
424 to the following regularly scheduled Collection Day. Contractor shall make reasonable efforts to  
425 schedule on-call Bulky Item, HHW, and E-Waste Collections on a day that is convenient to the  
426 Customer. Contractor shall Transport all Bulky Items, HHW, and E-Waste Collected under this  
427 Agreement to the Approved Processing Facility. Contractor shall pay all costs associated with  
428 Transporting and Processing Bulky Items, HHW, and E-Waste. Contractor shall observe and



429 comply with all regulations in effect at the Approved Processing Facility and cooperate with and  
430 take direction from the operator thereof with respect to delivery of Bulky Items, HHW, and/or E-  
431 Waste.

432 **C. Los Angeles County HHW Cleanup Events.** At all times during the Term of this Agreement,  
433 Contractor shall provide a toll-free number that will provide information regarding HHW and E-  
434 Waste including available Disposal sites or events. Contractor agrees to cooperate fully with the  
435 Los Angeles County Department of Public Works HHW Cleanup events.

#### 436 **4.4 CITY AND COMMUNITY ASSOCIATION SPECIAL EVENTS**

437 Contractor shall provide Recyclable Materials, Organic Materials, and Solid Waste services to the City and  
438 to the HHCA, as authorized by the City, for special events up to four (4) times per year, at no cost to the  
439 event or City. Special event services include all of the following unless specifically waived in writing by the  
440 City Manager.

441 **A. Event Collection Stations.** Upon request, Contractor shall provide event Collection stations for  
442 Collection of Recyclable Materials, Organic Materials, and Solid Waste at City-sponsored events.  
443 Each event Collection station shall include a separate Cart or special event Cardboard boxes for  
444 each of Recyclable Materials, Organic Materials, and Solid Waste, as appropriate. Contractor shall  
445 provide a sufficient number of event Collection stations of sufficient capacity to meet the needs  
446 of the event as determined by Contractor in cooperation with the City and/or the event organizer.  
447 Collection stations shall utilize the same Carts used to provide services to Residential Customers,  
448 unless alternative Containers are approved by the City. Contractor shall provide liners/bags for  
449 the Carts at the Collection stations. Collection stations shall include adequate signs and labeling.

450 **B. Containers.** Upon request, Contractor shall provide Containers, which may include Bins or Roll-  
451 Off Boxes for the aggregation of material removed from event Collection stations during the  
452 course of the event. Contractor shall provide Containers in sufficient number of appropriate  
453 type(s) for the needs of the event as determined by Contractor in cooperation with the City and/or  
454 the event organizer. Contractor shall service Containers, as agreed-upon with the City and/or the  
455 event organizer, and deliver Collected materials to the appropriate Approved Facility for  
456 Processing and/or Disposal.

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

461 **D. Reporting.** Upon request, Contractor shall submit a report to the City Manager and event  
462 organizer within fourteen (14) calendar days of the end of the event. The report should include,  
463 at a minimum: the number of event Collection stations deployed at the event, the Tonnage of  
464 each material type (i.e., Recyclable Materials, Organic Materials, and Solid Waste) Collected, and  
465 a description of the public education provided at the event.

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

470 For special events which are not identified in Exhibit B4 or otherwise hosted or sponsored by the City or  
471 HHCA, Contractor shall provide the above-described special event services at the request of the event  
472 organizer and may negotiate the charges for such services with the event organizer based on the specific  
473 needs of the event, or provide the services at their sole expense, at no cost to the City or ratepayers.

#### 474 **4.5 PUBLIC EDUCATION AND OUTREACH**

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

477 **A. Program Objectives.** The City’s public education and outreach strategy shall focus on improving  
478 Generator understanding of the benefits of and opportunities for source reduction, reuse, and  
479 landfill Disposal reduction and supporting compliance with Applicable Laws and regulations,  
480 including, but not limited to AB 939. Examples of goals of the City-provided public education and  
481 outreach program include, but are not limited to: (i) informing Generators about the services that  
482 are provided under this Agreement with specific focus on describing the methods and benefits of  
483 source reduction, reuse, Recycling, and Composting; (ii) instructing Generators on the proper  
484 method for placing materials in Containers for Collection, with specific focus on minimizing  
485 contamination of Recyclable Materials, Organic Materials and Manure; (iii) clearly defining  
486 Excluded Waste and educating Generators about the hazards of such materials and their  
487 opportunities for proper handling; (iv) discouraging Generators from buying products if the  
488 product and its packaging are not readily reusable, Recyclable, or Compostable; and, (v)  
489 encouraging Generators to purchase products/packaging made with Recycled content materials.  
490 The cumulative intended effect of these efforts is to reduce generation of Solid Waste and,  
491 ultimately, Disposal of Solid Waste by each Generator in the City, and Contractor agrees to  
492 support and not undermine or interfere with such efforts.

493 **B. Contractor Public Education Requirements.** Within forty-five (45) days after the execution of this  
494 Agreement, and annually thereafter, Contractor shall develop and submit an annual public  
495 education plan to the City Manager for approval. Contractor agrees to print, produce, and  
496 distribute education materials and conduct outreach detailed in Exhibit C at no additional cost to  
497 ratepayers or the City.

498 Contractor shall obtain approval from the City Manager on all Contractor-provided advertising,  
499 promotional, or service-related materials used within the City before publication, distribution,  
500 and/or release. The City Manager, in their sole discretion, shall have the right to deny the use of  
501 any materials or content or may request that Contractor include City identification and contact  
502 information on materials and Contractor’s approval of such requests shall not be unreasonably  
503 withheld.

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

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



509 **4.6 BILLING**

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

515 Contractor shall bill all Customers monthly in advance for scheduled and regularly recurring services on a  
516 bi-monthly basis. Contractor shall bill Customers for any on-call and/or non-recurring services no more  
517 frequently than monthly and may only bill for services provided during the previous month. Contractor  
518 shall remit invoices to Customers no earlier than the last day of the service period billed for.

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

- 521 i. Customer name
- 522 ii. Phone number
- 523 iii. Service address
- 524 iv. Email address
- 525 v. Customer services subscribed to

526 Contractor shall make such database available, upon no more than five (5) Working Days request from  
527 the City Manager, in accordance with this Section and Section 6.1.

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

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

540 Contractor shall maintain copies of all billings and receipts, each in chronological order, for the Term of  
541 this Agreement, for inspection and verification by the City Manager at any reasonable time but in no case  
542 more than thirty (30) calendar days after receiving a request to do so.

543 Contractor shall be responsible for collection of payment from Customers with past due accounts (“bad  
544 debt”). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through

545 issuance of late payment notices, telephone requests for payments, and assistance from collection  
546 agencies.

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

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

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

## 573 **4.7 CUSTOMER SERVICE PROGRAM**

### 574 **4.7.1 Program Requirements**

#### 575 **A. Customer Service**

576 Office hours shall be, at a minimum, from 8:00 A.M. to 5:00 P.M., Monday through Friday, and  
577 Saturday from 8:00 A.M. to 12:00 P.M., exclusive of Holidays. A responsible and qualified  
578 representative of Contractor shall be available during office hours for communication with the  
579 public. Normal office hour telephone numbers shall be a toll-free call. Contractor's telephone  
580 system shall be adequate to handle the volume of calls typically experienced on the busiest days.  
581 The City shall have the right to require Contractor to increase its call handling capacity without  
582 requirement for any additional compensation to the Contractor. Contractor shall also maintain a  
583 toll-free telephone number for use during other than normal business hours. Contractor shall  
584 have a representative, answering or message providing/receiving (voicemail) service available at  
585 said after-hours telephone number. After-hour calls shall be responded to on the next Business  
586 Day (excluding Saturdays, Sundays, and Holidays).

587  
588 Contractor will maintain an emergency telephone number for use outside normal office hours.  
589 Contractor shall have a representative, or an answering service to contact such representative,  
590 available at said emergency telephone number during all hours other than normal office hours.  
591 Contractor shall be able to respond to inquiries in English, Spanish, and other languages as  
592 directed by the City. Contractor must also provide a Telecommunications Device for the Deaf  
593 (TDD) service for use by Persons with hearing or speech difficulties.  
594

595 Contractor shall provide at least one (1) Customer service representative dedicated to the City.  
596 This Customer service representative will be assisted by Contractor's Customer service  
597 representatives located in other offices as needed.  
598

599 **B. Complaint Documentation**

600 Daily logs of Complaints shall be retained for a minimum of twenty-four (24) months and shall be  
601 available to City at all times upon request.  
602

603 Contractor shall log all Complaints received by telephone, and or email, and said log shall include  
604 the date and time the Complaint was received, name, address and telephone number of callers,  
605 description of Complaint, employee recording Complaint and the action taken by Contractor to  
606 respond to and remedy Complaint. Missed pickups shall be included in this log.  
607

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

612 All Customer service records and logs kept by Contractor shall be available to City upon request  
613 within two (2) Business Days at no cost to City. City shall, at any time during regular Contractor  
614 business hours, have access to Contractor's City Liaison for purposes that may include monitoring  
615 the quality of Customer 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 staff, legal, and consultant costs for each City intervention  
622 in a dispute between Contractor and a Customer if the City reasonably deems intervention is  
623 required 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.”

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.

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

655 **4.8 SECTION RESERVED.**

656 **4.9 SERVICE EXEMPTIONS**

657 **4.9.1 General Exemptions**

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

664 **4.9.2 Contractor Service Exemptions**

665 A. **Disaster Waivers.** In the event of a disaster, the City may grant Contractor a waiver of some or all  
666 Discarded Materials Collection requirements under this Agreement and 14 CCR, Division 7, Chapter  
667 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver  
668 has been approved by CalRecycle. Any resulting changes in Collection requirements shall be  
669 addressed as a change in scope in accordance with Section 3.5.

670 B. **Quarantined Waste.** If approved by the City, the Contractor may Dispose of, rather than Process,  
671 specific types of Organic Materials and/or Recyclable Materials that are subject to quarantine and

672 meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by  
673 the City or until the City provides notice that the quarantine has been removed and directs  
674 Contractor to Transport the materials to the Approved Facilities for such material.

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

#### 678 **4.10 CONTAMINATION MONITORING**

679 It is the City's intention that all Customers are to be provided a transition period prior to being issued  
680 Courtesy Pickup Notices, Non-Collection Notices, or Container Removal Notices.

681 The transition period shall be the twelve-month period beginning January 1, 2026 and ending December  
682 31, 2026.

683 During the transition period Contractor shall monitor contamination and provide public education and  
684 outreach and technical assistance to encourage proper separation of materials.

685 Contractor shall be required to comply with subsections A and E during the Customer transition period.

686 **A. Contamination Notification.** Upon identification of Prohibited Container Contaminants in a  
687 Customer's Container, Contractor shall provide the Customer with a notice of contamination in  
688 the form of either a Courtesy Pick-Up Notice or a Non-Collection Notice as determined by the  
689 route auditor or driver. Non-Collection Notices shall only be provided for containers which are  
690 reasonably believed to contain Excluded Waste.

691 **B. Courtesy Pick-Up Notice.** Upon identification of Prohibited Container Contaminants in a  
692 Customer's Container, Contractor shall provide the Customer a Courtesy Pick-Up Notice at the  
693 Customer's door or gate; or, subject to City's approval, may deliver the notice by mail, e-mail, or  
694 text message. Contractor shall also attach or adhere Courtesy Pick-Up Notice to Generators  
695 contaminated Containers.

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

- 697 1. Inform the Customer of the observed presence of Prohibited Container Contaminants.
- 698 2. Include the date and time the Prohibited Container Contaminants were observed.
- 699 3. Include information on the Customer's requirement to properly separate materials  
700 into the appropriate Containers, and the accepted and prohibited materials for  
701 Collection in each Container.
- 702 4. Inform the Customer of the courtesy pick-up of the contaminated materials on this  
703 occasion with information that the Contractor may assess contamination Processing  
704 fees and/or issue a Non-Collection Notice in the future.
- 705 5. Include photographic evidence.

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

708 Contractor shall Collect the contaminated Recyclable Materials and/or Organic Materials  
709 Containers and either Transport the material to the appropriate Approved Facility for Processing;  
710 or, Contractor may Collect the contaminated materials with the Solid Waste and Transport the  
711 contaminated materials to the Approved Disposal Facility. A Courtesy Collection of contaminated  
712 Recyclable Materials or Organic Materials where the materials are sent to the Approved Disposal  
713 Facility may be made with a Solid Waste Collection vehicle, provided that the contaminants may  
714 safely and lawfully be Collected as Solid Waste.

715 **C. Non-Collection Notices**

716 1. Non-Collection Notice. If the Contractor observes Excluded Waste, Contractor shall provide  
717 a Non-Collection Notice to the Generator.

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

- 719 a. Inform the Customer of the reason(s) for non-Collection.
- 720 b. Include the date and time the notice was left or issued.
- 721 c. Describe the premium charge to Customer for Contractor to return and  
722 Collect the Container after Customer removes the Excluded Waste.
- 723 d. Include photographic evidence of the violation(s).

724 2. Communications with Customer. Whenever a Container is not Collected, Contractor shall  
725 contact the Customer on the scheduled Collection day or within two (2) hours of the  
726 scheduled Collection day by telephone, email, text message, or other verbal or electronic  
727 message to explain why the Container was not Collected. Contractor shall include a  
728 telephone number in all communication to Customers in order to allow direct  
729 communication with a Customer service representative or to leave voice messages during  
730 non-business hours. Whenever a Container is not Collected because of Prohibited Container  
731 Contaminants, a Customer service representative shall contact the Customer to discuss and  
732 encourage the Customer to adopt proper Discarded Materials preparation and separation  
733 procedures.

734 3. Contractor Return for Collection. Upon request from Customer, Contractor shall Collect  
735 Containers that received Non-Collection Notices within one (1) Working Day of Customer's  
736 request if the request is made at least two (2) Working Days prior to the regularly scheduled  
737 Collection Day. Contractor shall bill Customer for the extra Collection service event ("extra  
738 pick-up") at the applicable City-approved Rates only if Contractor notifies Customer of the  
739 premium Rate for this service at the time the request is made by Customer.

740 **D. Reporting Requirements.**

741 1. **Container Contaminant Log:** The driver or other Contractor representative shall record  
742 each event of identification of Prohibited Container Contaminants in a written log or in the

743 on-board computer system including, but not limited to: date, time, Customer’s address,  
744 type of Container, and maintain photographic evidence.

745 2. **Monthly Report:** The monthly report shall include, but is not limited to: list of Customers  
746 that were provided non-collection notices; photographic evidence of each contamination  
747 event(s) where a notice(s) was provided; date of notification, form(s) of notification given  
748 to Customer; list of Customer Complaints in response to notification; Contractor’s response  
749 and actions taken in response to Customer Complaints; and, the total number of notices  
750 distributed during the reporting period by notification type.

751 **4.11 ROUTE AUDIT**

752 Upon City’s request (but not more than once every three years), Contractor shall conduct an audit of its  
753 Collection routes in the City. City may use information from the audit to develop a request for proposals  
754 for a new service provider. City may instruct Contractor when to conduct the audit in order for the results  
755 to be available for use in preparation of a request for proposals or for other City uses. City may also  
756 instruct Contractor to conduct an audit at a time that would produce the most accurate Customer service  
757 information for a new service provider to use in establishing service with Customers. In setting these  
758 audit dates, City will establish due dates for Contractor providing routing and account information, and  
759 later, the report, to City.

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

763 For Cart Customers:

- 764 • Route Number
- 765 • Truck Number
- 766 • Number and size of Carts by waste stream (Refuse, Recyclable Materials, and Organic Waste)
- 767 • Cart condition

768 For Bin Customers:

- 769 • Route Number
- 770 • Truck Number
- 771 • Account Name
- 772 • Account Number
- 773 • Account Service Address
- 774 • Account Type (Residential and City Facilities)
- 775 • Service Level per Contractor Billing system (Quantity, Size, Frequency, Waste Stream)
- 776 • Observed Containers (Quantity, Size, Frequency, Waste Stream)
- 777 • Container condition
- 778 • Proper signage



779           • Graffiti  
780    Within thirty (30) days after the completion of the route audit, Contractor shall submit to City a report  
781    summarizing the results of the audit. This summary shall include:

- 782           • Identification of the routes
- 783           • Route map
- 784           • Truck numbers
- 785           • Number of accounts, by route and in total (Residential and Commercial)
- 786           • Confirmation that all routes are dedicated exclusively to City Customers
- 787           • Number and type of exceptions observed
- 788           • Total monthly service charge (Residential and Commercial), pre-audit for each Customer.
- 789           • Total monthly service charge (Residential and Commercial), post-audit (subsequent to  
790            corrections of identified exceptions) for each Customer.

791    The report shall include a description of the procedures followed to complete the route audit. This  
792    description shall include the names and titles of those supervising the route audits and the name and titles  
793    of those performing the observations.

794    The report shall also include a description of the changes and Contractor’s plans to resolve the exceptions.  
795    The results of the audit, and supporting back-up data, shall be available for review by City or its  
796    representative.

797    **4.12 PROCUREMENT OF RECOVERED ORGANIC WASTE PRODUCTS**

798    Contractor shall procure sufficient California derived Compost, Mulch, and/or RNG, or achieve compliance  
799    through other methods approved by CalRecycle, to meet 100% of the City’s requirement for recovered  
800    Organic Waste products (ROWP) of 0.08 Tons per capita per year as specified in Applicable Law. Franchisee  
801    must meet this obligation by one or a combination of the following activities:

802    **A. Bulk Compost and/or Mulch Reserved for Jurisdiction** – Contractor must provide City with  
803    Compost or Mulch in an amount requested by City for use at City and HHCA facilities. The production,  
804    acquisition, advertising, storage, Transportation, distribution, and/or any other costs needed to achieve  
805    this requirement shall be performed by Contractor at no additional cost to the City or Customers. City will  
806    notify Contractor as to the City’s needs for delivery of finished Compost, Mulch, or both, throughout each  
807    Calendar Year.

808    Contractor shall deliver Compost, Mulch, or both, within five (5) Business Days of a request of the City  
809    Manager to any accessible location within City limits at no additional cost to City. Contractor shall work  
810    actively with the City Manager and appropriate City departments to educate, develop, test, and support  
811    expanded uses of qualified Compost and Mulch in the City. The City will specify the material type (i.e.,  
812    Compost, Mulch, or both) to be provided and the quality specifications of the selected material type for  
813    any given application, even if that requires Contractor to procure such material from a third party in order  
814    to provide it to the City.

815    **B. Bulk Compost and/or Mulch for Private Uses** – If the City is unable to use the full amount of



816 Compost, Mulch, or both, required by SB 1383 in a given Calendar Year, Contractor shall arrange the legal  
817 donation of the remainder of the City’s SB 1383 allotment to other productive uses. The production,  
818 acquisition, advertising, storage, Transportation, distribution, or any other costs needed to achieve this  
819 requirement shall be performed by Contractor at no additional cost to the City or Customers. The City  
820 shall notify Contractor in writing no later than October 1 of each Calendar Year if it is unable to use the  
821 full amount of Compost, Mulch, or both, required by SB 1383 in a given Calendar Year.

822 **C. Compost and/or Mulch Give-Away Events** - Contractor must distribute one cubic-foot bags of  
823 Compost and/or Mulch to City Residents at no additional cost to the City or Customers at up to two public  
824 Compost and/or Mulch give-away events per Agreement Year. ~~\_(such that Contractor will provide The~~  
825 ~~amount of compost and mulch will be determined by the City in consultation with the Contractor but shall~~  
826 ~~not exceed the City’s annual requirement for recovered Organic Waste products (ROWP) up to 40 Tons~~  
827 ~~per event).~~ The location, date, and time of such events must be mutually agreed upon by the City Manager  
828 and Contractor and may be held in conjunction with other City-approved events. Contractor must deliver  
829 the bagged Compost and/or Mulch to the agreed-upon event location at no cost to City. Franchisee must  
830 provide at least one attendant for at least six hours per event. Any Compost and or Mulch given away to  
831 the community through this program must apply to Contractor’s assistance to City with the amount of  
832 recovered Organic Waste products required under Applicable Law.

833 **D.** Use of RNG in Collection vehicles or support vehicles.

834 **E.** Procurement of procurement compliance attributes from SB 1383 eligible products, including  
835 RNG or biomass-to-electricity. The procured amount of procurement compliance attributes cannot  
836 exceed the amount Contractor uses for City-related operations for each year.

837 **F.** Other methods approved by CalRecycle.

838 **SB 1383 Procurement.** Contractor agrees that any Compost, Mulch, or both, provided through this  
839 Agreement must comply with the municipal procurement requirements of SB 1383, including being  
840 generated from California Organic Waste products, as defined by SB 1383 for each applicable material  
841 type.

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

#### 849 **4.13 EXTENDED PRODUCER RESPONSIBILITY PROGRAMS**

850 The City and the Contractor acknowledge that the requirements under the existing Extended Producer  
851 Responsibility Programs (including, but not limited to, AB 1201, SB 1383, SB 54, and SB 343) may be  
852 applicable to the services provided by the Contractor under this Agreement, and that additional or  
853 amended Extended Producer Responsibility Programs may be established in the future. The Contractor  
854 further acknowledges that, because the Approved Transfer Facility accepts materials from the public that  
855 may be regulated by an Extended Producer Responsibility Program, the Contractor may be uniquely  
856 positioned to operate or participate in such programs.

857 The City may require Contractor’s compliance with, and participation in, existing and/or new Extended  
858 Producer Responsibility Programs that may include a modification to Exhibits B and C or Contractor  
859 implementation of drop-off program(s) at the Approved Transfer Facility, to the extent that doing so is  
860 reasonably appropriate and does not violate the permits of the subject Facility.

861 Any and all such City requests and/or requirements related to any Extended Producer Responsibility  
862 Program shall be treated as a change in scope in accordance with Section 3.5 and shall not be treated as  
863 a Change in Law under this Agreement provided, however, that the Contractor shall be expressly  
864 precluded from requesting an Extraordinary Rate Adjustment for a change in scope if the Contractor is  
865 compensated, ~~in whole or in part,~~ for Processing, Recovery, and/or Diversion cost associated with such  
866 participation.

867 **ARTICLE 5.**  
868 **STANDARD OF PERFORMANCE**

869 **5.1 GENERAL**

870 Contractor shall at all times comply with Applicable Law and provide services in a manner that is safe to  
871 the public and the Contractor’s employees. Except to the extent that a higher performance standard is  
872 specified in this Agreement, Contractor shall perform services in accordance with Recyclable Materials,  
873 Organic Materials, and Solid Waste management practices common to the Los Angeles area.

874 **5.2 OPERATING HOURS AND SCHEDULES**

875 **A. Hours of Collection.** Unless otherwise authorized by the City Manager, Contractor’s days and  
876 hours for Collection operations shall be as follows:

877 **1. Collection Days.** Collection is limited to three (3) days a week Collection except special  
878 Collections or as approved by City. No collection shall be made on Saturday or Sunday  
879 unless specifically authorized in writing by the City Manager.

880 **2. Collection Hours.** Collection shall only occur between the hours of 7:00 a.m. and 5:00  
881 p.m.

882 **B. Changes in Collection Routes.** Prior to Commencement of this Agreement, Contractor shall  
883 provide the City with route maps identifying at a minimum: the type of route (e.g., Single-Family,  
884 City Facilities, etc.) and the service day. City shall either approve or deny proposed standard  
885 Collection routes. If City denies any standard Collection routes, Contractor may request a meet  
886 and confer with the City Manager to discuss potential options. The City Managers decision shall  
887 be final with respect to any routing changes that may impact the day of service of any Customer.  
888 Contractor may, at any time during the Term of this Agreement, propose changes or additional  
889 routes, subject to City approval. If a standard Collection route change is approved, Contractor  
890 must notify all affected Customers fourteen (14) days prior to Contractor implementing the new  
891 route. This notification will be at the expense of the Contractor and shall be published in bold and  
892 legible type at least one time in the newsletter used for City notices. In addition, Contractor, at its  
893 own expense, will prepare notices to be distributed to all affected Customers. Failure to obtain  
894 City approval on route changes resulting in service day changes for

895 C. **Holiday Collection.** Contractor, at its sole discretion, may choose not to provide Collection  
896 services on a Holiday. In such event, Contractor shall provide Collection services on the day  
897 following the Holiday thereby adjusting subsequent work that week with normally scheduled  
898 Tuesday Collection Services being performed on Wednesday; however, Customer service days  
899 shall be returned to the normal schedule within one (1) week of the Holiday. Collection Services  
900 shall be adjusted as agreed between the Contractor and the Customer but must meet the  
901 minimum frequency requirement of one (1) time per week. The Contractor shall provide  
902 Customers notice of Holiday-related changes in Collection schedules at least two (2) weeks prior  
903 to the change.

904 **5.3 COLLECTION STANDARDS**

905 A. **Servicing Containers.** Contractor shall provide Standard Valet Service Collection as outlined in  
906 Exhibit B. Contractor shall place the Containers upright with lids properly secured.

907 B. **Non-Collection, Courtesy, and Container Removal Noticing.** Prior to the Commencement Date,  
908 Contractor shall develop, and submit to the City Manager for review and approval, and as per the  
909 requirements of Section 4.10(C)

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

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

915 Per the requirements identified in Section 4.10, in the event that Contractor encounters  
916 circumstances at a Customer Premises which prevents the Contractor from Collecting Discarded  
917 Materials which have been placed for Collection, Contractor shall leave a Non-Collection Notice  
918 at the Customer Premises clearly explaining Contractor’s reason for refusal to Collect the  
919 Discarded Materials. Contractor shall not be required to Collect Discarded Materials which are  
920 reasonably believed to contain Excluded Waste, pursuant to the requirements of Section 5.8.  
921 Contractor may propose an alternative to a paper Non-Collection Notice left at Customer  
922 Premises (e.g., Customer notification via a phone call or e-mail) subject to City approval. Such an  
923 alternative must involve pro-active communication with Customer, initiated by Contractor.

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

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

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

933 Contractor shall conduct public outreach and staff training to Customers on best management

934 practices for litter abatement at no extra charge. Such best management practices include,  
935 without limitation:

936 1. Closing Container lids and right sizing service: Contractor staff will tag overfull Containers  
937 with Courtesy Pick-Up Notices, which will serve as outreach and education to the Customer.  
938 Photos of the Container will be taken by drivers, attached to the Customer's account, and  
939 will be available to outreach and Customer service staff in order to demonstrate to the  
940 Customer where a problem exists.

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

944 3. Driver training on litter reduction techniques and litter removal best management  
945 practices.

