

A-24-315

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

BETWEEN THE COUNTY OF SAN JOAQUIN

AND

Gilton Solid Waste Management, Inc.

DATE: October 8, 2024

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TABLE OF CONTENTS

RECITALS	1
ARTICLE 1: DEFINITIONS	2
ARTICLE 2: REPRESENTATIONS AND WARRANTIES OF CONTRACTOR.....	17
2.1 Corporate Status.....	17
2.2 Corporate Authorization	17
ARTICLE 3: TERMS OF AGREEMENT	18
3.1 Grant and Acceptance of Agreement.....	18
3.2 Limitations of Scope.....	18
3.3 Effective Date, Term, and Extension of this Agreement.....	20
3.4 Conditions to Effectiveness of Agreement	20
ARTICLE 4: GENERAL AGREEMENTS.....	20
4.1 County Designation of Facilities.....	20
4.2 Responsibility for Materials	21
4.3 Subcontracting	21
4.4 County-Directed Change In Scope	21
ARTICLE 5: COLLECTION SERVICES	22
5.1 General	22
5.2 Two-Container System	23
5.3 Bulky Items and Reusable Materials Collection	23
5.4 Other Residential Collection Services.....	23
ARTICLE 6: OTHER SERVICES.....	24
6.1 Transfer, Processing, and Disposal	24
6.2 Contamination Monitoring	26
6.3 Education and Outreach	30
6.4 Billing	35
6.5 Generator Waivers.....	38
6.6 Inspection and Enforcement	38
6.7 Service Complaints.....	39
6.8 Non-Discrimination in Provision of Service	39
ARTICLE 7: STANDARDS OF PERFORMANCE	40
7.1 General.....	40
7.2 Operating Hours and Schedules.....	40
7.3 Collection Standards.....	40
7.4 Collection Vehicle Requirements	41
7.5 Container Requirements	42

7.6	Personnel.....	44
7.7	Hazardous Waste Inspection and Handling	45
ARTICLE 8: RECORD KEEPING AND REPORTING		46
ARTICLE 9: JURISDICTION FEES AND PAYMENTS		46
9.1	Franchise Fee.....	46
9.2	Contract Management Payment	46
9.3	Approved Disposal Facility Gate Fee Prepayment.....	46
9.4	Court Determinations Regarding County Fees	47
9.5	Adjustment to Fees	47
ARTICLE 10: COMPENSATION AND RATE REGULATION		48
10.1	General.....	48
10.2	Rates and Annual Adjustments.....	48
10.3	Extraordinary Rate Adjustments	50
ARTICLE 11: INDEMNITY, INSURANCE, AND PERFORMANCE BOND		51
11.1	Indemnification of County	51
11.2	Insurance Requirements.....	52
11.3	Performance Bond	57
ARTICLE 12: DEFAULT AND REMEDIES		57
12.1	Events of Default.....	57
12.2	Dispute Resolution.....	59
12.3	Right to Terminate Upon Default.....	59
12.4	County's Remedies Cumulative: Specific Performance	60
12.5	Excuse from Performance	61
12.6	Right to Demand Assurances of Performance.....	62
12.7	Performance Standards and Liquidated Damages	62
ARTICLE 13: OTHER AGREEMENTS OF THE PARTIES		64
13.1	Relationship of Parties	64
13.2	Compliance with Law	64
13.3	Governing Law.....	64
13.4	Jurisdiction.....	64
13.5	Assignment.....	65
13.6	Binding on Successors	65
13.7	Parties in Interest.....	66
13.8	Waiver.....	66
13.9	Contractor's Investigation	66
13.10	Notices.....	66
13.11	Representative of the Parties	67
13.12	Declared State of Emergency.....	67
13.13	Notice	67
ARTICLE 14: MISCELLANEOUS AGREEMENTS		67
14.1	Privacy.....	67

14.2	Public Records Act.....	68
14.3	Entire Agreement.....	68
14.4	Section Headings.....	69
14.5	References to Laws.....	69
14.6	Interpretation.....	69
14.7	Amendment.....	69
14.8	Severability.....	69
14.9	Counterparts.....	69
14.10	Exhibits.....	69

EXHIBITS

- A. Single Family Services
 - A.1 Two-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

39 responsibilities to the Contractor, acting as the County's designee, through this
40 Agreement; and,

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

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

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

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

56 ARTICLE 1: DEFINITIONS

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

60 **AB 341**

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

67 **AB 876**

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

71 **AB 901**

72 "AB 901" means Assembly Bill approved by the Governor of the State of California on
73 October 10, 2015, which amended Section 41821.5 of, amended, renumbered and added
74 Section 41821.6 of, and added Sections 41821.7 and 41821.8 to, the Public Resources

75 Code, relating to Solid Waste, as amended, supplemented, superseded, and replaced
76 from time to time.

77 **AB 939**

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

81 **AB 1594**

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

86 **AB 1826**

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

91 **Affiliate**

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

110 **Agreement**

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

- 115 **Alternative Daily Cover (ADC)**
116 "Alternative Daily Cover" or "ADC" has the same meaning as in 27 CCR Section 20690.
- 117 **Alternative Facility**
118 "Alternative Facility" means any Facility approved by County for use pursuant to Section
119 6.1 or Exhibit B.
- 120 **Alternative Intermediate Cover (AIC)**
121 "Alternative Intermediate Cover" or "AIC" has the same meaning as in 27 CCR Section
122 20700.
- 123 **Applicable Law**
124 "Applicable Law" means all Federal, State, County, and local laws, regulations, rules,
125 orders, judgments, decrees, permits, licenses, approvals, or other requirement of any
126 governmental agency having jurisdiction over the Collection, Transportation, Processing,
127 and Disposal of Discarded Materials that are in force on the Effective Date and as may
128 be enacted, issued, or amended during the Term of this Agreement. Applicable Law
129 includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383 and
130 corresponding regulations.
- 131 **Approved Facilities**
132 "Approved Facility(ies)" means any one of or any combination of the facilities listed in
133 Exhibit B.
- 134 **Approved Disposal Facility**
135 "Approved Disposal Facility" means the Disposal Facility(ies) identified and further
136 defined in Exhibit B.
- 137 **Approved High Diversion Organic Waste Processing Facility**
138 "Approved High Diversion Organic Waste Processing Facility" means the High Diversion
139 Organic Waste Processing Facility identified and further defined in Exhibit B.
- 140
141 **Approved Organic Waste Processing Facility**
142 "Approved Organic Waste Processing Facility" means the Organic Waste Processing
143 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
146 defined 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

153 **Back-Haul**

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

157 **Bin**

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

161 **Board**

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

163 **Bulky Items**

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

173 **Business Day(s)**

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

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

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

181 **CalRecycle**

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

185 **Cart**

186 "Cart" means a plastic Container with a hinged lid and wheels serviced by automated or
187 semi-automated Collection vehicles and with a Container capacity of no less than ninety-
188 six (96) gallons and no greater than ninety-six (96) gallons.

189 **Change in Law**

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

193 a. The enactment, adoption, promulgation, issuance, modification, or written
194 change in administrative or judicial interpretation of any Applicable Law on
195 or after the Effective Date; or,

196 b. The order or judgment of any governmental body, on or after the Effective
197 Date, to the extent such order or judgment is not the result of willful or
198 negligent action, error or omission or lack of reasonable diligence of County
199 or of the Contractor, whichever is asserting the occurrence of a Change in
200 Law; provided, however, that the contesting in good faith or the failure in
201 good faith to contest any such order or judgment shall not constitute or be
202 construed as such a willful or negligent action, error or omission or lack of
203 reasonable diligence.

204 **Collect/Collection**

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

209 **Collector Route**

210 "Collector Route" means the designated itinerary or sequence of stops for each segment
211 of the County's Refuse Service Area, or as otherwise defined in 14 CCR Section
212 18982(a)(31.5).

213 **Commencement Date**

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

217 **Commercial Business (Commercial)**

218 "Commercial Business" or "Commercial" means a firm, partnership, proprietorship, joint-
219 stock company, corporation, or association, whether for-profit or nonprofit, strip mall,
220 industrial facility, Multi-Family Premises, or as otherwise defined in 14 CCR Section
221 18982(a)(6).

222 **Community Composting**

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

228 **Compostable Plastics**
229 "Compostable Plastics" or "Compostable Plastic" means plastic materials that meet the
230 ASTM D6400 standard for compostability, or as otherwise described in 14 CCR Section
231 18984.1(a)(1)(A) or 18984.2(a)(1)(C).

232 **Compost**
233 "Compost" has the same meaning as in 14 CCR Section 17896.2(a)(4), which stated, as
234 of the Effective Date of this Agreement, that "Compost" means the product resulting from
235 the controlled biological decomposition of organic Solid Wastes that are Source
236 Separated from the municipal Solid Waste stream, or which are separated at a centralized
237 Facility.

238 **Contractor**
239 "Contractor" means the Party (other than the County) that executed this Exclusive
240 Franchise Agreement and its Affiliates, DBAs, and Subcontractors that perform services
241 on Contractor's behalf.

242 **Construction and Demolition Debris (C&D)**
243 "Construction and Demolition Debris" means the nonhazardous waste building material,
244 Inerts, soil, packaging, Yard Trimmings, rubble, and other used or Discarded Materials
245 resulting from construction or demolition.

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

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

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

260 **County Contract Manager**
261 County Contract Manager means the Director or their designee.

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

267 **DBA**
268 "DBA" means a fictitious name, assumed name, or trade name that is different from
269 Contractor's legal name, which Contractor uses for "doing business as" to provide
270 Collection services.

271 **Director**
272 "Director" means the Director of the Department of Public Works of the County or a duly
273 authorized representative.

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

286 **Disposal**
287 "Disposal" or "Dispose" means the final disposition of any Solid Waste Collected by the
288 Contractor or Residue from Contractor's Processing activities at a permitted Landfill or
289 other permitted Solid Waste Facility.

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

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

301 **Effective Date**
302 "Effective Date" means the date on which the Agreement becomes binding upon the
303 Parties, which is the date when the latter of the Parties has executed this Agreement.

304 **Environmental Laws**
305 "Environmental Laws" means all federal and State statutes and County ordinances
306 concerning public health, safety, and the environment including, by way of example and

307 not limitation, the Comprehensive Environmental Response, Compensation and Liability
308 Act of 1980, 42 USC Section 9601, et seq.; the Resource Conservation and Recovery
309 Act, 42 USC Section 6901, et seq.; the Federal Clean Water Act, 33 USC Section 1251,
310 et seq.; the Toxic Substance Control Act, 15 USC Section 2601, et seq.; the Occupational
311 Safety and Health Act, 29 USC Section 651, et seq.; the California Hazardous Waste
312 Control Act, California Health and Safety Code Section 25100, et seq.; the Carpenter-
313 Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code
314 Section 25300, et seq.; the Porter-Cologne Water Quality Control Act, California Water
315 Code Section 13000, et seq.; the Safe Drinking Water and Toxic Enforcement Act of 1986,
316 California Health and Safety Code Section 25249.5, et seq.; all as currently in force or as
317 hereafter amended, and all rules and regulations promulgated thereunder.

318 **Excluded Waste**

319 "Excluded Waste" means Hazardous Substance, Hazardous Waste, Infectious Waste,
320 Designated Waste, volatile, corrosive, Medical Waste, infectious, regulated radioactive
321 waste, and toxic substances or material that Approved Facility operator(s) reasonably
322 believe(s) would, as a result of or upon acceptance, Transfer, Processing, or Disposal,
323 be a violation of local, State, or Federal law, regulation, or ordinance, including: land use
324 restrictions or conditions, waste that cannot be Disposed of in Class III Landfills or
325 accepted at the Facility by permit conditions, waste that in Contractor's reasonable
326 opinion would present a significant risk to human health or the environment, cause a
327 nuisance or otherwise create or expose Contractor or County to potential liability; but not
328 including de minimis volumes or concentrations of waste of a type and amount normally
329 found in Single-Family Solid Waste after implementation of programs for the safe
330 Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in
331 compliance with Sections 41500 and 41802 of the California Public Resources Code.

332 **Facility(ies)**

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

336 **"Facility Capacity Guarantor"**

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

340
341 **Food Scraps**

342 "Food Scraps" means all food such as, but not limited to, fruits, vegetables, meat, poultry,
343 seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells. Food Scraps
344 excludes fats, oils, and grease when such materials are Source Separated from other
345 Food Scraps.

346 **Food-Soiled Paper**

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

350 **Food Waste**

351 "Food Waste" means Source Separated Food Scraps, Food-Soiled Paper, and Food
352 Waste is a subset of SSGCOW. Edible Food separated for Food Recovery shall not be
353 considered Food Waste.

354 **Franchise Fee**

355 "Franchise Fee" means the fee paid by Contractor to the County as described in Section
356 9.1.

357

358 **Generator**

359 "Generator" means any Person whose act first causes Discarded Materials to become
360 subject to regulation under federal, State, or local regulations.

361 **Gray Container**

362 "Gray Container" has the same meaning as in 14 CCR Section 18982(a)(28) and shall be
363 used for the purpose of storage and Collection of Mixed Waste.

364 **Green Container**

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

367 **Gross Receipts**

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

371 **Hazardous Substance**

372 "Hazardous Substance" shall mean any of the following: (a) any substance defined,
373 regulated or listed (directly or by reference) as "hazardous substances", "hazardous
374 materials", "hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly
375 identified as hazardous to human health or the environment, in or pursuant to (i) the
376 Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42
377 USC Section 9601, et seq.; (ii) the Hazardous Materials Transportation Act, 49 USC
378 Section 5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC Section
379 6901, et seq.; (iv) the Clean Water Act, 33 USC Section 1251, et seq.; (v) California Health
380 and Safety Code Sections 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air
381 Act, 42 USC Section 7401, et seq.; and (vii) California Water Code Section 13050; (b)
382 any amendments, rules, or regulations promulgated thereunder to such enumerated
383 statutes or acts currently existing or hereinafter enacted; and (c) any other hazardous or
384 toxic substance, material, chemical, waste, or pollutant identified as hazardous or toxic or
385 regulated under any other applicable federal, State, and local environmental laws
386 currently existing or hereinafter enacted, including without limitation, friable asbestos,
387 polychlorinated biphenyl ("PCBs"), petroleum, natural gas and synthetic fuel products,
388 and by-products.

389 **Hazardous Waste**

390 "Hazardous Waste" or "Hazardous Wastes" means any waste which meets the definitions
391 set forth in 22 CCR Section 66261.3, et seq. and is required to be managed; or as
392 otherwise defined in 14 CCR Section 17402(a)(7). Hazardous Waste includes hazardous
393 wood waste, which means wood that falls within the definition of "treated wood" or "treated
394 wood waste" in 22 CCR Section 67386.4, or as otherwise defined in 14 CCR Section
395 18982(a)(30.5).

396 **High Diversion Organic Waste Processing Facility**

397 "High Diversion Organic Waste Processing Facility" means a High Diversion Organic
398 Waste Processing Facility as defined in 14 CCR Section 18982(a)(33).

399 **Incompatible Materials**

400 "Incompatible Material" or "Incompatibles" mean(s) human-made inert material, including,
401 but not limited to, glass, metal, plastic, and also includes organic waste for which the
402 receiving end-user, facility, operation, property, or activity is not designed, permitted, or
403 authorized to perform Organic Waste recovery activities as defined in 14 CCR Section
404 18983.1(b), or as otherwise defined by 14 CCR Section 17402(a)(7.5).

405 **Inerts**

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

407 **Landfill**

408 "Landfill" means a "Solid Waste Landfill" defined by Public Resources Code Section
409 40195.1.

410 **Liquidated Damages**

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

413 **Mandatory Service Area(s)**

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

419 **Medical Waste**

420 "Medical Waste" means any Solid Waste that is generated or has been used in the
421 diagnosis, treatment, or immunization of human beings or animals, or research pertaining
422 thereto, and shall include, but not be limited to, biomedical, biohazardous and medical
423 waste, or other Solid Waste resulting from medical activities or services as defined by
424 County Code Section 5-2101 or any State or federal law or regulation, all as currently
425 enacted or subsequently amended.
426

- 427 **Mixed Waste**
 428 "Mixed Waste" means Mixed Waste Organic Collection Stream, as defined by 14 CCR
 429 Section 17402, Non-Organic Recyclables, Non-Compostable Paper, Paper Products,
 430 Printing and Writing Papers, and Solid Waste Collected in a Container that is required by
 431 14 CCR Sections 18984.1, 18984.2, or 18984.3 to be Transported to a High Diversion
 432 Organic Waste Processing Facility.
- 433 **Multi-Family or Multi-Family Dwelling Unit**
 434 "Multi-Family" means of, from, or pertaining to residential Premises with five (5) or more
 435 dwelling units.
- 436 **Non-Compostable Paper**
 437 "Non-Compostable Paper" includes, but is not limited to, paper that is coated in a plastic
 438 material that will not breakdown in the composting process, or as otherwise defined in 14
 439 CCR Section 18982(a)(41).
- 440 **Non-Organic Recyclables**
 441 "Non-Organic Recyclables" means non-putrescible and non-hazardous Recyclable
 442 wastes including, but not limited to, bottles, cans, metals, plastics, and glass, or as
 443 otherwise defined in 14 CCR Section 18982(a)(43).
- 444 **Organic Waste**
 445 "Organic Waste" means Solid Wastes containing material originated from living
 446 organisms and their metabolic waste products including, but not limited to, food, Yard
 447 Trimmings, organic textiles and carpets, lumber, wood, Paper Products, Printing and
 448 Writing Paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14
 449 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section
 450 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.
- 451 **Paper Products**
 452 "Paper Products" include, but are not limited to, paper janitorial supplies, cartons,
 453 wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling;
 454 or as otherwise defined in 14 CCR Section 18982(a)(51).
- 455 **Parent Company**
 456 "Parent Company" means a company that has a controlling interest in another company,
 457 enabling the Parent Company to control management and operations of the Affiliate or
 458 Subsidiary company.
- 459 **Party or Parties**
 460 "Party" or "Parties" refers to the County and Contractor, individually or together.
- 461 **Person**
 462 "Person" has the same meaning as in Public Resources Code Section 40170, which
 463 states, as of the Effective Date of this Agreement, that a Person includes an individual,
 464 firm, limited liability company, association, partnership, political subdivision, government

465 agency, municipality, industry, public or private corporation, or any other entity
466 whatsoever.

467 **Premises**

468 "Premises" means a tract of land with or without habitable buildings or appurtenant
469 structures.

470 **Printing and Writing Papers**

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

476 **Process, Processed, or Processing**

477 "Processing" means the controlled separation, recovery, volume reduction, conversion,
478 or Recycling of Solid Waste including, but not limited to, organized, manual, automated,
479 or mechanical sorting, the use of vehicles for spreading of waste for the purpose of
480 recovery, and/or includes the use of conveyor belts, sorting lines, or volume reduction
481 equipment, or as otherwise defined in 14 CCR Section 17402(a)(20).

482 **Prohibited Container Contaminants**

483 "Prohibited Container Contaminants" means the following: (i) Discarded Materials placed
484 in the Green Container that are not identified as acceptable SSGCOW for the County's
485 Green Container; (ii) Discarded Materials placed in the Gray Container that are
486 acceptable SSGCOW to be placed in County's Green Container program; and (iv)
487 Excluded Waste placed in any Container.

488 **Property Owner**

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

491 **Public Resources Code (PRC)**

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

493 **Putrescible Waste**

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

498 **Rate**

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

504 **Rate Period**
505 "Rate Period" means a twelve (12) month period, commencing January 1 and concluding
506 December 31.

507 **Recycle/Recycling**
508 "Recycle" or "Recycling" or other variations thereof means the process of Collecting,
509 sorting, cleansing, treating, and reconfiguring materials for the purpose of returning them
510 to the economic mainstream in the form of raw material for new, Reused, or reconstituted
511 products that meet the quality standards necessary to be used in the marketplace.
512 Recycling includes processes deemed to constitute a reduction of Landfill Disposal
513 pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include
514 gasification or transformation as defined in Public Resources Code Section 40201.

515 **Refuse Service Area**
516 "Refuse Service Area" means refuse service area D as defined by the County Department
517 of Public Works, and as shown in Exhibit E.
518

519 **Renewable Natural Gas (RNG)**
520 "Renewable Natural Gas" or "RNG" means gas derived from Organic Waste that has been
521 diverted from a Landfill and Processed at an in-vessel digestion facility that is permitted
522 or otherwise authorized by 14 CCR to recover Organic Waste, or as otherwise defined in
523 14 CCR Section 18982(a)(62).

524 **Residual (or Residue)**
525 "Residual" or "Residue" means the Solid Waste destined for Disposal, further
526 transfer/processing as defined in 14 CCR Section 17402(a)(30) or 14 CCR Section
527 17402(a)(31), or transformation which remains after Processing has taken place and is
528 calculated in percent as the weight of Residual divided by the total incoming weight of
529 materials.

530 **Reusable Items**
531 "Reusable Items" means items that are capable of being Reused after minimal
532 Processing. Reusable Items may be Collected Source Separated or recovered through a
533 Processing Facility. Reusable Items may include, but are not limited to, clothing, furniture,
534 and/or sporting equipment.

535 **Reuse**
536 "Reuse" or any variation thereof, means the use, in the same, or similar, form as it was
537 produced, of a material which might otherwise be discarded, or as otherwise defined in
538 14 CCR Section 17402.5(b)(2).

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

543 **Salvageable Material (or Salvaged Material)**

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

548 **SB 1383**

549 "SB 1383" means Senate Bill 1383 of 2016 approved by the Governor on September 19,
550 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and
551 Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of
552 Division 30 of the Public Resources Code, establishing methane emissions reduction
553 targets in a statewide effort to reduce emissions of short-lived climate pollutants as
554 amended, supplemented, superseded, and replaced from time to time.

555 **SB 1383 Regulations**

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

560 **Self-Hauler (or Self-Haul)**

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

564

565 **Service Level**

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

569 **Single-Family or Single-Family Dwelling Unit**

570 "Single-Family" means any residential Premises with fewer than five (5) units. References
571 to "Single-Family Dwelling Unit" refer to an individual residential unit of the Single-Family
572 Premises.

573 **Solid Waste**

574 "Solid waste" means all putrescible and non-putrescible solid, semisolid and liquid
575 wastes, including but not limited to Organic Waste, garbage, trash, refuse, paper,
576 rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned
577 vehicles and parts thereof, discarded home and industrial appliances, dewatered,
578 treated or chemically fixed sewage sludge (biosolids), which is not hazardous waste,
579 manure, vegetable or animal solid and semisolid wastes, and other discarded solid and
580 semisolid wastes, with the exception that solid waste does not include any of the
581 following wastes:

582

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

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

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

592 **Source Separated**

593 "Source Separated" means materials that have been separated or kept separate from the
594 Solid Waste stream, at the point of generation, for the purpose of additional sorting or
595 Processing those materials for Recycling or Reuse in order to return them to the economic
596 mainstream in the form of raw material for new, reused, or reconstituted products which
597 meet the quality standards necessary to be used in the marketplace, or as otherwise
598 defined in 14 CCR Section 17402.5(b)(4). For the purposes of the Agreement, Source
599 Separated shall include separation of materials by the Generator, Property Owner,
600 Property Owner's employee, property manager, or property manager's employee into
601 different Containers for the purpose of Collection such that Source Separated materials
602 are separated from Mixed Waste and other Solid Waste for the purposes of Collection
603 and Processing.

604 **Source Separated Green Container Organic Waste (SSGCOW)**

605 "Source Separated Green Container Organic Waste" or "SSGCOW" means Source
606 Separated Organic Waste that can be placed in a Green Container that is specifically
607 intended for the separate Collection of Organic Waste by the Generator, excluding
608 carpets, Non-Compostable Paper, and textiles. The accepted types of SSGCOW and
609 process for modifying the accepted types of SSGCOW are specified in Article 5.
610 SSGCOW is a subset of Organic Waste.

611 **State**

612 "State" means the State of California.

613 **Subcontractor**

614 "Subcontractor" means any Person, firm, or entity hired by Contractor to carry out any of
615 Contractor's duties under this Agreement.

616 **Subsidiary**

617 "Subsidiary" means an Affiliate with fifty percent (50%) or more of its ownership controlled
618 by Contractor.

619 **Term**

620 "Term" means the duration of this Agreement, including extension periods if granted, as
621 provided for in Section 3.3.

622 **Ton**
623 "Ton" or "Tonnage" or "Tons" means a unit of weight equal to 2,000 pounds (907.18474
624 kg).

625 **Transfer**
626 "Transfer" means the act of transferring Discarded Materials Collected by Contractor from
627 Contractor's Collection vehicles into larger vehicles at a Transfer Facility for Transport to
628 other Facilities for Processing or Disposing of such materials. Transfer allows for removal
629 of materials excluded or prohibited from handling at the Transfer Facility (e.g., removal of
630 Hazardous Waste).

631 **Transportation or Transport**
632 "Transportation" or "Transport" means the act of conveying Collected materials from one
633 location to another.

