

A-24-383
12/10/24

CONTRACT FOR THE COLLECTION, RECYCLING AND
DISPOSAL OF SOLID WASTE FOR THE REFUSE SERVICE
AREA C OF THE COUNTY OF SAN JOAQUIN

BETWEEN THE COUNTY OF SAN JOAQUIN

AND

USA WASTE OF CALIFORNIA, INC. DBA STOCKTON
SCAVENGER

DATE: December 10, 2024

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EXHIBITS

- A. Single Family Services
 - A.1 Three-Container System
 - A.2 Supplemental Single-Family Programs
- B. Processing, Transfer, and Disposal Services and Facility Standards
- C. Liquidated Damages
- D. Record Keeping and Reporting
- E. Refuse Service Area Map
- F. Rates for Rate Period One
- G. Acceptable Materials Lists

**Contract for the Collection, Recycling and Disposal of Solid Waste
for the Refuse Service Area C of the County of San Joaquin
between the
County of San Joaquin
and
USA WASTE OF CALIFORNIA, INC.**

7 This Exclusive Franchise Agreement for Discarded Materials Management for Single-
8 Family Generators (Agreement) is entered into this 10 day of December, 2024, by and
9 between the County of San Joaquin , a political subdivision of the State of California
10 (County), and USA WASTE OF CALIFORNIA, INC., a Delaware Corporation, doing
11 business as STOCKTON SCAVENGER, a Waste Management company (Contractor),
12 for the Collection and subsequent Transfer, Transportation, Recycling, Processing,
13 and/or Disposal of Discarded Materials and provision of other related services.

RECITALS

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

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

33 WHEREAS, SB 1383 establishes regulatory requirements for jurisdictions, Generators,
34 haulers, Solid Waste facilities, and other entities to support achievement of State-wide
35 Organic Waste Disposal reduction targets and,

36 WHEREAS, SB 1383 Regulations require County to implement Collection programs,
37 meet Processing facility requirements, conduct contamination monitoring, provide
38 education, maintain records, submit reports, monitor compliance, conduct enforcement,

39 and fulfill other requirements; and, County has chosen to delegate some of its
40 responsibilities to the Contractor, acting as the County's designee, through this
41 Agreement; and,

42 WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2) and
43 County Code Section 5-2100, the Board of Supervisors of the County has determined
44 that the public health, safety, and well-being require that an Exclusive Franchise
45 Agreement for Discarded Materials Management for Single-Family Customers in Refuse
46 Service Area C (Agreement) be awarded to a qualified company for the Collection and
47 subsequent Transfer, Transportation, Recycling, Processing, and/or Disposal of
48 Discarded Materials; and,

49 WHEREAS, Contractor desires to engage in the business of Collecting Discarded
50 Materials in the County; and,

51 WHEREAS, the County wishes to utilize the Contractor's services to offer Discarded
52 Materials Collection services to Single-Family Generators in Refuse Service Area C of
53 the County; and,

54 NOW, THEREFORE, in consideration of the promises above stated and the terms,
55 conditions, covenants, and agreements contained herein, the Parties do hereby agree as
56 follows:

57 **ARTICLE 1: DEFINITIONS**

58 For purposes of this Agreement, unless a different meaning is clearly required, the words
59 and phrases in this Article shall have the following meanings respectively ascribed to
60 them by this Article and shall be capitalized throughout this Agreement.

61 **AB 341**

62 "AB 341" means the Assembly Bill approved by the Governor of the State of California on
63 October 5, 2011, which amended Sections 41730, 41731, 41734, 41735, 41736, 41800,
64 42926, 44004, and 50001 of, and added Sections 40004, 41734.5, and 41780.01 and
65 Chapter 12.8 (commencing with Section 42649) to Part 3 of Division 30 of, and added
66 and repealed Section 41780.02 of, the Public Resources Code, relating to Solid Waste,
67 as amended, supplemented, superseded and replaced from time to time.

68 **AB 876**

69 "AB 876" means the Assembly Bill approved by the Governor of the State of California on
70 October 8, 2015, which added Section 418214 to the Public Resources Code, relating to
71 Solid Waste as amended, supplemented, superseded, and replaced from time to time.

72 **AB 901**

73 "AB 901" means Assembly Bill approved by the Governor of the State of California on
74 October 10, 2015, which amended Section 41821.5 of, amended, renumbered and added

75 Section 41821.6 of, and added Sections 41821.7 and 41821.8 to, the Public Resources
76 Code, relating to Solid Waste, as amended, supplemented, superseded, and replaced
77 from time to time.

78 **AB 939**

79 "AB 939" means the California Integrated Waste Management Act of 1989 (California
80 Public Resources Code Section 40000, et seq.), as amended, supplemented,
81 superseded, and replaced from time to time.

82 **AB 1594**

83 "AB 1594" means the Assembly Bill approved by the Governor of the State of California
84 on September 28, 2014, which amended Sections 40507 and 41781.3 of the Public
85 Resources Code, relating to Solid Waste, as amended, supplemented, superseded, and
86 replaced from time to time.

87 **AB 1826**

88 "AB 1826" means the Assembly Bill approved by the Governor of the State of California
89 on September 28, 2014, which added Chapter 12.9 (commencing with Section 42649.8)
90 to Part 3 of Division 30 of the Public Resources Code, relating to Solid Waste, as
91 amended, supplemented, superseded, and replaced from time to time.

92 **Affiliate**

93 "Affiliate" means all businesses (including corporations, limited and general partnerships,
94 and sole proprietorships) that are directly or indirectly related to Contractor by virtue of
95 direct or indirect ownership interest or common management and shall be deemed to be
96 "Affiliated with" Contractor and included within the term "Affiliates" as used herein. An
97 Affiliate shall include a business in which Contractor owns a direct or indirect ownership
98 interest, a business that has a direct or indirect ownership interest in Contractor, and/or
99 a business that is also owned, controlled, or managed by any business or individual that
100 has a direct or indirect ownership interest in Contractor. For purposes of determining
101 whether an indirect ownership interest exists, the constructive ownership provisions of
102 Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date of this
103 Agreement, shall apply; provided, however, that: (i) "ten percent (10%)" shall be
104 substituted for "fifty percent (50%)" in Section 318(a)(2)(C) and in Section 318(a)(3)(C)
105 thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining
106 ownership under this paragraph and constructive or indirect ownership under Section
107 318(a), ownership interest of less than ten percent (10%) shall be disregarded and
108 percentage interests shall be determined on the basis of the percentage of voting interest
109 or value which the ownership interest represents, whichever is greater. Affiliate includes
110 Subsidiaries.

111 **Agreement**

112 "Agreement" means this Exclusive Franchise Agreement for Solid Waste management
113 between the County and Contractor for the Collection and subsequent Transfer,
114 Transportation, Processing, and/or Disposal, of Single-Family Solid Waste, including all
115 exhibits and attachments, and any amendments thereto.

116 **Alternative Daily Cover (ADC)**
117 "Alternative Daily Cover" or "ADC" has the same meaning as in 27 CCR Section 20690.

118 **Alternative Facility**
119 "Alternative Facility" means any Facility approved by County for use pursuant to Section
120 6.1 or Exhibit B.

121 **Alternative Intermediate Cover (AIC)**
122 "Alternative Intermediate Cover" or "AIC" has the same meaning as in 27 CCR Section
123 20700.

124 **Applicable Law**
125 "Applicable Law" means all Federal, State, County, and local laws, regulations, rules,
126 orders, judgments, decrees, permits, licenses, approvals, or other requirement of any
127 governmental agency having jurisdiction over the Collection, Transportation, Processing,
128 and Disposal of Discarded Materials that are in force on the Effective Date and as may
129 be enacted, issued, or amended during the Term of this Agreement. Applicable Law
130 includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383 and
131 corresponding regulations.

132 **Approved Facilities**
133 "Approved Facility(ies)" means any one of or any combination of the facilities listed in
134 Exhibit B.

135 **Approved Disposal Facility**
136 "Approved Disposal Facility" means the Disposal Facility(ies) identified and further
137 defined in Exhibit B.

138 **Approved Organic Waste Processing Facility**
139 "Approved Organic Waste Processing Facility" means the Organic Waste Processing
140 Facility(ies) identified and further defined in Exhibit B.

141 **Approved Source Separated Recyclable Materials Processing Facility**
142 "Approved Source Separated Recyclable Materials Processing Facility" means the
143 Recyclable Materials Processing Facility(ies) identified and further defined in Exhibit B.

144 **Approved Transfer Facility**
145 "Approved Transfer Facility" means the Transfer Facility(ies) identified and further defined
146 in Exhibit B.

147 **Base Services**
148 "Base Services" means the SB 1383 compliant Solid Waste Collection Service Level
149 subscribed to by a Single-Family dwelling. Base Services does not include extra services

150 such as additional Containers, extra pick-ups and others, nor violation fees,
151 contamination fees, overfull can fees, etc.

152 **Back-Haul**

153 "Back-Haul" means generating and transporting Organic Waste to a destination owned
154 and operated by the Generator using the Generator's own employees and equipment, or
155 as otherwise defined in 14 CCR Section 18982(a)(66)(A).

156 **Bin**

157 "Bin" means a metal or plastic Container with hinged lid(s) and wheels with a Container
158 capacity of one (1) to eight (8) cubic yards, including Bins with compactors attached to
159 increase the capacity of the Bin. Bins are also known as dumpsters.

160 **Blue Container**

161 "Blue Container" has the same meaning as in 14 CCR Section 18982.2(a)(5) and shall
162 be used for the purpose of storage and Collection of Source Separated Recyclable
163 Materials.

164 **Board**

165 "Board" means the Board of Supervisors of the County.

166 **Bulky Items**

167 "Bulky Items" means discarded furniture (including chairs, sofas, mattresses, carpet, and
168 other similar items); appliances (including refrigerators, ranges, washers, dryers, water
169 heaters, dishwashers, plumbing, small household appliances, and other similar items that
170 do not weigh more than 50 pounds, commonly known as "white goods"); wood wastes
171 (including wood waste, tree trunks, and large branches if no more than 6 inches in
172 diameter, 4 feet in length, and 50 pounds in weight per bundle, scrap wood, in the
173 aggregate not exceeding 2 cubic yard per Collection unless Contractor allows heavier or
174 larger-sized items); clothing; and tires. Any Bulky Items containing chlorofluorocarbon
175 (CFC) refrigerants shall be handled in accordance with Applicable Law. Bulky Items do
176 not include car bodies or C&D, or any other items that cannot be handled by two (2)
177 Persons.

178 **Business Day(s)**

179 "Business Days" mean days during which the County offices are open to do business with
180 the public.

181 **California Code of Regulations (CCR)**

182 "California Code of Regulations" or "CCR" means the State of California Code of
183 Regulations. CCR references in this Agreement are preceded with a number that refers
184 to the relevant Title of the CCR (e.g., "14 CCR, Division 7, Chapter 12" refers to Title 14,
185 Division 7, Chapter 12 of the California Code of Regulations.

186 **CalRecycle**

187 "CalRecycle" means California's Department of Resources Recycling and Recovery,
188 which is the Department designated with responsibility for developing, implementing, and
189 enforcing SB 1383 Regulations on jurisdictions and other regulated entities.

190 **Cart**

191 "Cart" means a plastic Container with a hinged lid and wheels serviced by automated or
192 semi-automated Collection vehicles and with a Container capacity of no less than thirty-
193 five (35) gallons and no greater than ninety-six (96) gallons.

194 **Change in Law**

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

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

209 **Collect/Collection**

210 "Collect" or "Collection" means the act of taking physical possession of Discarded
211 Materials at Single-Family Premises within the County and from County facilities, and
212 Transporting the Discarded Materials to an Approved Facility for Processing, Transfer, or
213 Disposal.

214 **Collector Route**

215 "Collector Route" means the designated itinerary or sequence of stops for each segment
216 of the County's Refuse Service Area, or as otherwise defined in 14 CCR Section
217 18982(a)(31.5).

218 **Commencement Date**

219 "Commencement Date" means the date specified in Section 3.3 when Collection,
220 Transportation, Processing, and other services required by this Agreement shall be
221 provided.

222 **Commercial Business (Commercial)**

223 "Commercial Business" or "Commercial" means a firm, partnership, proprietorship, joint-
224 stock company, corporation, or association, whether for-profit or nonprofit, strip mall,

225 industrial facility, Multi-Family Premises, or as otherwise defined in 14 CCR Section
226 18982(a)(6).

227 **Community Composting**

228 "Community Composting" means any activity that composts green material, agricultural
229 material, food material, and vegetative food material, alone or in combination, and the
230 total amount of feedstock and Compost on-site at any one time does not exceed 100
231 cubic yards and 750 square feet, as specified in 14 CCR Section 17855(a)(4); or as
232 otherwise defined in 14 CCR Section 18982(a)(8).

233 **Compostable Plastics**

234 "Compostable Plastics" or "Compostable Plastic" means plastic materials that meet the
235 ASTM D6400 standard for compostability, or as otherwise described in 14 CCR Section
236 18984.1(a)(1)(A) or 18984.2(a)(1)(C).

237 **Compost**

238 "Compost" has the same meaning as in 14 CCR Section 17896.2(a)(4), which stated, as
239 of the Effective Date of this Agreement, that "Compost" means the product resulting from
240 the controlled biological decomposition of organic Solid Wastes that are Source
241 Separated from the municipal Solid Waste stream, or which are separated at a centralized
242 Facility.

243 **Contractor**

244 "Contractor" means the Party (other than the County) that executed this Exclusive
245 Franchise Agreement and its Affiliates, DBAs, and Subcontractors that perform services
246 on Contractor's behalf.

247 **Construction and Demolition Debris (C&D)**

248 "Construction and Demolition Debris" means the nonhazardous waste building material,
249 Inerts, soil, packaging, Yard Trimmings, rubble, and other used or Discarded Materials
250 resulting from construction or demolition.

251 **Container(s)**

252 "Container(s)" means a receptacle for temporary storage of Discarded Materials.
253 Containers may include Bins, Carts, Roll-Off Boxes, compactors, cans, buckets, bags, or
254 other storage instruments to the extent such Containers are permitted by the County for
255 use for Collection services provided under the Agreement.

256 **Contamination Processing Fee**

257 "Contamination Processing Fee" means an amount charged by Contractor to a Customer,
258 to recover its costs for separating Gray or Black Container Waste or Source Separated
259 Recyclables placed in Organic Waste Containers, or for arranging special, unscheduled
260 Collections of the Organic Waste Container following contamination.

261 **County**
262 "County" means County of San Joaquin, a political subdivision of the State of California,
263 and all the unincorporated area within the boundaries of the County as presently existing,
264 or as such unincorporated area may be modified during the Term of this Agreement.

265 **County Contract Manager**
266 County Contract Manager means the Director or their designee.

267 **Customer(s)**
268 "Customer" means the Person who receives the Contractor's Collection services and to
269 whom the Contractor submits its billing invoice to and collects payment from for Collection
270 services provided to a Premise. The Customer may be either the occupant, owner, or
271 property manager of the Premises, as allowed under the County Code.

272 **DBA**
273 "DBA" means a fictitious name, assumed name, or trade name that is different from
274 Contractor's legal name, which Contractor uses for "doing business as" to provide
275 Collection services.

276 **Director**
277 "Director" means the Director of the Department of Public Works of the County or a duly
278 authorized representative.

279 **Discarded Materials**
280 "Discarded Materials" are a form of Solid Waste, and shall be regulated as such. For
281 purposes of this Agreement, material is deemed to have been discarded, without regard
282 to whether it is destined for Recycling or Disposal, and whether or not is has been
283 separated from other Solid Wastes, in all cases where a fee or other compensation, in
284 any form or amount, is directly or indirectly solicited from, or, levied, charged, or otherwise
285 imposed on, or paid by, the Generator or Customer in exchange for handling services. As
286 used herein, handling services include, without limitation, the Collection, removal,
287 Transportation, delivery, and Processing and/or Disposal of the material. Discarded
288 Materials do not include Edible Food that is recovered for human consumption and is not
289 discarded. For the purposes of this Agreement, Discarded Materials include Source
290 Separated Recyclable Materials, SSBCOW, SSGCOW, Food Waste, and Gray Container
291 Waste once the materials have been placed in Containers for Collection.

292 **Disposal**
293 "Disposal" or "Dispose" means the final disposition of any Solid Waste Collected by the
294 Contractor or Residue from Contractor's Processing activities at a permitted Landfill or
295 other permitted Solid Waste Facility.

296 **Diversion**
297 "Diversion (or any variation thereof including "Divert"))" means activities which reduce or
298 eliminate Discarded Materials from Disposal, including, but not limited to, source
299 reduction, Reuse, salvage, Recycling, and composting.

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

307 **Effective Date**
308 "Effective Date" means the date on which the Agreement becomes binding upon the
309 Parties, which is the date when the latter of the Parties has executed this Agreement.

310 **Environmental Laws**
311 "Environmental Laws" means all federal and State statutes and County ordinances
312 concerning public health, safety, and the environment including, by way of example and
313 not limitation, the Comprehensive Environmental Response, Compensation and Liability
314 Act of 1980, 42 USC Section 9601, et seq.; the Resource Conservation and Recovery
315 Act, 42 USC Section 6901, et seq.; the Federal Clean Water Act, 33 USC Section 1251,
316 et seq.; the Toxic Substance Control Act, 15 USC Section 2601, et seq.; the Occupational
317 Safety and Health Act, 29 USC Section 651, et seq.; the California Hazardous Waste
318 Control Act, California Health and Safety Code Section 25100, et seq.; the Carpenter-
319 Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code
320 Section 25300, et seq.; the Porter-Cologne Water Quality Control Act, California Water
321 Code Section 13000, et seq.; the Safe Drinking Water and Toxic Enforcement Act of 1986,
322 California Health and Safety Code Section 25249.5, et seq.; all as currently in force or as
323 hereafter amended, and all rules and regulations promulgated thereunder.

324 **Excluded Waste**
325 "Excluded Waste" means Hazardous Substance, Hazardous Waste, Infectious Waste,
326 Designated Waste, volatile, corrosive, Medical Waste, infectious, regulated radioactive
327 waste, and toxic substances or material that Approved Facility operator(s) reasonably
328 believe(s) would, as a result of or upon acceptance, Transfer, Processing, or Disposal,
329 be a violation of local, State, or Federal law, regulation, or ordinance, including: land use
330 restrictions or conditions, waste that cannot be Disposed of in Class III Landfills or
331 accepted at the Facility by permit conditions, waste that in Contractor's reasonable
332 opinion would present a significant risk to human health or the environment, cause a
333 nuisance or otherwise create or expose Contractor or County to potential liability; but not
334 including de minimis volumes or concentrations of waste of a type and amount normally
335 found in Single-Family Solid Waste after implementation of programs for the safe
336 Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in
337 compliance with Sections 41500 and 41802 of the California Public Resources Code.
338 Excluded Waste does not include used motor oil and filters, household batteries,
339 Universal Wastes, and/or latex paint when such materials are defined as allowable
340 materials for Collection through this Agreement and the Generator or Customer has
341 properly placed the materials for Collection pursuant to instructions provided by County
342 or Contractor as set forth in this Agreement.

343 **Facility(ies)**
344 "Facility(ies)" means any plant, site, or operation used for the purpose of handling
345 Discarded Materials, including, but not limited to, Disposal, Transfer, Recycling,
346 composting, and Processing facilities or operations.

347 **"Facility Capacity Guarantor"**
348 "Facility Capacity Guarantor" means the Party, as designated by Approved Facility in
349 Exhibit B, Table B-1, which guarantees sufficient capacity over the Term of Agreement to
350 accept Discarded Materials at the applicable Approved Facility.

351

352 **Food Scraps**
353 "Food Scraps" means all food such as, but not limited to, fruits, vegetables, meat, poultry,
354 seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells. Food Scraps
355 excludes fats, oils, and grease when such materials are Source Separated from other
356 Food Scraps.

357 **Food-Soiled Paper**
358 "Food-Soiled Paper" means compostable paper material that has come in contact with
359 food or liquid, such as, but not limited to, compostable paper plates, paper coffee cups,
360 napkins, pizza boxes, and milk cartons.

361 **Food Waste**
362 "Food Waste" means Source Separated Food Scraps, and Food-Soiled Paper. Food
363 Waste is a subset of SSGCOW. Edible Food separated for Food Recovery shall not be
364 considered Food Waste.

365 **Force Majeure**
366 "Force Majeure" means an event or circumstance beyond the control of either party that
367 typically excuses one or both parties from performance of the contract in some way
368 following the occurrence of such events.

369

370 **Franchise Fee**
371 "Franchise Fee" means the fee paid by Contractor to the County as described in Section
372 9.1

373 **Generator**
374 "Generator" means any Person whose act first causes Discarded Materials to become
375 subject to regulation under federal, State, or local regulations.

376 **Gray Container**
377 "Gray Container" has the same meaning as in 14 CCR Section 18982(a)(28) and shall be
378 used for the purpose of storage and Collection of Gray Container Waste

379 **Gray Container Waste**
380 "Gray Container Waste" means Solid Waste that is collected in a Gray Container that is
381 part of a three-Container Organic Waste Collection service that prohibits the placement
382 of Organic Waste in the Gray Container as specified in 14 CCR Sections 18984.1(a) and

383 (b) or as otherwise defined in 14 CCR Section 17402(a)(6.5). For the purposes of this
384 Agreement, Gray Container Waste includes carpet and textiles.

385 **Green Container**

386 "Green Container" has the same meaning as in 14 CCR Section 18982(a)(29) and shall
387 be used for the purpose of storage and Collection of SSGCOW.

388 **Gross Receipts**

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

392 **Hazardous Substance**

393 "Hazardous Substance" shall mean any of the following: (a) any substance defined,
394 regulated or listed (directly or by reference) as "hazardous substances", "hazardous
395 materials", "hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly
396 identified as hazardous to human health or the environment, in or pursuant to (i) the
397 Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42
398 USC Section 9601, et seq.; (ii) the Hazardous Materials Transportation Act, 49 USC
399 Section 5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC Section
400 6901, et seq.; (iv) the Clean Water Act, 33 USC Section 1251, et seq.; (v) California Health
401 and Safety Code Sections 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air
402 Act, 42 USC Section 7401, et seq.; and (vii) California Water Code Section 13050; (b)
403 any amendments, rules, or regulations promulgated thereunder to such enumerated
404 statutes or acts currently existing or hereinafter enacted; and (c) any other hazardous or
405 toxic substance, material, chemical, waste, or pollutant identified as hazardous or toxic or
406 regulated under any other applicable federal, State, and local environmental laws
407 currently existing or hereinafter enacted, including without limitation, friable asbestos,
408 polychlorinated biphenyl ("PCBs"), petroleum, natural gas and synthetic fuel products,
409 and by-products.

410 **Hazardous Waste**

411 "Hazardous Waste" or "Hazardous Wastes" means any waste which meets the definitions
412 set forth in 22 CCR Section 66261.3, et seq. and is required to be managed; or as
413 otherwise defined in 14 CCR Section 17402(a)(7). Hazardous Waste includes hazardous
414 wood waste, which means wood that falls within the definition of "treated wood" or "treated
415 wood waste" in 22 CCR Section 67386.4, or as otherwise defined in 14 CCR Section
416 18982(a)(30.5).

417 **Incompatible Materials**

418 "Incompatible Material" or "Incompatibles" mean(s) human-made inert material, including,
419 but not limited to, glass, metal, plastic, and also includes organic waste for which the
420 receiving end-user, facility, operation, property, or activity is not designed, permitted, or
421 authorized to perform Organic Waste recovery activities as defined in 14 CCR Section
422 18983.1(b), or as otherwise defined by 14 CCR Section 17402(a)(7.5).

423 **Inerts**

424 "Inerts" means materials such as concrete, soil, asphalt, and ceramics.

425 **Landfill**

426 "Landfill" means a "Solid Waste Landfill" defined by Public Resources Code Section
427 40195.1.

428 **Liquidated Damages**

429 "Liquidated Damages" means the amounts due by Contractor for failure to meet specific
430 quantifiable standards of performance as described in Section 12.7 and Exhibit C.

431 **Mandatory Service Area(s)**

432 "Mandatory Service Area(s)" means any geographical area designated by Board order
433 where residential refuse Collection services must be provided by the franchised collector
434 to all Single-Family dwellings within the area. Single-Family Generators in a Mandatory
435 Service Area must subscribe to the Collection service offered by the franchised collector
436 in that area; no self-haul option identified under SB 1383 is available to these Generators.

437 **Medical Waste**

438 "Medical Waste" means any Solid Waste that is generated or has been used in the
439 diagnosis, treatment, or immunization of human beings or animals, or research pertaining
440 thereto, and shall include, but not be limited to, biomedical, biohazardous and medical
441 waste, or other Solid Waste resulting from medical activities or services as defined by
442 County Code Section 5-2101 or any State or federal law or regulation, all as currently
443 enacted or subsequently amended.

444 **Mixed Waste**

445 "Mixed Waste" means Mixed Waste Organic Collection Stream and Solid Waste Collected
446 in a Container that is required by 14 CCR Sections 18984.1, 18984.2, or 18984.3 to be
447 Transported to a High Diversion Organic Waste Processing Facility.

448 **Multi-Family or Multi-Family Dwelling Unit**

449 "Multi-Family" means of, from, or pertaining to residential Premises with five (5) or more
450 dwelling units.

451 **Non-Compostable Paper**

452 "Non-Compostable Paper" includes, but is not limited to, paper that is coated in a plastic
453 material that will not breakdown in the composting process, or as otherwise defined in 14
454 CCR Section 18982(a)(41).

455 **Non-Organic Recyclables**

456 "Non-Organic Recyclables" means non-putrescible and non-hazardous recyclable wastes
457 including, but not limited to, bottles, cans, metals, plastics, and glass, or as otherwise
458 defined in 14 CCR Section 18982(a)(43). Non-Organic Recyclables are a subset of
459 Source Separated Recyclable Materials.

460 **Organic Waste**
461 "Organic Waste" means Solid Wastes containing material originated from living
462 organisms and their metabolic waste products including, but not limited to, food, Yard
463 Trimmings, organic textiles and carpets, lumber, wood, Paper Products, Printing and
464 Writing Paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14
465 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section
466 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

467 **Overage**
468 "Overage" means materials exceeding its Container's intended capacity such that the lid
469 is lifted (or would be lifted if lowered) or materials placed on top of, or in the immediate
470 vicinity of, a Container, in bags, or otherwise.

471
472 **Paper Products**
473 "Paper Products" include, but are not limited to, paper janitorial supplies, cartons,
474 wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling;
475 or as otherwise defined in 14 CCR Section 18982(a)(51).

476 **Parent Company**
477 "Parent Company" means a company that has a controlling interest in another company,
478 enabling the Parent Company to control management and operations of the Affiliate or
479 Subsidiary company.

480 **Party or Parties**
481 "Party" or "Parties" refers to the County and Contractor, individually or together.

482 **Person**
483 "Person" has the same meaning as in Public Resources Code Section 40170, which
484 states, as of the Effective Date of this Agreement, that a Person includes an individual,
485 firm, limited liability company, association, partnership, political subdivision, government
486 agency, municipality, industry, public or private corporation, or any other entity
487 whatsoever.

488 **Premises**
489 "Premises" means a tract of land with or without habitable buildings or appurtenant
490 structures.

491 **Printing and Writing Papers**
492 "Printing and Writing Papers" include, but are not limited to, copy, xerographic,
493 watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes,
494 manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated
495 writing papers, posters, index cards, calendars, brochures, reports, magazines, and
496 publications; or as otherwise defined in 14 CCR Section 18982(a)(54).

497 **Process, Processed, or Processing**
498 "Processing" means the controlled separation, recovery, volume reduction, conversion,
499 or Recycling of Solid Waste including, but not limited to, organized, manual, automated,

500 or mechanical sorting, the use of vehicles for spreading of waste for the purpose of
501 recovery, and/or includes the use of conveyor belts, sorting lines, or volume reduction
502 equipment, or as otherwise defined in 14 CCR Section 17402(a)(20).

503 **Prohibited Container Contaminants**

504 "Prohibited Container Contaminants" means the following: (i) Discarded Materials placed
505 in the Blue Container that are not identified as acceptable Source Separated Recyclable
506 Materials for the County's Blue Container; (ii) Discarded Materials placed in the Green
507 Container that are not identified as acceptable SSGCOW for the County's Green
508 Container; (iii) Discarded Materials placed in the Gray Container that are acceptable
509 Source Separated Recyclable Materials and/or SSGCOW to be placed in County's Green
510 Container and/or Blue Container; and (iv) Excluded Waste placed in any Container.

511 **Property Owner**

512 "Property Owner" means the owner of real property, or as otherwise defined in 14 CCR
513 Section 18982(a)(57).

514 **Public Resources Code (PRC)**

515 "Public Resources Code" or "PRC" means the California Public Resources Code.

516 **Putrescible Waste**

517 "Putrescible Waste" means wastes that are capable of being decomposed by micro-
518 organisms with sufficient rapidity as to cause nuisances because of odors, gases, or other
519 offensive conditions, and includes materials such as, but not limited to Food Waste, offal,
520 and dead animals; or as otherwise defined in 14 CCR Section 17402(a)(21).

521 **Rate**

522 "Rate" means the maximum amount, expressed as a dollar unit, approved by the County
523 that the Contractor may bill a Customer for providing specified services under this
524 Agreement. A Rate has been established for each individual Service Level and the initial
525 Rates for Rate Period One are presented in Exhibit F. The Rates approved by County are
526 the maximum Rate that Contractor may charge a Customer for a particular Service Level.

527 **Rate Period**

528 "Rate Period" means a twelve (12) month period, commencing January 1 and concluding
529 December 31.

530 **Recycle/Recycling**

531 "Recycle" or "Recycling" means the process of Collecting, sorting, cleansing, treating, and
532 reconfiguring materials for the purpose of returning them to the economic mainstream in
533 the form of raw material for new, Reused, or reconstituted products that meet the quality
534 standards necessary to be used in the marketplace. Recycling includes processes
535 deemed to constitute a reduction of Landfill Disposal pursuant to 14 CCR, Division 7,
536 Chapter 12, Article 2. Recycling does not include gasification or transformation as defined
537 in Public Resources Code Section 40201.

538 **Refuse Service Area**

539 "Refuse Service Area" means refuse service area C as defined by the County Department
540 of Public Works, and as shown in Exhibit E.

541 **Renewable Natural Gas (RNG)**

542 "Renewable Natural Gas" or "RNG" means gas derived from Organic Waste that has been
543 diverted from a Landfill and Processed at an in-vessel digestion facility that is permitted
544 or otherwise authorized by 14 CCR to recover Organic Waste, or as otherwise defined in
545 14 CCR Section 18982(a)(62).

546 **Residual (or Residue)**

547 "Residual" or "Residue" means the Solid Waste destined for Disposal, further
548 transfer/processing as defined in 14 CCR Section 17402(a)(30) or 14 CCR Section
549 17402(a)(31), or transformation which remains after Processing has taken place and is
550 calculated in percent as the weight of Residual divided by the total incoming weight of
551 materials.

