

**FRANCHISE AGREEMENT**  
**BETWEEN**  
**THE CITY OF HUNTINGTON PARK**  
**AND**  
**VALLEY VISTA SERVICES, INC.**  
**FOR**  
**INTEGRATED SOLID WASTE MANAGEMENT SERVICES**

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## **Exhibits**

1. Initial Approved Rate Schedule
2. City Approved Facilities
3. Company's Faithful Performance Bond
4. Example Rate Adjustment Formula
5. List of City Facilities
6. List of Acceptable Recyclable Materials
7. List of City Owned/Managed Events
8. Map Depicting Residential Collection Days

This Franchise Agreement (Agreement) is entered into this September, 5 2023, by and between the City of Huntington Park, a California municipal corporation (City) and Valley Vista Services Inc., a California corporation, a wholly owned subsidiary of Zerep Management Corporation ("Company") with its principal place of business located at 17445 E. Railroad Street, City of Industry, California 91748 The capitalized term "Party" may refer to either City or Company interchangeably (Company) or collectively as ("Parties").

## RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("CIWMA" or "the Act") has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for solid waste handling within their jurisdictions to meet the goals and requirements of CIWMA; and

WHEREAS, City is required pursuant to the CIWMA to meet minimum diversion goals; and

WHEREAS, City seeks to contract with a solid waste hauler to work together to exceed CIWMA goals by implementing sustainable programs and practices to reduce landfill tonnage, increase producer responsibility, reuse, repair and recycling, and educate the community to sustain City's natural beauty and ocean safety; and

WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2), City has determined that the public health, safety, and well-being require that an exclusive Franchise be awarded to a qualified company for the collection, transportation, recycling, processing, and disposal of solid waste and other services to meet the goals and requirements of CIWMA; and

WHEREAS, the Legislature of the State of California, in California Public Resources Code Section 41780 et seq., has declared a mandatory commercial recycling program and that it is the policy goal of the state that not less than 75 percent of solid waste generated be source reduced, recycled, or Composted by the year 2020, and annually thereafter; and

WHEREAS, California Public Resources Code Section 42649 et seq. requires each jurisdiction to implement a mandatory commercial organic waste diversion program; and

WHEREAS, City granted United Pacific Waste Company a solid waste handling franchise dated August 18, 2014, which was subsequently assigned to CR&R, Inc on January 31, 2019 (collectively, the "2014 Agreement"); and

WHEREAS, on February, 14, 2023, CR&R assigned their contract to Valley Vista Services and;

WHEREAS, Company agrees to and acknowledges that it shall properly dispose of all solid waste Collected in the City pursuant to this Agreement; and

WHEREAS, the State of California has found and declared that the amount of

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

WHEREAS, SB 1383 establishes regulatory requirements for jurisdictions, generators, haulers, solid waste facilities, and other entities to support achievement of State-wide organic waste disposal reduction targets; and;

WHEREAS, SB 1383 requires City to implement collection programs, meet processing facility requirements, conduct contamination monitoring, provide education, maintain records, submit reports, monitor compliance, conduct enforcement, and fulfill other requirements; and, City has chosen to delegate some of its responsibilities to the Company, acting as the City's designee, through this Agreement; and;

WHEREAS, the Parties hereto desire to enter into this Agreement.

NOW, THEREFORE, in exchange for good and valuable consideration and the terms, conditions, covenants and agreements contained herein, the Parties do hereby agree as follows:

## **ARTICLE 1 DEFINITIONS**

Whenever any term used in this Agreement has been defined by the provisions of Chapter 6-2.100 of the Huntington Park Municipal Code or by Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the Huntington Park Municipal Code or the Public Resources Code shall apply unless the term is otherwise defined in this Agreement, in which case this Agreement shall control.

Except as provided in Article 1, words beginning with lower case letters are being used with their common ordinary meanings, not as defined terms. Otherwise, the following capitalized words and terms shall have the following meanings:

### **1.1 AB 341**

“AB 341” means Assembly Bill 341 from the 2011-2012 Regular Session of the California Legislature (Chapter 476, Statues 2011), as it may be amended and as implemented by the regulations of CalRecycle.