634 **Universal Waste (or U-Waste)**
635 "Universal Waste" or "U-Waste" means all wastes defined by 22 CCR Subsections
636 66273.1 through 66273.9. These include, but are not limited to, batteries, fluorescent light
637 bulbs, mercury switches, and electronic waste.

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

641 **Yard Trimmings**
642 "Yard Trimmings" means types of SSGCOW resulting from normal yard and landscaping
643 installation, maintenance, or removal that the Generators Source Separate and set out in
644 Green Containers for Collection for the purpose of Processing by the Contractor. The
645 accepted types of Yard Trimmings and process for modifying the accepted types of Yard
646 Trimmings are specified in Article 5. Yard Trimmings are a subset of SSGCOW.

647 **ARTICLE 2: REPRESENTATIONS AND**
648 **WARRANTIES OF CONTRACTOR**

649 **2.1 CORPORATE STATUS**

650 Contractor is an enterprise duly organized, validly existing, and in good standing under
651 the laws of the State of California. It is qualified to transact business in the State of
652 California and has the corporate power to own its properties and to carry on its business
653 as required by this Agreement.

654 **2.2 CORPORATE AUTHORIZATION**

655 Contractor has the authority to enter into and perform its obligations under this
656 Agreement. The board of directors of Contractor (or the owner/shareholders if necessary)
657 have taken all actions required by law, its articles of incorporation, and its bylaws or

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

660 ARTICLE 3: TERMS OF AGREEMENT

661 **3.1 GRANT AND ACCEPTANCE OF AGREEMENT**

662 County hereby grants to Contractor an exclusive right to engage in the business of
663 Collecting, and subsequently Transporting, Transferring, Processing, and/or Disposing
664 Discarded Materials (as appropriate for the material type pursuant to Exhibit B) from
665 Single-Family Generators in Mandatory Service Areas and non-Mandatory Service Areas
666 within County Refuse Service Area D (subject to the provisions of Sections 3.2 and 6.5),
667 and to use the public streets and rights-of-way for such purpose subject to the limitations
668 within this Agreement.

669 **3.2 LIMITATIONS OF SCOPE**

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

675 A. Discarded Materials from Commercial and Multi-Family Premises. A Person that
676 Collects, Transfers, Transports, Processes and/or Disposes of Discarded Materials
677 generated in or on a Commercial or Multi-Family Premises within the Refuse Service
678 Area.

679 B. Materials Removed as Incidental Part of Services. A Person that removes and
680 transports Discarded Materials from a Premises as an incidental and a minor part of
681 the services being performed, provided that the removed materials were generated by
682 the services the Person provided.

683 C. Agricultural Materials from Agricultural Operations. A Person from an agricultural
684 operation that removes agricultural materials from an agricultural Premises and
685 transports the material to another agricultural operation for a purpose other than
686 Disposal.

687 D. Self-Hauled Materials. A Person that removes, Transports, Processes and/or
688 Disposes of Discarded Materials generated in or on their own Premises with their own
689 vehicle.

690 E. Materials Generated by Public Schools and State. A Person that removes Discarded
691 Materials generated by State, County, and Federal facilities located in the County

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

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

697 G. Excluded Waste. A Person that removes and Transports Excluded Waste regardless
698 of its source.

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

701 I. Edible Food. A Person, such as a Person from a food recovery organization or food
702 recovery service that removes and Transports Edible Food for the purpose of
703 distributing Edible Food for human consumption, or Edible Food Removed that is Self-
704 Hauled to a food recovery organization or food recovery service for the purpose of
705 Food Recovery.

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

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

719
720 This grant to Contractor shall be interpreted to be consistent with State and federal laws
721 and regulations, subject to the limitations within this Agreement, now and during the Term
722 of the Agreement. The scope of this Agreement shall be limited by current and future
723 State and federal laws and regulations with regard to handling of Discarded Materials,
724 enactment of new laws or regulations or new court decisions which may limit the ability
725 of County to lawfully regulate the scope of services as specifically set forth herein.
726 Contractor agrees that the scope of the Agreement shall be limited to those services
727 which may be lawfully provided.

728 **3.3 EFFECTIVE DATE, TERM, AND EXTENSION OF THIS**
729 **AGREEMENT**

730 The Term of this Agreement shall commence January 1, 2025 (Commencement Date)
731 and continue in full force for a period of seven (7) years, through and including December
732 31, 2031, unless the Agreement is terminated in pursuant to Article 12.
733

734 **3.4 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

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

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

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

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

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

750 **ARTICLE 4: GENERAL AGREEMENTS**

751 **4.1 COUNTY DESIGNATION OF FACILITIES**

752 A. **Approved Disposal Facility.** The Contractor, without constraint and as a free-market
753 business decision in accepting this Agreement, agrees to use the Approved Disposal
754 Facility(ies) for the purposes of Disposal of all Residue remaining after Processing or
755 recovery of Mixed Waste and/or SSGCOW Collected by the Contractor under the
756 terms of this Agreement. Such decision by Contractor in no way constitutes a restraint
757 of trade notwithstanding any Change in Law regarding flow control limitations or any
758 definition thereof.

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

761 B. **Other Approved Facilities.** Contractor agrees that the Director may direct Contractor
762 to deliver any or all SSGCOW, Mixed Waste, and/or any other materials Collected
763 under this Agreement within the County to any type of facility, as County may

764 designate. If such a change results in an inconsistency with Exhibit B, the change shall
765 be considered a County-directed change in scope and handled in accordance with
766 provisions in Section 4.4. Notwithstanding the provisions of Section 4.4, Contractor
767 agrees to Transport Discarded Materials to the facility(ies) designated by the Director,
768 commencing no later than thirty (30) days from receipt of notice from the Director.

769 **4.2 RESPONSIBILITY FOR MATERIALS**

770 Once Discarded Materials are placed in Containers for Collection at the Collection
771 location, the responsibility for their proper handling shall transfer directly from the
772 Generator to Contractor, with the exception of Excluded Waste if the Contractor can
773 identify the Generator pursuant to Section 7.7. Once Discarded Materials are deposited
774 by Contractor at the appropriate Approved Facility, such materials shall become the
775 responsibility of the facility owner or operator with the exception of Excluded Waste
776 pursuant to Section 7.7.

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

780 **4.3 SUBCONTRACTING**

781 Contractor shall not engage any Subcontractors for Collection, Transfer, Transportation,
782 or Processing of Discarded Materials without the prior written consent of the County
783 Contract Manager. If the Contractor plans to engage other Affiliate or related party entities
784 in the provision of services, Contractor shall obtain written approval from County Contract
785 Manager thirty (30) days prior to its plans to use party. Contractor shall submit written
786 request to the County seeking approval of other Affiliate or related party entities. Such
787 request shall include a description of its plans, name and qualifications of party, and an
788 explanation of any potential impacts related to the quality, timeliness, or cost of providing
789 services under this Agreement.

790 **4.4 COUNTY-DIRECTED CHANGE IN SCOPE**

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

796 County shall review the Contractor's proposal for the change in scope of services. County
797 and Contractor may meet and confer to negotiate Contractor's proposed revisions and
798 costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-
799 upon changes in scope.

800 When such modifications are proposed to this Agreement, County and Contractor will
801 negotiate in good faith, a reasonable and appropriate compensation adjustment for any
802 increase or decrease in the services or other obligations required of Contractor due to

803 any modification in the Agreement under this Article. County and Contractor will not
804 unreasonably withhold agreement to such compensation adjustment. Should agreement
805 between County and Contractor on a compensation adjustment not be reached within six
806 (6) months of the change request, or other period as agreed upon by both parties, County
807 shall have the right to seek services under the same modified conditions elsewhere.

808 **ARTICLE 5: COLLECTION SERVICES**

809 **5.1 GENERAL**

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

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

823 Contractor shall not knowingly Collect Green or Gray Containers that include
824 Prohibited Container Contaminants.

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

830 **C. Ownership of Discarded Materials.** By operation of this Agreement, ownership and
831 the right to possession of all Discarded Materials shall be transferred to Contractor
832 from the Person discarding the materials (Customer and/or Generator) once such
833 materials are placed in Containers and properly placed for Collection. If Prohibited
834 Container Contaminants are found in Containers set out for Collection, the materials
835 shall be considered not properly placed for Collection, and Contractor shall have the
836 right to reject Collection of the contaminated Containers pursuant to Section 6.2, and
837 the ownership of materials shall remain with the Person discarding the materials
838 (Customer and/or Generator). Except as required in the County's sole discretion for
839 law enforcement purposes, at no time shall the County obtain any right of ownership
840 or possession of Discarded Materials placed for collection and nothing in this
841 Agreement shall be construed as giving rise to any inference that County has such

842 rights. Refer to Section 6.1 for transfer of ownership of Discarded Materials from
843 Contractor to Facility operator(s) of Approved Facilities.

844 **5.2 TWO-CONTAINER SYSTEM**

845 A. **General.** No later than ninety (90) days from the Effective Date, Contractor shall
846 provide a two-Container Collection program for the separate Collection of SSGCOW
847 and Mixed Waste as specified in this Section, using Containers that comply with the
848 requirements of Section 7.5.

849 **B. SSGCOW Collection.**

850 1. Contractor shall provide Green Containers to Customers for SSGCOW
851 Collection, and shall provide SSGCOW Collection service, as described in
852 Exhibit A of this Agreement. Contractor shall Transport the SSGCOW to the
853 Approved Transfer Facility for Transfer and Transport to an Approved Organic
854 Waste Processing Facility, as specified in Section 6.1.

855 SSGCOW that are to be accepted for Collection in the SSGCOW Collection
856 program are defined in Exhibit G. The Parties agree that types of SSGCOW may
857 be added to or removed from this list from time to time by mutual consent.
858 Contractor shall not add or remove materials to or from this list without written
859 approval from the County Contract Manager, and such approval shall not be
860 unreasonably withheld. Carpets, Non-Compostable Paper, textiles, and
861 Prohibited Container Contaminants shall not be Collected in the Green
862 Containers. The Containers shall comply with the requirements of Section 7.5.

863 **C. Mixed Waste Collection**

864 Contractor shall provide Gray or Black Containers to Customers for Collection of
865 Mixed Waste, and shall provide Mixed Waste Collection service, as described in
866 Exhibit A of this Agreement. Contractor shall Transport the Mixed Waste to the
867 Approved High Diversion Organic Waste Processing Facility, as specified in Section
868 6.1. Contractor may allow carpets and textiles to be placed in the Gray Containers.
869 Prohibited Container Contaminants shall not be Collected in the Gray Containers. The
870 Containers shall comply with the requirements of Section 7.5.

871 **5.3 BULKY ITEMS AND REUSABLE MATERIALS COLLECTION**

872 Contractor shall provide on-call Bulky Item Collection services to Single-Family
873 Customers each year as described in Exhibit A. Pursuant to Exhibit A, Contractor shall
874 Transport all Bulky Items and Reusable Materials Collected under this Agreement to the
875 appropriate facility.

876 **5.4 OTHER RESIDENTIAL COLLECTION SERVICES**

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

879

ARTICLE 6: OTHER SERVICES

880 6.1 TRANSFER, PROCESSING, AND DISPOSAL

881 A. **Approved Processing Facilities.** Contractor shall Transport all Mixed Waste and
882 SSGCOW to the Approved Facility(ies) specified in Exhibit B and shall Transfer and
883 Process such materials in accordance with this Section and Exhibit B. The Approved
884 Facilities shall comply with the following requirements.

885 1. **Approved High Diversion Organic Waste Processing Facility (Gray**
886 **Containers).** The Approved High Diversion Organic Waste Processing Facility
887 shall be a facility or operation that: (i) Processes Single-Family Mixed Waste
888 Collected in accordance with this Agreement; and, (ii) is a High Diversion Organic
889 Waste Processing Facility.

890 2. **Approved Organic Waste Processing Facility (Green Containers).** The
891 Approved Organic Waste Processing Facility shall be a Facility that Processes
892 SSGCOW to recover Source Separated Organic Waste.

893 3. **Guaranteed Capacity and Facility Standards.** The Facility Capacity Guarantor
894 of each Approved Facility (as identified in Exhibit B) shall guarantee Processing
895 capacity at the respective Approved Facility(ies) to receive all Discarded
896 Materials Collected by the Contractor throughout the Term of the Agreement, as
897 specified by material type in Exhibit B, and shall comply with Facility standards
898 specified in Exhibit B.

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

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

907 6. **Subcontractor.** If the Contractor does not own or operate one or more of the
908 Approved Facilities for which they are the designated Facility Capacity
909 Guarantor, Contractor shall enter into a subcontract agreement with the owner
910 or operator of such Approved Facility(ies) and the requirements of Section 6.1
911 and Exhibit B shall pertain to the Subcontractor. In addition, Subcontractor
912 requirements or obligations related to indemnification (Section 11.1) and
913 insurance requirements (Section 11.2) shall apply, as well as any other
914 Subcontractor requirements or obligations stated in other sections of this
915 Agreement.

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

923 C. **Use of Alternative Facilities.** County may designate an Alternative Facility for
924 Contractor's use for a temporary or ongoing period of time. In the event that such a
925 change results in an inconsistency with Exhibit B, it shall be considered a County-
926 directed change in scope and handled in accordance with the provisions of Sections
927 4.1 and 4.4.

928 D. **Disposal of Residue.** Contractor shall direct actual County Residue tonnages to the
929 Approved Disposal Facility(ies). Contractor shall pay all tipping fees and other costs
930 charged by the operator(s) of the Approved Disposal Facility(ies) for acceptance and
931 Disposal of Residue generated under this Agreement. This requirement may be
932 fulfilled through delivery of actual County Residue tonnage at the current gate rate at
933 the Approved Disposal Facility. Contractor shall comply with the Disposal fee
934 prepayment provisions of Section 9.3.

935 E. **Cooperation with Facility Operator.**

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

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

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

947 4. **Compliance with Facility Rules.** Contractor shall cooperate with Facility
948 operator and comply with Facility operator's requirements including: (i) how and
949 where to unload Collection vehicles; (ii) respecting operations and construction
950 of new facilities; and, (iii) the Facility operator's Excluded Waste screening and
951 exclusion program. Contractor shall also comply with the waste evaluations and
952 contamination assessment procedures and schedule provided by the Facility
953 operator.

954 F. **Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) Days prior to the
955 Commencement Date, Contractor shall coordinate with the Facility operator(s) to

956 ensure that all Collection vehicles used by Contractor to Transport Discarded
957 Materials to Approved Facilities are weighed to determine unloaded ("tare") weights.
958 Contractor shall work with Facility operator(s) to electronically record the tare weight,
959 identify vehicle as Contractor's, and provide a distinct vehicle identification number for
960 each vehicle. Contractor shall provide County with a report listing the vehicle tare
961 weight information upon request. Contractor shall promptly coordinate with Facility
962 operator to weigh additional or replacement Collection vehicles prior to Contractor
963 placing them into service. Contractor shall check tare weights at least annually, or
964 within fourteen (14) days of a County request, and shall re-tare vehicles immediately
965 after any significant vehicle changes or maintenance service. County will cooperate
966 with any reasonable request by Contractor for re-taring at Approved Facilities for
967 which County is the Facility Capacity Guarantor.

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

972 **6.2 CONTAMINATION MONITORING**

973 **6.2.1 Contamination Monitoring Procedures**

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

978 **B. Container Inspection Methods.**

979 1. Option 2: Visual Inspections via On-Board Monitoring System. For Collection
980 vehicles with automated Collection service, the Collection vehicle hopper shall
981 be equipped with a video camera and monitoring system. The Contractor's
982 Collector Route personnel shall observe, via the hopper video camera and
983 monitoring system, the contents of the Containers as the materials are emptied
984 into the vehicle. Upon finding Prohibited Container Contaminants in a Container,
985 Contractor shall follow the contamination noticing procedures and contaminated
986 Container handling protocols set forth in Section 6.2.1.C.

987 The next day on which that Customer is to receive service, the Contractor's
988 Collector Route personnel shall dismount the Collection vehicle, lift the lid of the
989 Container, and visually inspect the contents of the Container. If the Contractor's
990 Collector Route personnel determines that the Container again contains
991 Prohibited Container Contaminants, Contractor shall follow the contamination
992 noticing procedures and contaminated Container handling protocols set forth in
993 Section 6.2.1.C.

994 C. Actions upon Identification of Prohibited Container Contaminants.

995 1. **Record Keeping.** The driver or other Contractor representative shall record each
996 event of identification of Prohibited Container Contaminants in a written log, in
997 the on-board computer system, or other County-approved record keeping
998 system, including date, time, Customer's address, type of Container (Green or
999 Gray Container); and maintain photographic evidence, if required. Contractor
1000 shall submit this record to the Contractor's Customer service department, and
1001 Contractor's Customer service department shall update the Customer's account
1002 record to note the event, if the documentation if the on-board computer system
1003 did not automatically update the Customer's account record.

1004 2. **Identification of Excluded Waste.** If Contractor's personnel observe Excluded
1005 Waste in an uncollected Container, the Contractor's personnel shall issue a non-
1006 Collection notice for this Container in accordance with Section 6.2.1.C.5 and
1007 shall not Collect the Discarded Materials that contain Excluded Waste.
1008 Contractor's personnel shall record that observation in accordance with Section
1009 6.2.1.C.1 and immediately inform their route supervisor. Contractor shall follow
1010 protocols specified in Sections 6.2.1.C.5 and 6.2.1.C.6. The route supervisor
1011 shall investigate and initiate applicable action within one (1) Business Day or
1012 sooner if the Hazardous Waste may cause immediate danger.

1013 3. **Courtesy Pick-Up Notices.** Upon identification of Prohibited Container
1014 Contaminants in a Customer's Container, Contractor shall provide the Customer
1015 a courtesy pick-up notice. The courtesy pick-up notification shall: (i) inform the
1016 Customer of the observed presence of Prohibited Container Contaminants; (ii)
1017 include the date and time the Prohibited Container Contaminants were observed;
1018 (iii) include information on the Customer's requirement to properly separate
1019 materials into the appropriate Containers, and the accepted and prohibited
1020 materials for Collection in the Green Container and/or Gray Container; (iv) inform
1021 the Customer of the courtesy pick-up of the contaminated materials on this
1022 occasion with information that further instances (See guidance in subsection C.4
1023 below) may subject the Customer to contamination Processing fees or the
1024 issuance of a non-Collection notice; and, (v) shall include photographic evidence.
1025 Contractor shall leave the courtesy pick-up notice attached to or adhered to the
1026 Generators' contaminated Containers or by other communication within fourteen
1027 (14) days after determining that a violation has occurred.

1028 Contractor shall Collect the contaminated SSGCOW and Transport the material
1029 to the appropriate Approved Facility for Processing; or, Contractor may Collect
1030 the contaminated materials with Mixed Waste and Transport the contaminated
1031 materials to the appropriate Approved Facility for Processing and/or Disposal.

1032 4. **Notice of Contamination Processing Fees.** If the Contractor observes
1033 Prohibited Container Contaminants in a Generator's Container on more than
1034 three (3) consecutive occasions and properly issues courtesy pick-up notices on
1035 each of those occasions, or otherwise observes Prohibited Container

1036 Contaminants in a Generator's Container on six (6) total occasions in any twelve
1037 (12) month period, the Contractor may impose a contamination Processing fee
1038 of the equivalent of 25% of the service level provided (which will be adjusted
1039 annually pursuant to Article 10). Contractor shall notify the County in its monthly
1040 report of Customers for which contamination Processing fees were charged.
1041 Contractor shall leave a contamination Processing fee notice attached to or
1042 adhered to the Generators' contaminated Containers or by other communication
1043 within fourteen (14) days after determining that a violation has occurred. The
1044 contamination Processing fee notice shall describe the specific material(s) of
1045 issue, explain how to correct future set outs, and indicate that the Customer will
1046 be charged a contamination Processing fee on its next bill. The format of the
1047 contamination Processing fee notice shall be approved by the County Contract
1048 Manager.

1049 Contractor shall Collect the contaminated Source Separated Recyclable
1050 Materials or SSGCOW and Transport the material to the appropriate Approved
1051 Facility for Processing.

1052 5. **Non-Collection Notices.** Upon identification of Prohibited Container
1053 Contaminants in a Container in excess of standards agreed upon by the Parties
1054 or Excluded Waste, Contractor shall provide a non-Collection notice to the
1055 Generator. The non-Collection notice shall, at a minimum: (i) inform the
1056 Customer of the reason(s) for non-Collection; (ii) include the date and time the
1057 notice was left or issued; (iii) describe the premium charge to Customer for
1058 Contractor to return and Collect the Container after Customer removes the
1059 Contamination; and, (iv) provide a warning statement that a contamination
1060 Processing fee may be assessed if Prohibited Container Contaminants are
1061 observed on more than three (3) consecutive occasions. The non-Collection
1062 notice shall include photographic evidence of the violation(s).

1063 The Contractor's notice of non-Collection may be left attached to or adhered to
1064 the Generator's Container, or at the Premises' door or gate at the time the
1065 violation occurs, or subject to County's approval, may be delivered by mail, e-
1066 mail, text message, or other electronic message.

1067 Contractor shall submit a sample of its non-Collection notice to the County
1068 Contract Manager for approval prior to implementing use of it with Customers.

1069 6. **Communications with Customer.** Whenever a Container at the Premises of a
1070 Customer is not Collected, Contractor shall contact the Customer on the
1071 scheduled Collection day or within twenty-four (24) hours of the scheduled
1072 Collection day by cart tag telephone, email, text message, or other verbal or
1073 electronic message to explain why the Container was not Collected. Whenever
1074 a Container is not Collected because of Prohibited Container Contaminants, a
1075 Customer service representative shall contact the Customer to discuss, and
1076 encourage the Customer to adopt proper Discarded Materials preparation and
1077 separation procedures.

1078 7. **Contractor Return for Collection.** Upon request from Customer, Contractor
1079 shall Collect Containers that received non-Collection notices within one (1)
1080 Working Day of Customer's request if the request is made at least two (2)
1081 Working Days prior to the regularly scheduled Collection Day. Contractor shall
1082 bill Customer for the extra Collection service event ("extra pick-up") at the
1083 applicable County-approved Rates only if Contractor notifies Customer of the
1084 premium Rate for this service at the time the request is made by Customer.

1085 8. **Chronic Contamination of Materials.** In the event that, in the Contractor's
1086 discretion, a Generator repeatedly and frequently places Prohibited Container
1087 Contaminants in any Container, or otherwise abuses the services described in
1088 this Agreement, Contractor shall notify the County. If such Generator is located
1089 within a Mandatory Service Area, the County reserves the right to require the
1090 Generator to subscribe to an increased Service Level. If the Generator is located
1091 outside of a Mandatory Service Area, County may authorize the Contractor to
1092 stop service to that Generator. Contractor may, in Contractor's discretion, require
1093 payment of one billing cycle's service in advance of providing service to any
1094 Customer whose service has been previously discontinued due to chronic
1095 contamination. Contractor shall not require Service Level changes or stop
1096 service to any Generator in accordance with this Section without the prior written
1097 approval of the County.

1098 D. **Disposal of Contaminated Materials.** If the Contractor observes Prohibited
1099 Container Contaminants in a Generator's Container(s), Contractor may Dispose of the
1100 Container's contents, provided Contractor complies with the noticing requirements in
1101 Section 6.2.1.C.5 above.

1102 **6.2.2 Contamination Monitoring**

1103 **A. Collector Route Review Contamination Monitoring by Contractor**

1104 **1. Methodology and Frequency**

1105 Contractor shall, at its sole expense, conduct Collector Route reviews for
1106 Prohibited Container Contaminants in Collection Containers in a manner that is
1107 deemed safe by the Contractor; is approved by the County; and, is conducted in
1108 a manner that results in all Collector Routes being reviewed annually or more
1109 frequently.

1110 Contractor shall develop a Collector Route review methodology to accomplish
1111 the above Container inspection requirements and such methodology shall
1112 comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall
1113 submit its proposed Collector Route review methodology for the coming year to
1114 the County no later than January 15 of each year describing its proposed
1115 methodology for the calendar year and schedule for performance of each
1116 Collector Route's annual review. County will review and approve the proposed
1117 methodology. Contractor may commence with the proposed methodology upon
1118 approval.

1119 If the County and/or CalRecycle notifies the Contractor that the methodology is
1120 inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor
1121 shall, at its sole expense, revise the methodology and, after obtaining County or
1122 CalRecycle approval, conduct additional Collector Route reviews, increased
1123 Container inspections, or implement other changes using the revised procedure.
1124 If the Contractor's proposed methodology meets the requirements of 14 CCR
1125 Section 18984.5(b), but has been deemed inadequate by the County, the
1126 Contractor shall, at the expense of the County, revise the methodology and
1127 implement the necessary changes using the revised procedure.

1128 The County's Contract Manager may request, and Contractor shall accept,
1129 modifications to the schedule to permit observation of the Collector Route
1130 reviews by the County. In addition, Contractor shall provide an email notice to
1131 the County's Contract Manager no less than ten (10) Working Days prior to each
1132 scheduled Collector Route review that includes the specific time(s), which shall
1133 be within the County's normal business hours, and location(s).