552 **Reusable Items**

553 "Reusable Items" means items that are capable of being Reused after minimal
554 Processing. Reusable Items may be Collected Source Separated or recovered through a
555 Processing Facility. Reusable Items may include, but are not limited to, clothing, furniture,
556 and/or sporting equipment.

557 **Reuse**

558 "Reuse" or any variation thereof, means the use, in the same, or similar, form as it was
559 produced, of a material which might otherwise be discarded, or as otherwise defined in
560 14 CCR Section 17402.5(b)(2).

561 **Roll-Off Box**

562 "Roll-Off Box" means an open- or closed-top metal Container, roll-top Container, or closed
563 compactor Container serviced by a roll-off truck and with a Container capacity of 10 to 50
564 cubic yards. Roll-off boxes are also known as drop boxes or debris boxes.

565 **Salvageable Material (or Salvaged Material)**

566 "Salvageable Material" or "Salvaged Material" means an object or material that results
567 from salvaging, where salvaging means the controlled separation of Solid Waste material
568 which do not require further processing for Reuse or Recycling prior to Transfer activities,
569 or as otherwise defined in 14 CCR Section 17402(a)(24).

570 **SB 1383**

571 "SB 1383" means Senate Bill 1383 of 2016 approved by the Governor on September 19,
572 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and
573 Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of
574 Division 30 of the Public Resources Code, establishing methane emissions reduction
575 targets in a statewide effort to reduce emissions of short-lived climate pollutants as
576 amended, supplemented, superseded, and replaced from time to time.

577 **SB 1383 Regulations**
578 "SB 138 Regulations" or "SB 1383 Regulatory" refers to the Short-Lived Climate
579 Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and
580 adopted in 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of
581 regulations of 14 CCR and 27 CCR.

582 **Self-Hauler (or Self-Haul)**
583 "Self-Hauler" or "Self-Haul" means a Person who hauls Solid Waste, Organic Waste, or
584 recovered material they have generated to another Person, or as otherwise defined in 14
585 CCR Section 18982(a)(66). Self-Hauler also includes a Person who Back-Hauls waste.

586 **Service Level**
587 "Service Level" refers to the number and size of a Customer's Container(s) and the
588 frequency of Collection service, as well as ancillary services such as lock/unlock service,
589 Container push/pull service, etc.

590 **Single-Family or Single-Family Dwelling Unit**
591 "Single-Family" means any residential Premises with fewer than five (5) units. References
592 to "Single-Family Dwelling Unit" refer to an individual residential unit of the Single-Family
593 Premises.

594 **Solid Waste**
595 "Solid waste" means all putrescible and nonputrescible solid, semisolid and liquid
596 wastes, including but not limited to Organic Waste, garbage, trash, refuse, paper,
597 rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned
598 vehicles and parts thereof, discarded home and industrial appliances, dewatered,
599 treated or chemically fixed sewage sludge (biosolids), which is not hazardous waste,
600 manure, vegetable or animal solid and semisolid wastes, and other discarded solid and
601 semisolid wastes, with the exception that solid waste does not include any of the
602 following wastes:

603

604 (1) Hazardous waste, as defined in PRC Section 40141.

605 (2) Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8
606 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety
607 Code).

608 (3) Medical waste regulated pursuant to the Medical Waste Management Act (Part 14,
609 commencing with Section 117600, of Division 104 of the Health and Safety Code).
610 Untreated medical waste shall not be disposed of in a solid waste Landfill, as defined
611 in PRC Section 40195.1. Medical waste that has been treated and deemed to be Solid
612 Waste shall be regulated pursuant to PRC, Division 30.

613 **Source Separated**
614 "Source Separated" means materials, including commingled Recyclable materials, that
615 have been separated or kept separate from the Solid Waste stream, at the point of
616 generation, for the purpose of additional sorting or Processing those materials for

617 Recycling or Reuse in order to return them to the economic mainstream in the form of
618 raw material for new, reused, or reconstituted products which meet the quality standards
619 necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section
620 17402.5(b)(4). For the purposes of the Agreement, Source Separated shall include
621 separation of materials by the Generator, Property Owner, Property Owner's employee,
622 property manager, or property manager's employee into different Containers for the
623 purpose of Collection such that Source Separated materials are separated from Gray
624 Container Waste and other Solid Waste for the purposes of Collection and Processing.

625 **Source Separated Blue Container Organic Waste (SSBCOW)**
626 "Source Separated Blue Container Organic Waste" or "SSBCOW" means Source
627 Separated Organic Waste that can be placed in a Blue Container that is limited to the
628 Collection of those Organic Wastes and Non-Organic Recyclables as defined in 14 CCR
629 Section 18982(a)(43); or as otherwise defined by 14 CCR Section 17402(a)(26.7). The
630 accepted types of SSBCOW and process for modifying the accepted types of SSBCOW
631 are specified in Article 5.

632 **Source Separated Green Container Organic Waste (SSGCOW)**
633 "Source Separated Green Container Organic Waste" or "SSGCOW" means Source
634 Separated Organic Waste that can be placed in a Green Container that is specifically
635 intended for the separate Collection of Organic Waste by the Generator, excluding
636 SSBCOW, carpets, Non-Compostable Paper, and textiles. The accepted types of
637 SSGCOW and process for modifying the accepted types of SSGCOW are specified in
638 Article 5. SSGCOW is a subset of Organic Waste.

639 **Source Separated Recyclable Materials**
640 "Source Separated Recyclable Materials" means Source Separated Non-Organic
641 Recyclables and SSBCOW. The accepted types of Source Separated Recyclable
642 Materials and process for modifying the accepted types of Source Separated Recyclable
643 Materials are specified in Article 5.

644 **State**
645 "State" means the State of California.

646 **Subcontractor**
647 "Subcontractor" means any Person, firm, or entity hired by Contractor to carry out any of
648 Contractor's duties under this Agreement.

649 **Subsidiary**
650 "Subsidiary" means an Affiliate with fifty percent (50%) or more of its ownership controlled
651 by Contractor.

652 **Term**
653 "Term" means the duration of this Agreement, including extension periods if granted, as
654 provided for in Section 3.3.

655 **Ton**
656 "Ton" or "Tonnage" or "Tons" means a unit of weight equal to 2,000 pounds (907.18474
657 kg).

658 **Transfer**
659 "Transfer" means the act of transferring Discarded Materials Collected by Contractor from
660 Contractor's Collection vehicles into larger vehicles at a Transfer Facility for Transport to
661 other Facilities for Processing or Disposing of such materials. Transfer allows for removal
662 of materials excluded or prohibited from handling at the Transfer Facility (e.g., removal of
663 Hazardous Waste).

664 **Transportation or Transport**
665 "Transportation" or "Transport" means the act of conveying Collected materials from one
666 location to another.

667 **Universal Waste (or U-Waste)**
668 "Universal Waste" or "U-Waste" means all wastes defined by 22 CCR Subsections
669 66273.1 through 66273.9. These include, but are not limited to, batteries, fluorescent light
670 bulbs, mercury switches, and electronic waste.

671 **Work Days**
672 "Work Days" or "Working Days" means days on which the Contractor is required to
673 provide regularly scheduled Collection services under this Agreement.

674 **Yard Trimmings**
675 "Yard Trimmings" means types of SSGCOW resulting from normal yard and landscaping
676 installation, maintenance, or removal that the Generators Source Separate and set out in
677 Green Containers for Collection for the purpose of Processing by the Contractor. The
678 accepted types of Yard Trimmings and process for modifying the accepted types of Yard
679 Trimmings are specified in Article 5. Yard Trimmings are a subset of SSGCOW.

680 **ARTICLE 2: REPRESENTATIONS AND** 681 **WARRANTIES OF CONTRACTOR**

682 **2.1 CORPORATE STATUS**
683 Contractor is an enterprise duly organized, validly existing, and in good standing under
684 the laws of the State of California. It is qualified to transact business in the State of
685 California and has the corporate power to own its properties and to carry on its business
686 as required by this Agreement.

687 **2.2 CORPORATE AUTHORIZATION**
688 Contractor has the authority to enter into and perform its obligations under this
689 Agreement. The board of directors of Contractor (or the owner/shareholders if necessary)
690 have taken all actions required by law, its articles of incorporation, and its bylaws or

691 otherwise to authorize the execution of this Agreement. The Persons signing this
692 Agreement on behalf of the Contractor have the authority to do so.

693 **ARTICLE 3: TERMS OF AGREEMENT**

694 **3.1 GRANT AND ACCEPTANCE OF AGREEMENT**

695 County hereby grants to Contractor an exclusive right to engage in the business of
696 Collecting, and subsequently Transporting, Transferring, Processing, and/or Disposing
697 Discarded Materials (as appropriate for the material type pursuant to Exhibit B) from
698 Single-Family Generators in Mandatory Service Areas and non-Mandatory Service Areas
699 within County Refuse Service Area C (subject to the provisions of Sections 3.2 and 6.5),
700 and to use the public streets and rights-of-way for such purpose subject to the limitations
701 within this Agreement.

702 **3.2 LIMITATIONS OF SCOPE**

703 The granting of this Agreement shall not preclude the categories of Discarded Materials
704 listed below from being Collected, Transferred, Transported, Processed, and/or Disposed
705 by others; provided, that nothing in this Agreement is intended to or shall be construed to
706 excuse any Person from obtaining any required authorization, permit, or approval from
707 the County or other government agency with oversight responsibility:

- 708 A. Discarded Materials from Commercial and Multi-Family Premises. A Person that
709 Collects, Transfers, Transports, Processes and/or Disposes of Discarded Materials
710 generated in or on a Commercial or Multi-Family Premises within the Refuse Service
711 Area.
- 712 B. Materials Removed as Incidental Part of Services. A Person that removes and
713 transports Discarded Materials from a Premises as an incidental and a minor part of
714 the services being performed, provided that the removed materials were generated by
715 the services the Person provided.
- 716 C. Agricultural Materials from Agricultural Operations. A Person from an agricultural
717 operation that removes agricultural materials from an agricultural Premises and
718 transports the material to another agricultural operation for a purpose other than
719 Disposal.
- 720 D. Self-Hauled Materials. A Person that removes, Transports, Processes and/or
721 Disposes of Discarded Materials generated in or on their own Premises with their own
722 vehicle.
- 723 E. Materials Generated by Public Schools and State. A Person that removes Discarded
724 Materials generated by State, County, and Federal facilities located in the County

725 provided that the Generator has arranged services with other Persons or has arranged
726 services with the Contractor through a separate agreement.

727 F. Beverage Containers. A Person that removes and Transports containers delivered for
728 Recycling under the California Beverage Container Recycling Litter Reduction Act,
729 California Public Resources Code, Section 14500, et seq.

730 G. Excluded Waste. A Person that removes and Transports Excluded Waste regardless
731 of its source.

732 H. Sewage Treatment By-Products. A Person that removes and Transports by-products
733 of sewage treatment, including sludge, sludge ash, grit, and screenings.

734 I. Edible Food. A Person, such as a Person from a food recovery organization or food
735 recovery service that removes and Transports Edible Food for the purpose of
736 distributing Edible Food for human consumption, or Edible Food Removed that is Self-
737 Hauled to a food recovery organization or food recovery service for the purpose of
738 Food Recovery.

739 J. Donated Materials. A Person that removes and Transports any items that are donated
740 by the Generator to youth, civic, or other charitable organizations may be transported
741 by other Persons.

742 Contractor acknowledges and agrees that the County may permit other Persons besides
743 the Contractor to Collect any and all types of materials excluded from the scope of this
744 Agreement, as set forth above, without seeking or obtaining approval of Contractor. If
745 Contractor can produce evidence that other Persons are servicing Collection Containers
746 or are Collecting and Transporting Discarded Materials in a manner that is not consistent
747 with this Agreement or the County Code, it shall report the location, the name and phone
748 number of the Person or company to the County Contract Manager along with
749 Contractor's evidence. In such case, County may notify the Customer, Generator and
750 Person providing service of Contractor's rights under this Agreement and the County's
751 Code Enforcement office will determine the appropriate enforcement mechanism.

752 This grant to Contractor shall be interpreted to be consistent with State and federal laws
753 and regulations, subject to the limitations within this Agreement, now and during the Term
754 of the Agreement. The scope of this Agreement shall be limited by current and future
755 State and federal laws and regulations with regard to handling of Discarded Materials,
756 enactment of new laws or regulations or new court decisions which may limit the ability
757 of County to lawfully regulate the scope of services as specifically set forth herein.
758 Contractor agrees that the scope of the Agreement shall be limited to those services
759 which may be lawfully provided.

761 **3.3 EFFECTIVE DATE, TERM, AND EXTENSION OF THIS**
762 **AGREEMENT**

763 The Term of this Agreement shall commence January 1, 2026 (Commencement Date)
764 and continue in full force for a period of six (6) years, through and including December
765 31, 2031, unless the Agreement is terminated in pursuant to Article 12.

766 **3.4 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

767 The obligation of County to permit this Agreement to become effective and to perform its
768 undertakings provided for in this Agreement is subject to the satisfaction of each and all
769 of the conditions set out in A through D below, each of which may only be waived in whole
770 or in part upon the written approval of the Director.

771 **A. Accuracy of Representations.** The representations and warranties made by
772 Collector in Article 2 of this Agreement are true and correct on and as of the Effective
773 Date of this Agreement.

774 **B. Absence of Litigation.** There is no litigation pending on the Effective Date of this
775 Agreement in any court challenging the award or execution of this Agreement or
776 seeking to restrain or enjoin its performance.

777 **C. Furnishing of Insurance.** Collector has furnished evidence of the insurance required
778 by Article 11 of this Agreement.

779 **D. Effectiveness of Board of Supervisor's Action.** The Board has authorized the
780 Director, or another County officer, to execute this Agreement prior to the Effective
781 Date of this Agreement.

782 **ARTICLE 4: GENERAL AGREEMENTS**

783 **4.1 COUNTY DESIGNATION OF FACILITIES**

784 **A. Approved Disposal Facility.** The Contractor, without constraint and as a free-market
785 business decision in accepting this Agreement, agrees to use the Approved Disposal
786 Facility(ies) for the purposes of Disposal of all Gray Container Waste Collected by the
787 Contractor under the terms of this Agreement. Such decision by Contractor in no way
788 constitutes a restraint of trade notwithstanding any Change in Law regarding flow
789 control limitations or any definition thereof.

790 Contractor shall comply with additional requirements related to use of the Approved
791 Disposal Facility pursuant to Section 6.1.

792 **B. Other Approved Facilities.** Contractor agrees that the Director may, direct
793 Contractor to deliver any or all Source Separated Recyclable Materials, SSGCOW,
794 Gray Container Waste, and/or any other materials Collected under this Agreement
795 within the County to any type of facility, as County may designate. If such a change

796 results in an inconsistency with Exhibit B, the change shall be considered a County-
797 directed change in scope and handled in accordance with provisions in Section 4.4.
798 The Residue remaining after Processing or recovery of Source Separated Recyclable
799 Materials and/or SSGCOW shall be subject to the Director's authority to direct
800 materials. County shall reserve the right to direct such Residue in any agreement with
801 the operator of any Transfer Facility or Processing Facility where Contractor delivers
802 Source Separated Recyclable Materials, SSGCOW, and/or Gray Container Waste.
803 Notwithstanding the provisions of Section 4.4, Contractor agrees to Transport
804 Discarded Materials to the facility(ies) designated by the Director, commencing no
805 later than thirty (30) days from receipt of notice from the Director.

806 **4.2 RESPONSIBILITY FOR MATERIALS**

807 Once Discarded Materials are placed in Containers for Collection at the Collection
808 location, the responsibility for their proper handling shall transfer directly from the
809 Generator to Contractor, with the exception of Excluded Waste if the Contractor can
810 identify the Generator pursuant to Section 7.7. Once Discarded Materials are deposited
811 by Contractor at the appropriate Approved Facility, such materials shall become the
812 responsibility of the facility owner or operator with the exception of Excluded Waste
813 pursuant to Section 7.7.

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

817 **4.3 SUBCONTRACTING**

818 Contractor shall not engage any Subcontractors for Collection, Transfer, Transportation,
819 or Processing of Discarded Materials without the prior written consent of the County
820 Contract Manager. If the Contractor plans to engage other Affiliate or related party entities
821 in the provision of services, Contractor shall obtain written approval from County Contract
822 Manager thirty (30) days prior to its plans to use party. Contractor shall submit written
823 request to the County seeking approval of other Affiliate or related party entities. Such
824 request shall include a description of its plans, name and qualifications of party, and an
825 explanation of any potential impacts related to the quality, timeliness, or cost of providing
826 services under this Agreement.

827 **4.4 COUNTY-DIRECTED CHANGE IN SCOPE**

828 County may meet and confer with Contractor to establish the scope of any additional
829 services or modification to existing services (which may include use of alternative
830 Processing or Disposal Facilities) to be provided under this Agreement. In such case,
831 Contractor shall present, within ninety (90) calendar days of County's request, a written
832 proposal to provide such modified or additional services.

833 County shall review the Contractor's proposal for the change in scope of services. County
834 and Contractor may meet and confer to negotiate Contractor's proposed revisions and

835 costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-
836 upon changes in scope.

837 When such modifications are proposed to this Agreement, County and Contractor will
838 negotiate in good faith, a reasonable and appropriate compensation adjustment for any
839 increase or decrease in the services or other obligations required of Contractor due to
840 any modification in the Agreement under this Article. County and Contractor will not
841 unreasonably withhold agreement to such compensation adjustment. Should agreement
842 between County and Contractor on a compensation adjustment not be reached within six
843 (6) months of the change request, or other period as agreed upon by both parties, County
844 shall have the right to seek services under the same modified conditions elsewhere.

845 **ARTICLE 5: COLLECTION SERVICES**

846 **5.1 GENERAL**

847 **A. Overall Performance Obligations.** The scope of services to be performed by
848 Contractor pursuant to this Agreement shall include the furnishing of all labor,
849 supervision, equipment, materials, supplies, and all other items necessary to perform
850 all requirements of the Agreement. The enumeration of, and specification of
851 requirements for particular items of labor or equipment shall not relieve the Contractor
852 of the duty to furnish all others, as may be required, whether enumerated or not.

853 The scope of services to be performed by Contractor pursuant to this Agreement shall
854 be accomplished in a manner so that Customers are provided reliable, courteous, and
855 high-quality Collection services and other services described in this Agreement at all
856 times. The enumeration of, and specification of requirements for, particular aspects of
857 service quality shall not relieve Contractor of the duty of accomplishing all other
858 aspects in the manner generally provided in this Article for the delivery of services,
859 whether such other aspects are enumerated elsewhere in the Agreement or not.

860 Contractor shall not knowingly Collect Blue, Green, or Gray Containers that include
861 Prohibited Container Contaminants.

862 **B. Requirements for Parent Company and Affiliates.** Upon approval by County,
863 Contractor, its Parent Company, and Affiliates operating under the terms of this
864 Agreement are allowed, at their option, to use each entity's name to comply with
865 Collection vehicle and Container labeling requirements and may use each entity's
866 name on any education and outreach materials.

867 **C. Ownership of Discarded Materials.** By operation of this Agreement, ownership and
868 the right to possession of all Discarded Materials shall be transferred to Contractor
869 from the Person discarding the materials (Customer and/or Generator) once such
870 materials are placed in Containers and properly placed for Collection. If Prohibited
871 Container Contaminants are found in Containers set out for Collection, the materials
872 shall be considered not properly placed for Collection, and Contractor shall have the

873 right to reject Collection of the contaminated Containers pursuant to Section 6.2, and
874 the ownership of materials shall remain with the Person discarding the materials
875 (Customer and/or Generator). Except as required in the County's sole discretion for
876 law enforcement purposes, at no time shall the County obtain any right of ownership
877 or possession of Discarded Materials placed for collection and nothing in this
878 Agreement shall be construed as giving rise to any inference that County has such
879 rights. Refer to Section 6.1 for transfer of ownership of Discarded Materials from
880 Contractor to Facility operator(s) of Approved Facilities.

881 **5.2 THREE-CONTAINER SYSTEM**

882 A. **General.** By the Effective Date, Contractor shall provide a three-Container Collection
883 program for the separate Collection of Source Separated Recyclable Materials,
884 SSGCOW, and Gray Container Waste as specified in this Section, using Containers
885 that comply with the requirements of Section 7.5.

886 B. **Source Separated Recyclable Materials Collection.** Contractor shall provide Blue
887 Containers to Customers for Collection of Source Separated Recyclable Materials and
888 shall provide Source Separated Recyclable Materials Collection service, as described
889 in Exhibit A of this Agreement. Contractor shall Transport the Source Separated
890 Recyclable Materials to (i) the Approved Source Separated Recyclable Materials
891 Processing Facility, (Central Valley Waste MRF) or (ii) the Approved Transfer Facility
892 for Transfer and Transport to the Approved Source Separated Recyclable Materials
893 Processing Facility, as specified in Section 6.1.

894 Source Separated Recyclable Materials that are to be accepted for Collection in the
895 Source Separated Recyclable Materials Collection program are defined in Exhibit G.
896 The Parties agree that the list of accepted types of Source Separated Recyclable
897 Materials may be added to or removed from this list from time to time by mutual
898 consent provided that in all cases SSGCOW is included for Collection. Contractor shall
899 not add or remove materials to or from this list without written approval from the County
900 Contract Manager, and such approval shall not be unreasonably withheld. Prohibited
901 Container Contaminants shall not be Collected in the Blue Containers. The Containers
902 shall comply with the requirements of Section 7.5.

903 C. **SSGCOW Collection.**

904 1. Contractor shall provide Green Containers to Customers for SSGCOW
905 Collection, and shall provide SSGCOW Collection service, as described in
906 Exhibit A of this Agreement. Contractor shall Transport the SSGCOW to (i) the
907 Approved Organic Waste Processing Facility, (Central Valley Compost) or (ii) the
908 Approved Transfer Facility for Transfer and Transport to an Approved Organic
909 Waste Processing Facility, as specified in Section 6.1.

910 SSGCOW that are to be accepted for Collection in the SSGCOW Collection
911 program are defined in Exhibit G. The Parties agree that types of SSGCOW may
912 be added to or removed from this list from time to time by mutual consent.

913 Contractor shall not add or remove materials to or from this list without written
914 approval from the County Contract Manager, and such approval shall not be
915 unreasonably withheld. Carpets, Non-Compostable Paper, textiles, and
916 Prohibited Container Contaminants shall not be Collected in the Green
917 Containers. The Containers shall comply with the requirements of Section 7.5.

918 **D. Gray Container Waste Collection**

919 Contractor shall provide Gray Containers to Customers for Collection of Gray
920 Container Waste, and shall provide Gray Container Waste Collection service, as
921 described in Exhibit A of this Agreement. Contractor shall Transport the Gray
922 Container Waste to the Approved Disposal Facility, as specified in Section 6.1.
923 Contractor may allow carpets and textiles to be placed in the Gray Containers.
924 Prohibited Container Contaminants shall not be Collected in the Gray Containers. The
925 Containers shall comply with the requirements of Section 7.5.

926 **5.3 BULKY ITEMS AND REUSABLE MATERIALS COLLECTION**

927 Contractor shall offer a scheduled annual neighborhood clean-up day for Collection of
928 Bulky Items, Reusable Materials, and other materials for Single-Family Customers as
929 described in Exhibit A. Pursuant to Exhibit A, Contractor shall Transport all Bulky Items
930 and Reusable Materials Collected under this Agreement to the appropriate facility.

931 **5.4 OTHER RESIDENTIAL COLLECTION SERVICES**

932 Contractor shall provide other Collection services to Single-Family Customers in the
933 manner specified in Exhibit A.

934 **ARTICLE 6: OTHER SERVICES**

935 **6.1 TRANSFER, PROCESSING, AND DISPOSAL**

936 A. **Approved Processing Facilities.** Contractor shall Transport all Source Separated
937 Recyclable Materials and SSGCOW to the Approved Facility(ies) specified in Exhibit
938 B and shall Transfer, and Process such materials in accordance with this Section and
939 Exhibit B. The Approved Facilities shall comply with the following requirements.

940 1. **Approved Source Separated Recyclable Materials Processing Facility (Blue**
941 **Containers).** The Approved Recyclables Processing Facility shall be a Facility
942 or operation that Processes Source Separated Recyclable Materials to recover
943 materials designated for Collection in the Blue Container.

944 2. **Approved Organic Waste Processing Facility (Green Containers).** The
945 Approved Organic Waste Processing Facility shall be a Facility that Processes
946 SSGCOW to recover Source Separated Organic Waste.

947 3. **Guaranteed Capacity and Facility Standards.** The Facility Capacity Guarantor

948 of each Approved Facility (as identified in Exhibit B) shall guarantee Processing
949 capacity at the respective Approved Facility(ies) to receive all Discarded
950 Materials Collected by the Contractor throughout the Term of the Agreement, as
951 specified by material type in Exhibit B, and shall comply with Facility standards
952 specified in Exhibit B.

953 **4. Other Facility Provisions.** Exhibit B describes other Facility provisions
954 including, but not limited to, use of Alternative Facilities, contamination
955 monitoring of Discarded Materials received at the Approved Facilities,
956 emergency conditions, and more.

957 **5. Transportation and Facility Costs.** Contractor shall pay all costs for the
958 Transport, Transfer, and Processing of Discarded Materials Collected in
959 accordance with this Agreement. Contractor's compensation for such services is
960 included in the Rates charged to Customers.

961 **6. Subcontractor.** If the Contractor does not own or operate one or more of the
962 Approved Facilities for which they are the designated Facility Capacity
963 Guarantor, Contractor shall enter into a subcontract agreement with the owner
964 or operator of such Approved Facility(ies) and the requirements of Section 6.1
965 and Exhibit B shall pertain to the Subcontractor. In addition, Subcontractor
966 requirements or obligations related to indemnification (Section 11.1) and
967 insurance requirements (Section 11.2) shall apply, as well as any other
968 Subcontractor requirements or obligations stated in other sections of this
969 Agreement.

970 **B. Approved Disposal Facility.** Contractor shall Transport all Gray Container Waste
971 Collected in accordance with this Agreement to the Approved Disposal Facility(ies) as
972 specified in Exhibit B. Once Collected materials are deposited by Contractor at the
973 Approved Disposal Facility(ies), ownership of such materials shall transfer from the
974 Contractor to the County or other Facility operator. The Contractor is not responsible
975 for providing Transfer, Processing, or Disposal services unless otherwise provided in
976 Section 6.1 and Exhibit B.

977 **C. Transportation to Non-Approved Facilities Prohibited.** Contractor shall not
978 Transport Discarded Materials to any Facility other than the Approved Facility
979 designated for each material type in Table B-1 of Exhibit B. If Contractor Transports
980 Discarded Materials to a Facility other than the Approved Facility(ies) as specified in
981 Exhibit B, or an Alternative Facility, without prior County approval, Contractor's failure
982 to comply may result in assessment of Liquidated Damages pursuant to Section 12.7
983 and Exhibit C.

984 **D. Use of Alternative Facilities.** County may designate an Alternative Facility for
985 Contractor's use for a temporary or ongoing period of time. In the event that such a
986 change results in an inconsistency with Exhibit B, it shall be considered a County-

987 directed change in scope and handled in accordance with the provisions of Sections
988 4.1 and 4.4.

989 **E. Disposal of Residue.** Contractor shall direct actual or calculated County Residue
990 tonnages to the Approved Disposal Facility(ies). This requirement may be fulfilled
991 through delivery of actual County Residue tonnage, calculated offset tons, or financial
992 offsets paid to the County based upon the actual Residue tons at the current gate rate
993 at the Approved Disposal Facility.

994 **F. Payment of Facility Tipping Fees.** Contractor shall pay all tipping fees, Residue
995 surcharges, contamination Processing fees, and other costs charged by Facility
996 operator(s) of Approved Facility(ies) for acceptance and Disposal of Gray Container
997 Waste Collected in accordance with this Agreement. Contractor shall comply with the
998 Disposal fee prepayment provisions of Section 9.3.

999 **G. Cooperation with Facility Operator.**

1000 1. **Communications.** Within seven (7) days, if requested by County, the Contractor
1001 shall meet with the County and Facility operator(s) of Approved Facility(ies) to
1002 discuss issues related to the interaction of operations between Contractor and
1003 Facility operator.

1004 2. **E-Mail Communications.** The Contractor's general manager shall have e-mail
1005 capabilities to enable the Facility operator and the Contractor's general manager
1006 to communicate via e-mail. Contractor's general manager shall respond to the
1007 Facility operator's email correspondence within two (2) Business Days.

1008 3. **Coordination of Hours.** Contractor shall plan its Collector Routes to be
1009 compatible with the Approved Facility receiving hours, and shall deliver Collected
1010 materials to the Approved Facility(ies) during such receiving hours.

1011 4. **Compliance with Facility Rules.** Contractor shall cooperate with Facility
1012 operator and comply with Facility operator's requirements including: (i) how and
1013 where to unload Collection vehicles; (ii) respecting operations and construction
1014 of new facilities; and, (iii) the Facility operator's Excluded Waste screening and
1015 exclusion program. Contractor shall also comply with the waste evaluations and
1016 contamination assessment procedures and schedule provided by the Facility
1017 operator.

1018 **H. Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) Days prior to the
1019 Commencement Date, Contractor shall coordinate with the Facility operator(s) to
1020 ensure that all Collection vehicles used by Contractor to Transport Discarded
1021 Materials to Approved Facilities are weighed to determine unloaded ("tare") weights.
1022 Contractor shall work with Facility operator(s) to electronically record the tare weight,
1023 identify vehicle as Contractor's, and provide a distinct vehicle identification number for
1024 each vehicle. Contractor shall provide County with a report listing the vehicle tare
1025 weight information upon request. Contractor shall promptly coordinate with Facility

operator to weigh additional or replacement Collection vehicles prior to Contractor placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) days of a County request, and shall re-tare vehicles immediately after any significant vehicle changes or maintenance service. County will cooperate with any reasonable request by Contractor for re-taring at Approved Facilities for which County is the Facility Capacity Guarantor.

I. **Records and Investigations.** Contractor shall maintain accurate records of the quantities of Discard Materials Transported to and Accepted at the Approved Facility(ies) and shall cooperate with County and any regulatory authority in any audits or investigations of such quantities.

6.2 CONTAINER MONITORING

6.2.1 Container Monitoring Procedures

A. **General.** This Section presents inspection method(s) for Prohibited Container Contaminants and Overages to be used by the Contractor in conducting Container monitoring required by Section 6.2. Upon request from the Contractor, County may approve use of other CalRecycle-approved methods of contamination monitoring.

B. Container Inspection Methods.

Visual Inspection via Remote Monitoring.

a. Contractor shall install camera equipment on collection vehicles and use a cloud-based software that will enable Contractor to monitor and examine the contents of Single-Family Containers using digital photographic images. The digital images shall be maintained and accessible for examination through the Contractor's cloud-based software platform. Contractor will perform remote monitoring for purposes of SB 1383 route reviews, contamination/Prohibited Container Contaminants monitoring, and overage monitoring.

b. Upon finding Prohibited Container Contaminants or Overages in a Container, Contractor shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 6.2.1.C, as applicable.