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

948 **D. No Commingling of Materials.** Contractor shall Collect materials generated in the City in  
949 Collection vehicles separately from other materials generated outside the City service area, unless  
950 otherwise approved by the City Manager. Contractor shall not commingle materials which have  
951 been Source Separated with other material types (for example, Source Separated Recyclable  
952 Materials which have been properly placed for Collection shall not be combined with Solid Waste  
953 or Source Separated Organic Materials).

## 954 **5.4 TRANSFER AND PROCESSING STANDARDS**

### 955 **5.4.1 Equipment and Supplies**

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

960 Contractor shall provide all rolling stock, stationary equipment, material storage containers, spare parts,  
961 maintenance supplies, Transfer, Transport, and Processing equipment, and other consumables as  
962 appropriate and necessary to operate the Approved Processing Facilities and provide all services required  
963 by this Agreement. Contractor shall place the equipment in the charge of competent operators.  
964 Contractor shall repair and maintain all equipment at its own cost and expense.

### 965 **5.4.2 Scales and Weighing**

966 Contractor is responsible for ensuring accurate weighing of all materials entering and leaving the  
967 Approved Processing Facilities.

968 **A. Maintenance and Operation.** This Section 5.4.2.A applies to motor vehicle scales used at the  
969 Approved Facilities. Approved Facilities shall be equipped with one (1) or more State-certified motor  
970 vehicle scales in accordance with Applicable Law. Upon request, Contractor shall arrange for facility  
971 operator to provide documentary evidence of such scale certification within ten (10) days of City's

972 request during the Term. Contractor shall arrange for facility operator to provide City with access  
973 to weighing information at all times and copies thereof within three (3) Working Days following the  
974 City's request. Exceptions to weighing requirements are specified in subsection G of this Section  
975 5.4.2.

976 **B. Vehicle Tare Weights for Approved Facility(ies) or the Designated Disposal Facility.** Within thirty  
977 (30) days prior to the commencement date, Contractor shall coordinate with the facility operator(s)  
978 to ensure that all Collection vehicles used by Contractor to Transport Discarded Materials to  
979 Approved Facilities are weighed to determine unloaded ("tare") weights. Contractor shall work with  
980 facility operator(s) to electronically record the tare weight, identify vehicle as Contractor's, and  
981 provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with  
982 a report listing the vehicle tare weight information upon request. Contractor shall promptly  
983 coordinate with facility operator to weigh additional or replacement Collection vehicles prior to  
984 Contractor placing them into service. Contractor shall check tare weights at least annually, or within  
985 fourteen (14) days of a City request, and shall re-tare vehicles immediately after any major  
986 maintenance service that could impact the weight of the vehicle by more than fifty (50) pounds.

987 **C. Substitute Scales.** If any scale at the Approved Facility is inoperable, being tested, or otherwise  
988 unavailable, facility operator shall use reasonable business efforts to weigh vehicles on the  
989 remaining operating scale(s). To the extent that all the scales are inoperable, being tested, or  
990 otherwise unavailable, facility operator shall substitute portable scales until the permanent scales  
991 are replaced or repaired. Facility operator shall arrange for any inoperable scale to be repaired as  
992 soon as possible.

993 **D. Estimates.** Pending substitution of portable scales or during power outages, facility operator shall  
994 estimate the Tonnage of the Discarded Materials Transported to and accepted at the Approved  
995 Facilities by utilizing the arithmetic average of each vehicle's recorded Tons of Discarded Materials  
996 delivered on its preceding three (3) deliveries.

997 During any period of time the scales are out of service, facility operator shall continue to record all  
998 information required by this Section D for each delivery of Discarded Materials to the Approved  
999 Facilities and each load of material Transferred to another Approved Facility(ies).

1000 **E. Weighing Standards and Procedures.** At the Approved Facilities, facility operator shall weigh and  
1001 record inbound weights of all vehicles delivering Discarded Materials when the vehicles arrive at  
1002 the facility. In addition, facility operator shall weigh and record outbound weights of vehicles for  
1003 which facility operator does not maintain tare weight information. Furthermore, facility operator  
1004 shall weigh and record outbound weights of all Transfer vehicles Transporting Discarded Materials  
1005 from an Approved Transfer Facility to another Approved Facility(ies) for Processing or Disposal.

1006 **F. Records.** Facility operator shall maintain scale records and reports that provide information  
1007 including: date of receipt, inbound time, inbound and outbound weights (or tare weights) of  
1008 vehicles, vehicle identification number, jurisdiction of origin of materials delivered, type of material,  
1009 company/hauler identification, and classification, type, weight, and final destination of Discarded  
1010 Material if the Discarded Materials are Transferred to another Approved Facility(ies) or the  
1011 Designated Disposal Facility.

1012 **G. Exceptions to Weighing Requirements.** If the Approved Facility(ies) or the Designated Disposal  
1013 Facility does not have motor vehicle scales to weigh Contractor's vehicles and Discarded Materials

1014 delivered to the facility, Contractor shall notify City and obtain a receipt for delivery of the Discarded  
1015 Materials that identifies the date and time of delivery, the type of material delivered, and the vehicle  
1016 number. Contractor or facility operator shall estimate the Tonnage of material delivered for each  
1017 load based on the volumetric capacity of the vehicle and material density factors (e.g., pounds per  
1018 cubic yard) approved by or designated by the City.

1019 **H. Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded on video  
1020 cameras at the Approved Facility(ies) or the Designated Disposal Facility, Contractor shall make  
1021 those videos available for City review during the Approved Facility(ies) or the Designated Disposal  
1022 Facility’s operating hours, upon request of the City, and shall provide the name of the driver of any  
1023 particular load if available.

1024 **5.5 COLLECTION VEHICLE REQUIREMENTS**

1025 **A. Vehicle Requirements.** Contractor shall provide a fleet of Collection vehicles sufficient in number  
1026 and capacity to efficiently perform the work required by the Agreement in strict accordance with  
1027 its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection  
1028 vehicle used to respond to scheduled and unscheduled maintenance, service requests, Complaints,  
1029 and emergencies. Contractor shall comply with the Advanced Clean Fleets Regulation and emissions  
1030 standards specified in Section 5.5.A and Applicable Law. Should the City Manager at any time give  
1031 notification in writing to Contractor that any vehicle does not comply with the standards hereunder,  
1032 that vehicle shall forthwith be removed from service by Contractor and not again be used until  
1033 inspected and approved in writing by the City Manager.

1034 1. Contractor shall operate no vehicles within the City over 10-years in age during the Term of  
1035 this Agreement. Should this Agreement be extended beyond the initial Term and extended as  
1036 described in Sections 2.1 and 2.1.1, Contractor shall operate no vehicles within the City over  
1037 12-years in age during the extended Term. All such vehicles shall have watertight bodies  
1038 designed to prevent leakage, spillage, or overflow. All such vehicles shall meet 2024 On-Road  
1039 Heavy Duty Vehicle emissions requirements, regardless of the actual model year of  
1040 Contractor’s vehicles, and generally comply with all Federal, State, and local laws and  
1041 regulations including but not limited to Advanced Clean Trucks Regulation (13 CCR 1963-  
1042 1963.5 and 2012-2012.2), including any modifications, administrative or legal determinations,  
1043 and amendments thereto. Contractor’s vehicles shall utilize Recycled motor oil to the extent  
1044 practicable.

1045 2. All Collection vehicles, excluding spares, supervisor vehicles, Container delivery vehicles, and  
1046 other specialty vehicles used on a sporadic basis, used by Contractor under this Agreement  
1047 shall be powered by RNG, or alternatively Contractor may utilize vehicles classified as zero-  
1048 emissions vehicles under Advanced Clean Fleets Regulation. Contractor shall maintain records  
1049 of the amount of RNG purchased and shall report this information in accordance with Exhibit  
1050 F. Contractor shall agree to the City the right to report this RNG usage toward the City’s  
1051 fulfilment of its annual recovered Organic Waste product procurement target in accordance  
1052 with 14 CCR Section 18993.1.

1053 3. Collection vehicles shall have the capacity to Collect and Transport loose Cardboard overages,  
1054 to ensure that Contractor is capable of complying with Exhibit B.



1055 4. Collection vehicles shall present a clean appearance while providing service under this  
1056 Agreement.

1057 5. Contractor is aware of and will comply with the California Air Resources Board's Advanced  
1058 Clean Fleets Regulation.

1059 **B. Vehicle Display.** Contractor's name and local telephone number shall be displayed on all vehicles in  
1060 at least four (4) inch characters. Vehicles shall be equipped with sign board holders or other  
1061 hardware to allow public education signage of no less than thirty-six (36) by forty-eight (48) inches  
1062 to be displayed on both sides of the vehicle.

1063 **C. Vehicle Inspection.** Contractor shall inspect each vehicle daily to ensure that all equipment is  
1064 operating properly. Vehicles that are not operating properly shall be taken out of service until they  
1065 are repaired and operate properly. Contractor shall repair or arrange for the repair of all its vehicles  
1066 and equipment for which repairs are needed because of accident, breakdown, or any other cause  
1067 so as to maintain all equipment in a safe, clean, and operable condition. City Manager may inspect  
1068 vehicles at any reasonable time, and within three (3) calendar days of such a request, to determine  
1069 compliance with sanitation requirements.

1070 1. All vehicles used to Collect, Transport, or Dispose of Discarded Materials shall be inspected  
1071 annually by the California Highway Patrol. All certificates generated from such inspections  
1072 shall be submitted to the City Manager at the time of execution of this Agreement. Upon  
1073 request, Contractor shall furnish said inspection certificates to the City Manager and/or  
1074 designated representative.

1075 **D. Vehicle Operations.** All Collection operations shall be conducted as quietly as possible and shall  
1076 conform to applicable Federal, State, County, and City noise level regulations, including the  
1077 requirement that the noise level during the stationary compaction process not exceed sixty (60)  
1078 decibels with the exception of sixty-five (65) decibels for one (1) minute duration. All decibel  
1079 readings shall be based on a distance of ten (10) feet from any part of the Vehicle. The City may  
1080 request Contractor to check any piece of equipment for conformance with the noise limits in  
1081 response to Complaints and/or when the City Manager believes it is reasonable to do so.

1082 **E. Leaks and Spill Mitigation.** Contractor shall clean up any leaks or spills from its vehicles per the  
1083 National Pollutant Discharge Elimination System (NPDES) permit in effect at the time. Contractor  
1084 shall notify City of any leaks or spills reported to Contractor or observed by any employee of  
1085 Contractor. Contractor shall ensure that leaks or spills are remediated within two (2) hours of  
1086 notification or observation. Contractor shall notify City immediately upon remediation of leaks or  
1087 spills. No pollutant that leaks, spills, or otherwise escapes from any Contractor vehicle may be  
1088 washed into a storm drain or otherwise allowed to enter a storm drain at any time. Contractor must  
1089 take all measures necessary to prevent the discharge of any such pollutant into a storm drain. All  
1090 NPDES dry-cleaning measures shall be complied with. All Collection Vehicles must be equipped with  
1091 absorbent for such cleanup efforts. Contractor shall provide photographic evidence to the City for  
1092 each clean up. Payment of Liquidated Damages for failure to clean up leaks or spills within the  
1093 required timeframe, and/or for failure to follow the cleanup procedures, does not excuse  
1094 Contractor from the clean-up requirements contained in this Section 5.5.E.

1095 **5.6 CONTAINER REQUIREMENTS**

1096 **A. Containers Provided to Customers.** On or before the Commencement Date, Contractor shall  
1097 provide all Customers with Collection Containers as requested by the Customer to meet its desired  
1098 Service Level. Contractor shall provide Containers to new Customers requesting service initiation  
1099 within five (5) Working Days of Contractor’s first receipt of the Customer request. Contractor-  
1100 provided Containers shall be new or fully refurbished condition and shall comply with the Container  
1101 standards set forth in the Section. All Containers shall display the Contractor’s name, logo,  
1102 telephone number, website, capacity (yards or gallons) and some identifying inventory or serial  
1103 number. Contractor shall cooperate with the previous City Collection service provider to ensure that  
1104 all existing Containers are replaced with Contractor-provided Containers within thirty (30) calendar  
1105 days following the Commencement Date.

1106 **B. Container Standards**

1107 1. All Carts shall be manufactured by injection or rotational molding methods. The Cart handles  
1108 and handle mounts may be an integrally molded part of the Cart body or molded as part of  
1109 the lid. The Cart handles shall provide comfortable gripping area for pulling or pushing the  
1110 Cart or lifting the lid. Pinch points are unacceptable. Carts provided to Customer shall have a  
1111 useful life of ten (10) or more years or more as evidenced by a manufacturer’s warranty or  
1112 other documentation acceptable to the City.

1113 2. Carts shall remain durable, and at a minimum, shall meet the following durability  
1114 requirements to satisfy its intended use and performance, for the Term of this Agreement:  
1115 maintain its original shape and appearance; be resistant to kicks and blows; require no routine  
1116 maintenance and essentially be maintenance free; not warp, crack, rust, discolor, or  
1117 otherwise deteriorate over time in a manner that shall interfere with its intended use; resist  
1118 degradation from ultraviolet radiation; be incapable of penetration by biting or clawing of  
1119 household pets (i.e., dogs and cats); the bottoms of Cart bodies must remain impervious to  
1120 any damage, that would interfere with the Cart’s intended use after repeated contact with  
1121 gravel, concrete, asphalt, or any other rough and abrasive surface; all wheel and axle  
1122 assemblies are to provide continuous maneuverability and mobility as originally designed and  
1123 intended.

1124 3. Carts shall be resistant to common household or Residential products and chemicals; human  
1125 and animal urine and feces; and airborne gases or particulate matter currently present in the  
1126 ambient air of the Service Area.

1127 4. All Bins with a capacity of one (1) cubic yard or more shall meet applicable Federal regulations  
1128 for Bin safety and be covered with attached lids.

1129 5. Contractor shall obtain the City’s written approval of Container material, design, colors,  
1130 labeling, and other specifications before acquisition, painting, labeling, or distribution occurs.

1131 6. When purchasing plastic Collection Containers, Contractor shall purchase Containers that  
1132 contain a minimum of thirty percent (30%) post-consumer recycled plastic content, unless  
1133 such requirement is waived by the City Manager.

1134 7. Container lids shall be designed such that the follow requirements are met:



**DRAFT**

- 1135 a. Prevents the intrusion of rainwater and vectors.
- 1136 b. Prevents the emissions on odors.
- 1137 c. Enables the free and complete flow of material from the Container during the dump  
1138 cycle without interference with the material already deposited in the truck body or the  
1139 truck body itself and its lifting mechanism.
- 1140 d. Permits users of the Cart to conveniently and easily open and shut the lid throughout  
1141 the serviceable life of the Cart.
- 1142 e. Hinges to the Cart body in such a manner to enable the lid to be fully opened, free of  
1143 tension, to a position whereby it may rest against the backside of the Cart body.
- 1144 f. Prevents damage to the Container body, the lid itself, or any component parts through  
1145 repeated opening and closing of the lid by Generators or in the dumping process as  
1146 intended.
- 1147 g. Remains closed in winds up to twenty-five (25) miles per hour from any direction. All lid  
1148 hinges must remain fully functional and continually hold the lid in the original designed  
1149 and intended positions when either opened or closed or any position between the two  
1150 (2) extremes.
- 1151 h. Designed and constructed such that it prevents physical injury to the user while opening  
1152 and closing the Cart.
- 1153 8. Containers shall be stable and self-balancing in the upright position, when either empty or  
1154 loaded to its maximum design capacity with an evenly distributed load, and with the lid in  
1155 either a closed or an open position. Containers shall be capable of maintaining upright  
1156 position in sustained or gusting winds of up to twenty-five (25) miles per hour as applied from  
1157 any direction.
- 1158 9. Containers shall be capable of being easily moved and maneuvered, if applicable, with an  
1159 evenly distributed load equal in weight to its maximum design capacity on a level, sloped or  
1160 stepped surface.
- 1161 10. All such Containers shall be one hundred percent (100%) recyclable at the end of their useful  
1162 life.
- 1163 11. All Containers shall be designed and constructed to be watertight and prevent the leakage of  
1164 liquids.

1165 **C. Container Colors.** *{Note to Proposers: This section may be updated based on the successful*  
1166 *proposer's proposal.}* Contractor shall provide all Customers with Collection Containers that  
1167 comply with the Container color requirements specified in this Section, or other Applicable Law.  
1168 Colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet  
1169 degradation. *Containers may be distinguished by the colors of; and their lids and with the bodies*  
1170 *of all three carts in one color, or -the lids and bodies shall may be uniform in color* for each  
1171 Container type. *Colors shall be* as follows:

- 1172 1. Recyclable Materials Containers  ~~bodies and lids~~ shall be blue.
- 1173 2. Organic Materials Containers  ~~bodies and lids~~ shall be green.
- 1174 3. Solid Waste Containers  ~~bodies and lids~~ shall be black or grey.

1175 Hardware such as hinges and wheels on the Containers may be a different color than specified  
1176 above. All Containers shall comply with these color requirements.

1177 **D. Container Labeling.** All markings on the Containers shall be approved by the City in advance of  
1178 distributing or ordering such Containers. On the lid of each Cart, and the body of each Bin and  
1179 Roll-Off Box, Contractor shall label the ultimate destination of such materials as follows:  
1180 "LANDFILL" for Solid Waste; "RECYCLE" for Recyclable Materials (including Cardboard, mixed  
1181 paper, metal, etc.); and "COMPOST" for Organic Materials (including Food Waste, Yard Trimmings,  
1182 wood waste, etc.). On the body of each Cart, Bin, and Roll-Off Box, Contractor shall label the  
1183 Container capacity (in gallons for Carts, and cubic yards for Bins and Roll-Off Boxes). Container  
1184 body labeling shall be positioned on the side of each Container, so it is visible to the Customer at  
1185 all times.

1186 All Carts shall include a high-quality educational information label using in-mold technology, such  
1187 that all labeling shall be integral to the lid, though the use of injection molding, and shall not be  
1188 affixed to any part of the Cart or lid using adhesives. Notwithstanding the provisions of this  
1189 Section, , the in-mold lid label shall, at a minimum, include for each Container: primary materials  
1190 accepted; primary materials prohibited; a clear indication of Prohibited Container Contaminants  
1191 for that Container type, acceptable materials; prohibited materials; notification forbidding  
1192 Hazardous Waste and describing proper Disposal thereof; notification forbidding scavenging  
1193 (through words and international symbols) and describing the penalties therefore under  
1194 California law or City Resolution; and, information about the Collection program.

1195 **E. Repair and Replacement of Containers; Inventory.** Contractor shall be responsible for repairing  
1196 or replacing Containers when Contractor determines the Container is no longer suitable for  
1197 service; or when the City or Customer requests replacement of a Container that does not properly  
1198 function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be responsible for  
1199 acquiring and providing the replacement Containers. Contractor shall repair or replace all  
1200 damaged or broken Containers within five (5) Working Days of Customer or City request. Minor  
1201 cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts  
1202 shall be readily repairable by the Contractor personnel. All repairs must restore the Cart to its full  
1203 functionality to meet the design and performance requirements as set for herein.

1204 Contractor shall maintain a sufficient inventory of Containers to accommodate new Customer  
1205 requests for service, requests for change in Service Levels (size, type, or number of Containers)  
1206 from current subscribers, and requests for replacement due to damage.

1207 Contractor shall provide to the City and Customers at least one (1) free Cart replacement per any  
1208 twelve (12) month period for any reason, upon Customer request.

1209 **F. Maintenance, Cleaning, Painting.** All Containers shall be maintained in a safe, serviceable, and  
1210 functional condition, and present a clean appearance. Contractor shall repair or replace all  
1211 Containers damaged by Collection operations in accordance with standards specified in Section

1212 5.6.E, unless damage is caused by Customer’s gross negligence, in which case, the Customer will  
1213 be billed for repair or replacement of Container at a City-approved Rate for such service. All  
1214 Containers shall be maintained in a functional condition.

1215 Contractor shall remove graffiti from Containers within five (5) Working Days or notification at no  
1216 additional charge.

1217 **5.7 PERSONNEL**

1218 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to provide the  
1219 services required by this Agreement in a safe and efficient manner.

1220 Contractor shall use its best efforts to assure that all employees present a neat appearance and  
1221 conduct themselves in a courteous manner. Contractor shall not permit its employees to accept,  
1222 demand, or solicit, directly or indirectly, any additional compensation, or gratuity from Customers  
1223 or members of the public.

1224 **B. Hiring of Displaced Employees.** Contractor is aware of and shall comply with the requirements of  
1225 and duties imposed by Sections 1072 and 1075 of the California Labor Code regarding offers of  
1226 employment to any displaced employees resulting from a change in service provider, if any,  
1227 resulting from this Agreement or upon the expiration of this Agreement.

1228 **C. Driver Qualifications.** All drivers must have in effect a valid license, of the appropriate class, issued  
1229 by the California Department of Motor Vehicles. Contractor shall use the Class II California  
1230 Department of Motor Vehicles employer “Pull Notice Program” to monitor its drivers for safety.

1231 **D. Safety Training.** Contractor shall provide suitable operational and safety training for all employees  
1232 who operate Collection vehicles or equipment. Contractor shall train its employees involved in  
1233 Collection to identify, and not to Collect, Excluded Waste. Upon the City Manager’s request,  
1234 Contractor shall provide a copy of its safety policy and safety training program, the name of its  
1235 safety officer, and the frequency of its trainings.

1236 **E. Designated Staff.**

1237 1. Contractor shall designate at least one (1) qualified Contract Administrator as the City’s  
1238 primary point of contact with Contractor who is principally responsible for Collection  
1239 operations and resolution of service requests and Complaints. Such individual shall be  
1240 empowered to negotiate on behalf of and bind Contractor with respect to any changes in  
1241 scope, dispute resolution, compensation adjustments, and service-related matters which  
1242 may arise during the Term of this Agreement. Such individual shall initiate regular  
1243 communication with the City Manager in order to remain up-to-date on issues relating to  
1244 this Agreement and shall serve as the Recycling Coordinator under Subsection (E)(2). Such  
1245 individual is defined as Contractor’s Project Manager.

1246 2. Contractor shall provide a Recycling Coordinator in advance of the Commencement Date  
1247 and the Recycling Coordinator shall assist in contacting all City Facilities prior to the  
1248 Commencement Date to determine Service Levels. The duties of the Recycling Coordinator  
1249 will be focused on public education, community outreach, presentations, City Facility site  
1250 visits, and technical assistance. Recycling Coordinator shall be full-time, regular, and

1251 professional positions. Contractor acknowledges that the Recycling Coordinator role is not  
1252 intended to be an internship, or entry-level role.

1253 **F. Key Personnel.** Contractor shall make every reasonable effort to maintain the stability and  
1254 continuity of Contractor’s staff assigned to perform the services required under this Agreement.  
1255 Contractor shall notify the City of any changes in Contractor’s key staff to be assigned to perform  
1256 the services required under this Agreement and shall obtain the approval of the City Manager of  
1257 all proposed key staff members who are to be assigned to perform services under this Agreement  
1258 prior to any such performance.

1259 Notwithstanding City’s approval of Contractor’s personnel, Contractor shall not be relieved from  
1260 any liability resulting from the work to be performed under this Agreement, nor shall Contractor  
1261 be relieved from its obligation to ensure that its personnel maintain all requisite certifications,  
1262 licenses, and the like, and Contractor shall ensure that its personnel at all times fully comply with  
1263 Applicable Law.

1264 At any point during the Term of this Agreement, the City may request, in writing, that any of  
1265 Contractor’s employees be reassigned such that they no longer perform any work relating to this  
1266 Agreement and shall provide a statement describing the reason for such request. Within twenty-  
1267 four (24) hours of Contractor’s receipt of such request, or such other time agreed to by City in  
1268 writing, Contractor shall remove the identified employee(s) from performing any work related to  
1269 this Agreement; the vacated position(s) must be filled by Contractor with a suitable replacement  
1270 within ten (10) calendar days and Contractor shall immediately fill the vacated position with a  
1271 temporary replacement if required to perform, without delay, all services required under this  
1272 Agreement.

1273 **5.8 HAZARDOUS WASTE INSPECTION AND HANDLING**

1274 **A. Inspection Program and Training.** Contractor shall develop a load inspection program that  
1275 includes the following components: (i) personnel and training; (ii) load checking activities; (iii)  
1276 management of wastes; and (iv) record keeping and emergency procedures.

1277 Contractor’s load checking personnel, including its Collection vehicle drivers, shall be trained in:  
1278 (i) the effects of Hazardous Substances on human health and the environment; (ii) identification  
1279 of prohibited materials; and, (iii) emergency notification and response procedures. Collection  
1280 vehicle drivers shall inspect Containers before Collection when practical.

1281 **B. Response to Excluded Waste Identified During Collection.** If Contractor determines that material  
1282 placed in any Container for Collection is Excluded Waste or presents a hazard to Contractor's  
1283 employees, the Contractor shall have the right to refuse to accept such material. The Generator  
1284 shall be contacted by the Contractor and requested to arrange proper Disposal. If the Generator  
1285 cannot be reached immediately, the Contractor shall, before leaving the Premises, leave Non-  
1286 Collection Notice, which indicates the reason for refusing to Collect the material and lists the  
1287 phone number of a facility that accepts the Excluded Waste or a phone number of an entity that  
1288 can provide information on proper Disposal of the Excluded Waste. Under no circumstances shall  
1289 Contractor’s employees knowingly Collect Excluded Waste or remove unsafe or poorly  
1290 containerized Excluded Waste from a Collection Container.

1291 If Excluded Waste is found in a Collection Container or Collection area that could possibly result  
1292 in imminent danger to people or property, the Contractor shall immediately notify the Fire  
1293 Department.

1294 **C. Response to Excluded Waste Identified At Processing or Disposal Facility.** Materials Collected by  
1295 Contractor will be delivered to the Approved Facilities for purposes of Processing or Disposal. In  
1296 the event that load checkers and/or equipment operators at such facility identify Excluded Waste  
1297 in the loads delivered by Contractor, such personnel shall remove these materials for storage in  
1298 approved, on-site, Excluded Waste storage Container(s). Contractor shall arrange for removal of  
1299 the Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws and  
1300 regulatory requirements. The Contractor may at its sole expense attempt to identify and recover  
1301 the cost of Disposal from the Generator. If the Generator can be successfully identified, the cost  
1302 of this effort, as well as the cost of Disposal shall be chargeable to the Generator.

1303 **5.9 CONTRACT MANAGEMENT**

1304 The City Manager shall monitor and administer of this Agreement. Contractor shall designate an employee  
1305 to serve as Contractor’s Contract Administrator(s), to be responsible for working closely with the City  
1306 Manager in the monitoring and administration of this Agreement.

1307 The Contractor’s Contract Administrator shall meet and confer with the City Contract Administrator to  
1308 resolve differences of interpretation and implement and execute the requirements of this Agreement in  
1309 an efficient, effective, manner that is consistent with the stated objectives of this Agreement.