1134 **2. Noticing of Generators with Contamination, Non-Collection, and Disposal**
1135 **of Materials.**

1136 Upon finding Prohibited Container Contaminants in a Container, Contractor shall
1137 follow the contamination noticing procedures and contaminated Container
1138 handling protocols set forth in Sections 6.2.1.C.

1139 **3. Reporting Requirements.**

1140 Contractor shall maintain records and report to the County on contamination
1141 monitoring activities and actions taken, in accordance with Exhibit D.

1142 **6.3 EDUCATION AND OUTREACH**

1143 **A. General.** In order to promote public education, Contractor shall create all public
1144 education materials and conduct education programs and activities described in this
1145 Section at its expense.

1146 **B. Program Objectives.** Contractor's public education and outreach strategy shall focus
1147 on improving Generators' understanding of the benefits of and opportunities for source
1148 reduction, Reuse, and Landfill Disposal reduction. In general, Contractor-provided
1149 public education and outreach, which shall include all content required by this Section
1150 6.3, should: (i) inform Generators about the services that are provided under this
1151 Agreement with specific focus on describing the methods and benefits of source
1152 reduction, Reuse, and reduction of Solid Waste Disposal; (ii) instruct Generators on
1153 the proper method for placing materials in Containers for Collection and setting
1154 Containers out for Collection with specific focus on minimizing contamination of
1155 SSGCOW; (iii) clearly define Excluded Waste and educate Generators about the
1156 hazards of such materials and their opportunities for proper handling; (iv) discourage
1157 Generators from buying products if the product and its packaging are not readily
1158 reusable, Recyclable, or compostable;(v) encourage the use of Compost; and, (vi)

1159 encourage Generators to purchase products/packaging made with Recycled-content
1160 materials. The cumulative intended effect of these efforts is to reduce each
1161 Generator's Disposal stream, and Contractor agrees to support and not undermine or
1162 interfere with such efforts

1163 **C. Contractor Cooperation and/or Support for County Educational Efforts.**
1164 Contractor acknowledges that they are part of a multi-party effort to operate and
1165 educate the public about the integrated waste management system. Contractor shall
1166 cooperate and coordinate with the County Contract Manager on public education
1167 activities to minimize duplicative, inconsistent, or inappropriately timed education
1168 campaigns.

1169 Contractor shall obtain approval from the County Contract Manager on all Contractor-
1170 provided public education materials including, but not limited to: print, radio, television,
1171 or internet media before publication, distribution, and/or release. County shall have
1172 the right to request that Contractor include County identification and contact
1173 information on public education materials and approval of such requests shall not be
1174 unreasonably withheld. The County reserves the right to direct the Contractor to
1175 modify the education and outreach program at any time.

1176 **D. Annual Education Plan.** Annually, Contractor shall develop and submit an annual
1177 public education plan to promote the programs performed by Contractor under this
1178 Agreement. The annual public education plan shall present the education activities for
1179 the upcoming calendar year and shall be submitted with the Contractor's annual report
1180 in accordance with Exhibit D. Each public education plan shall specify the target
1181 audience for services provided, include upcoming promotions for ongoing and known
1182 special events, identify program objectives, individual tasks, public education
1183 materials to be developed or updated, opportunities for expanded partnerships, and a
1184 timeline for implementation. The County Contract Manager shall be permitted to
1185 provide input on each annual public education plan, and the plan shall not be finalized
1186 or implemented without approval of the County Contract Manager. Each plan's
1187 implementation success shall be measured according to the deadlines identified and
1188 products developed. Contractor shall meet with the County Contract Manager to
1189 present and discuss the plan. County Contract Manager shall be allowed up to thirty
1190 (30) days after receipt to review and request modifications. The County Contract
1191 Manager may request, and Contractor shall not unreasonably deny, modifications to
1192 be completed prior to approving the plan. Contractor shall have up to fifteen (15)
1193 Business Days to revise the plan in response to any requested changes by the County
1194 Contract Manager. Any further delays may result in Liquidated Damages for failure to
1195 perform education and outreach activities as identified in Exhibit C. Each Business
1196 Day that the plan is late shall count as a single event/activity.

1197 **E. Education Requirements during Program Implementation/Roll-Out.**

1198 During the first six (6) months following the Effective Date of this Agreement,
1199 Contractor shall conduct an education campaign focused on informing Customers of
1200 the Collection programs described in Section 5.2, highlighting changes from prior

1201 Collection service programs. At a minimum, Contractor shall perform the activities
1202 listed below and shall perform these services in a manner that complies with
1203 requirements of this Section 6.3 and 14 CCR, Division 7, Chapter 12, Article 4.

1204 1. Prepare and distribute an initial mailer to all Customers explaining the changes
1205 from the existing Collection programs to new programs, Collector Route
1206 changes, dates of program implementation, Recycling and Landfill Disposal
1207 reduction programs available, special services available, holiday Collection
1208 schedules, proper handling and disposal of Household Hazardous Waste,
1209 Contractor's contact information, and any additional education and outreach
1210 information specified in 14 CCR, Division 7, Chapter 12, Article 4. The initial
1211 mailer shall be printed and mailed or hand delivered to Customers, and shall also
1212 be made available in an electronic format through the Contractor's website.
1213 Contractor may provide a Customer with an electronic version of the initial mailer,
1214 rather than a printed version, if specifically requested by the Customer.

1215 2. Prepare a "how-to" flyer describing how to prepare SSGCOW, and Mixed Waste
1216 for Collection and describe the acceptable materials that can be included in the
1217 Green Container, as well as non-allowable materials. The flyer should emphasize
1218 the new SSGCOW Collection program. The flyers shall be printed and distributed
1219 to each Customer, as well as made available in an electronic format through the
1220 Contractor's website. Contractor may provide a Customer with an electronic
1221 version of the flyer rather than a printed version, if specifically requested by the
1222 Customer.

1223 3. Prepare and distribute public service announcements (PSA) for local
1224 newspapers and/or other targeted media.

1225 4. All education material designed and/or distributed by the Contractor shall be
1226 submitted to the County Contract Manager for approval prior to distribution or
1227 posting on the Contractor's website.

1228 F. Annual and/or Ongoing Education Requirements.

1229 1. Specific Annual Educational Activities

1230 a. Annual Notice of Requirements. Not less than once per year during each
1231 Rate Year, Contractor shall prepare and distribute to each Customer a
1232 mailer that includes information specified in 14 CCR Section 18985.1(a).
1233 Such mailer shall be distributed by Contractor to all Single-Family
1234 Generators. Contractor shall also make this notice available in an
1235 electronic format through the Contractor's website.

1236 b. Billing Inserts. Upon County request, and no more than twice per year,
1237 Contractor agrees to insert and distribute brochures, newsletters, or other
1238 information developed by the County as inserts in Contractor's Customer
1239 invoices at no additional charge to the County. Upon County request,
1240 Contractor shall be responsible for printing the bill inserts. For Customers

1241 receiving electronic bills, Contractor agrees to distribute brochures,
1242 newsletters, or other information developed by the County as attachments
1243 to Customer invoices at no additional charge to the County. Contractor
1244 shall provide electronic bill inserts (or separate email attachments) to
1245 Customers who are billed electronically, and paper bill inserts to
1246 Customers who receive paper bills. Electronic bill inserts/attachments must
1247 be readily available for the Customer to view upon receipt of the invoice
1248 (attachments shall not be provided as links). Upon County request for such
1249 inserts, Contractor shall comply with such request during its next billing
1250 cycle for the targeted Customer group. Contractor shall perform this
1251 service with no additional requirement for compensation. If the County shall
1252 wish to do more than two inserts/distribution per year, it may require the
1253 Contractor to do so but Contractor shall be entitled to reimbursement from
1254 the County in such event.

1255 c. Minimum Website Requirements. Contractor shall develop and maintain a
1256 website (with a unique URL specific to the County) that is specifically
1257 dedicated to the County to provide Generators with detailed service
1258 information. The website or webpage shall be accessible by the public, and
1259 shall include all education and outreach materials being provided, without
1260 requirement for login. Contractor shall update the website regularly so that
1261 information provided is current.

1262 d. Instructional Service Guide. Contractor shall prepare a service guide that
1263 describes available services, including how to place Containers for
1264 Collection, which materials should be placed in each Container and
1265 prohibited materials, and provides Collection holidays and a Customer
1266 service phone number. The service guide shall be printed and delivered
1267 with each set of Containers distributed to a Generator and shall be
1268 delivered annually to all Generators. Upon County request, Contractor
1269 shall, at its sole expense, revise, re-print, and redistribute service guides
1270 once every three (3) years or at least ninety (90) days prior to a change in
1271 the accepted or prohibited materials for any program. Contractor shall
1272 make the service guide available in an electronic format through the
1273 Contractor's website. Contractor may provide an electronic version of the
1274 instructional service guide rather than a printed version, if requested by the
1275 Customer.

1276 e. Provision of Educational Materials to Non-Compliant Entities. Contractor
1277 shall provide educational materials to non-compliant entities under this
1278 Agreement, as further described in Section 6.9.

1279 G. **Minimum Content Requirements.** Contractor shall include the following education
1280 and outreach content to Customers by incorporation of this content into the public
1281 education materials described in Section 6.3.F.

1282 1. Information on the Generator's requirements to properly separate SSGCOW and
1283 Mixed Waste and place such materials in appropriate Containers pursuant to this
1284 Agreement, SB 1383 Regulations, and all other Applicable Law.

1285 2. Information on methods for the prevention of Mixed Waste and SSGCOW
1286 generation; managing SSGCOW on Generator's Premises through composting
1287 or other Landfill Disposal reduction activities allowed under 14 CCR Sections
1288 18983.1 and 18983.2; sending SSGCOW to Community Composting operations;
1289 and any other local requirements regarding Discarded Materials.

1290 3. Information regarding the methane reduction benefits of reducing the Disposal of
1291 SSGCOW, and the method(s) that the Contractor uses to recover SSGCOW.

1292 4. Information regarding how to recover Recyclable materials, and SSGCOW.

1293 5. Information related to the public health and safety and environmental impacts
1294 associated with the Disposal of Organic Waste.

1295 6. Information regarding Self-Hauling requirements for Generators located outside
1296 of Mandatory Service Areas.

1297 7. Any other federal, State, or local requirements to properly separate Discarded
1298 Materials or other necessary actions by Generators, including applicable
1299 requirements of the County Code, SB 1383 and corresponding regulations.

1300 H. **Material Distribution Methods**

1301 Contractor shall use the following methods to provide education information to
1302 Customers. All materials are to be approved by the County prior to distribution.

1303 1. **Printed materials.** Contractor shall provide printed education materials as
1304 described in Sections 6.3.E and 6.3.F. The Contractor shall be responsible for
1305 the design, printing, and distribution of these materials. All Contractor-printed
1306 public education materials shall, at a minimum, use recycled paper and/or be
1307 made of recycled material. The Contractor will use 100% post-consumer paper
1308 if available, if not the maximum post-consumer content available, and procure
1309 printed materials from local businesses whenever possible.

1310 2. **Electronic materials and website content.** Contractor shall provide electronic
1311 and website content for education and outreach materials, which may include,
1312 but are not limited to: digital graphics, digital versions of print materials, social
1313 media posts, and blog posts. The Contractor shall be responsible for the design,
1314 posting, and electronic distribution of these materials.

1315 I. **Non-English Language Requirements**

1316 The Contractor shall make all public education and outreach materials required by this
1317 Section available in English and Spanish.

1318 Upon County request, Contractor shall provide materials in additional languages
1319 beyond those specified in this Section in response to shifting demographics within the
1320 County; updates to State requirements or Applicable Law; or, any other reason
1321 deemed appropriate by the County.

1322 J. **Record Keeping and Reporting Requirements**

1323 Contractor shall comply with the public education and outreach record keeping and
1324 reporting requirements of Exhibit D.

1325 K. **Personnel**

1326 A representative of the Contractor who is knowledgeable of County Service Area D,
1327 services provided under this Agreement, and Rates shall be available from _ 8 a.m.
1328 to 5 p.m. Monday through Friday to communicate with the public by telephone.
1329 Contractor shall maintain a local or toll-free telephone number which it shall publicize.
1330 Annually, and upon hiring of new staff, the Contractor is required to conduct thorough
1331 training of all Customer service representatives who may respond to Generator calls
1332 regarding Contractor's Collection services and SB 1383 Regulatory requirements.
1333 Customer service representatives shall accurately communicate program
1334 requirements and the accepted and prohibited materials for each material stream for
1335 each Customer type. New Customer service representatives shall not be assigned to
1336 the County prior to completing SB 1383 Regulations training. The County reserves the
1337 right to require changes to the call routing process and the training and qualifications
1338 for Customer service representatives assigned to the County if a pattern of inaccurate
1339 information provision is observed.

1340 Annually, and upon hiring of new staff, Contractor shall conduct thorough training of
1341 all Collector Route personnel that come into contact with Generators on the Collection
1342 program requirements and the accepted and prohibited materials for each material
1343 stream for each Customer type.

1344 **6.4 BILLING**

1345 A. **General Billing Requirements**

1346 1. **Contractor Responsible.** Contractor shall bill all Customers and be responsible
1347 for collecting payment from Customers. Billing shall be performed on the basis of services
1348 rendered and this Agreement shall create no obligation on the part of any Person on the
1349 sole basis of the Ownership of property. Individual contracts between Contractor and a
1350 Customer for services provided under this Agreement shall be prohibited unless
1351 otherwise approved in writing by the County Contract Manager on a case-by-case basis.
1352 Notwithstanding the foregoing, the Franchise Fee and the Management Fee shall be

1353 based only on Gross Receipts actually collected by the Contactor and shall not reflect
1354 any delinquent accounts, bad debts or other uncollected amounts.

1355 2. **Frequency.** Contractor shall bill all Single-Family Customers monthly in arrears
1356 of services provided. Contractor shall bill Customers for any on-call and/or non-
1357 recurring services no more frequently than monthly and shall only bill for services
1358 provided during the previous billing period. Contractor shall remit invoices to
1359 Customers no earlier than the twentieth (20th) day of the month preceding the
1360 period for which service is being billed.

1361 3. **Bill Format.** Contractor shall bill Customers electronically using paperless
1362 invoices; however, Contractor shall bill Customers who decline or are otherwise
1363 unable to provide email contact information by standard mail, using standard
1364 (paper) invoices. Contractor shall permit Customers the ability to pay their bills
1365 through an electronic check or credit card and include the ability for Customer
1366 billings to be automatically charged on a recurring basis. Contractor shall prepare
1367 and mail bills and collect payments from Customers who decline to use such
1368 internet-based billing system. Contractor shall make arrangements to allow such
1369 Customers to pay bills by cash, check, electronic check, money order, and credit
1370 card.

1371 4. **Bill Inserts.** Contractor shall include bill inserts in accordance with Section 6.3.

1372 5. **Records.** Contractor shall maintain copies of all billings and receipts, each in
1373 chronological order, for the Term of this Agreement, for inspection and
1374 verification by the County Contract Manager at any reasonable time, but in no
1375 case more than thirty (30) calendar days after receiving a request to do so.

1376 6. **Non-Payment and Bad Debt.**

1377 (a) **Mandatory Service Areas.** Contractor shall continue to provide Collection
1378 service to Single-Family Customers in Mandatory Service Areas in the
1379 event of nonpayment. Contractor shall notify the Director of all Customers
1380 in Mandatory Service Areas with payments for Base Services including
1381 Contamination Fees allowed to be imposed related to contaminated Base
1382 Services Containers but only as described and in strict accordance with
1383 Section 6.2.1.C.4 which are sixty (60) days or more past due. Once each
1384 calendar year during the Term of this Agreement, County shall reimburse
1385 Contractor, either by direct payment or by application of a credit against
1386 fees due County from Contractor pursuant to this Agreement, for the full
1387 amount of delinquent Base Services payments from Customers in
1388 Mandatory Service Areas. County shall have no obligation to reimburse
1389 Contractor for delinquent charges of any type outside of Base Services from
1390 Customers in Mandatory Service Areas. In the event such delinquent
1391 Customer pays Contractor after notification to County but before
1392 reimbursement by County, Contractor shall notify County of such payment,

1393 and County shall deduct from any reimbursement due the amount of such
1394 payment.

1395 (b) **Non-Mandatory Service Areas.** Contractor shall be responsible for
1396 collection of payment from Customers with past due accounts ("bad debt")
1397 outside of Mandatory Service Areas. Contractor may make reasonable
1398 efforts to obtain payment from such delinquent accounts through issuance
1399 of late payment notices, telephone requests for payments, and assistance
1400 from collection agencies. Contractor may deny services to any Customer
1401 who, after thirty (30) days from written demand therefore, has any amount
1402 due to Contractor for services rendered prior to such demand. Contractor
1403 may, in Contractor's discretion, require payment of one billing cycle's
1404 service in advance of providing service to new Customers or to any
1405 Customer whose service has been previously discontinued due to
1406 nonpayment.

1407 **B. Rates.** Contractor shall bill Customers and collect Customer payments at Rates not
1408 to exceed the County-approved maximum Rates.

1409 **C. Application of Contamination Surcharges.** In accordance with Section 6.2.1.C.4,
1410 the Contractor shall assess contamination Processing fees on Customers with
1411 repeated occurrences of excess Prohibited Container Contaminants. Any
1412 contamination Processing fees to be assessed for a Customer shall be included and
1413 itemized on the Customer's invoice for the billing period in which the Contractor
1414 notified the Customer of the assessment of the contamination Processing fee.

1415 **D. Universal Enrollment Process.** County requires that Single-Family Generators in
1416 Mandatory Service Areas are enrolled in Collection services pursuant to County Code
1417 Section 5-2404. Single-Family Generators located in Service Area D but outside of
1418 Mandatory Service Areas who do not obtain a Generator waiver pursuant to Section
1419 6.5 must also enroll in Collection services with Contractor as provided in this
1420 Agreement.

1421 Contractor shall assist the County in ensuring that the enrollment of Generators occurs
1422 in a timely and efficient manner. At least two (2) times per year, Contractor shall
1423 reconcile and confirm universal enrollment of Generators by comparing its Customer
1424 list to parcel information and calculating the percentage of total Generators enrolled
1425 in County's Collection program. As part of this analysis, Contractor shall provide the
1426 County with a summary of any discrepancies found between the Customer list and
1427 parcel information, including the names and addresses of all Generators that were
1428 found to be the subject of a discrepancy. In accordance with Exhibit D, Record
1429 Keeping and Reporting, Contractor shall maintain records and provide reports on the

1430 Generators' Service Level and list of non-enrolled Generators, and other information
1431 necessary for the County to verify the universal enrollment of Generators.

1432 **6.5 GENERATOR WAIVERS**

1433 County may grant waivers to Generators that impact the scope of Contractor's provision
1434 of service for those Customers (including, but not limited to Self-Haul waivers to
1435 Generators outside of Mandatory Service Areas). Waivers issued shall be subject to
1436 compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section
1437 18984.11, County Code Sections 5-2980 or 5-2984 or other requirements specified by
1438 the County.

1439 Upon Contractor request, no more than two (2) times per year, the County shall provide
1440 Contractor an updated listing of waivers approved by the County, including the
1441 Generators' names, mailing address, service address, and type of waiver.

1442 **6.6 INSPECTION AND ENFORCEMENT**

1443 **A. Annual Compliance Reviews**

1444 1. **General.** Contractor shall annually perform compliance reviews described in this
1445 Section, unless otherwise noted.

1446 2. **Annual Collector Route Review.** Contractor shall conduct annual Hauler Route
1447 reviews of Single-Family Generators for compliance with the County's Discarded
1448 Materials Collection program and Container contamination monitoring. These
1449 Collector Route reviews may be performed concurrently with the contamination
1450 monitoring Collector Route reviews, provided that Contractor documents a
1451 reasonable sampling of Generators for which compliance with the County's
1452 Discarded Materials Collection program during the Collector Route review was
1453 assessed.

1454 **B. Compliance Review Process**

1455 1. **Number of Reviews.** The Contractor shall conduct a sufficient number of
1456 Collector Route reviews and inspections of Generators to adequately determine
1457 the Generators' overall compliance with SB 1383 Regulations, and Sections 5-
1458 2985 and 5-2986 of the County Code. County reserves the right to require
1459 additional inspections, if the County determines that the amount of inspections
1460 conducted by the Contractor is insufficient. County may require the Contractor to
1461 prioritize inspections of entities that the County determines are more likely to be
1462 out of compliance.

1463 2. **Non-Compliant Entities.** Contractor shall provide educational materials in
1464 response to violations to the non-compliant Customers and Generators within
1465 ten (10) days of determination of non-compliance or immediately upon
1466 determination of non-compliance if such non-compliance is determined during an
1467 inspection or Collector Route review. Contractor shall document the non-

1468 compliant Customers and Generators and the date and type of education
1469 materials provided, and shall report such information to the County in accordance
1470 with Exhibit D. The County shall be responsible for subsequent enforcement
1471 action against the Generators.

1472 3. **Documentation of Inspection Actions.** The Contractor shall generate a written
1473 and/or electronic record and maintain documentation for each inspection,
1474 Collector Route review, and compliance review conducted, including the
1475 information described in Exhibit D.

1476 **6.7 SERVICE COMPLAINTS**

1477 A. **Documentation of Complaints.** The Contractor agrees to maintain a computer
1478 database log of all oral and written complaints received by Contractor from Customers
1479 or other Persons. Contractor shall be responsible for the prompt and courteous
1480 attention to, and prompt and reasonable resolution of, all Customer complaints.
1481 Contractor agrees to document and maintain for a period of at least twelve (12) months
1482 on a form or log all Complaints registered by Customers and Persons, in accordance
1483 with this Section and Exhibit D. For complaints received in which the Person alleges
1484 that an entity is in violation of SB 1383 Regulations, Contractor shall notify the County
1485 and proceed in accordance with Section 6.7.B.

1486 B. **Investigation of SB 1383 Regulatory Non-Compliance Complaints.** County shall
1487 notify Contractor of any complaints received for alleged SB 1383 violations by
1488 Generators within Contractor's service area. Within thirty (30) calendar days of
1489 receiving notice of a complaint, Contractor shall provide County with requested
1490 information related to the alleged violation, including but not limited to the following:
1491 the subscribed Service Level of the entity that may not be compliant with SB 1383
1492 Regulations; confirmation of whether the potentially non-compliant entity has been
1493 approved for a Generator waiver in accordance with Section 6.5; and, a
1494 recommendation to County on whether or not the entity is in violation of SB 1383
1495 Regulations. Upon request by County, Contractor shall also inspect the Premises of
1496 the entity identified by the complainant, and/or contact the entity to gather more
1497 information. Contractor is not required to investigate complaints against Food
1498 Recovery Organizations or Food Recovery Services. The County shall make a final
1499 determination of the allegations against the entity.

1500 **6.8 NON-DISCRIMINATION IN PROVISION OF SERVICE**

1501 Contractor shall not discriminate in the provision of service or the employment of Persons
1502 engaged in performance of this Agreement on account of race, religious creed, color,
1503 national origin, ancestry, physical handicap, medical condition, marital status, or sex of
1504 such Persons or as otherwise prohibited by law or regulation. Contractor's rates, fees, or
1505 charges for all services rendered pursuant to this Agreement shall be non-discriminatory
1506 and uniform for equal services rendered.

1507

ARTICLE 7: STANDARDS OF PERFORMANCE

1508 **7.1 GENERAL**

1509 Contractor shall at all times comply with Applicable Laws, hold all permits, licenses and/or
1510 other documents or approvals required for the lawful provision of service under this
1511 Agreement, and provide services in a manner that is safe to the public and the
1512 Contractor's employees. Except to the extent that a higher performance standard is
1513 specified in this Agreement, Contractor shall perform services in accordance with
1514 Discarded Materials management practices common to California.

1515 **7.2 OPERATING HOURS AND SCHEDULES**

1516 A. **Hours of Collection.** Unless otherwise authorized by the County Contract Manager,
1517 Contractor's days and hours for Collection operations shall only occur between the
1518 hours of 6:00 a.m. and 6:00 p.m., Monday through Friday.

1519 B. **Holiday Collection Schedule.** Contractor, at its sole discretion, may choose not to
1520 provide Collection services on a holiday. In such event, Contractor shall provide
1521 Collection services on the day following the holiday thereby adjusting subsequent
1522 work that week; however, Customer service days shall be returned to the normal
1523 schedule within one (1) week of the holiday. The Contractor shall provide Customers
1524 notice of holiday-related changes in Collection schedules at least two (2) weeks prior
1525 to the change.

1526 **7.3 COLLECTION STANDARDS**

1527 A. **Servicing Containers.** Contractor shall pick up and return each Container to the
1528 location where the Generator properly placed the Container for Collection. Contractor
1529 shall place the Containers upright with lids properly secured.