C. Actions upon Identification of Prohibited Container Contaminants or Overages.

1. **Record Keeping.** The driver or other Contractor representative shall record each event of identification of Prohibited Container Contaminants or Overage in a written log, in the on-board computer system, or other County-approved record keeping system, including date, time, Customer's address, type of Container (Blue, Green, or Gray Container); and maintain photographic evidence, if required. Contractor shall submit this record to the Contractor's Customer service department, and Contractor's Customer service department shall update the

Customer's account record to note the event, if the documentation if the on-board computer system did not automatically update the Customer's account record.

2. **Identification of Excluded Waste.** If Contractor's personnel observe Excluded Waste in an uncollected Container, the Contractor's personnel shall issue a non-Collection notice for this Container in accordance with Section 6.2.1.C.5 and shall not Collect the Discarded Materials that contain Excluded Waste. Contractor's personnel shall record that observation in accordance with Section 6.2.1.C.1 and immediately inform their route supervisor. Contractor shall follow protocols specified in Sections 6.2.1.C.5 and 6.2.1.C.6. The route supervisor shall investigate and initiate applicable action within one (1) Business Day or sooner if the Hazardous Waste may cause immediate danger.
3. **Courtesy Pick-Up Notices.** Upon identification of Prohibited Container Contaminants in a Customer's Blue or Green Container or Overages in a Customer's Blue, Green, or Gray Container, Contractor shall provide the Customer a courtesy pick-up notice. The courtesy pick-up notification shall: (i) inform the Customer of the observed presence of Prohibited Container Contaminants or Overage; (ii) include the date and time the Prohibited Container Contaminants or Overages were observed; (iii) include information on the Customer's requirement to properly separate materials into the appropriate Containers, and the accepted and prohibited materials for Collection in the Blue Container, Green Container, and/or Gray Container; (iv) inform the Customer of the courtesy pick-up of the contaminated materials or Container with Overage on this occasion with information that further instances (See guidance in subsection C.4 below) may subject the Customer to contamination Processing fees or the issuance of a non-Collection notice; and, (v) shall include photographic evidence. Contractor shall attach the courtesy pick-up notice to the Generators' contaminated or Overage Containers or by other communication within fourteen (14) days after determining that a violation has occurred.

Contractor shall Collect the contaminated Source Separated Recyclable Materials or SSGCOW and Transport the material to the appropriate Approved Facility for Processing; or, Contractor may Collect the contaminated materials with Gray Container Waste and Transport the contaminated materials to the appropriate Approved Facility for Disposal or Processing.
4. **Notice of Contamination Processing Fees.** If the Contractor observes Prohibited Container Contaminants in a Generator's Container on more than three (3) consecutive occasions and properly issues courtesy pick-up notices on each of those occasions, or otherwise observes Prohibited Container Contaminants in a Generator's Container on six (6) total occasions in any twelve (12) month period, the Contractor may impose a contamination Processing fee of 25% of service level provided (which will be adjusted annually pursuant to Article 10). Contractor shall notify the County in its monthly report of Customers for which contamination Processing fees were charged. Contractor shall leave a

1106 contamination Processing fee notice attached to or adhered to the Generators'
1107 contaminated Containers or by other communication within fourteen (14) days
1108 after determining that a violation has occurred. The contamination Processing
1109 fee notice shall describe the specific material(s) of issue, explain how to correct
1110 future set outs, and indicate that the Customer will be charged a contamination
1111 Processing fee on its next bill. The format of the contamination Processing fee
1112 notice shall be approved by the County Contract Manager.

1113 Contractor shall Collect the contaminated Source Separated Recyclable
1114 Materials or SSGCOW and Transport the material to the appropriate Approved
1115 Facility for Processing.

1116 5. **Non-Collection Notices.** Upon identification of Prohibited Container
1117 Contaminants or Overage in a Container in excess of standards agreed upon by
1118 the Parties or Excluded Waste, Contractor shall provide a non-Collection notice
1119 to the Generator. The non-Collection notice shall, at a minimum: (i) inform the
1120 Customer of the reason(s) for non-Collection; (ii) include the date and time the
1121 notice was left or issued; (iii) describe the premium charge to Customer for
1122 Contractor to return and Collect the Container after Customer removes the
1123 Contamination or Overage; and, (iv) provide a warning statement that a
1124 contamination Processing fee or increased Service Level may be assessed if
1125 Prohibited Container Contaminants or Overages are observed on more than
1126 three (3) consecutive occasions. The non-Collection notice shall include
1127 photographic evidence of the violation(s).

1128 The Contractor's notice of non-Collection may be left attached to or adhered to
1129 the Generator's Container, or at the Premises' door or gate at the time the
1130 violation occurs, or subject to County's approval, may be delivered by mail, e-
1131 mail, text message, or other electronic message.

1132 Contractor shall submit a sample of its non-Collection notice to the County
1133 Contract Manager for approval prior to implementing use of it with Customers.

1134 6. **Communications with Customer.** Whenever a Container at the Premises of a
1135 Customer is not Collected, Contractor shall contact the Customer on the
1136 scheduled Collection day or within twenty-four (24) hours of the scheduled
1137 Collection day by telephone, email, text message, or other verbal or electronic
1138 message to explain why the Container was not Collected. Whenever a Container
1139 is not Collected because of Prohibited Container Contaminants or Overage, a
1140 Customer service representative shall contact the Customer to discuss, and
1141 encourage the Customer to adopt proper Discarded Materials preparation and
1142 separation procedures.

1143 7. **Contractor Return for Collection.** Upon request from Customer, Contractor
1144 shall Collect Containers that received non-Collection notices within one (1)
1145 Working Day of Customer's request if the request is made at least two (2)
1146 Working Days prior to the regularly scheduled Collection Day. Contractor shall

1147 bill Customer for the extra Collection service event ("extra pick-up") at the
1148 applicable County-approved Rates only if Contractor notifies Customer of the
1149 premium Rate for this service at the time the request is made by Customer.

1150 8. **Chronic Overage or Contamination of Materials.** In the event that, in the
1151 Contractor's discretion, a Generator repeatedly and frequently places Prohibited
1152 Container Contaminants in any Container, overloads any Container, or otherwise
1153 abuses the services described in this Agreement, Contractor shall notify the
1154 County. If such Generator is located within a Mandatory Service Area, the County
1155 reserves the right to require the Generator to subscribe to an increased Service
1156 Level. If the Generator is located outside of a Mandatory Service Area, County
1157 may authorize the Contractor to stop service to that Generator. Contractor may,
1158 in Contractor's discretion, require payment of one billing cycle's service in
1159 advance of providing service to any Customer whose service has been
1160 previously discontinued due to chronic contamination or Overage. Contractor
1161 shall not require Service Level changes or stop service to any Generator in
1162 accordance with this Section without the prior written approval of the County.

1163 D. **Disposal of Contaminated Materials.** If the Contractor observes Prohibited
1164 Container Contaminants in a Generator's Container(s), Contractor may Dispose of the
1165 Container's contents, provided Contractor complies with the noticing requirements in
1166 Section 6.2.1.C.5 above.

1167 6.2.2 Contamination Monitoring

1168 A. Collector Route Review Contamination Monitoring by Contractor

1169 1. Methodology and Frequency

1170 Contractor shall, at its sole expense, conduct Collector Route reviews for
1171 Prohibited Container Contaminants in Collection Containers in a manner that is
1172 deemed safe by the Contractor; is approved by the County; and, is conducted in
1173 a manner that results in all Collector Routes being reviewed annually or more
1174 frequently.

1175 Contractor shall develop a Collector Route review methodology to accomplish
1176 the above Container inspection requirements and such methodology shall
1177 comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall
1178 submit its proposed Collector Route review methodology for the coming year to
1179 the County no later than January 15 of each year describing its proposed
1180 methodology for the calendar year and schedule for performance of each
1181 Collector Route's annual review. County will review and approve the proposed
1182 methodology. Contractor may commence with the proposed methodology upon
1183 approval.

1184 If the County and/or CalRecycle notifies the Contractor that the methodology is
1185 inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor

1186 shall, at its sole expense, revise the methodology and, after obtaining County or
1187 CalRecycle approval, conduct additional Collector Route reviews, increased
1188 Container inspections, or implement other changes using the revised procedure.
1189 If the Contractor's proposed methodology meets the requirements of 14 CCR
1190 Section 18984.5(b), but has been deemed inadequate by the County, the
1191 Contractor shall, at the expense of the County, revise the methodology and
1192 implement the necessary changes using the revised procedure.

1193 The County's Contract Manager may request, and Contractor shall accept,
1194 modifications to the schedule to permit observation of the Collector Route
1195 reviews by the County. In addition, Contractor shall provide an email notice to
1196 the County's Contract Manager no less than ten (10) Working Days prior to each
1197 scheduled Collector Route review that includes the specific time(s), which shall
1198 be within the County's normal business hours, and location(s).

1199 **2. Noticing of Generators with Contamination, Non-Collection, and Disposal
1200 of Materials.**

1201 Upon finding Prohibited Container Contaminants in a Container, Contractor shall
1202 follow the contamination noticing procedures and contaminated Container
1203 handling protocols set forth in Sections 6.2.1.C.

1204 **3. Reporting Requirements.**

1205 Contractor shall maintain records and report to the County on contamination
1206 monitoring activities and actions taken, in accordance with Exhibit D.

1207 **6.3 EDUCATION AND OUTREACH**

1208 **A. General.** In order to promote public education, Contractor shall create all public
1209 education materials and conduct education programs and activities described in this
1210 Section at its expense.

1211 **B. Program Objectives.** Contractor's public education and outreach strategy shall focus
1212 on improving Generators' understanding of the benefits of and opportunities for source
1213 reduction, Reuse, and Landfill Disposal reduction. In general, Contractor-provided
1214 public education and outreach, which shall include all content required by this Section
1215 6.3, should: (i) inform Generators about the services that are provided under this
1216 Agreement with specific focus on describing the methods and benefits of source
1217 reduction, Reuse, and reduction of Solid Waste Disposal; (ii) instruct Generators on
1218 the proper method for placing materials in Containers for Collection and setting
1219 Containers out for Collection with specific focus on minimizing contamination of
1220 Source Separated Recyclable Materials and SSGCOW; (iii) clearly define Excluded
1221 Waste and educate Generators about the hazards of such materials and their
1222 opportunities for proper handling; (iv) discourage Generators from buying products if
1223 the product and its packaging are not readily reusable, recyclable, or compostable; (v)
1224 encourage the use of Compost; and, (vi) encourage Generators to purchase

1225 products/packaging made with Recycled-content materials. The cumulative intended
1226 effect of these efforts is to reduce each Generator's reliance on Contractor-provided
1227 Gray Container Waste service and, ultimately, Disposal, and Contractor agrees to
1228 support and not undermine or interfere with such efforts

1229 **C. Contractor Cooperation and/or Support for County Educational Efforts.**
1230 Contractor acknowledges that they are part of a multi-party effort to operate and
1231 educate the public about the integrated waste management system. Contractor shall
1232 cooperate and coordinate with the County Contract Manager on public education
1233 activities to minimize duplicative, inconsistent, or inappropriately timed education
1234 campaigns.

1235 Contractor shall obtain approval from the County Contract Manager on all Contractor-
1236 provided public education materials including, but not limited to: print, radio, television,
1237 or internet media before publication, distribution, and/or release. County shall have
1238 the right to request that Contractor include County identification and contact
1239 information on public education materials and approval of such requests shall not be
1240 unreasonably withheld. The County reserves the right to direct the Contractor to
1241 modify the education and outreach program at any time.

1242 **D. Annual Education Plan.** Annually, Contractor shall develop and submit an annual
1243 public education plan to promote the programs performed by Contractor under this
1244 Agreement. The annual public education plan shall present the education activities for
1245 the upcoming calendar year and shall be submitted with the Contractor's annual report
1246 in accordance with Exhibit D. Each public education plan shall specify the target
1247 audience for services provided, include upcoming promotions for ongoing and known
1248 special events, identify program objectives, individual tasks, public education
1249 materials to be developed or updated, opportunities for expanded partnerships, and a
1250 timeline for implementation. The County Contract Manager shall be permitted to
1251 provide input on each annual public education plan, and the plan shall not be finalized
1252 or implemented without approval of the County Contract Manager. Each plan's
1253 implementation success shall be measured according to the deadlines identified and
1254 products developed. Contractor shall meet with the County Contract Manager to
1255 present and discuss the plan. County Contract Manager shall be allowed up to thirty
1256 (30) days after receipt to review and request modifications. The County Contract
1257 Manager may request, and Contractor shall not unreasonably deny, modifications to
1258 be completed prior to approving the plan. Contractor shall have up to fifteen (15)
1259 Business Days to revise the plan in response to any requested changes by the County
1260 Contract Manager. Any further delays may result in Liquidated Damages for failure to
1261 perform education and outreach activities as identified in Exhibit C. Each Business
1262 Day that the plan is late shall count as a single event/activity.

1263 **E. Education Requirements during Program Implementation/Roll-Out.**

1264 During the first six (6) months following the Effective Date of this Agreement,
1265 Contractor shall conduct an education campaign focused on informing Customers of
1266 the Collection programs described in Section 5.2, highlighting changes from prior

1267 Collection service programs. At a minimum, Contractor shall perform the activities
1268 listed below and shall perform these services in a manner that complies with
1269 requirements of this Section 6.3 and 14 CCR, Division 7, Chapter 12, Article 4.

- 1270 1. Prepare and distribute an initial mailer to all Customers explaining the changes
1271 from the existing Collection programs to new programs, Collector Route
1272 changes, dates of program implementation, Recycling and Landfill Disposal
1273 reduction programs available, special services available, holiday Collection
1274 schedules, proper handling and disposal of Household Hazardous Waste,
1275 Contractor's contact information, and any additional education and outreach
1276 information specified in 14 CCR, Division 7, Chapter 12, Article 4. The initial
1277 mailer shall be printed and mailed or hand delivered to Customers, and shall also
1278 be made available in an electronic format through the Contractor's website.
1279 Contractor may provide a Customer with an electronic version of the initial mailer,
1280 rather than a printed version, if specifically requested by the Customer.
- 1281 2. Prepare a "how-to" flyer describing how to prepare Source Separated Recyclable
1282 Materials, SSGCOW, and Gray Container Waste for Collection and describe the
1283 acceptable materials that can be included in the Blue and Green Containers, as
1284 well as non-allowable materials. The flyer should emphasize any new types of
1285 Source Separated Recyclable Materials to be included in Blue Containers and
1286 the new SSGCOW Collection program. The flyers shall be printed and distributed
1287 to each Customer, as well as made available in an electronic format through the
1288 Contractor's website. Contractor may provide a Customer with an electronic
1289 version of the flyer rather than a printed version, if specifically requested by the
1290 Customer.
- 1291 3. Prepare and distribute public service announcements (PSA) for local
1292 newspapers and/or other targeted media.
- 1293 4. All education material designed and/or distributed by the Contractor shall be
1294 submitted to the County Contract Manager for approval prior to distribution or
1295 posting on the Contractor's website.

1296 **F. Annual and/or Ongoing Education Requirements.**

1297 1. **Specific Annual Educational Activities**

- 1298 a. Annual Notice of Requirements. Not less than once per year during each
1299 Rate Year, Contractor shall prepare and distribute to each Customer a
1300 mailer that includes information specified in 14 CCR Section 18985.1(a).
1301 Such mailer shall be distributed by Contractor to all Single-Family
1302 Generators. Contractor shall also make this notice available in an
1303 electronic format through the Contractor's website.
- 1304 b. Billing Inserts. Upon County request, and no more than twice per year,
1305 Contractor agrees to insert and distribute brochures, newsletters, or other

1306 information developed by the County as inserts in Contractor's Customer
1307 invoices at no additional charge to the County. Upon County request,
1308 Contractor shall be responsible for printing the bill inserts. For Customers
1309 receiving electronic bills, Contractor agrees to distribute brochures,
1310 newsletters, or other information developed by the County as attachments
1311 to Customer invoices at no additional charge to the County. Contractor
1312 shall provide electronic bill inserts (or separate email attachments) to
1313 Customers who are billed electronically, and paper bill inserts to
1314 Customers who receive paper bills. Electronic bill inserts/attachments must
1315 be readily available for the Customer to view upon receipt of the invoice
1316 (attachments shall not be provided as links). Upon County request for such
1317 inserts, Contractor shall comply with such request during its next billing
1318 cycle for the targeted Customer group. Contractor shall perform this
1319 service with no additional requirement for compensation. If the County shall
1320 wish to do more than two inserts/distribution per year, it may require the
1321 Contractor to do so but Contractor shall be entitled to reimbursement from
1322 the County in such event.

- 1323 c. Minimum Website Requirements. Contractor shall develop and maintain a
1324 website (with a unique URL specific to the County) that is specifically
1325 dedicated to the County to provide Generators with detailed service
1326 information. The website or webpage shall be accessible by the public, and
1327 shall include all education and outreach materials being provided, without
1328 requirement for login. Contractor shall update the website regularly so that
1329 information provided is current.
- 1330 d. Instructional Service Guide. Contractor shall prepare a service guide that
1331 describes available services, including how to place Containers for
1332 Collection, which materials should be placed in each Container and
1333 prohibited materials, and provides Collection holidays and a Customer
1334 service phone number. The service guide shall be printed and delivered
1335 with each set of Containers distributed to a Generator and shall be
1336 delivered annually to all Generators. Upon County request, Contractor
1337 shall, at its sole expense, revise, re-print, and redistribute service guides
1338 once every three (3) years or at least ninety (90) days prior to a change in
1339 the accepted or prohibited materials for any program. Contractor shall
1340 make the service guide available in an electronic format through the
1341 Contractor's website. Contractor may provide an electronic version of the
1342 instructional service guide rather than a printed version, if requested by the
1343 Customer.
- 1344 e. Provision of Educational Materials to Non-Compliant Entities. Contractor
1345 shall provide educational materials to non-compliant entities under this
1346 Agreement.

1347 G. **Minimum Content Requirements.** Contractor shall include the following education
1348 and outreach content to Customers by incorporation of this content into the public
1349 education materials described in Section 6.3.F.

- 1350 1. Information on the Generator's requirements to properly separate Source
1351 Separated Recyclable Materials, SSGCOW, and Gray Container Waste and
1352 place such materials in appropriate Containers pursuant to this Agreement, SB
1353 1383 Regulations, and all other Applicable Law.
- 1354 2. Information on methods for the prevention of Source Separated Recyclable
1355 Materials and SSGCOW generation; managing SSGCOW on Generator's
1356 Premises through composting or other Landfill Disposal reduction activities
1357 allowed under 14 CCR Sections 18983.1 and 18983.2; sending SSGCOW to
1358 Community Composting operations; and any other local requirements regarding
1359 Discarded Materials.
- 1360 3. Information regarding the methane reduction benefits of reducing the Disposal of
1361 SSGCOW, and the method(s) that the Contractor uses to recover SSGCOW.
- 1362 4. Information regarding how to recover Source Separated Recyclable Materials,
1363 SSBCOW, and SSGCOW.
- 1364 5. Information related to the public health and safety and environmental impacts
1365 associated with the Disposal of SSGCOW and SSBCOW.
- 1366 6. Information regarding Self-Hauling requirements for Generators located outside
1367 of Mandatory Service Areas.
- 1368 7. Any other federal, State, or local requirements to properly separate Discarded
1369 Materials or other necessary actions by Generators, including applicable
1370 requirements of the County Code, SB 1383 and corresponding regulations.

1371 H. **Material Distribution Methods**

1372 Contractor shall use the following methods to provide education information to
1373 Customers. All materials are to be approved by the County prior to distribution.

- 1374 1. **Printed materials.** Contractor shall provide printed education materials as
1375 described in Sections 6.3.E and 6.3.F. The Contractor shall be responsible for
1376 the design, printing, and distribution of these materials. All Contractor-printed
1377 public education materials shall, at a minimum, use recycled paper and/or be
1378 made of recycled material. The Contractor will use 30% post-consumer paper if
1379 available, if not the maximum post-consumer content available, and procure
1380 printed materials from local businesses whenever possible.
- 1381 2. **Electronic materials and website content.** Contractor shall provide electronic
1382 and website content for education and outreach materials, which may include,

1383 but are not limited to: digital graphics, digital versions of print materials, social
1384 media posts, and blog posts. The Contractor shall be responsible for the design,
1385 posting, and electronic distribution of these materials.

1386 **I. Non-English Language Requirements**

1387 The Contractor shall make all public education and outreach materials required by this
1388 Section available in English and Spanish.

1389 Upon County request, Contractor shall provide materials in additional languages
1390 beyond those specified in this Section in response to shifting demographics within the
1391 County; updates to State requirements or Applicable Law; or, any other reason
1392 deemed appropriate by the County.

1393 **J. Record Keeping and Reporting Requirements**

1394 Contractor shall comply with the public education and outreach record keeping and
1395 reporting requirements of Exhibit D.

1396 **K. Personnel**

1397 A representative of the Contractor who is knowledgeable of County Service Area C,
1398 services provided under this Agreement, and Rates shall be available from 8 a.m. to
1399 5 p.m. Monday through Friday to communicate with the public by telephone.
1400 Contractor shall maintain a local or toll-free telephone number which it shall publicize.
1401 Annually, and upon hiring of new staff, the Contractor is required to conduct thorough
1402 training of all Customer service representatives who may respond to Generator calls
1403 regarding Contractor's Collection services and SB 1383 Regulatory requirements.
1404 Customer service representatives shall accurately communicate program
1405 requirements and the accepted and prohibited materials for each material stream for
1406 each Customer type. New Customer service representatives shall not be assigned to
1407 the County prior to completing SB 1383 Regulations training. The County reserves the
1408 right to require changes to the call routing process and the training and qualifications
1409 for Customer service representatives assigned to the County if a pattern of inaccurate
1410 information provision is observed. Customer service representatives will be located in
1411 San Joaquin County.

1412 Annually, and upon hiring of new staff, Contractor shall conduct thorough training of
1413 all Collector Route personnel that come into contact with Generators on the Collection
1414 program requirements and the accepted and prohibited materials for each material
1415 stream for each Customer type.

1416 **6.4 BILLING**

1417 **A. General Billing Requirements**

1418 1. **Contractor Responsible.** Contractor shall bill all Customers and be responsible
1419 for collecting payment from Customers. Billing shall be performed on the basis

1420 of services rendered and this Agreement shall create no obligation on the part of
1421 any Person on the sole basis of the Ownership of property. Individual contracts
1422 between Contractor and a Customer for services provided under this Agreement
1423 shall be prohibited unless otherwise approved in writing by the County Contract
1424 Manager on a case-by-case basis. Notwithstanding the foregoing, the Franchise
1425 Fee and the Management Fee shall be based only on Gross Receipts actually
1426 collected by the Contractor and shall not reflect any delinquent accounts, bad
1427 debts or other uncollected amounts.

1428 2. **Frequency.** Contractor shall bill all Single-Family Customers quarterly in
1429 advance of services provided. Contractor shall bill Customers for any on-call
1430 and/or non-recurring services no more frequently than monthly and shall only bill
1431 for services provided during the previous billing period. Contractor shall remit
1432 invoices to Customers no earlier than the twentieth (20th) day of the month
1433 preceding the period for which service is being billed. Quarterly billing shall be
1434 on the calendar quarter (January-March, April-June, July-September, and
1435 October-December).

1436 3. **Bill Format.** Contractor shall bill Customers electronically using paperless
1437 invoices; however, Contractor shall bill Customers who decline or are otherwise
1438 unable to provide email contact information by standard mail, using standard
1439 (paper) invoices. Contractor shall permit Customers the ability to pay their bills
1440 through an electronic check or credit card and include the ability for Customer
1441 billings to be automatically charged on a recurring basis. Contractor shall prepare
1442 and mail bills and collect payments from Customers who decline to use such
1443 internet-based billing system. Contractor shall make arrangements to allow such
1444 Customers to pay bills by cash, check, electronic check, money order, and credit
1445 card.

1446 4. **Bill Inserts.** Contractor shall include bill inserts in accordance with Section 6.3.

1447 5. **Records.** Contractor shall maintain copies of all billings and receipts, each in
1448 chronological order, for the Term of this Agreement, for inspection and
1449 verification by the County Contract Manager at any reasonable time, but in no
1450 case more than thirty (30) calendar days after receiving a request to do so.

1451 6. **Non-Payment and Bad Debt.**

1452 (a) **Mandatory Service Areas.** Contractor shall continue to provide Collection
1453 service to Single-Family Customers in Mandatory Service Areas in the
1454 event of nonpayment. Contractor shall notify the Director of all Customers
1455 in Mandatory Service Areas with payments for Base Services including
1456 Contamination Fees allowed to be imposed related to contaminated Base
1457 Services Containers but only as described and in strict accordance with
1458 Section 6.2.1.C.4 which are sixty (60) days or more past due. Once each
1459 calendar year during the Term of this Agreement, County shall reimburse
1460 Contractor, either by direct payment or by application of a credit against

1461 fees due County from Contractor pursuant to this Agreement, for the full
1462 amount of delinquent Base Services payments from Customers in
1463 Mandatory Service Areas. County shall have no obligation to reimburse
1464 Contractor for delinquent charges of any type outside of Base Services from
1465 Customers in Mandatory Service Areas. In the event such delinquent
1466 Customer pays Contractor after notification to County but before
1467 reimbursement by County, Contractor shall notify County of such payment,
1468 and County shall deduct from any reimbursement due the amount of such
1469 payment.

1470 (b) **Non-Mandatory Service Areas.** Contractor shall be responsible for
1471 collection of payment from Customers with past due accounts ("bad debt")
1472 outside of Mandatory Service Areas. Contractor may make reasonable
1473 efforts to obtain payment from such delinquent accounts through issuance
1474 of late payment notices, telephone requests for payments, and assistance
1475 from collection agencies. Contractor may deny services to any Customer
1476 who, after thirty (30) days from written demand therefore, has any amount
1477 due to Contractor for services rendered prior to such demand. Contractor
1478 may, in Contractor's discretion, require payment of one billing cycle's
1479 service in advance of providing service to new Customers or to any
1480 Customer whose service has been previously discontinued due to
1481 nonpayment.

1482 **B. Rates.** Contractor shall bill Customers and collect Customer payments at Rates not
1483 to exceed the County-approved maximum Rates.

1484 **C. Application of Contamination Surcharges.** In accordance with Section 6.2.1.C.4,
1485 the Contractor shall assess contamination Processing fees on Customers with
1486 repeated occurrences of excess Prohibited Container Contaminants. Any
1487 contamination Processing fees to be assessed for a Customer shall be included and
1488 itemized on the Customer's invoice for the billing period in which the Contractor
1489 notified the Customer of the assessment of the contamination Processing fee.

1490 **D. Universal Enrollment Process.** County requires that Single-Family Generators in
1491 Mandatory Service Areas are enrolled in Collection services pursuant to County Code
1492 Section 5-2404. Single-Family Generators located in Service Area C, but outside of
1493 Mandatory Service Areas who do not obtain a Generator waiver pursuant to Section
1494 6.5 must also enroll in Collection services with Contractor as provided in this
1495 Agreement.

1496 Contractor shall assist the County in ensuring that the enrollment of Generators occurs
1497 in a timely and efficient manner. At least two (2) times per year, Contractor shall
1498 reconcile and confirm universal enrollment of Generators by comparing its Customer
1499 list to parcel information and calculating the percentage of total Generators enrolled
1500 in County's Collection program. As part of this analysis, Contractor shall provide the
1501 County with a summary of any discrepancies found between the Customer list and
1502 parcel information, including the names and addresses of all Generators that were

1503 found to be the subject of a discrepancy. In accordance with Exhibit D, Record
1504 Keeping and Reporting, Contractor shall maintain records and provide reports on the
1505 Generators' Service Level and list of non-enrolled Generators, and other information
1506 necessary for the County to verify the universal enrollment of Generators.

1507 **6.5 GENERATOR WAIVERS**

1508 County may grant waivers to Generators that impact the scope of Contractor's provision
1509 of service for those Customers (including, but not limited to Self-Haul waivers to
1510 Generators outside of Mandatory Service Areas). Waivers issued shall be subject to
1511 compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section
1512 18984.11, County Code Sections 5-2980 or 5-2984 or other requirements specified by
1513 the County.

1514 Upon Contractor request, no more than two (2) times per year, the County shall provide
1515 Contractor an updated listing of waivers approved by the County, including the
1516 Generators' names, mailing address, service address, and type of waiver.

1517 **6.6 INSPECTION AND ENFORCEMENT**

1518 A. Annual Compliance Reviews

- 1519 1. **General.** Contractor shall annually perform compliance reviews described in this
1520 Section, unless otherwise noted.
- 1521 2. **Annual Collector Route Review.** Contractor shall conduct annual Hauler Route
1522 reviews of Single-Family Generators for compliance with the County's Discarded
1523 Materials Collection program and Container contamination monitoring. These
1524 Collector Route reviews may be performed concurrently with the contamination
1525 monitoring Collector Route reviews, provided that Contractor documents a
1526 reasonable sampling of Generators for which compliance with the County's
1527 Discarded Materials Collection program during the Collector Route review was
1528 assessed.

1529 B. Compliance Review Process

- 1530 1. **Number of Reviews.** The Contractor shall conduct a sufficient number of
1531 Collector Route reviews and inspections of Generators to adequately determine
1532 the Generators' overall compliance with SB 1383 Regulations, and Sections 5-
1533 2985 and 5-2986 of the County Code. County reserves the right to require
1534 additional inspections, if the County determines that the amount of inspections
1535 conducted by the Contractor is insufficient. County may require the Contractor to
1536 prioritize inspections of entities that the County determines are more likely to be
1537 out of compliance.
- 1538 2. **Non-Compliant Entities.** Contractor shall provide educational materials in
1539 response to violations to the non-compliant Customers and Generators within
1540 ten (10) days of determination of non-compliance or immediately upon

1541 determination of non-compliance if such non-compliance is determined during an
1542 inspection or Collector Route review. Contractor shall document the non-
1543 compliant Customers and Generators and the date and type of education
1544 materials provided, and shall report such information to the County in accordance
1545 with Exhibit D. The County shall be responsible for subsequent enforcement
1546 action against the Generators.

1547 3. **Documentation of Inspection Actions.** The Contractor shall generate a written
1548 and/or electronic record and maintain documentation for each inspection,
1549 Collector Route review, and compliance review conducted, including the
1550 information described in Exhibit D.

1551 **6.7 SERVICE COMPLAINTS**

1552 A. **Documentation of Complaints.** The Contractor agrees to maintain a computer
1553 database log of all oral and written complaints received by Contractor from Customers
1554 or other Persons. Contractor shall be responsible for the prompt and courteous
1555 attention to, and prompt and reasonable resolution of, all Customer complaints.
1556 Contractor agrees to document and maintain for a period of at least twelve (12) months
1557 on a form or log all Complaints registered by Customers and Persons, in accordance
1558 with this Section and Exhibit D. For complaints received in which the Person alleges
1559 that an entity is in violation of SB 1383 Regulations, Contractor shall notify the County
1560 and proceed in accordance with Section 6.7.B.