1310 The City Manager, or their designee, and the Contractor’s Contract Administrator shall hold contract  
1311 management meetings monthly or at such other frequency as designated by the City Manager. This  
1312 meeting is intended to review the status of Contractor’s implementation of programs and services  
1313 required under this Agreement, coordinate shared efforts between the Parties, and such other agenda  
1314 items as are deemed appropriate by the Parties for such meetings.

1315 From time to time the City Manager may designate other agents of City or Consultants to work with  
1316 Contractor on specific matters. In such cases, those individuals should be considered designates of the  
1317 City Manager for those matters to which they have been engaged. Such designates shall be afforded all  
1318 of the rights and access granted thereto. In the event of a dispute between the City Manager’s designate  
1319 and Contractor, the City Manager’s determination shall be conclusive.

1320 In the event of dispute between the City Manager and the Contractor regarding the interpretation of or  
1321 the performance of services under this Agreement, the City Manager’s determination shall be conclusive  
1322 except where such determination results in a material impact to the Contractor’s revenue and/or cost of  
1323 operations. In the event of a dispute between the City Manager and the Contractor results in such material  
1324 impact to the Contractor, the provisions of Section 11.9 shall apply. For the purposes of this Section,  
1325 “material impact” is an amount equal to or greater than one percent (1%) of Contractor’s annual Gross  
1326 Receipts under this Agreement.

1327 City Manager or their designate shall have the right to observe and review Contractor operations and  
1328 Processing Facilities and enter Premises for the purposes of such observation and review, including review  
1329 of Contractor’s records, during reasonable hours with reasonable notice. In no event shall Contractor  
1330 prevent access to such Premises for a period of more than three (3) calendar days after receiving such a  
1331 request. City Manager shall be granted access to Contractor’s information systems and Customer service

1332 database in accordance with Section 4.8.

1333 **5.10 DIVERSION REQUIREMENTS**

1334 This Agreement is part of City’s efforts to comply with the provisions of the California Integrated Waste  
1335 Management Act of 1989, (AB 939), as such from time to time may be amended and as implemented by  
1336 the regulations of the California Department of Resources Recycling and Recovery (“CalRecycle”), and  
1337 City’s Source Reduction and Recycling Element, as such may be amended from time to time. Contractor  
1338 will ensure that the Diversion rate as reported to, and as approved by, CalRecycle complies with Applicable  
1339 Law. Contractor agrees to work with City to facilitate compliance with the Act and subsequent California  
1340 law including, without limitation, Public Resources Code §41780, on an annual basis from January 1  
1341 through December 31.

1342 Compliance will be measured on a calendar year basis, beginning with calendar year 2026. Discarded  
1343 Materials Collected shall only be considered to have been Recycled or Diverted as required under this  
1344 Agreement if it is deemed to be Diversion by CalRecycle in connection with efforts to meet City’s Diversion  
1345 goals. The Contractor shall make reasonable efforts to assure that Recyclable Materials and Organic  
1346 Materials are Transported, handled at the Approved Processing Facilities, so as to prevent or minimize  
1347 the amount of such materials taken to a landfill and to maximize Diversion credits for the City.

1348 Contractor estimates it will divert \_\_\_% of the waste it collects under this Agreement. Contractor shall  
1349 provide documentation to the City within thirty (30) days of the end of each calendar year stating and  
1350 supporting that calendar year’s Diversion rate. Diversion from sources other than Contractor’s Collection  
1351 and Diversion efforts (such as source reduction, reuse, or Recyclable Materials and Organic Materials  
1352 Diverted by other enterprises, Collection of materials that are not the subject of this Agreement, or the  
1353 efforts of Self-Haulers) is not to be counted as Diversion achieved by Contractor.

1354 **ARTICLE 6.**  
1355 **RECORD KEEPING AND REPORTING**

1356 **6.1 RECORD KEEPING**

1357 Contractor shall maintain Customer contact data, Customer service, accounting, statistical, operational,  
1358 programmatic, and other records, and associated documentation, related to its performance as shall be  
1359 necessary to provide detailed and accurate reports under this Agreement, and to demonstrate compliance  
1360 with this Agreement and Applicable Law. Unless otherwise required in this Article, Contractor shall retain  
1361 all records and data required to be maintained by this Agreement for the Term of this Agreement plus five  
1362 (5) years after its expiration or earlier termination. Records and data shall be in chronological and  
1363 organized form that is readily and easily interpreted to facilitate the flexible use of data to structure  
1364 reports. Contractor’s records shall be stored in one central location, physical or electronic, that can be  
1365 readily accessed by Contractor. Upon request, any such records shall be retrieved in a timely manner, not  
1366 to exceed five (5) Working Days of a request by the City Manager, and made available to the City Manager;  
1367 including any record or documentation that City, in their sole discretion, may deem necessary, for the City  
1368 to fulfill obligations under Applicable Law including, but not limited to, AB 939, AB 901, and other current  
1369 or future Federal, State, or local regulations, as amended.

1370 Contractor shall maintain adequate record security to preserve records from events that can be  
1371 reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained data and records



1372 shall be protected and backed-up. To the extent that Contractor utilizes its computer systems to comply  
1373 with record keeping and reporting requirements under this Agreement, Contractor shall, on a monthly  
1374 basis, save all system-generated reports supporting those record keeping and reporting requirements in  
1375 a static format in order to provide an audit trail for all data required by City, as requested, under this  
1376 Agreement.

1377 At a mutually agreed upon time during normal business hours, but within five (5) Working Days of a  
1378 written request, Contractor shall provide to the City the Contractor's data and records with respect to the  
1379 matters covered by this Agreement and Applicable Law. Contractor shall permit the City, or its designee,  
1380 to audit, examine, and make excerpts or transcripts from such data and records, and make copies of all  
1381 data relating to all matters covered by this Agreement and the Applicable Law. Contractor shall maintain  
1382 such data and records in an accessible location and condition for a period of not less than five (5) years  
1383 following the City's receipt of final payment under this Agreement unless the City agrees in writing to an  
1384 earlier disposition. Contractor agrees that all data regarding business operations, Customer lists, routing,  
1385 Tonnage, Service Levels, work orders issued from dispatch, Customer service logs and account notes, and  
1386 work force and bargaining agreements, do not constitute Proprietary Information or Trade Secrets and  
1387 shall be made available to the City Manager or their designee upon request and within the timelines  
1388 required by this Section 6.1. City is subject to the California Public Records Act (Government Code section  
1389 6250, *et. seq.*) and nothing in this Agreement is intended to impair City's requirements or obligations  
1390 under that Act.

1391 City views its ability to defend itself against Comprehensive Environmental Response, Compensation and  
1392 Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, City regards  
1393 its ability to prove where Collected Recyclable Materials, Organic Materials, and Solid Waste are taken for  
1394 Transfer, Processing, or Disposal. Contractor shall maintain records which can establish where Recyclable  
1395 Materials, Organic Materials, and Solid Waste Collected were Transferred, Processed, or Disposed. This  
1396 provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain  
1397 these records for a minimum of ten (10) years beyond expiration or earlier termination of the Agreement.  
1398 Contractor shall provide these records to City (upon request or at the end of the record retention period)  
1399 in an organized and indexed manner rather than destroying or Disposing of them.

1400 **6.2 REPORT SUBMITTAL REQUIREMENTS**

1401 Contractor shall submit monthly reports within thirty (30) calendar days after the end of the calendar  
1402 month and annual reports no later than forty-five (45) calendar days after the end of each calendar year.  
1403 Monthly and annual reports shall include at a minimum, all data and information described in Exhibit F,  
1404 unless otherwise specified under this Agreement.

1405 Contractor may propose report formats that are responsive to the objectives and audiences for each  
1406 report. The format of each report shall be approved by the City Manager in their sole discretion. City  
1407 Manager may, from time to time during the Term, review, and request changes to Contractor's report  
1408 formats and content and Contractor shall not unreasonably deny such requests.

1409 Contractor shall submit all reports to the City Manager electronically via e-mail using software or format  
1410 acceptable to the City.

1411 City reserves the right to require Contractor to provide additional reports or documents as City Manager  
1412 reasonably determines to be required for the administration of this Agreement or compliance with

1413 Applicable Law.

1414 **6.3 TRIENNIAL AUDIT**

1415 City may conduct an audit of Contractor at any time. The scope of the audit, and auditing party, will be  
1416 determined by City and the scope may include, but is not limited to:

- 1417 a. Compliance with terms of this Agreement;
- 1418 b. Customer Service Levels and Billing;
- 1419 c. Fee payments;
- 1420 d. Receipts;
- 1421 e. Tonnage;
- 1422 f. Complaint log; and
- 1423 g. Compliance with CalRecycle requirements;

1424 The first audit, to be performed during 2029, will be based on the Contractor’s reports and records for  
1425 calendar years 2026 through 2028. Audits will be performed every three years thereafter (the triennial  
1426 audit). Contractor will reimburse to the City the cost of such audits up to thirty- six thousand dollars  
1427 (\$36,000) for the first audit, and thirty-six thousand dollars (\$36,000) for each subsequent triennial audit  
1428 in 2029 dollars. The thirty thousand dollars (\$36,000) amount in subsequent years shall be adjusted  
1429 annually by 2.5% per year as shown in the table below. Any unused portion of the Contractor  
1430 reimbursement will roll forward and may be used in subsequent years to perform an audit.

<b>Year Performed</b>	<b>Contractor Reimbursement</b>
2029	\$36,000
2032	\$38,768
2035	\$41,749
2038	\$44,959
2041	\$48,416
2044 or thereafter	+2.5% per year

1431

1432 Should an audit by the City disclose that Franchise or other fees payable by the Contractor were underpaid  
1433 by three percent (3%) or more, or that more than two percent (2%) of the Customers were inaccurately  
1434 billed, for the period under review, Contractor shall reimburse the City for the actual cost of the audit to  
1435 the extent it exceeded thirty six thousand dollars (\$36,000) and shall also pay for additional audit costs if  
1436 City determines it is necessary to expand the scope of the audit.



1437 **6.3.1 Payments and Refunds**

1438 Should an audit by the City disclose that the Franchise Fees payable by the Contractor were underpaid or  
1439 that Customers were overcharged for the period under review, Contractor shall pay to City any  
1440 underpayment of Franchise Fees and/or refund to Contractor's Customers any overcharges within thirty  
1441 (30) days following the date of the submission of audit results to the Contractor. Should an audit disclose  
1442 that Franchise Fees were overpaid, City shall refund to Contractor the amount of the overpayment within  
1443 the same time frame. Should the audit disclose that Customers were undercharged, Customers may be  
1444 billed for up to, but not exceeding, ninety (90) days of services not previously billed by Contractor or City.

1445 **ARTICLE 7.**  
1446 **CITY FEES**

1447 **7.1 FRANCHISE FEE**

1448 The Contractor shall pay a Franchise Fee to City each month in exchange for the rights granted under this  
1449 Agreement. The amount of the Franchise Fee shall be equal to five percent (5%) of Gross Receipts, paid  
1450 out of Contractor's Profit for all services performed under this Agreement and shall be paid monthly in  
1451 arrears. Concurrent with each Franchise Fee payment, Contractor shall provide an accounting worksheet  
1452 showing the amount, if any, of delinquent Customer accounts.

1453 **7.1.1 Adjustment to Franchise Fee**

1454 City may adjust the amount of the Franchise Fee annually. Such adjustment shall be reflected in the Rates  
1455 that Contractor is allowed to charge and collect from Customers in accordance with Article 8.

1456 **7.2 AB 939 REIMBURSEMENT**

1457 The Contractor shall pay an AB 939 Reimbursement to City each month. The amount of the AB 939  
1458 Reimbursement shall be equal to one dollar (\$1.00) per account per month, paid out of Contractor's Profit  
1459 for all services performed under this Agreement and shall be paid in monthly, paid in arrears. City shall  
1460 use the AB 939 Reimbursement to refund expenses including but not limited to, staffing costs related to  
1461 City programs, pilot studies, education and outreach campaigns, technical assistance to Customers,  
1462 reporting, compliance, capacity planning, provision of special Containers, or other activities involved in  
1463 compliance with AB 939. The City shall retain the sole right to set priorities for the use of its AB 939 Fee.

1464 **7.3 ADJUSTMENT TO AB 939 REIMBURSEMENT**

1465 City may set other reimbursement payments or adjust the reimbursement amounts established in this  
1466 Article from time-to-time during the Term of this Agreement and such adjustments shall be included in  
1467 the adjustment of Rates described in Exhibit E.

1468 The amounts of the AB 939 Fee shall be adjusted for subsequent Rate Periods shall be adjusted annually  
1469 by the change in CPI as defined in Exhibit A.

1470 **7.4 PAYMENT SCHEDULE AND LATE FEES**

1471 Within thirty (30) calendar days of the end of each calendar month, during the Term of this Agreement,  
1472 Contractor shall remit to City all fees as described in this Article. Such fees shall be remitted to City and

1473 sent or delivered to the City Manager. If such remittance is not paid to City on or before the thirtieth (30<sup>th</sup>)  
1474 calendar day following the end of a calendar month, all fees due shall be subject to a delinquency penalty  
1475 of one and one-half percent (1.5%), which attaches on the first day of delinquency. The delinquency  
1476 penalty shall be increased an additional one and one-half percent (1.5%) for each additional month the  
1477 payment remains delinquent.

1478 Each monthly remittance to City shall be accompanied by a statement listing the amount of each fee paid;  
1479 calculation of each fee; and statement of Gross Receipts.

1480 **7.5 CONTRACTING FEE**

1481 *{Note to Proposers: This section may be amended depending on the City's costs for contracting. The exact*  
1482 *amount of the Contracting Fee will be provided prior to award and proposed service rates will be adjusted*  
1483 *accordingly.}* Contractor shall pay to City a Contracting Fee to reimburse the City for its out-of-pocket costs  
1484 of awarding the Franchise. The Contracting Fee is \$250,000 and shall be paid in equal installments annually  
1485 on January 15<sup>th</sup> over the first five (5) years of the Agreement.

1486 **7.6 OTHER FEES**

1487 City shall reserve the right to set other fees, or further adjust the Franchise Fee, AB 939 Regulatory  
1488 Reimbursement and Administrative Fee beyond the regular annual adjustments described above as it  
1489 deems necessary, to the extent that such further adjustments are also included in the adjustments to the  
1490 approved Rates.

1491 **7.7 DISCONTINUANCE OF FEES**

1492 In event one or more of the fees described in Sections 7.1 and 7.2 are discontinued during the Term of  
1493 this Agreement including Agreement extensions granted by the City, Customer Rates will be reduced  
1494 based on the amount of the discontinued fee(s).

1495 **ARTICLE 8.**  
1496 **CONTRACTOR'S COMPENSATION AND RATE**  
1497 **SETTING**

1498 **8.1 GENERAL**

1499 Contractor will perform the responsibilities and duties described in this Agreement in consideration of the  
1500 right to receive compensation for services. Contractor Compensation provided for in this Article shall be  
1501 the full, entire, and complete compensation due to Contractor pursuant to this Agreement for all labor,  
1502 equipment, materials and supplies, taxes, insurance, bonds, overhead, Disposal, Recycling, Processing,  
1503 Transfer, profit and all other things necessary to perform all the services required by this Agreement in  
1504 the manner and at the times prescribed.

1505 **8.2 INITIAL RATES**

1506 The Rates for the Rate Period ending December 31, 2026, shall not exceed those set forth in Exhibit D  
1507 hereto, unless amended by a written amendment to this Agreement entered into by and between the  
1508 City and the Contractor. Contractor has reviewed these maximum Rates and agrees they are reasonably

1509 expected to generate sufficient revenues to provide adequate Contractor Compensation. Unless and until  
1510 the maximum Rates set forth on Exhibit D are adjusted, Contractor will provide the services required by  
1511 this Agreement, charging no more than the maximum Rates authorized by Exhibit D, except as provided  
1512 herein in this Article 8.

1513 **8.3 SCHEDULE OF FUTURE ADJUSTMENTS**

1514 Beginning with Rate Period two (2) (January 1, 2027, to December 31, 2027) and for all subsequent Rate  
1515 Periods, Contractor or City may request an annual adjustment (increase or decrease) to the maximum  
1516 Rates shown in Exhibit D. The adjustment request and supporting documentation must be submitted to  
1517 the City on or before September 1 of each year for review by City Manager, for accuracy of the supporting  
1518 data. Such request shall not be unreasonably denied by the City. Failure to submit a written request by  
1519 September 1, shall result in Contractor waiving the right to request such an increase for the Rate Period.  
1520 If an adjustment results in a Rate decrease, then the City shall maintain the current Rates and rollover the  
1521 Rate decrease to the next Rate adjustment; the intent is to ensure subsequent Rate increases shall be  
1522 offset with any decrease not previously implemented.

1523 For all inflationary adjustments extending beyond those set forth in Section 8.4.2, the Contractor shall  
1524 submit its request in writing, to be received by City in person or via certified mail, based on the method  
1525 of adjustment described in Section 8.5.

1526 **8.4 METHOD OF ADJUSTMENTS**

1527 **8.4.1 General**

1528 Pursuant to Section 8.3, Contractor may request an annual adjustment Rates according to the formula  
1529 shown in Exhibit E, subject to review and approval of the City.

1530 **8.4.1.1 INDEMNIFICATION**

1531 To the maximum extent allowed by law, Contractor shall indemnify, defend and hold harmless the City,  
1532 their officers, employees, agents and volunteers, (collectively, Indemnitees) from and against all claims,  
1533 damages, injuries, losses, costs, including demands, debts, liens, liabilities, causes of action, suits, legal or  
1534 administrative proceedings, interest, fines, charges, penalties and expenses (including attorneys' and  
1535 expert witness fees, expenditures for investigations, and administration) and costs or losses of any kind  
1536 whatsoever paid, imposed upon, endured or suffered by or assessed against Contractor or any of the  
1537 Indemnitees resulting in any form from the City's establishing maximum Rates for service under this  
1538 Agreement or in connection with the application of California Constitution Articles XIII C and Article XIII D  
1539 to the imposition, payment or collection of Rates and fees for services provided by Contractor under this  
1540 Agreement. Notwithstanding the foregoing, this indemnity shall not extend to any portion of the Rates  
1541 that is not associated with Contractor's costs in providing service, such as governmental fees, Franchise  
1542 Fees or charges, nor shall it apply to any loss arising directly from the negligence of City, its officers and  
1543 employees. Nothing herein is intended to imply that California Constitution Articles XIII C or XIII D apply to  
1544 the setting of Rates for the services provided under this Agreement; rather, this Section is provided merely  
1545 to allocate risk of loss between the Parties.

1546 **8.4.2 Rate Adjustment Calculation**

1547 The approved rates consist of the following cost components followed by the initial weightings of each  
1548 component. Each cost component may be adjusted by the change in corresponding index as provided

1549 below. The approved Contractor compensation shall be based on two components:

1550 **A. Service Component.** The service component comprises seventy percent (92%) of the Rates and is  
1551 adjusted based on the percentage change in the average annual published CPI for All Urban  
1552 Consumers (CUURS49ASA0), All Items, Los Angeles-Long Beach-Anaheim, as published by the  
1553 United States Department of Labor, Bureau of Labor Statistics, between the 12 months ended  
1554 June prior to the Rate Period anniversary date, and the 12 months ended the prior June. For  
1555 example, for the first rate increase effective January 1, 2027, the change in the index shall be  
1556 measured as the percentage change from the average of the monthly index for 12 months ending  
1557 June 2025 to the average of the monthly index for the 12 months ending June 2026. An example  
1558 calculation is included in Exhibit E. If the index is discontinued, an alternative index must be  
1559 approved by the City Manager.

1560 **B. Disposal Component.** The Disposal component comprises of thirty percent (8%) of the Rates and  
1561 is adjusted based on the percentage change in the Maximum Gate Rate at the Calabasas Landfill  
1562 established by Los Angeles County for the current calendar year with the rate for the prior  
1563 calendar year. For example, for the first rate increase effective January 1, 2027, the change in the  
1564 maximum gate rate shall be measured as the percentage change from the Maximum Gate Rate  
1565 as of March 1, 2025, to the Maximum Gate Rate as of March 1, 2026. An example calculation is  
1566 included in Exhibit E.

**SERVICE COST COMPONENTS**

Row	Cost Component	% of Costs (1)	Rate Adjustment Index
A.	Service	92%	CPI for All Urban Consumers in the Los Angeles-Long Beach-Anaheim region (CUURS49ASA0) (2)
B.	Disposal	8%	Maximum Solid Waste Gate Rate at the Calabasas Landfill established by Los Angeles County (3)
	Total	100%	

(1) Weightings may be adjusted annually based on the adjustment process described in this Article 8.

(2) Average annual change for the 12 months ending June of the previous Calendar Year compared to the 12 months ending in June of the year prior.

(3) Percentage change in the Maximum Gate Rate for the current Calendar Year compared to the Maximum Gate Rate for the year prior.

1567 Notwithstanding the above, the Rates may not be increased for any given annual adjustment by more  
1568 than seven percent (7%) of the previous years' Rates. If the rate adjustment calculation is calculated to be  
1569 0% or less, there shall be no changes to charges and rates during the Rate Period corresponding the rate  
1570 adjustment calculation. In the case of a calculated rate decrease, the amount of such decrease shall be  
1571 carried forward as an offset to future rate increases.

1572 **8.4.3 Rate Adjustment Steps**

1573 The Rates will be adjusted using the same method but will be calculated separate due to the differences  
1574 in the weightings of the service and Disposal component, as listed in Section 8.4.2.

1575 Step One – Calculate the percentage increase or decrease in Service and Disposal component indices listed  
1576 in Section 8.4.2.

1577       • The increase or decrease in the Service component index will be for the change in the average  
1578       annual published indices for the twelve (12) month period ending June prior to the January 1  
1579       when the rate change will take effect.

1580       • The Disposal component will be based on the percentage change in the Maximum Gate Rate for  
1581       the current Calendar Year compared to the Maximum Gate Rate for the year prior at the Calabasas  
1582       Landfill as of March 1 of each Rate Period.

1583       Step Two – The first rate adjustment cost components as a percentage of total costs are provided in  
1584       Section 8.4.2 above, with the percentage weighting for subsequent adjustments calculated in Step Four  
1585       of the rate adjustment. For Step Two of each subsequent rate adjustment, use the cost components  
1586       recalculated in Step Four during the previous rate adjustment.

1587       Multiply the percentage changes for each rate adjustment component by that component’s weighting  
1588       and add these resulting percentages together to get the total weighted change to the rates.

1589       Step Three – Multiply the total weighted percent change from Step Two by the existing maximum Rates  
1590       to determine the increase or decrease in maximum Rates. Then add (subtract) the changes in rates to  
1591       (from) the existing maximum rates to determine the new maximum rates.

1592       Step Four – Recalculate weightings for the following year based on these changes.

1593       **8.5 EXTRAORDINARY ADJUSTMENTS**

1594       Contractor or City may request an adjustment to maximum Rates at reasonable times other than that  
1595       allowed under Section 8.3 in the event of extraordinary changes in the cost of providing service under this  
1596       Agreement. Such changes shall not include changes in Recyclable Materials or Organic Waste Processing  
1597       costs, changes in the market value of Recyclable Materials from the values assumed in Contractor’s  
1598       Proposal, inaccurate estimates by the Contractor of its proposed cost of operations, unionization of  
1599       Contractor’s work force, change in wage rates or employee benefits, or compliance with California Air  
1600       Resources Board’s Advanced Clean Fleets Regulation. Extraordinary Rate adjustments may not be applied  
1601       retroactively.

1602       For each request for an adjustment to the maximum Rates that Contractor may charge Customers brought  
1603       pursuant to this Section, Contractor shall prepare a schedule documenting the extraordinary costs. Such  
1604       request shall be prepared in a form acceptable to City with support for assumptions made by Contractor  
1605       in preparing the estimate. Contractor shall also submit a schedule showing how its total costs and total  
1606       revenues have changed over the past three years or since commencement of this Agreement, whichever  
1607       is shorter, for the services provided under this Agreement.

1608       Contractor shall provide to City a report of its annual revenues and expenses for the services provided in  
1609       the City, and City shall have right to audit this information in connection with the City’s review of  
1610       Contractor’s rate adjustment request. City may consider increases or decreases in the Contractor’s total  
1611       revenues and total cost of services when reviewing an extraordinary rate adjustment request. A rate  
1612       adjustment request made in response to a new service requested by City will be determined in accordance  
1613       with Section 3.5.

1614       Approval of any requested extraordinary adjustment in accordance with this Section shall be at the sole  
1615       discretion of the City.

ARTICLE 9.  
INDEMNITY, INSURANCE, AND PERFORMANCE  
BOND

1616  
1617  
1618

1619 9.1 INDEMNIFICATION

1620 A. **General.** Contractor shall indemnify, defend with counsel acceptable to City, and hold harmless  
1621 (to the full extent permitted by law) City and its officers, officials, employees, volunteers, and  
1622 agents from and against any and all claims, liability, loss, injuries, damage, expense, and costs  
1623 (including without limitation costs and fees of litigation, including attorneys’ and expert witness  
1624 fees) (collectively, “Damages”) of every nature arising out of or in connection with Contractor’s  
1625 performance, and the performance of any Subcontractor, or agent of Contractor, under this  
1626 Agreement, or its failure to comply with any of its obligations contained in the Agreement, except  
1627 to the extent such loss or damage was caused by the sole negligence or willful misconduct of City.  
1628 This Section 9.1 shall survive the expiration or termination of this Agreement and shall not be  
1629 construed as a waiver of City’s legal and/or equitable rights as defined herein and permitted under  
1630 Applicable Law.

1631 B. **Excluded Waste Indemnification.** Contractor acknowledges that it is responsible for compliance  
1632 during the entire Term of this Agreement with all Applicable Laws. Contractor shall not store,  
1633 Transport, use, or Dispose of any Excluded Waste except in strict compliance with all Applicable  
1634 Laws.