1530 Contractor, at the request of Customers, may provide special services including: (i)
1531 unlocking Containers; (ii) accessing Container enclosures with a key; or, (iii) pulling or
1532 pushing Containers to the Collection vehicle.

1533 B. **Litter Abatement.** Contractor shall use due care to prevent spills or leaks of material
1534 placed for Collection, fuel, and fluids while providing services under this Agreement.
1535 If any materials are spilled or leaked during Collection and Transportation, the

1536 Contractor shall clean up all spills or leaks before leaving the site of the spill, unless
1537 such spillage/leakage is the result of overloaded Containers.

1538 Contractor shall not transfer loads from one vehicle to another on any public street,
1539 unless it is necessary to do so because of mechanical failure, hot load (combustion of
1540 material in the truck), or accidental damage to a vehicle.

1541 Contractor shall cover all open Drop Boxes at the pickup location before Transporting
1542 materials to the Approved Facility.

1543 C. **Noise.** All Collection operations shall be conducted as quietly as possible and shall
1544 conform to applicable Federal, State, and County noise level regulations. The County
1545 may conduct random checks of noise emission levels to ensure such compliance.

1546 **7.4 COLLECTION VEHICLE REQUIREMENTS**

1547 A. **General Requirements.** All vehicles used by the Contractor in providing Discarded
1548 Materials services shall be registered with the California Department of Motor Vehicles
1549 and shall meet or exceed all legal standards including, but not limited to, 14 CCR
1550 Section 17341 et seq. Collector agrees to maintain all of its Collection vehicles in
1551 compliance with the provisions of Applicable Law and regulations, including but not
1552 limited to the California Vehicle Code and County Code. Collector's vehicle shall carry
1553 a shovel, broom, and fire extinguisher and shall be equipped with an audible automatic
1554 back up or other acceptable warning devices.

1555 B. **Vehicle Identification.** Contractor's name, local telephone number, and a unique
1556 vehicle identification number designed by Contractor for each vehicle shall be painted
1557 (in letters at least three (3) inches high) on each side of each vehicle.

1558 C. **Cleaning and Maintenance:**

1559 1. **General.** Contractor shall maintain all of its properties, facilities, and equipment
1560 used in providing service under this Agreement in a safe, neat, clean, and operable
1561 condition at all times. Each truck shall be designed so that Discarded Materials,
1562 oil, or grease will not blow, fall, or leak out of the truck onto the street. All Discarded
1563 Materials shall be transported by means of vehicles equipped with leak -resistant
1564 bodies fitted with close fitting covers.

1565 2. **Cleaning.** Vehicles used in the Collection of Discarded Materials shall be washed
1566 on a regular basis so as to present a clean appearance and minimize odors.

1567 3. **Storage.** Contractor shall arrange to store all vehicles and other equipment in
1568 location(s) in accordance with County's applicable zoning regulations, if stored

1569 within the County. Collection vehicles when not in use must be parked in an off-
1570 street location, except in an emergency situation.

1571 4. Covers. Vehicles shall be equipped with a mechanical cover or tarp, that is
1572 adequate to cover and prevent Discarded Materials from blowing out of the vehicle.

1573 5. Operation. Vehicles shall be operated in compliance with the California Vehicle
1574 Code, 14 CCR, Division 7, Chapter 3, Article 5 and all applicable safety and local
1575 ordinances. Contractor shall not load vehicles in excess of the manufacturer's
1576 recommendations or limitations imposed by State or local weight restrictions on
1577 vehicles.

1578 6. Modifications. Upon approval of the Director, Collector may modify the equipment
1579 standards under any of the following conditions.

1580 (a) Collection Routes or areas which are extremely difficult to serve with
1581 standard Collection vehicle;

1582 (b) Unusual topography; and/or,

1583 (c) Difficult road/driveway access problems.

1584 7. **Vehicle Inspection.** All trucks used in the Collection and transportation of Discarded
1585 Materials may be inspected at such time and place as designated by the Director. The
1586 Director, or their designee, may schedule an annual inspection for randomly selected
1587 trucks operated by Collector. Upon request from the Director, Contractor shall provide
1588 copies of CHP BIT inspection reports for any vehicle used in performing services
1589 under this Agreement. The Director may revoke the use of any truck that fails to meet
1590 the requirements of this Agreement, and such truck shall not be used for the Collection
1591 or transportation of Discarded Materials until its default has been corrected to the
1592 satisfaction of the Director. Revocation of the right to use a particular truck shall not
1593 excuse Collector from performing any of its obligations under this Agreement.

1594 8. **Inventory.** Contractor shall annually furnish to the County a current vehicle inventory
1595 of Contractor's vehicles used to provide Collection services under this Agreement.

1596 **7.5 CONTAINER REQUIREMENTS**

1597 **A. Provision of Containers by Contractor and Color Standards**

1598 **1. General.**

1599 No later than ninety (90) days from the Commencement Date, Contractor shall
1600 provide all Customers with Collection Containers that comply with the Container
1601 color requirements specified in this Section or as otherwise specified in 14 CCR
1602 Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other Applicable
1603 Law. At least ninety (90) days in advance of Contractor Container purchases or
1604 repainting of metal Containers, Contractor shall present proposed colors to the

1605 County for review and approval. If an existing Container breaks or is otherwise
1606 rendered non-functional, the Contractor shall replace the non-functional
1607 Container with a Container that complies with the color requirements of this
1608 Section. Notwithstanding this Section, the Contractor is not required to replace
1609 functional Containers, including Containers purchased prior to the Effective Date,
1610 that do not comply with the color requirements of this Section prior to the end of
1611 the useful life of those Containers, or prior to January 1, 2036, whichever comes
1612 first.

1613 **2. Green Containers (SSGCOW)**

1614 Green Containers must have a lid and body that are green in color. Hardware
1615 such as hinges and wheels on the Green Containers may be a different color.

1616 **3. Gray or Black Containers (Mixed Waste)**

1617 Gray or Black Containers must have a lid and body that are gray in color.
1618 Hardware such as hinges and wheels on the Gray Container may be a different
1619 color.

1620 **B. Labeling Requirements**

1621 Labels for Existing Containers

1622 On or before July 1, 2025, Contractor shall place a label on the body or lid of each
1623 Container that has been provided to a Customer that includes language or graphic
1624 images, or both, that indicate the primary materials accepted and the primary
1625 materials prohibited in that Container. Labels shall clearly indicate items that are
1626 Prohibited Container Contaminants for each Container. Prior to ordering labels for
1627 Containers, Contractor shall submit a copy of its proposed label, proposed location(s)
1628 for placement of labels on each type of Container, and its labeling plan to the County
1629 Contract Manager for approval.

1630 **C. Container Maintenance, Cleaning, Painting**

1631 Contractor shall be responsible for repairing or replacing Containers when Contractor
1632 determines the Container is no longer suitable for service; or when the County or
1633 Customer requests replacement of Customer's Container that does not properly
1634 function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be
1635 responsible for acquiring the replacement Containers. Contractor shall maintain a
1636 sufficient inventory of Containers to accommodate new Customer requests for service,
1637 requests for change in Service Levels (size, type, or number of Containers) from
1638 current Customers, and requests for replacement due to damage. All such Containers
1639 shall be provided within one (1) week of request.

1641 Contractor shall repair or replace all damaged or broken Containers within a one (1)
1642 week period. If the repair or replacement cannot be completed within a week, the

1643 Customer shall be notified by Contractor and a larger Container shall be made
1644 available until the proper Container can be replaced.

1645
1646 Contractor shall steam clean and repaint all Containers as needed (other than Carts)
1647 so as to present a clean appearance.

1648
1649 Contractor shall remove graffiti from Containers within forty-eight (48) hours of
1650 identification by Contractor or notice by County or Customer if such graffiti includes
1651 any written or pictorial obscenities and otherwise within five (5) Business Days.

1652
1653 At the County's request, Contractor shall provide County with a list of Containers and
1654 the date each Container was painted and maintained.

1655 **D. Ownership of Containers at End of Term**

1656 Upon the date of this Agreement's expiration or earlier termination, the Carts shall
1657 remain the property of the Contractor. In such case, Contractor shall be responsible
1658 for outstanding depreciation and for removing all Containers, and Compactors in
1659 service from the Premises within sixty (60) Working Days of the expiration date or
1660 early termination date of this Agreement or within a different timeframe mutually
1661 agreed to by the Parties. Contractor shall arrange for reuse or Recycling of
1662 Containers, and Compactors removed from the County.

1663 **7.6 PERSONNEL**

1664 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to
1665 provide the services required by this Agreement in a safe and efficient manner.
1666 Contractor shall designate at least one (1) qualified employee as County's primary
1667 point of contact with Contractor who is principally responsible for Collection operations
1668 and resolution of service requests and complaints.

1669 Contractor shall use its best efforts to assure that all employees present a neat
1670 appearance and conduct themselves in a courteous manner. Contractor shall not
1671 permit its employees to accept, demand, or solicit, directly or indirectly, any additional
1672 compensation, or gratuity from members of the public.

1673 **B. Driver Qualifications.** All drivers must have in effect a valid license, of the
1674 appropriate class, issued by the California Department of Motor Vehicles. Contractor
1675 shall use the Class II California Department of Motor Vehicles employer "Pull Notice
1676 Program" to monitor its drivers for safety.

1677 **C. Safety Training.** Contractor shall provide suitable operational and safety training for
1678 all of its employees who operate Collection vehicles or equipment. Contractor shall
1679 train its employees involved in Collection to identify, and not to collect, Excluded
1680 Waste. Upon the County Contract Manager's request, Contractor shall provide a copy

1681 of its safety policy and safety training program, the name of its safety officer, and the
1682 frequency of its trainings.

1683 **D. Provision of Field Supervision.** Contractor shall designate one qualified employee
1684 as supervisor of field operations. The field supervisor will devote at least fifty percent
1685 (50%) of his or her time in the field checking on Collection operations, including
1686 responding to complaints.

1687 **E. Identification.** All representatives of the Contractor shall display and/or provide
1688 proper identification or documentation exhibiting their association with the Contractor
1689 while operating in the field.

1690 **7.7 HAZARDOUS WASTE INSPECTION AND HANDLING**

1691 **A. Inspection Program and Training.** Contractor shall develop a load inspection
1692 program that includes the following components: (i) personnel and training; (ii) load
1693 checking activities; (iii) management of wastes; and, (iv) record keeping and
1694 emergency procedures.

1695 Contractor's load checking personnel, including its Collection vehicle drivers, shall be
1696 trained in: (i) the effects of Hazardous Substances on human health and the
1697 environment; (ii) identification of prohibited materials; and, (iii) emergency notification
1698 and response procedures.

1699 **B. Response to Excluded Waste Identified During Collection.** If Contractor
1700 determines that material placed in any Container for Collection is Excluded Waste or
1701 presents a hazard to Contractor's employees, the Contractor shall follow the
1702 procedures described in Section 6.2.1.C.2. Under no circumstances shall Contractor's
1703 employees knowingly Collect Excluded Waste or remove unsafe or poorly
1704 containerized Excluded Waste from a Collection Container. If Excluded Waste is found
1705 in a Collection Container or Collection area that could possibly result in imminent
1706 danger to people or property, the Contractor shall immediately notify the Fire
1707 Department.

1708 **C. Response to Excluded Waste Identified at Disposal or Processing Facility.**
1709 Materials Collected by Contractor will be delivered to the Approved Facilities for
1710 purposes of Processing and/or Disposal. In the event that load checkers and/or
1711 equipment operators at such facility identify Excluded Waste in the loads delivered by
1712 Contractor, such personnel shall remove these materials for storage in approved, on-
1713 site, Excluded Waste storage Container(s). Contractor shall arrange for removal of the
1714 Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws
1715 and regulatory requirements. The Contractor may at its sole expense attempt to
1716 identify and recover the cost of Disposal from the Generator. If the Generator can be

1717 successfully identified, the cost of this effort, as well as the cost of Disposal shall be
1718 chargeable to the Generator.

1719 **ARTICLE 8: RECORD KEEPING AND REPORTING**

1720 Contractor shall maintain records and reports in accordance with Exhibit D and shall allow
1721 County to audit and inspect records as described in Exhibit D.

1722 **ARTICLE 9: JURISDICTION FEES AND PAYMENTS**

1723 **9.1 FRANCHISE FEE**

1724 In consideration of grant of franchise, Contractor shall pay a Franchise Fee to County
1725 each month. The amount of the Franchise Fee shall be equal to zero percent (0%) of
1726 Gross receipts for all services performed under this Agreement. This fee is an allowable
1727 cost recoverable through the Rates but is a fee paid solely by Contractor. Contractor and
1728 County agree the Franchise Fee is a negotiated amount that is reasonably related to the
1729 value of the rights granted to Contractor under this Agreement.

1730 **9.2 CONTRACT MANAGEMENT PAYMENT**

1731 The Contractor shall pay a Contract Management Payment to the County each quarter.
1732 The amount of the Contract Management Payment shall be equal to three percent (3%)
1733 of Gross Receipts for all services performed under this Agreement. County shall use the
1734 Contract Management Fee to offset expenses, including but not limited to, administration,
1735 Customer education, outreach and technical assistance, Regulatory compliance,
1736 monitoring, reporting, and Contractor compliance with the Agreement and applicable
1737 ordinance requirements. The County shall retain the sole right to set priorities for the use
1738 of this fee. This fee shall be considered an allowable cost recoverable through the rates
1739 and included in the Contractor's Compensation pursuant to Article 10.

1740 **9.3 APPROVED DISPOSAL FACILITY GATE FEE PREPAYMENT**

1741 Contractor shall post a noninterest earning cash advance deposit with County as an
1742 advance payment of gate fees at the Approved Disposal Facility to be paid by Contractor
1743 to County. Individual gate fee transactions will be deducted from the advance deposit.
1744 By the tenth of each month, County shall invoice Contractor for the amount of such
1745 deductions from the prior month. Contractor shall replenish the advance deposits by
1746 paying to County the amount of deductions as reported to Contractor by County. Such
1747 payment shall be made no later than the last Business Day of the month said invoice is
1748 received. If such payment is not paid as specified here, such payment shall be delinquent
1749 and a delinquency charge of five percent (5%) of the payment or payments due shall be
1750 imposed upon and added to such payment or payments for each month or part thereof
1751 during which such payment remains delinquent.

1752 The amount of said deposit is initially set at Fifteen Thousand One Hundred Forty-Five
1753 Dollars (\$15,145) for Account 6001 (Lovelace Transfer Station), Fifty-One Thousand
1754 Twenty Dollars (\$51,020) for Account 6050 (Foothill Landfill) and shall be reviewed
1755 semiannually by County and adjusted to an amount equal to the monthly average of the
1756 prior six month gate fees. The amount of said deposit shall also be reviewed and adjusted
1757 accordingly at such time as Rates are adjusted in accordance with Article 10.

1758 In lieu of paying the advance deposit towards gate fees, Contractor may propose and
1759 utilize a different method of paying gate fees, providing such method is approved in writing
1760 by the Director prior to implementation. Such approval will be granted on a temporary
1761 basis and may be revoked at the discretion of the Director. If such approval is revoked,
1762 Contractor shall immediately pay the advance deposit as established in this Section 9.3.

1763 **9.4 COURT DETERMINATIONS REGARDING COUNTY FEES**

1764 In the event any County fee is determined by a court to be excessive, invalid or
1765 unenforceable, then: (i) Contractor shall not be obligated to remit the future portion of the
1766 County fee deemed excessive, invalid, or unenforceable to the County; (ii) to the extent
1767 the Customers are entitled to a reimbursement of any excessive, invalid or unenforceable
1768 County fees, and County is required to reimburse Contractor in the amount of the County
1769 fees previously remitted to County that have been deemed excessive, invalid or
1770 unenforceable, thereafter, Contractor shall directly reimburse all Customers entitled to
1771 reimbursement in the amount attributable to each Customer account. In no event shall
1772 Contractor retain any portion of the fees reimbursed by County; (iii) to the extent the
1773 Customers are entitled to a reimbursement of any excessive, invalid, or unenforceable
1774 County fees, and County is required by a court to directly reimburse Customers,
1775 Contractor shall assist County in identifying all Customers entitled to a reimbursement,
1776 quantifying the reimbursement amount attributable to each Customer account, and
1777 obtaining and providing to County any other information needed to satisfy the obligations
1778 imposed by a court; and (iv) County and Contractor will, within thirty (30) days following
1779 such court decision meet and confer to negotiate in good faith and using reasonable
1780 efforts to attempt to agree on modifications to the Agreement.
1781

1782 **9.5 ADJUSTMENT TO FEES**

1783 County may set other fees or adjust the fees established in this Article from time-to-time
1784 during the Term of this Agreement and such adjustments shall be included in the
1785 adjustment of Rates as described in Article 10 County will give the Contractor notice of
1786 any pending change to fees no less than ninety (90) days prior to the County's scheduled
1787 effective date for the change.

1788 Such fee adjustments shall be effective upon the inclusion of the adjustments in the
1789 Rates.

1790 The amounts of the Franchise Fee, and the Management Fee for subsequent Rate
1791 Periods shall be adjusted annually by the same Annual Percentage Change in the

1792 Construction Cost Index, calculated in accordance with the adjustment method described
1793 in Article 10, or shall be the amount specified by the County.

1794 **ARTICLE 10: COMPENSATION AND RATE**
1795 **REGULATION**

1796 **10.1 GENERAL**

1797 The Contractor's compensation for performance of all its obligations under this
1798 Agreement shall be Gross Receipts. Contractor's compensation provided for in this Article
1799 shall be the full, entire and complete compensation due to Contractor pursuant to this
1800 Agreement for all labor, equipment, materials and supplies, Processing and Disposal
1801 fees, fees due to County, taxes, insurance, bonds, overhead, operations, profit, and all
1802 other things necessary to perform all the services required by this Agreement in the
1803 manner and at the times prescribed. Nothing herein shall obligate County to provide any
1804 compensation to Contractor beyond Gross Receipts, with the exception of the bad debt
1805 assistance described in Section 6.4.

1806 If Contractor's actual costs, including fees due to County, are more than Gross Receipts,
1807 Contractor shall not be compensated for the difference in actual costs and actual Gross
1808 Receipts. If Contractor's actual costs are less than the actual Gross Receipts, Contractor
1809 shall retain the difference provided that Contractor has paid County fees pursuant to
1810 Article 9.

1811 Under this Agreement, Contractor shall have the right and obligation to charge and collect
1812 from Customers, Rates that are approved by the County for provision of services to
1813 Customers. The Rates for Rate Period One are presented in Exhibit F.

1814 The Contractor or its Subcontractor(s) that operates the Approved Facilities shall retain
1815 revenues received for the sale of recovered Recyclable materials including California
1816 Redemption Value revenues, and SSGCOW. Such revenues have been considered in
1817 the establishment of Rates for services provided under this Agreement. Neither
1818 Contractor nor its Affiliates or Subcontractor(s) that operates the Approved Facilities are
1819 entitled to grant funds available through the Department of Resources Recycling and
1820 Recovery (CalRecycle) through its "Curbside Supplemental Payments" for registered
1821 Curbside Recycling programs or "City/County Payment Program" pursuant to Section
1822 14581(a)(5)(A) of the California Beverage Container Recycling and Litter Reduction Act.

1823 **10.2 RATES AND ANNUAL ADJUSTMENTS**

1824 A. **General.** The County shall be responsible for approving Rates as described in this
1825 Article. A Rate has been established for each individual Service Level and the initial
1826 Rates for Rate Period One are presented in Exhibit F. Contractor may, in its sole
1827 discretion, charge Customers any amount up to and including the Rate approved by
1828 the County, but in no case exceeding the Rate. Subject to the provisions of Section
1829 10.2.B, Contractor shall charge all Customers that have the same Service Level at the

1830 same Rate. The comparability of Service Levels and related Rates may be considered
1831 separately for SSGCOW and Mixed Waste services.

1832 Notwithstanding the schedule for annual Rate adjustments described in Article 10.2.D
1833 and subject to the terms herein, if at any time during the Term of the Agreement, the
1834 Contractor determines the need for a Rate that does not appear on the County-
1835 approved Rate schedule in Exhibit F, Contractor shall immediately notify the County
1836 and request establishment of such Rate. The County may initiate a Rate review should
1837 changes to the Franchise Fee or the Management Fee occur in accordance with
1838 Article 9.5. County shall adjust Rates accordingly based on Contractor submittal of
1839 cost information with sufficient documentation of the effect of the change.

1840 **B. Discounted Rate Categories**

1841 1. Contractor shall allow a senior citizen's discount for Single-Family Discarded
1842 Materials Collection for each Single-Family Premises where no inhabitants are
1843 younger than sixty-five (65) years of age. Such discount shall be equal to twenty
1844 percent (20%) of the rate equivalent to the first level of container service. This rate
1845 shall apply to the level of the container service provided.

1846 2. Contractor shall allow a low-income discount for Single-Family Discarded Materials
1847 Collection for Single-Family Generators demonstrating that they receive
1848 assistance under PG&E's California Alternate Rates for Energy ("CARE")
1849 ratepayer assistance program. Contractor shall determine who is eligible for this
1850 Rate. Such discount shall be equal to thirty percent (30%) of the rate equivalent to
1851 the first level of container service. This rate shall apply to the level of the container
1852 service provided.

1853 **C. Rates for Rate Period One.** Rates for Rate Period One, which are presented in
1854 Exhibit F, were determined by Contractor and County and were approved by County
1855 resolution on or before the execution of the Agreement. The Rates for Rate Period
1856 One shall be effective from the Commencement Date of this Agreement through
1857 December 31, 2025.

1858 **D. Rates for Subsequent Rate Periods.** On the first anniversary date of the
1859 Commencement Date of this Agreement, and on each anniversary date thereafter,
1860 Rates for services as established pursuant to this Article 10, shall be automatically
1861 adjusted upward or downward (but never to less than the initial Rates set forth in
1862 Exhibit E hereto), by the percentage change in the Construction Cost Index for the
1863 preceding twelve-month period ending September 30, as reported in the Engineering
1864 News-Record (ENR). This Construction Cost Index adjustment shall be applied to the
1865 current Rate less the Approved Disposal Facility gate fee adjustment. County shall
1866 notice Contractor when the Approved Disposal Facility gate fees are to be adjusted.
1867 In such event, Collection Rates shall be adjusted by multiplying the amount of the per
1868 ton gate fee increase by 0.12 and rounded to the nearest one cent, to arrive at the

1869 amount of the Collection Rate increase allowed per month per 96 gallon Container
1870 service.

1871 Unless otherwise agreed to by Contractor and County, a written notice of any Rate
1872 adjustments shall be mailed by Contractor to all Customers not later than two weeks
1873 prior to the date such changes become effective. The notice of such Rate adjustments
1874 shall be approved in advance of the mailing by the County.

1875 E. **Rate Structure.** Upon County request, the Parties shall meet and confer to change
1876 the relationship of individual Rates in comparison with other Rates. Any such changes
1877 would occur in conjunction with the annual Rate adjustment process described in
1878 Section 10.2.D or in conjunction with a Rate adjustment resulting from an
1879 extraordinary Rate adjustment in accordance with Section 10.3.

1880 **10.3 EXTRAORDINARY RATE ADJUSTMENTS**

1881 It is understood that the Contractor accepts the risk for changes in cost of providing
1882 services and the Service Levels requested by Customers and therefore the extraordinary
1883 adjustments to Rates shall be limited to a change in law or a County-directed change in
1884 scope. If a Change in Law or County-directed change in scope (pursuant to Section 4.4)
1885 occurs, the Contractor may petition County for an adjustment to the Rates in excess of
1886 the annual adjustment described in Section 10.2.

1887 Changes to the Franchise Fee, or the Management Fee in accordance with Article 9.
1888 County shall adjust Rates accordingly based on Contractor submittal of cost information
1889 with sufficient documentation of the effect of the change, and without a full special Rate
1890 review.

1891 Contractor shall prepare an application for the extraordinary Rate adjustment calculating
1892 the net financial effect on its operations (both increases and decreases of costs and
1893 revenues) resulting from the Change in Law or County-Directed Change in Scope (but
1894 not resulting from unrelated changes in costs and revenues), clearly identifying all
1895 assumptions related to such calculations and providing the underlying documentation
1896 supporting the assumptions. The application shall provide all information requested by
1897 Director specific to the nature of the request being made. Director shall evaluate the
1898 application for reasonableness. As part of that review, the Director may request access
1899 to the financial statements and accounting records required to be maintained by the
1900 Contractor (pursuant to Article 8) in order to determine the reasonableness of the
1901 Contractor's application. Should the Contractor not grant such access, then the County
1902 may rely on other information available to it as the basis for making reasonable
1903 assumptions regarding what those accounting and financial records would have shown
1904 and therefore the reasonableness of the Contractor's application. Contractor shall pay all
1905 reasonable costs incurred by the County, including the costs of outside accountants,
1906 attorneys, and/or consultants, in order to make a determination of the reasonableness of
1907 the requested Rate adjustment.

1908 In the event of such an application for extraordinary Rate adjustment, it is understood that
1909 the County or Contractor, as the case may be, shall have the burden of demonstrating
1910 the reasonableness of the requested adjustment.