### **1.2 AB 1826**

“AB 1826” means Chapter 12.9 (commencing with Section 42649.8) of Part 3 of Division 30 of the California Public Resources Code, as it may be amended and as implemented by the regulations of CalRecycle.

### **1.3 Abandoned Items**

“Abandoned Items” means items abandoned in the public right-of-way, City parks, and other public locations, including but not limited to Bulky Waste items and Green Waste, to be Collected by Company pursuant to Sections 3.6.2 and 3.6.3.

### **1.4 Affiliate**

“Affiliate” means all businesses (including corporations, limited and general partnerships and sole proprietorships) that are directly or indirectly related to Company by virtue of direct or indirect ownership interest or common control shall be deemed to be “Affiliated with” Company and included within the term “Affiliates” as used herein. An Affiliate shall include a business in which Company owns a direct or indirect ownership interest, a business that has a direct or indirect ownership interest in Company and/or a business that is also owned, controlled or managed by any business or individual that has a direct or indirect ownership interest in Company. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, that (i) “ten percent (10%)” shall be substituted for “fifty percent (50%)” in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this paragraph and constructive or indirect

ownership under Section 318(a), ownership interest of less than ten percent shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

## **1.5 Agreement**

“Agreement” means this Franchise Agreement between City and Company for the Collection, Transportation, Recycling, processing and Disposal of Solid Waste, and other services related to meeting the goals and requirements of CIWMA, including all exhibits thereto.

## **1.6 Applicable Laws**

“Applicable Laws” means all laws, regulations, rules, orders, ordinances, regulations, judgments, decrees, permits, approvals, or other requirement of any federal, state, county, city, and local governmental agency applicable to the procurement and performance of this Agreement, including, but not limited to any Applicable Laws regarding the collection and disposition of Solid Waste, Recyclable Materials, Organic Waste and Construction and Demolition Waste that are in force on the Effective Date and as they may be enacted, issued, or amended during the term of this Agreement.

## **1.7 Approved C&D Processing Facility(ies)**

“Approved C&D Processing Facility(ies)” are listed in the City Approved Facilities Exhibit # 2.

## **1.8 Approved Disposal Facility(ies)**

“Approved Disposal Facilities” are listed in the City Approved Facilities Exhibit # 2.

## **1.9 Approved Facilities**

“Approved Facility(ies)” means any one of or any combination of the: Approved C&D Processing Facility, Approved Disposal Facilities, Approved Organic Waste Processing Facilities, Approved Source Separated Recyclable Materials Processing Facility, and Approved Transfer Facility(ies), each of which are defined in Exhibit # 2.

## **1.10 Approved Organic Waste Processing Facility(ies)**

“Approved Organic Waste Processing Facility(ies)” are listed in the City Approved Facilities Exhibit # 2.

## **1.11 Approved Rate Schedule**

“Approved Rate Schedule” means the schedule of maximum rates attached hereto as **Exhibit 1**, as schedule may be adjusted pursuant to the provisions of this Agreement.

## **1.12 Approved Source Separated Recyclable Materials Processing Facility(ies)**

“Approved Source Separated Recyclable Materials Processing Facility(ies)” are listed in the City Approved Facilities Exhibit # 2.

### **1.13 Approved Transfer Facility(ies)**

“Approved Transfer Facility(ies)” are listed in the City Approved Facilities Exhibit #2.

### **1.14 Backyard Service**

“Backyard Service” means that Company removes all Collection Carts, Green Waste bundles and Trash Cart overages per Section 3.1.1.B from a Cart Customer’s designated Collection location other than curbside, such as backyard, side yard, or driveway, for Collection, and returns Carts when Collection is complete.

### **1.15 Billings**

“Billings” means any and all statements of charges for services rendered, howsoever made, described or designated by City or Company, or made by others for City or Company, to Persons responsible for arranging for Solid Waste removal.

### **1.16 Bin**

“Bin” means a rectangular metal or plastic container with hinged lids with a capacity of at least 1 cubic yard and less than 8 cubic yards.