1635 Contractor shall indemnify, defend with counsel acceptable to the City, protect and hold harmless  
1636 the City, officers, employees, volunteers, and agents (collectively, “indemnitees”) from and  
1637 against all claims, damages (including, but not limited to, special, consequential, natural  
1638 resources, and punitive damages), injuries, costs, (including, without limitation, any and all  
1639 response, remediation, and removal costs), losses, demands, debts, liens, liabilities, causes of  
1640 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses  
1641 (including, without limitation, attorneys’ and expert witness fees and costs incurred in connection  
1642 with defending against any of the foregoing or in enforcing this indemnity), (collectively,  
1643 “Damages”) of any kind whatsoever paid, incurred or suffered by, or asserted against,  
1644 indemnitees arising from or attributable to the acts or omissions of Contractor whether or not  
1645 negligent or otherwise culpable, in connection with or related to the performance of this  
1646 Agreement, including, without limitation, damages arising from or attributable to any operations,  
1647 repair, clean-up or detoxification, or other plan (regardless of whether undertaken due to  
1648 governmental action), concerning any Excluded Waste Collected under this Agreement.  
1649 Notwithstanding the foregoing, however, Contractor shall not be required to indemnify the City  
1650 for the costs for any claims arising from the Disposal of Solid Waste at the Designated Disposal  
1651 Facility, including, but not limited to, claims arising under CERCLA unless such claim is a direct  
1652 result of Contractor’s negligence or willful misconduct. This indemnity afforded the indemnitees,  
1653 shall only be limited to exclude coverage for intentional wrongful acts and negligence of  
1654 indemnitees, and as provided below.

1655 The foregoing indemnity is intended to operate as an agreement pursuant to §107(e) of CERCLA,  
1656 42 USC. §9607(e) and California Health and Safety Code §25364, to defend, protect, hold  
1657 harmless, and indemnify City from liability.



1658 This provision is in addition to all other provisions in this Agreement and shall survive the  
1659 expiration or earlier termination of this Agreement. Nothing in this paragraph shall prevent City  
1660 from seeking indemnification or contribution from Persons or entities other than indemnitees, for  
1661 any liabilities incurred by City or the indemnitees.

1662 In the event that Contractor negligently or willfully mishandles Excluded Waste in the course of  
1663 carrying out its activities under this Agreement, Contractor shall at its sole expense promptly take  
1664 all investigatory and/or remedial action reasonably required for the remediation of such  
1665 environmental contamination. Prior to undertaking any investigatory or remedial action,  
1666 however, Contractor shall first obtain City's approval of any proposed investigatory or remedial  
1667 action. Should Contractor fail at any time to promptly take such action, City may undertake such  
1668 action at Contractor's sole cost and expense, and Contractor shall reimburse City for all such  
1669 expenses within thirty (30) calendar days of being billed for those expenses, and any amount not  
1670 paid within that thirty (30) calendar day period shall thereafter be deemed delinquent and subject  
1671 to the delinquent fee payment provision of Section 7.8. These obligations are in addition to any  
1672 defense and indemnity obligations that Contractor may have under this Agreement.

1673 **C. Environmental Indemnification.** Contractor shall defend with counsel acceptable to City,  
1674 indemnify, and hold City harmless against and from any and all claims, suits, losses, penalties,  
1675 damages, and liability for damages of every name, kind and description, including attorneys' fees  
1676 and costs incurred, attributable to the negligence or willful misconduct of Contractor in handling  
1677 Excluded Waste.

1678 **D. Electronic and Web based Information Indemnification.** Contractor shall defend with counsel  
1679 acceptable to City, indemnify, and hold City harmless against and from any and all -related claims,  
1680 including but not limited to, suits, losses, penalties, damages, responsibility for costs, regulatory  
1681 fines, penalties, credit monitoring expenses, and liability for damages of every name, kind and  
1682 description, including attorneys' fees and costs incurred, attributable to the negligence or willful  
1683 misconduct of Contractor and any Subcontractors used in performance of this Agreement in  
1684 handling or protecting Customer information over which Contractor has control, including but not  
1685 limited to billing details, electronic payment(s), and Customer account information that is not  
1686 readily available to the general public. Contractor shall maintain electronic files and Contractor's  
1687 website in accordance with the industry best practices for maintaining such information as safely  
1688 and securely as possible. Nothing in this Section 9.1(D) shall prevent or restrict Contractor's  
1689 obligation and responsibility to provide City with information required under this Agreement.

1690 **E. Related to AB 939, and SB 1383.** Contractor's duty to defend and indemnify herein includes all  
1691 fines and/or penalties imposed by CalRecycle, if the requirements of AB 939and/or SB 1383 are  
1692 not met by the Contractor with respect to the Contractor's obligations under this Agreement, and  
1693 such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement;  
1694 or, (ii) due to Contractor delays in providing information that prevents Contractor or City from  
1695 submitting reports to regulators in a timely manner. This indemnity is subject to the provisions of  
1696 Public Resources Code § 40059.1.

1697 **F. Related to Proposition 218.** Should there be a change in the City's perspective, Change in Law ,or  
1698 a new judicial interpretation of Applicable Law, including, but not limited to, Article XIII C and D  
1699 of the California Constitution (Commonly Proposition 218), which impacts the Rates for the  
1700 Collection services established in accordance with this Agreement, Contractor agrees to meet and

1701 confer with City to discuss the impact of such Change in Law on either Party’s ability to perform  
1702 under this Agreement.

1703 If, at any time, a Rate adjustment determined to be appropriate by both City and Contractor to  
1704 compensate Contractor for increases in costs as described in this Agreement cannot be  
1705 implemented for any reason, Contractor shall be granted the option to negotiate with City, in  
1706 good faith, a reduction of services equal to the value of the Rate adjustment that cannot be  
1707 implemented. If City and Contractor are unable to reach agreement about such a reduction in  
1708 services, then Contractor may terminate this Agreement upon one (1) year’s prior written notice  
1709 to City, in which case the Contractor and City shall each be entitled to payment of amounts due  
1710 for contract performance through the date of termination but otherwise will have no further  
1711 obligation to one another unless this Agreement specifically states otherwise, after the date of  
1712 such termination. Should a court of competent jurisdiction determine that the Contractor cannot  
1713 charge and/or increase its Rates for charges related to Franchise Fees and governmental fees and  
1714 charges, Contractor shall reduce the Rates it charges Customers a corresponding amount,  
1715 providing said fees, reimbursements, Rates and/or charges disallowed by the court are not related  
1716 to the cost of providing service hereunder and had been incorporated in the Rates charged by  
1717 Contractor to its Customers.

1718 Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the  
1719 Rates established for services provided under this Agreement; rather this Section is provided  
1720 merely to allocate risk of an adverse judicial interpretation between the Parties.

1721 **G. CalPERS Eligibility Indemnification.** Contractor’s employees, agents, or Subcontractors providing  
1722 service under this Agreement shall not: (i) qualify for any compensation and benefit under  
1723 CalPERS; (ii) be entitled to any benefits under CalPERS; (iii) enroll in CalPERS as an employee of  
1724 City; (iv) receive any employer contributions paid by City for CalPERS benefits; or (v) be entitled  
1725 to any other CalPERS-related benefit that would accrue to a City employee. Contractor’s  
1726 employees, agents, or Subcontractors hereby waive any claims to benefits or compensation  
1727 described in this Section 9.1. This Section 9.1 applies to Contractor notwithstanding any other  
1728 agency, State or Federal policy, rule, regulation, law, or ordinance to the contrary.

1729 If Contractor’s employees, agents, or Subcontractors providing services under this Agreement  
1730 claim, or are determined by a court of competent jurisdiction or the California Public Employees  
1731 Retirement System (“CalPERS”) to be eligible for enrollment in CalPERS of the City, Contractor  
1732 shall indemnify, defend, and hold harmless City for the payment of any employer and employee  
1733 contributions for CalPERS benefits on behalf of the employee as well as for payment of any  
1734 penalties and interest on such contributions which would otherwise be the responsibility of the  
1735 City.

1736 Contractor’s Compensation under this Agreement shall be the full and complete compensation to  
1737 which Contractor and Contractor’s officers, employees, agents, and Subcontractors are entitled  
1738 for performance of any work under this Agreement. Neither Contractor nor Contractor’s officers,  
1739 employees, agents, and Subcontractors are entitled to any salary or wages, or retirement, health,  
1740 leave or other fringe benefits applicable to City employees. The City will not make any Federal or  
1741 State tax withholdings on behalf of Contractor. The City shall not be required to pay any workers’  
1742 compensation insurance on behalf of Contractor.



1743 Contractor agrees to defend and indemnify the City for any obligation, claim, suit, or demand for  
1744 tax, retirement contribution including any contribution to CalPERS, social security, salary or  
1745 wages, overtime payment, or workers' compensation payment which the City may be required to  
1746 make on behalf of (1) Contractor, (2) any employee of Contractor, or (3) any employee of  
1747 Contractor construed to be an employee of the City, for work performed under this Agreement.

1748 **H. Hazardous Substance Indemnification.** Contractor shall indemnify, defend with counsel  
1749 acceptable to the City, protect and hold harmless the City, its officers, employees, volunteers, and  
1750 agents (collectively, "indemnitees") from and against all claims, damages (including, but not  
1751 limited to, special, consequential, natural resources, and punitive damages), injuries, costs,  
1752 (including, without limitation, any and all response, remediation, and removal costs), losses,  
1753 demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings,  
1754 interest, fines, charges, penalties, and expenses (including, without limitation, attorneys' and  
1755 expert witness fees and costs incurred in connection with defending against any of the foregoing  
1756 or in enforcing this indemnity), (collectively, "Damages") of any kind whatsoever paid, incurred or  
1757 suffered by, or asserted against, indemnitees arising from or attributable to the acts or omissions  
1758 of Contractor whether or not negligent or otherwise culpable, in connection with or related to  
1759 the performance of this Agreement, including, without limitation, damages arising from or  
1760 attributable to any operations, repair, clean-up or detoxification, or other plan (regardless of  
1761 whether undertaken due to governmental action), concerning any Hazardous Substance or  
1762 Hazardous Waste, Collected under this Agreement. Notwithstanding the foregoing, however,  
1763 Contractor shall not be required to indemnify the City for the costs for any claims arising from the  
1764 Disposal of Solid Waste at the Designated Disposal Facility, including, but not limited to, claims  
1765 arising under CERCLA unless such Disposal site is at a facility owned and operated by Contractor  
1766 or such claim is a direct result of Contractor's actions or negligence. This indemnity afforded  
1767 indemnitees, shall only be limited to exclude coverage for intentional wrongful acts and  
1768 negligence of indemnitees, and as provided below. In the event Disposal occurs at a Disposal site  
1769 owned by the Contractor, Contractor shall be required to indemnify the City for the costs for any  
1770 claims arising from the Disposal of Solid Waste at the Disposal site, including, but not limited to,  
1771 claims arising under CERCLA. The foregoing indemnity is intended to operate as an agreement  
1772 pursuant to §107(e) of the Comprehensive Environmental Response, Compensation and Liability  
1773 Act, CERCLA, 42 USC. §9607(e) and California Health and Safety Code §25364, to defend, protect,  
1774 hold harmless, and indemnify City from liability.

1775 This provision is in addition to all other provisions in this Agreement and shall survive the  
1776 expiration or earlier termination of this Agreement.

1777 **9.2 INSURANCE**

1778 **A. General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all times  
1779 during the Term of this Agreement not less than the following coverage and limits of insurance:

1780 **B. Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times  
1781 maintain, at its expense, the following coverages and requirements. Failure to maintain the  
1782 identified insurance requirements during the entire Term of this Agreement shall constitute an  
1783 event of default subject to Section 11.1(C). The comprehensive general liability insurance shall  
1784 include broad form property damage insurance.

1785 1. Minimum Coverages. Insurance coverage shall be with limits not less than the following:

1786 **Comprehensive General Liability** – \$10,000,000 combined single limit per occurrence for  
1787 bodily injury, personal injury, and property damage.

1788 **Automobile Liability** – \$10,000,000 combined single limit per accident for bodily injury  
1789 and property damage (include coverage for Hired and Non-owned vehicles).

1790 **Workers’ Compensation – Statutory Limits/Employers’ Liability** - \$1,000,000/accident  
1791 for bodily injury or disease.

1792 **Employee Blanket Fidelity Bond** – \$500,000 per employee loss covering dishonesty,  
1793 forgery, alteration, theft, disappearance, and destruction (inside or outside).

1794 **Pollution Liability** – \$10,000,000 per loss and annual aggregate applicable to bodily injury;  
1795 property damage, including loss of use of damaged property or of property that has not  
1796 been physically damaged or destroyed; clean-up costs, including first-party cleanup of the  
1797 City’s property and third-party cleanup, and bodily injury costs if pollutants impact other  
1798 properties; and defense, including costs, fees and expenses incurred in the investigation,  
1799 defense, or resolution of claims. Coverage shall include completed operations and shall  
1800 apply to sudden and non-sudden pollution conditions. Coverage shall apply to acts, errors  
1801 or omissions arising out of, or in connection with, Contractor’s scope of work under this  
1802 Agreement. Coverage shall also apply to non-owned deposit sites (“NODS”) that shall  
1803 protect against, for example, claims regarding bodily injury, property damage, and/or  
1804 cleanup costs involving NODS. Coverage is preferred by the City to be occurrence based.  
1805 However, if provided on a claims-made basis, Contractor warrants that any retroactive  
1806 date applicable to coverage under the policy precedes the Effective Date of this  
1807 Agreement, and that continuous coverage shall be maintained, or an extended discovery  
1808 period will be exercised through completion or termination of this Agreement for a  
1809 minimum of five (5) years. This provision does not limit or alter any rights or remedies to  
1810 City allowable under this Agreement and/or Applicable Law in perpetuity.

1811 **Technology Professional Liability Errors and Omissions Insurance (Cyber Liability)**  
1812 appropriate to the Contractor’s profession and industry practice, with limits not less than  
1813 \$2,000,000 per occurrence. Coverage for cyber risks shall be sufficiently broad to respond  
1814 to the duties and obligations as are undertaken by Contractor under this Agreement and  
1815 shall include, but not be limited to claims involving infringement of intellectual property,  
1816 including but not limited to infringement of copyright, trademark, trade dress, invasion  
1817 of privacy violations, information theft, damage to or destruction of electronic  
1818 information, release of private information, alteration of electronic information,  
1819 extortion, and network security. The policy shall provide coverage for breach response  
1820 notification and remediation costs, regulatory fines and penalties, credit monitoring  
1821 expenses, electronic funds transfer losses, electronic data restoration expenses, and  
1822 business interruption costs with limits sufficient to respond to these obligations, in the  
1823 sole discretion of the City’s Risk Manager.

1824 2. Additional Insured. City, its officers, agents, employees, and volunteers shall be named as  
1825 additional insured on all but the workers’ compensation and professional liability  
1826 coverages.

**DRAFT**

1827 3. Said policies shall remain in force through the life of this Agreement and, with the  
1828 exception of pollution liability coverage, shall be payable on a “per occurrence” basis  
1829 unless City’s Risk Manager specifically consents in writing to a “claims made” basis. For all  
1830 “claims made” coverage, if the Contractor changes insurance carriers Contractor shall  
1831 purchase “tail” coverage or otherwise provide for continuous coverage covering the Term  
1832 of this Agreement and not less than three (3) years thereafter, except for the five (5) year  
1833 tail of Pollution Liability Coverage as described above. Proof of such “tail” or other  
1834 continuous coverage shall be required at any time that the Contractor changes to a new  
1835 carrier prior to receipt of any payments due.

1836 4. The Contractor shall declare all aggregate limits on the coverage before commencing  
1837 performance of this Agreement, and City’s Risk Manager reserves the right to require  
1838 higher aggregate limits to ensure that the coverage limits required for this Agreement as  
1839 set forth above are available throughout the performance of this Agreement.

1840 5. The deductibles or self-insured retentions are for the account of Contractor and shall be  
1841 the sole responsibility of the Contractor.

1842 6. Each insurance policy shall provide or be endorsed to state that coverage shall not be  
1843 suspended, voided, canceled by either Party, reduced in coverage or in limits except after  
1844 thirty (30) calendar days prior written notice by certified mail, return receipt requested,  
1845 has been given to the City Manager ten (10) Business Days for delinquent insurance  
1846 premium payments).

1847 7. Insurance must be placed with insurers with a current A.M. Best’s rating of no less than  
1848 A-VII, or with a surplus line carrier appearing on the List of Approved Surplus Line Insurers,  
1849 (“LASLI”) with a Best’s Key Rating Guide of at least A: X. Insurers, and corresponding  
1850 policies required by this Section, must also comply with all other aspects of City Council  
1851 Policy # 70.

1852 8. The policies shall cover all activities of Contractor, its officers, employees, agents and  
1853 volunteers arising out of or in connection with this Agreement.

1854 9. For any claims relating to this Agreement, the Contractor’s insurance coverage shall be  
1855 primary, including as respects City, its officers, agents, employees, and volunteers. Any  
1856 insurance maintained by City shall apply in excess of, and not contribute with, insurance  
1857 provided by Contractor’s liability insurance policy.

1858 10. The Contractor shall waive all rights of subrogation against City, its officers, employees,  
1859 agents, and volunteers.

1860 **C. Endorsements.** Prior to the Effective Date pursuant to this Agreement, Contractor shall furnish  
1861 City Manager with certificates or original endorsements reflecting coverage required by this  
1862 Agreement. The certificates or endorsements are to be signed by a Person authorized by that  
1863 insurer to bind coverage on its behalf. All certificates or endorsements are to be received by, and  
1864 are subject to the approval of, City Risk Manager before work commences.

1865 **D. Renewals.** During the Term of this Agreement, Contractor shall furnish City Manager with  
1866 certificates or original endorsements reflecting renewals, changes in insurance companies, and

1867 any other documents reflecting the maintenance of the required coverage throughout the entire  
1868 Term of this Agreement. The certificates or endorsements are to be signed by a Person authorized  
1869 by that insurer to bind coverage on its behalf.

1870 **E. No Cap on Indemnity.** The minimum amounts of coverage described in this Section 9.2 will not  
1871 constitute any limitations or cap on Contractor’s indemnification obligations under this  
1872 Agreement.

1873 **F. Workers' Compensation.** Contractor shall provide workers’ compensation coverage as required  
1874 by State law and shall comply with Section 3700 of the State Labor Code.

1875 **9.3 SECURITY**

1876 As security for Contractor’s faithful performance of all obligations of this Agreement, Contractor must  
1877 provide a surety mechanism “Surety” as more fully defined below in the sum of two hundred fifty  
1878 thousand dollars (\$250,000) within fifteen (15) days of the execution of this Agreement. The Surety may  
1879 be comprised entirely in an irrevocable letter of credit or split 50% between a performance bond and an  
1880 irrevocable letter of credit.

1881 **A. Performance Bond.** Contractor shall deliver to City a performance bond in the sum of the amount  
1882 of One Hundred and Twenty Five Thousand Dollars (\$125,000), similar to the form provided in  
1883 Exhibit H, which secures the faithful performance of this Agreement, including, without limitation,  
1884 payment of any penalty and the funding of any work to cure a breach of this Agreement, unless  
1885 such requirement is waived by the City Manager. The bond shall contain the original notarized  
1886 signature of an authorized officer of the surety and affixed thereto shall be a certified and current  
1887 copy of their power of attorney. The bond shall be unconditional and remain in force (through  
1888 annual renewals) until released in accordance with Section 9.5.

1889 **B. Faithful Performance Letter of Credit.** In addition to a faithful performance bond as noted above,  
1890 Contractor shall furnish an irrevocable letter of credit in the amount of One Hundred and Twenty  
1891 Five Thousand Dollars (\$125,000), from a financial institution acceptable to the City and in a form  
1892 acceptable to the City Attorney as security for the performance of this Agreement (the “LOC”).  
1893 The LOC shall be the sole responsibility of Contractor and shall remain in force until released in  
1894 accordance with Section 9.5. Alternatively, Contractor may furnish an irrevocable letter of credit  
1895 in the amount of Two Hundred and Fifty Thousand Dollars (\$250,000) in lieu of the separate letter  
1896 of credit of \$125,000 and separate performance bond of \$125,000 described in Section 9.3.

1897 **9.4 FORFEITURE OF SECURITY**

1898 **A. Forfeiture of Performance Bond.** In the event Contractor shall for any reason become unable to,  
1899 or fail in any way to, perform as required by this Agreement, City may declare a portion or all of  
1900 the performance bond which is necessary to recompense and make whole the City, forfeited to  
1901 the City. Upon partial or full forfeiture of the performance bond, Contractor shall restore the  
1902 performance bond to its face amount within 30 days of the City’s declaration. Failure to restore  
1903 the performance bond to its full amount within 30 days shall be a material breach of the  
1904 Agreement.

1905 **B. Forfeiture of Letter of Credit.** Thirty (30) days following City providing Contractor with written  
1906 notice of its failure to pay City any amount owing under this Agreement, City may draw upon the

- 1907 LOC for purposes including, but not limited to:
- 1908 i. Payment of sums due under the Terms of this Agreement which Contractor has failed to timely  
1909 pay to City
  - 1910 ii. Reimbursement of costs borne by City to correct violations of this Agreement not corrected by  
1911 Contractor, including but not limited to the Liquidated Damages described in Section 11.6.
- 1912 City may draw upon the entire LOC and convert it to a cash deposit if Contractor fails to cause the LOC to  
1913 be extended or replaced with another satisfactory letter of credit no later than 60 days prior to its  
1914 expiration during the Term hereof.

1915 **9.5 PERFORMANCE SECURITY BEYOND SERVICE TERM**

1916 Some Agreement requirements extend beyond the Term of this Agreement and will not be substantiated  
1917 until after the final service date. Therefore, the Contractor shall not terminate the performance bond or  
1918 letter of credit and will renew them to ensure continuous availability to the City, until receiving a written  
1919 release from the City. City will provide such a release when City, in its reasonable judgment, is fully  
1920 satisfied that all requirements have been met. However, permission from the City to discontinue holding  
1921 these performance securities does not relieve Contractor of payments to the City that may be due or may  
1922 become due.

1923 **ARTICLE 10.**  
1924 **CITY'S RIGHT TO PERFORM SERVICE**

1925 **10.1 GENERAL**

1926 In the event that Contractor, for any reason whatsoever, fails, refuses or is unable to Collect, Recycle,  
1927 Process, Transport or Dispose of any or all Discarded Materials which it is required by this Agreement, at  
1928 the time and in the manner provided in this Agreement, for a period of more than two (2) Business Days,  
1929 excluding Saturday, Sunday and Holidays defined in Exhibit A, and if, as a result thereof, Discarded  
1930 Materials should accumulate in City to such an extent, in such a manner, or for such a time that such  
1931 accumulation endangers or menaces the public health, safety or welfare, then City shall have the right,  
1932 but not the obligation, upon twenty-four (24) hour prior written notice to Contractor during the period of  
1933 such emergency as determined by City, (1) to perform, or cause to be performed, such services itself with  
1934 its own or other personnel without liability to Contractor; and/or (2) to take possession of any or all of  
1935 Contractor's land, equipment, and other property used or useful in the Collection and Transportation of  
1936 Discarded Materials, and to use such property to Collect and Transport any Discarded Materials generated  
1937 within City which Contractor would otherwise be obligated to Collect, Transport, and properly Dispose of  
1938 or Process pursuant to this Agreement.

1939 Notice of Contractor's failure, refusal, or neglect to Collect, Transport and properly Dispose of or Process  
1940 Discarded Materials may be given orally by telephone to Contractor at its principal office and shall be  
1941 effective immediately. Written confirmation of such oral notification shall be sent to Contractor within  
1942 one Business Day, excluding Saturday, Sunday and Holidays defined in Exhibit A of the oral notification.

1943 Contractor further agrees that in such event:

- 1944 a. It will take direction from City to affect the transfer of possession of equipment and property to

1945 City for City's use, or for use by any Person or entity designated by the City.

1946 b. It will, if City so requests, keep in good repair and condition all of such equipment and property,  
1947 provide all motor vehicles with fuel, oil and other service, and provide such other service as may  
1948 be necessary to maintain said property in operational condition.

1949 c. City may immediately engage all or any personnel, including third parties not directly employed  
1950 by the City, necessary or useful for the Collection and Transportation of Discarded Materials,  
1951 including, if City so desires, employees previously or then employed by Contractor. Contractor  
1952 further agrees, if City so requests, to furnish City the services of any or all management or office  
1953 personnel employed by Contractor whose services are necessary or useful for Discarded Materials  
1954 Collection, Transportation, Processing and Disposal operations and for the Billing and collection  
1955 of fees for these services.

1956 City agrees that it assumes complete responsibility for the proper and normal use of such equipment and  
1957 Facilities while in its possession.

1958 If the interruption or discontinuance in service is caused by any of the reasons listed in Section 11.7, City  
1959 shall pay to Contractor the reasonable rental value of the equipment and Facilities, possession of which is  
1960 taken by City, for the period of City's possession, if any, which extends beyond the period of time for which  
1961 Contractor has rendered bills in advance of service, for the class of service involved.

1962 **10.2 TEMPORARY POSSESSION OF CONTRACTOR'S PROPERTY**

1963 If City suffers an interruption or discontinuance of service (including interruptions and discontinuance due  
1964 to events described in Section 11.7), City may take possession of and use all of Contractor's property  
1965 described above until other suitable arrangements can be made for the provision of Discarded Materials  
1966 Services which may include the grant of a Franchise to another waste hauling company.

1967 **10.3 BILLING AND COMPENSATION TO CITY DURING CITY'S POSSESSION**

1968 During such time that City is providing Discarded Materials services, as above provided, Contractor shall  
1969 bill and Collect payment from all users of the above-mentioned services as described in Section 4.6.  
1970 Contractor further agrees that, in such event, it shall reimburse City for any and all costs and expenses  
1971 incurred by City beyond that billed and received by City in taking over possession of the above-mentioned  
1972 equipment and property for Discarded Materials service in such manner and to an extent as would  
1973 otherwise be required of Contractor under the Terms of this Agreement. Such reimbursement shall be  
1974 made from time to time after submission by City to Contractor of each statement listing such costs and  
1975 expenses, but in no event later than five (5) Business Days from and after each such submission.

1976 **10.4 CITY'S RIGHT TO RELINQUISH POSSESSION**

1977 It is further mutually agreed that City may at any time at its discretion relinquish possession of any or all  
1978 of the above-mentioned property to Contractor and thereupon demand that Contractor resume the  
1979 Discarded Materials services as provided in this Agreement, whereupon Contractor shall be bound to  
1980 resume the same.



1981 **10.5 CITY'S POSSESSION NOT A TAKING**

1982 Except as otherwise expressly provided in the previous paragraph, City's exercise of its rights under this  
1983 Article (1) does not constitute a taking of private property for which compensation must be paid, (2) will  
1984 not create any liability on the part of City to Contractor, and (3) does not exempt Contractor from any of  
1985 the indemnity and insurance provisions of this Agreement, which are meant to extend to circumstances  
1986 arising under this Section provided that the Contractor is not required to indemnify the City against claims  
1987 and damages arising from the sole negligence of the City, its elected and appointed officials, boards,  
1988 commissions, officers, employees and agents in the operation of Collection vehicles during the time the  
1989 City has taken possession of such vehicles.