1911 The Contractor may appeal the decision of the Director to the Board of Supervisors, which
1912 shall then make the final determination as to whether an adjustment to the Rates will be
1913 made, and if a Rate adjustment is permitted, the amount of the Rate adjustment. With
1914 respect to an extraordinary Rate adjustment requested by the County, the Board of
1915 Supervisors shall then make the final determination as to whether an adjustment to the
1916 Rates will be made, and if a Rate adjustment is permitted, the amount of the Rate
1917 adjustment.

1918 **ARTICLE 11: INDEMNITY, INSURANCE, AND**
1919 **PERFORMANCE BOND**

1920 **11.1 INDEMNIFICATION OF COUNTY**

1921 A. **General.** Contractor shall indemnify, defend with counsel acceptable to County, and
1922 hold harmless (to the full extent permitted by law) County and its officers, officials,
1923 employees, volunteers, and agents from and against any and all claims, liability, loss,
1924 injuries, damage, expense, and costs (including without limitation costs and fees of
1925 litigation, including attorneys' and expert witness fees) (collectively, "Damages") of
1926 every nature arising out of or in connection with Contractor's performance under this
1927 Agreement, or its failure to comply with any of its obligations contained in the
1928 Agreement, except to the extent such loss or damage was caused by the negligence
1929 or willful misconduct of County. The provisions of this Article 11 shall survive the
1930 termination or expiration of this Agreement.

1931 B. **Excluded Waste.** Contractor acknowledges that it is responsible for compliance
1932 during the entire Term of this Agreement with all Applicable Laws. Contractor shall not
1933 store, transport, use, or Dispose of any Excluded Waste except in strict compliance
1934 with all Applicable Laws. In the event that Contractor negligently or willfully mishandles
1935 Excluded Waste in the course of carrying out its activities under this Agreement,
1936 Contractor shall at its sole expense promptly take all investigatory and/or remedial
1937 action reasonably required for the remediation of such environmental contamination.
1938 Prior to undertaking any investigatory or remedial action, however, Contractor shall
1939 first obtain County's approval of any proposed investigatory or remedial action. Should
1940 Contractor fail at any time to promptly take such action, County may undertake such
1941 action at Contractor's sole cost and expense, and Contractor shall reimburse County
1942 for all such expenses within thirty (30) calendar days of being billed for those
1943 expenses. These obligations are in addition to any defense and indemnity obligations
1944 that Contractor may have under this Agreement.

1945 C. **Proposition 218.** Should there be a Change in Law or a new judicial interpretation of
1946 Applicable Law, including, but not limited to, Article XIII C and D of the California
1947 Constitution (Commonly Proposition 218), which impacts the Rates for the Collection

1948 services established in accordance with this Agreement, Contractor agrees to meet
1949 and confer with County to discuss the impact of such change on either Party's ability
1950 to perform under this Agreement.

1951 If, at any time, an adjustment to Rates determined to be appropriate by both County
1952 (which determination shall not be unreasonably withheld) and Contractor to
1953 compensate Contractor for increases in costs as described in this Agreement cannot
1954 be implemented for any reason, Contractor and County shall negotiate, in good faith,
1955 a reduction of services and/or County fees equal to the value of the Rate adjustment
1956 that cannot be implemented.

1957 Should a court of competent jurisdiction determine that the Contractor cannot charge
1958 and/or increase its Rates for charges related to governmental fees and charges,
1959 Contractor shall reduce the Rates it charges Customers a corresponding amount,
1960 providing said fees, Rates and/or charges disallowed by the court are not related to
1961 the cost of providing service hereunder and had been incorporated in the Rates
1962 charged by Contractor to its Customers.

1963 Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D,
1964 apply to the Rates established for services provided under this Agreement; rather this
1965 Section is provided merely to allocate risk of an adverse judicial interpretation between
1966 the Parties.

1967 D. **CalRecycle Indemnification.** Contractor's duty to defend and indemnify herein
1968 includes payment of all fines and/or penalties imposed by CalRecycle, subject to the
1969 restrictions set forth in Public Resources Code Section 40059.1, if the requirements
1970 of AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations are not
1971 met by the Contractor with respect to the Discarded Materials Collected under this
1972 Agreement, and such failure is: (i) due to the failure of Contractor to meet its
1973 obligations under this Agreement, or, (ii) due to Contractor delays in providing
1974 information that prevents Contractor or County from submitting reports required by AB
1975 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations in a timely
1976 manner.

1977 **11.2 INSURANCE REQUIREMENTS**

1978 Without limiting Contractor's indemnification obligations to County, Contractor shall
1979 provide at its sole expense and maintain for the Term of this Agreement, or as may be
1980 further required herein, insurance against claims for injuries to Persons (including in this
1981 instance County) or damages to property which may arise from or in connection with the
1982 performance of the work hereunder and the results of the work by the Contractor, their
1983 agents, representatives, employees, contractors (including, without limitation, any
1984 Subcontractors), or independent operators that perform facility services. For the purposes
1985 of this Section, the term "Subcontractors" is to be broadly construed to mean any person,
1986 firm, or entity hired by Contractor to carry out any of Contractor's duties under this
1987 Agreement.
1988

1989 **11.2.1 Minimum Scope of Insurance**

1990 Coverage shall be at least as broad as:

1991 A. Commercial General Liability, Occurrence form, Insurance Services Office form
1992 CG0001.

1993 B. Automobile Liability covering all owned, non -owned, hired auto, Insurance Services
1994 Office form CA0001. Policy shall contain pollution coverage endorsements MCS-90
1995 or CA 99 48 03 06 or equivalent.

1996 C. Workers' Compensation, as required by State of California and Employer's Liability
1997 Insurance.

1998 D. Contractor's Pollution Liability - Applies to operators of transfer stations, materials
1999 recovery facilities, composting facilities, other Processing facilities, and/or landfills.

2000 **11.2.2 Minimum Limits of Insurance**

2001 Contractor shall maintain limits no less than:

2002 A. Commercial General Liability including Premises, Operations, Products and
2003 Completed Operations, Contractual Liability, and Independent Contractors Liability:
2004 \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The
2005 General Aggregate limit shall be \$4,000,000.

2006 B. Automobile Liability: \$2,000,000 each accident for bodily injury and property damage.

2007 C. Employer's Liability: \$1,000,000 each accident for bodily injury or disease. Coverage
2008 shall include waiver of subrogation endorsement in favor of County of San Joaquin.

2009 D. Contractor's Pollution Liability: \$1,000,000 per claim and aggregate limit of not less
2010 than \$3,000,000 . The policy shall include limited contractual liability coverage. This
2011 coverage shall be maintained for a minimum of three (3) years following termination
2012 or completion of Contractor's work pursuant to the Agreement.

2013 E. If the Collector maintains broader coverage and/or higher limits than the minimums
2014 shown above, the County requires and shall be entitled to the broader coverage and/or
2015 higher limits maintained by the Contractor. As a requirement of this Agreement, any
2016 available insurance proceeds in excess of the specified minimum limits and coverage
2017 stated above, shall also be available to the County of San Joaquin. Nothing in this
2018 Article 11 shall require the Contractor to maintain broader coverage than is required
2019 by this Article.

2020 **11.2.3 Self-Insured Retentions**

2021 Any self-insured retention must be declared to and approved by the County Risk
2022 Management if over \$50,000. At the option of the County, either: the insurer shall reduce

2023 or eliminate such deductibles or self-insured retentions as respects the County, the
2024 members of the Board of Supervisors of the County and the officers, agents, employees,
2025 and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the
2026 County guaranteeing payment of losses and related investigations, claim administration,
2027 and defense expenses.

2028 **11.2.4 Other Insurance Provisions**

2029 Policies are to contain, or be endorsed to contain the following provisions:

2030 A. **Additional Insured Endorsement.** The County, the members of the Board of
2031 Supervisors of the County and the officers, agents, employees, and volunteers of the
2032 County, individually and collectively are to be covered as additional insureds on the
2033 General Liability policy with respect to liability arising out of work or operations
2034 performed by or on behalf of the Contractor including materials, parts, or equipment
2035 furnished in connection with such work or operations and automobiles owned, leased,
2036 hired, or borrowed by or on behalf of the Contractor. General Liability coverage can
2037 be provided in the form of an endorsement to the Contractor's insurance (at least as
2038 broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026, CG 2033, or CG 2038;
2039 and CG 2037 forms if later revisions used).

2040 B. **Primary Insurance Endorsement.** For any claims related to this Agreement, the
2041 Contractor's insurance coverage shall be primary insurance at least as broad as ISO
2042 CG 2001 04 13 as respects the County, the members of the Board of Supervisors of
2043 the County and the officers, agents, employees and volunteers of the County,
2044 individually and collectively. Any insurance or self-insurance maintained by the
2045 County, its Board members, officers, agents, employees, or volunteers shall be
2046 excess of the Contractor's insurance and shall not contribute with it.

2047 C. **Notice of Cancellation.** Notice of cancellation shall be in accordance with policy
2048 provisions.

2049 D. **Severability of Interest Clause.** Coverage applies separately to each insured, except
2050 with respect to the limits of liability, and that an act or omission by one of the named
2051 insureds shall not reduce or avoid coverage to the other named insureds.

2052 **11.2.5 General Provisions**

2053 A. **Qualifying Insurers.** All required policies of insurance shall be issued by companies
2054 which have been approved to do business in the State of California by the State
2055 Department of Insurance, and which hold a current policy holder's alphabetic and
2056 financial size category rating of not less than A-, VII according to the current Best's
2057 Key Rating guide, or a company of equal financial stability that is approved in writing
2058 by County Risk Management.

2059 B. **Evidence of Insurance.** Prior to commencement of this Agreement, but in no event
2060 later than the Effective Date of the Agreement, Contractor shall furnish the County
2061 with certificates of insurance and amendatory endorsements effecting coverage

2062 required by this clause. Contractor shall furnish certified copies of the actual required
2063 insurance policies within thirty (30) days after receipt of a request for the policies from
2064 the Director. Copies of renewal certificates of insurance and amendatory
2065 endorsements shall be furnished to County within thirty (30) days of the expiration of
2066 the term of any required policy. Contractor shall permit County at reasonable times to
2067 inspect all required policies of insurance.

2068 **C. Failure to Obtain or Maintain Insurance; County's Remedies.** Contractor's failure
2069 to provide insurance specified or failure to furnish certificates of insurance,
2070 amendatory endorsements and certified copies of policies, or failure to make premium
2071 payments required by such insurance, shall constitute a material breach of the
2072 Agreement, and County may, at its option, terminate the Agreement for cause in
2073 accordance with Article 12 for any such default by Contractor.

2074 **D. No Limitation of Obligations.** The foregoing insurance requirements as to the types
2075 and limits of insurance coverage to be maintained by Contractor, and any approval of
2076 said insurance by the County are not intended to and shall not in any manner limit or
2077 qualify the liabilities and obligations otherwise assumed by Contractor pursuant to the
2078 Agreement, including, but not limited to, the provisions concerning indemnification.

2079 **E. Review of Coverage.** County retains the right at any time to review the coverage,
2080 form and amount of insurance required herein and may require Contractor to obtain
2081 insurance reasonably sufficient in coverage, form, and amount to provide adequate
2082 protection against the kind and extent of risk which exists at the time a change in
2083 insurance is required.

2084 **F. Self-Insurance.** Contractor may, with the prior written consent of County Risk
2085 Management, fulfill some or all of the insurance requirements contained in this
2086 Agreement under a plan of self-insurance. Contractor shall only be permitted to utilize
2087 such self-insurance if in the opinion of County Risk Management, Contractor's (i) net
2088 worth, and (ii) reserves for payment of claims of liability against Contractor, are
2089 sufficient to adequately compensate for the lack of other insurance coverage required

2090 by this Agreement. Contractor's utilization of self-insurance shall not in any way limit
2091 liabilities assumed by Contractor under the Agreement.

2092 G. **Claims Made Coverage.** If coverage is written on a "claims made" basis, the
2093 Certificate of Insurance shall clearly so state. In addition to the coverage requirements
2094 specified above, such policy shall provide that:

2095 1. The policy retroactive date coincides with or precedes Contractor's
2096 commencement of work under the Agreement (including subsequent policies
2097 purchased as renewals or replacements).

2098 2. Contractor will make every effort to maintain similar insurance during the required
2099 extended period of coverage following expiration of the Agreement.

2100 3. If insurance is terminated for any reason, Contractor shall purchase an extended
2101 reporting provision of at least three (3) years to report claims arising in connection
2102 with the Agreement.

2103 4. The policy allows for reporting of circumstances or incidents that might give rise to
2104 future claims.

2105 H. **Subcontractor's Insurance.** For the purposes of this Section, the term
2106 "Subcontractor" is to be broadly construed to mean any person, firm, or entity hired by
2107 Contractor to carry out any of Contractor's duties under this Agreement. Contractor
2108 shall require and verify that all Subcontractors maintain insurance meeting all the
2109 requirements stated herein, and Contractor shall ensure that County is an additional
2110 insured on insurance required from Subcontractors. Such Additional Insured
2111 endorsement shall be attached to the certificate of insurance in order to be valid and
2112 on a form at least as broad as ISO form CG 2010 11 85 or both CG 2010, CG 2026,
2113 CG 2033, or CG 2038; and CG 2037 forms if later revisions used. If any
2114 Subcontractor's coverage does not comply with the foregoing provisions, Contractor
2115 shall defend and indemnify the County from any damage, loss, cost or expense,
2116 including attorney's fees and court costs, incurred by County as a result of the failure
2117 to maintain required coverage.

2118 I. **Waiver of Subrogation.** Contractor and County release each other, and their
2119 respective authorized representatives, from any and all claims, actual damages,
2120 punitive damages, injuries, costs, response, remediation and removal costs, losses,
2121 demands, debts, liens, liabilities, causes of action, suits, legal or administrative
2122 proceedings, interest, fines, charges, penalties, and expenses (including but not
2123 limited to attorney's and expert witness fees and court costs) of any kind whatsoever,
2124 but only to the extent that the proceeds received from any policy of insurance carried
2125 by County or Contractor, other than any self-insurance, covers any such claim.
2126 Included in any policy or policies of insurance provided by Contractor hereunder shall

2127 be a standard waiver of rights of subrogation against County by the insurance
2128 company issuing said policy or policies.

2129 **11.3 PERFORMANCE BOND**

2130 Within seven (7) calendar days of the Effective Date, Contractor shall file with the County
2131 a bond or irrevocable letter of credit, payable to the County, securing the Contractor's
2132 performance of its obligations under this Agreement and such bond shall be renewed
2133 annually if necessary so that the performance bond is maintained at all times during the
2134 Term. The principal sum of the bond shall be Two Hundred Forty Thousand Dollars
2135 (\$240,000). The bond shall be executed as surety by a corporation authorized to issue
2136 surety bonds in the State of California that has a rating of A or better in the most recent
2137 edition of Best's Key Rating Guide, and that has a record of service and financial condition
2138 satisfactory to the County.

2139 **ARTICLE 12: DEFAULT AND REMEDIES**

2140 **12.1 EVENTS OF DEFAULT**

2141 All provisions of the Agreement are considered material. Each of the following shall
2142 constitute an event of default unless excused by the provisions of Section 12.5 as
2143 provided and for the period described therein.

2144 A. **Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or
2145 deceit upon the County.

2146 B. **Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling
2147 to pay its debts, or upon listing of an order for relief in favor of Contractor in a
2148 bankruptcy proceeding.

2149 C. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full
2150 force and affect the Workers' Compensation, liability, or indemnification coverage
2151 as required by this Agreement.

2152 D. **Violations of Regulation.** Contractor violates any orders or filings of any
2153 regulatory body having authority over Contractor relative to this Agreement,
2154 provided that Contractor may contest any such orders or filings by appropriate
2155 proceedings conducted in good faith, in which case no breach or default of this
2156 Agreement shall be deemed to have occurred.

2157 E. **Violations of Applicable Law.** Contractor violates Applicable Law relative to
2158 this Agreement.

2159 F. **Failure to Perform Services.** Contractor ceases to provide Collection,
2160 Transportation, or Processing services as required under this Agreement for a
2161 period of two (2) consecutive calendar days or more, for any reason within the
2162 control of Contractor.

- 2163 G. **Failure to Pay or Report.** Contractor fails to make any payments to County
2164 required under this Agreement including payment of County fees or Liquidated
2165 Damages and/or refuses to provide County with required information, reports,
2166 and/or records in a timely manner as provided for in the Agreement.
- 2167 H. **Acts or Omissions.** Any other act or omission by Contractor which violates the
2168 terms, conditions, or requirements of this Agreement, AB 939, AB 341, AB 1826,
2169 or SB 1383 as they may be amended from time to time, or any law, statute,
2170 ordinance, order, directive, rule, or regulation issued there under and which is
2171 not corrected or remedied within the time set in the written notice of the violation
2172 or, if Contractor cannot reasonably correct or remedy the breach within the time
2173 set forth in such notice, if Contractor should fail to commence to correct or
2174 remedy such violation within the time set forth in such notice and diligently effect
2175 such correction or remedy thereafter.
- 2176 I. **False, Misleading, or Inaccurate Statements.** Any representation or
2177 disclosure made to the County by Contractor in connection with or as an
2178 inducement to entering into this Agreement, or any future amendment to this
2179 Agreement, which proves to be false or misleading in any material respect as of
2180 the time such representation or disclosure is made, whether or not any such
2181 representation or disclosure appears as part of this Agreement; and, any
2182 Contractor-provided report containing a misstatement, misrepresentation, data
2183 manipulation, or an omission of fact or content explicitly defined by the
2184 Agreement, excepting non-numerical typographical and grammatical errors.
- 2185 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some
2186 or all of Contractor's operating equipment, including without limits its equipment,
2187 maintenance or office facilities, Approved Facility(ies), or any part thereof.
- 2188 K. **Suspension or Termination of Service.** There is any termination or
2189 suspension of the transaction of business by Contractor related to this
2190 Agreement, including without limit, due to labor unrest including strike, work
2191 stoppage or slowdown, sick-out, picketing, or other concerted job action lasting
2192 more than two (2) calendar days.
- 2193 L. **Criminal Activity.** Contractor, its officers, managers, or employees are found
2194 guilty of criminal activity related directly or indirectly to performance of this
2195 Agreement or any other agreement held with the County.
- 2196 M. **Assignment without Approval.** Contractor transfers or assigns this Agreement
2197 without the expressed written approval of the County.
- 2198 N. **Failure to Provide Proposal or Implement Change in Service.** Contractor
2199 fails to provide a proposal for new services or changes to services or fails to
2200 implement a change in service as requested by the County as specified in
2201 Section 4.4.

2202 O. **Failure to Perform Any Obligation.** Contractor fails to perform any obligation
2203 established under this Agreement.

2204 County shall provide Contractor written notice of default within seven (7) calendar days
2205 of the occurrence of default or within seven (7) calendar days of the County's first
2206 knowledge of the Contractor's default, whichever occurs first.

2207 **12.2 DISPUTE RESOLUTION**

2208 In the event of dispute between the Director and the Contractor regarding the
2209 interpretation of or the performance of services under this Agreement which results in a
2210 material impact to the Contractor's revenue and/or cost of operations, the provisions of
2211 this Section shall apply. For the purposes of this Section, "material impact" is an amount
2212 equal to or greater than fifty thousand dollars (\$50,000) per year.

2213 A. **Meet and Confer.** In the event of disputes regarding the performance of any
2214 obligation under this Agreement which results in a material impact to the
2215 Contractor's revenue and/or cost of operations, the County and Contractor agree
2216 that they promptly will meet and confer to attempt to resolve the matter between
2217 themselves.

2218 B. **Mediation.** In the event that disputes which arise under this Agreement cannot
2219 be resolved satisfactorily between the Parties in accordance with Section 12.2.A,
2220 the County and Contractor agree that such disputes shall be submitted to
2221 mandatory, non-binding mediation by a mutually agreed upon independent third
2222 party.

2223 C. **Period of Time.** Insofar as allowed by Applicable Law, the period of time
2224 otherwise applicable for filing claims against the County under Applicable Law
2225 shall be tolled during the period of time for which meet and confer or mediation
2226 procedures are pending, in accordance with Sections 12.2.A and 12.2.B.

2227 D. **Litigation.** Litigation may be commenced only after all reasonable efforts to
2228 resolve the dispute(s) pursuant to Sections 12.2.A, 12.2.B, and 12.2.C have
2229 failed and any necessary claim(s) have been denied.

2230 In the event of a dispute between the Contractor and a Generator or Customer regarding
2231 any service or billing issue in which the Contractor and Generator or Customer are unable
2232 to reach agreement, final determination shall be made by Director of Public Works or their
2233 designee.

2234 **12.3 RIGHT TO TERMINATE UPON DEFAULT**

2235 Contractor shall be given ten (10) Business Days from written notification by County to
2236 cure any default which, in the Director's sole opinion, creates a potential public health and
2237 safety threat.

2238 Contractor shall be given ten (10) Business Days from written notification by County to
2239 cure any default arising under subsections C, E, F, I, J, and K in Section 12.1 provided,
2240 however, that the County shall not be obligated to provide Contractor with a notice and
2241 cure opportunity if the Contractor has committed the same or similar breach/default within
2242 a twenty-four (24) month period.

2243 Contractor shall be given thirty (30) calendar days from written notification by County to
2244 cure any other default (which is not required to be cured within ten (10) Business Days);
2245 however, that the County shall not be obligated to provide Contractor with a notice and
2246 cure opportunity if the Contractor has committed the same or similar breach/default within
2247 a twenty-four (24) month period.

2248 **12.4 COUNTY'S REMEDIES CUMULATIVE: SPECIFIC**
2249 **PERFORMANCE**

2250 In the event of Contractor's default, County maintains following remedies:

2251 A. **Waiver of Default.** County may waive any event of default or may waive
2252 Contractor's requirement to cure a default event if County determines that such
2253 waiver would be in the best interest of the County. County's waiver of an event
2254 of default is not a waiver of future events of default that may have the same or
2255 similar conditions.

2256 B. **Suspension of Contractor's Obligation.** County may suspend Contractor's
2257 performance of its obligations if Contractor fails to cure default in the time frame
2258 specified in Section 12.3 until such time the Contractor can provide assurance of
2259 performance in accordance with Section 12.6.

2260 C. **Liquidated Damages.** County may assess Liquidated Damages for
2261 Contractor's failure to meet specific performance standards pursuant to Section
2262 12.7 and Exhibit C.

2263 D. **Termination.** In the event that Contractor should default and subject to the right
2264 of the Contractor to cure, in the performance of any provisions of this contract,
2265 and the default is not cured for any default within in ten (10) calendar days if the
2266 default creates a potential public health and safety threat or arises under Section
2267 12.1.C, E, F, I, J, or K, or otherwise thirty (30) calendar days after receipt of
2268 written notice of default from the County, then the County may, at its option,
2269 terminate this Agreement and/or hold a hearing of the Board of Supervisors to
2270 determine whether this Agreement should be terminated. In the event County
2271 decides to terminate this Agreement, the County shall serve twenty (20) calendar
2272 days written notice of its intention to terminate upon Contractor. In the event
2273 County exercises its right to terminate this Agreement, the County may, at its
2274 option, upon such termination, either directly undertake performance of the
2275 services or arrange with other Persons to perform the services with or without a
2276 written agreement. This right of termination is in addition to any other rights of

2277 County upon a failure of Contractor to perform its obligations under this
2278 Agreement.

2279 Contractor shall not be entitled to any further Gross Receipts or other revenues
2280 from Collection operations authorized hereunder from and after the date of
2281 termination.

2282 E. **Other Available Remedies.** County's election of one (1) or more remedies
2283 described herein shall not limit the County from any and all other remedies at law
2284 and in equity including injunctive relief, etc.

2285 **12.5 EXCUSE FROM PERFORMANCE**

2286 The Parties shall be excused from performing their respective obligations hereunder and
2287 from any obligation to pay Liquidated Damages if they are prevented from so performing
2288 by reason of wildfires, floods, earthquakes, other acts of nature, war, terrorist activity, civil
2289 insurrection, riots, formally declared epidemics, and other similar catastrophic events
2290 which are beyond the reasonable control of and not the fault of the Party claiming excuse
2291 from performance hereunder. In the case of labor unrest or job action directed at a third
2292 party over whom Contractor has no control, the inability of Contractor to provide services
2293 in accordance with this Agreement due to the unwillingness or failure of the third party to:
2294 (i) provide reasonable assurance of the safety of Contractor's employees while providing
2295 such services; or, (ii) make reasonable accommodations with respect to Container
2296 placement and point of Delivery, time of Collection, or other operating circumstances to
2297 minimize any confrontation with pickets or the number of Persons necessary to make
2298 Collections shall, to that limited extent, excuse performance. The foregoing excuse shall
2299 be conditioned on Contractor's cooperation in performing Collection services at different
2300 times and in different locations. Further, in the event of labor unrest, including but not
2301 limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job
2302 action conducted by the Contractor's employees or directed at the Contractor, or a
2303 subsidiary, the Contractor shall not be excused from performance. In such case,
2304 Contractor shall continue to provide a reasonably satisfactory level of performance during
2305 the pendency thereof, but the Contractor shall not be required to adhere strictly to the
2306 specific requirements of this Agreement regarding routes, Collection times or similar
2307 matters; provided, however, that in no event shall more than seven (7) calendar days
2308 elapse between pickups for Customers.