1561 B. **Investigation of SB 1383 Regulatory Non-Compliance Complaints.** County shall
1562 notify Contractor of any complaints received for alleged SB 1383 violations by
1563 Generators within Contractor's service area. Within thirty (30) calendar days of
1564 receiving notice of a complaint, Contractor shall provide County with requested
1565 information related to the alleged violation, including but not limited to the following:
1566 the subscribed Service Level of the entity that may not be compliant with SB 1383
1567 Regulations; confirmation of whether the potentially non-compliant entity has been
1568 approved for a Generator waiver in accordance with Section 6.5; and, a
1569 recommendation to County on whether or not the entity is in violation of SB 1383
1570 Regulations. Upon request by County, Contractor shall also inspect the Premises of
1571 the entity identified by the complainant, and/or contact the entity to gather more
1572 information. Contractor is not required to investigate complaints against Food
1573 Recovery Organizations or Food Recovery Services. The County shall make a final
1574 determination of the allegations against the entity.

1575 **6.8 NON-DISCRIMINATION IN PROVISION OF SERVICE**

1576 Contractor shall not discriminate in the provision of service or the employment of Persons
1577 engaged in performance of this Agreement on account of race, religious creed, color,
1578 national origin, ancestry, physical handicap, medical condition, marital status, or sex of
1579 such Persons or as otherwise prohibited by law or regulation. Contractor's rates, fees, or
1580 charges for all services rendered pursuant to this Agreement shall be non-discriminatory
1581 and uniform for equal services rendered.

ARTICLE 7: STANDARDS OF PERFORMANCE

1583 7.1 GENERAL

1584 Contractor shall at all times comply with Applicable Laws, hold all permits, licenses and/or
1585 other documents or approvals required for the lawful provision of service under this
1586 Agreement, and provide services in a manner that is safe to the public and the
1587 Contractor's employees. Except to the extent that a higher performance standard is
1588 specified in this Agreement, Contractor shall perform services in accordance with
1589 Discarded Materials management practices common to California.

1590 7.2 OPERATING HOURS AND SCHEDULES

1591 A. **Hours of Collection.** Unless otherwise authorized by the County Contract Manager,
1592 Contractor's days and hours for Collection operations shall only occur between the
1593 hours of 6:00 a.m. and 6:00 p.m., Monday through Friday.

1594 B. **Holiday Collection Schedule.** Contractor, at its sole discretion, may choose not to
1595 provide Collection services on a holiday. In such event, Contractor shall provide
1596 Collection services on the day following the holiday thereby adjusting subsequent
1597 work that week; however, Customer service days shall be returned to the normal
1598 schedule within one (1) week of the holiday. The Contractor shall provide Customers
1599 notice of holiday-related changes in Collection schedules at least two (2) weeks prior
1600 to the change.

1601 7.3 COLLECTION STANDARDS

1602 A. **Servicing Containers.** Contractor shall pick up and return each Container to the
1603 location where the Generator properly placed the Container for Collection. Contractor
1604 shall place the Containers upright with lids properly secured.

1605 Contractor, at the request of Customers, may provide special services including: (i)
1606 unlocking Containers; (ii) accessing Container enclosures with a key; or, (iii) pulling or
1607 pushing Containers to the Collection vehicle.

1608 B. **Litter Abatement.** Contractor shall use due care to prevent spills or leaks of material
1609 placed for Collection, fuel, and fluids while providing services under this Agreement.
1610 If any materials are spilled or leaked during Collection and Transportation, the

1611 Contractor shall clean up all spills or leaks before leaving the site of the spill, unless
1612 such spillage/leakage is the result of overloaded Containers.

1613 Contractor shall not transfer loads from one vehicle to another on any public street,
1614 unless it is necessary to do so because of mechanical failure, hot load (combustion of
1615 material in the truck), or accidental damage to a vehicle.

1616 Contractor shall cover all open Drop Boxes at the pickup location before Transporting
1617 materials to the Approved Facility.

1618 **C. Noise.** All Collection operations shall be conducted as quietly as possible and shall
1619 conform to applicable Federal, State, and County noise level regulations. The County
1620 may conduct random checks of noise emission levels to ensure such compliance.

1621 **7.4 COLLECTION VEHICLE REQUIREMENTS**

1622 **A. General Requirements.** All vehicles used by the Contractor in providing Discarded
1623 Materials services shall be registered with the California Department of Motor Vehicles
1624 and shall meet or exceed all legal standards including, but not limited to, 14 CCR
1625 Section 17341 et seq. Collector agrees to maintain all of its Collection vehicles in
1626 compliance with the provisions of Applicable Law and regulations, including but not
1627 limited to the California Vehicle Code and County Code. Collector's vehicle shall carry
1628 a shovel, broom, and fire extinguisher and shall be equipped with an audible automatic
1629 back up or other acceptable warning devices.

1630 The County and Contractor agree that Contractor's obligations and/or scope of
1631 services under this Agreement exclude any existing requirements regarding the future
1632 conversion of fleets, or any part thereof, to Zero-emissions (ZEV) or Near-zero-
1633 emissions (NZEV) vehicle(s) or the future acquisition, hiring or use of ZEVs or NZEVs
1634 under Applicable Law, including without limitation Sections 2015 et seq. of Title 13 of
1635 the California Code of Regulations. Should such existing Applicable Law apply to any
1636 Contractor's vehicles used in the provision of services under this Agreement during
1637 the Term, then the County and Contractor agree to meet and confer in good faith to
1638 amend this Agreement to incorporate provisions and obligations reasonably
1639 necessary to comply with such Applicable Law, and Contractor shall be entitled to a
1640 Service Rates adjustment in accordance with Section 10.2 for such change in
1641 Contractor's obligations and/or scope of services under this Agreement.

1642 **B. Vehicle Identification.** Contractor's name, local telephone number, and a unique
1643 vehicle identification number designed by Contractor for each vehicle shall be painted
1644 (in letters at least three (3) inches high) on each side of each vehicle.

1645 **C. Cleaning and Maintenance:**

1646 1. General. Contractor shall maintain all of its properties, facilities, and equipment
1647 used in providing service under this Agreement in a safe, neat, clean, and operable
1648 condition at all times. Each truck shall be designed so that Discarded Materials,

1649 oil, or grease will not blow, fall, or leak out of the truck onto the street. All Discarded
1650 Materials shall be transported by means of vehicles equipped with leak -resistant
1651 bodies fitted with close fitting covers.

1652 2. Cleaning. Vehicles used in the Collection of Discarded Materials shall be washed
1653 on a regular basis so as to present a clean appearance and minimize odors.

1654 3. Storage. Contractor shall arrange to store all vehicles and other equipment in
1655 location(s) in accordance with County's applicable zoning regulations, if stored
1656 within the County. Collection vehicles when not in use must be parked in an off-
1657 street location, except in an emergency situation.

1658 4. Covers. Vehicles shall be equipped with a mechanical cover or tarp, that is
1659 adequate to cover and prevent Discarded Materials from blowing out of the vehicle.

1660 5. Operation. Vehicles shall be operated in compliance with the California Vehicle
1661 Code, 14 CCR, Division 7, Chapter 3, Article 5 and all applicable safety and local
1662 ordinances. Contractor shall not load vehicles in excess of the manufacturer's
1663 recommendations or limitations imposed by State or local weight restrictions on
1664 vehicles.

1665 6. Modifications. Upon approval of the Director, Collector may modify the equipment
1666 standards under any of the following conditions.

1667 (a) Collection Routes or areas which are extremely difficult to serve with
1668 standard Collection vehicle;

1669 (b) Unusual topography; and/or,

1670 (c) Difficult road/driveway access problems.

1671 7. **Vehicle Inspection.** All trucks used in the Collection and transportation of Discarded
1672 Materials may be inspected at such time and place as designated by the Director. The
1673 Director, or their designee, may schedule an annual inspection for randomly selected
1674 trucks operated by Collector. Upon request from the Director, Contractor shall provide
1675 copies of CHP BIT inspection reports for any vehicle used in performing services
1676 under this Agreement. The Director may revoke the use of any truck that fails to meet
1677 the requirements of this Agreement, and such truck shall not be used for the Collection
1678 or transportation of Discarded Materials until its default has been corrected to the

1679 satisfaction of the Director. Revocation of the right to use a particular truck shall not
1680 excuse Collector from performing any of its obligations under this Agreement.

1681 8. **Inventory.** Contractor shall annually furnish to the County a current vehicle inventory
1682 of Contractor's vehicles used to provide Collection services under this Agreement.

1683 **7.5 CONTAINER REQUIREMENTS**

1684 **A. Provision of Containers by Contractor and Color Standards**

1685 1. **General.** Contractor shall use the Contractor-provided Collection Containers
1686 that are currently located at Customers' Premises or provide Customers with
1687 Collection Containers from Contractor's current inventory.

1688 By the Commencement Date, Contractor shall provide all Customers with
1689 Collection Containers that comply with the Container color requirements
1690 specified in this Section or as otherwise specified in 14 CCR Section 18982; 14
1691 CCR, Division 7, Chapter 12, Article 3; or other Applicable Law. At least ninety
1692 (90) days in advance of Contractor Container purchases or repainting of metal
1693 Containers, Contractor shall present proposed colors to the County for review
1694 and approval. If an existing Container breaks or is otherwise rendered non-
1695 functional, the Contractor shall replace the non-functional Container with a
1696 Container that complies with the color requirements of this Section.
1697 Notwithstanding this Section, the Contractor is not required to replace functional
1698 Containers, including Containers purchased prior to the Effective Date, that do
1699 not comply with the color requirements of this Section prior to the end of the
1700 useful life of those Containers, or prior to January 1, 2036, whichever comes first.

1701 Customer may not, itself or through a third party, mechanically compact materials
1702 in Contractor-provided Containers.

1703 2. **Blue Containers (Source Separated Recyclable Materials)**

1704 Blue Containers must have a lid that is blue in color; and a body that is green in
1705 color. Hardware such as hinges and wheels on the Blue Containers may be a
1706 different color.

1707 3. **Green Containers (SSGCOW)**

1708 Green Containers must have a lid that is green in color; and a body that is green
1709 in color. Hardware such as hinges and wheels on the Green Containers may be
1710 a different color.

1711 4. **Gray Containers (Gray Container Waste)**

1712 Gray Containers must have a lid that is gray in color, and a body that is green in
1713 color. Hardware such as hinges and wheels on the Gray Container may be a
1714 different color.

1715 **B. Labeling Requirements**

1716 Imprinted or In-Mold Labels for New Containers or New Lids

1717 On or before January 1, 2026, Contractor shall imprint new Container bodies or lids
1718 with text or graphic images that indicate the primary materials accepted and the
1719 primary materials prohibited in that Container. Labels shall clearly indicate items that
1720 are Prohibited Container Contaminants for each Container. Prior to ordering any
1721 Containers or lids with in-mold labels, Contractor shall submit a sample of its proposed
1722 label, proposed location(s) for placement of labels on each type of Container, and its
1723 labeling plan to the County Contract Manager for approval.

1724 Labels for Existing Containers

1725 On or before January 1, 2026 Contractor shall place a label on the body or lid of each
1726 Container that has been provided to a Customer that includes language or graphic
1727 images, or both, that indicate the primary materials accepted and the primary
1728 materials prohibited in that Container. Labels shall clearly indicate items that are
1729 Prohibited Container Contaminants for each Container. Prior to ordering labels for
1730 Containers, Contractor shall submit a copy of its proposed label, proposed location(s)
1731 for placement of labels on each type of Container, and its labeling plan to the County
1732 Contract Manager for approval.

1733 **C. Container Maintenance, Cleaning, Painting**

1734 Contractor shall be responsible for repairing or replacing Containers when Contractor
1735 determines the Container is no longer suitable for service; or when the County or
1736 Customer requests replacement of Customer's Container that does not properly
1737 function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be
1738 responsible for acquiring the replacement Containers. Contractor shall maintain a
1739 sufficient inventory of Containers to accommodate new Customer requests for service,
1740 requests for change in Service Levels (size, type, or number of Containers) from
1741 current Customers, and requests for replacement due to damage. All such Containers
1742 shall be provided within one (1) week of request.

1743 Contractor shall repair or replace all damaged or broken Containers within a one (1)
1744 week period. If the repair or replacement cannot be completed within a week, the
1745 Customer shall be notified by Contractor and a larger Container shall be made
1746 available until the proper Container can be replaced.

1747 Contractor shall steam clean and repaint all Containers as needed (other than Carts)
1748 so as to present a clean appearance. This service will be provided once per year at
1749 no charge to the Customer; additional service will be for a fee.

1750 Contractor shall remove graffiti from Containers within one (1) week of notice by
1751 County or Customer. This service will be provided once per year at no charge to the
1752 Customer; additional service will be for a fee.

1753 At the County's request, Contractor shall provide County with a list of Containers and
1754 the date each Container was painted and maintained.

1755 **D. Ownership of Containers at End of Term**

1756 Upon the date of this Agreement's expiration or earlier termination, the Carts shall
1757 remain the property of the Contractor. In such case, Contractor shall be responsible
1758 for outstanding depreciation and for removing all Containers, and Compactors in
1759 service from the Premises within sixty (60) Working Days of the expiration date or
1760 early termination date of this Agreement or within a different timeframe mutually
1761 agreed to by the Parties. Contractor shall arrange for reuse or Recycling of
1762 Containers, and Compactors removed from the County.

1763 **7.6 PERSONNEL**

1764 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to
1765 provide the services required by this Agreement in a safe and efficient manner.
1766 Contractor shall designate at least one (1) qualified employee as County's primary
1767 point of contact with Contractor who is principally responsible for Collection operations
1768 and resolution of service requests and complaints.

1769 Contractor shall use its best efforts to assure that all employees present a neat
1770 appearance and conduct themselves in a courteous manner. Contractor shall not
1771 permit its employees to accept, demand, or solicit, directly or indirectly, any additional
1772 compensation, or gratuity from members of the public.

1773 **B. Driver Qualifications.** All drivers must have in effect a valid license, of the
1774 appropriate class, issued by the California Department of Motor Vehicles. Contractor
1775 shall use the Class II California Department of Motor Vehicles employer "Pull Notice
1776 Program" to monitor its drivers for safety.

1777 **C. Safety Training.** Contractor shall provide suitable operational and safety training for
1778 all of its employees who operate Collection vehicles or equipment. Contractor shall
1779 train its employees involved in Collection to identify, and not to collect, Excluded
1780 Waste. Upon the County Contract Manager's request, Contractor shall provide a copy
1781 of its safety policy and safety training program, the name of its safety officer, and the
1782 frequency of its trainings.

1783 **D. Provision of Field Supervision.** Contractor shall designate one qualified employee
1784 as supervisor of field operations. The field supervisor will devote at least fifty percent

1785 (50%) of his or her time in the field checking on Collection operations, including
1786 responding to complaints.

1787 E. **Identification.** All representatives of the Contractor shall display and/or provide
1788 proper identification or documentation exhibiting their association with the Contractor
1789 while operating in the field.

1790 **7.7 HAZARDOUS WASTE INSPECTION AND HANDLING**

1791 A. **Inspection Program and Training.** Contractor shall develop a load inspection
1792 program that includes the following components: (i) personnel and training; (ii) load
1793 checking activities; (iii) management of wastes; and, (iv) record keeping and
1794 emergency procedures.

1795 Contractor's load checking personnel, including its Collection vehicle drivers, shall be
1796 trained in: (i) the effects of Hazardous Substances on human health and the
1797 environment; (ii) identification of prohibited materials; and, (iii) emergency notification
1798 and response procedures.

1799 B. **Response to Excluded Waste Identified During Collection.** If Contractor
1800 determines that material placed in any Container for Collection is Excluded Waste or
1801 presents a hazard to Contractor's employees, the Contractor shall follow the
1802 procedures described in Section 6.2.1.C.2. Under no circumstances shall Contractor's
1803 employees knowingly Collect Excluded Waste or remove unsafe or poorly
1804 containerized Excluded Waste from a Collection Container. If Excluded Waste is found
1805 in a Collection Container or Collection area that could possibly result in imminent
1806 danger to people or property, the Contractor shall immediately notify the Fire
1807 Department.

1808 C. **Response to Excluded Waste Identified at Disposal or Processing Facility.**
1809 Materials Collected by Contractor will be delivered to the Approved Facilities for
1810 purposes of Processing or Disposal. In the event that load checkers and/or equipment
1811 operators at such facility identify Excluded Waste in the loads delivered by Contractor,
1812 such personnel shall remove these materials for storage in approved, on-site,
1813 Excluded Waste storage Container(s). Contractor shall arrange for removal of the
1814 Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws
1815 and regulatory requirements. The Contractor may at its sole expense attempt to
1816 identify and recover the cost of Disposal from the Generator. If the Generator can be
1817 successfully identified, the cost of this effort, as well as the cost of Disposal shall be
1818 chargeable to the Generator.

1819 **ARTICLE 8: RECORD KEEPING AND REPORTING**

1820 Contractor shall maintain records and reports in accordance with Exhibit D and shall allow
1821 County to audit and inspect records as described in Exhibit D.

ARTICLE 9: JURISDICTION FEES AND PAYMENTS

9.1 FRANCHISE FEE

In consideration of grant of franchise, Contractor shall pay a Franchise Fee to County each month. The amount of the Franchise Fee shall be equal to zero percent (0%) of Gross receipts for all services performed under this Agreement. This fee is an allowable cost recoverable through the Rates but is a fee paid solely by Contractor. Contractor and County agree the Franchise Fee is a negotiated amount that is reasonably related to the value of the rights granted to Contractor under this Agreement.

9.2 CONTRACT MANAGEMENT PAYMENT

The Contractor shall pay a Contract Management Payment to the County each quarter. The amount of the Contract Management Payment shall be equal to three percent (3%) of Gross Receipts for all services performed under this Agreement. County shall use the Contract Management Fee to offset expenses, including but not limited to, administration, Customer education, outreach and technical assistance, Regulatory compliance, monitoring, reporting, and Contractor compliance with the Agreement and applicable ordinance requirements. The County shall retain the sole right to set priorities for the use of this fee. This fee shall be considered an allowable cost recoverable through the rates and included in the Contractor's Compensation pursuant to Article 10.

9.3 APPROVED DISPOSAL FACILITY GATE FEE PREPAYMENT

Contractor shall post a noninterest earning cash advance deposit with County as an advance payment of gate fees at the Approved Disposal Facility to be paid by Contractor to County. Individual gate fee transactions will be deducted from the advance deposit. By the tenth of each month, County shall invoice Contractor for the amount of such deductions from the prior month. Contractor shall replenish the advance deposits by paying to County the amount of deductions as reported to Contractor by County. Such payment shall be made no later than the last Business Day of the month said invoice is received. If such payment is not paid as specified here, such payment shall be delinquent and a delinquency charge of five percent (5%) of the payment or payments due shall be imposed upon and added to such payment or payments for each month or part thereof during which such payment remains delinquent.

The amount of said deposit is initially set at Ninety-Eight Thousand Five Hundred Twenty Dollars (\$98,520) for Account 5048 (North County Landfill), One Hundred Fifty-Two Thousand Three Hundred (\$152,300) for Account 504 (Lovelace Transfer Station), and shall be reviewed semiannually by County and adjusted to an amount equal to the monthly average of the prior six month gate fees. The amount of said deposit shall also be reviewed and adjusted accordingly at such time as Rates are adjusted in accordance with Article 10.

In lieu of paying the advance deposit towards gate fees, Contractor may propose and utilize a different method of paying gate fees, providing such method is approved in writing

1861 by the Director prior to implementation. Such approval will be granted on a temporary
1862 basis and may be revoked at the discretion of the Director. If such approval is revoked,
1863 Contractor shall immediately pay the advance deposit as established in this Section 9.3

1864 **9.4 COURT DETERMINATIONS REGARDING COUNTY FEES**

1865 In the event any County fee is determined by a court to be excessive, invalid or
1866 unenforceable, then: (i) Contractor shall not be obligated to remit the future portion of the
1867 County fee deemed excessive, invalid, or unenforceable to the County; (ii) to the extent
1868 the Customers are entitled to a reimbursement of any excessive, invalid or unenforceable
1869 County fees, and County is required to reimburse Contractor in the amount of the County
1870 fees previously remitted to County that have been deemed excessive, invalid or
1871 unenforceable, thereafter, Contractor shall directly reimburse all Customers entitled to
1872 reimbursement in the amount attributable to each Customer account. In no event shall
1873 Contractor retain any portion of the fees reimbursed by County; (iii) to the extent the
1874 Customers are entitled to a reimbursement of any excessive, invalid, or unenforceable
1875 County fees, and County is required by a court to directly reimburse Customers,
1876 Contractor shall assist County in identifying all Customers entitled to a reimbursement,
1877 quantifying the reimbursement amount attributable to each Customer account, and
1878 obtaining and providing to County any other information needed to satisfy the obligations
1879 imposed by a court; and (iv) County and Contractor will, within thirty (30) days following
1880 such court decision meet and confer to negotiate in good faith and using reasonable
1881 efforts to attempt to agree on modifications to the Agreement.

1882 **9.5 ADJUSTMENT TO FEES**

1883 County may set other fees or adjust the fees established in this Article from time-to-time
1884 during the Term of this Agreement and such adjustments shall be included in the
1885 adjustment of Rates as described in Article 10 County will give the Contractor notice of
1886 any pending change to fees no less than ninety (90) days prior to the County's scheduled
1887 effective date for the change.

1888 Such fee adjustments shall be effective upon the inclusion of the adjustments in the
1889 Rates.

1890 The amounts of the Franchise Fee, and the Management Fee for subsequent Rate
1891 Periods shall be adjusted annually by the same Annual Percentage Change in the
1892 Construction Cost Index, calculated in accordance with the adjustment method described
1893 in Article 10, or shall be the amount specified by the County.

ARTICLE 10: COMPENSATION AND RATE REGULATION

10.1 GENERAL

The Contractor's compensation for performance of all its obligations under this Agreement shall be Gross Receipts. Contractor's compensation provided for in this Article shall be the full, entire and complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, Processing and Disposal fees, fees due to County, taxes, insurance, bonds, overhead, operations, profit, and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed. Nothing herein shall obligate County to provide any compensation to Contractor beyond Gross Receipts, with the exception of the bad debt assistance described in Section 6.4.

If Contractor's actual costs, including fees due to County, are more than Gross Receipts, Contractor shall not be compensated for the difference in actual costs and actual Gross Receipts. If Contractor's actual costs are less than the actual Gross Receipts, Contractor shall retain the difference provided that Contractor has paid County fees pursuant to Article 9.

Under this Agreement, Contractor shall have the right and obligation to charge and collect from Customers, Rates that are approved by the County for provision of services to Customers. The Rates for Rate Period One are presented in Exhibit F.

The Contractor or its Subcontractor(s) that operates the Approved Facilities shall retain revenues received for the sale of Source Separated Recyclable Materials including California Redemption Value revenues, and SSGCOW. Such revenues have been considered in the establishment of Rates for services provided under this Agreement. Neither Contractor nor its Affiliates or Subcontractor(s) that operates the Approved Facilities are entitled to grant funds available through the Department of Resources Recycling and Recovery (CalRecycle) through its "Curbside Supplemental Payments" for registered Curbside Recycling programs.

10.2 RATES AND ANNUAL ADJUSTMENTS

A. **General.** The County shall be responsible for approving Rates as described in this Article. A Rate has been established for each individual Service Level and the initial Rates for Rate Period One are presented in Exhibit F. Contractor may, in its sole discretion, charge Customers any amount up to and including the Rate approved by the County, but in no case exceeding the Rate. Subject to the provisions of Section 10.2.B, Contractor shall charge all Customers that have the same Service Level at the same Rate. The comparability of Service Levels and related Rates may be considered

1930 separately for Source Separated Recyclable Materials, SSGCOW, and Gray
1931 Container Waste services.

1932 Notwithstanding the schedule for annual Rate adjustments described in Article 10.2.D
1933 and subject to the terms herein, if at any time during the Term of the Agreement, the
1934 Contractor determines the need for a Rate that does not appear on the County-
1935 approved Rate schedule in Exhibit F, Contractor shall immediately notify the County
1936 and request establishment of such Rate. The County may initiate a Rate review should
1937 changes to the Franchise Fee or the Management Fee occur in accordance with
1938 Article 9.5. County shall adjust Rates accordingly based on Contractor submittal of
1939 cost information with sufficient documentation of the effect of the change.

1940 **B. Discounted Rate Categories**

1941 1. Contractor shall allow a senior citizen's discount for Single-Family Discarded
1942 Materials Collection for each Single-Family Premises where no inhabitants are
1943 younger than sixty-five (65) years of age. Such discount shall be equal to twenty
1944 percent (20%) of the rate equivalent to the first level of cart service. This rate shall
1945 apply to the level of the cart service provided.

1946 2. Contractor shall allow a low-income discount for Single-Family Discarded Materials
1947 Collection for Single-Family Generators demonstrating that they receive
1948 assistance under PG&E's California Alternate Rates for Energy ("CARE")
1949 ratepayer assistance program. Contractor shall determine who is eligible for this
1950 Rate. Such discount shall be equal to thirty percent (30%) of the rate equivalent to
1951 the first level of cart service. This rate shall apply to the level of the cart service
1952 provided.

1953 **C. Rates for Rate Period One.** Rates for Rate Period One, which are presented in
1954 Exhibit F, were determined by Contractor and County and were approved by County
1955 resolution on or before the execution of the Agreement. The Rates for Rate Period
1956 One shall be effective from the Commencement Date of this Agreement through
1957 December 31, 2026.

1958 **D. Rates for Subsequent Rate Periods.** On the first anniversary date of the
1959 Commencement Date of this Agreement, and on each anniversary date thereafter,
1960 Rates for services as established pursuant to this Article 10, shall be automatically
1961 adjusted upward or downward (but never to less than the initial Rates set forth in
1962 Exhibit F hereto), by the percentage change in the Construction Cost Index for the
1963 preceding twelve-month period ending September 30, as reported in the Engineering
1964 News-Record (ENR). This Construction Cost Index adjustment shall be applied to the
1965 current Rate less the Approved Disposal Facility gate fee adjustment. County shall
1966 notice Contractor when the Approved Disposal Facility gate fees are to be adjusted.
1967 In such event, Collection Rates shall be adjusted by multiplying the amount of the per
1968 ton gate fee increase by 0.12 and rounded to the nearest one cent, to arrive at the

1969 amount of the Collection Rate increase allowed per month per 35-gallon Container
1970 service, and proportionately for larger sized Containers.

1971 Unless otherwise agreed to by Contractor and County, a written notice of any Rate
1972 adjustments shall be mailed by Contractor to all Customers not later than two weeks
1973 prior to the date such changes become effective. The notice of such Rate adjustments
1974 shall be approved in advance of the mailing by the County.

1975 **E. Rate Structure.** Upon County request, the Parties shall meet and confer to change
1976 the relationship of individual Rates in comparison with other Rates. Any such changes
1977 would occur in conjunction with the annual Rate adjustment process described in
1978 Section 10.2.D or in conjunction with a Rate adjustment resulting from an
1979 extraordinary Rate adjustment in accordance with Section 10.3.

1980 **10.3 EXTRAORDINARY RATE ADJUSTMENTS**

1981 It is understood that the Contractor accepts the risk for changes in cost of providing
1982 services and the Service Levels requested by Customers and therefore the extraordinary
1983 adjustments to Rates shall be limited to a change in law, including new or increased
1984 governmental fees, taxes or other charges, or a County-directed change in scope. If a
1985 Change in Law or County-directed change in scope (pursuant to Section 4.4) occurs, the
1986 Contractor may petition County for an adjustment to the Rates in excess of the annual
1987 adjustment described in Section 10.2.

1988 Contractor shall prepare an application for the extraordinary Rate adjustment calculating
1989 the net financial effect on its operations (both increases and decreases of costs and
1990 revenues) resulting from the Change in Law or County-Directed Change in Scope (but
1991 not resulting from unrelated changes in costs and revenues), clearly identifying all
1992 assumptions related to such calculations and providing the underlying documentation
1993 supporting the assumptions. The application shall provide all information requested by
1994 Director specific to the nature of the request being made. Director shall evaluate the
1995 application for reasonableness. As part of that review, the Director may request access
1996 to the financial statements and accounting records required to be maintained by the
1997 Contractor (pursuant to Article 8) in order to verify the additional costs of lost revenue
1998 directly related to a Change in Law or County-directed change in scope. Should the
1999 Contractor not grant such access, then the County may rely on other information available
2000 to it as the basis for making reasonable assumptions regarding what those accounting
2001 and financial records would have shown and therefore the reasonableness of the
2002 Contractor's application. Contractor shall pay all reasonable costs incurred by the County,
2003 including the costs of outside accountants, attorneys, and/or consultants, in order to make
2004 a determination of the reasonableness of the requested Rate adjustment.

2005 In the event of such an application for extraordinary Rate adjustment, it is understood that
2006 the County or Contractor, as the case may be, shall have the burden of demonstrating
2007 the reasonableness of the requested adjustment.

2008 The Contractor may appeal the decision of the Director to the Board of Supervisors, which
2009 shall then make the final determination as to whether an adjustment to the Rates will be
2010 made, and if a Rate adjustment is permitted, the amount of the Rate adjustment. With
2011 respect to an extraordinary Rate adjustment requested by the County, the Board of
2012 Supervisors shall then make the final determination as to whether an adjustment to the
2013 Rates will be made, and if a Rate adjustment is permitted, the amount of the Rate
2014 adjustment.

2015 **ARTICLE 11: INDEMNITY, INSURANCE, AND**
2016 **PERFORMANCE BOND**

2017 **11.1 INDEMNIFICATION OF COUNTY**

2018 A. **General.** Contractor shall indemnify, defend with counsel acceptable to County, and
2019 hold harmless (to the full extent permitted by law) County and its officers, officials,
2020 employees, volunteers, and agents from and against any and all claims, liability, loss,
2021 injuries, damage, expense, and costs (including without limitation costs and fees of
2022 litigation, including attorneys' and expert witness fees) (collectively, "Damages") of
2023 every nature arising out of or in connection with Contractor's performance under this
2024 Agreement, or its failure to comply with any of its obligations contained in the
2025 Agreement, except to the extent such loss or damage was caused by the negligence
2026 or willful misconduct of County. The provisions of this Article 11 shall survive the
2027 termination or expiration of this Agreement.

2028 B. **Excluded Waste.** Contractor acknowledges that it is responsible for compliance
2029 during the entire Term of this Agreement with all Applicable Laws. Contractor shall not
2030 store, transport, use, or Dispose of any Excluded Waste except in strict compliance
2031 with all Applicable Laws. In the event that Contractor negligently or willfully mishandles
2032 Excluded Waste in the course of carrying out its activities under this Agreement,
2033 Contractor shall at its sole expense promptly take all investigatory and/or remedial
2034 action reasonably required for the remediation of such environmental contamination.
2035 Prior to undertaking any investigatory or remedial action, however, Contractor shall
2036 first obtain County's approval of any proposed investigatory or remedial action. Should
2037 Contractor fail at any time to promptly take such action, County may undertake such
2038 action at Contractor's sole cost and expense, and Contractor shall reimburse County
2039 for all such expenses within thirty (30) calendar days of being billed for those
2040 expenses. These obligations are in addition to any defense and indemnity obligations
2041 that Contractor may have under this Agreement.