1990 **10.6 DURATION OF CITY'S POSSESSION**

1991 City's right pursuant to this Article to retain temporary possession of Contractor's Facilities and  
1992 equipment, and to render Collection services, shall terminate when City determines that such services can  
1993 be resumed by Contractor, or when City no longer reasonably requires such property or equipment. In  
1994 any case, City has no obligation to maintain possession of Contractor's property or equipment and/or  
1995 continue its use for any period of time and may at any time, in its sole discretion, relinquish possession to  
1996 Contractor.

1997 **10.7 DISASTER PREPAREDNESS PLAN**

1998 Within twelve (12) months of the Effective Date, Contractor shall, with City assistance, prepare a written  
1999 plan detailing how Discarded Materials services will be delivered in a time of emergency or natural  
2000 disaster. For the plan, City shall provide Contractor with a written list of critical Facilities being those  
2001 Facilities that the City deems in need of special consideration in a time of emergency because they are  
2002 critical to City's emergency response, of priority to the need of the community and/or represent a public  
2003 health risk to the community. Contractor's written plan shall contain a protocol for contacting Contractor  
2004 management in the event of an emergency, an overview of Contractor's resources available for  
2005 emergency response, a plan for Collection, Disposal, and Recycling of Discarded Materials generated by  
2006 critical Facilities until the time of emergency passes and a plan for resuming normal operations following  
2007 an emergency.

2008 In the event of a disaster, the City may grant Contractor a waiver of some or all Collection requirements  
2009 under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the  
2010 duration of the waiver. Any resulting changes in Collection requirements shall be addressed as a change  
2011 in scope in accordance with Section 3.5.

2012 **ARTICLE 11.**  
2013 **DEFAULT AND REMEDIES**

2014 **11.1 EVENTS OF DEFAULT**

2015 All provisions of the Agreement are considered material. Each of the following shall constitute an event  
2016 of default.

2017 **A. Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon the City.

2018 **B. Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts, or

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- 2019 upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.
- 2020 **C. Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force the workers’  
2021 compensation, insurance coverage required by Section 9.2, or indemnification coverage as  
2022 required by this Agreement.
- 2023 **D. Violations of Regulation.** Contractor violates any orders or filings of any regulatory body having  
2024 authority over Contractor relative to this Agreement, which violation the City reasonably  
2025 determines is material. If Contractor contests any such orders or filings by appropriate  
2026 proceedings conducted in good faith, and the regulatory body determines no violation occurred,  
2027 no breach or default of this Agreement shall be deemed to have occurred.
- 2028 **E. Violations of Applicable Law.** Contractor violates Applicable Law relative to this Agreement,  
2029 which violation the City reasonably determines is material.
- 2030 **F. Failure to Perform Direct Services.** Contractor ceases to provide Collection, Transportation, or  
2031 Processing services as required under this Agreement for a period of two (2) consecutive calendar  
2032 days or more, for any reason within the control of Contractor.
- 2033 **G. Failure to Pay or Report.** Contractor fails to make any payments to City required under this  
2034 Agreement including payment of City Fees or Liquidated Damages and/or refuses to provide City  
2035 with required information, reports, and/or records in a timely manner as provided for in the  
2036 Agreement.
- 2037 **H. Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions,  
2038 or requirements of this Agreement, or Applicable Law and which is not corrected or remedied  
2039 within the time set in the written notice of the violation. Additionally, an event of default occurs  
2040 if Contractor cannot reasonably correct or remedy the breach within the time set forth in a notice  
2041 of violation, or if Contractor fails to commence to correct or remedy such violation within the time  
2042 set forth in such notice and diligently effect such correction or remedy thereafter.
- 2043 **I. False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the City  
2044 by Contractor in connection with or as an inducement to entering into this Agreement, or any  
2045 future amendment to this Agreement, which proves to be false or misleading in any material  
2046 respect as of the time such representation or disclosure is made, whether or not any such  
2047 representation or disclosure appears as part of this Agreement. Additionally, a default occurs if  
2048 any Contractor-provided report contains a misstatement, misrepresentation, data manipulation,  
2049 or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical  
2050 typographical and grammatical errors.
- 2051 **J. Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor’s  
2052 operating equipment, including without limits its equipment, maintenance or office facilities,  
2053 Approved Facility(ies), or any part thereof.
- 2054 **K. Suspension or Termination of Service.** There is any termination or suspension of the transaction  
2055 of business by Contractor related to this Agreement, including without limit, due to labor unrest  
2056 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action  
2057 lasting more than two (2) calendar days.



- 2058 **L. Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of criminal  
2059 activity related directly or indirectly to performance of this Agreement or any other agreement  
2060 held with the City.
  
- 2061 **M. Assignment without Approval.** Contractor transfers or assigns this Agreement without the  
2062 expressed written approval of the City unless the assignment is permitted without City approval  
2063 pursuant to Section 13.6.
  
- 2064 **N. Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a  
2065 proposal for new services or changes to services or fails to implement a change in service as  
2066 requested by the City as specified in Section 3.5.
  
- 2067 **O. Failure to Complete Transition.** Contractor fails to complete the tasks identified in Contractor’s  
2068 Implementation Plan.
  
- 2069 **P. Failure to Implement Collection Program.** Contractor fails to implement a Collection program  
2070 that complies with the requirements of Article 4 and Exhibit B.
  
- 2071 **Q. Failure to Provide Processing Capacity.** Contractor fails to provide adequate Processing capacity  
2072 in accordance with Articles 4 and 5.
  
- 2073 **R. Failure to Achieve Processing Standards.** Contractor fails to achieve the Processing standards  
2074 specified in Articles 4 and 5 including achievement of minimum Organic Waste recovery rates.
  
- 2075 **S. Failure to Comply with Other Requirements of SB 1383.** Contractor fails to comply with other  
2076 requirements of the Agreement including, but not limited to, public education, reporting,  
2077 recordkeeping and reporting, or other obligations of this Agreement that delegate the City’s  
2078 responsibility and/or authority under SB 1383 to the Contractor.
  
- 2079 **T. Failure to Perform Any Obligation.** Contractor fails to perform any obligation established under  
2080 this Agreement, which the City reasonably determines is material.

2081 City shall provide Contractor written notice of default within seven (7) calendar days of the City’s first  
2082 knowledge of the Contractor’s default.

2083 **11.2 CONTRACTOR’S RIGHT TO CURE; RIGHT TO TERMINATE UPON EVENT OF**  
2084 **DEFAULT**

2085 Contractor shall be given two (2) Business Days from written notification by the City Manager to cure any  
2086 default which, in the City Manager’s sole opinion, creates a potential public health and safety threat.

2087 Contractor shall be given two (2) Business Days from written notification by the City Manager to cure any  
2088 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  
2089 shall not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has  
2090 committed the same or similar breach/default within a twenty-four (24) month period. It is expressly  
2091 understood that Contractor is not entitled to receive notice of default, or to cure such default, with respect  
2092 to those matters listed in subsections A, B, H, I, L, and M in Section 11.1.

2093 Contractor shall be given thirty (30) calendar days from written notification by the City Manager to cure

2094 any other default (which is not required to be cured within two (2) Business Days). Furthermore, if  
2095 Contractor cannot reasonably cure a default within the applicable period described in this Section, except  
2096 for defaults that create a potential health and safety threat, and Contractor promptly commences the  
2097 cure or remedy within the initial cure period and thereafter diligently pursues the cure or remedy to  
2098 completion, Contractor shall not be in default of this Agreement. However, the City shall not be obligated  
2099 to provide Contractor with a notice and cure opportunity if the Contractor has committed the same or  
2100 similar breach/default within a twenty-four (24) month period.

2101 **11.3 CITY’S REMEDIES IN THE EVENT OF DEFAULT**

2102 Upon Contractor’s default, City has the following remedies in the event of Contractor default:

2103 **A. Waiver of Default.** City may waive any event of default or may waive Contractor’s requirement  
2104 to cure a default event if City determines that such waiver would be in the best interest of the  
2105 City. City’s waiver of an event of default is not a waiver of future events of default that may have  
2106 the same or similar conditions.

2107 **B. Suspension of Contractor’s Obligation.** City may suspend Contractor’s performance of its  
2108 obligations if Contractor fails to cure default in the time frame specified in Section 11.2 until such  
2109 time the Contractor can provide assurance of performance in accordance with Section 11.8.

2110 **C. Liquidated Damages.** City may assess Liquidated Damages for Contractor’s failure to meet specific  
2111 performance standards pursuant to Section 11.6.

2112 **D. Termination.** The City Manager may, in their sole discretion, set a public hearing for the City  
2113 Council to determine whether to terminate this Agreement. Subject to Contractor’s right to cure  
2114 as described in Section 11.2, such termination hearing must be set if a default remains uncured  
2115 thirty (30) calendar days after receipt of written notice of default from the City. Such termination  
2116 hearing must also be set if a Contractor’s default is not cured within two (2) calendar days and  
2117 the default:

- 2118 1. Creates a potential public health and safety threat.
- 2119 2. Arises under Section 11.1. C, D, E, F, G, J, K, N, O, P, Q, R, S, and T.

2120 If the City terminates this Agreement based on the adopted findings of the termination hearing,  
2121 the City Manager shall first provide written notice to the Contractor twenty (20) calendar days  
2122 before the date of termination. The Contractor shall thereafter be relieved on a going-forward  
2123 basis of all liabilities and obligations required by this Agreement, except for Section 9.1 and any  
2124 other provisions specifically identified to survive termination of this Agreement. Upon expiration  
2125 of the twenty (20) day notice, the City may, in its sole discretion:

- 2126 1. Directly undertake performance of the services.
- 2127 2. Arrange with other Persons to perform the services with or without a written  
2128 agreement.
- 2129 3. Permit Contractor to continue operating under this Agreement including  
2130 Contractor’s Compensation until such time that City is able to find substitute  
2131 services.

2132 This right of termination is in addition to any other rights upon a failure of Contractor to perform

2133 its obligations under this Agreement.

2134 Contractor shall not be entitled to any further revenues from Collection operations authorized  
2135 hereunder from and after the date of termination.

2136 **E. Other Available Remedies.** City’s election of one (1) or more remedies described herein shall not  
2137 limit the City from any and all other remedies at law and in equity including injunctive relief, etc.

2138 **11.4 POSSESSION OF RECORDS UPON TERMINATION**

2139 In the event of termination for an event of default, the Contractor shall furnish City Manager with  
2140 immediate access to all of its business records, including without limitation, Proprietary Contractor  
2141 computer systems, related to its Customers, Collection routes, and billing of accounts for Collection  
2142 services.

2143 **11.5 CITY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE**

2144 City's rights to terminate the Agreement under Article 11 and to take possession of the Contractor's  
2145 records under Section 11.4 are not exclusive, and City's termination of the Agreement and/or the  
2146 imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall  
2147 be in addition to any and all other legal and equitable rights and remedies which City may have.

2148 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service; the  
2149 lead time required to effect alternative service; and, the rights granted by City to the Contractor, the  
2150 remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive  
2151 relief (including but not limited to specific performance).

2152 **11.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

2153 **A. General.** The Parties find that as of the time of the execution of this Agreement, it is impractical,  
2154 if not impossible, to reasonably ascertain the extent of damages which shall be incurred by City  
2155 as a result of a breach by Contractor of its obligations under this Agreement. The factors relating  
2156 to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i)  
2157 substantial damage results to members of the public who are denied services or denied quality or  
2158 reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of  
2159 the benefits of the Agreement to individual members of the general public for whose benefit this  
2160 Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of  
2161 measurement in precise monetary terms; (iii) that exclusive services might be available at  
2162 substantially lower costs than alternative services and the monetary loss resulting from denial of  
2163 services or denial of quality or reliable services is impossible to calculate in precise monetary  
2164 terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are, at  
2165 best, a means of future correction and not remedies which make the public whole for past  
2166 breaches.

2167 **B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties  
2168 further acknowledge that consistent, reliable Collection services are of utmost importance to City  
2169 and that City has considered and relied on Contractor's representations regarding its quality-of-  
2170 service commitment in awarding the Agreement to it. The Parties recognize that some quantified  
2171 standards of performance are necessary and appropriate to ensure consistent and reliable service

2172 and performance. The Parties further recognize that if Contractor fails to achieve the performance  
2173 standards or fails to submit required documents in a timely manner, City and its residents and  
2174 businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to  
2175 ascertain and determine the exact amount of damages which City will suffer. Therefore, without  
2176 prejudice to City’s right to treat such non-performance as an event of default under this Section,  
2177 the Parties agree that the Liquidated Damages amounts established in this Section of this  
2178 Agreement and the Liquidated Damage amounts therein represent a reasonable estimate of the  
2179 amount of such damages considering all of the circumstances existing on the Effective Date of this  
2180 Agreement, including the relationship of the sums to the range of harm to City that reasonably  
2181 could be anticipated and the anticipation that proof of actual damages would be costly or  
2182 impractical.

2183 Contractor City

2184 Initial Here Initial Here

2185 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth  
2186 below:

2187 1. Collection Reliability

2188  
2189 a) For each failure to commence service to a new Customer account within seven (7) days  
2190 after order: \$100.00 per occurrence

2191  
2192 b) For comingling Solid Waste, Recyclable Materials, and/or Organic Waste:\$2,000.00 per  
2193 occurrence

2194  
2195 c) For each failure to correct and Collect a missed service within the timeframe set forth in  
2196 Section 4.7: \$100.00 per occurrence;  
2197 each additional twenty-four (24) hour period: \$100.00 per occurrence.

2198  
2199 2. Collection Quality

2200  
2201 a) For failure to properly return empty Containers to stored location or to place Containers  
2202 upright: \$100.00 per container

2203  
2204 b) For each occurrence of excessive noise or discourteous behavior:  
2205 \$100.00 per occurrence

2206  
2207 c) For each occurrence of Collecting Discarded Materials during unauthorized hours:  
2208 \$100.00 per occurrence

2209  
2210 d) For each occurrence of damage to private property which exceeds five (5) such  
2211 occurrences annually: \$100.00 per occurrence

2212  
2213 e) For each failure to clean up Discarded Materials spilled from Collection Containers within  
2214 ninety (90) minutes: \$100.00 per occurrence

2215

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2216 f) For each failure to clean up vehicle leaks or spills within the timeframe required by  
2217 Section 5.5: \$100.00 per occurrence

2218  
2219 g) For each failure follow the cleanup procedures included in Section 5.5:  
2220 \$500.00 per square foot of affected area  
2221

2222 3. Customer Responsiveness

2223  
2224 a) For each failure to initially respond to a Customer Complaint within one (1) Business Day  
2225 (excluding Saturdays, Sundays, and Holidays required by Section 4.7), and for each  
2226 additional day in which the Complaint is not addressed, which exceed five (5) annually:  
2227 \$100.00 per day  
2228

2229 b) For each failure to process Customer Complaints as required by Article 4, which exceed  
2230 five (5) annually: \$50.00 per occurrence  
2231

2232 c) For each failure to record a response to a Customer Complaint or request within twenty-  
2233 four (24) hours of resolution: \$100.00 per occurrence  
2234

2235 d) For each failure to remove graffiti from Containers, or to replace with Containers bearing  
2236 no graffiti, within five (5) Business Days (excluding Saturdays, Sundays, and Holidays) of  
2237 request from City or Customer: \$ 100.00 per day  
2238

2239 e) For each failure to repair or replace a damaged or missing Container within five (5)  
2240 Business Days (excluding Saturdays, Sundays, and Holidays) of request from City or  
2241 Customer: \$ 100.00 per day  
2242

2243 f) For each failure to process a claim for damages within thirty (30) days from the date  
2244 submitted to Contractor: \$100.00 per occurrence  
2245

2246 4. Failure to Submit Reports or Allow Access to Records

2247  
2248 For each failure to submit any individual report or provide access to records in compliance  
2249 with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports  
2250 shall be considered a failure to submit until such time as all information in the report has been  
2251 provided in a complete and accurate form. In the event City determines a report to be errant  
2252 or incomplete more than ten (10) Business Days after submittal by Contractor, Contractor  
2253 shall be given ten (10) Business Days to complete and correct and any pending Liquidated  
2254 Damages shall be tolled during that period.  
2255

2256 a) Monthly Reports: \$1,000.00 per day  
2257

2258 b) Quarterly Reports: \$100.00 per day  
2259

2260 c) Annual Reports: \$500.00 per day  
2261

2262 5. Accuracy of Billing  
2263

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- 2264 a) Each Customer invoice that is not prepared in accordance with the City’s approved rate  
2265 schedule, in excess of ten (10) annually:  
2266 \$25 per invoice not to exceed \$2,500.00 per Billing run  
2267
- 2268 b) For each instance or invoice in which Contractor imposes a special service fee not in  
2269 accordance with the approved rate schedule and not approved in advance in writing by  
2270 City, or not requested by the service recipient which exceeds ten (10) such occurrences  
2271 annually: \$50.00 per occurrence  
2272
- 2273 c) Failure to provide a Customer with a response, including an explanation and/or  
2274 correction, to a Billing Complaint within seven (7) Business Days from the Complaint:  
2275 \$100.00 per occurrence  
2276 Each additional day response not provided: \$50.00  
2277
- 2278 6. Public Education and Outreach  
2279  
2280
- 2281 a) Failure to submit an annual public education plan by the timeframe specified in this  
2282 Agreement: \$500.00  
2283 per day  
2284
- 2285 7. Cooperation with Service Provider Transition  
2286
- 2287 a) For each day routing information requested by City in accordance with Section 13.10 is  
2288 received after City-established due dates, both for preparation of a request for proposals  
2289 and for new service provider’s implementation of service: \$1,000.00/day  
2290
- 2291 b) For each day delivery of keys, access codes, remote controls, or other means of access to  
2292 Discarded Materials Containers is delayed beyond one (1) day prior to new service  
2293 provider servicing Customers with access issues, as described in Section 13.10:  
2294 \$1,000.00/day  
2295
- 2296 c) For delay in not meeting the requirements contained in Section 13.10 in a timely manner,  
2297 in addition to the daily Liquidated Damages for breach under 7(a) and 7(b) above,  
2298 Liquidated Damages of: \$10,000.00  
2299
- 2300
- 2301 8. Other Requirements  
2302
- 2303 a) Failure to Maintain records  
2304 \$100.00 per day
- 2305 9. Collection Vehicles  
2306
- 2307 a) Failure to utilize Collection vehicles that are compliant with the maximum age  
2308 requirement under Section 5.5.A.1.  
2309 \$1,000.00 per non-compliant Collection vehicle per month for the first 12 months  
2310 in excess of the maximum age requirement.

2311 \$3,000.00 per non-compliant Collection vehicle per month after the first 12  
2312 months in excess of the maximum age requirement.

2313  
2314 10. General Contract Adherence

2315  
2316 For each day that Contractor fails to provide services required under the Agreement, or comply  
2317 with terms of the Agreement, five (5) Business Days after receipt of written notification from City  
2318 that such services are not being provided or terms are not being met: \$100.00/day

2319 Before assessing Liquidated Damages, City Manager shall give Contractor notice of City’s intention  
2320 to do so. The notice will include a brief description of the incident(s) and non-performance. City  
2321 Manager may review (and make copies at City’s own expense) all information in the possession  
2322 of Contractor relating to incident(s) and/or non-performance. City Manager may, within ten (10)  
2323 Business Days after issuing the notice, request a meeting with Contractor. City Manager may  
2324 present evidence of non-performance in writing and through testimony of City’s employees or  
2325 consultants and others relevant to the incident(s) and non-performance. City Manager will  
2326 provide Contractor with a written explanation of their determination on each incident(s) and non-  
2327 performance prior to authorizing the assessment of Liquidated Damages under this Section 11.6.  
2328 The decision of City Manager may be appealed by Contractor to the Deputy City Manager.

2329 **C. Amount.** City may assess Liquidated Damages for each calendar day or event, as appropriate, that  
2330 Contractor is determined to be liable in accordance with this Agreement.

2331 **D. Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by City within ten (10)  
2332 days after they are assessed. If they are not paid within the ten (10) day period, City may proceed  
2333 against the performance bond required by the Agreement or find Contractor in default and  
2334 terminate this Agreement pursuant to Section 11.1, or both.

2335 **11.7 EXCUSE FROM PERFORMANCE**

2336 The Parties understand and agree herein that the services provided under this Agreement are critical to  
2337 the protection of public health and safety and that Contractor is expected to perform these services  
2338 despite the occurrence of events that may otherwise give rise to Force Majeure conditions. The Parties  
2339 herein agree that the obligations for excuse from performance under this Agreement should and do have  
2340 a higher standard than the common law understanding of Force Majeure. In particular, a Party shall be  
2341 excused from performing their obligations hereunder and from any obligation to pay Liquidated Damages  
2342 if they are prevented from so performing by reason of floods, earthquakes, other acts of nature, war, civil  
2343 insurrection, riots, acts of any domestic government (including judicial action), and other similar  
2344 catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from  
2345 performance hereunder (excluding COVID-19 or similar pandemic). However, performance shall only be  
2346 excused If the Party requesting relief from performance can specifically demonstrate that the  
2347 performance of a specific obligation is impossible and shall only be excused from those requirements  
2348 which are demonstrated to be impossible. All other performance obligations that remain possible, shall  
2349 be required to continue.

2350 Contractor shall provide a contingency plan to the City prior to the execution of this Agreement  
2351 demonstrating how services will be provided during the period impacted by COVID-19 or similar  
2352 pandemic. The contingency plan is subject to City approval and Contractor shall amend the plan until it



2353 meets City requirements, including reasonably demonstrating how City's basic Collection and sanitary  
2354 needs will be met to the City's satisfaction. This provision shall not, however, release the Contractor from  
2355 using its best efforts to avoid or remove such cause and continue performance hereunder whenever such  
2356 causes are removed.

2357 In the case of labor unrest or job action directed at a third party over whom Contractor has no control,  
2358 the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness  
2359 or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees  
2360 while providing such services; or, (ii) make reasonable accommodations with respect to Container  
2361 placement and point of Delivery, time of Collection, or other operating circumstances to minimize any  
2362 confrontation with pickets or the number of Persons necessary to make Collections shall, to that limited  
2363 extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in  
2364 performing Collection services at different times and in different locations. Further, in the event of labor  
2365 unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other  
2366 concerted job action conducted by the Contractor's employees or directed at the Contractor, or a  
2367 subsidiary, the Contractor shall not be excused from performance. In such case, Contractor shall continue  
2368 to provide a reasonably satisfactory level of performance during the pendency thereof, but the Contractor  
2369 shall not be required to adhere strictly to the specific requirements of this Agreement regarding routes,  
2370 Collection times or similar matters; provided, however, that in no event shall more than seven (7) calendar  
2371 days elapse between pickups for Residential and Commercial Customers. Any labor action initiated by  
2372 Contractor, including but not limited to a lock-out, shall not be grounds for any excuse from performance  
2373 and Contractor shall perform all obligations under this Agreement during the pendency of such  
2374 Contractor-initiated labor action.

2375 The Party claiming excuse from performance shall, within two (2) calendar days after such Party has notice  
2376 of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to  
2377 excuse under this Section.

2378 If either Party validly exercises its rights under this Section, the Parties hereby waive any claim against  
2379 each other for any damages sustained thereby.

2380 The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more  
2381 of the events described in this Article shall not constitute a default by Contractor under this Agreement.  
2382 Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations  
2383 hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, City  
2384 shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10)  
2385 Business Days' notice to Contractor, in which case the provisions of Section 11.4 shall apply.

2386 **11.8 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2387 The Parties acknowledge that it is of the utmost importance to City and the health and safety of all those  
2388 members of the public residing or doing business within City who will be adversely affected by interrupted  
2389 waste management service, that there be no material interruption in services provided under this  
2390 Agreement.

2391 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out,  
2392 picketing or other concerted job action; (ii) appears in the reasonable judgment of City to be unable to  
2393 regularly pay its bills as they become due; or, (iii) is the subject of a civil or criminal judgment or order

2394 entered by a Federal, State, regional or local agency for violation of an Applicable Law, and City believes  
2395 in good faith that Contractor’s ability to perform under the Agreement has thereby been placed in  
2396 substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand  
2397 from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form  
2398 and substance as City believes in good faith is reasonably necessary in the circumstances to evidence  
2399 continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory  
2400 assurances of timely and proper performance in the form and by the date required by City, such failure or  
2401 refusal shall be an event of default for purposes of Section 11.1.

2402 **11.9 DISPUTE RESOLUTION**

2403 In the event of dispute between the City Manager and the Contractor regarding the interpretation of or  
2404 the performance of services under this Agreement which results in a material impact to the Contractor’s  
2405 revenue and/or cost of operations the provisions of Section 11.9 shall apply.

2406 **A. Meet and Confer.** In the event of disputes regarding the performance of any obligation under this  
2407 Agreement which results in a material impact to the Contractor’s revenue and/or cost of  
2408 operations, the City and Contractor agree that they promptly will meet and confer to attempt to  
2409 resolve the matter between themselves.

2410 **B. Mediation.** If disputes which arise under this Agreement cannot be resolved satisfactorily  
2411 between the Parties in accordance with Section 11.9.A, the City and Contractor agree that such  
2412 disputes shall be submitted to mandatory, non-binding mediation by a mutually agreed upon  
2413 independent third party.

2414 **C. Period of Time.** Insofar as allowed by Applicable Law, the period otherwise applicable for filing  
2415 claims against the City under Applicable Law shall be tolled during the period of time for which  
2416 meet and confer or mediation procedures are pending, in accordance with Sections 11.9.A and  
2417 11.9.B.

2418 **D. Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s)  
2419 pursuant to Sections 11.9.A, 11.9.B, and 11.9.C have failed and any necessary claim(s) have been  
2420 denied.

2421 **E. Waiver of Right to Jury and Arbitration.** In the event of such litigation, the City and Contractor  
2422 agree that such ligation shall be subject to mandatory binding arbitration. To avoid delay and the  
2423 limitations placed on the Parties to obtain an efficient and timely determination of their  
2424 respective disputes that may otherwise occur by reason of the backlog of cases pending before  
2425 the judicial system, each Party hereto knowingly and voluntarily waives it right to a jury trial and  
2426 submits exclusively to the jurisdiction of the arbitration tribunal as stated in Section 13.4.

2427 **ARTICLE 12.**  
2428 **REPRESENTATIONS AND WARRANTIES OF**  
2429 **THE PARTIES**

2430 The Parties, by acceptance of this Agreement, represents and warrants the conditions presented in this  
2431 Article.

2432 **12.1 CONTRACTOR’S CORPORATE STATUS**

2433 Contractor, or parent company, is a corporation duly organized, validly existing and in good standing  
2434 under the laws of the State. It is qualified to transact business in the State and has the power to own its  
2435 properties and to carry on its business as now owned and operated and as required by this Agreement.