2309 The Party claiming excuse from performance shall, within two (2) calendar days after
2310 such Party has notice of such cause, give the other Party notice of the facts constituting
2311 such cause and asserting its claim to excuse under this Section.

2312 If either Party validly exercises its rights under this Section, the Parties hereby waive any
2313 claim against each other for any damages sustained thereby.

2314 The partial or complete interruption or discontinuance of Contractor's services caused by
2315 one (1) or more of the events described in this Article shall not constitute a default by
2316 Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor
2317 is excused from performing its obligations hereunder for any of the causes listed in this

2318 Section for a period of thirty (30) calendar days or more, County shall nevertheless have
2319 the right, in its sole discretion, to terminate this Agreement for convenience by giving ten
2320 (10) Business Days' notice to Contractor, in which case the provisions of Section 12.3
2321 shall apply.

2322 **12.6 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2323 The Parties acknowledge that it is of the utmost importance to County and the health and
2324 safety of all those members of the public residing or doing business within County who
2325 will be adversely affected by interrupted waste management service, that there be no
2326 material interruption in services provided under this Agreement.

2327 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown,
2328 sick-out, picketing or other concerted job action; (ii) appears in the reasonable judgment
2329 of County to be unable to regularly pay its bills as they become due; or, (iii) is the subject
2330 of a civil or criminal judgment or order entered by a Federal, State, regional or local
2331 agency for violation of an Applicable Law, and County believes in good faith that
2332 Contractor's ability to perform under the Agreement has thereby been placed in
2333 substantial jeopardy, County may, at its sole option and in addition to all other remedies
2334 it may have, demand from Contractor reasonable assurances of timely and proper
2335 performance of this Agreement, in such form and substance as County believes in good
2336 faith is reasonably necessary in the circumstances to evidence continued ability to
2337 perform under the Agreement. If Contractor fails or refuses to provide satisfactory
2338 assurances of timely and proper performance in the form and by the date required by
2339 County, such failure or refusal shall be an event of default for purposes of Section 12.1.

2340 **12.7 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

2341 A. **General.** The Parties find that as of the time of the execution of this Agreement, it is
2342 impractical, if not impossible, to reasonably ascertain the extent of damages which
2343 shall be incurred by County as a result of a breach by Contractor of its obligations
2344 under this Agreement. The factors relating to the impracticability of ascertaining
2345 damages include, but are not limited to, the fact that: (i) substantial damage results to
2346 members of the public who are denied services or denied quality or reliable service;
2347 (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the
2348 benefits of the Agreement to individual members of the general public for whose
2349 benefit this Agreement exists, in subjective ways and in varying degrees of intensity
2350 which are incapable of measurement in precise monetary terms; (iii) that exclusive
2351 services might be available at substantially lower costs than alternative services and
2352 the monetary loss resulting from denial of services or denial of quality or reliable
2353 services is impossible to calculate in precise monetary terms; and, (iv) the termination
2354 of this Agreement for such breaches, and other remedies are, at best, a means of
2355 future correction and not remedies which make the public whole for past breaches.

2356 B. **Service Performance Standards; Liquidated Damages for Failure to Meet**
2357 **Standards.** The Parties further acknowledge that consistent, reliable Collection
2358 services are of utmost importance to County and that County has considered and
2359 relied on Contractor's representations as to its quality of service commitment in

2360 awarding the Agreement to it. The Parties recognize that some quantified standards
2361 of performance are necessary and appropriate to ensure consistent and reliable
2362 service and performance and to support County's compliance with various State
2363 statutes and corresponding regulations including, but not limited to, AB 939, AB 341,
2364 AB 1826, and SB 1383. The Parties further recognize that if Contractor fails to achieve
2365 the performance standards, or fails to submit required documents in a timely manner,
2366 County and its residents and businesses will suffer damages, and that it is, and will
2367 be, impractical and extremely difficult to ascertain and determine the exact amount of
2368 damages which County will suffer. Therefore, without prejudice to County's right to
2369 treat such non-performance as an event of default under this Section, the Parties
2370 agree that the Liquidated Damages amounts established in Exhibit C of this
2371 Agreement and the Liquidated Damage amounts therein represent a reasonable
2372 estimate of the amount of such damages considering all of the circumstances existing
2373 on the Effective Date of this Agreement, including the relationship of the sums to the
2374 range of harm to County that reasonably could be anticipated and the anticipation that
2375 proof of actual damages would be costly or impractical.

2376 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts
2377 set forth in the Liquidated Damages, Exhibit C.

2378 Before assessing Liquidated Damages, County shall give Contractor notice of its
2379 intention to do so. The notice will include a brief description of the incident(s) and non-
2380 performance. County may review (and make copies at its own expense) all information
2381 in the possession of Contractor relating to incident(s) and/or non-performance. County
2382 may, within five (5) Business Days after issuing the notice, request a meeting with
2383 Contractor. County may present evidence of non-performance in writing and through
2384 testimony of its employees and others relevant to the incident(s) and non-
2385 performance. County Contract Manager will provide Contractor with a written
2386 explanation of their determination on each incident(s) and non-performance prior to
2387 authorizing the assessment of Liquidated Damages under this Section 12.7. Within
2388 ten (10) Business Days of receipt of such notice of intention to assess Liquidated
2389 Damages, Contractor may request that no Liquidated Damages may be imposed on
2390 Contractor until Contractor has been given a reasonable opportunity to respond to
2391 allegations and to meet and confer with the Director. Any subsequent appeals by
2392 Contractor shall be addressed in accordance with Section 12.2.

2393 C. **Amount.** County may assess Liquidated Damages for each calendar day or event, as
2394 appropriate, that Contractor is determined to be liable in accordance with this
2395 Agreement in the amounts specified in Exhibit C, subject to annual adjustment
2396 described below.

2397 D. **Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by
2398 County within thirty (30) calendar days of the date the Liquidated Damages are
2399 assessed. If they are not paid within the thirty (30) calendar day period, County may

2400 proceed against the performance bond required by the Agreement, order the
2401 termination of the rights or "franchise" granted by this Agreement, or all of the above.

2402 **ARTICLE 13: OTHER AGREEMENTS OF**
2403 **THE PARTIES**

2404 **13.1 RELATIONSHIP OF PARTIES**

2405 The Parties intend that Contractor shall perform the services required by this Agreement
2406 as an independent contractor and not as an officer or employee of County nor as a partner
2407 of or joint venturer with County. No employee or agent of Contractor shall be or shall be
2408 deemed to be an employee or agent of the County. Except as expressly provided herein,
2409 Contractor shall have the exclusive control over the manner and means of conducting the
2410 Discarded Materials Collection services performed under this Agreement, and all Persons
2411 performing such services. Contractor shall be solely responsible for the acts and
2412 omissions of its officers, employees, Subcontractors, and independent operators
2413 performing facility services on its behalf, and agents and the same shall not obtain any
2414 rights to retirement benefits, workers' compensation benefits, or any other benefits which
2415 accrue to County employees by virtue of employment with the County.

2416 Contractor agrees that this Agreement is not made in the interest of, or on behalf of, any
2417 undisclosed Person, partnership, collector, association, organization, or corporation.
2418 Contractor has not directly or indirectly colluded, conspired, connived, or agreed with any
2419 Person, partnership, other collector, association, organization, or corporation to secure
2420 any advantage against the County.

2421 **13.2 COMPLIANCE WITH LAW**

2422 In providing the services required under this Agreement, Contractor shall at all times, at
2423 its sole cost, comply with all applicable laws of the United States, the State of California,
2424 County, and other State or government bodies which may have jurisdiction over any
2425 service provided in this Agreement and with all applicable regulations promulgated by any
2426 federal, State, regional, or local administration and regulatory agency, now in force and
2427 as they may be enacted, issued, or amended during the Term of this Agreement.

2428 **13.3 GOVERNING LAW**

2429 This Agreement shall be governed by, and construed and enforced in accordance with,
2430 the laws of the State of California and the United States of America.

2431 **13.4 JURISDICTION**

2432 Any lawsuits between the Parties arising out of this Agreement shall be brought and
2433 concluded in the courts of the State of California, which shall have exclusive jurisdiction
2434 over such lawsuits. With respect to venue, the Parties agree for purposes of both State
2435 and federal court action that this Agreement is made in and will be performed in the
2436 County of San Joaquin, State of California. Federal courts may have jurisdiction over

2437 certain lawsuits arising from this Agreement and these should be brought and concluded
2438 within the federal system.

2439 **13.5 ASSIGNMENT**

2440 Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under
2441 this Agreement to any other Person without the prior written consent of the other Party.
2442 Any such assignment made without the consent of the other Party shall be void and the
2443 attempted assignment shall constitute a material breach of this Agreement.

2444 For purposes of this Section, "assignment" shall include, but not be limited to: (i) a sale,
2445 exchange or other transfer of substantially all of Contractor's assets dedicated to service
2446 under this Agreement to a third party; (ii) a sale, exchange or other transfer of ten (10)
2447 percent or more of the outstanding common stock of Contractor; (iii) any reorganization,
2448 consolidation, merger, recapitalization, stock issuance or re-issuance, voting trust,
2449 pooling agreement, escrow arrangement, liquidation or other transaction to which
2450 Contractor or any of its shareholders is a party which results in a change of ownership or
2451 control of thirty (30) percent or more of the value or voting rights in the stock of Contractor;
2452 and, (iv) any combination of the foregoing (whether or not in related, contemporaneous
2453 or sequential transactions) which has the effect of any such transfer or change of
2454 ownership and/or control of Contractor. For purposes of this Section, the term "proposed
2455 assignee" shall refer to the proposed transferee(s) or other successor(s) in interest
2456 pursuant to the assignment. Assignment may exclude a change in ownership of
2457 Contractor's assets or stocks which occurs for interfamilial planning purposes only and
2458 does not involve a change in the management of the Agreement or services performed
2459 hereunder. Reorganizations, mergers, consolidations, sales of equity or assets or similar
2460 transactions between or among entities owned by the same ultimate parent, including but
2461 not limited to Contractor and regardless of which entity is the survivor, do not constitute
2462 an assignment; however, Contractor shall provide County with thirty (30) days written
2463 notification of its plans and provide an explanation of any potential impacts related to the
2464 provision of services under this Agreement.

2465 If Contractor requests County's consideration of and consent to an assignment, County
2466 may deny or approve such request in its sole discretion, the standard for County's consent
2467 to any assignment shall be whether the Contractor (or, if applicable, a new entity
2468 succeeding to the rights, duties and obligations of Contractor under this Agreement), after
2469 the assignment, has sufficient financial and operational capability to adequately and
2470 faithfully render the services called for in this Agreement for the remaining Term of the
2471 Agreement. In no event shall County's consent be unreasonably withheld, conditioned or
2472 delayed. Contractor shall undertake to pay County its reasonable expenses for attorneys'
2473 fees and investigation costs necessary to investigate the suitability of any proposed
2474 assignee, and to review and finalize any documentation required as a condition for
2475 approving any such assignment.

2476 **13.6 BINDING ON SUCCESSORS**

2477 The provisions of this Agreement shall inure to the benefit to and be binding on the
2478 successors and permitted assigns of the Parties.

2479 **13.7 PARTIES IN INTEREST**

2480 Nothing in this Agreement, whether expressed or implied, is intended to confer any rights
2481 on any Persons other than the Parties to it and their representatives, successors, and
2482 permitted assigns.

2483 **13.8 WAIVER**

2484 The waiver by either Party of any breach or violation of any provisions of this Agreement
2485 shall not be deemed to be a waiver of any breach or violation of any other provisions nor
2486 of any subsequent breach or violation of the same or any other provision.

2487 The subsequent acceptance by either Party of any monies which become due hereunder
2488 shall not be deemed to be a waiver of any preexisting or concurrent breach or violation
2489 by the other Party of any provision of this Agreement.

2490 **13.9 CONTRACTOR'S INVESTIGATION**

2491 Contractor has made an independent investigation (satisfactory to it) of the conditions
2492 and circumstances surrounding the Agreement and the work to be performed by it.

2493 **13.10 NOTICES**

2494 All notices, demands, requests, proposals, approvals, consents, and other
2495 communications which this Agreement requires, authorizes, or contemplates shall,
2496 except as otherwise specifically provided, be in writing and shall be effective when
2497 personally delivered to a representative of the Parties at the address below or deposited
2498 in the United States mail, first class postage prepaid, addressed as follows:

2499 If to County:

2500 County of San Joaquin - Department of Public Works

2501 Attention: Solid Waste Division

2502 Post Office Box 1810

2503 Stockton, CA 95201-3018

2504 If to Contractor:

2505 Richard Gilton, President

2506 Gilton Solid Waste Management, Inc.

2507 755 South Yosemite Ave

2508 Oakdale, CA 95361-4094

2509 The address to which communications may be delivered may be changed from time to
2510 time by a notice given in accordance with this Section.

2511 **13.11 REPRESENTATIVE OF THE PARTIES**

2512 All actions to be taken by County related to this Agreement, shall be taken by the Director
2513 except as otherwise provided in this Agreement or below. Director may delegate, in
2514 writing, authority to other Department officials and may permit such officials, in turn, to
2515 delegate in writing some or all of such authority to subordinate officers. Contractor may
2516 rely upon actions taken by such delegates, if they are within the scope of the authority
2517 properly delegated to them.

2518 Contractor shall, by the Effective Date of this Agreement, designate in writing a
2519 responsible officer who shall serve as the representative of Contractor in all matters
2520 related to the Agreement and shall inform County in writing of such designation and of
2521 any limitations upon his/her authority to Contractor. County may rely upon action taken
2522 by such designated representative as action of Contractor unless they are outside the
2523 scope of authority delegated to him/her by Contractor as communicated to County.

2524 **13.12 DECLARED STATE OF EMERGENCY**

2525 In the event that an authorized official declares a "State of Emergency" within any
2526 geographical area of the County, as authorized in Chapter 7, Division 1, Title 2 of the
2527 California Government Code (California Emergency Services Act), the Robert T. Stafford
2528 Disaster Relief and Emergency Act (42 UCS 5121 et seq.), or other applicable State or
2529 Federal law, County will have the right to exercise all privileges and perform all services
2530 required under this Agreement, but will not be required to make prior notification to
2531 Contractor.

2532 **13.13 NOTICE**

2533 This Agreement does not affect the rights or obligations of the Parties under Section
2534 49520 of the Public Resources Code.

2535 **ARTICLE 14: MISCELLANEOUS AGREEMENTS**

2536 **14.1 PRIVACY**

2537 Contractor shall strictly observe and protect its Customers' privacy and trade secrets,
2538 including their rights to privacy under law. In addition, Contractor shall not:

2539 A. Reveal to anyone other than County any information identifying individual Customers
2540 or the composition or contents of a Customer's Discarded Materials without that
2541 Customer's permission, unless required by law; or,

2542 B. Market or distribute mailing lists with Customers' names and service and billing
2543 addresses.

2544 Contractor shall not assert that any privacy right accorded its Customers under law
2545 prohibit Contractor from participating in Discarded Materials characterization studies or
2546 material stream analyses, keeping records, making reports, or assisting County in
2547 meeting any requirements under law.

2548 **14.2 PUBLIC RECORDS ACT**

2549 The California Public Records Act ("CPRA") requires County to disclose "public records"
2550 in its actual or constructive possession unless a statutory exemption applies. This
2551 generally includes contracts and related documents. If County receives a CPRA request
2552 for records relating to the Agreement, County may, at its sole discretion, either determine
2553 its response to the request without notifying Contractor or notify Contractor of the request.
2554 If County determines its response to the request without notifying Contractor, Contractor
2555 shall hold County harmless for such determination. If County notifies Contractor of the
2556 request, Collector may request that County withhold or redact records responsive to the
2557 request by submitting to County a written request within five (5) business days after
2558 receipt of the County's notice. Contractor's request must identify specific records to be
2559 withheld or redacted and applicable exemptions. Upon timely receipt of Collector's
2560 request, County will review the request and at its sole discretion withhold and/or redact
2561 the records identified by Collector. Collector shall hold County harmless for County's
2562 decision whether to withhold and/or redact pursuant to Contractor's written request.
2563 Contractor further agrees that its defense and indemnification obligations set forth in
2564 Section 11.1 of this Agreement extend to any claim against the County and/or its Board,
2565 officers, employees, agents, assigns, volunteers, and any successors or assigns arising
2566 out of County's withholding and/or redacting of records pursuant to Contractor's request.
2567 Nothing in this Section shall preclude Contractor from bringing a "reverse CPRA action"
2568 to prevent disclosure of records. Nothing in this Section shall prevent the County or its
2569 agents or any other governmental entity from accessing any records for the purpose of
2570 audits or program reviews if that access is legally permissible under the applicable local,
2571 State, or federal laws or regulations. Similarly, County or its agent or designee may take
2572 possession of the record(s) where legally authorized to do so.

2573 **14.3 ENTIRE AGREEMENT**

2574 This Agreement, including the Exhibits, represents the full and entire agreement between
2575 the Parties with respect to the matters covered herein.

2576 **14.4 SECTION HEADINGS**

2577 The article headings and section headings in the Agreement are for convenience or
2578 reference only and are not intended to be used in the construction of this Agreement, nor
2579 to alter or affect any of its provisions.

2580 **14.5 REFERENCES TO LAWS**

2581 All references in this Agreement to laws shall be understood to include such laws as they
2582 may be subsequently amended or recodified, unless otherwise specifically provided.

2583 **14.6 INTERPRETATION**

2584 This Agreement shall be interpreted and construed reasonably and neither for nor against
2585 either Party, regardless of the degree to which either Party participated in its drafting.
2586 Unless the context requires a different reading, the term "including" when use in this
2587 Agreement shall be read as a term of inclusion rather than exclusion.

2588 **14.7 AMENDMENT**

2589 This Agreement may not be modified or amended in any respect except by written
2590 agreement duly approved and signed by the Parties.

2591 **14.8 SEVERABILITY**

2592 If any nonmaterial provision of this Agreement is for any reason deemed to be invalid and
2593 unenforceable, the invalidity or unenforceability of such provision shall not affect any of
2594 the remaining provisions of this Agreement which shall be enforced as if such invalid or
2595 unenforceable provision had not been contained herein.

2596 **14.9 COUNTERPARTS**

2597 This Agreement may be executed in counterparts each of which shall be considered an
2598 original.

2599 **14.10 EXHIBITS**

2600 Each of the Exhibits identified is attached hereto and incorporated herein and made part
2601 hereof by this reference.
2602

2603
2604

IN WITNESS WHEREOF, the parties have executed this Agreement as of
October 8, 2024.

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

By [Signature]
MIGUEL A. VILLAPUDUA, Chairman,
Board of Supervisors County of San
Joaquin, State of California

"COUNTY"

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

By [Signature]
Deputy Clerk



APPROVED AS TO FORM:
COUNTY COUNSEL
By [Signature]
MATTHEW P. DACEY
Deputy County Counsel

RECOMMENDED FOR APPROVAL
By [Signature]
FRITZ BUCHMAN, C.E., T.E., CFM
Director of Public Works
San Joaquin County, California

GILTON SOLID WASTE MANAGEMENT,
INC.,

By [Signature]
RICHARD GILTON
President

"COLLECTOR"

2605

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

BETWEEN THE COUNTY OF SAN JOAQUIN

AND

Gilton Solid Waste Management, Inc.

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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1 **EXHIBIT A:**
2 **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.

22

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23 **EXHIBIT A.1 – SINGLE-FAMILY**
24 **TWO-CONTAINER SYSTEM**

25 **1. SSGCOW Collection**

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

30 **Containers:** Carts

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

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

35 Contractor shall provide Single-Family Customers with one (1)
36 Green Container.

37 **Container Type:** Single compartment

38 **Service Frequency:** One (1) time per week on the same day as Mixed Waste
39 Collection service.

40 **Service Location:** Curbside

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

42 **Prohibited Materials:** Materials designated for the Gray Container, Excluded Waste

43 **Additional Service:**

44 Extra Containers (Optional):

45 (All additional Containers provided at charge): Single-Family
46 Customers may request additional Green Container(s) and
47 the Contractor shall charge the appropriate Rate approved by
48 the County per Container.

49 **Other Requirements:**

50 Size requirements: SSGCOW placed for Collection may not exceed
51 six (6) inches in diameter and three (3) feet in length and must fit in
52 the provided Cart.

53 Contamination: Contractor may refuse to Collect a Green Container
54 that contains Prohibited Container Contaminants if Contractor
55 complies with the contamination noticing process described in
56 Section 6.2.1.C.5 of the Agreement. For Customers with repeated
57 incidents of contamination, Contractor may assess a contamination
58 Processing fee in accordance with Section 6.2.1.C.4 of the
59 Agreement.

60 **2. Mixed Waste Collection**

61 **Containers:** Carts

62 **Container Sizes:** 96-gallons Gray or Black Carts (or comparable sizes approved by
63 the County) as requested by Customer.

64 Standard Container is a 96-gallon Cart unless Customer requests an
65 alternative size.

66 Contractor shall provide Single-Family Customers with one (1) Gray
67 or Black Container.

68 **Container Type:** Single compartment

69 **Service Frequency:** One (1) time per week on the same day as SSGCOW
70 collection service.

71 **Service Location:** Curbside

72 **Acceptable Materials:** Mixed Waste

73 **Prohibited Materials:** Materials designated as acceptable SSGCOW, Excluded
74 Waste

75 **Additional Service:**

76 Extra Containers (Optional): Contractor shall provide additional Gray
77 or Black Containers to Single-Family Customers upon request and
78 shall charge the appropriate Rate approved by the County.

79 **Other Requirements:** None

80 **EXHIBIT A.2 – SUPPLEMENTAL SINGLE-FAMILY**
81 **PROGRAMS**

82

83

84 **1. On-call Bulky Clean-up Service**

- 85 **Containers:** None.
- 86 **Service Level:** Residential customers who pay for garbage service.
- 87 **Service Frequency:** Two (2) times per year.
- 88 **Service Location:** In street at curb in front of customers residence.
- 89 **Acceptable Materials:** See attached exhibit.
- 90 **Prohibited Materials:** See attached exhibit.
- 91 **Additional Service:** None
- 92 **Other Requirements:** See attached exhibit.

93 **4. Dump Day Vouchers**

94 Once annually, Contractor shall distribute one (1) voucher to each Single-Family
95 Customer which allows for one (1) no-charge load of up to two (2) cubic yards of Reusable
96 Items, Bulky Items, Yard Trimmings, and Mixed Waste for Processing and/or Disposal at
97 the appropriate Approved Facility.

98 **5. Dollar Dump Day**

99 Contractor shall provide access to Dollar Dump Day to all Single-Family Customers.

100 **6. Hot Spot Clean Ups**

101 When requested by County, Contractor shall provide Collection, Transportation and
102 Processing or Disposal service of up to seven (7) occasions of on-call clean-up service
103 per year, at no additional cost to Customers or the County. At the County's sole option,
104 the County may direct the Contractor to provide such clean-up capacity in the form of
105 abandoned waste ("hot spot") clean-up, temporary Roll-Off Box service for community
106 events, large clean-up events at locations throughout the County, or any other
107 arrangement deemed appropriate by the County, provided that Contractor shall not be
108 required to Collect waste determined hazardous by Contractor.

109 **7. Christmas Tree Collection**

110 The First two full weeks in January, Contractor will Collect Christmas trees placed at the
111 curb by Single-Family Customers. Contractor shall provide this pick-up service at no
112 additional charge to Single-Family Customers on Customer's regular Collection Service
113 Day. Contractor shall Transport all Collected Christmas trees to the Approved Organic
114 Waste Processing Facility for Processing. If Christmas trees are placed at the curb for
115 Collection after the first two full weeks, Contractor shall charge Single-Family Customers
116 the County-Approved Rate for such service.

117 Contractor may require that Christmas trees be cut into sections no greater than six (6)
118 feet and placed in green organic can Christmas trees that are flocked shall be Collected
119 and should be cut up and placed into green organic can. Christmas trees that contain
120 tinsel, lights, or other decorations, or are attached to a tree stand are not required to be
121 Collected; however, Contractor shall affix a non-Collection notice to the tree informing the
122 Customer of the reason(s) for non-Collection. Contractor shall charge County-approved
123 Rates to return and collect a previously non-Collected Christmas tree that has been
124 corrected and set out again.

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

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

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

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

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

133 **Service Location:** Curbside (adjacent to Mixed Waste Cart)

134 **Acceptable Materials:** Used motor oil and filters.