2042 C. **Proposition 218.** Should there be a Change in Law or a new judicial interpretation of
2043 Applicable Law, including, but not limited to, Article XIII C and D of the California
2044 Constitution (Commonly Proposition 218), which impacts the Rates for the Collection
2045 services established in accordance with this Agreement, Contractor agrees to meet

2046 and confer with County to discuss the impact of such change on either Party's ability
2047 to perform under this Agreement.

2048 If, at any time, an adjustment to Rates determined to be appropriate by both County
2049 (which determination shall not be unreasonably withheld) and Contractor to
2050 compensate Contractor for increases in costs as described in this Agreement cannot
2051 be implemented for any reason, Contractor and County shall negotiate, in good faith,
2052 a reduction of services and/or County fees equal to the value of the Rate adjustment
2053 that cannot be implemented.

2054 Should a court of competent jurisdiction determine that the Contractor cannot charge
2055 and/or increase its Rates for charges related to governmental fees and charges,
2056 Contractor shall reduce the Rates it charges Customers a corresponding amount,
2057 providing said fees, Rates and/or charges disallowed by the court are not related to
2058 the cost of providing service hereunder and had been incorporated in the Rates
2059 charged by Contractor to its Customers.

2060 Nothing herein is intended to imply that California Constitution, Articles XIIIC or XIIID,
2061 apply to the Rates established for services provided under this Agreement; rather this
2062 Section is provided merely to allocate risk of an adverse judicial interpretation between
2063 the Parties.

2064 **D. CalRecycle Indemnification.** Contractor's duty to defend and indemnify herein
2065 includes payment of all fines and/or penalties imposed by CalRecycle, subject to the
2066 restrictions set forth in Public Resources Code Section 40059.1, if the requirements
2067 of AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations are not
2068 met by the Contractor with respect to the Discarded Materials Collected under this
2069 Agreement, and such failure is: (i) due to the failure of Contractor to meet its
2070 obligations under this Agreement, or, (ii) due to Contractor delays in providing
2071 information that prevents Contractor or County from submitting reports required by AB
2072 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations in a timely
2073 manner.

2074 **11.2 INSURANCE REQUIREMENTS**

2075 Without limiting Contractor's indemnification obligations to County, Contractor shall
2076 provide at its sole expense and maintain for the Term of this Agreement, or as may be
2077 further required herein, insurance against claims for injuries to Persons (including in this
2078 instance County) or damages to property which may arise from or in connection with the
2079 performance of the work hereunder and the results of the work by the Contractor, their
2080 agents, representatives, employees, contractors (including, without limitation, any
2081 Subcontractors), or independent operators that perform facility services. For the purposes
2082 of this Section, the term "Subcontractors" is to be broadly construed to mean any person,
2083 firm, or entity hired by Contractor to carry out any of Contractor's duties under this
2084 Agreement.

2085 **11.2.1 Minimum Scope of Insurance**

2086 Coverage shall be at least as broad as:

2087 A. Commercial General Liability, Occurrence form, Insurance Services Office form
2088 CG0001.

2089 B. Automobile Liability covering all owned, non-owned, hired auto, Insurance Services
2090 Office form CA0020. Policy shall contain pollution coverage endorsements MCS-90
2091 or CA 99 48 03 06 or equivalent.

2092 C. Workers' Compensation, as required by State of California and Employer's Liability
2093 Insurance.

2094 D. Contractor's Pollution Liability - Applies to operators of transfer stations, materials
2095 recovery facilities, composting facilities, other Processing facilities, and/or landfills.

2096 **11.2.2 Minimum Limits of Insurance**

2097 Contractor shall maintain limits no less than:

2098 A. Commercial General Liability including Premises, Operations, Products and
2099 Completed Operations, Contractual Liability, and Independent Contractors Liability:
2100 \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The
2101 General Aggregate limit shall be \$4,000,000.

2102 B. Automobile Liability: \$2,000,000 each accident for bodily injury and property damage.

2103 C. Employer's Liability: \$1,000,000 each accident for bodily injury or disease. Coverage
2104 shall include waiver of subrogation endorsement in favor of County of San Joaquin.

2105 D. Contractor's Pollution Liability: \$2,000,000 per claim and aggregate limit of not less
2106 than \$4,000,000. The policy shall include limited contractual liability coverage. This
2107 coverage shall be maintained for a minimum of three (3) years following termination
2108 or completion of Contractor's work pursuant to the Agreement.

2109 E. If the Collector maintains broader coverage and/or higher limits than the minimums
2110 shown above, the County requires and shall be entitled to the broader coverage and/or
2111 higher limits maintained by the Contractor. As a requirement of this Agreement, any
2112 available insurance proceeds in excess of the specified minimum limits and coverage
2113 stated above, shall also be available to the County of San Joaquin. Nothing in this

2114 Article 11 shall require the Contractor to maintain broader coverage than is required
2115 by this Article.

2116

2117 **11.2.3 Omitted**

2118 .

2119 **11.2.4 Other Insurance Provisions**

2120 Policies are to contain, or be endorsed to contain the following provisions:

2121 A. **Additional Insured Endorsement.** The County, the members of the Board of
2122 Supervisors of the County and the officers, agents, employees, and volunteers of the
2123 County, individually and collectively are to be covered as additional insureds on the
2124 General Liability policy with respect to liability arising out of work or operations
2125 performed by or on behalf of the Contractor including materials, parts, or equipment
2126 furnished in connection with such work or operations and automobiles owned, leased,
2127 hired, or borrowed by or on behalf of the Contractor. General Liability coverage can
2128 be provided in the form of an endorsement to the Contractor's insurance (at least as
2129 broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026, CG 2033, or CG 2038;
2130 and CG 2037 forms if later revisions used).

2131 B. **Primary Insurance Endorsement.** For any claims related to this Agreement, the
2132 Contractor's insurance coverage shall be primary insurance as respects the County,
2133 the members of the Board of Supervisors of the County and the officers, agents,
2134 employees and volunteers of the County, individually and collectively. Any insurance
2135 or self-insurance maintained by the County, its Board members, officers, agents,
2136 employees, or volunteers shall be excess of the Contractor's insurance and shall not
2137 contribute with it.

2138 C. **Notice of Cancellation.** Notice of cancellation shall be in accordance with policy
2139 provisions.

2140 D. **Severability of Interest Clause.** Coverage applies separately to each insured, except
2141 with respect to the limits of liability, and that an act or omission by one of the named
2142 insureds shall not reduce or avoid coverage to the other named insureds.

2143 **11.2.5 General Provisions**

2144 A. **Qualifying Insurers.** All required policies of insurance shall be issued by companies
2145 which have been approved to do business in the State of California by the State
2146 Department of Insurance, and which hold a current policy holder's alphabetic and
2147 financial size category rating of not less than A-, VII according to the current Best's

2148 Key Rating guide, or a company of equal financial stability that is approved in writing
2149 by County Risk Management.

2150 B. **Evidence of Insurance.** Prior to commencement of this Agreement, but in no event
2151 later than the Effective Date of the Agreement, Contractor shall furnish the County
2152 with certificates of insurance and amendatory endorsements effecting coverage
2153 required by this clause. Contractor shall furnish certified copies of the actual required
2154 insurance policies within thirty (30) days after receipt of a request for the policies from
2155 the Director. Copies of renewal certificates of insurance and amendatory
2156 endorsements shall be furnished to County within thirty (30) days of the expiration of
2157 the term of any required policy. Contractor shall permit County at reasonable times to
2158 inspect all required policies of insurance.

2159 C. **Failure to Obtain or Maintain Insurance; County's Remedies.** Contractor's failure
2160 to provide insurance specified or failure to furnish certificates of insurance,
2161 amendatory endorsements and certified copies of policies, or failure to make premium
2162 payments required by such insurance, shall constitute a material breach of the
2163 Agreement, and County may, at its option, terminate the Agreement for cause in
2164 accordance with Article 12 for any such default by Contractor.

2165 D. **No Limitation of Obligations.** The foregoing insurance requirements as to the types
2166 and limits of insurance coverage to be maintained by Contractor, and any approval of
2167 said insurance by the County are not intended to and shall not in any manner limit or
2168 qualify the liabilities and obligations otherwise assumed by Contractor pursuant to the
2169 Agreement, including, but not limited to, the provisions concerning indemnification.

2170 E. **Review of Coverage.** County retains the right at any time to review the coverage,
2171 form and amount of insurance required herein and may require Contractor to obtain
2172 insurance reasonably sufficient in coverage, form, and amount to provide adequate
2173 protection against the kind and extent of risk which exists at the time a change in
2174 insurance is required.

2175 F. **Self-Insurance.** Contractor may, with the prior written consent of County Risk
2176 Management, fulfill some or all of the insurance requirements contained in this
2177 Agreement under a plan of self-insurance. Contractor shall only be permitted to utilize
2178 such self-insurance if in the opinion of County Risk Management, Contractor's (i) net
2179 worth, and (ii) reserves for payment of claims of liability against Contractor, are
2180 sufficient to adequately compensate for the lack of other insurance coverage required

2181 by this Agreement. Contractor's utilization of self-insurance shall not in any way limit
2182 liabilities assumed by Contractor under the Agreement.

2183 **G. Claims Made Coverage.** If coverage is written on a "claims made" basis, the
2184 Certificate of Insurance shall clearly so state. In addition to the coverage requirements
2185 specified above, such policy shall provide that:

- 2186 1. The policy retroactive date coincides with or precedes Contractor's
2187 commencement of work under the Agreement (including subsequent policies
2188 purchased as renewals or replacements).
- 2189 2. Contractor will make every effort to maintain similar insurance during the required
2190 extended period of coverage following expiration of the Agreement.
- 2191 3. If insurance is terminated for any reason, Contractor shall purchase an extended
2192 reporting provision of at least three (3) years to report claims arising in connection
2193 with the Agreement.
- 2194 4. The policy allows for reporting of circumstances or incidents that might give rise to
2195 future claims.

2196 **H. Subcontractor's Insurance.** For the purposes of this Section, the term
2197 "Subcontractor" is to be broadly construed to mean any person, firm, or entity hired by
2198 Contractor to carry out any of Contractor's duties under this Agreement. Contractor
2199 shall require and verify that all Subcontractors maintain insurance meeting all the
2200 requirements stated herein, and Contractor shall ensure that County is an additional
2201 insured on insurance required from Subcontractors. Such Additional Insured
2202 endorsement shall be attached to the certificate of insurance in order to be valid and
2203 on a form at least as broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026,
2204 CG 2033, or CG 2038; and CG 2037 forms if later revisions used. If any
2205 Subcontractor's coverage does not comply with the foregoing provisions, Contractor
2206 shall defend and indemnify the County from any damage, loss, cost or expense,
2207 including attorney's fees and court costs, incurred by County as a result of the failure
2208 to maintain required coverage.

2209 **I. Waiver of Subrogation.** Contractor and County release each other, and their
2210 respective authorized representatives, from any and all claims, actual damages,
2211 punitive damages, injuries, costs, response, remediation and removal costs, losses,
2212 demands, debts, liens, liabilities, causes of action, suits, legal or administrative
2213 proceedings, interest, fines, charges, penalties, and expenses (including but not
2214 limited to attorney's and expert witness fees and court costs) of any kind whatsoever,
2215 but only to the extent that the proceeds received from any policy of insurance carried
2216 by County or Contractor, other than any self-insurance, covers any such claim.
2217 Included in any policy or policies of insurance provided by Contractor hereunder shall

2218 be a standard waiver of rights of subrogation against County by the insurance
2219 company issuing said policy or policies.

2220 **11.3 PERFORMANCE BOND**

2221 Within seven (7) calendar days of the Effective Date, Contractor shall file with the County
2222 a bond or irrevocable letter of credit, payable to the County, securing the Contractor's
2223 performance of its obligations under this Agreement and such bond shall be renewed
2224 annually if necessary so that the performance bond is maintained at all times during the
2225 Term. The principal sum of the bond shall be Two Million Three Hundred Thousand
2226 Dollars (\$2,300,000), which is an amount set to equal twenty-five percent (25%) of
2227 Contactor's proposed Rate Period One Gross Receipts. The bond shall be executed as
2228 surety by a corporation authorized to issue surety bonds in the State of California that has
2229 a rating of A or better in the most recent edition of Best's Key Rating Guide, and that has
2230 a record of service and financial condition satisfactory to the County.

2231 **ARTICLE 12: DEFAULT AND REMEDIES**

2232 **12.1 EVENTS OF DEFAULT**

2233 All provisions of the Agreement are considered material. Each of the following shall
2234 constitute an event of default unless excused by the provisions of Section 12.5 as
2235 provided and for the period described therein.

- 2236 A. **Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or
2237 deceit upon the County.
- 2238 B. **Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling
2239 to pay its debts, or upon listing of an order for relief in favor of Contractor in a
2240 bankruptcy proceeding.
- 2241 C. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full
2242 force and affect the Workers' Compensation, liability, or indemnification coverage
2243 as required by this Agreement.
- 2244 D. **Violations of Regulation.** Contractor violates any orders or filings of any
2245 regulatory body having authority over Contractor relative to this Agreement,
2246 provided that Contractor may contest any such orders or filings by appropriate
2247 proceedings conducted in good faith, in which case no breach or default of this
2248 Agreement shall be deemed to have occurred. and (ii) such violation has a
2249 material impact on the ability of Contractor to perform under this Agreement.
- 2250 E. **Violations of Applicable Law.** Contractor violates Applicable Law relative to
2251 this Agreement, provided such violation has a material impact on the ability of
2252 Contractor to perform under this Agreement.

2253 F. **Failure to Perform Services.** Contractor ceases to provide Collection,
2254 Transportation, or Processing services as required under this Agreement for a
2255 period of two (2) consecutive calendar days or more, for any reason within the
2256 control of Contractor.

2257 G. **Failure to Pay or Report.** Contractor fails to make any payments to County
2258 required under this Agreement including payment of County fees or Liquidated
2259 Damages and/or refuses to provide County with required information, reports,
2260 and/or records in a timely manner as provided for in the Agreement.

2261 H. **Acts or Omissions.** Any other act or omission by Contractor which violates the
2262 terms, conditions, or requirements of this Agreement, AB 939, AB 341, AB 1826,
2263 or SB 1383 as they may be amended from time to time, or any law, statute,
2264 ordinance, order, directive, rule, or regulation issued there under and which is
2265 not corrected or remedied within the time set in the written notice of the violation
2266 or, if Contractor cannot reasonably correct or remedy the breach within the time
2267 set forth in such notice, if Contractor should fail to commence to correct or
2268 remedy such violation within the time set forth in such notice and diligently effect
2269 such correction or remedy thereafter.

2270 I. **False, Misleading, or Inaccurate Statements.** Any representation or
2271 disclosure made to the County by Contractor in connection with or as an
2272 inducement to entering into this Agreement, or any future amendment to this
2273 Agreement, which proves to be false or misleading in any material respect as of
2274 the time such representation or disclosure is made, whether or not any such
2275 representation or disclosure appears as part of this Agreement; and, any
2276 Contractor-provided report containing a misstatement, misrepresentation, data
2277 manipulation, or an omission of fact or content explicitly defined by the
2278 Agreement, excepting non-numerical typographical and grammatical errors.

2279 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some
2280 or all of Contractor's operating equipment, including without limits its equipment,
2281 maintenance or office facilities, Approved Facility(ies), or any part thereof.

2282 K. **Suspension or Termination of Service.** There is any termination or
2283 suspension of the transaction of business by Contractor related to this
2284 Agreement, including without limit, due to labor unrest including strike, work
2285 stoppage or slowdown, sick-out, picketing, or other concerted job action lasting
2286 more than 5 calendar days.

2287 L. **Criminal Activity.** Contractor, its officers, managers, or employees are found
2288 guilty of criminal activity related directly or indirectly to performance of this
2289 Agreement or any other agreement held with the County. Regarding
2290 management and non-management employees working at a facility providing
2291 services under this Agreement (e.g., hauling facility, transfer station, disposal
2292 facility or processing facility), it shall not be a default if Contractor terminates or
2293 removes such employees from such facility and Contractor management above

2294 such facility-specific employees had not been involved with the criminal activity.

2295 M. **Assignment without Approval.** Contractor transfers or assigns this Agreement
2296 without the expressed written approval of the County.

2297 N. **Failure to Provide Proposal or Implement Change in Service.** Contractor
2298 fails to provide a proposal for new services or changes to services or fails to
2299 implement a change in service as requested by the County as specified in
2300 Section 4.4.

2301 O. **Failure to Perform Any Obligation.** Contractor fails to perform any obligation
2302 established under this Agreement.

2303 County shall provide Contractor written notice of default within seven (7) calendar days
2304 of the occurrence of default or within seven (7) calendar days of the County's first
2305 knowledge of the Contractor's default, whichever occurs first.

2306 **12.2 DISPUTE RESOLUTION**

2307 In the event of dispute between the Director and the Contractor regarding the
2308 interpretation of or the performance of services under this Agreement which results in a
2309 material impact to the Contractor's revenue and/or cost of operations, the provisions of
2310 this Section shall apply. For the purposes of this Section, "material impact" is an amount
2311 equal to or greater than fifty thousand dollars (\$50,000) per year.

2312 A. **Meet and Confer.** In the event of disputes regarding the performance of any
2313 obligation under this Agreement which results in a material impact to the
2314 Contractor's revenue and/or cost of operations, the County and Contractor agree
2315 that they promptly will meet and confer to attempt to resolve the matter between
2316 themselves.

2317 B. **Mediation.** In the event that disputes which arise under this Agreement cannot
2318 be resolved satisfactorily between the Parties in accordance with Section 12.2.A,
2319 the County and Contractor agree that such disputes shall be submitted to
2320 mandatory, non-binding mediation by a mutually agreed upon independent third
2321 party.

2322 C. **Period of Time.** Insofar as allowed by Applicable Law, the period of time
2323 otherwise applicable for filing claims against the County under Applicable Law
2324 shall be tolled during the period of time for which meet and confer or mediation
2325 procedures are pending, in accordance with Sections 12.2.A and 12.2.B.

2326 D. **Litigation.** Litigation may be commenced only after all reasonable efforts to
2327 resolve the dispute(s) pursuant to Sections 12.2.A, 12.2.B, and 12.2.C have
2328 failed and any necessary claim(s) have been denied.

2329 In the event of a dispute between the Contractor and a Generator or Customer regarding
2330 any service or billing issue in which the Contractor and Generator or Customer are unable

2331 to reach agreement, final determination shall be made by Director of Public Works or their
2332 designee.

2333 **12.3 RIGHT TO TERMINATE UPON DEFAULT**

2334 Contractor shall be given ten (10) Business Days from written notification by County to
2335 cure any default which, in the Director's sole opinion, creates a potential public health and
2336 safety threat.

2337 Contractor shall be given ten (10) Business Days from written notification by County to
2338 cure any default arising under subsections C, E, F, I, J, and K in Section 12.1 provided,
2339 however, that the County shall not be obligated to provide Contractor with a notice and
2340 cure opportunity if the Contractor has committed the same or similar breach/default within
2341 a twenty-four (24) month period.

2342 Contractor shall be given thirty (30) calendar days from written notification by County to
2343 cure any other default (which is not required to be cured within ten (10) Business Days);
2344 however, that the County shall not be obligated to provide Contractor with a notice and
2345 cure opportunity if the Contractor has committed the same or similar breach/default within
2346 a twenty-four (24) month period.

2347 **12.4 COUNTY'S REMEDIES CUMULATIVE: SPECIFIC 2348 PERFORMANCE**

2349 In the event of Contractor's default, County maintains following remedies:

2350 A. **Waiver of Default.** County may waive any event of default or may waive
2351 Contractor's requirement to cure a default event if County determines that such
2352 waiver would be in the best interest of the County. County's waiver of an event
2353 of default is not a waiver of future events of default that may have the same or
2354 similar conditions.

2355 B. **Suspension of Contractor's Obligation.** County may suspend Contractor's
2356 performance of its obligations if Contractor fails to cure default in the time frame
2357 specified in Section 12.3 until such time the Contractor can provide assurance of
2358 performance in accordance with Section 12.6.

2359 C. **Liquidated Damages.** County may assess Liquidated Damages for
2360 Contractor's failure to meet specific performance standards pursuant to Section
2361 12.7 and Exhibit C.

2362 D. **Termination.** In the event that Contractor should default and subject to the right
2363 of the Contractor to cure, in the performance of any provisions of this contract,
2364 and the default is not cured for any default within in ten (10) calendar days if the
2365 default creates a potential public health and safety threat or arises under Section
2366 12.1.C, E, F, I, J, or K, or otherwise thirty (30) calendar days after receipt of
2367 written notice of default from the County, then the County may, at its option,
2368 terminate this Agreement and/or hold a hearing of the Board of Supervisors to

2369 determine whether this Agreement should be terminated. In the event County
2370 decides to terminate this Agreement, the County shall serve twenty (20) calendar
2371 days written notice of its intention to terminate upon Contractor. In the event
2372 County exercises its right to terminate this Agreement, the County may, at its
2373 option, upon such termination, either directly undertake performance of the
2374 services or arrange with other Persons to perform the services with or without a
2375 written agreement. This right of termination is in addition to any other rights of
2376 County upon a failure of Contractor to perform its obligations under this
2377 Agreement.

2378 Contractor shall not be entitled to any further Gross Receipts or other revenues
2379 from Collection operations authorized hereunder from and after the date of
2380 termination.

2381 E. **Other Available Remedies.** County's election of one (1) or more remedies
2382 described herein shall not limit the County from any and all other remedies at law
2383 and in equity including injunctive relief, etc.

2384 12.5 EXCUSE FROM PERFORMANCE

2385 The Parties shall be excused from performing their respective obligations hereunder and
2386 from any obligation to pay Liquidated Damages if they are prevented from so performing
2387 by reason of wildfires, floods, earthquakes, other acts of nature, war, terrorist activity, civil
2388 insurrection, riots, formally declared epidemics, and other similar catastrophic events
2389 which are beyond the reasonable control of and not the fault of the Party claiming excuse
2390 from performance hereunder (a "Force Majeure Event"). In the case of labor unrest or job
2391 action directed at a third party over whom Contractor has no control, the inability of
2392 Contractor to provide services in accordance with this Agreement due to the unwillingness
2393 or failure of the third party to: (i) provide reasonable assurance of the safety of
2394 Contractor's employees while providing such services; or, (ii) make reasonable
2395 accommodations with respect to Container placement and point of Delivery, time of
2396 Collection, or other operating circumstances to minimize any confrontation with pickets or
2397 the number of Persons necessary to make Collections shall, to that limited extent, excuse
2398 performance. The foregoing excuse shall be conditioned on Contractor's cooperation in
2399 performing Collection services at different times and in different locations. Further, in the
2400 event of labor unrest, including but not limited to strike, work stoppage or slowdown,
2401 sickout, picketing, or other concerted job action conducted by the Contractor's employees
2402 or directed at the Contractor, or a subsidiary, the Contractor shall not be excused from
2403 performance. In such case, Contractor shall continue to provide a reasonably satisfactory
2404 level of performance during the pendency thereof, but the Contractor shall not be required
2405 to adhere strictly to the specific requirements of this Agreement regarding routes,
2406 Collection times or similar matters; provided, however, that in no event shall more than
2407 seven (7) calendar days elapse between pickups for Customers.

2408 The Party claiming excuse from performance shall, within two (2) calendar days after
2409 such Party has notice of such cause, give the other Party notice of the facts constituting
2410 such cause and asserting its claim to excuse under this Section.

2411 If either Party validly exercises its rights under this Section, the Parties hereby waive any
2412 claim against each other for any damages sustained thereby.

2413 The partial or complete interruption or discontinuance of Contractor's services caused by
2414 one (1) or more of the events described in this Article shall not constitute a default by
2415 Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor
2416 is excused from performing its obligations hereunder for any of the causes listed in this
2417 Section for a period of thirty (30) calendar days or more, County shall nevertheless have
2418 the right, in its sole discretion, to terminate this Agreement for convenience by giving ten
2419 (10) Business Days' notice to Contractor, in which case the provisions of Section 12.3
2420 shall apply.

2421 **12.6 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2422 The Parties acknowledge that it is of the utmost importance to County and the health and
2423 safety of all those members of the public residing or doing business within County who
2424 will be adversely affected by interrupted waste management service, that there be no
2425 material interruption in services provided under this Agreement.

2426 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown,
2427 sick-out, picketing or other concerted job action; (ii) appears in the reasonable judgment
2428 of County to be unable to regularly pay its bills as they become due; or, (iii) is the subject
2429 of a civil or criminal judgment or order entered by a Federal, State, regional or local
2430 agency for violation of an Applicable Law, and County believes in good faith that
2431 Contractor's ability to perform under the Agreement has thereby been placed in
2432 substantial jeopardy, County may, at its sole option and in addition to all other remedies
2433 it may have, demand from Contractor reasonable assurances of timely and proper
2434 performance of this Agreement, in such form and substance as County believes in good
2435 faith is reasonably necessary in the circumstances to evidence continued ability to
2436 perform under the Agreement. If Contractor fails or refuses to provide satisfactory
2437 assurances of timely and proper performance in the form and by the date required by
2438 County, such failure or refusal shall be an event of default for purposes of Section 12.1.

2439 **12.7 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

2440 A. **General.** The Parties find that as of the time of the execution of this Agreement, it is
2441 impractical, if not impossible, to reasonably ascertain the extent of damages which
2442 shall be incurred by County as a result of a breach by Contractor of its obligations
2443 under this Agreement. The factors relating to the impracticability of ascertaining
2444 damages include, but are not limited to, the fact that: (i) substantial damage results to
2445 members of the public who are denied services or denied quality or reliable service;
2446 (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the
2447 benefits of the Agreement to individual members of the general public for whose
2448 benefit this Agreement exists, in subjective ways and in varying degrees of intensity
2449 which are incapable of measurement in precise monetary terms; (iii) that exclusive
2450 services might be available at substantially lower costs than alternative services and
2451 the monetary loss resulting from denial of services or denial of quality or reliable

2452 services is impossible to calculate in precise monetary terms; and, (iv) the termination
2453 of this Agreement for such breaches, and other remedies are, at best, a means of
2454 future correction and not remedies which make the public whole for past breaches.

2455 **B. Service Performance Standards; Liquidated Damages for Failure to Meet**
2456 **Standards.** The Parties further acknowledge that consistent, reliable Collection
2457 services are of utmost importance to County and that County has considered and
2458 relied on Contractor's representations as to its quality of service commitment in
2459 awarding the Agreement to it. The Parties recognize that some quantified standards
2460 of performance are necessary and appropriate to ensure consistent and reliable
2461 service and performance and to support County's compliance with various State
2462 statutes and corresponding regulations including, but not limited to, AB 939, AB 341,
2463 AB 1826, and SB 1383. The Parties further recognize that if Contractor fails to achieve
2464 the performance standards, or fails to submit required documents in a timely manner,
2465 County and its residents and businesses will suffer damages, and that it is, and will
2466 be, impractical and extremely difficult to ascertain and determine the exact amount of
2467 damages which County will suffer. Therefore, without prejudice to County's right to
2468 treat such non-performance as an event of default under this Section, the Parties
2469 agree that the Liquidated Damages amounts established in Exhibit C of this
2470 Agreement and the Liquidated Damage amounts therein represent a reasonable
2471 estimate of the amount of such damages considering all of the circumstances existing
2472 on the Effective Date of this Agreement, including the relationship of the sums to the
2473 range of harm to County that reasonably could be anticipated and the anticipation that
2474 proof of actual damages would be costly or impractical.

2475 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts
2476 set forth in the Liquidated Damages, Exhibit C.

2477 Before assessing Liquidated Damages, County shall give Contractor notice of its
2478 intention to do so; any claim for Liquidated Damages must be made within 60 days of
2479 the becoming aware, or reasonably should have become aware, of the underlying
2480 event. The notice will include a brief description of the incident(s) and non-
2481 performance. County may review (and make copies at its own expense) all information
2482 in the possession of Contractor relating to incident(s) and/or non-performance. County
2483 may, within five (5) Business Days after issuing the notice, request a meeting with
2484 Contractor. County may present evidence of non-performance in writing and through
2485 testimony of its employees and others relevant to the incident(s) and non-
2486 performance. County Contract Manager will provide Contractor with a written
2487 explanation of their determination on each incident(s) and non-performance prior to
2488 authorizing the assessment of Liquidated Damages under this Section 12.7. Within
2489 ten (10) Business Days of receipt of such notice of intention to assess Liquidated
2490 Damages, Contractor may request that no Liquidated Damages may be imposed on
2491 Contractor until Contractor has been given a reasonable opportunity to respond to
2492 allegations and to meet and confer with the Director. Any subsequent appeals by
2493 Contractor shall be addressed in accordance with Section 12.2.

2494 C. **Amount.** County may assess Liquidated Damages for each calendar day or event, as
2495 appropriate, that Contractor is determined to be liable in accordance with this
2496 Agreement in the amounts specified in Exhibit C, subject to annual adjustment
2497 described below.

2498 D. **Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by
2499 County within thirty (30) calendar days of the date the Liquidated Damages are
2500 assessed. If they are not paid within the thirty (30) calendar day period, County may
2501 proceed against the performance bond required by the Agreement, order the
2502 termination of the rights or "franchise" granted by this Agreement, or all of the above.

2503 **ARTICLE 13: OTHER AGREEMENTS OF 2504 THE PARTIES**

2505 **13.1 RELATIONSHIP OF PARTIES**

2506 The Parties intend that Contractor shall perform the services required by this Agreement
2507 as an independent contractor and not as an officer or employee of County nor as a partner
2508 of or joint venturer with County. No employee or agent of Contractor shall be or shall be
2509 deemed to be an employee or agent of the County. Except as expressly provided herein,
2510 Contractor shall have the exclusive control over the manner and means of conducting the
2511 Discarded Materials Collection services performed under this Agreement, and all Persons
2512 performing such services. Contractor shall be solely responsible for the acts and
2513 omissions of its officers, employees, Subcontractors, and independent operators
2514 performing facility services on its behalf, and agents and the same shall not obtain any
2515 rights to retirement benefits, workers' compensation benefits, or any other benefits which
2516 accrue to County employees by virtue of employment with the County.

2517 Contractor agrees that this Agreement is not made in the interest of, or on behalf of, any
2518 undisclosed Person, partnership, collector, association, organization, or corporation.
2519 Contractor has not directly or indirectly colluded, conspired, connived, or agreed with any
2520 Person, partnership, other collector, association, organization, or corporation to secure
2521 any advantage against the County.

2522 **13.2 COMPLIANCE WITH LAW**

2523 In providing the services required under this Agreement, Contractor shall at all times, at
2524 its sole cost, comply with all applicable laws of the United States, the State of California,
2525 County, and other State or government bodies which may have jurisdiction over any
2526 service provided in this Agreement and with all applicable regulations promulgated by any
2527 federal, State, regional, or local administration and regulatory agency, now in force and
2528 as they may be enacted, issued, or amended during the Term of this Agreement.