2436 **12.2 CONTRACTOR’S CORPORATE AUTHORIZATION**

2437 Contractor has the authority to enter this Agreement and perform its obligations under this Agreement.  
2438 The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by  
2439 law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement.  
2440 The Person signing this Agreement on behalf of Contractor represents and warrants that they have  
2441 authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

2442 **12.3 AGREEMENT WILL NOT CAUSE BREACH**

2443 To the best of Contractor’s and City’s knowledge after reasonable investigation, the execution or delivery  
2444 of this Agreement or the performance by either Party of their obligations hereunder does not conflict  
2445 with, violate, or result in a breach: (i) of any Applicable Law; or, (ii) any term or condition of any judgment,  
2446 order, or decree of any court, administrative agency or other governmental authority, or any agreement  
2447 or instrument to which Contractor or City is a party or by which Contractor or any of its properties or  
2448 assets are bound, or constitutes a default hereunder.

2449 **12.4 NO LITIGATION**

2450 To the best of Contractor’s and City’s knowledge after reasonable investigation, there is no action, suit,  
2451 proceeding or investigation, at law or in equity, before or by any court or governmental authority,  
2452 commission, board, agency or instrumentality decided, pending or threatened against either Party  
2453 wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

- 2454 A. Materially adversely affect the performance by Party of its obligations hereunder;
- 2455 B. Adversely affect the validity or enforceability of this Agreement; or,
- 2456 C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity  
2457 guaranteeing Contractor's performance under this Agreement.

2458 **12.5 NO ADVERSE JUDICIAL DECISIONS**

2459 To the best of Contractor’s and City’s knowledge after reasonable investigation, there is no judicial  
2460 decision that would prohibit this Agreement or subject this Agreement to legal challenge.

2461 **12.6 NO LEGAL PROHIBITION**

2462 To the best of each Party’s knowledge, after reasonable investigation, there is no Applicable Law in effect  
2463 on the date that Party signed this Agreement that would prohibit the performance of either their  
2464 obligations under this Agreement and the transactions contemplated hereby.

2465 **12.7 CONTRACTOR’S ABILITY TO PERFORM**

2466 Contractor possesses the business, professional, and technical expertise to perform all services,  
2467 obligations, and duties as described in and required by this Agreement including all Exhibits thereto.  
2468 Contractor possesses the ability to secure equipment, facility, and employee resources required to  
2469 perform its obligations under this Agreement.

2470 **ARTICLE 13.**  
2471 **OTHER AGREEMENTS OF THE PARTIES**

2472 **13.1 RELATIONSHIP OF PARTIES**

2473 The Parties intend that Contractor shall perform the services required by this Agreement as an  
2474 independent Contractor engaged by City and neither as an officer nor employee of City, nor as a partner  
2475 or agent of, or joint venture with, City. No employee or agent of Contractor shall be, or shall be deemed  
2476 to be, an employee or agent of City. Contractor shall have the exclusive control over the manner and  
2477 means of performing services under this Agreement, except as expressly provided herein. Contractor shall  
2478 be solely responsible for the acts and omissions of its officers, employees, Subcontractors and agents.  
2479 Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any rights to  
2480 retirement benefits, workers’ compensation benefits, or any other benefits which accrue to City  
2481 employees by virtue of their employment with City.

2482 **13.2 COMPLIANCE WITH LAW**

2483 Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the  
2484 United States, the State, County, and City and with all applicable regulations promulgated by Federal,  
2485 State, regional or local administrative and regulatory agencies, now in force and as they may be enacted,  
2486 issued or amended during the Term.

2487 **13.3 GOVERNING LAW**

2488 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the  
2489 State.

2490 **13.4 SECTION RESERVED**

2491 **13.5 BINDING ON SUCCESSORS**

2492 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and  
2493 permitted assigns of the Parties.

2494 **13.6 ASSIGNMENT**

2495 Except as may be provided for in Article 10 (City's Right to Perform Service), neither Party shall assign its  
2496 rights, nor delegate, subcontract or otherwise transfer its obligations under this Agreement to any other  
2497 Person without the prior written consent of the other Party. Any such assignment made without the  
2498 consent of the other Party shall be void and the attempted assignment shall constitute a material breach  
2499 of this Agreement.

2500 For purposes of this Section when used in reference to Contractor, "assignment" shall include, but not be  
2501 limited to (i) a sale, exchange or other transfer of substantially all of Contractor's assets dedicated to  
2502 service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding  
2503 common stock of Contractor to a third party provided said sale, exchange or transfer may result in a  
2504 change of control of Contractor; (iii) any dissolution, reorganization, consolidation, merger, re-  
2505 capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement,  
2506 liquidation or other transaction to which results in a change of ownership or control of Contractor; (iv)  
2507 any assignment by operation of law, including insolvency or bankruptcy, making assignment for the  
2508 benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment  
2509 of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate  
2510 proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous  
2511 transactions) which has the effect of any such transfer or change of ownership, or change of control of  
2512 Contractor.

2513 Contractor acknowledges that this Agreement involved rendering a vital service to City's residents and  
2514 businesses, and that City has selected Contractor to perform the services specified herein based on (1)  
2515 Contractor's experience, skill and reputation for conducting its Discarded Materials management  
2516 operations in a safe, effective and responsible fashion, at all times in keeping with applicable  
2517 Environmental Laws, regulations and best Discarded Materials management practices, and (2)  
2518 Contractor's financial resources to maintain the required equipment and to support its indemnity  
2519 obligations to City under this Agreement. City has relied on each of these factors, among others, in  
2520 choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

2521 If Contractor requests City's consideration of and consent to an assignment, City may deny or approve  
2522 such request in its complete discretion. No request by Contractor for consent to an assignment need be  
2523 considered by City unless and until Contractor has met the following requirements:

- 2524 a. Contractor shall undertake to pay City its reasonable expenses for attorney's fees and  
2525 investigation costs necessary to investigate the suitability of any proposed assignee, and to review  
2526 and finalize any documentation required as a condition for approving any such assignment;
- 2527 b. Contractor shall pay the City a transfer fee equal to 1% of the Gross Revenues times the number  
2528 of years (pro-rated for partial years) remaining under this Agreement (based on actual rate  
2529 revenues for the prior 12-months);
- 2530 c. Contractor shall furnish City with audited financial statements of the proposed assignee's  
2531 operations for the immediately preceding three (3) operating years;
- 2532 d. A proforma financial statement (income statement and balance sheet) for the proposed assignee  
2533 with the projected results of operations assuming that the assignment is completed. Such  
2534 proforma financial statement shall reflect any debt to be incurred by the assignee as part of the  
2535 acquisition of Contractor's operations; and,
- 2536 e. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten  
2537 (10) years of Discarded Materials management experience on a scale equal to or exceeding the  
2538 sale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years,  
2539 the proposed assignee has not suffered any significant citations or other censure from any  
2540 Federal, State, or local agency having jurisdiction over its Discarded Materials management  
2541 operations due to any significant failure to comply with State, Federal, or local Environmental

2542 Laws and that the assignee has provided City with a complete list of such citations and censures;  
2543 (iii) that the proposed assignee has at all times conducted its operations in an environmentally  
2544 safe and conscientious fashion; (iv) that the proposed assignee conducts its Discarded Materials  
2545 management practices in accordance with sound Discarded Materials management practices in  
2546 full compliance with all Federal, State, and local laws regulating the Collection and Disposal of  
2547 Discarded Materials including Hazardous Material; and, (v) of any other information required by  
2548 City to ensure the proposed assignee can fulfill the Terms of this Agreement in a timely, safe and  
2549 effective manner.

2550 Under no circumstances shall City be obliged to consider any proposed assignment by City if Contractor is  
2551 in default at any time during the period of consideration.

2552 **13.7 NO THIRD-PARTY BENEFICIARIES**

2553 This Agreement is not intended to, and will not be construed to, create any right on the part of any third  
2554 party to bring an action to enforce any of its terms.

2555 **13.8 WAIVER**

2556 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be  
2557 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of  
2558 violation of the same or any other provision. The subsequent acceptance by either Party of any monies  
2559 which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach  
2560 or violation by the other Party of any provision of this Agreement.

2561 **13.9 AFFILIATED COMPANIES**

2562 Contractor's accounting records shall be maintained on a basis showing the results of Contractor's  
2563 operations under this Agreement separately from operations in other locations, as if Contractor were an  
2564 independent entity providing service only to City. The costs and revenues associated with providing  
2565 service to City shall not be combined, consolidated or in any other way incorporated with those of other  
2566 operations conducted by Contractor in other locations, or with those of an Affiliate.

2567 If Contractor enters into any financial transactions with a Related-Party Entity for the provision of labor,  
2568 equipment, supplies, services, capital, etc., related to the furnishing of service under this Agreement, that  
2569 relationship shall be disclosed to City, and in the financial reports submitted to City. In such event, City's  
2570 rights to inspect records, and obtain financial data shall extend to such Related-Party Entity or entities.

2571 **13.10 TRANSITION TO NEXT CONTRACTOR**

2572 Prior to, and at, the end of the Term or in the event this Agreement is terminated for cause prior to the  
2573 end of the Term, Contractor shall cooperate fully with City and any subsequent Discarded Materials  
2574 enterprise it designates to assure a smooth transition of Discarded Materials Handling Services.  
2575 Contractor's cooperation shall include, but not be limited to, providing both the City and subsequent  
2576 Discarded Materials enterprise with route lists, Billing information, lists of gate or other access codes and  
2577 information needed for entry to service areas, Container placement areas by address, levels of service  
2578 including any special needs or services required by each location, and other operating records needed to  
2579 service all Premises covered by this Agreement. In recognition of the difficulty inherent in Customer's  
2580 difficulty or inability to store two sets of Containers, Contractor shall remove its Containers in coordination



2581 with the distribution of Containers by the incoming service provider. Contractor shall cooperate with the  
2582 City and incoming service provider in agreeing to the timing of Container removal; if Parties cannot agree  
2583 on a phase-out schedule and Contractor does not remove Containers in a timely manner that requires  
2584 Customers to store two Containers, City, incoming service provider, or another entity may remove  
2585 Contractor's Containers and seek cost reimbursement from Contractor through its performance bond,  
2586 letter of credit or other means. The failure to cooperate with City following termination shall be  
2587 conclusively presumed to be grounds for specific performance of this covenant and/or other equitable  
2588 relief necessary to enforce this covenant.

2589 Contractor shall, to the maximum extent feasible provide a new service provider with all keys, security  
2590 codes and remote controls used to access garages and Bin enclosures. Contractor shall be responsible for  
2591 coordinating Transfer immediately after Contractor's final pickups, so as not to disrupt service. Contractor  
2592 shall provide City with detailed route sheets containing service names and addresses, Billing names and  
2593 addresses, monthly rate and Service Levels (quantity, material type, and size of Containers and pickup  
2594 days) at least ninety (90) days prior to the transition date and provide an updated list two weeks before  
2595 the transition and a final list of changes the day before the transition. Contractor shall provide means of  
2596 access to the new service provider at least one full calendar day (excluding Saturday, Sunday and Holidays  
2597 as defined in Exhibit A) prior to the first day of Collection by another party, and always within sufficient  
2598 time so as not to impede in any way the new service provider from easily servicing all Containers.

2599 Contractor to provide documentation of any Customer declining request to provide keys, security codes,  
2600 and/or remote controls used to access garages and Bin enclosures.

2601 **13.11 CONTRACTOR'S INVESTIGATION**

2602 Contractor has made an independent investigation (satisfactory to it) of the conditions and circumstances  
2603 surrounding the Agreement and the work to be performed by it.

2604 **13.12 CONDEMNATION**

2605 City fully reserves the rights to acquire Contractor's property utilized in the performance of this  
2606 Agreement, by purchase or through the exercise of the right of eminent domain. This provision is additive,  
2607 and not intended to alter the rights of the Parties set forth in Article 10.

2608 **13.13 NOTICE PROCEDURES**

2609 All notices, demands, requests, proposals, approvals, consents, and other communications, which this  
2610 Agreement requires, authorizes or contemplates, shall be in writing and shall either be personally  
2611 delivered to a representative of the Parties at the address below or deposited in the United States mail,  
2612 first class postage prepaid, addressed as follows:

2613 If to City:

2614 City of Hidden Hills  
2615 Attention: City Manager  
2616 6165 Spring Valley Road  
2617 Hidden Hills, CA 91302

2618  
2619 If to Contractor:



2620 [Contractor Name][Contact Name][Title]Mailing Address:  
2621 Physical Address:

2622 [Contact Number]

2623 The address to which communications may be delivered may be changed from time to time by a notice  
2624 given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered  
2625 or, if mailed, three (3) calendar days from the date it is deposited in the mail. Either Party may choose to  
2626 provide email notification to the other Party that notice has been deposited in the mail, however such  
2627 email notification shall not constitute official notice.

2628 **13.14 REPRESENTATIVES OF THE PARTIES**

2629 References in this Agreement to the “City” shall mean the City’s elected body and all actions to be taken  
2630 by City except as otherwise provided in this Section 13.14. Each reference to an act performed by, or  
2631 obligation of the City Manager in this Agreement is itself a delegation of authority from the City. The City  
2632 may delegate, in writing, further authority to the City Manager and/or to other City officials and may  
2633 permit such officials, in turn, to delegate in writing some or all of such authority to subordinate officers.  
2634 The Contractor may rely upon actions taken by such delegates if they are within the scope of the authority  
2635 properly delegated to them.

2636 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as  
2637 the representative of the Contractor in all matters related to the Agreement and shall inform City in  
2638 writing of such designation and of any limitations upon his or her authority to bind the Contractor. City  
2639 may rely upon action taken by such designated representative as actions of the Contractor unless they  
2640 are outside the scope of the authority delegated to him/her by the Contractor as communicated to City.

2641 **13.15 COMPLIANCE WITH MUNICIPAL CODE**

2642 Contractor shall comply with those provisions of the municipal code of City which are applicable, and with  
2643 any and all amendments to such applicable provisions during the Term of this Agreement.

2644 **13.16 COOPERATION FOLLOWING TERMINATION**

2645 At the end of the Term or in the event this Agreement is terminated prior to the end of the Term,  
2646 Contractor shall cooperate fully with City and any subsequent Contractor to assure a smooth transition of  
2647 Discarded Materials management services. Contractor's cooperation shall include, but not be limited to,  
2648 providing operating records needed to service all properties covered by this Agreement. The failure to  
2649 cooperate with City following termination shall be conclusively presumed to be grounds for specific  
2650 performance of this covenant and/or other equitable relief necessary to enforce this covenant.

2651 **13.17 COMPLIANCE WITH IMMIGRATION LAWS**

2652 Contractor shall be knowledgeable of and comply with all local, State, and Federal laws which may apply  
2653 to the performance of this Agreement. Contractor warrants and represents that all of its employees,  
2654 including any and all prospective employees hired to perform services for the City under this Agreement  
2655 and the employees of any Subcontractor retained by the Contractor to perform a portion of the services  
2656 under this Agreement, are and will be authorized to perform the services contemplated by this Agreement  
2657 in full compliance with all applicable State and Federal laws, rules and regulations, including, but not  
2658 limited to, the Immigration Nationality Act of 1952 (commencing with Section 1101 of Title 8 of the United

2659 States Code), and the Immigration Nationality and the Immigration Reform and Control Act of 1986  
2660 (commencing with Section 1324a of Title 8 of the United States Code), as amended. Contractor agrees to  
2661 verify the legal status of all of its employees and provide documentation of such verification whenever  
2662 requested by the City. If Contractor discovers that any employee it has retained is not in compliance with  
2663 Immigration Laws, Contractor agrees to terminate such employee.

2664 **ARTICLE 14.**  
2665 **MISCELLANEOUS AGREEMENTS**

2666 **14.1 ENTIRE AGREEMENT**

2667 This Agreement is the entire agreement between the Parties with respect to the subject matter hereof  
2668 and supersedes all prior and contemporaneous oral and written agreements and discussions. Each Party  
2669 has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be  
2670 construed against any Party on the basis of drafting. This Agreement may be amended only by an  
2671 agreement in writing, signed by each of the Parties hereto.

2672 **14.2 SECTION HEADINGS**

2673 The article headings and section headings in this Agreement are for convenience of reference only and  
2674 are not intended to be used in the construction of this Agreement nor to alter or affect any of its  
2675 provisions.

2676 **14.3 REFERENCES TO LAWS**

2677 All references in this Agreement to laws and regulations shall be understood to include such laws as they  
2678 may be subsequently amended or recodified, unless otherwise specifically provided herein.

2679 **14.4 INTERPRETATION**

2680 This Agreement, including the Exhibits attached hereto, shall be interpreted and construed reasonably  
2681 and neither for nor against either Party, regardless of the degree to which either Party participated in its  
2682 drafting.

2683 **14.5 AMENDMENTS**

2684 This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

2685 **14.6 SEVERABILITY**

2686 If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable,  
2687 the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this  
2688 Agreement, which shall be enforced as if such invalid or unenforceable provision had not been contained  
2689 herein.

2690 **14.7 COUNTERPARTS**

2691 This Agreement may be executed in counterparts, each of which shall be considered an original.

2692 **14.8 EXHIBITS**

2693 Each of the Exhibits identified as Exhibit "A" through "L" is attached hereto and incorporated herein and  
2694 made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and  
2695 the terms of an Exhibit, the terms of this Agreement shall control. In the event of a conflict between  
2696 Exhibit L, and any other Exhibit(s), such other Exhibit(s) shall control.

2697 **14.9 NON-WAIVER PROVISION**

2698 Failure of either Party to exercise any of the remedies set forth herein within the time periods provided  
2699 for shall not constitute a waiver of any rights of that Party with regard to that failure to perform or  
2700 subsequent failures to perform whether determined to be a breach, excused performance or unexcused  
2701 defaults by the other Party.

2702 **14.10 ATTORNEYS' FEES**

2703 If either Party to this Agreement is required to initiate or defend or made a party to any action or  
2704 proceeding in any way connected with this Agreement, the prevailing Party in such action or proceeding,  
2705 in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to  
2706 reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and, in addition,  
2707 a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such  
2708 action, taking depositions and discovery and all other necessary costs the court allows which are incurred  
2709 in such litigation. All such fees shall be deemed to have accrued on commencement of such action and  
2710 shall be enforceable whether or not such action is prosecuted to judgment.





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# **FRANCHISE EXHIBITS**



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### **EXHIBIT A: DEFINITIONS**

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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:

**“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.

**“AB 2176”** means the Large Venue Recycling Act (an act to amend Section 42911 of, and to add Chapter 12.7 (commencing with Section 42648) to Part 3 of Division 30 of, the California Public Resources Code, relating to Recycling), also commonly referred to as “AB 2176,” as amended, supplemented, superseded, and replaced from time to time.

**“Advanced Clean Fleets Regulation”** means 13 CCR Sections 2013, 2013.1, 2013.2, 2013.3, 2013.4, 2014, 2014.1, 2014.2, 2014.3, 2015, 2015.1, 2015.2, 2015.3, 2015.4, 2015.5, 2015.6, and 2016, 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 Intermediate Cover” or “AIC”** has the same meaning as in Section 20700 of Title 27 of the CCR.

**“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, and SB 1383.

**“Approved Disposal Facility”** means the \_\_\_\_\_, which is owned and operated by \_\_\_\_\_. Under the limited circumstances described in Section 4.1.B related to emergency unavailability of the Approved Disposal Facility, the City has pre-approved the use of the \_\_\_\_\_ in \_\_\_\_\_ which is owned by the \_\_\_\_\_ and operated by \_\_\_\_\_.

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



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## EXHIBIT A: DEFINITIONS

**“Approved Organic Materials Processing Facility”** means the \_\_\_\_\_, which is owned and operated by \_\_\_\_\_. Under the limited circumstances described in Section 4.1.B related to emergency unavailability of the Approved Organic Materials Processing Facility, the City has pre-approved the use of the \_\_\_\_\_ in \_\_\_\_\_ which is owned by the \_\_\_\_\_ and operated by \_\_\_\_\_.

**“Approved Processing Facility(ies)”** means the Approved Recyclable Materials Processing Facility the Approved Organic Materials Processing Facility, and/or the Approved C&D Processing Facility.

**“Approved Recyclable Materials Processing Facility”** means the \_\_\_\_\_ Materials Processing Facility which is owned and operated by \_\_\_\_\_. Under the limited circumstances described in Section 4.1.B related to emergency unavailability of the Approved Recyclable Materials Processing Facility, the City has pre-approved the use of the \_\_\_\_\_, which is owned by the \_\_\_\_\_, and \_\_\_\_\_, which is owned by \_\_\_\_\_.

**“Approved Transfer Facility(ies)”** means \_\_\_\_\_, which is owned by \_\_\_\_\_. Under the limited circumstances described in Section 4.1.B related to emergency unavailability of the Approved Transfer Facility, the City has pre-approved the use of the \_\_\_\_\_ in \_\_\_\_\_, which is owned by \_\_\_\_\_.

**“Bin”** means a Container with capacity of approximately one (1) to four (4) 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, C&D, or items herein defined as Excluded Waste.

**“Business Day(s)”** mean days during which the City offices are open to do business with the public.

**“California Code of Regulations” or “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.

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### EXHIBIT A: DEFINITIONS

**“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 96 gallons (or similar volume).

**“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.

**“City”** means the City of Hidden Hills, 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 Facility(ies)”** means the City of Hidden Hills’ City Hall, the Community Center, and any facilities owned or operated by the HHCA which includes but is not limited to the facilities identified in Exhibit B4.

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

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

**“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.

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### 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.

**“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.

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

**“Compostable Plastic(s)”** means plastic materials that meet the ASTM D6400 standard for Compostability.

**“Construction and Demolition Debris” or “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. C&D includes rocks, soils, tree remains, and other Yard Trimmings which results from land clearing or land development operations in preparation for construction.

**“Consumer Price Index” or “CPI”** means the Consumer Price Index for All Urban Consumers, All Items, Los Angeles-Long Beach-Anaheim, CA (CUURS49ASA0).

**“Container(s)”** means Carts and Bins.

**“Contractor”** means \_\_\_\_\_, 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 XXXX, 2024, and subsequently updated on X, 2024, for provision of Recyclable Materials, Organic Materials, and Solid

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### EXHIBIT A: DEFINITIONS

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.B.

**“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 Bulky Item, HHW, or E- Waste Collection for pick-up, where such items are placed on the street or alley against the face of the Curb, or where no Curb exists, the items are 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 and City.

**“Discarded Materials”** *{Note to Proposers: This section may be amended depending on the City’s choice of Organic Materials Processing proposal(s).}* 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.

**“Diversion” or “Divert”** (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

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### EXHIBIT A: DEFINITIONS

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.

**“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.

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

**“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.

**“Electronic Waste” or “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.

**“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 Scraps”** *{Note to Proposers: This section may be amended depending on the City’s choice of Organic Materials Processing proposal(s).}* 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.

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**“Food-Soiled Paper”** *{Note to Proposers: This section may be amended depending on the City’s choice of Organic Materials Processing proposal(s).}* 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”** *{Note to Proposers: This section may be amended depending on the City’s choice of Organic Materials Processing proposal(s).}* means Source Separated Food Scraps, Food-Soiled Paper, and Compostable Plastics. Food Waste is a subset of Organic Materials.

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

**“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.

**“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(s)”** 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.

**“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.

**“Hidden Hills Community Association” or “HHCA”** means the Hidden Hills Community Association.

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### **EXHIBIT A: DEFINITIONS**

**“Holidays”** are defined as New Year’s Day, Memorial Day, Independence Day, Labor 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.

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

**“Manure”** means waste matter normally accumulated and associated with stables or in livestock.

**“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 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.C.



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### EXHIBIT A: DEFINITIONS

**“Occupant”** means the Person who occupies a Premises.

**“On-Premises”** means within the confines of a Customer or the City’s property.

**“Organic Materials”** *{Note to Proposers: This section may be amended depending on the City’s choice of Organic Materials Processing proposal(s).}* means Yard Trimmings and Food Waste, individually or collectively. No Discarded Materials shall be considered to be Organic Materials, however, unless it is separated from Recyclable Materials 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.

**“Process” or “Processing”** means to prepare, treat, or convert through some special method.

**“Processing Facility(ies)”** 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.

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**“Proprietary Information” or “Proprietary”** means that information provided by Contractor to the City which is protected from disclosure by the California Public Records Act as a trade secret or similar exception. 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 One are presented in Exhibit D. 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, gable top 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 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”** (or any variation thereof) 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

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### EXHIBIT A: DEFINITIONS

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(ies)”** 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 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.

**“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.

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### **EXHIBIT A: DEFINITIONS**

**“SB 54”** means the Plastic Pollution Prevention and Packaging Producer Responsibility Act approved by the Governor of the State of California on June 30, 2022, which amended Section 41821.5 of the California Public Resources Code to add Chapter 3 (commencing with Section 42040) to Part 3 of Division 30, as amended, supplemented, superseded, and replaced from time to time. For the purposes of this Agreement, SB 54 includes any implementing regulations developed by CalRecycle, as amended supplemented, superseded, and replaced from time to time.

**“SB 343”** means the Environmental Advertising: Recycling Symbol: Recyclability: Products and Packaging Senate Bill approved by the Governor of the State of California on October 5, 2021, which amended Sections 17580, 17580.5 of the California Business and Professions Code, and amended Sections 18015 and 42355.5 of, and added Section 42355.51 to, the California Public Resources Code, relating to environmental advertising, as amended, supplemented, superseded, and replaced from time to time. For the purposes of this Agreement, SB 343 includes any implementing regulations developed by CalRecycle, as amended, supplemented, superseded, and replaced from time to time.

**“SB 1016”** means Senate Bill 1016 approved by the Governor of the State of California on September 26, 2008, which amended Sections 40183, 40184, 41783, 41820.6, 41821, 41850, 42921, and 42926 of, amended the headings of Article 4 (commencing with Section 41825) and Article 5 (commencing with Section 41850) of Chapter 7 of Part 2 of Division 30 of, added Sections 40127, 40145, 40150.1, 41780.05, 42921.5, and 42927 to, and repealed and added Section 41825 of, the Public Resources Code, relating to Solid Waste, as amended, supplemented, superseded, and replaced from time to time.

**“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.

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### EXHIBIT A: DEFINITIONS

**“Single-Family” or “Single-Family Dwelling (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.

**“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 HHW 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.

**“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.

**“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.

**“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.

**“Transport” or “Transportation”** (or any variation thereof) means the act of conveying Collected materials from one location to another.

## **DRAFT**

### **EXHIBIT A: DEFINITIONS**

**“Valet Service”** means Collection of Single-Family Discarded Materials Containers from private driveways, On-Premises, or Curbside as determined by Customer where access is allowed to the Collection vehicle.