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

136 **Additional Service:** Not applicable

137 **Other Requirements:** Not applicable

138

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

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

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

151 **B.1 General Requirements**

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

160

Table B-1 Approved Facilities

161

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: Processed with SSGCOW	Processing Facility	Contractor	Processed with SSGCOW
Food Waste (If Processed Separately from other SSGCOW)	Approved Organic Waste Processing Facility: Processed with SSGCOW	Processing Facility	Contractor	Processed with SSGCOW
SSGCOW	Approved Organic Waste Processing Facility: Gilton Resource Recovery/Transfer Facility SWIS# 50-AA-0012 800 S. McClure Rd., Modesto, CA	Processing Facility	Contractor	Foothill Sanitary Landfill SWIS#: 39-AA-0004 6484 Waverly Rd., Linden, CA 95236 Residue: 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
Mixed Waste	Gilton Resource Recovery/Transfer Facility SWIS# 50-AA-0012 800 S. McClure Rd., Modesto, CA	Processing Facility	Contractor	Foothill Sanitary Landfill SWIS#: 39-AA-0004 6484 Waverly Rd., Linden, CA 95236 Residue: Actual Tons

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166 B. **Facility Capacity Guarantee.** The Facility Capacity Guarantor of each Approved
167 Facility shall guarantee sufficient capacity over the Term of this Agreement to Transfer
168 (if applicable), Transport, and Process or Dispose Discarded Materials Collected
169 under this Agreement, pursuant to Table B-1, above. The Facility Capacity Guarantor
170 of each Approved Processing Facility shall cause the Approved Processing
171 Facility(ies) to recover or Process the Discarded Materials as appropriate; market the
172 Recyclable materials, and SSGCOW recovered from such operations; and Dispose of
173 Residue. Contractor shall provide the County, upon request, with documentation
174 demonstrating the availability of such Transfer (if applicable), Transport, and
175 Processing capacity for each Approved Facility for which they are the Facility Capacity
176 Guarantor as described below. As of the Effective Date, the County is the Facility
177 Capacity Guarantor of the Approved Disposal Facility, and shall cause the Approved
178 Disposal Facility(ies) to Dispose of Residue.

179 1. If Contractor or Affiliate is owner of Approved Facilities: County may request that
180 Contractor report aggregate Facility capacity committed to other entities through
181 Contractor's contracts. County, or its agent, will have the right to seek verification
182 of Contractor's reported aggregate capacity through inspection of pertinent
183 sections of Contractor's contracts with such entities to determine the duration of
184 Contractor's commitment to accept materials from such entities and the type and
185 volume of materials Contractor is obligated to accept through the contracts. In
186 addition, County, or its agent, will have the right to review Tonnage reports
187 documenting the past three (3) years of Tonnage accepted at the Approved
188 Facility(ies) by such entities. To the extent allowed by law, County, or its agent(s),
189 agree to maintain the confidentiality of the information reviewed related to the
190 individual contracts with other contracting entities and agree to review all related
191 material at the Contractor's office and will not retain any copies of reviewed
192 material. Contractor will fully cooperate with the County's request and provide
193 County and its agent(s) or access to Contractor's records.

194 2. N/A

195 C. **Equipment and Supplies.** Contractor shall equip and operate the Approved Facilities
196 for which they are the Facility Capacity Guarantor in a manner to fulfill Contractor's
197 obligations under this Agreement, including achieving all applicable standards for
198 Landfill Disposal reduction, Recycling, recovery, Diversion, Residue amount and
199 content, and final product quality standards. Contractor is solely responsible for the
200 adequacy, safety, and suitability of the Approved Facilities for which they are the
201 Facility Capacity Guarantor. Contractor shall modify, enhance, and/or improve the
202 Approved Facilities for which they are the Facility Capacity Guarantor as needed to
203 fulfill service obligations under this Agreement, at no additional compensation from
204 the County or Rates charged to Customers.

205 Contractor shall provide all rolling stock, stationary equipment, material storage
206 Containers, spare parts, maintenance supplies, Transfer, Transport, and Processing
207 equipment, and other consumables as appropriate and necessary to operate the
208 Approved Facilities for which they are the Facility Capacity Guarantor, and provide all

209 services required by this Agreement. Contractor shall place the equipment in the
210 charge of competent equipment operators. Contractor shall repair and maintain all
211 equipment at its own cost and expense.

212 **D. Facility Permits.** Contractor or Facility operator shall keep all existing permits,
213 licenses and approvals necessary for use of the Approved Facility(ies) for which they
214 are the Facility Capacity Guarantor, in full regulatory compliance. Contractor, or
215 Facility operator, shall, upon request, provide copies of permits or other approvals
216 and/or notices of violation of permits to the County.

217 **E. Transfer Facility.** At Contractor's option, Contractor may rely on a Transfer Facility
218 and, in such case, shall Transport some or all Discarded Materials to an Approved
219 Transfer Facility. At the Transfer Facility, Discarded Materials shall be unloaded from
220 Collection vehicles and loaded into large-capacity vehicles and Transported to the
221 Approved Facility(ies) for Processing or Disposal, as applicable for each type of
222 Discarded Material, in a timely manner and in accordance with Applicable Law.
223 Contractor or Subcontractor shall perform the following pre-Processing activities at
224 the Approved Transfer Facility: Gilton Resource Recovery, Transfer Facility.

225 If Contractor delivers some or all Discarded Materials to a Transfer Facility, it shall
226 receive assurances from the Facility operator that the Facility operator will Transport
227 or arrange for Transport of the Discarded Materials to appropriate Approved
228 Facility(ies) for Processing or Disposal, as applicable for each type of Discarded
229 Material. In such case, Contractor shall receive written documentation from the Facility
230 operator(s) of the Facilities used for Processing and Disposal of Discarded Materials,
231 as applicable for each type of Discarded Material. Contractor shall pay all costs
232 associated with Transport, Transfer, and Processing of all Mixed Waste and
233 SSGCOW Collected in accordance with this Agreement, including marketing of
234 recovered materials and Disposal of all Residue.

235 Contractor shall comply with separate handling requirements in this Exhibit B, Section
236 B.2.B.

237 **F. County Approved Change in Facility(ies).** Contractor may change its selection of
238 one or more of the Approved Facility(ies) for which Contractor is the Facility Capacity
239 Guarantor following County Contract Manager's written approval, which may be
240 conditioned on various factors including, but not limited to: the performance of the
241 current versus proposed Facility, the permitting status of and LEA inspection records
242 related to the proposed Facility, the distance of the Facility from the County, and any
243 other factor that may reasonably degrade the value received by the County. If
244 Contractor elects to use a Facility(ies) that is(are) not listed on the then-current list of
245 Approved Facility(ies) in this Exhibit, it shall submit a written request for approval to
246 the County fourteen (14) days prior to the desired date to use the Facility and shall
247 obtain the County Contract Manager's written approval prior to use of the Facility.
248 Contractor's compensation and Rates shall not be adjusted for a Contractor-initiated
249 change in Facilities. County may require a change in any Approved Facility, and such
250 change shall be addressed in accordance with Section 4.4 of the Agreement. In the

251 event that any changes described in this Section B-1.F result in inconsistencies with
252 Table B-1, the Director may approve an updated Table B-1, which shall replace the
253 prior Table B-1.

254 **G. Notification of Emergency Conditions.** Each Approved Facility shall notify the
255 County Contract Manager of any unforeseen operational restrictions that have been
256 imposed upon the Facility by a regulatory agency or any unforeseen equipment or
257 operational failure that will temporarily prevent the Facility from Processing the
258 Discarded Materials Collected under this Agreement.

259 **H. Approved Facility Unavailable/Use of Alternative Facility.** If Contractor is unable
260 to use an Approved Facility due to a sudden unforeseen closure of the Facility or other
261 emergency condition(s) described in this Exhibit B, Section B.1.G, Contractor may use
262 an Alternative Facility provided that the Contractor provides verbal and written notice
263 to the County Contract Manager and receives written approval from the County
264 Contract Manager at least twenty-four (24) hours prior to the use of an Alternative
265 Facility to the extent reasonably practical given the nature of the emergency or sudden
266 closure. The Contractor's written notice shall include a description of the reasons the
267 Approved Facility is not feasible and the period of time Contractor proposes to use the
268 Alternative Facility. As appropriate for the type of Discarded Materials to be delivered
269 to the Alternative Facility, the Alternative Facility shall meet the applicable Facility
270 standards in this Agreement and shall be sent to an allowable Facility, operation, or
271 "Organic Waste Recovery Activity" as defined in 14 CCR Section 18982(a)(49) and
272 not subsequently used in a manner deemed to constitute Landfill Disposal pursuant
273 to 14 CCR Section 18983.1(a). If Contractor is interested in using a Facility or activity
274 not covered by the preceding sentence, and not specifically identified in 14 CCR
275 Section 18983.1(b), the Contractor shall be responsible for securing the approvals
276 from CalRecycle pursuant to 14 CCR Section 18983.2 that the Facility's Process or
277 technology constitutes a reduction of Landfill Disposal pursuant to 14 CCR Section
278 18983.1(a) prior to the County's final approval of such Facility or activity.

279 In the event an Approved Facility becomes unavailable due to the negligence, illegal
280 activity, neglect, or willful misconduct of Contractor, Contractor shall bear all additional
281 costs for use of an Alternative Facility including increased Processing costs, Disposal
282 Costs, Transportation costs, Transfer costs, and all other costs. The Parties agree that
283 an Approved Facility shall only be deemed to be "unavailable" if one or more of the
284 following has occurred: (i) an uncontrollable circumstance as described in Section
285 12.5 of this Agreement has occurred; (ii) a Facility has lost one or more permits to
286 operate; (iii) a Facility has exhibited a pattern of violation through the receipt of
287 repeated notices of violation from one or more regulatory agencies. The Parties agree
288 that a Facility shall only be deemed to be "unavailable" if the lack of availability of the
289 Facility is not due to Contractor's negligence, illegal activity, neglect, or willful
290 misconduct.

291 If Contractor is not the owner of the new Approved Facility, Contractor shall enter into
292 a Subcontract agreement with the Facility operator of the Alternative Facility to require

293 compliance with the requirements of Section 6.1 of this Agreement and this Exhibit
294 unless County Contract Manager waives one or more requirements.

295 I. **Discarded Materials Monitoring/Waste Evaluation Requirements.** Contractor
296 shall conduct material sampling, sorting, and waste evaluations of various material
297 streams as further described in this Exhibit B, Section B.6 to meet or exceed SB 1383
298 Regulatory requirements.

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

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

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

317 **B.2 Processing Standards**

318 A. **Recovery Required.** Contractor agrees to Transport and deliver all Mixed Waste and
319 SSGCOW, Collected under this Agreement to an Approved Facility for Processing as
320 applicable for each material type. Contractor shall conduct Processing activities for all
321 Mixed Waste and SSGCOW to recover Recyclable materials and Organic Waste to
322 reduce Disposal. The Processing shall be performed in a manner that minimizes
323 Disposal to the greatest extent practicable and complies with Applicable Law,
324 including SB 1383 Regulations.

325 B. **Separate Handling Requirements.** Contractor shall keep Mixed Waste and
326 SSGCOW separate from each other and separate from other material streams and
327 shall Process the materials separately from each other.

328 C. **Residue Disposal.** Contractor shall direct all actual or calculated Residue tonnages
329 to the Approved Disposal Facility(ies). This requirement may be fulfilled through
330 delivery of actual Residue tonnage, calculated offset tons, or financial offsets paid to
331 the County based upon the actual Residue tons at the current gate rate at the
332 Approved Disposal Facility. Contractor shall not Dispose of Residue by depositing it

333 on any public or private land, in any river, stream, or other waterway, or in any sanitary
334 sewer or storm drainage system or in any other manner which violates Applicable
335 Laws.

336 Upon request of the County, Contractor shall provide a certified statement from any
337 Facility for which Contractor is the Facility Capacity Guarantor documenting its
338 Residue level. The Residue level shall be calculated separately for each material type
339 and for each Approved Facility used for Recycling and Processing. The Residue level
340 calculation method shall be reviewed and approved by the County.

341 **D. Mixed Waste Processing Standards.**

342 1. Contractor guarantees that the Facility shall meet or exceed an annual average
343 Mixed Waste organic content recovery rate of fifty (50%) percent between
344 January 1, 2022 and December 31, 2024, and seventy-five (75%) percent after
345 January 1, 2025, or as otherwise defined in 14 CCR Section 18982(a)(33), as
346 calculated pursuant to 14 CCR Section 18815.5(e) for Organic Waste received
347 from the Mixed Waste.

348 2. Contractor guarantees that it will comply with the limits on incompatible materials
349 in the recovered Mixed Waste, which are described in Section B.2.E.4 of this
350 Exhibit.

351 3. Contractor shall conduct measurements on a quarterly basis to determine the
352 Mixed Waste organic content recovery efficiency in accordance with 14 CCR
353 Section 17409.5.1. Contractor shall report the Organic Waste recovery efficiency
354 measurement results to the County in accordance with Exhibit D, and shall notify
355 the County within five (5) Business Days of conducting the quarterly
356 measurement if the results are not in compliance with the Mixed Waste organic
357 content recovery rate standards. If the quarterly average Mixed Waste organic
358 content recovery rate is not in compliance with the standards, the County may
359 assess Liquidated Damages in accordance with Section 12.7 of this Agreement
360 and Exhibit C.

361 4. If the Approved High Diversion Organic Waste Processing Facility has an annual
362 average Mixed Waste organic content recovery rate that is lower than required
363 in 14 CCR Section 18982(a)(33) for two (2) consecutive quarterly reporting
364 periods or three (3) quarterly reporting periods within three (3) years, the Facility
365 shall not qualify as a High Diversion Organic Waste Processing Facility pursuant
366 to 14 CCR Section 18984.3(b). Contractor shall be required to submit a corrective
367 action plan to the County within thirty (30) days of determining such non-
368 compliance identifying the steps to improve the Mixed Waste organic content
369 recovery rate and the duration of time anticipated for the Facility to achieve
370 compliance. Contractor shall immediately commence with corrective actions
371 subject to approval by the County and CalRecycle.

372 5. If County is not satisfied that the Approved High Diversion Organic Waste
373 Processing Facility can achieve and sustain the minimum required annual
374 average Mixed Waste organic content recovery rate, or if the Contractor has
375 implemented its corrective action plan and failed to achieve the minimum
376 required annual average Mixed Waste organic content recovery rate, the County
377 shall have the right to direct use of an Alternative Facility in accordance with this
378 Exhibit B, Section B.1.H, and Contractor shall incur all costs associated with use
379 of the Alternative Facility including Transportation, Transfer, Processing, and
380 Disposal. The County may assess Liquidated Damages in accordance with
381 Section 12.7 of this Agreement and Exhibit C and/or may deem this failure an
382 event of default under Section 12.1 of this Agreement. If an Alternative Facility is
383 not available within a commercially reasonable distance, Contractor shall be
384 required to implement, at no cost to the County and with no increase to Rates, a
385 Mixed Waste Collection system that will provide programmatic compliance with
386 14 CCR Division 7, Chapter 12, Article 3.

387 **E. SSGCOW Processing Standards**

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

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

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

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

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

406 b. An "In-vessel Digestion Operation or Facility" as defined in 14 CCR Section
407 17896.5. The in-vessel digestion facility or operation shall, pursuant to 14
408 CCR Section 17896.44.1, demonstrate that the percentage of Organic
409 Waste in the materials sent to Disposal is:

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

- 411 ii. On and after January 1, 2024, less than 10 percent (10%).
- 412 c. A "Biomass Conversion Operation" as defined in Section 40106 of the
- 413 California Public Resources Code.
- 414 d. Soil amendment for erosion control, revegetation, slope stabilization, or
- 415 landscaping at a Landfill, that is defined as a reduction in Landfill Disposal
- 416 pursuant to 14 CCR Section 18983.1(b)(5).
- 417 e. Land application of compostable materials consistent with 14 CCR Section
- 418 17852(a)(24.5) and subject to the conditions in 14 CCR Section
- 419 18983.1(b)(6).
- 420 f. Lawful use as animal feed, as set forth in California Food and Agricultural
- 421 Code Section 14901 et seq. and Title 3, Division 4, Chapter 2, Subchapter
- 422 2 commencing with 14 CCR Article 1, Section 2675.
- 423 g. Other operations or facilities with processes that reduce short-lived climate
- 424 pollutants that are approved by the State in accordance with 14 CCR
- 425 Section 18983.2.

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

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

437 4. Limits on Incompatible Materials in Recovered Organic Waste

438 a. Limits. Except as described in this Exhibit B, Section B.2.E.4.c,
 439 Contractor's Processing Facility or operation shall only send offsite that
 440 Organic Waste recovered after Processing the SSGCOW that meets the
 441 following requirements or as otherwise specified in 14 CCR Section
 442 17409.5.8(a):

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

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

- 447 b. Measurement. Contractor shall measure the actual levels of Incompatible
448 Materials in accordance with procedures described in 14 CCR Section
449 17409.5.8(b).
- 450 c. Exceptions. The limits in this Exhibit B, Section B.2.E.4.a shall not apply to
451 the recovered Organic Waste sent offsite from the Processing Facility or
452 operation, if the Contractor sends the recovered Organic Waste from the
453 Processing Facility or operation to one or more of the following types of
454 Facilities that will further Process the Organic Waste, or as otherwise
455 specified in 14 CCR Section 17409.5.8(c):
- 456 i. A Processing Facility or operation that complies with this Exhibit B,
457 Section B.2.E.5.a;
- 458 ii. A compostable materials handling facility or operation that, pursuant
459 to 14 CCR Section 17867(a)(16), demonstrates that the percentage
460 of Organic Waste in the materials sent to Disposal is:
- 461 (A) On and after January 1, 2022, less than 20 percent (20%);
462 and,
- 463 (B) On and after January 1, 2024, less than 10 percent (10%).
- 464 iii. An in-vessel digestion Facility or operation that, pursuant to 14 CCR
465 Section 17896.44.1, demonstrates that the percentage of Organic
466 Waste in the materials sent to Disposal is:
- 467 (A) On and after January 1, 2022, less than 20 percent (20%);
468 and,
- 469 (B) On and after January 1, 2024, less than 10 percent (10%).
- 470 iv. An activity that meets the definition of a recycling center as described
471 in 14 CCR Section 17402.5(d).

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

480 Upon request, Contractor shall provide proof to the County that all Mixed Waste and
481 SSGCOW Collected by Contractor were Processed and recovered materials were
482 marketed for recovery, salvage, or Reuse or as organics products in such a manner
483 that materials are not deemed Landfill Disposal pursuant to 14 CCR Section

484 18983.1(a) and in a manner that materials are deemed Diversion pursuant to AB 939.
485 All Residue from the Recycling and Processing activities that is not marketed shall be
486 reported to the County as Residue and accounted for as Disposal Tonnage at the
487 Approved Disposal Facility. Mixed Waste or SSGCOW shall be Transported to a
488 domestic or foreign location if Landfill Disposal (without prior Processing), as defined
489 in 14 CCR Section 18983.1(a) of such material is its intended use. If Contractor
490 becomes aware that a broker or buyer has illegally handled, Disposed of, or used
491 material generated in the County that is not consistent with Applicable Law, Contractor
492 shall immediately inform the County and terminate its contract or working relationship
493 with such party. In such case, Contractor shall find an alternative market for the
494 material(s) recovered from the Mixed Waste and/or SSGCOW that is compliant with
495 Applicable Law.

496 The performance of commodity markets for materials recovered from Mixed Waste
497 shall not be considered a reason for deeming a Facility "unavailable" in this Exhibit B,
498 Section B.1.H, nor shall it be considered an acceptable basis for the need to use an
499 Alternative Facility, nor shall it serve as the basis for any adjustment in Contractor's
500 compensation under this Agreement, other than as specifically contemplated in Article
501 10 of this Agreement.

502 I. **Disposal of Mixed Waste and SSGCOW Prohibited.** With the exception of
503 Processing Residue, Mixed Waste and SSGCOW Collected under this Agreement
504 may not be Disposed of in lieu of Recycling, Processing, or marketing the material,
505 without the expressed written approval of the Director or their designee.

506 If for reasons beyond its reasonable control, Contractor believes that it cannot avoid
507 Disposal of the Mixed Waste or SSGCOW Collected in the County, then it shall
508 prepare a written request for County approval to Dispose of such material. Such
509 request shall contain the basis for Contractor's belief (including, but not limited to,
510 supporting documentation), describe the Contractor's efforts to arrange for the
511 Processing of such material, the period required for such Disposal, and any additional
512 information supporting the Contractor's request.

513 In addition, the request shall describe the Contractor's proposed interim plans for
514 implementation while the County is evaluating its request. If the County objects to the
515 interim plans, the County shall provide written notice to the Contractor and request an
516 alternative arrangement. The County shall consider the Contractor's request and
517 inform Contractor in writing of its decision within fourteen (14) days. Depending on the
518 nature of the Contractor's request, County may extend the fourteen (14) day period,
519 at its own discretion, to provide more time for evaluation of the request and negotiation
520 of an acceptable arrangement with the Contractor.

521 **B.3 Weighing of Discarded Materials**

522 A. **Maintenance and Operation.** This Section B.3 of Exhibit B applies to motor vehicle
523 scales used at the Approved Facilities for which Contractor is the Facility Capacity
524 Guarantor. Approved Facilities shall be equipped with one or more State-certified
525 motor vehicle scales in accordance with Applicable Law. Upon request, Contractor

526 shall arrange for Facility operator to provide documentary evidence of such scale
527 certification within ten (10) days of County's request during the Term. Licensed weigh
528 master(s) shall operate those scales to weigh all inbound and outbound Collection
529 vehicles Transporting Discarded Materials and all Transfer vehicles Transporting
530 materials to another site. Contractor shall arrange for Facility operator to provide
531 County with access to weighing information at all times and copies thereof within three
532 (3) Business Days following the County's request. Exceptions to weighing
533 requirements are specified in this Exhibit B, Section B.3.G.

534 **B. Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) days prior to the
535 Commencement Date, Contractor shall coordinate with the Facility operator(s) to
536 ensure that all Collection vehicles used by Contractor to Transport Discarded
537 Materials to Approved Facilities are weighed to determine unloaded ("tare") weights.
538 Contractor shall work with Facility operator(s) to electronically record the tare weight,
539 identify vehicle as Contractor's, and provide a distinct vehicle identification number for
540 each vehicle. Contractor shall provide County with a report listing the vehicle tare
541 weight information upon request. Contractor shall promptly coordinate with Facility
542 operator to weigh additional or replacement Collection vehicles prior to Contractor
543 placing them into service. Contractor shall check tare weights at least annually, or
544 within fourteen (14) days of a County request, and shall re-tare vehicles immediately
545 after any major maintenance service that could impact the weight of the vehicle by
546 greater than five percent.

547 **C. Substitute Scales.** If any scale at an Approved Facility is inoperable, being tested, or
548 otherwise unavailable, Facility operator shall use reasonable business efforts to weigh
549 vehicles on the remaining operating scale(s). To the extent that all the scales are
550 inoperable, being tested, or otherwise unavailable, Facility operator shall substitute
551 portable scales until the permanent scales are replaced or repaired. Facility operator
552 shall arrange for any inoperable scale to be repaired as soon as possible.

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

557 During any period of time the scales are out of service, Facility operator shall continue
558 to record all information required by this Exhibit B, Section B.3, for each delivery of
559 Discarded Materials to the Approved Facilities and each load of material Transferred
560 to another Approved Facility(ies).

561 **E. Weighing Standards and Procedures.** At the Approved Facilities, Facility operator
562 shall weigh and record inbound weights of all vehicles delivering Discarded Materials
563 when the vehicles arrive at the Facility. In addition, Facility operator shall weigh and
564 record outbound weights of vehicles for which Facility operator does not maintain tare
565 weight information. Furthermore, Facility operator shall weigh and record outbound

566 weights of all Transfer vehicles Transporting Discarded Materials from a Transfer
567 Facility to another Approved Facility(ies) for Processing or Disposal.

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

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

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

587 **B.4 Rejection of Excluded Waste**

588 A. **Inspection.** Contractor will use standard industry practices to detect and reject
589 Excluded Waste in a uniform and non-discriminatory manner and will not knowingly
590 accept Excluded Waste at the Approved Facility(ies) for which Contractor is the
591 Facility Capacity Guarantor. Contractor will comply with the inspection procedure
592 contained in its permit requirements. Contractor will promptly modify that procedure
593 to reflect any changes in permits or Applicable Law.

594 B. **Excluded Waste Handling and Costs.** Contractor will arrange for or provide
595 handling, Transportation, and delivery to a Recycling, incineration, or a Disposal
596 facility permitted in accordance with Applicable Law of all Excluded Waste detected
597 at the Approved Facility(ies) for which Contractor is the Facility Capacity Guarantor.
598 Contractor is solely responsible for making those arrangements or provisions and all
599 costs thereof. Nothing in this Agreement will excuse the Contractor from the
600 responsibility of handling Excluded Wastes that Contractor inadvertently accepts in a
601 lawful manner and of arranging for the disposition of that Excluded Waste in
602 accordance with Applicable Law. However, where Contractor can identify the

603 generator of such Excluded Waste, it may invoice such person or entity for all costs
604 incurred by Contractor.