2529 **13.3 GOVERNING LAW**

2530 This Agreement shall be governed by, and construed and enforced in accordance with,
2531 the laws of the State of California and the United States of America.

2532 **13.4 JURISDICTION**

2533 Any lawsuits between the Parties arising out of this Agreement shall be brought and
2534 concluded in the courts of the State of California, which shall have exclusive jurisdiction
2535 over such lawsuits. With respect to venue, the Parties agree for purposes of both State
2536 and federal court action that this Agreement is made in and will be performed in the
2537 County of San Joaquin, State of California. Federal courts may have jurisdiction over
2538 certain lawsuits arising from this Agreement and these should be brought and concluded
2539 within the federal system.

2540 **13.5 ASSIGNMENT**

2541 Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under
2542 this Agreement to any other Person without the prior written consent of the other Party.
2543 Any such assignment made without the consent of the other Party shall be void and the
2544 attempted assignment shall constitute a material breach of this Agreement.

2545 For purposes of this Section, "assignment" shall include, but not be limited to: (i) a sale,
2546 exchange or other transfer of substantially all of Contractor's assets dedicated to service
2547 under this Agreement to a third party; (ii) a sale, exchange or other transfer of ten (10)
2548 percent or more of the outstanding common stock of Contractor; (iii) any reorganization,
2549 consolidation, merger, recapitalization, stock issuance or re-issuance, voting trust,
2550 pooling agreement, escrow arrangement, liquidation or other transaction to which
2551 Contractor or any of its shareholders is a party which results in a change of ownership or
2552 control of thirty (30) percent or more of the value or voting rights in the stock of Contractor;
2553 and, (iv) any combination of the foregoing (whether or not in related, contemporaneous
2554 or sequential transactions) which has the effect of any such transfer or change of
2555 ownership and/or control of Contractor. For purposes of this Section, the term "proposed
2556 assignee" shall refer to the proposed transferee(s) or other successor(s) in interest
2557 pursuant to the assignment. Assignment may exclude a change in ownership of
2558 Contractor's assets or stocks which occurs for interfamilial planning purposes only and
2559 does not involve a change in the management of the Agreement or services performed
2560 hereunder. Reorganizations, mergers, consolidations, sales of equity or assets or similar
2561 transactions between or among entities owned by the same ultimate parent, including but
2562 not limited to Contractor and regardless of which entity is the survivor, do not constitute
2563 an assignment; however, Contractor shall provide County with thirty (30) days written
2564 notification of its plans and provide an explanation of any potential impacts related to the
2565 provision of services under this Agreement.

2566 If Contractor requests County's consideration of and consent to an assignment, County
2567 may deny or approve such request in its sole discretion, the standard for County's consent
2568 to any assignment shall be whether the Contractor (or, if applicable, a new entity
2569 succeeding to the rights, duties and obligations of Contractor under this Agreement), after

2570 the assignment, has sufficient financial and operational capability to adequately and
2571 faithfully render the services called for in this Agreement for the remaining Term of the
2572 Agreement. In no event shall County's consent be unreasonably withheld, conditioned or
2573 delayed. Contractor shall undertake to pay County its reasonable expenses for attorneys'
2574 fees and investigation costs necessary to investigate the suitability of any proposed
2575 assignee, and to review and finalize any documentation required as a condition for
2576 approving any such assignment.

2577 13.6 BINDING ON SUCCESSORS

2578 The provisions of this Agreement shall inure to the benefit to and be binding on the
2579 successors and permitted assigns of the Parties.

2580 13.7 PARTIES IN INTEREST

2581 Nothing in this Agreement, whether expressed or implied, is intended to confer any rights
2582 on any Persons other than the Parties to it and their representatives, successors, and
2583 permitted assigns.

2584 13.8 WAIVER

2585 The waiver by either Party of any breach or violation of any provisions of this Agreement
2586 shall not be deemed to be a waiver of any breach or violation of any other provisions nor
2587 of any subsequent breach or violation of the same or any other provision.

2588 The subsequent acceptance by either Party of any monies which become due hereunder
2589 shall not be deemed to be a waiver of any preexisting or concurrent breach or violation
2590 by the other Party of any provision of this Agreement.

2591 13.9 CONTRACTOR'S INVESTIGATION

2592 Contractor has made an independent investigation (satisfactory to it) of the conditions
2593 and circumstances surrounding the Agreement and the work to be performed by it.

2594 13.10 NOTICES

2595 All notices, demands, requests, proposals, approvals, consents, and other
2596 communications which this Agreement requires, authorizes, or contemplates shall,
2597 except as otherwise specifically provided, be in writing and shall be effective when
2598 personally delivered to a representative of the Parties at the address below or deposited
2599 in the United States mail, first class postage prepaid, addressed as follows:

2600 If to County:

2601 County of San Joaquin

2602 County of San Joaquin - Department of Public Works

2603 Attention: Solid Waste Division

2604 Post Office Box 1810
2605 Stockton, CA 95201-3018

2606 If to Contractor:

2607 Stockton Scavenger
2608 Todd Nienhouse, District Manager
2609 1240 Navy Drive
2610 Stockton, CA 95206

2611 The address to which communications may be delivered may be changed from time to
2612 time by a notice given in accordance with this Section.

2613 13.11 REPRESENTATIVE OF THE PARTIES

2614 All actions to be taken by County related to this Agreement, shall be taken by the Director
2615 except as otherwise provided in this Agreement or below. Director may delegate, in
2616 writing, authority to other Department officials and may permit such officials, in turn, to
2617 delegate in writing some or all of such authority to subordinate officers. Contractor may
2618 rely upon actions taken by such delegates, if they are within the scope of the authority
2619 properly delegated to them.

2620 Contractor shall, by the Effective Date of this Agreement, designate in writing a
2621 responsible officer who shall serve as the representative of Contractor in all matters
2622 related to the Agreement and shall inform County in writing of such designation and of
2623 any limitations upon his/her authority to Contractor. County may rely upon action taken
2624 by such designated representative as action of Contractor unless they are outside the
2625 scope of authority delegated to him/her by Contractor as communicated to County.

2626 13.12 DECLARED STATE OF EMERGENCY

2627 Contractor will use commercially reasonable efforts to assist County, at the County's
2628 request, with emergency collection service in the event of major disaster, such as an
2629 earthquake, storm, riot or civil disturbance, by providing equipment and drivers based on
2630 negotiated services and rates between County and Contractor. County is not required to
2631 utilize the services of Contractor. In addition, where the disaster results in the loss of
2632 containers, Contractor shall replace the containers and County shall reimburse Contractor
2633 for the cost of replacement.

2634 13.13 NOTICE

2635 This Agreement does not affect the rights or obligations of the Parties under Section
2636 49520 of the Public Resources Code.

ARTICLE 14: MISCELLANEOUS AGREEMENTS

2638 14.1 PRIVACY

2639 Contractor shall strictly observe and protect its Customers' privacy and trade secrets,
2640 including their rights to privacy under law. In addition, Contractor shall not:

2641 A. Reveal to anyone other than County any information identifying individual Customers
2642 or the composition or contents of a Customer's Discarded Materials without that
2643 Customer's permission, unless required by law; or,

2644 B. Market or distribute mailing lists with Customers' names and service and billing
2645 addresses.

2646 Contractor shall not assert that any privacy right accorded its Customers under law
2647 prohibit Contractor from participating in Discarded Materials characterization studies or
2648 material stream analyses, keeping records, making reports, or assisting County in
2649 meeting any requirements under law.

2650 14.2 PUBLIC RECORDS ACT

2651 The California Public Records Act ("CPRA") requires County to disclose "public records"
2652 in its actual or constructive possession unless a statutory exemption applies. This
2653 generally includes contracts and related documents. If County receives a CPRA request
2654 for records relating to the Agreement, County may, at its sole discretion, either determine
2655 its response to the request without notifying Contractor or notify Contractor of the request.
2656 If County determines its response to the request without notifying Contractor, Contractor
2657 shall hold County harmless for such determination. If County notifies Contractor of the
2658 request, Collector may request that County withhold or redact records responsive to the
2659 request by submitting to County a written request within five (5) business days after
2660 receipt of the County's notice. Contractor's request must identify specific records to be
2661 withheld or redacted and applicable exemptions. Upon timely receipt of Collector's
2662 request, County will review the request and at its sole discretion withhold and/or redact
2663 the records identified by Collector. Collector shall hold County harmless for County's
2664 decision whether to withhold and/or redact pursuant to Contractor's written request.
2665 Contractor further agrees that its defense and indemnification obligations set forth in
2666 Section 11.1 of this Agreement extend to any claim against the County and/or its Board,
2667 officers, employees, agents, assigns, volunteers, and any successors or assigns arising
2668 out of County's withholding and/or redacting of records pursuant to Contractor's request.
2669 Nothing in this Section shall preclude Contractor from bringing a "reverse CPRA action"
2670 to prevent disclosure of records. Nothing in this Section shall prevent the County or its
2671 agents or any other governmental entity from accessing any records for the purpose of
2672 audits or program reviews if that access is legally permissible under the applicable local,
2673 State, or federal laws or regulations. Similarly, County or its agent or designee may take
2674 possession of the record(s) where legally authorized to do so.

2675 **14.3 ENTIRE AGREEMENT**

2676 This Agreement, including the Exhibits, represents the full and entire agreement between
2677 the Parties with respect to the matters covered herein.

2678 **14.4 SECTION HEADINGS**

2679 The article headings and section headings in the Agreement are for convenience or
2680 reference only and are not intended to be used in the construction of this Agreement, nor
2681 to alter or affect any of its provisions.

2682 **14.5 REFERENCES TO LAWS**

2683 All references in this Agreement to laws shall be understood to include such laws as they
2684 may be subsequently amended or recodified, unless otherwise specifically provided.

2685 **14.6 INTERPRETATION**

2686 This Agreement shall be interpreted and construed reasonably and neither for nor against
2687 either Party, regardless of the degree to which either Party participated in its drafting.
2688 Unless the context requires a different reading, the term "including" when use in this
2689 Agreement shall be read as a term of inclusion rather than exclusion.

2690 **14.7 AMENDMENT**

2691 This Agreement may not be modified or amended in any respect except by written
2692 agreement duly approved and signed by the Parties.

2693 **14.8 SEVERABILITY**

2694 If any nonmaterial provision of this Agreement is for any reason deemed to be invalid and
2695 unenforceable, the invalidity or unenforceability of such provision shall not affect any of
2696 the remaining provisions of this Agreement which shall be enforced as if such invalid or
2697 unenforceable provision had not been contained herein.

2698 **14.9 COUNTERPARTS**

2699 This Agreement may be executed in counterparts each of which shall be considered an
2700 original.

2701 **14.10 EXHIBITS**

2702 Each of the Exhibits identified is attached hereto and incorporated herein and made part
2703 hereof by this reference.

2704
2705

IN WITNESS WHEREOF, the parties have executed this Agreement as of
December 10, 2024.

COUNTY OF SAN JOAQUIN,
a Political Subdivision of the
State of California

By M
MIGUEL A. VILLAPUDUA, Chairman,
Board of Supervisors County of San
Joaquin, State of California

"COUNTY"

ATTEST: RACHÉL DeBORD
Clerk of the Board of Supervisors of the
County of San Joaquin, State of
California

By CD
Deputy Clerk



APPROVED AS TO FORM:
COUNTY COUNSEL

By MD
MATTHEW P. DACEY
Deputy County Counsel

RECOMMENDED FOR APPROVAL

By Fritz B
FRITZ BUCHMAN, C.E., T.E., CFM
Director of Public Works
San Joaquin County, California

2706

USA WASTE OF CALIFORNIA, INC.,
a Delaware Corporation

By Alex O
ALEX OSEGURA
President

"COLLECTOR"

CONTRACT FOR THE COLLECTION, RECYCLING AND
DISPOSAL OF SOLID WASTE FOR THE REFUSE SERVICE
AREA C OF THE COUNTY OF SAN JOAQUIN

BETWEEN THE COUNTY OF SAN JOAQUIN

AND

USA WASTE OF CALIFORNIA, INC. DBA STOCKTON
SCAVENGER

EXHIBITS ONLY

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EXHIBITS

The scope of services to be performed by Contractor pursuant to this Agreement shall include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform all requirements of the Agreement. The enumeration of, and specification of requirements for particular items of labor or equipment shall not relieve the Contractor of the duty to furnish all others, as may be required, whether enumerated or not. The Parties agree that as the waste and recycling industry evolves over the Term of this Agreement, items in the Exhibits may be modified through mutual written agreements between Contractor and the Director, without invoking the provisions of Section 4.4 of the Agreement. To the extent that any such modifications result in a change in Contractor's cost of providing services, the provisions of Section 4.4 shall apply.

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EXHIBIT A:
SINGLE-FAMILY COLLECTION SERVICES

3 The following Exhibit A describes the programs which, in aggregate, represent the
4 Collection services to be performed under this Agreement by the Contractor. This Exhibit
5 A presents the programs to be provided to each Customer by the Contractor. Within each
6 program description are specific requirements for the:

7 • Type and size of Containers or Service Level to be offered by Contractor under each
8 program;

9 • Frequency of service to be offered by Contractor to Customers;

10 • Location of service, including an indication of whether or not additional charges may
11 apply if a Customer selects a location that may be more costly to serve (e.g. back-
12 yard service);

13 • Materials that are acceptable or prohibited within the program;

14 • Provision of additional services to the Customer if the standard Service Levels are
15 inadequate, either on a regular or periodic basis, and an indication of whether or not
16 additional charges may apply; and/or,

17 • Other requirements and considerations of the program.

18 Contractor shall provide the services for each program described in accordance with the
19 specific program requirements detailed in this Exhibit A, and Contractor shall promote
20 such programs using the public education and outreach methods described in Section
21 6.3 of the Agreement.

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EXHIBIT A.1 – SINGLE-FAMILY THREE-CONTAINER SYSTEM

35 **1. Source Separated Recyclable Materials Collection**

36 Contractor shall Collect Source Separated Recyclable Materials placed in Contractor-
37 provided Blue Carts (or otherwise placed in accordance with this Section) one (1) time
38 per week from Single-Family Customers, and shall Transport all Source Separated
39 Recyclable Materials to the Approved Source Separated Recyclable Materials
40 Processing Facility for Processing.

41 **Containers:** Carts

42 **Container Sizes:** 64-gallon Blue Carts (or comparable sizes approved by the County)
43 as requested by Customer

44 Standard Container is a 64-gallon Cart, unless Customer requests
45 an alternative size.

46 Contractor shall provide Single-Family Customers with one (1) Blue
47 Container.

48 **Container Type:** Single compartment

49 **Service Frequency:** One (1) time per week on the same day as SSGCOW and
50 Gray Container Waste Collection services.

51 **Service Location:** Curbside

52 **Acceptable Materials:** Source Separated Recyclable Materials

53 **Prohibited Materials:** Materials designated for the Gray Container, materials
54 designated as acceptable SSGCOW, Excluded Waste

55 **Additional Service:**

56 (All additional Containers provided at charge): Single-Family
57 Customers may request additional Blue Container(s) and the
58 Contractor shall charge the appropriate Rate approved by the
59 County per Container.

60 Excess Cardboard and Source Separated Recyclable Materials
61 Collection (Optional): Contractor shall allow Single-Family
62 Customers to place up to one bundle of flattened cardboard (pieces
63 no larger than 2 feet x 3 feet) adjacent to the Blue Container on their
64 regularly-scheduled Collection day at no additional charge to the
65 Customer or at County-approved Rate.

66 **Other Requirements:**
67 **Batteries:** Contractor shall accept household batteries in the Source
68 Separated Recyclable Materials program, provided that those
69 batteries have been separately packaged in a sealed, clear plastic
70 bag placed on top of the Blue Container.

71 **Contamination:** Contractor may refuse to Collect a Blue Container
72 that contains Prohibited Container Contaminants if Contractor
73 complies with the contamination noticing process described in
74 Section 6.2.1.C.5 of the Agreement. For Customers with repeated
75 incidents of contamination, Contractor may enforce remedies in
76 accordance with Section 6.2.1.C.4 of this Agreement.

77 **2. SSGCOW Collection**

78 Contractor shall Collect SSGCOW placed in Contractor-provided Green Carts (or
79 otherwise placed in accordance with this Section) one (1) time per week from Single-
80 Family Customers, and Transport all SSGCOW to the Approved Organic Waste
81 Processing Facility for Processing.

82 **Containers:** Carts

83 **Container Sizes:** 96-gallon Green Carts (or comparable sizes approved by the
84 County) as requested by Customer.

85 Standard Container is a 96-gallon Cart, unless Customer requests
86 an alternative size.

87 Contractor shall provide Single-Family Customers with one (1)
88 Green Container.

89 **Container Type:** Single compartment

90 **Service Frequency:** One (1) time per week on the same day as Source Separated
91 Recyclable Materials and Gray Container Waste Collection service.

92 **Service Location:** Curbside

93 **Acceptable Materials:** SSGCOW (including Yard Trimmings and Food Waste)

94 **Prohibited Materials:** Materials designated as acceptable Source Separated
95 Recyclable Materials, materials designated for the Gray Container,
96 Excluded Waste

97 **Additional Service:**

98 **Extra Containers:**

99 (All additional Containers provided at charge): Single-Family
100 Customers may request additional Green Container(s) and

101 the Contractor shall charge the appropriate Rate approved by
102 the County per Container.

103 Other Requirements:

103 Other Visual Requirements
104 Size requirements: SSGCOW placed for Collection may not exceed
105 six (6) inches in diameter and three (3) feet in length and must fit in
106 the provided Cart.

107 Contamination: Contractor may refuse to Collect a Green Container
108 that contains Prohibited Container Contaminants if Contractor
109 complies with the contamination noticing process described in
110 Section 6.2.1.C.5 of the Agreement. For Customers with repeated
111 incidents of contamination, Contractor may enforce remedies in
112 accordance with Section 6.2.1.C.4 of the Agreement.

113 3. Gray Container Waste Collection

114 Containers: Carts

115 **Container Sizes:** 35-, 64-, and 96-gallons Gray Carts (or comparable sizes approved
116 by the County) as requested by Customer

117 Standard Container is a 64-gallon Cart unless Customer requests an
118 alternative size.

121 Container Type: Single compartment

122 **Service Frequency:** One (1) time per week on the same day as Source Separated
123 Recyclable Materials and SSGCOW collection service.

124 Service Location: Curbside

125 **Acceptable Materials:** Gray Container Waste

126 **Prohibited Materials:** Materials designated as acceptable Source Separated
127 Recyclable Materials, materials designated for acceptable
128 SSGCOW, Excluded Waste

129 Additional Service:

134

135 **Other Requirements:** None

EXHIBIT A.2 – SUPPLEMENTAL SINGLE-FAMILY PROGRAMS

139 1. Bi-Annual Clean-up Day Service

140 Contractor shall offer two (2) scheduled bulk collection days for Single-Family
141 Customers.

142 **Containers:** Bagged, bundled, boxed or in a container

143 Service Level: 3 cubic yards, max weight of 50 lbs. per item

144 Service Frequency: Twice, per year

145 Service Location: Curbside, in front of each individual property

146 **Acceptable Materials:** Bulky items: Furniture, appliances, tires without rims, carpets,
147 bundled yard trimmings not weighing more than fifty (50)
148 pounds, residential solid waste.

149 **Prohibited Materials:** Auto parts, Construction and Demolition debris, dirt, concrete,
150 items containing chlorofluorocarbon, loose unbagged items,
151 any items herein defined as hazardous materials or excluded
152 waste, any items that cannot be handled by two persons.

154 **Other Requirements:** Single-family homes, duplexes, and triplexes only. Items must
155 be placed curbside by 5 a.m. on regular service day.

157 2. Annual Community Clean-up Day Events

158 **Contractor shall participate in Fifteen (15) annual community clean-up events in**
159 **Area C. All materials from said events shall be segregated into recyclable and non-**
160 **recyclable materials. COLLECTOR shall transport all materials to the Approved Facility**
161 **for processing. COUNTY shall maintain ownership of such materials. COLLECTOR shall**
162 **provide waste roll-off bins at a discounted rate. COUNTY shall be responsible for all**
163 **disposal costs associated with such service. Segregated recyclables shall be serviced at**
164 **no cost to COUNTY.**

165 **Containers:** Roll-off bins

166 **Service Level:** Contractor discretion

167 Service Frequency: Fifteen (15) events per year

168 **Service Location:** Area C

169 **Approved Facility:** Lovelace Transfer Station
170 2323 East Lovelace Road, Manteca, CA, 95336

171 North County Recycling Center and Sanitary Landfill
172 17720 East Harney Lane, Lodi, CA, 95240

173 **Acceptable Materials:** Bulk items, furniture, appliances, e-waste, yard trimmings, tires without rims. Small, loose items must be bagged. Long cuttings must be bundled.

174

175

176 **Prohibited Materials:** Tree stumps, C & D, hazardous waste

177 **3. Recycling Dropoff Events**

178 **Service Frequency:** Four events per year

179 **Service Location:** WM Central Valley Waste
180 1333 East Turner Road, Lodi, CA 95241

181 Stockton Scavenger
182 1240 Navy Drive, Stockton, CA 95206

183 **Acceptable Materials:** Residential Solid Waste, Mattresses, Furniture, Televisions, Computer Monitors, Laptops, Computer Parts, Printers, Cell Phones, VCRs, Answering Machines, Radios/Stereos, Microwaves

184

185

186

187 **Prohibited Materials:** No Tires, Large Appliances, Explosives, or Radioactive Materials Accepted

188

189 **Additional Service:** Residents only, no Businesses.

190 **4. Dump Day Vouchers**

191 Once annually, Contractor shall distribute two (2) vouchers to each Single-Family
192 Customer which each allows for one (1) no-charge load of up to two (2) cubic yards of
193 Reusable Items, Bulky Items, Source Separated Recyclable Materials, Yard Trimmings,
194 and Gray Container Waste for Processing and/or Disposal at the appropriate Approved
195 Facility.

196 **5. [Reserved]**

197 **6. On-call Clean Up Service**

198 When requested by County, Contractor shall provide Collection, Transportation and
199 Processing or Disposal service of up to five (5) events, twenty (20) cubic yards of on-call
200 clean-up service per year, at no additional cost to Customers or the County. At the

201 County's sole option, the County may direct the Contractor to provide such clean-up
202 capacity in the form of abandoned waste ("hot spot") clean-up, temporary Roll-Off Box
203 service for community events, large clean-up events at locations throughout the County,
204 or any other arrangement deemed appropriate by the County, provided that Contractor
205 shall not be required to Collect waste determined hazardous by Contractor.

206 **7. Christmas Tree Collection**

207 From December 26 through January 15, Contractor will Collect Christmas trees placed at
208 the curb by Single-Family Customers. Contractor shall provide this pick-up service at no
209 additional charge to Single-Family Customers on Customer's regular Collection Service
210 Day. Contractor shall Transport all Collected Christmas trees to the Approved Organic
211 Waste Processing Facility for Processing. If Christmas trees are placed at the curb for
212 Collection after January 15, Contractor shall charge Single-Family Customers the County-
213 Approved Rate for such service.

214 Contractor may require that Christmas trees be cut into sections no greater than six (6)
215 feet. Christmas trees that are flocked shall be Collected, but may be delivered to the
216 Approved Disposal Facility at the discretion of the Contractor. Christmas trees that
217 contain tinsel, lights, or other decorations, or are attached to a tree stand are not required
218 to be Collected; however, Contractor shall affix a non-Collection notice to the tree
219 informing the Customer of the reason(s) for non-Collection. Contractor shall charge
220 County-approved Rates to return and Collect a previously non-Collected Christmas tree
221 that has been corrected and set out again.

222 **8. Used Oil and Filter Collection**

223 Used Motor Oil and Filter Collection. Contractor shall Collect and properly Dispose of or
224 Recycle used motor oil and filters from Single-Family Customers.

225 **Containers:** Motor oil must be placed in a clear plastic jug with screw top
226 lid, filters must be sealed in a clear plastic bag

227 **Container Sizes:** Various (as provided by Customer)

228 **Service Frequency:** Up to one (1) time every other week (as requested by
229 Customer)

230 **Service Location:** Curbside (adjacent to Recyclable Materials Cart)

231 **Acceptable Materials:** Used motor oil and filters

232 **Prohibited Materials:** All other materials, Excluded Waste

233 **Additional Service:** Not applicable

234 **Other Requirements:** Not applicable

EXHIBIT B – PROCESSING, TRANSFER, AND DISPOSAL SERVICES AND FACILITY STANDARDS

238 County has approved Contractor to Transport Discarded Materials to the Approved
239 Facilities for Processing or Disposal in accordance with this Exhibit. The Approved
240 Facilities shall comply with the standards specified in this Exhibit. Pursuant to Section 6.1
241 of the Agreement, if neither Party owns or operates one or more of the Approved
242 Facilities, Contractor shall enter into a subcontract agreement with the owner or Facility
243 operator of such Approved Facility(ies) and the requirements of Section 6.1 of the
244 Agreement and this Exhibit shall pertain to the Subcontractor(s).

245 Note that Contractor, by definition in Article 1 of the Agreement, includes Affiliates, DBAs,
246 and Subcontractors. As a result, requirements of Section 6.1 of the Agreement and this
247 Exhibit shall pertain to Affiliate(s) and Subcontractors providing Facility-related services.

248 B.1 General Requirements

249 A. **Overview.** Contractor agrees to Transport Discarded Materials it Collects in the
250 County to the appropriate Approved Facility(ies) for Transfer, Processing, or Disposal,
251 as applicable for each type of Discarded Material. As of the Commencement Date of
252 this Agreement, the Approved Facilities are listed in Table B-1 on the following page
253 and in the definitions in Article 1 of this Agreement. Contractor will perform all Transfer,
254 and Processing services at Approved Facilities in accordance with Applicable Law,
255 standard industry practice, and specifications and other requirements of this
256 Agreement.

257

258

Table B-1 Approved Facilities

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
Source Separated Recyclable Materials	Approved Source Separated Recyclable Materials Processing Facility: Central Valley (Lodi) MRF SWIS# 39-AA-0017 1333 E. Turner Road, Lodi, CA 95240 SRT MRF SWIS# 34-AA-0195 8491 Fruitridge Road, Sacramento, CA 95826 East Stockton MRF SWIS# 39-AA-0018 2435 Weber Avenue, Stockton, CA 95205 Davis Street MRF SWIS# 01-AA-0007 2615 Davis Street San Leandro, CA 94577	Processing Facilities	Contractor	North County Landfill (may include equivalent tons) SWIS# 39-AA-0022 17720 East Harney Lane Lodi, CA 95240 Actual Tons

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
Yard Trimmings (If Processed separately from other SSGCOW)	Approved Organic Waste Processing Facility or Yard Trimmings-specific Processing Facility.	Processing Facilities	Contractor	North County Landfill (may include equivalent tons) SWIS# 39-AA-0022 17720 East Harney Lane Lodi, CA 95240
Food Waste (If Processed separately from other SSGCOW)	Approved Organic Waste Processing Facility or Food Waste-specific Processing Facility.	Processing Facilities	Contractor	North County Landfill (may include equivalent tons) SWIS# 39-AA-0022 17720 East Harney Lane Lodi, CA 95240

December 10, 2024

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County of San Joaquin
WM
Franchise Agreement

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
SSGCOW	Approved Organic Waste Processing Facility: Central Valley Compost Facility SWIS# 39-AA-0051 916 Frewert Road, Lathrop, CA 95330 Altamont CASP SWIS# 01-AA-0325 10840 Altamont Pass Road, Livermore, CA 94551	Processing Facility	Contractor	North County Landfill (may include equivalent tons) SWIS# 39-AA-0022 17720 East Harney Lane Lodi, CA 95240

December 10, 2024

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County of San Joaquin
WM
Franchise Agreement

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
Gray Container Waste	Approved Transfer Facility: Central Valley (Lodi) Transfer Station, SWIS# 39-AA-0017 1333 E. Turner Road, Lodi, CA 95240	Not Applicable	County (Approved Disposal Facility)	Not Applicable

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December 10, 2024

- B-5 -

County of San Joaquin
WM
Franchise Agreement

265 **B. Facility Capacity Guarantee.** The Facility Capacity Guarantor of each Approved
266 Facility shall guarantee sufficient capacity over the Term of this Agreement to Transfer
267 (if applicable), Transport, and Process or Dispose Discarded Materials Collected
268 under this Agreement, pursuant to Table B-1, above. The Facility Capacity Guarantor
269 of each Approved Processing Facility shall cause the Approved Processing
270 Facility(ies) to recover or Process the Discarded Materials as appropriate; market the
271 Source Separated Recyclable Materials, and SSGCOW recovered from such
272 operations; and Dispose of Residue. Contractor shall provide the County, upon
273 request, with documentation demonstrating the availability of such Transfer (if
274 applicable), Transport, and Processing capacity for each Approved Facility for which
275 they are the Facility Capacity Guarantor as described below. As of the Effective Date,
276 the County is the Facility Capacity Guarantor of the Approved Disposal Facility, and
277 shall cause the Approved Disposal Facility(ies) to Dispose of Gray Container Waste.

278 1. If Contractor's Subcontractor is the owner and/or operator of Approved Facilities:
279 Upon County request, Contractor shall demonstrate that such capacity is
280 available and allocated to the County by provision of its agreement with the
281 Approved Facility(ies) owner(s)/operator(s) (Subcontractor(s)) documenting the
282 Subcontractor's guarantee to accept the Discarded Materials Contractor delivers
283 over the Term of this Agreement.

284 **C. Equipment and Supplies.** Contractor shall equip and operate the Approved Facilities
285 for which they are the Facility Capacity Guarantor in a manner to fulfill Contractor's
286 obligations under this Agreement, including achieving all applicable standards for
287 Landfill Disposal reduction, Recycling, recovery, Diversion, Residue amount and
288 content, and final product quality standards. Contractor is solely responsible for the
289 adequacy, safety, and suitability of the Approved Facilities for which they are the
290 Facility Capacity Guarantor. Contractor shall modify, enhance, and/or improve the
291 Approved Facilities for which they are the Facility Capacity Guarantor as needed to
292 fulfill service obligations under this Agreement, at no additional compensation from
293 the County or Rates charged to Customers.

294 Contractor shall provide all rolling stock, stationary equipment, material storage
295 Containers, spare parts, maintenance supplies, Transfer, Transport, and Processing
296 equipment, and other consumables as appropriate and necessary to operate the
297 Approved Facilities for which they are the Facility Capacity Guarantor, and provide all
298 services required by this Agreement. Contractor shall place the equipment in the
299 charge of competent equipment operators. Contractor shall repair and maintain all
300 equipment at its own cost and expense.

301 **D. Facility Permits.** Contractor or Facility operator shall keep all existing permits,
302 licenses and approvals necessary for use of the Approved Facility(ies) for which they
303 are the Facility Capacity Guarantor, in full regulatory compliance. Contractor, or

304 Facility operator, shall, upon request, provide copies of permits or other approvals
305 and/or notices of violation of permits to the County.