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

**“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.

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## EXHIBIT B: DIRECT SERVICES

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*{Note to Proposers: This section may be amended depending on the City's choice of Organic Materials Processing proposal(s).}* The following Exhibits (B1 through B4) 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 B4) 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.
- 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 B4 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.



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## EXHIBIT B1: SINGLE-FAMILY RESIDENTIAL SERVICES

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### Standard Valet Service Collection

Contractor shall provide Valet Service Collection to Single-Family Customers at no additional cost to the Customer. Contractor will remove Containers, as appropriate, from Customer's outdoor storage area, place them out for Collection, and return Containers to Customer's outdoor storage area after Collection, ensuring that all doors or gates are closed securely. A Contractor employee accessing Customer property is considered a business invitee and assumes no risk of harm by performing their job. It is the responsibility of the Customer to ensure the property is safe to enter. Contractor shall not enter garages.

Contractor shall ensure that its employees close all gates opened in making Collections, unless otherwise directed by the Customer, and avoid crossing landscaped areas and climbing or jumping over hedges and fences for Collection service provided.

### 1. Recyclable Materials Collection

Contractor shall provide Collection of Recyclable Materials placed in Contractor-provided Containers one (1) time per week from Single-Family Customers. Contractor shall not enter garages. Contractor shall Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

<b>Containers:</b>	Carts, Bins
<b>Container Sizes:</b>	Standard Cart size is 96 gallons. 3- and 4-cubic yard Bins, as requested by Customer
<b>Service Frequency:</b>	For Carts, one (1) time per week on the same day as Organic Materials and Solid Waste Collection services. For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by Customer).
<b>Service Location:</b>	Private driveways, On-Premises, or Curbside as determined by Customer depending on Container type
<b>Acceptable Materials:</b>	Recyclable Materials
<b>Prohibited Materials:</b>	Solid Waste, Organic Materials, Excluded Waste
<b>Additional Service:</b>	Single-Family Customers shall receive one (1) Recyclable Materials Cart standard and may request one (1) additional Recyclable Materials Cart at no additional charge.
<b>Other Requirements:</b>	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

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## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

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 and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

- Containers:** Carts, Bins
- Container Sizes:** Standard Container size is 96 gallons.  
1.5-, 2-, and 3-cubic yard Bins, as requested by Customer
- Service Frequency:** For Carts, one (1) time per week on the same day as Recyclable Materials and Solid Waste Collection services.  
For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by Customer).
- Service Location:** Private driveways, On-Premises, or Curbside as determined by Customer depending on Container type
- 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. 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:** 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 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 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.

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## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

### 2.1 Manure Collection

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

- Containers:** Bins, Roll-Off Box
- Container Sizes:** 1.5-, 2-, and 3-cubic yard Bins, and, and 10- and 20-cubic yard Roll-Off Boxes as requested by Customer.
- Service Frequency:** Up to two (2) times per week but not less than one (1) time per week (as requested by Customer).
- Service Location:** On-Premises
- Acceptable Materials:** Manure
- Prohibited Materials:** Recyclable Materials, Organic Materials, Solid Waste, Excluded Waste
- Additional Service:** Contractor shall provide Manure Containers to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.
- Other Requirements:** Contractor may refuse to Collect a Manure 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.

### 3. Solid Waste Collection

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

- Containers:** Carts, Bins
- Container Sizes:** Standard Container size is 96 gallons.  
1.5-, 2-, and 3-cubic yard Bins, as requested by Customer
- Service Frequency:** For Carts, one (1) time per week on the same day as Recyclable Materials and Solid Waste Collection service.  
For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by Customer).
- Service Location:** Private driveways, On-Premises, or Curbside as determined by Customer depending on Container type
- Acceptable Materials:** Solid Waste

# DRAFT

## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste
- Additional Service:** Contractor shall provide additional Solid Waste Containers to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.
- Other Requirements:** None

### 4. Bulky Item Annual Collection

Contractor shall Collect an unlimited number of Bulky Items (including E-Waste) and other materials described herein from Single-Family Customers for one (1) week during each Rate Period. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

- Containers:** Not applicable
- Service Level:** Unlimited Bulky Items (including E-Waste)
- Service Frequency:** Annually
- Service Location:** On-Premises
- Acceptable Materials:** Bulky Items, Recyclable Materials, Yard Trimmings, E-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:** None
- Other Requirements:** Contractor shall provide the service to the Customer within the scheduled week agreed upon by the City and Contractor and shall make reasonable efforts to schedule Collection on a day that is convenient to the Customer or as mutually agreed upon by the Customer and Contractor. Contractor shall not Dispose of materials Collected through the Bulky Item Annual Collection program unless the materials cannot be reused or Recycled. Contractor shall Process and Dispose of Bulky Items 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.

### 5. On-Call Bulky Item, HHW, and E-Waste Collection

Contractor shall Collect Bulky Items, HHW, E-Waste, and other materials described herein from Single-Family Customers. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

- Containers:** Not applicable
- Service Level:** Up to two (2) Bulky Items

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## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

- Service Frequency:** As requested by Customer
- Service Location:** Curbside
- Acceptable Materials:** Bulky Items, Recyclable Materials, Yard Trimmings, HHW, E-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 prior to the Customer's next regularly scheduled Collection day. Contractor shall not Dispose of materials Collected through the on-call Bulky Item, HHW, and E-Waste Collection program unless the materials cannot be reused or Recycled. Contractor shall Process and Dispose of Bulky Items, HHW, and E-Waste 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. Los Angeles County HHW Cleanup Events.

At all times during the Term of this Agreement, Contractor shall provide a toll-free number that will dispense information regarding HHW and E-Waste including available disposal sites or events. Contractor agrees to cooperate fully with the Los Angeles County Department of Public Works HHW Cleanup events.

### 7. Holiday Tree Collection

Annually, commencing the day after December 25 and two (2) weeks thereafter, the Contractor shall provide at least one (1) Roll-off Container at City Hall and at the Community Center for Single-Family Customers to drop off their Holiday trees. Holiday trees up to seven (7) feet in length must be removed from stands and be free of ornaments, garlands, tinsel, or other non-Organic decorations. Contractor may require that Customers with larger trees cut the trees to pieces no longer than seven (7) feet in length prior to placement in the Roll-off Container. 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.

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## **EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES**

### **8. Sharps Waste Collection**

Contractor shall provide Customers postage-paid mail-back container to safely Collect Sharps and send Sharps for proper Disposal at no additional charge within one week of request. Contractor shall also make Sharps Containers available at pick-up location in the City as an alternative for Customers. 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 temporary Bin Service to Customers upon request for Collection of Solid Waste, Recyclable Materials, and Organic Materials. The size of the Bins or Roll-Off Container and frequency of Collection shall be determined by contract between the Customer and Contractor. Contractor shall offer a seven-day rental period to Customer.

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. Temporary Bin and Roll-off Containers shall not be placed or stored on any bridle trail or parkway without obtaining an Encroachment Permit from the HHCA.

Rates for temporary Bin Service are listed separately in the approved rate schedule.

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## EXHIBIT B2: CITY FACILITIES SERVICES

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### City Facilities Collection

Contractor shall provide Discarded Materials Collection Service to City Facilities (including any facilities owned or operated by HHCA). Contractor shall provide service to all existing City Facilities identified in Exhibit B4 as well as any future City Facilities established after the Commencement Date. Contractor shall provide these services at no additional cost to the City. Contractor shall provide City-sponsored event services pursuant to Section 4.4 of the Agreement.

### 1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from City Facilities receiving Solid Waste Bin service at no additional charge and shall Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

- Containers:** Carts, Bins, Roll-Off Boxes
- Container Sizes:** 96 gallon Carts,  
1-, 2-, 3-, and 4-cubic yard Bins, and,  
10-, 25-, 30-, and 40-cubic yard Roll-Off Boxes  
as requested by the City or HHCA
- Service Frequency:** Up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA)
- Service Location:** On Premises or other Customer-selected service location at the City Facility Premises
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Solid Waste, Excluded Waste
- Additional Service:** None
- Other Requirements:** Contractor shall make contact with each and every City Facility in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every City Facility 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.
- 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



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## EXHIBIT B2 CITY FACILITIES SERVICES

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 placed in Contractor-provided Containers at City Facilities receiving Solid Waste Bin service at no additional charge and shall Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

- Containers:** Carts, Bins, Roll-Off Boxes
- Container Sizes:** 96-gallon Carts,  
1-, 2-, 3-, and 4-cubic yard Bins, and,  
10-, 25-, 30-, and 40-cubic yard Roll-Off Boxes  
as requested by City or HHCA.
- Service Frequency:** Up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA).
- Service Location:** On Premises or other Customer-selected service location at the City Facility Premises
- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Waste)
- Prohibited Materials:** Recyclable Materials, Solid Waste, Excluded Waste
- Additional Service:** None
- Other Requirements:** Contractor shall make contact with each and every City Facility in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Organic Materials Containers to each and every City Facility 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.

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.

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## EXHIBIT B2 CITY FACILITIES SERVICES

### 2.1 Manure Collection

Contractor shall Collect Manure placed in Contractor-provided Containers from City Facilities receiving Solid Waste Bin service and Transport all Manure to the Approved Organic Materials Processing Facility for Processing.

<b>Containers:</b>	Bins, Roll-Off Boxes
<b>Container Sizes:</b>	1.5-, 3- and 4-cubic yard Bins and 10- and 20-cubic yard Roll-Off Boxes as requested by Customer.
<b>Service Frequency:</b>	Up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA).
<b>Service Location:</b>	On Premises or other Customer-selected service location at the City Facility Premises
<b>Acceptable Materials:</b>	Manure
<b>Prohibited Materials:</b>	Recyclable Materials, Organic Materials, Solid Waste, Excluded Waste
<b>Additional Service:</b>	None
<b>Other Requirements:</b>	Contractor may refuse to Collect a Manure 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.

### 3. Solid Waste Collection

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

<b>Containers:</b>	Carts, Bins, Roll-Off Boxes
<b>Container Sizes:</b>	96-gallon Carts; 1-, 2-, 3-, and 4-cubic yard Bins, and, 10-, 25-, 30-, and 40-cubic yard Roll-Off Boxes as requested by City or HHCA.
<b>Service Frequency:</b>	Up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA).
<b>Service Location:</b>	On Premises or other Customer-selected service location at the City Facility Premises
<b>Acceptable Materials:</b>	Solid Waste

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**EXHIBIT B2  
CITY FACILITIES SERVICES**

**Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste

**Additional Service:** None

**Other Requirements:** Contractor shall make contact with each and every City Facility 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.

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## EXHIBIT B3: CITY SERVICES

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### 1. Collection Services to City Facilities

Contractor shall Collect Recyclable Materials, Organic Materials, and Solid Waste, from City Facilities as outlined in Exhibit B2. 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 B4 as well as any future City Facilities established after the Commencement Date. Contractor shall provide these services at no additional cost to the City.

### 2. City and Community Association Special Events

Contractor shall provide Solid Waste, Source Separated Recyclable Materials, and Source Separated Organic Waste Collection and Disposal/Processing service for City and HHCA, as authorized by the City at special events up to four (4) times per year, including but not limited to, the City-sponsored events included in this Exhibit B4 at no additional charge to City or ratepayers. This shall include providing Discarded Material Containers (Roll-Off Boxes, and Cardboard waste boxes with liners) to Collect and Dispose of, or Process, all Discarded Materials. Contractor shall provide Collection Containers for the Collection of Source Separated Recyclable Materials, and Source Separated Organic Waste. Any such Containers shall be delivered to the location designated by the City Manager and/or designated representative with forty-eight (48) hours of request by City or HHCA.

### 3. Battery Recycling Program

*{Note to Proposers: This section may be amended depending on the City's choice of battery Collection program proposal(s).}* Contractor shall offer Battery Recycling Collection at City Hall in accordance with the approved rate schedule and shall Transport batteries to the Approved Processing Facility for Processing.

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

Contractor, upon City's request, shall provide for the procurement of recovered Organic Waste products as described in Section 4.12.

### 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.

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**EXHIBIT B3  
CITY SERVICES**

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. 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 in lowering Disposal quantities generated at such events at no additional charge.

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**EXHIBIT B4:  
CITY FACILITY SERVICE LEVELS, LOCATIONS,  
AND SPECIAL EVENTS**

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Contractor will Collect Recyclable Materials, Organic Materials, and Solid Waste from City Facilities as outlined in Exhibit B2. Contractor shall provide service to all City Facilities, present and future, at no additional cost to the City. Contractor shall provide City- and HHCA-sponsored event services pursuant to Section 4.4 of the Agreement and Exhibit B3. Contractor shall deliver Transfer and Process Discarded Materials to the Approved Facilities, as applicable.

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**EXHIBIT B4:  
CITY FACILITY SERVICE LEVELS, LOCATIONS,  
AND SPECIAL EVENTS**

Table 1: City Facilities

Row	City Facility	Facility Address	Waste Type	# of Containers	Container Size	Pickups per Week
1	City Hall	6165 Spring Valley Rd.	Trash	2	3 Yard	1
			Recycle	3	96 gallon	1
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A
			Valet	5		1
2	City Antenna Site	Bonneville Rd.	Trash	N/A	N/A	N/A
			Recycle	N/A	N/A	N/A
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A
			Valet	N/A	N/A	N/A
3	Community Center	24549 Long Valley Rd.  *Service annually required for June, July, and August	Trash	2	3 Yard	1
			Recycle*	1	3 Yard	1
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A
			Valet	2		1
4	Spring Valley Riding Arena	6165 Spring Valley Rd.	Trash	1	64 gallon	1
			Recycle	1	64 gallon	1
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A
			Valet	N/A	N/A	N/A
5	Saddle Creek Riding Arena	5208 Saddle Creek Rd.	Trash	1	64 gallon	1
			Recycle	1	64 gallon	1
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A



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**EXHIBIT B4:  
CITY FACILITY SERVICE LEVELS, LOCATIONS,  
AND SPECIAL EVENTS**

Row	City Facility	Facility Address	Waste Type	# of Containers	Container Size	Pickups per Week
			Valet	2		1
6	Lewis + Clark Arena	24990 Lewis & Clark Rd.	Trash	N/A	N/A	N/A
			Recycle	N/A	N/A	N/A
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A
			Valet	N/A	N/A	N/A
7	School Bus Stop	Round Meadow Rd./Jed Smith Rd.	Trash	1	64 gallon	1
			Recycle	1	64 gallon	1
			Green Waste	N/A	N/A	N/A
			Manure	N/A	N/A	N/A
			Valet	2		1

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**EXHIBIT B4:  
CITY FACILITY SERVICE LEVELS, LOCATIONS,  
AND SPECIAL EVENTS**

**Table 2: Special Events**

Row	Event	Event Frequency (e.g. annual, semi-annual, monthly)	Services Typically Provided at Past Events (number and size of trash, recycling, and organics containers, event boxes, etc.)	
			Event Boxes	Collection Containers
1	Fiesta	Annual	65 boxes (Spring Valley Arena) 30 boxes (Community Center)	(8) 3 yard Trash (Spring Valley Arena); (2) 3 yard Trash (Community Center)
2	Halloween	Annual	N/A	N/A
3	HHCA Welcome Party	Annual	N/A	N/A
4	HHCA Kid's Winter Party	Annual	N/A	N/A

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## EXHIBIT C: PUBLIC EDUCATION & OUTREACH REQUIREMENTS

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### 1. General Administration

The City has placed the utmost importance on effective public outreach and education in helping residents 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 may 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.

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### **EXHIBIT C PUBLIC EDUCATION & OUTREACH REQUIREMENTS**

- D. All City Facilities shall receive any and all public education and outreach materials. Contractor shall provide all printed public education materials to City offices and facilities and Community Center to have available for the public that visit those facilities and shall 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.

#### **2. 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.

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**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.

<b>Activity</b>	<b>Description</b>	<b>Distribution/Frequency</b>
Advertisement	Develop and distribute an 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).

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**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.*

<b>Activity</b>	<b>Description</b>	<b>Distribution/Frequency</b>
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, 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 one (1) public workshop and more as necessary upon City request 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 B1. 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

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**EXHIBIT C  
PUBLIC EDUCATION & OUTREACH PLAN**

<b>Activity</b>	<b>Description</b>	<b>Distribution/Frequency</b>
Community Groups	Upon City request, visit community and other neighborhood groups and associations to promote and explain the Recycling programs included in this Agreement.	At City Manager or Customer request.
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 Bulky Item Annual Collection pursuant to Exhibit B1.4, Holiday 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.

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**EXHIBIT C  
PUBLIC EDUCATION & OUTREACH PLAN**

Activity	Description	Distribution/Frequency
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.
Recycling and Organics Outreach Activities	Produce and Distribute outreach materials containing information to assist City with outreach compliance for various Applicable Laws related to Recycling and Organics.	One (1) time annually



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**EXHIBIT C  
PUBLIC EDUCATION & OUTREACH PLAN**

**Public Education and Outreach | City Facilities Education and Outreach Activities**

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

<b>Description</b>	<b>Purpose</b>	<b>Distribution/Frequency</b>
New Programs Mailing	Produce and Distribute an initial mailing to all City Facilities 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 City Facilities in City.
Recycling Guide	Produce and Distribute a "Recycling Guide" specific to City Facilities, 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 City Facility 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 City Facilities in City.
"How-to" Flyer: Recyclable Materials	Prepare and distribute a "how-to" brochure explaining the Recycling Materials Collection programs for each general business type (office buildings, parks, and arenas).	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 (office buildings, parks, and arenas).	One (1) time at beginning of the Agreement (20-30 days prior to contract start date) via direct mail.  Distributed during Diversion opportunity assessments.

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**EXHIBIT C  
PUBLIC EDUCATION & OUTREACH PLAN**

<b>Description</b>	<b>Purpose</b>	<b>Distribution/Frequency</b>
Technical Assistance: Diversion Opportunity Assessments	Offer Diversion opportunity assessments at least one (1) time annually to all City Facilities to meet with on-site staff to promote Recyclable and Organic Materials Collection.	Offer in-person meetings to all City Facilities conducted one (1) time per year, plus follow-up meetings with individual Customers, as needed.
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.
Workshops	Offer and respond to requests for on-site meetings and workshops. Contractor shall conduct workshops for Customers (when requested) that will show on-site staff, 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.
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.	One (1) time annually

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**EXHIBIT C  
PUBLIC EDUCATION & OUTREACH PLAN**

**Public Education and Outreach | City and Community Association 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 Booth	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 B4 of this Agreement.  Other events at City Manager's request.

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**EXHIBIT D:  
INITIAL MAXIMUM RATES**

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Following are the rates for January 1, 2026 through December 31, 2026:

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## EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

### RATE ADJUSTMENT CALCULATION RESIDENTIAL SERVICE

Step One: Calculate Percentage Change in Indices

Row	Adjustment Factor	Index	A	B	C
			Old Index Value	New Index Value	Percent Change In Index ((Column B/Column A) -1)
1	Service	(1)	300.599	316.916	5.43%
2	Disposal	(2)	\$ 70.00	\$ 80.00	14.29%

Step Two: Determine Weighted Increase

Row	Adjustment Factor	Index	D	E	F
			Cost Component Weighted as a % of Component Total (4)	Percent Change In Index (from Column C)	Total Weighted Change (Column D x Column E)
3	Service	(1)	70.00%	5.43%	3.80%
4	Disposal	(2)	30.00%	14.29%	4.29%
5	Total		100.00%		8.09%
6	Maximum Rate Adjustment Allowed	(3)			7.00%
7	Rate Adjustment to be included in the following Year				1.09%

Step Three: Apply Percentage Change to Rates

Row	Rate Category	G	H	I	J
		Existing Customer Rate	Total Weighted Percentage Change (Row 9, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column I + Column G)
8	Basic Residential Service (Includes 96 Solid Waste, 96 Recycling Cart, and 96 Organics Cart)	\$ 92.07	7.00%	\$ 6.44	\$ 98.51
9	Additional Solid Waste Cart - Above One	\$ 17.82	7.00%	\$ 1.25	\$ 19.07
10	Additional Recycling Cart - Above Two	\$ 8.74	7.00%	\$ 0.61	\$ 9.35
11	Additional Organics Cart - Above One	\$ 19.96	7.00%	\$ 1.40	\$ 21.36
12	3 Cubic Yard Bin - 1 Time Per Week	\$ 103.04	7.00%	\$ 7.21	\$ 110.25
13	3 Cubic Yard Bin - 2 Time Per Week	\$ 206.06	7.00%	\$ 14.42	\$ 220.48
14	Extra Pick up 3 Cubic Yard Bin	\$ 139.84	7.00%	\$ 9.79	\$ 149.63

Step Four: Re-weight Cost Components

Row	Adjustment Factor	Index	K	L	M	N	O
			Cost Component Weighting (Column D)	Percent Change in Index (Column C)	Change in Cost Component Weighting (Column K x Column L)	Adjusted Cost Component Weighting (Column K + Column M)	Cost Components Reweighted to Equal 100%
15	Service	(1)	70.00%	5.43%	3.80%	73.80%	68.28%
16	Disposal	(2)	30.00%	14.29%	4.29%	34.29%	31.72%
17	Total		100.00%			108.09%	100.00%

(1) Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Region (CUURS49ASA0). Average annual change for the 12 months ending June of the previous Calendar Year compared to the 12 months ending in June of year prior.

(2) Percentage change in the Maximum Solid Waste Gate Rate for the current Calendar Year compared to the Maximum Gate Rate for the year prior.

(3) Rates may not be increased for any given annual adjustment by more than seven percent (7%) of the previous years' Rates in accordance with Section 8.4.2.

(4) First year based on Section 8.4.2 of this Agreement. After the first adjustment, weightings come from Column O of the previous year's rate adjustment worksheet.

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**EXHIBIT E1:  
EXAMPLE CALCULATION FOR AVERAGE ANNUAL CHANGE IN  
PUBLISHED INDEX**

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The rate adjustment index for the service component 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 CPI for All Urban Consumers (CUURS49ASA0), All Items, Los Angeles-Long Beach-Anaheim.

If a rate adjustment based on this index were to be implemented as of January 1, 2024, the average annual index for the 12 months ended June 2023 of 316.916 would have been the “New Index Value” to be used in Column B of the example rate adjustment formula in Exhibit E, and the average annual index for the twelve (12) months ended June 2022 300.599 would have been the “Old Index Value” in Column A. This would have resulted in a 5.43% increase to the rates as calculated in Column C of Exhibit E.

**CPI for All Urban Consumers (CUURS49ASA0),  
All Items, Los Angeles-Long Beach-Anaheim, CA**

**Consumer Price Index for All Urban Consumers (CPI-U)**

**Original Data Value**

**Series Id:** CUURS49ASA0

**Not Seasonally Adjusted**

**Series Title:** All items in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted

**Area:** Los Angeles-Long Beach-Anaheim, CA

**Item:** All items

**Base Period:** 1982-84=100

**Years:** 2014 to 2024

Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Average Annual
2021/2022	290.890	291.333	292.209	294.961	296.790	297.925	301.209	302.164	306.679	308.302	310.649	314.072	300.599
2022/2023	313.415	313.608	315.033	317.014	314.633	312.601	318.591	317.571	317.873	320.089	320.514	322.055	316.916
Average Annual Change													5.43%

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## EXHIBIT F: REPORTING REQUIREMENTS

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Records shall be maintained in forms and by methods approved by the City 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 current and any subsequent State-mandated Recycling requirements.
7. Provide information needed by the City for the purpose of determining compliance with and fulfilling its State reporting requirements pursuant to SB 54, SB 343, SB 1383, and all Applicable Law.

### **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 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. Yard Trimmings and Organic Waste Tonnage Processed, Recovered, and Disposed.
6. Bulky Items Tonnage Marketed and Tonnage Disposed from non-Divertible materials and Processing Residue.

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## EXHIBIT F REPORTING REQUIREMENTS

7. 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.

### **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 by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit and City Facilities.
3. List of all City Facilities 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 5.10 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 and E-Waste Collection events by Customer Type.
5. List of all 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 B4 focused on when each service was provided, and any issues/concerns identified.

### **F. Customer Service Report**



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### **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. Records of Complaints received including the following information:
  - a. A summary of the total number of Complaints received by Customer Type; missed pickups shall be reported separately
  - b. A description of the Complaint as received including the date and time
  - c. Customer's name, address, and telephone number
  - d. The date the Contractor investigated and resolved the Complaint including the action(s) taken to respond and remedy
  - e. Any other information reasonably requested by the City or specified in the Complaint documentation and resolution provisions of this Agreement.

#### **G. Contamination Monitoring Report**

1. Documentation of the total number of Containers Disposed of due to observation of Prohibited Container Contaminants including the total number of Containers removed due to excessive Contamination as approved by the City Manager.
2. Summary report of Courtesy Pick-Up Notices, Non-Collection Notices, and/or Container Removal Notices issued, which for each notice shall include the date of issuance, Customer name, and service address. Contractor shall document the contamination and/or overfilling through use of film or digital photography.
3. Any other information reasonably requested by the City or specified in contamination monitoring provisions of this Agreement.

#### **2. Quarterly Report Content**

The quarterly report shall be the third monthly report in each given calendar quarter, including quarterly totals, summary pages, and a compilation of any materials required by the monthly reports, plus the following additional information.

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## EXHIBIT F REPORTING REQUIREMENTS

### 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.).
6. Summary of the results of the Diversion opportunity assessments provided to Customers 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, and the Recyclable Materials, Organic Materials, and Solid Waste Service Level for each complex. Include any Service Level changes resulting from such visits.
7. 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.

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## EXHIBIT F REPORTING REQUIREMENTS

### B. Collection and Processing Report

1. The total Tonnage amount of Discarded Materials, listed separately by Discarded Material type, and Tonnage Collected from City Services, pursuant to Exhibit B2-4.
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 4.9.2.B of the Agreement.
3. *{Note to Proposers: This section may be amended depending on the City's choice of Organic Materials Processing proposal(s).}* 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

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 2025 annual report in February 2026 shall include Contractor submittal of the annual public education plan for calendar year 2026.

### D. 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.

## 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.

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**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.