### **1.17 Bulky Waste**

“Bulky Waste” means discarded furniture (including chairs, sofas, mattresses, and area rugs, but not carpeting); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances and other similar items, commonly known as “white goods”); Electronic Waste (including stereos, televisions, computers, VCRs and other similar items commonly known as “brown goods,” see Section 1.28); Residential wastes (including wood waste, tree trunks and large branches if no longer than two feet in diameter, four feet in length and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding one cubic yard per Collection); clothing; and tires. Bulky Waste items do not include such things as car bodies or Construction and Demolition Waste, or any other items that cannot be handled by two persons. In the event a question arises as to whether a specific item, or category of items meets the definition of Bulky Items, City shall be responsible to determine whether said definition shall apply, which determination shall be final and binding on the Parties.

### **1.18 Business Day**

“Business Day” means each calendar day, excluding Saturdays, Sundays, and holidays.

### **1.19 California Code of Regulations (CCR)**

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

## **1.20 CalRecycle**

“CalRecycle” means the State of California’s Department of Resources Recycling and Recovery, and, as this department was structured prior to January 1, 2010, the California Integrated Waste Management Board or CIWMB.

## **1.21 Cart**

“Cart” means a plastic Container with a hinged lid and wheels serviced by an automated or semi-automated truck with a capacity of no less than 30 gallons and no greater than 101 gallons.

## **1.22 City**

“City” means the City of Huntington Park, a California municipal corporation.

## **1.23 City Manager**

“City Manager” means the City Manager of City of Huntington Park, or his or her designee.

## **1.24 City Owned/Managed Events**

“City Owned/Managed Events” means events owned, planned, and managed primarily by City staff.

## **1.25 CIWMA**

“CIWMA” or “the Act” means the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et seq.), as it may be amended and as implemented by the regulations of CalRecycle.

## **1.26 Collect/Collection**

“Collect” or “Collection” means to take physical possession, Transport, and remove Solid Waste within and from City.

## **1.27 Collector Fee**

“Collector Fee” means the fee described in Section 6.21.

## **1.28 Commercial Edible Food Generators**

“Commercial Edible Food Generators” shall have the meaning ascribed in 14 CCR Section 18982(a)(7). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators.

## **1.29 Commercial and Industrial**

“Commercial and Industrial” refers to property, or Owners of property, upon

which business activity is conducted, including but not limited to retail sales, services, wholesale operations, manufacturing and industrial operations, hotels, motels, nursing homes, but excluding businesses conducted upon Residential Premises which are permitted under applicable zoning regulations and are not the primary use of the property.

### **1.30 Commercial Customer**

“Commercial Customer” means a Customer receiving Commercial Services.

### **1.31 Commercial Services**

“Commercial Services” means the Collection of Solid Waste and Recyclable Materials from Commercial and Industrial Premises, including from Multi-Family Premises receiving Bin service.

### **1.32 Community Composting**

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

### **1.33 Company**

“Company” means Valley Vista Services, Inc., a wholly owned subsidiary of Zerep Management Corporation, a California corporation and its officers, directors, employees, agents, contractors and subcontractors.

### **1.34 Complaint**

“Complaint” means a communication received by Company from a Customer or City indicating services have not been performed in accordance with this Agreement, or otherwise expressing dissatisfaction with service.

### **1.35 Compost**

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

### **1.36 Construction and Demolition (C&D) Waste**

“Construction and Demolition Waste” means used or discarded construction materials removed from a Premises during the construction or demolition of a structure.

### **1.37 Containers**

“Containers” means any and all types of Solid Waste receptacles, including Carts, compactors, Bins, cans and Roll-off Boxes.

### **1.38 CPI**

“CPI” means the Consumer Price Index for Trash and Garbage Collection (CUUR0000SEHG02), U.S. City average.

### **1.39 Customer**

“Customer” means the Person having the care and control of any Premises in the City receiving Solid Waste Collection service from Company.

### **1.40 Disposal**

“Disposal” means the ultimate disposition of Solid Waste Collected by Company at a landfill in full regulatory compliance.

### **1.41 Disposal Site(s)**

“Disposal Site(s)” mean the Solid Waste handling Facility or Facilities utilized for the ultimate Disposal of Solid Waste Collected by Company.