306 **E. Transfer Facility.** At Contractor's option, Contractor may rely on a Transfer Facility
307 and, in such case, shall Transport some or all Discarded Materials to an Approved
308 Transfer Facility. At the Transfer Facility, Discarded Materials shall be unloaded from
309 Collection vehicles and loaded into large-capacity vehicles and Transported to the
310 Approved Facility(ies) for Processing or Disposal, as applicable for each type of
311 Discarded Material, in a timely manner and in accordance with Applicable Law.
312 Contractor or Subcontractor shall perform the following pre-Processing activities at
313 the Approved Transfer Facility: Central Valley (Lodi) Transfer Station, 1333 East
314 Turner Road, Lodi, CA 95240.

315 If Contractor delivers some or all Discarded Materials to a Transfer Facility, it shall
316 receive assurances from the Facility operator that the Facility operator will Transport
317 or arrange for Transport of the Discarded Materials to appropriate Approved
318 Facility(ies) for Processing or Disposal, as applicable for each type of Discarded
319 Material. In such case, Contractor shall receive written documentation from the Facility
320 operator(s) of the Facilities used for Processing and Disposal of Discarded Materials,
321 as applicable for each type of Discarded Material. Contractor shall pay all costs
322 associated with Transport, Transfer, and Processing of all Source Separated
323 Recyclable Materials and SSGCOW Collected in accordance with this Agreement,
324 including marketing of recovered materials and Disposal of all Residue.

325 Contractor shall comply with separate handling requirements in this Exhibit B, Section
326 B.2.B.

327 **F. County Approved Change in Facility(ies).** Contractor may change its selection of
328 one or more of the Approved Facility(ies) for which Contractor is the Facility Capacity
329 Guarantor following County Contract Manager's written approval, which may be
330 conditioned on various factors including, but not limited to: the performance of the
331 current versus proposed Facility, the permitting status of and LEA inspection records
332 related to the proposed Facility, the distance of the Facility from the County, and any
333 other factor that may reasonably degrade the value received by the County. If
334 Contractor elects to use a Facility(ies) that is(are) not listed on the then-current list of
335 Approved Facility(ies) in this Exhibit, it shall submit a written request for approval to
336 the County fourteen (14) days prior to the desired date to use the Facility and shall
337 obtain the County Contract Manager's written approval prior to use of the Facility.
338 Contractor's compensation and Rates shall not be adjusted for a Contractor-initiated
339 change in Facilities. County may require a change in any Approved Facility, and such
340 change shall be addressed in accordance with Section 4.4 of the Agreement, with at
341 least one year notice to Contractor. In the event that any changes described in this
342 Section B-1.F result in inconsistencies with Table B-1, the Director may approve an
343 updated Table B-1, which shall replace the prior Table B-1.

344 **G. Notification of Emergency Conditions.** Each Approved Facility shall notify the
345 County Contract Manager of any unforeseen operational restrictions that have been

346 imposed upon the Facility by a regulatory agency or any unforeseen equipment or
347 operational failure that will temporarily prevent the Facility from Processing the
348 Discarded Materials Collected under this Agreement.

349 **H. Approved Facility Unavailable/Use of Alternative Facility.** If Contractor is unable
350 to use an Approved Facility due to a sudden unforeseen closure of the Facility or other
351 emergency condition(s) described in this Exhibit B, Section B.1.G, Contractor may use
352 an Alternative Facility provided that the Contractor provides verbal and written notice
353 to the County Contract Manager and receives written approval from the County
354 Contract Manager at least twenty-four (24) hours prior to the use of an Alternative
355 Facility to the extent reasonably practical given the nature of the emergency or sudden
356 closure. The Contractor's written notice shall include a description of the reasons the
357 Approved Facility is not feasible and the period of time Contractor proposes to use the
358 Alternative Facility. As appropriate for the type of Discarded Materials to be delivered
359 to the Alternative Facility, the Alternative Facility shall meet the applicable Facility
360 standards in this Agreement and shall be sent to an allowable Facility, operation, or
361 "Organic Waste Recovery Activity" as defined in 14 CCR Section 18982(a)(49) and
362 not subsequently used in a manner deemed to constitute Landfill Disposal pursuant
363 to 14 CCR Section 18983.1(a). If Contractor is interested in using a Facility or activity
364 not covered by the preceding sentence, and not specifically identified in 14 CCR
365 Section 18983.1(b), the Contractor shall be responsible for securing the approvals
366 from CalRecycle pursuant to 14 CCR Section 18983.2 that the Facility's Process or
367 technology constitutes a reduction of Landfill Disposal pursuant to 14 CCR Section
368 18983.1(a) prior to the County's final approval of such Facility or activity.

369 In the event an Approved Facility becomes unavailable due to the negligence, illegal
370 activity, neglect, or willful misconduct of Contractor, Contractor shall bear all additional
371 costs for use of an Alternative Facility including increased Processing costs, Disposal
372 Costs, Transportation costs, Transfer costs, and all other costs. The Parties agree that
373 an Approved Facility shall only be deemed to be "unavailable" if one or more of the
374 following has occurred: (i) an uncontrollable circumstance as described in Section
375 12.5 of this Agreement has occurred; (ii) a Facility has lost one or more permits to
376 operate; (iii) a Facility has exhibited a pattern of violation through the receipt of
377 repeated notices of violation from one or more regulatory agencies. The Parties agree
378 that a Facility shall only be deemed to be "unavailable" if the lack of availability of the
379 Facility is not due to Contractor's negligence, illegal activity, neglect, or willful
380 misconduct.

381 If Contractor is not the owner of the new Approved Facility, Contractor shall enter into
382 a Subcontract agreement with the Facility operator of the Alternative Facility to require
383 compliance with the requirements of Section 6.1 of this Agreement and this Exhibit
384 unless County Contract Manager waives one or more requirements.

385 **I. Discarded Materials Monitoring/Waste Evaluation Requirements.** Contractor
386 shall conduct material sampling, sorting, and waste evaluations of various material

387 streams as further described in this Exhibit B, Section B.6 to meet or exceed SB 1383
388 Regulatory requirements.

389 **J. Compliance with Applicable Law.** Contractor (including its Affiliates and
390 Subcontractors) warrants throughout the Term that the Approved Facilities for which
391 Contractor is the Facility Capacity Guarantor are respectively authorized and
392 permitted to accept Discarded Materials in accordance with Applicable Law and are
393 in full compliance with Applicable Law.

394 **K. Records and Investigations.** Contractor shall maintain accurate records of the
395 quantities of Discarded Materials Transported to and Accepted at the Approved
396 Facility(ies) and shall cooperate with County and any regulatory authority in any audits
397 or investigations of such quantities.

398 **L. Inspection and Investigations.** An authorized County employee or agent shall be
399 allowed to enter each Facility during normal working hours in order to conduct
400 inspections and investigations in order to examine Facility operations; Processing
401 activities; contamination monitoring; material sampling and sorting activities, including
402 inspection of end-of-line materials after sorting; and records pertaining to the Facility
403 in order to assess compliance with this Agreement, to understand protocols and
404 results, and conduct investigations, if needed. Contractor shall permit County or its
405 agent to review or copy, or both, any paper, electronic, or other records required by
406 County.

407 **B.2 Processing Standards**

408 **A. Recovery Required.** Contractor agrees to Transport and deliver all Source Separated
409 Recyclable Materials and SSGCOW, Collected under this Agreement to an Approved
410 Facility for Processing as applicable for each material type. Contractor shall conduct
411 Processing activities for all Source Separated Recyclable Materials and SSGCOW to
412 recover Recyclable materials and Organic Waste to reduce Disposal. The Processing
413 shall be performed in a manner that minimizes Disposal to the greatest extent
414 practicable and complies with Applicable Law, including SB 1383 Regulations.

415 **B. Separate Handling Requirements.** Contractor shall keep Source Separated
416 Recyclable Materials and SSGCOW separate from each other and separate from
417 other material streams and shall Process the materials separately from each other.

418 **C. Residue Disposal.** Contractor shall direct all actual or calculated Residue tonnages
419 from County Single-Family Customers to the Approved Disposal Facility(ies). This
420 requirement may be fulfilled through delivery of actual Residue tonnage, calculated
421 offset tons, or financial offsets paid to the County based upon the actual Residue tons
422 at the current gate rate at the Approved Disposal Facility.

423 Upon request of the County, Contractor shall provide a certified statement from the
424 Facility operator documenting its Residue level. The Residue level shall be calculated
425 separately for each material type and for each Approved Facility used for Recycling

426 and Processing. The Residue level calculation method shall be reviewed and
427 approved by the County.

428 **D. Source Separated Recyclable Materials Processing Standards.** Contractor shall
429 arrange for Processing of all Source Separated Recyclable Materials at a Facility that
430 recovers materials designated for Collection in the Blue Container and in a manner
431 deemed not to constitute Landfill Disposal pursuant to 14 CCR Section 18983.1(a),
432 which states that Landfill Disposal includes final deposition of Organic Waste at a
433 Landfill or use of Organic Waste as Alternative Daily Cover (ADC) or Alternative
434 Intermediate Cover (AIC).

435 **E. SSGCOW Processing Standards**

436 1. Contractor shall arrange for Processing of all SSGCOW at a Facility that recovers
437 Source Separated Organic Waste and in a manner deemed not to constitute
438 Landfill Disposal pursuant to 14 CCR Section 18983.1(a) which states that
439 Landfill Disposal includes final deposition of Organic Waste at a Landfill or use
440 of Organic Waste as Alternative Daily Cover (ADC) or Alternative Intermediate
441 Cover (AIC).

442 2. Contractor shall arrange for SSGCOW Processing at an Approved Organic
443 Waste Processing Facility that meets one or more of the following criteria, and
444 such Facility or operation is capable of and permitted to accept and recover the
445 types of Organic Wastes included in the SSGCOW:

446 a. A "Compostable Material Handling Operation or Facility" as defined in 14
447 CCR Section 17852(a)(12); small composting facilities that are otherwise
448 excluded from that definition; or Community Composting as defined in 14
449 CCR Section 18982(a)(8). The compostable materials handling operation
450 or Facility shall, pursuant to 14 CCR Section 17867(a)(16), demonstrate
451 that the percentage of Organic Waste in the materials sent to Disposal is:

452 i. On and after January 1, 2022, less than 20 percent (20%); and,
453 ii. On and after January 1, 2024, less than 10 percent (10%).

454 b. An "In-vessel Digestion Operation or Facility" as defined in 14 CCR Section
455 17896.5. The in-vessel digestion facility or operation shall, pursuant to 14
456 CCR Section 17896.44.1, demonstrate that the percentage of Organic
457 Waste in the materials sent to Disposal is:

458 i. On and after January 1, 2022, less than 20 percent (20%); and,
459 ii. On and after January 1, 2024, less than 10 percent (10%).

460 c. A "Biomass Conversion Operation" as defined in Section 40106 of the
461 California Public Resources Code.

462 d. Soil amendment for erosion control, revegetation, slope stabilization, or
463 landscaping at a Landfill, that is defined as a reduction in Landfill Disposal
464 pursuant to 14 CCR Section 18983.1(b)(5).

465 e. Land application of compostable materials consistent with 14 CCR Section
466 17852(a)(24.5) and subject to the conditions in 14 CCR Section
467 18983.1(b)(6).

468 f. Lawful use as animal feed, as set forth in California Food and Agricultural
469 Code Section 14901 et seq. and Title 3, Division 4, Chapter 2, Subchapter
470 2 commencing with 14 CCR Article 1, Section 2675.

471 g. Other operations or facilities with processes that reduce short-lived climate
472 pollutants that are approved by the State in accordance with 14 CCR
473 Section 18983.2.

474 If Contractor is interested in using an operation, Facility, or activity not expressly
475 identified above and not specifically identified in 14 CCR Section 18983.1(b) for
476 SSGCOW Processing, Contractor shall be responsible for securing the
477 necessary approvals from CalRecycle, pursuant to 14 CCR Section 18983.2, that
478 the Facility's Process or technology constitutes a reduction in Landfill Disposal
479 pursuant to 14 CCR Section 18983.1(b)(8) prior to the County's final approval of
480 such operation, Facility, or activity.

481 3. Preparation of Materials for Processing. The Contractor shall be responsible for
482 preparing materials for Processing at the Approved Organic Waste Processing
483 Facility, which shall include, but is not limited to, removal of visible physical
484 contaminants such as plastic, glass, metal, and chemicals prior to size reduction.

485 4. Limits on Incompatible Materials in Recovered Organic Waste

486 a. Limits. Except as described in this Exhibit B, Section B.2.F.4.c,
487 Contractor's Processing Facility or operation shall only send offsite that
488 Organic Waste recovered after Processing the SSGCOW that meets the
489 following requirements or as otherwise specified in 14 CCR Section
490 17409.5.8(a):

491 i. On and after January 1, 2022 with no more than 20 percent (20%) of
492 Incompatible Material by weight; and,

493 ii. On and after January 1, 2024 with no more than 10 percent (10%) of
494 Incompatible Material by weight.

495 b. Measurement. Contractor shall measure the actual levels of Incompatible
496 Materials in accordance with procedures described in 14 CCR Section
497 17409.5.8(b).

c. Exceptions. The limits in this Exhibit B, Section B.2.F.4.a shall not apply to the recovered Organic Waste sent offsite from the Processing Facility or operation, if the Contractor sends the recovered Organic Waste from the Processing Facility or operation to one or more of the following types of Facilities that will further Process the Organic Waste, or as otherwise specified in 14 CCR Section 17409.5.8(c):

- i. A Processing Facility or operation that complies with this Exhibit B, Section B.2.F.5.a;

ii. A compostable materials handling facility or operation that, pursuant to 14 CCR Section 17867(a)(16), demonstrates that the percentage of Organic Waste in the materials sent to Disposal is:

(A) On and after January 1, 2022, less than 20 percent (20%); and.

(B) On and after January 1, 2024, less than 10 percent (10%).

iii. An in-vessel digestion Facility or operation that, pursuant to 14 CCR Section 17896.44.1, demonstrates that the percentage of Organic Waste in the materials sent to Disposal is:

(A) On and after January 1, 2022, less than 20 percent (20%); and

(B) On and after January 1, 2024, less than 10 percent (10%).

- iv. An activity that meets the definition of a recycling center as described in 14 CCR Section 17402.5(d).

F. Marketing. Contractor shall be responsible for marketing materials recovered from Discarded Materials Collected under this Agreement and Processed at Approved Facilities for which Contractor is the Facility Capacity Guarantor.. Contractor's marketing methods for materials shall be performed in a manner that supports achievement of Disposal reductions and in such a manner that complies with State statutes, including, but not limited to, AB 901, AB 939, SB 1016, AB 341, AB 1594, AB 1826, and SB 1383, and corresponding regulations. Contractor shall retain revenues resulting from the sale and marketing of said materials.

Upon request, Contractor shall provide proof to the County that all Source Separated Recyclable Materials and SSGCOW Collected by Contractor were Processed and recovered materials were marketed for recovery, salvage, or Reuse or as organics products in such a manner that materials are not deemed Landfill Disposal pursuant to 14 CCR Section 18983.1(a) and in a manner that materials are deemed Diversion pursuant to AB 939. All Residue from the Recycling and Processing activities that is not marketed shall be reported to the County as Residue and accounted for as

535 Disposal Tonnage at the Approved Disposal Facility. No Source Separated
536 Recyclable Materials or SSGCOW shall be Transported to a domestic or foreign
537 location if Landfill Disposal, as defined in 14 CCR Section 18983.1(a) of such material
538 is its intended use. If Contractor becomes aware that a broker or buyer has illegally
539 handled, Disposed of, or used material generated in the County that is not consistent
540 with Applicable Law, Contractor shall immediately inform the County and terminate its
541 contract or working relationship with such party. In such case, Contractor shall find an
542 alternative market for the material(s) recovered from the Source Separated
543 Recyclable Materials and/or SSGCOW that is compliant with Applicable Law.

544 The performance of commodity markets for materials recovered from Source
545 Separated Recyclable Materials shall not be considered a reason for deeming a
546 Facility "unavailable" in this Exhibit B, Section B.1.H, nor shall it be considered an
547 acceptable basis for the need to use an Alternative Facility, nor shall it serve as the
548 basis for any adjustment in Contractor's compensation under this Agreement, other
549 than as specifically contemplated in Article 10 of this Agreement.

550 I. **Disposal of Source Separated Recyclable Materials and SSGCOW Prohibited.**
551 With the exception of Processing Residue, Source Separated Recyclable Materials
552 and SSGCOW Collected under this Agreement may not be Disposed of in lieu of
553 Recycling, Processing, or marketing the material, without the expressed written
554 approval of the Director or their designee.

555 If for reasons beyond its reasonable control, Contractor believes that it cannot avoid
556 Disposal of the Source Separated Recyclable Materials or SSGCOW Collected in the
557 County, then it shall prepare a written request for County approval to Dispose of such
558 material. Such request shall contain the basis for Contractor's belief (including, but not
559 limited to, supporting documentation), describe the Contractor's efforts to arrange for
560 the Processing of such material, the period required for such Disposal, and any
561 additional information supporting the Contractor's request.

562 In addition, the request shall describe the Contractor's proposed interim plans for
563 implementation while the County is evaluating its request. If the County objects to the
564 interim plans, the County shall provide written notice to the Contractor and request an
565 alternative arrangement. The County shall consider the Contractor's request and
566 inform Contractor in writing of its decision within fourteen (14) days. Depending on the
567 nature of the Contractor's request, County may extend the fourteen (14) day period,
568 at its own discretion, to provide more time for evaluation of the request and negotiation
569 of an acceptable arrangement with the Contractor.

570

571 **B.3 Gray Container Waste Disposal Standards**

572 A. **Disposal of Gray Container Waste Collected.** Contractor shall Transport all Gray
573 Container Waste Collected under this Agreement to the Approved Disposal Facility.

574 B. **Disposal at Approved Facility.** Contractor shall not Dispose of Gray Container
575 Waste or Residue by depositing it on any public or private land, in any river, stream,
576 or other waterway, or in any sanitary sewer or storm drainage system or in any other
577 manner which violates Applicable Laws.

578 C. **Disposal Services.** The Party named as Facility Capacity Guarantor for the Approved
579 Disposal Facility shall provide Disposal services at the Approved Disposal Facility.

580 **B.4 Weighing of Discarded Materials**

581 A. **Maintenance and Operation.** This Section B.4 of Exhibit B applies to motor vehicle
582 scales used at the Approved Facilities for which Contractor is the Facility Capacity
583 Guarantor. Approved Facilities shall be equipped with one or more State-certified
584 motor vehicle scales in accordance with Applicable Law. Upon request, Contractor
585 shall arrange for Facility operator to provide documentary evidence of such scale
586 certification within ten (10) days of County's request during the Term. Licensed weigh
587 master(s) shall operate those scales to weigh all inbound and outbound Collection
588 vehicles Transporting Discarded Materials and all Transfer vehicles Transporting
589 materials to another site. Contractor shall arrange for Facility operator to provide
590 County with access to weighing information at all times and copies thereof within three
591 (3) Business Days following the County's request. Exceptions to weighing
592 requirements are specified in this Exhibit B, Section B.4.G.

593 B. **Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) days prior to the
594 Commencement Date, Contractor shall coordinate with the Facility operator(s) to
595 ensure that all Collection vehicles used by Contractor to Transport Discarded
596 Materials to Approved Facilities are weighed to determine unloaded ("tare") weights.
597 Contractor shall work with Facility operator(s) to electronically record the tare weight,
598 identify vehicle as Contractor's, and provide a distinct vehicle identification number for
599 each vehicle. Contractor shall provide County with a report listing the vehicle tare
600 weight information upon request. Contractor shall promptly coordinate with Facility
601 operator to weigh additional or replacement Collection vehicles prior to Contractor
602 placing them into service. Contractor shall check tare weights at least annually, or
603 within fourteen (14) days of a County request, and shall re-tare vehicles immediately
604 after any major maintenance service that could impact the weight of the vehicle by
605 greater than five percent.

606 C. **Substitute Scales.** If any scale at an Approved Facility is inoperable, being tested, or
607 otherwise unavailable, Facility operator shall use reasonable business efforts to weigh
608 vehicles on the remaining operating scale(s). To the extent that all the scales are
609 inoperable, being tested, or otherwise unavailable, Facility operator shall substitute

610 portable scales until the permanent scales are replaced or repaired. Facility operator
611 shall arrange for any inoperable scale to be repaired as soon as possible.

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

616 During any period of time the scales are out of service, Facility operator shall continue
617 to record all information required by this Exhibit B, Section B.4, for each delivery of
618 Discarded Materials to the Approved Facilities and each load of material Transferred
619 to another Approved Facility(ies).

620 E. **Weighing Standards and Procedures.** At the Approved Facilities, Facility operator
621 shall weigh and record inbound weights of all vehicles delivering Discarded Materials
622 when the vehicles arrive at the Facility. In addition, Facility operator shall weigh and
623 record outbound weights of vehicles for which Facility operator does not maintain tare
624 weight information. Furthermore, Facility operator shall weigh and record outbound
625 weights of all Transfer vehicles Transporting Discarded Materials from a Transfer
626 Facility to another Approved Facility(ies) for Processing or Disposal.

627 F. **Records.** Facility operator shall maintain scale records and reports that provide
628 information including date of receipt, inbound time, inbound and outbound weights (or
629 tare weights) of vehicles, vehicle identification number, jurisdiction of origin of
630 materials delivered, type of material, company/hauler identification, and classification,
631 type, weight, and final destination of Discarded Material if the Discarded Materials are
632 Transferred to another Approved Facility(ies).

633 G. **Exceptions to Weighing Requirements.** If an Approved Facility does not have motor
634 vehicle scales to weigh Contractor's vehicles and Discarded Materials delivered to the
635 Facility, Contractor shall obtain a receipt for delivery of the Discarded Materials that
636 identifies the date and time of delivery, the type of material delivered, and the vehicle
637 number. Contractor or Facility operator shall estimate the Tonnage of material
638 delivered for each load based on the volumetric capacity of the vehicle and material
639 density factors (e.g., pounds per cubic yard) approved by or designated by the County
640 Contract Manager.

641 H. **Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded
642 on video cameras at the Approved Facilities, Contractor shall make those videos
643 available for County review during the Approved Facilities' operating hours, upon
644 request of the County, and shall provide the name of the driver of any particular load
645 if available.

646 **B.5 Rejection of Excluded Waste**

647 A. **Inspection.** Contractor will use standard industry practices to detect and reject
648 Excluded Waste in a uniform and non-discriminatory manner and will not knowingly

649 accept Excluded Waste at the Approved Facility(ies) for which Contractor is the
650 Facility Capacity Guarantor. Contractor will comply with the inspection procedure
651 contained in its permit requirements. Contractor will promptly modify that procedure
652 to reflect any changes in permits or Applicable Law.

653 **B. Excluded Waste Handling and Costs.** Contractor will arrange for or provide
654 handling, Transportation, and delivery to a Recycling, incineration, or a Disposal
655 facility permitted in accordance with Applicable Law of all Excluded Waste detected
656 at the Approved Facility(ies) for which Contractor is the Facility Capacity Guarantor.
657 Contractor is solely responsible for making those arrangements or provisions and all
658 costs thereof. Nothing in this Agreement will excuse the Contractor from the
659 responsibility of handling Excluded Wastes that Contractor inadvertently accepts in a
660 lawful manner and of arranging for the disposition of that Excluded Waste in
661 accordance with Applicable Law. However, where Contractor can identify the
662 generator of such Excluded Waste, it may invoice such person or entity for all costs
663 incurred by Contractor.

664 **B.6 Discarded Materials Evaluations at Approved Facilities**

665 **A. General.** Contractor shall conduct the following "evaluations" at Approved Facilities
666 for which Contractor is the Facility Capacity Guarantor if required by Applicable Law
667 referenced below:

668 1. Gray Container Waste Evaluations. If applicable pursuant to 14 CCR Section
669 17409.5.7, Contractor shall conduct waste evaluations of Gray Container Waste
670 at Approved Processing Facilities that receive Gray Container Waste in
671 accordance with 14 CCR 17409.5.7.

672 2. Organic Waste Recovery Efficiency Evaluations. If applicable pursuant to 14
673 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8, Contractor shall conduct
674 waste evaluations at Approved Processing Facility(ies) in accordance with 14
675 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8.

676 3. Evaluation of Organic Waste in Residuals. If applicable pursuant to 14 CCR
677 Sections 17409.5.3, 17409.5.5, 17867, and/or 17896.44.1, Contractor shall
678 conduct compliance evaluations of Organic Waste to determine the level of
679 Organic Waste in materials sent for Disposal in accordance with 14 CCR
680 Sections 17409.5.3 (transfer/processor for Mixed Waste), 17409.5.5
681 (transfer/processor for SSGCOW/SSBCOW), 17867 (Compost operations and
682 facilities), and 17896.44.1 (In-vessel digestion operations and facilities).

683 **B. Record Keeping and Reporting.** For the evaluations described above, Contractor
684 shall maintain all records and submit reports to CalRecycle as described in 14 CCR
685 Division 7, Chapter 3, Article 6.3; 14 CCR Division 7, Chapter 3.1, Article 8; and 14
686 CCR Division 7, Chapter 3.2, Article 4; and, 14 CCR Sections 18815.5 and 18815.7,

687 as applicable. Contractor shall report this information to the County on a monthly basis
688 in accordance with Exhibit D.

689 **C. Scheduling of Evaluations.** Contractor shall schedule evaluations during normal
690 working hours. Contractor shall provide County notice of its intent to conduct
691 evaluations at the Approved Facility(ies) at least five (5) Business Days in advance of
692 the evaluations.

693 **D. Observance of Study by County and/or CalRecycle.** Contractor acknowledges
694 that, upon request, a representative of the County, the LEA, and/or CalRecycle may
695 oversee its next scheduled quarterly sampling and evaluation of any of the evaluations
696 described in this Exhibit B, Section B.6.A, conducted at the Approved Facility(ies).

697

EXHIBIT C – LIQUIDATED DAMAGES

699 County may assess Liquidated Damages pursuant to Section 12.7 of this Agreement if
 700 Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in
 701 accordance with the terms and conditions of the Agreement.

	Event of Non-Performance	Liquidated Damage
1	Failure to Correct Missed Collection. Each "Missed Collection" as defined above which is not Collected by the end of the next Business Day following the receipt of the Customer complaint about the Missed Collection.	\$100 / occurrence
2	Failure to Implement three-Container System. For each occurrence of failing to provide Customers with the three-Container system required by and compliant with Exhibit A excluding Generators and Customers granted waivers pursuant to Section 6.5 of this Agreement.	\$50 / Generator or Customer / occurrence / Day until compliance achieved
3	Failure to Comply with Container Labeling and Colors. For each occurrence of Contractor's failure to comply with Container labeling and color requirements pursuant to Section 7.5 of this Agreement.	\$50 / Container / occurrence
4	Failure to Perform Public Education and Outreach. For each failure to perform any individual education and outreach activity as required and in the timeframe specified by this Agreement.	\$500 / activity / occurrence
5	Failure to Submit Reports or Allow Access to Records. For each failure to submit any individual report or provide access to records in compliance with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports shall be considered a failure to submit until such time as all information in the report has been provided in a complete and accurate form. In the event County determines an errant or incomplete report more than ten (10) Business Days after submittal by Contractor, Contractor shall be given ten (10) Business Days to complete	\$500 / report / occurrence

	Event of Non-Performance	Liquidated Damage
	and correct and any pending Liquidated Damages shall be tolled during that period.	
6	Misleading/ Inaccurate Reporting. Each occurrence of Contractor providing misleading or otherwise inaccurate information or reporting to County under or in regard to this Agreement. Typographical, cell reference, mathematical, and/or logic errors shall not be considered legitimate excuses from this requirement, nor shall ignorance.	\$250 / occurrence
7	Failure to Correct Submittal of Inaccurate Data in a Timely Manner. Failure to correct submittal of inaccurate data within ten (10) days (or other such time period as may be agreed to in writing between County and Contractor) of notification by County.	\$100 / day
8	Use of Unauthorized Facilities. For each individual occurrence of delivering Discarded Materials to a Facility other than the appropriate Approved Facility for each Discarded Material type under this Agreement.	\$30 / ton / occurrence (in addition to any applicable lost Disposal tipping fees pursuant to Section 6.1)
9	Failure of Approved Facility(ies) to Meet Limits on Incompatible Materials (if Applicable). For each Ton of SSGCOW received at the Facility(ies) in a quarterly reporting period when Organic Waste recovered after Processing exceeds Incompatible Material thresholds defined in Exhibit B.	\$10 / ton in the quarterly reporting period when the failure occurred
10	Failure to Provide Adequate Capacity. Failure to provide adequate capacity to accept and Process Source Separated Recyclable Materials or SSGCOW.	\$1,000 / for each day facility rejects otherwise acceptable material
11	Disposal of Material Targeted for Diversion. Each individual occurrence of Disposal rather than Processing of Source Separated Recyclable Materials or SSGCOW set out for Collection by the Customer.	\$100 / ton (in addition to any applicable lost Disposal tipping fees pursuant to Section 6.1)
12	Mixing Material Types During Collection. Each individual Container that is Collected by Contractor in a vehicle intended or designated for the purpose of Collecting a different material type (e.g. Source Separated	\$100 / Container

	Event of Non-Performance	Liquidated Damage
	Recyclable Materials Collected in Gray Container Waste vehicle).	
13	Failure to Perform Contamination Monitoring Requirements. For each failure to conduct Hauler Route contamination monitoring in accordance with Section 6.2 of this Agreement.	\$500/ Hauler Route / occurrence
14	Failure to Conduct Compliance Tasks. For each failure to conduct any compliance review, Discarded Materials evaluations pursuant to Section B.6 of Exhibit B, and/or other inspection required by this Agreement.	\$500 / occurrence
15	Failure to Issue Contamination Notices. For each failure of Contractor Collection personnel to issue contamination notices and contaminating Processing fee notices and maintain documentation of issuance as required by Section 6.2 of this Agreement.	\$500 / Hauler Route / day
16	Failure to Conduct Follow-Up Inspections. For each failure to conduct a follow-up inspection as required by Section 6.7 of this Agreement.	\$50 / occurrence
17	Failure to Clean-Up Spillage. Each failure by Contractor to clean up: (1) any items or materials spilled during the Collection of a Container; or, (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location. This does not include instances where a Container was overloaded.	\$100 / occurrence
18	Damage to Property. Each event of damage to either public or private property as a result of Collection activity, including without limitation curbs, sidewalks, landscapes, Container enclosures and gates, signs, light fixtures, and overhead wires and cables.	\$500 / occurrence (in addition to repair costs)
19	Damage to Public Streets. Each event of damage to public streets within the County caused by Contractor, excluding damage caused by normal wear and tear.	\$100 / occurrence
20	Failure to Maintain Equipment. Each event of failure to maintain equipment, vehicles, and/or Containers in a clean, safe, and sanitary manner.	\$100 / occurrence

	Event of Non-Performance	Liquidated Damage
21	Uncovered Loads. Failure to properly cover materials in Collection vehicles.	\$100 / occurrence
22	Materials Emanating from Vehicle. Each occurrence of Collected materials emanating from Contractor's vehicles following Collection.	\$100 / occurrence
23	Inaccurate Billing. Each Complaint received where the Contractor billed a Customer in error, to the extent exceeding a 1% error rate. Inaccurate billing may include, but is not limited to: (i) either over- or under-charging of the Customer relative to the approved Rates for services, (ii) charging the Customer a Rate that is not the same as other Customers with the same Service Level; (iii) charging a Customer for an increased Service Level prior to providing the service; (iv) not charging a Customer for reduced Service Level within seven (7) of the date Customer requested the change regardless of whether or not Contractor delivers the appropriate Containers or modifies the Service Level within that timeframe.	\$100 / occurrence
24	Failure to Commence Service. Any failure by Contractor to deliver a Container and begin providing Collection to a Customer, at the Service Level requested by said Customer, within fourteen (14) calendar days of receiving such request. This may include a new Customer receiving new service or an existing Customer requesting a change in or addition to existing Service Levels.	\$100 / occurrence
25	Failure to Exchange Container. Any failure by Contractor to exchange a Container within ten (10) Business Days of notification that a change in the size or number of Containers is required.	\$100 / Container / day
26	Failure to Replace Container. Any failure by Contractor to replace a damaged or defaced Container within the timeline required in Section 7.5.C	\$100 / Container / day
27	Failure to Replace Container or Remove Graffiti. Any failure by Contractor to replace or repair a damaged Container within	\$100 / occurrence

	Event of Non-Performance	Liquidated Damage
	fourteen (14) calendar days of receiving such a request from a Customer, or any failure by Contractor shall remove graffiti from Containers within forty-eight (48) hours of identification by Contractor or notice by County or Customer if such graffiti includes any written or pictorial obscenities and otherwise within five (5) Business Days.	
28	Failure to Resolve Complaint. Any failure by Contractor to address a complaint within seven (7) calendar days of receiving such complaint.	\$100 / occurrence
29	Failure to Answer Phones. Any failure (beyond 100 per 1,000 calls received under this Agreement) by Contractor to answer a telephone call from a Customer during normal business hours. A call is not considered to be answered if the Customer does not speak with a live operator or voice driven Interactive Voice Response (IVR) platform. A call is considered to be answered if the Customer hangs-up or abandons the call following a hold time of less than three (3) minutes.	\$100 / occurrence
30	Failure to Maintain Office Hours. Failure to maintain office hours as required by this Agreement.	\$100 / occurrence
31	Unauthorized Hours of Operation. Each occurrence of Contractor Collecting from Customers during unauthorized hours.	\$100 / occurrence

702
703

EXHIBIT D – RECORD KEEPING AND REPORTING

706 D.1 General

707 Contractor shall maintain such accounting, statistical, and other records related to its
708 performance under this Agreement as shall be necessary to develop the reports required
709 by this Agreement or County Code. Contractor agrees to conduct data collection,
710 information and record keeping, and reporting activities needed to comply with applicable
711 laws and regulations and to meet the reporting and Discarded Materials Collection,
712 Processing, and Disposal program management needs of the County. At the written
713 direction or approval of County, the records and reports to be maintained and provided
714 by Contractor in accordance with this Exhibit and other Articles of the Agreement may be
715 adjusted in number, format, and frequency, if required to comply with State or federal
716 regulatory or reporting requirements.