**DRAFT**

**EXHIBIT G:  
CONTRACTOR'S PROPOSAL**

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**DRAFT**

**EXHIBIT H:  
CONTRACTOR’S FAITHFUL PERFORMANCE BOND (EXAMPLE)**

*{Note to Proposers: This section will be updated based on the selected performance Security. See Section 9.3 of the agreement.}*

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 Hidden Hills (“City”), hereinafter called OBLIGEE, in the penal sum of ~~\_\_\_\_\_~~ **three hundred and fifty thousand** dollars (\$ ~~\_\_\_\_\_~~ **350,000**) 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 9.5 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)

By: \_\_\_\_\_  
(ATTORNEY IN FACT)

(SEAL)

(SEAL)

**DRAFT**

**EXHIBIT I:  
NOTARY CERTIFICATION**

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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:

**DRAFT**

**EXHIBIT J:  
CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE**

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EXCERPT FROM CONTRACTOR'S INITIAL PROPOSAL. IMPLEMENTATION PLAN AND SCHEDULE WILL BE  
REFINED SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT



**DRAFT**

**EXHIBIT K:  
APPROVED FACILITIES LIST**

*{Note to Proposers: To be updated based on the successful proposal.}*

<b>Approved Facility Type</b>	<b>Required Facility Information</b>
Approved Transfer Facility(ies)	Facility Name: <ul style="list-style-type: none"><li>• Address:</li><li>• Operator:</li><li>• SWIS Number:</li><li>• Facility Type:</li><li>• Material Type(s):</li></ul>
Approved Disposal Facility(ies)	Facility Name: <ul style="list-style-type: none"><li>• Address:</li><li>• Operator:</li><li>• SWIS Number:</li><li>• Facility Type:</li><li>• Material Type(s):</li><li>• (If Applicable) Transfer Facility:</li></ul>
Approved Organic Materials Processing Facility(ies)	Facility Name: <ul style="list-style-type: none"><li>• Address:</li><li>• Operator:</li><li>• SWIS Number:</li><li>• Facility Type:</li><li>• Material Type(s):</li><li>• (If Applicable) Transfer Facility:</li></ul> Facility Name: <ul style="list-style-type: none"><li>• Address:</li><li>• Operator:</li><li>• SWIS Number:</li><li>• Facility Type:</li><li>• Material Type(s):</li><li>• (If Applicable) Transfer Facility:</li></ul>
Approved Recyclable Materials Processing Facility	Facility Name: <ul style="list-style-type: none"><li>• Address:</li><li>• Operator:</li><li>• SWIS Number:</li><li>• Facility Type:</li><li>• Material Type(s):</li><li>• (If Applicable) Transfer Facility:</li></ul>

**DRAFT**

**EXHIBIT L:  
IMPLEMENTATION PLAN**

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**EXCERPT FROM CONTRACTOR'S INITIAL PROPOSAL. IMPLEMENTATION PLAN WILL BE REFINED  
SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT**

**ATTACHMENT 3**  
**RATE PROPOSAL FORMS**

**Table of Contents**

<b><u>Page</u></b>	<b><u>Contents</u></b>
3-A	Projected Estimated First-Year Rate Revenue
3-B	Projected Estimated First-Year Residential Cart Rate Revenue
3-C	Projected Estimated First-Year Refuse Bin Rate Revenue
3-D	Projected Estimated First-Year Recycling Bin Rate Revenue
3-E	Projected Estimated First-Year Organic Waste Bin Rate Revenue
3-F	Projected Estimated First-Year Roll-Off Box and Temporary Bin Rate Revenue
3-G	Proposed Rates for Other Services

**PROJECTED ESTIMATED FIRST-YEAR RATE REVENUE**

Proposing Company:

Instructions: Enter proposer's name in the above blue, bolded box. Confirm that rate revenue is accurately reflected, based on proposer's proposed rates.

Row	Service Category	Projected First Year Annual Customer Rate Revenue - Option 1 (Includes Yard Trimmings and Manure Only)*	Reference	Projected First Year Annual Customer Rate Revenue - Option 2 (Organic Waste Includes Yard Trimmings, Manure, and Food Waste)*	Reference
1	Residential Cart	\$ -	Attach. 3-B, Cell S22	\$ -	Attach. 3-B, Cell V22
2	Refuse Bin	\$ -	Attach. 3-C, Cell J37	\$ -	Attach. 3-C, Cell J37
3	Recycling Bin	\$ -	Attach. 3-D, Cell J35	\$ -	Attach. 3-D, Cell J35
4	Yard Trimmings/Manure/Organic Waste Bin (1)	\$ -	Attach. 3-E, Cell J52	\$ -	Attach. 3-E, Cell J66
5	<b>Total First-Year Rate Revenue <u>Excluding</u> Roll-Off Box and Temporary Bin Revenue</b>	<b>\$ -</b>	Sum Cells H10:H16	<b>\$ -</b>	Sum Cells N10:N16
6	Roll-Off Box and Temporary Bin (2)	\$ -	Attach. 3-F, Cell P17	\$ -	Attach. 3-F, Cell P17
7	<b>Total First-Year Rate <u>Including</u> Roll-Off Box and Temporary Bin Revenue</b>	<b>\$ -</b>	Sum Cells H18:H20	<b>\$ -</b>	Sum Cells N18:N20

\* Includes all City fees. For rate proposal comparison purposes, all proposers should include a 5% Franchise Fee and a \$1.00 per account AB 939 reimbursement in their proposed rates.

(1) Please note that the option 1 is for the provision of yard trimmings/manure and option 2 is for the provision of organic waste (including yard trimmings, manure, and food waste).

(2) Roll-off service is offered on a non-exclusive basis.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**PROJECTED ESTIMATED FIRST YEAR RESIDENTIAL CART RATE REVENUE**

**Proposing Company:** \_\_\_\_\_

**Instructions:** Provide rates in blue, bolded boxes. The other rates should automatically calculate. Confirm accuracy of calculations. Please note that Option 1 is for the provision of yard trimmings/manure and Option 2 is for the provision of organic waste (including yard trimmings, manure, and food waste)

Row	Service Category	Monthly Customer Rate - Option 1 (Includes Yard Trimmings and Manure Only)*	Monthly Customer Rate - Option 2 (Organic Waste Includes Yard Trimmings, Manure, and Food Waste)*	# of Units as of March 2024	Monthly Rate Revenue - Option 1 (Includes Yard Trimmings and Manure Only)
1	<b>Basic Service - 1x week. (1) 96 gallon refuse , (2) 96 gallon recycling, and (1) 96 gallon yard trimmings/manure/organic waste cart</b>			517 accounts (1)	\$ -
2	<b>Additional Refuse Cart</b>		\$ -	181 containers (1)	\$ -
3	<b>Additional Recycle Cart - after provision of (2) 96 gallon recycle carts included in basic service</b>		\$ -	37 containers (1)	\$ -
4	<b>Additional Yard Trimmings/Manure/Organic Waste Cart</b>			324 containers (1)(2)	\$ -
5	<b>Total Projected Monthly Rate Revenue</b>				\$ -
6	<b>Months</b>				<u>12</u>
7	<b>Total Projected Annual Rate Revenue</b>				\$ -

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

- \* Includes all City fees. For rate proposal comparison purposes, all proposers should include a 5% Franchise Fee and a \$1.00 per account AB 939 reimbursement in their proposed rates.
- (1) Number of accounts & containers as reported by the current hauler.
- (2) Count of 324 containers is based on the current customers receiving additional yard trimmings containers

**PROJECTED ESTIMATED FIRST-YEAR REFUSE RATE REVENUE FOR BIN CUSTOMERS**

Proposing Company: \_\_\_\_\_ -

Instructions: Enter proposed rates in blue, bolded boxes. Proposed rate revenue on this page should calculate automatically. Confirm accuracy of calculations.

Proposed Customer Rates(1)			
Row	Container Type/Size	# of Collections/Week	
		1	2
1	96 Gallon Refuse (2)	\$ -	
2	1.5 Cubic Yard Refuse		
3	2 Cubic Yard Refuse		
4	3 Cubic Yard Refuse		

**Service Levels (3)**

Row	Container Type/Size	# of Collections/Week		Total Containers
		1	2	
5	96 Gallon Refuse (2)	14		14
6	1.5 Cubic Yard Refuse	10	-	10
7	2 Cubic Yard Refuse	5	-	5
8	3 Cubic Yard Refuse	60	7	67
9	<b>Total Containers</b>	89	7	96

**Refuse Rate Revenue**

Row	Container Type/Size	# of Collections/Week		Monthly Rate Revenue
		1	2	
10	96 Gallon Refuse (2)	\$ -		\$ -
11	1.5 Cubic Yard Refuse	\$ -	\$ -	\$ -
12	2 Cubic Yard Refuse	\$ -	\$ -	\$ -
13	3 Cubic Yard Refuse	\$ -	\$ -	\$ -
14	<b>Projected Monthly Rate Revenue</b>			\$ -
15	<b>Months</b>			12
16	<b>Projected Annual Rate Revenue</b>			\$ -

(1) Includes all City fees. For rate proposal comparison purposes, all proposers should include a 5% Franchise Fee and a \$1.00 per account AB 939 reimbursement in their proposed rates.

(2) 96 Gallon refuse containers are available to customers subscribed to bin service for recycling and/or organic waste at the additional residential refuse cart rate.

(3) Number of containers as reported by the current hauler.

<b>Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.</b>
---

**PROJECTED ESTIMATED FIRST-YEAR RECYCLING RATE REVENUE FOR BIN CUSTOMERS**

Proposing Company: \_\_\_\_\_ -

Instructions: Enter proposed rates in blue, bolded boxes. Proposed rate revenue on this page should calculate automatically. Confirm accuracy of calculations.

Proposed Customer Rates (1)			
Row	Container Type/Size	# of Collections/Week	
		1	2
1	96 Gallon Recycling Cart (2)		
2	3 Cubic Yard Recycling		
3	4 Cubic Yard Recycling		

Service Levels (3)				
Row	Container Type/Size	# of Collections/Week		Total Containers
		1	2	
4	96 Gallon Recycling Cart (2)	45		45
5	3 Cubic Yard Recycling	3	1	4
6	4 Cubic Yard Recycling	-	-	-
7	<b>Total Containers</b>	48	1	49

Recycling Rate Revenue				
Row	Container Type/Size	# of Collections/Week		Monthly Rate Revenue
		1	2	
8	96 Gallon Recycling Cart (2)	\$ -		\$ -
9	3 Cubic Yard Recycling	\$ -	\$ -	\$ -
10	4 Cubic Yard Recycling	\$ -	\$ -	\$ -
11	<b>Projected Monthly Rate Revenue</b>			\$ -
12	<b>Months</b>			12
13	<b>Projected Annual Rate Revenue</b>			\$ -

(1) Includes all City fees. For rate proposal comparison purposes, all proposers should include a 5% Franchise Fee and a \$1.00 per account AB 939 reimbursement in their proposed rates.

(2) 96 Gallon recycling containers are available to customers subscribed to bin service for refuse and/or organic waste.

(3) Number of containers as reported by the current hauler.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**PROJECTED ESTIMATED YARD TRIMMINGS/MANURE/ORGANIC WASTE RATE REVENUE FOR BIN CUSTOMERS**

Proposing Company: \_\_\_\_\_ -

Instructions: Enter proposed rates in blue, bolded boxes. Proposed rate revenue on this page should calculate automatically. Confirm accuracy of calculations. Please note that the option 1 is for the provision of yard trimmings/manure and option 2 is for the provision of organic waste (including food waste, manure, and yard trimmings).

Proposed Option 1 Customer Rates - Yard Trimmings/Manure (1)			
Row	Container Type/Size	# of Collections/Week	
		1	2
1	64 Gallon Cart - Yard Trimmings/Manure (2)		
2	96 Gallon Cart - Yard Trimmings/Manure (2)		
3	1.5 Cubic Yard - Yard Trimmings/Manure		
4	2 Cubic Yard - Yard Trimmings/Manure		
5	3 Cubic Yard - Yard Trimmings/Manure		

Proposed Option 2 Customer Rates - Organic Waste (Includes Yard Trimmings, Manure, and Food Waste) (1)			
Row	Container Type/Size	# of Collections/Week	
		1	2
6	64 Gallon Cart - Organic Waste (2)		
7	96 Gallon Cart - Organic Waste (2)		
8	1.5 Cubic Yard - Organic Waste		
9	2 Cubic Yard - Organic Waste		
10	3 Cubic Yard - Organic Waste		

Service Levels (3)				
Row	Container Type/Size	# of Collections/Week		Total Containers
		1	2	
11	64 Gallon Cart - Yard Trimmings/Manure/Organic Waste (2)	1		1
12	96 Gallon Cart - Yard Trimmings/Manure/Organic Waste (2)	33		33
13	1.5 Cubic Yard - Yard Trimmings/Manure/Organic Waste	1	-	1
14	2 Cubic Yard - Yard Trimmings/Manure/Organic Waste	7	-	7
15	3 Cubic Yard - Yard Trimmings/Manure/Organic Waste	30	1	31
16	<b>Total Containers</b>	72	1	73

Proposed Option 1 Rate Revenue - Yard Trimmings/Manure				
Row	Container Type/Size	# of Collections/Week		Monthly Rate Revenue
		1	2	
17	64 Gallon Cart - Yard Trimmings/Manure/Organic Waste (2)	\$ -		\$ -
18	96 Gallon Cart - Yard Trimmings/Manure/Organic Waste (2)	\$ -		\$ -
19	1.5 Cubic Yard - Yard Trimmings/Manure/Organic Waste	\$ -	\$ -	\$ -
20	2 Cubic Yard - Yard Trimmings/Manure/Organic Waste	\$ -	\$ -	\$ -
21	3 Cubic Yard - Yard Trimmings/Manure/Organic Waste	\$ -	\$ -	\$ -
22	<b>Projected Monthly Rate Revenue</b>			\$ -
23	<b>Months</b>			12
24	<b>Projected Annual Rate Revenue</b>			\$ -

Proposed Option 2 Rate Revenue - Organic Waste (Includes Yard Trimmings, Manure, and Food Waste)				
Row	Container Type/Size	# of Collections/Week		Monthly Rate Revenue
		1	2	
25	64 Gallon Cart - Organic Waste (2)	\$ -		\$ -
26	96 Gallon Cart - Organic Waste (2)	\$ -		\$ -
27	1.5 Cubic Yard - Organic Waste	\$ -	\$ -	\$ -
28	2 Cubic Yard - Organic Waste	\$ -	\$ -	\$ -
29	3 Cubic Yard - Organic Waste	\$ -	\$ -	\$ -
30	<b>Projected Monthly Rate Revenue</b>			\$ -
31	<b>Months</b>			12
32	<b>Projected Annual Rate Revenue</b>			\$ -

- (1) Includes all City fees. For rate proposal comparison purposes, all proposers should include a 5% Franchise Fee and a \$1.00 per account AB 939 reimbursement in their proposed rates.
- (2) Organic waste carts are available to customers subscribed to bin service for refuse and/or recycling.
- (3) Number of containers as reported by the current hauler.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**



**PROJECTED ESTIMATED FIRST-YEAR ROLL-OFF BOX AND TEMPORARY BIN RATE REVENUE**

Proposing Company: \_\_\_\_\_ -

Instructions: Enter proposed rates in the blue, bolded boxes. Proposed rate revenue on this page should calculate automatically. Confirm accuracy of calculation.

Row	Container/Service Type	Customer Rate*	Service Count for 12-Months Ended December 31, 2023	Annual Projected First Year Rate Revenue (Rounded)
1	<b>Roll-Off and Temporary Bin (1)</b>			
2	Temporary Bin and Roll-Off Box Any Size, Any Material Type			
3	Service	<b>Per Load</b>	292 Pulls	\$ -
4	Daily Rental - after 7 days	<b>Per Day</b>	N/A	\$ -
5	Rollof Trip Fee	<b>Per Trip</b>	N/A	\$ -
6	Rolloff Relocation Fee	<b>Per Relocation</b>	N/A	\$ -
7	Hasp	<b>One Time</b>	N/A	\$ -
8	Lock	<b>Per Lock</b>	1 Container	\$ -
9	<b>Annual Rate Revenue</b>			<b>\$ -</b>

\* Includes all City fees. For rate proposal comparison purposes, all proposers should include a 5% Franchise Fee and a \$1.00 per account AB 939 reimbursement in their proposed rates.

(1) Roll-off service is offered on a non-exclusive basis.

<b>Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.</b>
---

**PROPOSED RATES FOR OTHER SERVICES**

Proposing Company: \_\_\_\_\_ -

Instructions: Rates for certain ancillary services are defined at current rates.

Row	Service Type	Customer Rate*	Reference/Note
	<b><u>Additional Residential Rates</u></b>		
1	Bulky Item Pick-up - 2 items	\$ 68.62 Per Pick-up	2 items
2	Additional Bulkies - per item	\$ 25.28 Per Item	
3	Start Charge - cart service	\$ 19.52 One Time Fee	
4	Restart Fee - cart service	\$ 24.12 Per Occurrence	
5	Extra Pick-up on Service Day - cart	\$ 7.19 Per Pick-up	
6	Extra Pick-up on Service Day - bag	\$ 4.79 Per Pick-up	
7	Extra Pick-up on non-service day	\$ 55.42 Per Pick-up	3 carts or 12 bags
8	Houshold Hazardous Waste at Your Door	\$ 170.00 Per Pick-up	
	<b><u>Additional Bin Rates</u></b>		
9	Start Charge - bin service	\$ 18.89 One Time Fee	
10	Restart Fee - bin service	\$ 24.58 Per Occurrence	
11	Extra Pick up 1.5 CY	\$ 148.92 Per Pick-up	
12	Extra Pick up 3 CY	\$ 148.92 Per Pick-up	
13	Extra Pick up 4 CY	\$ 160.04 Per Pick-up	
14	Extra Pick up 1.5 CY Yard Trimmings/Manure	\$ 148.92 Per Pick-up	
15	Extra Pick up 3 CY Yard Trimmings/Manure	\$ 148.92 Per Pick-up	
16	Extra Pick up 1.5 CY Organic Waste (includes food waste, manure, and yard trimmings)	\$ 148.92 Per Pick-up	
17	Extra Pick up 3 CY Organic Waste (includes food waste, manure, and yard trimmings)	\$ 148.92 Per Pick-up	
18	Extra Pick up 1.5 CY Recycling	\$ 148.92 Per Pick-up	
19	Extra Pick up 3 CY Recycling	\$ 148.92 Per Pick-up	

\* Includes all City fees (5% Franchise Fee and \$1.00 per account AB 939 reimbursement). Rates for these services will be established to equal the rates under the existing franchise agreement effective January 1, 2025.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**ATTACHMENT 4**  
**SUPPORTING COST AND OPERATING DATA WORKSHEETS**

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- 4-A Projected Cost, Rate Revenue, and Profit for First Twelve Months of Franchise Agreement - Option 1 Yard Trimmings and Manure
- 4-B Projected Cost, Rate Revenue, and Profit for First Twelve Months of Franchise Agreement - Option 2 Organic Waste (Includes Yard Trimmings, Manure, and Food Waste)
- 4-C Projected Routes and Route Hours
- 4-D Tonnage Diversion Plan - Option 1 Yard Trimmings and Manure
- 4-E Tonnage Diversion Plan - Option 2 Organic Waste (Includes Yard Trimmings, Manure, and Food Waste)

**PROJECTED COST, RATE REVENUE, AND PROFIT FOR FIRST TWELVE MONTHS OF FRANCHISE AGREEMENT - OPTION 1 YARD TRIMMINGS/MANURE**

Proposing Company: \_\_\_\_\_ -

Instructions: Fill in blue, bolded boxes.

Row		Refuse	Recycling	Yard Trimmings/ Manure	Non-Exclusive Roll- Off and Temporary Bin Service	Bulky Item Pickup, Holiday Trees, Special Cleanup Events, Other	TOTAL COST
1	<u>Operations</u>						
2	Truck Operating Costs (1)						\$ -
3	Transfer Station, Transport, MRF costs, net of recycling revenues						\$ -
4	Transformation Costs (if applicable)						\$ -
5	Yard Trimmings/Manure Processing/Composting Costs						\$ -
6	Landfill Disposal Costs (2)						\$ -
7	Container Depreciation/ Amortization Costs						\$ -
8	<u>Other Operating Costs: (please describe)</u>						\$ -
9	<b>Subtotal: Operations Costs</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	<u>Other Costs</u>						
11	General and Administrative Cost						
12	AB 939 Reimbursement						\$ 7,931
13	Annualized Auditing Cost (3)						\$ 10,800
14	Contracting Cost Reimbursement (4)						\$ 25,000
15	<u>Other: (please describe)</u>						
16	<b>TOTAL COST</b>						\$ -
17	First-Year Rate Revenue (From Attachment 3-A, Cell H22)						\$ -
18	Gross Profit (Includes Franchise Fee)						\$ -
19	Less Franchise Fees (5)						\$ -
20	<b>Net Profit</b>						\$ -
21	<b>Tons Collected</b>						-
22	<b>Operations Cost Per Ton Collected</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	<b>Rate Revenue per Ton Collected</b>						\$ -

- (1) Includes Driver/Helper/Supervisor Wages and Benefits, Vehicle Depreciation and Maintenance, Vehicle Insurance, Fuel, Uniforms and Other Route Costs.
- (2) Includes actual disposal costs at landfill, excluding transfer, transport, and MRF costs to be included on Row 3.
- (3) See draft franchise agreement Section 6.3 for audit costs. Amortized cost equals three audits times \$36,000 per audit in current price levels divided by 10 year term of agreement equals \$10,800.
- (4) \$250,000 amortized over the 10-year base term of the agreement. See Section 7.5 for additional information.
- (5) 5% of Row 18.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**PROJECTED COST, RATE REVENUE, AND PROFIT FOR FIRST TWELVE MONTHS OF FRANCHISE AGREEMENT - OPTION 2 ORGANIC WASTE  
(INCLUDES YARD TRIMMINGS, MANURE, AND FOOD WASTE)**

Proposing Company: \_\_\_\_\_ -

Instructions: Fill in blue, bolded boxes.

Row		Solid Waste	Recycling	Organics (Yard Trimblings/ Manure/ Food Waste)	Non-Exclusive Roll- Off and Temporary Bin Service	Bulky Item Pickup, Holiday Trees, Special Cleanup Events, Other	TOTAL COST
1	<u>Operations</u>						
2	Truck Operating Costs (1)						\$ -
3	Transfer Station, Transport, MRF costs, net of recycling revenues						\$ -
4	Transformation Costs (if applicable)						\$ -
5	Yard Trimmings/Manure/Food Waste Processing/Composting Costs						\$ -
6	Landfill Disposal Costs (2)						\$ -
7	Container Depreciation/Amortization Costs						\$ -
8	<b>Other Operating Costs: (Please describe)</b>						\$ -
9	<b>Subtotal: Operations Costs</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	<u>Other Costs</u>						
11	General and Administrative Cost						
12	AB 939 Reimbursement						\$ 7,931
13	Annualized Auditing Cost (3)						\$ 10,800
14	Contracting Cost Reimbursement (4)						\$ 25,000
15	Other: (please describe)						
16	<b>TOTAL COST</b>						\$ -
17	First-Year Rate Revenue (From Attachment 3-A, Cell N22)						\$ -
18	Gross Profit (Includes Franchise Fee)						\$ -
19	Less Franchise Fees (5)						\$ -
20	<b>Net Profit</b>						\$ -
21	<b>Tons Collected</b>						-
22	<b>Operations Cost Per Ton Collected</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	<b>Rate Revenue per Ton Collected</b>						\$ -

- (1) Includes Driver/Helper/Supervisor Wages and Benefits, Vehicle Depreciation and Maintenance, Vehicle Insurance, Fuel, Uniforms and Other Route Costs.
- (2) Includes actual disposal costs at landfill, excluding transfer, transport, and MRF costs to be included on Row 3.
- (3) See draft franchise agreement Section 6.3 for audit costs. Amortized cost equals three audits times \$36,000 per audit in current price levels divided by 10 year term of agreement equals \$10,800.
- (4) \$250,000 amortized over the 10-year base term of the agreement. See Section 7.5 for additional information.
- (5) 5% of Row 18.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**PROJECTED ROUTES AND ROUTE HOURS**

Proposing Company: \_\_\_\_\_

Instructions: Fill in blue, bolded boxes.

Row	Route Type	Routes Per Day						Total Route Days/Week	Hours per Route Per Day (1)	Total Route Hours Per Week (2)	Crew Size Per Truck (3)
		Mon	Tues	Wed	Thurs	Fri	Sat				
1	Residential Cart Refuse							-		-	
2	Residential Cart Recycling							-		-	
3	Residential Cart Yard Trimmings/Manure/Organics							-		-	
4	Bin Refuse							-		-	
5	Bin Recycling							-		-	
6	Bin Yard Trimmings/Manure/Organics							-		-	
7	Non-Exclusive Roll-Off & Temp Bin							-		-	
8	Scout							-		-	
9	Bulky Items							-		-	
10	Other: ___[specify]_____							-		-	
11	Other: ___[specify]_____							-		-	
12	Other: ___[specify]_____							-		-	
13	<b>Total</b>	-	-	-	-	-	-	-		-	

- (1) For example: 8, 9, or 10 hours per day.
- (2) Total Route Days/Week multiplied by Hours Per Route per Day.
- (3) 1 or 2 persons.

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**TONNAGE DIVERSION PLAN - OPTION 1 YARD TRIMMINGS/MANURE**

Proposing Company: \_\_\_\_\_ -

**Instructions:** Fill in blue, bolded boxes. Confirm automatic calculations. Proposers must demonstrate how they will reach their proposed diversion rate for hauler-collected waste.

Row	Waste Stream	Annual Tons Collected (from Att. 4-A, Cells C27:G27)	Annual Tons Diverted				Tons Diverted as % of Tons Collected
			Recycling	Yard Trimmings/ Manure	Other (1)	Total Diverted	
1	Refuse	-				-	-
2	Recycling	-				-	-
3	Yard Trimmings/Manure	-				-	-
7	Non-Exclusive Roll-Off and Temp Bin	-				-	-
8	Bulky Item Pickup, Holiday Trees, Special Cleanup Events, "Other" (1)	-				-	-
9	Total	-	-	-	-	-	-

(1) Describe "Other" programs below:

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**

**TONNAGE DIVERSION PLAN - OPTION 2 ORGANIC WASTE (INCLUDES YARD TRIMMINGS, MANURE, AND FOOD WASTE)**

Proposing Company: \_\_\_\_\_ -

**Instructions:** Fill in blue, bolded boxes. Confirm automatic calculations. Proposers must demonstrate how they will reach their proposed diversion rate for hauler-collected waste.

Row	Waste Stream	Annual Tons Collected (from Att. 4-B, Cells C27:G27)	Annual Tons Diverted				Tons Diverted as % of Tons Collected
			Recycling	Yard Trimmings/ Manure/ Food Waste	Other (1)	Total Diverted	
1	Refuse	-				-	-
2	Recycling	-				-	-
3	Yard Trimmings/Manure/Food Waste	-				-	-
7	Non-Exclusive Roll-Off and Temp Bin	-				-	-
8	Bulky Item Pickup, Holiday Trees, Special Cleanup Events, "Other" (1)	-				-	-
9	Total	-	-	-	-	-	-

(1) Describe "Other" programs below:

**Failure to complete and submit this form will deem the proposer's franchise proposal non-responsive.**