605 **B.5 Discarded Materials Evaluations at Approved Facilities**

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

609 1. Mixed Waste Evaluations. If applicable pursuant to 14 CCR Section 17409.5.7,
610 Contractor shall conduct waste evaluations of Mixed Waste at Approved
611 Processing Facilities that receive Mixed Waste in accordance with 14 CCR
612 17409.5.7.

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

617 3. Evaluation of Organic Waste in Residuals. If applicable pursuant to 14 CCR
618 Sections 17409.5.3, 17409.5.5, 17867, and/or 17896.44.1, Contractor shall
619 conduct compliance evaluations of Organic Waste to determine the level of
620 Organic Waste in materials sent for Disposal in accordance with 14 CCR
621 Sections 17409.5.3 (transfer/processor for Mixed Waste), 17409.5.5
622 (transfer/processor for SSGCOW), 17867 (Compost operations and facilities),
623 and 17896.44.1 (In-vessel digestion operations and facilities).

624 B. **Record Keeping and Reporting.** For the evaluations described above, Contractor
625 shall maintain all records and submit reports to CalRecycle as described in 14 CCR
626 Division 7, Chapter 3, Article 6.3; 14 CCR Division 7, Chapter 3.1, Article 8; and 14
627 CCR Division 7, Chapter 3.2, Article 4; and, 14 CCR Sections 18815.5 and 18815.7,
628 as applicable. Contractor shall report this information to the County on a monthly basis
629 in accordance with Exhibit D.

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

634 D. **Observance of Study by County and/or CalRecycle.** Contractor acknowledges
635 that, upon request, a representative of the County, the LEA, and/or CalRecycle may
636 oversee its next scheduled quarterly sampling and evaluation of any of the evaluations
637 described in this Exhibit B, Section B.5.A, conducted at the Approved Facility(ies).

638

EXHIBIT C – LIQUIDATED DAMAGES

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

	Event of Non-Performance	Liquidated Damage
1	Failure to Correct Missed Collection. Each event where Contractor fails to Collect a Container from a Customer who properly placed said Container for Collection which is not Collected by the end of the Business Day following the receipt of the Customer complaint about the Missed Collection.	\$100 / occurrence
2	Failure to Implement two-Container System. For each occurrence of failing to provide Customers with the two-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	\$500 / report / occurrence

	Event of Non-Performance	Liquidated Damage
	given ten (10) Business Days to complete 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 and/or Mixed Waste 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 Mixed Waste 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 Mixed Waste 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	\$100 / Container

	Event of Non-Performance	Liquidated Damage
	different material type (e.g. Mixed Waste in SSGCOW 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. 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 fourteen (14) calendar days of receiving such	\$100 / occurrence

	Event of Non-Performance	Liquidated Damage
	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. 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

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EXHIBIT D – RECORD KEEPING AND REPORTING

646 **D.1 General**

647 Contractor shall maintain such accounting, statistical, and other records related to its
648 performance under this Agreement as shall be necessary to develop the reports required
649 by this Agreement or County Code. Contractor agrees to conduct data collection,
650 information and record keeping, and reporting activities needed to comply with applicable
651 laws and regulations and to meet the reporting and Discarded Materials Collection,
652 Processing, and Disposal program management needs of the County. At the written
653 direction or approval of County, the records and reports to be maintained and provided
654 by Contractor in accordance with this Exhibit and other Articles of the Agreement may be
655 adjusted in number, format, and frequency, if required to comply with State or federal
656 regulatory or reporting requirements.

657 **D.2 Record Keeping**

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

664 Record keeping and reporting requirements specified in this Agreement shall not be
665 considered a comprehensive list of reporting requirements. In particular, this Exhibit
666 D is intended to highlight the general nature of records and reports and their minimum
667 content and is not meant to comprehensively define the scope and content of the
668 records and reports that Contractor is required to maintain and report by Applicable
669 Law or this Agreement. Upon written direction or approval of County, the records and
670 reports required by Contractor in accordance with this and other Articles of the
671 Agreement shall be adjusted in number, format, or frequency.

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

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

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

701 C. **Maintenance of Financial and Operational Records.** The Contractor shall maintain
702 complete financial statements and accounting records for operations under this
703 Agreement. Contractor shall account for revenues received and expenses incurred as
704 a result of this Agreement separately from the accounting for other operations
705 performed by Contractor or its Affiliates. The Gross Receipts derived from the
706 Collection Services under this Agreement, whether such services are performed by
707 the Contractor, by an Affiliate, or by a Subcontractor, shall be recorded as revenues
708 in the accounts of the Contractor. Upon demand, the Contractor shall permit the
709 County Contract Manager to examine and audit the books of account of the Contractor
710 at any and all reasonable times for the purpose of verifying Contractor's performance
711 under this Agreement. Upon request, the Contractor shall allow the County Contract
712 Manager to examine the reports of Gross Receipts and the invoices pertaining to any
713 fee or charge approved by the County for Services provided under this Agreement.
714 Such request shall be made at reasonable times and with reasonable notice.

715 In the event that an extraordinary Rate adjustment pursuant to Section 10.3,
716 reasonably necessary records shall be subject to review in accordance with
717 appropriate professional standards, and inspection, for the primary purpose of
718 reviewing changes in costs to the Contractor attributable to the extraordinary Rate
719 adjustment request, at any reasonable time by an independent third party. The
720 selection of the independent third party as well as the scope of work for such review
721 shall be approved in advance by the County Contract Manager. The independent
722 reviewer shall provide any and all drafts of its review to the County and the Contractor.
723 The Party requesting the extraordinary Rate adjustment review shall bear the cost of
724 the review.

725 D. **CERCLA Defense Records.** County views its ability to defend itself against
726 Comprehensive Environmental Response, Compensation and Liability Act
727 (CERCLA), and related litigation as a matter of great importance. For this reason,
728 County regards its ability to prove where Collected Mixed Waste is taken for transfer
729 or Disposal. Contractor shall maintain records which can establish where Mixed Waste
730 Collected was Disposed. This provision shall survive the expiration or earlier
731 termination of this Agreement. Contractor shall maintain these records for a minimum
732 of ten (10) years beyond expiration or earlier termination of the Agreement. Contractor
733 shall provide these records to County (upon request or at the end of the record
734 retention period) in an organized and indexed manner rather than destroying or
735 Disposing of them.

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

746 **D.3 Audits and Inspection by County**

747 At a mutually agreed upon time during normal business hours, but within five (5) work
748 days of a written request, Contractor shall make available to the County for examination
749 at reasonable locations within the County the Contractor's data and records with respect
750 to the matters covered by this Agreement and the County Code. Contractor shall permit
751 the County, or its designee, to audit, examine, and make excerpts or transcripts from such
752 data and records, and make audits of all data relating to all matters covered by this
753 Agreement and the County Code. Contractor shall maintain such data and records in an
754 accessible location and condition for a period of not less than three (3) years following
755 the County's receipt of final payment under this Agreement unless the County agrees in
756 writing to an earlier disposition. The County, or its designee, shall maintain the
757 confidentiality of the Contractor's Customer list and other proprietary information, to the
758 extent allowed by law.

759 **D.4 Reporting**

760 **D.4.1 General**

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

765 State or federal agency statutes and regulations throughout the Term of this
766 Agreement.

767 B. **Failure to Report.** Failure of Contractor to comply with the reporting requirements as
768 set forth in this Section may result in an assessment of Liquidated Damages in
769 accordance with the Liquidated Damages provision in Section 12.7 of this Agreement
770 and Exhibit C. Contractor's repeated failure to submit reports, and/or failure to submit
771 reports on time, may be deemed an event of default and may result in the termination
772 of the Agreement at the discretion of the Director, in accordance with Article 12 of this
773 Agreement.

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

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

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

787 **D.4.2 Quarterly Reports**

788 Quarterly reports shall be submitted by Contractor to County and shall include the
789 following information pertaining to the most recently-completed calendar quarter.
790 Information shall be reported by month, such that data is tracked and documented on a
791 monthly basis, but submitted to the County on a quarterly basis. In addition, each quarterly
792 report shall include a year-to-date summary page that includes the data submitted from
793 the quarterly report(s) submitted in the calendar year prior to the submittal of the current
794 quarterly report. Contractor shall report the information included in the following
795 subsections.

796 **A. Tonnage Report**

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

802 a. Material type, which shall include, at a minimum, separate reporting of
803 SSGCOW, Mixed Waste, and any other type of Discarded Material separately
804 Collected by Contractor (including, but not limited to: Bulky Items, used oil,
805 dirt, rock, metals, cardboard, wood waste, Reusable Items, Salvageable
806 Materials, etc.);

807 b. Approved Facility and Facility type.

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

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

812

813 **B. Diversion Report**

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

816 Monthly:

817 $\text{Tons collected} - \text{Tons Diverted} = \text{Tons Disposed.}$

818 $\text{Tons Diverted} \div \text{Tons collected} = \text{Diversion percentage.}$

819 Year-to-date:

820 $\text{Total Tons collected} - \text{Tons Diverted} = \text{Tons Disposed.}$

821 $\text{Total Tons Diverted} \div \text{Total Tons collected} = \text{YTD Diversion percentage.}$

822 **C. Collection and Subscription Report**

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

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

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

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

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

837 4. Number of Bulky Item Collection events.

838 **D. Contamination Monitoring Report**

839 Hauler Route Reviews (Section 6.2)

840 The Contractor shall submit the following information regarding contamination
841 monitoring Hauler Route reviews conducted pursuant to Section 6.2 of this
842 Agreement:

- 843 1. The number of Hauler Route reviews conducted pursuant to Section 6.2 of this
844 Agreement;
- 845 2. Description of the Contractor's process for determining the level of
846 contamination;
- 847 3. Summary report of non-Collection notices, courtesy Collection notices, and/or
848 contamination processing fee assessment notices issued, which for each notice
849 shall include the date of issuance, Customer name, and service address.
- 850 4. A record of each inspection and contamination incident, which shall include, at a
851 minimum:
 - 852 a. Name of the Customer
 - 853 b. Address of the Customer
 - 854 c. The date the contaminated Container was observed
 - 855 d. The staff who conducted the inspection
 - 856 e. The total number of violations found and a description of what action was
857 taken for each
 - 858 f. Upon specific request, copies of all notices issued to Generators with
859 Prohibited Container Contaminants
 - 860 g. Upon specific request, any photographic documentation or supporting
861 evidence.
- 862 5. Documentation of the total number of Containers Disposed of due to observation
863 of Prohibited Container Contaminants;
- 864 6. A list of all Customers assessed contamination Processing fees, pursuant to
865 Section 6.2 of this Agreement, including the Customer name, Customer address,
866 and reason for the assessment of the contamination Processing fee, and the total
867 number of instances contamination Processing fees were assessed in the month
868 and the total amount of fees collected in the month.
- 869 7. Any other information reasonably requested by the County or specified in
870 contamination monitoring provisions of this Agreement.

871 **E. SB 1383 Complaints Report**

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

875 a. Total number of complaints received and total number of complaints
876 investigated

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

879 i. The complaint as received;

880 ii. The name and contact information of the complainant, if the
881 complaint is not submitted anonymously;

882 iii. A description of the alleged violation; including location(s) and all
883 other relevant facts known to the complainant;

884 iv. Any relevant photographic or documentary evidence submitted to
885 support the allegations in the complaint.,

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

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

889 i. The complaint as received;

890 ii. The date the Contractor investigated the complaint;

891 iii. Documentation of the findings of the investigation;

892 iv. Any photographic or other evidence collected during the
893 investigation; and,

894 v. Contractor's recommendation to the County on whether or not the
895 entity investigated is in violation of SB 1383 Regulations based
896 on the Contractor's investigation.

897 **F. Education Program Report**

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

900 **G. Discarded Materials Evaluation Reports**

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

903 **D.4.3 Annual Reports**

904 In addition to the quarterly reporting requirements in this Exhibit D, Section D.4.2, the
905 Contractor shall provide an Annual Report, covering the most recently-completed

906 calendar year, in accordance with the format and submittal requirements of this Exhibit.
907 The Annual Report shall include the information in the following subsections.

908 **A. Collection and Subscription Report**

- 909 1. A summary of all data provided in the Tonnage report section, including quarterly
910 and annual totals and averages.
- 911 2. The type(s) of Collection service(s) provided, a list of all Hauler Routes serviced,
912 and a record of the addresses served on each Hauler Route.
- 913 3. A summary of Customer subscription data, including the number of accounts; the
914 total number of Generators enrolled with Contractor for service, listed separately
915 by service level and Container type (Cart, Bin, and Roll-Off service, as applicable),
916 separately for each type of Discarded Material; and the number of Bulky Items
917 Collections performed.
- 918 4. A detailed list of Customer information, including Mixed Waste and SSGCOW
919 Service Levels, and Customer service addresses reflecting Customer Service
920 Levels as of December 1 (for the year in which the report is submitted).

921 **B. Processing Facility Report**

- 922 1. Temporary Equipment or Operations Failure: If the Contractor is granted a
923 processing facility temporary equipment or operational failure waiver the
924 Contractor shall include the following documents and information:
- 925 a. The number of days the Processing Facility temporary equipment waiver
926 or operation failure waiver was in effect;
- 927 b. Copies of any notifications sent to the County, and copies of County
928 notices to;
- 929 c. Documentation setting forth the date of issuance of the waiver, the
930 timeframe for the waiver; and,
- 931 d. A record of the tons of SSGCOW, and/or Mixed Waste redirected to an
932 Alternative Facility or Disposed at an Approved Disposal Facility as a result
933 of the waiver, recorded by Collection vehicle or transfer vehicle
934 number/load, date, and weight.

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

- 936 1. A copy of all education and outreach materials provided to Generators, or
937 otherwise used for education and outreach efforts in accordance with Section 6.3
938 of the Agreement, including, but not limited to: flyers, brochures, newsletters,
939 invoice messaging/billing inserts, and website and social media postings.
- 940 2. A record of the date and to whom the information was disseminated or direct
941 contact made, in the form of a list that includes: the Generator's name or account

- 942 name, the type of education or outreach received; the distribution date, and the
943 method of distribution.
- 944 3. The number of Organic Waste Generators that received information and the type
945 of education and outreach used.
- 946 4. For any mass distribution through mailings or bill inserts, the Contractor shall
947 maintain a record of the date, a copy of the information distributed, and the type
948 and number of accounts that received the information.
- 949 5. A copy of electronic media, including the dates posted of: social media posts, e-
950 mail communications, or other electronic messages.
- 951 6. A summary of the status of the annual education plan of the reporting year,
952 including activities conducted and the quantitative and/or qualitative results of
953 those activities.
- 954 7. The annual public education plan required by Section 6.3 of the Agreement for the
955 upcoming then-current calendar year. For example, Contractor submittal of a 2024
956 annual report in February 2025 shall include Contractor submittal of the annual
957 public education plan for calendar year 2025.

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960 **D. Compliance Monitoring and Enforcement Report**

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

972 **E. Vehicle and Equipment Inventory**

- 973 1. A list of all vehicles used in performing services under this Agreement including
974 the license plate number, VIN, make, model, model year, purchase date, engine
975 overhaul/rebuild date (if applicable), and mileage at December 31.

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

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

983 **D.4.4 Additional Reports**

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

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

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

1000 D. **Facility Capacity Planning Information.** County may require Contractor to provide
1001 County with information of available Organic Waste Processing capacity for any
1002 Approved Processing Facilities, where available capacity may include identification of
1003 monthly Tons of additional Organic Waste such Approved Facilities have the ability to
1004 receive within permitted limits. Contractor shall respond to County within 60 days of
1005 County's request for information regarding available new or expanded capacity, and,
1006 at County's option, may be required to submit reports on a more regular basis (such
1007 as monthly, quarterly, or annually). If Contractor uses a Subcontractor to perform
1008 some or all of the Facility-related services required by this Agreement, Contractor shall
1009 secure any County-requested Facility capacity planning information from its
1010 Subcontractor(s). The annual Facility capacity planning report shall comply with the
1011 following:

1012 1. Include reports of current throughput and permitted capacity and available
1013 capacity for Organic Waste Processing for any Facility in the County that
1014 processes Mixed Waste and/or SSGCOW. Existing capacity may include
1015 identification of monthly Tons of additional SSGCOW, and/or Mixed Waste
1016 capacity such Facility has the ability to receive within permitted limits.

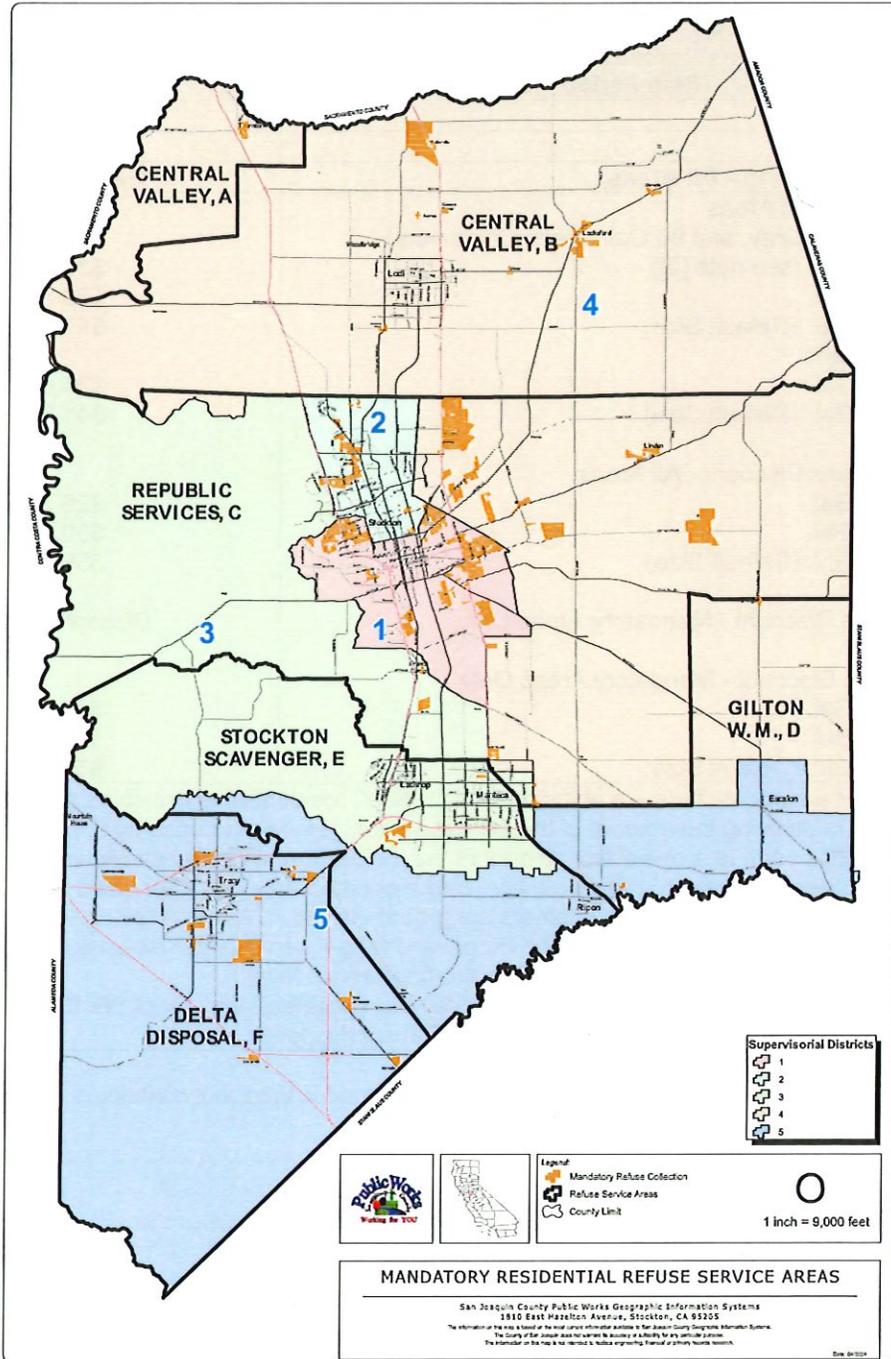
- 1017 2. Include description of potential new or expanded Processing capacity at those
1018 Facilities, operations, and activities for Processing of Organic Waste, including
1019 information about throughput and permitted capacity necessary for planning
1020 purposes.
- 1021 3. Be submitted using a form or format approved by the County Contract Manager.
- 1022 F. **Customized Reports.** County reserves the right to request Contractor to prepare
1023 and provide customized reports from records Contractor is required to maintain.

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EXHIBIT E: REFUSE SERVICE AREA MAP



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EXHIBIT F: RATES FOR RATE PERIOD ONE

Area D - GILTON SOLID WASTE MANAGEMENT, INC. Residential Refuse Collection Rate Rate Period 1 Effective January 1, 2025		
	Service Category	Rate
[1]	Curbside Collection - All Areas:	See note [1]
	Base Service - All Areas (includes Black/Gray, and 96 Gal. Green Containers)	
[2]	30 Gal. (see note [2])	\$37.16 [2]
	60 Gal.	\$58.35
	96 Gal. (Default Size)	\$67.29
	Additional Carts	
	60 Gal.	\$35.62
	96 Gal. (Default Size)	\$41.88
[3]	Senior Citizens Discount - All Areas	
	30 Gal.	\$29.73
	60 Gal.	\$50.92
	96 Gal. (Default Size)	\$59.86
[4]	Low Volume Discount - Mandatory Areas Only	Discontinued [4]
[5]	Low Income Discount - Mandatory Areas Only	
	30 Gal.	\$26.01
	60 Gal.	\$47.20
	96 Gal. (Default Size)	\$56.14
[1]	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.	
[2]	Current accounts with 30 Gallon containers are grandfathered in. As of 1/1/2025 Gilton Solid Waste Management, Inc. will not be offering the 30 gal and 60 gal services to new customers.	
[3]	A Senior discount of 20% may be applied to the first service level.	
[4]	Low Volume discounts are discontinued as all refuse containers must meet SB 1383 standards.	
[5]	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.	
	30 Gal.....	\$9.29
	60 Gal.	\$14.59
	96 Gal.	\$16.82
	Additional Services	
	Bulky Item Pickup – customers contact Collector	
	Seven Hot Spot Cleanup Assistance at County Request only.	

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**EXHIBIT G:
ACCEPTABLE MATERIALS LISTS**

1032 Black/Gray Garbage Container

1033 **ALLOWED**

- 1034 • Glass bottles & jars (metal caps and lids too)
- 1035 • Aluminum cans
- 1036 • Aluminum foil/trays
- 1037 • Empty paint cans
- 1038 • Empty spray cans
- 1039 • Steel (tin) cans
- 1040 • Plastic bottles
- 1041 • Plastic containers & clamshells
- 1042 • Plastic cups and plates
- 1043 • Coffee cup lids
- 1044 • Toys (no electronics, metal, or batteries)
- 1045 • Dirty diapers
- 1046 • Styrofoam meat trays
- 1047 • Items made of multiple materials
- 1048 • Containers with foil/plastic liner
- 1049 • Plastic bags

1050 **PROHIBITED**

- 1051 • Food waste, scraps
- 1052 • Yard waste-lawn clippings, tree trimmings, leaves
- 1053 • Paper-Cardboard, cereal boxes, junk mail,
- 1054 • Envelopes
- 1055 • Soiled paper
- 1056 • Pizza boxes
- 1057 • Small wood
- 1058 • Batteries
- 1059 • Cooking Oil
- 1060 • Construction and demolition debris
- 1061 • Electronics
- 1062 • Fluorescent light bulbs
- 1063 • Metal other than cans or lids

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1065 Green Organic Container

1066 **ALLOWED**

- 1067 • Food waste, scraps
- 1068 • Soiled paper
- 1069 • Yard waste-lawn clippings, tree trimmings, leaves
- 1070 • Paper-Cardboard, cereal boxes, junk mail,
- 1071 • Envelopes
- 1072 • Soiled paper
- 1073 • Pizza boxes

- 1074 • Small wood
- 1075 **PROHIBITED**
- 1076 • Glass bottles & jars (metal caps and lids too)
- 1077 • Aluminum cans
- 1078 • Aluminum foil/trays
- 1079 • Empty paint cans
- 1080 • Empty spray cans
- 1081 • Steel(tin) cans
- 1082 • Plastic bottles
- 1083 • Plastic containers & clamshells
- 1084 • Plastic cups and plates
- 1085 • Coffee cup lids
- 1086 • Toys (no electronics, metal, or batteries)
- 1087 • Dirty diapers
- 1088 • Styrofoam meat trays
- 1089 • Items made of multiple materials
- 1090 • Containers with foil/plastic liner
- 1091 • Plastic bags
- 1092 • Batteries
- 1093 • Cooking Oil
- 1094 • Construction and demolition debris
- 1095 • Electronics
- 1096 • Fluorescent light bulbs
- 1097 • Metal other than cans or lids