717 D.2 Record Keeping

718 A. **General.** Contractor shall maintain Customer contact data, Customer service,
719 accounting, statistical, operational, and other records related to its performance as
720 shall be necessary to provide reporting required by this Agreement and Applicable
721 Law and to demonstrate compliance with this Agreement and Applicable Law (such
722 as, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, and SB 1383
723 statutes and corresponding regulations).

724 Record keeping and reporting requirements specified in this Agreement shall not be
725 considered a comprehensive list of reporting requirements. In particular, this Exhibit
726 D is intended to highlight the general nature of records and reports and their minimum
727 content and is not meant to comprehensively define the scope and content of the
728 records and reports that Contractor is required to maintain and report by Applicable
729 Law or this Agreement. Upon written direction or approval of County, the records and
730 reports required by Contractor in accordance with this and other Articles of the
731 Agreement shall be adjusted in number, format, or frequency.

732 Contractor shall maintain adequate records, and corresponding documentation, of
733 information required by Sections D.3 and D.4 of this Exhibit, such that the Contractor
734 is able to produce accurate monthly and annual reports, and is able to provide records
735 to verify such reports. Contractor will make these records available and provide to the
736 County any record or documentation necessary for the County to fulfill obligations
737 under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876,
738 AB 901, and SB 1383 statutes and corresponding regulations; and, other current or
739 future federal, State, or local statutes and regulations, as amended. Upon request by
740 the County, Contractor shall provide access to Contractor's requested records in a
741 timely manner, not to exceed ten (10) Business Days from the time of County's request
742 to Contractor.

743 B. **Record Retention and Security.** Records shall be maintained in forms and by
744 methods that facilitate flexible use of data contained in them to structure reports, as
745 needed, pursuant to this Exhibit. Contractor's records shall be stored in one central
746 location, physical or electronic, that can be readily accessed by Contractor. County
747 reserves the right to require the Contractor to maintain the records required herein
748 through the use of a County-selected web-based software platform, at Contractor's
749 expense. Unless otherwise required in this Exhibit, Contractor shall retain all records
750 and data required to be maintained by this Agreement for the Term of this Agreement
751 plus five (5) years after its expiration or earlier termination.

752 Records and data shall be in chronological and organized form and readily and easily
753 interpreted. Contractor shall maintain adequate record security to preserve records
754 from events that can be reasonably anticipated such as a fire, theft, and an
755 earthquake. Electronically-maintained data and records shall be protected and
756 backed-up. To the extent that Contractor utilizes its computer systems to comply with
757 record keeping and reporting requirements under this Agreement, Contractor shall, on
758 a monthly basis, save all system-generated reports supporting those record keeping
759 and reporting requirements in a static format in order to provide an audit trail for all
760 data required.

761 C. **Maintenance of Financial and Operational Records.** The Contractor shall maintain
762 complete financial statements and accounting records for operations under this
763 Agreement. Contractor shall account for revenues received and expenses incurred as
764 a result of this Agreement separately from the accounting for other operations
765 performed by Contractor or its Affiliates. The Gross Receipts derived from the
766 Collection Services under this Agreement, whether such services are performed by
767 the Contractor, by an Affiliate, or by a Subcontractor, shall be recorded as revenues
768 in the accounts of the Contractor. Upon demand, the Contractor shall permit the
769 County Contract Manager to examine and audit the books of account of the Contractor
770 at any and all reasonable times for the purpose of verifying Contractor's performance
771 under this Agreement. Upon request, the Contractor shall allow the County Contract
772 Manager to examine the reports of Gross Receipts and the invoices pertaining to any
773 fee or charge approved by the County for Services provided under this Agreement.
774 Such request shall be made at reasonable times and with reasonable notice.

775 In the event that an extraordinary Rate adjustment pursuant to Section 10.3,
776 reasonably necessary records shall be subject to review in accordance with
777 appropriate professional standards, and inspection, for the primary purpose of
778 reviewing changes in costs to the Contractor attributable to the extraordinary Rate
779 adjustment request, at any reasonable time by an independent third party. The
780 selection of the independent third party as well as the scope of work for such review
781 shall be approved in advance by the County Contract Manager. The independent
782 reviewer shall provide any and all drafts of its review to the County and the Contractor.
783 The Party requesting the extraordinary Rate adjustment review shall bear the cost of
784 the review.

785 D. **CERCLA Defense Records.** County views its ability to defend itself against
786 Comprehensive Environmental Response, Compensation and Liability Act
787 (CERCLA), and related litigation as a matter of great importance. For this reason,
788 County regards its ability to prove where Collected Gray Container Waste is taken for
789 transfer or Disposal. Contractor shall maintain records which can establish where
790 Gray Container Waste Collected was Disposed. This provision shall survive the
791 expiration or earlier termination of this Agreement. Contractor shall maintain these
792 records for a minimum of ten (10) years beyond expiration or earlier termination of the
793 Agreement. Contractor shall provide these records to County (upon request or at the
794 end of the record retention period) in an organized and indexed manner rather than
795 destroying or Disposing of them.

796 E. **Compilation of Information for State Law Purposes.** Contractor shall maintain
797 accurate records for its operation, including, but not limited to, Discarded Materials
798 quantities Collected and quantities Transported to or Transferred to each Approved
799 Facility, listed separately by material type, Customer type, and Facility. Records shall
800 be maintained in such form by methods that facilitate the use of data for the production
801 of reports as needed. Contractor will make these records available and provide to the
802 County any record or documentation necessary for the County to fulfill obligations
803 under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876,
804 AB 901, AB 1595, and SB 1383 statutes and corresponding regulations; and, other
805 current or future local, federal or State statutes and regulations, as amended.

806 D.3 Audits and Inspection by County

807 At a mutually agreed upon time during normal business hours, but within five (5) work
808 days of a written request, Contractor shall make available to the County for examination
809 at reasonable locations within the County the Contractor's data and records with respect
810 to the matters covered by this Agreement and the County Code. Contractor shall permit
811 the County, or its designee, to audit, examine, and make excerpts or transcripts from such
812 data and records, and make audits of all data relating to all matters covered by this
813 Agreement and the County Code. Contractor shall maintain such data and records in an
814 accessible location and condition for a period of not less than three (3) years following
815 the County's receipt of final payment under this Agreement unless the County agrees in
816 writing to an earlier disposition. The County, or its designee, shall maintain the
817 confidentiality of the Contractor's Customer list and other proprietary information, to the
818 extent allowed by law.

819 D.4 Reporting

820 D.4.1 General

821 A. **General Purpose.** Reports are intended to compile recorded data into useful forms
822 of information that can be used by the County. All reports shall be adequate to meet
823 County's current and future reporting requirements to CalRecycle, including AB 939,
824 AB 341, AB 1826, and SB 1383 statutes and corresponding regulations, or any other

825 State or federal agency statutes and regulations throughout the Term of this
826 Agreement.

827 **B. Failure to Report.** Failure of Contractor to comply with the reporting requirements as
828 set forth in this Section may result in an assessment of Liquidated Damages in
829 accordance with the Liquidated Damages provision in Section 12.7 of this Agreement
830 and Exhibit C. Contractor's repeated failure to submit reports, and/or failure to submit
831 reports on time, may be deemed an event of default and may result in the termination
832 of the Agreement at the discretion of the Director, in accordance with Article 12 of this
833 Agreement.

834 **C. Report Format.** County shall provide to Contractor the format for each report
835 submittal not later than thirty (30) days prior to the first due date for each such report.
836 Unless otherwise notified by the County, Contractor shall use the County-provided
837 report format(s) for all future reporting periods.

838 **D. Submittal Process.** All reports shall be submitted to the County, Department of Public
839 Works, or as directed by the County Contract Manager. Reports shall be submitted
840 electronically via email or uploaded to a document sharing platform agreed upon by
841 the Parties. County reserves the right to require the Contractor to maintain records
842 and submit the reports required herein through use of a County-selected web-based
843 software platform, at the Contractor's expense.

844 Quarterly reports shall be submitted within forty-five (45) days after the end of the
845 reporting quarter; and annual reports shall be submitted within ninety (90) days after
846 the end of the reporting year.

847 **D.4.2 Quarterly Reports**

848 Quarterly reports shall be submitted by Contractor to County and shall include the
849 following information pertaining to the most recently-completed calendar quarter.
850 Information shall be reported by month, such that data is tracked and documented on a
851 monthly basis, but submitted to the County on a quarterly basis. In addition, each quarterly
852 report shall include a year-to-date summary page that includes the data submitted from
853 the quarterly report(s) submitted in the calendar year prior to the submittal of the current
854 quarterly report. Contractor shall report the information included in the following
855 subsections.

856 **A. Tonnage Report**

857 1. Contractor shall report the total quantities in Tons of Discarded Materials
858 Collected, Transferred, Processed, and Disposed by the Contractor, all of which
859 shall be based on actual certified scale weights for each load, if available, or
860 similarly accurate methodology pursuant to weighing protocols in Section B.4 of
861 Exhibit B. Tonnage shall be reported separately by:

862 a. Material type, which shall include, at a minimum, separate reporting of Source

863 Separated Recyclable Materials, SSGCOW, Gray Container Waste, and any
864 other type of Discarded Material separately Collected by Contractor
865 (including, but not limited to: Bulky Items, used oil, dirt, rock, metals,
866 cardboard, wood waste, Reusable Items, Salvageable Materials, etc.);

867 b. Approved Facility and Facility type.

868 2. Report Residue level and Tonnage for all Discarded Materials processed, listed
869 separately by material type Collected and Approved Facility(ies) used.

870 3. Documentation of all Discarded Materials exported out of State, as provided in 14
871 CCR Sections 18800 through 18813.

872

873 **B. Diversion Report**

874 Contractor shall report the Diversion level for each month and the cumulative year-to-
875 date Diversion Level, where Diversion level shall be calculated as follows:

876 **Monthly:**

877 Tons collected – Tons Diverted = Tons Disposed.

878 Tons Diverted ÷ Tons collected = Diversion percentage.

879

880 **Year-to-date:**

881 Total Tons collected – Tons Diverted = Tons Disposed.

882 Total Tons Diverted ÷ Total Tons collected = YTD Diversion percentage.

883

884 **C. Collection and Subscription Report**

885 1. Number of Containers at each Service Level by program, including:

886 a. A summary of the total gallons of Cart service, cubic yards of Bin service,
887 and pulls; and cubic yards or Tons of Roll-off Box and Compactor service
888 by Customer Type (as applicable).

889 b. Calculation of the average volume of service received per Single-Family
890 Dwelling Unit (separately identifying Dwelling Units in a multi-unit, Single-
891 Family Premises).

892 2. A summary of Customer subscription data, including the number of accounts; the
893 number of Customers subscribing to each Cart, Bin, and Roll-Off Service Level (as
894 applicable) listed separately for each type of Discarded Material; and the number
895 of Bulky Items Collections performed.

896 3. Documentation of the universal service enrollment process including a copy of the
897 Service Area-wide Generator enrollment level evaluation conducted pursuant to
898 Section 6.4.D of this Agreement.

899 4. Number of Bulky Item Collection events .

900

901 **D. Contamination Monitoring Report**

902 Hauler Route Reviews (Section 6.2)

903 The Contractor shall submit the following information regarding contamination

904 monitoring Hauler Route reviews conducted pursuant to Section 6.2 of this

905 Agreement:

906 1. The number of Hauler Route reviews conducted pursuant to Section 6.2 of this

907 Agreement;

908 2. Description of the Contractor's process for determining the level of

909 contamination;

910 3. Summary report of non-Collection notices, courtesy Collection notices, and/or

911 contamination processing fee assessment notices issued, which for each notice

912 shall include the date of issuance, Customer name, and service address.

913 4. A record of each inspection and contamination incident, which shall include, at a

914 minimum:

915 a. Name of the Customer

916 b. Address of the Customer

917 c. The date the contaminated Container was observed

918 d. The staff who conducted the inspection

919 e. The total number of violations found and a description of what action was

920 taken for each

921 f. Upon specific request, copies of all notices issued to Generators with

922 Prohibited Container Contaminants

923 g. Upon specific request, any photographic documentation or supporting

924 evidence.

925 5. Documentation of the total number of Containers Disposed of due to observation

926 of Prohibited Container Contaminants;

927 6. A list of all Customers assessed contamination Processing fees, pursuant to

928 Section 6.2 of this Agreement, including the Customer name, Customer address,

929 and reason for the assessment of the contamination Processing fee, and the total

930 number of instances contamination Processing fees were assessed in the month

931 and the total amount of fees collected in the month.

932 7. Any other information reasonably requested by the County or specified in

933 contamination monitoring provisions of this Agreement.

934 **E. SB 1383 Complaints Report**

935 Contractor shall maintain a record of all SB 1383 Regulatory non-compliance
936 complaints and responses pursuant to Section 6.7 of this Agreement and submit
937 the following information:

938 a. Total number of complaints received and total number of complaints
939 investigated

940 b. Copies of documentation recorded for each complaint received, which shall
941 at a minimum include the following information:

942 i. The complaint as received;
943 ii. The name and contact information of the complainant, if the
944 complaint is not submitted anonymously;
945 iii. A description of the alleged violation; including location(s) and all
946 other relevant facts known to the complainant;
947 iv. Any relevant photographic or documentary evidence submitted to
948 support the allegations in the complaint.

949

950 c. Copies of all complaint reports submitted to the County.

951 d. Copies of all investigation reports submitted to the County, which shall
952 include at a minimum:

953 i. The complaint as received;
954 ii. The date the Contractor investigated the complaint;
955 iii. Documentation of the findings of the investigation;
956 iv. Any photographic or other evidence collected during the
957 investigation; and,
958 v. Contractor's recommendation to the County on whether or not the
959 entity investigated is in violation of SB 1383 Regulations based
960 on the Contractor's investigation.

961 **F. Education Program Report**

962 The quarterly status of activities identified in the annual public education plan
963 described in Section 6.3 of this Agreement.

964 **G. Discarded Materials Evaluation Reports**

965 In accordance with Section B.6.B of Exhibit B, Contractor shall provide reports of
966 evaluations of Discarded Materials conducted at Approved Facilities.

967 **D.4.3 Annual Reports**

968 In addition to the quarterly reporting requirements in this Exhibit D, Section D.4.2, the
969 Contractor shall provide an Annual Report, covering the most recently-completed
970 calendar year, in accordance with the format and submittal requirements of this Exhibit.
971 The Annual Report shall include the information in the following subsections.

972 **A. Collection and Subscription Report**

- 973 1. A summary of all data provided in the Tonnage report section, including quarterly
974 and annual totals and averages.
- 975 2. The type(s) of Collection service(s) provided, a list of all Hauler Routes serviced,
976 and a record of the addresses served on each Hauler Route.
- 977 3. A summary of Customer subscription data, including the number of accounts; the
978 total number of Generators enrolled with Contractor for service, listed separately
979 by service level and Container type (Cart, Bin, and Roll-Off service, as applicable),
980 separately for each type of Discarded Material; and the number of Bulky Items
981 Collections performed.
- 982 4. A detailed list of Customer information, including Gray Container Waste, Source
983 Separated Recyclable Materials, and SSGCOW Service Levels, and Customer
984 service addresses reflecting Customer Service Levels as of December 1 (for the
985 year in which the report is submitted)

986 **B. Processing Facility Report**

- 987 1. Temporary Equipment or Operations Failure: If the Contractor is granted a
988 processing facility temporary equipment or operational failure waiver the
989 Contractor shall include the following documents and information:
 - 990 a. The number of days the Processing Facility temporary equipment waiver
991 or operation failure waiver was in effect;
 - 992 b. Copies of any notifications sent to the County, and copies of County
993 notices to;
 - 994 c. Documentation setting forth the date of issuance of the waiver, the
995 timeframe for the waiver; and,
 - 996 d. A record of the tons of Organic Waste, Source Separated Recyclable
997 Materials, SSGCOW, and/or Gray Container Waste redirected to an
998 Alternative Facility or Disposed at an Approved Disposal Facility as a result
999 of the waiver, recorded by Collection vehicle or transfer vehicle
1000 number/load, date, and weight.

1001 ..

1002 **C. Public Education and Outreach Report**

1. A copy of all education and outreach materials provided to Generators, or otherwise used for education and outreach efforts in accordance with Section 6.3 of the Agreement, including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
2. 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.
3. The number of Organic Waste Generators that received information and the type of education and outreach used.
4. For any mass distribution through mailings or bill inserts, the Contractor shall maintain 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 electronic media, including the dates posted of: social media posts, e-mail communications, or other electronic messages.
6. 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.
7. The annual public education plan required by Section 6.3 of the Agreement for the upcoming then-current calendar year. For example, Contractor submittal of a 2024 annual report in February 2025 shall include Contractor submittal of the annual public education plan for calendar year 2025.

D. Compliance Monitoring and Enforcement Report

1. A summary of the total number of SB 1383 Regulatory non-compliance complaints that were received and investigated, in accordance with Section 6.7 of the Agreement and Exhibit D, Section D.4.2.D.
2. The total number of Hauler Route reviews conducted pursuant to Section 6.6 of the Agreement.
3. A copy of written and/or electronic records and documentation for all audits, studies, compliance reviews, and all other inspections conducted pursuant to Section 6.6 of the Agreement.
4. The total number of Notices of Violation issued, categorized by type of Generator.
5. The number of violations that were resolved, categorized by type of Generator.
6. Copies of all Notices of Violation and educational materials issued to non-compliant Generators.

E. Vehicle and Equipment 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 at December 31.

1042 2. If applicable, the name, physical location, and contact information of each entity,
1043 operation, or facility from whom the RNG was procured.

1044 3. If applicable, the total amount of RNG procured by the Contractor for use in
1045 Contractor vehicles, in diesel gallon equivalents (DGE), including copies of any
1046 receipts, invoices, or other similar documentation evidencing procurement. In
1047 addition to the amount procured, Contractor shall include the total amount actually
1048 used in Contractor vehicles in the calendar year, if these values are different.

1049 **F. Customer Revenue and County Fee Payment Report**

1050 Provide a statement detailing Gross Receipts from all operations conducted or
1051 permitted pursuant to this Agreement and report of all County fees paid in accordance
1052 with Article 9 of this Agreement. Provide a list of Customers that are sixty (60) or more
1053 days past due and include the following information for each delinquent account:
1054 name; service address; contact information; number of days the account is delinquent.

1055 **D.4.4 Additional Reports**

1056 A. **Upon Incident Reporting.** County reserves the right to request additional reports or
1057 documents in the case of unforeseen events or additional requirements imposed upon
1058 the County. The Contractor shall provide the requested reports, documents, or
1059 information within ten (10) Business Days upon receipt of the request or such
1060 additional time as is reasonable under the circumstances.

1061 B. **AB 901 Reporting.** At County's option, County may require that Contractor provide
1062 the County copies of Contractor's AB 901 reports on a regular basis or within ten (10)
1063 Business Days of the request.

1064 C. **CALGreen Code Compliance.** Contractor shall maintain records of any information
1065 or documentation required to demonstrate compliance with the California Green
1066 Building Standards Code (CALGreen Code), as adopted by County Municipal Code
1067 Section 5-2954. County may request that this information be included in the monthly
1068 or annual report(s), as it pertains to the services provided under this Agreement.
1069 County shall notify the Contractor of this request within ten (10) Business Days prior
1070 to the submittal deadline of the monthly and/annual report where the information is to
1071 be included.

1072 D. **Facility Capacity Planning Information.** County may require Contractor to provide
1073 County with information of available Organic Waste Processing capacity for any
1074 Approved Processing Facilities, where available capacity may include identification of
1075 monthly Tons of additional Organic Waste such Approved Facilities have the ability to
1076 receive within permitted limits. Contractor shall respond to County within 60 days of
1077 County's request for information regarding available new or expanded capacity, and,
1078 at County's option, may be required to submit reports on a more regular basis (such
1079 as monthly, quarterly, or annually). If Contractor uses a Subcontractor to perform
1080 some or all of the Facility-related services required by this Agreement, Contractor shall
1081 secure any County-requested Facility capacity planning information from its

1082 Subcontractor(s). The annual Facility capacity planning report shall comply with the
1083 following:

1084 1. Include reports of current throughput and permitted capacity and available
1085 capacity for SSBCOW and SSGCOW Processing for any Facility in the County
1086 that processes SSBCOW and/or SSGCOW. Existing capacity may include
1087 identification of monthly Tons of additional Source Separated Recyclable
1088 Materials, SSGCOW, SSBCOW, and/or Mixed Waste capacity such Facility has
1089 the ability to receive within permitted limits.

1090 2. Include description of potential new or expanded Processing capacity at those
1091 Facilities, operations, and activities for Processing of SSBCOW and/or Organic
1092 Materials, including information about throughput and permitted capacity
1093 necessary for planning purposes.

1094 3. Be submitted using a form or format approved by the County Contract Manager.

1095 F. **Customized Reports.** County reserves the right to request Contractor to prepare and
1096 provide customized reports from records Contractor is required to maintain.

1097

EXHIBIT E – REFUSE SERVICE AREA MAP

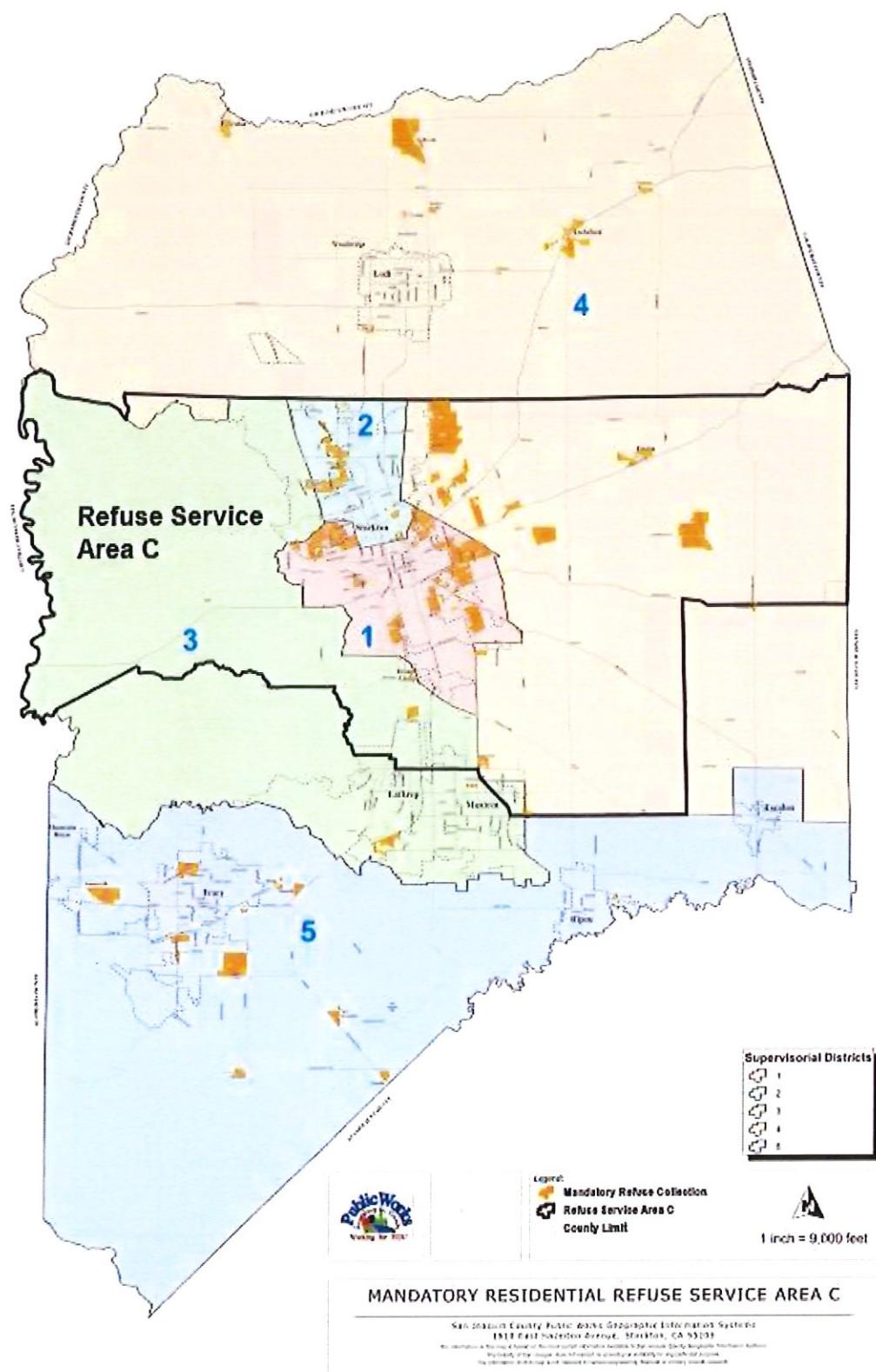


EXHIBIT F – RATES FOR RATE PERIOD ONE

Area C - USA WASTE OF CALIFORNIA, INC. Residential Refuse Collection Rate Rate Period 1 Effective January 1, 2026		
	Service Category	Rate
[1]	Curbside Collection –Area C:	See note [1]
[1]	Base Service – Area C* (includes Black/Gray, Blue (64 gal.), and Green (96 gal.) Containers) 35 Gal. 64 Gal. (Default Size) 96 Gal.	\$33.04 \$36.65 \$42.91
[2]	Senior Citizens 35 Gal. 64 Gal. 96 Gal.	\$26.43 \$30.04 \$36.30
[3]	Low Volume	Discontinued [3]
[4]	Low Income 35 Gal. 64 Gal. 96 Gal.	\$23.13 \$26.74 \$33.00
[*]	Additional carts available at listed cost for respective size container. When disposal site gate fees are adjusted by COUNTY, residential refuse collection rates shall be adjusted by multiplying the amount of the annual per ton gate fee increase by 0.12 and rounded to the nearest one cent, to arrive at the amount of the residential rate increase allowed per month per equivalent 35-gallon basic container service, and proportionately for larger sized containers.	
[1]	A Senior discount of 20% may be applied to the first service level.	
[2]	Low Volume discounts are discontinued as all refuse containers must meet SB 1383 standards.	
[3]	A Low Income or of 30% may be applied to the first service level.	
	Contamination Fee Repeated instances of prohibited materials placed in incorrect containers (as listed above) incur contamination fee of 25% of services rate. 35 Gal. \$8.26 64 Gal. \$9.16 96 Gal. \$10.73	
	Additional Services for Mandatory Residential Customers Two (2) no-charge bi-annual curbside pick-up service per customer. Fifteen (15) annual clean-up day events for County. Four (4) recycling dropoff events at Collector Owned transfer station. Two (2) no-charge dump voucher annually to Collector Owned transfer station. Five (5) hot spot cleanups requested by County. Curbside used oil and filter collection. Christmas Tree pick-up.	

EXHIBIT G – ACCEPTABLE MATERIALS LISTS

1103 1. Gray Container Waste Collection

1104 Regular non-hazardous household waste
1105 Clothing, carpet and textiles
1106 Tangling items (hoses, cords, rope, leashes, wire, holiday lights, chains)
1107 Pet waste, diapers
1108 Foam containers
1109 Candy, snack, food wrappers
1110 Broken ceramic and glass dishes and pots
1111 Non-hazardous medical waste

1112 2. Blue Container Source Separated Recyclable Materials Collection

1113 Metal: empty tin, aluminum and steel cans
1114 Glass: Bottles and jars
1115 Plastic: Bottles, jugs and tubs
1116 Paper: Paper, newspaper and magazines
1117 Carboard: flattened, to fit within service container
1118 No bagged recyclables, plastic bags, plastic wrap or film
1119 No tangling items (hoses, cords, rope, leashes, wire, holiday lights, chains)
1120 No clothing, furniture, carpet
1121 No Polystyrene foam or packing peanuts
1122 No medical waste
1123 No electronics or batteries

1124 3. Source Separated Green Container Organic Waste (SSGCOW)

1125 Yard waste: grass clippings, leaves, shrubs, plant material, branches cut to
1126 3ft
1127 Food waste: fruits, vegetables, bread, meat, dairy, pasta, bones
1128 Food spoiled paper: napkins, paper plates (no plastic or wax coating), pizza
1129 boxes