### **1.42 Edible Food**

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

### **1.43 Effective Date**

“Effective Date” means the date specified in Section 2.3.

### **1.44 Electronic Waste or E-Waste**

“Electronic Waste” or “E-Waste” means electronic equipment and includes, but is not limited to, stereos, televisions, computers and computer monitors, VCRs, cellular phones, fax machines, household copiers, computer printers, other items with electric plugs that are banned from landfilling, and other similar items commonly known as “brown goods.”

### **1.45 Environmental Laws**

“Environmental Laws” means all applicable federal, State, county, local and City, laws, statutes, ordinances, policies, rules, and regulations concerning public health, safety and the environment including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC § 9601 et seq.; the Resource Conservation and Recovery Act, 42 USC § 6902 et seq.; the Federal Clean Water Act, 33 USC § 1251 et seq.; the Toxic Substances

Control Act, 15 USC § 1601 et seq.; the Occupational Safety and Health Act, 29 USC § 651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code § 25100 et seq.; the California Toxic Substances Control Act, California Health and Safety Code § 25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code § 13000 et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code § 25249.5 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

#### **1.46 Facility(ies)**

“Facility(ies)” means any plant or site, owned or leased and maintained, operated or used by Company for purpose of handling Solid Waste, including, but not limited to, Disposal, Transfer, Recycling, composting, and processing Facilities or operations.

#### **1.47 Food Recovery**

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

#### **1.48 Food Recovery Organization**

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

- (a) A food bank as defined in Section 113783 of the Health and Safety Code;
- (b) A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,
- (c) A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

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

#### **1.49 Food Recovery Service**

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

#### **1.50 Franchise**

“Franchise” means the exclusive right granted by City to provide Solid Waste

services within the City.

## **1.51 Food Waste**

“Food Waste” includes:

- All food (including fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese and eggshells);
- Food-soiled paper (including napkins, paper towels, paper plates)
- Tea bags, coffee grounds and filters; and

## **1.52 Green Waste**

“Green Waste” means leaves, grass, weeds, landscape and pruning waste, and wood materials from trees and shrubs (including holiday trees, but otherwise not more than four inches in diameter or four feet in length) and similar materials generated at the Premises.

## **1.53 Gross Receipts**

In accordance with Generally Accepted Accounting Principles (“GAAP”), the capitalized term “Gross Receipts” means any form of revenue, receipts or other compensation derived by Company or Company’s Affiliates, subsidiaries, parent companies and the like for the performance of all Solid Waste services authorized under this Agreement. The term “Gross Receipts”, as defined herein, includes, but is not limited to, all revenue received from Customer billings for the Collection of Solid Waste, Container charges and the performance of any other services and tasks authorized under this Agreement, after subtracting any Collector Fees and AB 9393 Fees due under Article 3. The foregoing notwithstanding, income realized by Company from the sale of discarded recyclable materials collected by the Company pursuant to this Agreement shall be excluded from the calculation of “Gross Receipts.

## **1.54 Hazardous Substance**

“Hazardous Substance” means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as “Hazardous Substances”, “hazardous materials”, “Hazardous Wastes”, “toxic waste”, “pollutant” or “toxic substances” or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC § 9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC § 5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC § 6901 et seq.; (iv) the Clean Water Act, 33 USC § 1251 et seq.; (v) California Health and Safety Code §§ 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC § 7401 et seq.; or (vii) California Water Code § 13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, State or local Environmental Laws currently existing or hereinafter enacted, including, without limitation, friable asbestos,

polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

### **1.55 Hazardous Waste**

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

### **1.56 Household Hazardous Waste**

"Household Hazardous Waste" ("HHW") means Hazardous Waste generated at Residential Premises.

### **1.57 Mandatory Commercial Recycling ("MCR") Requirements**

"Mandatory Commercial Recycling Requirements" means the requirements of California Public Resources Code Sections 42649 et seq.

### **1.58 Mandatory Organics Recycling ("MORe") Requirements**

"Mandatory Organics Recycling Requirements" means the requirements of the California Public Resources Code Sections 42649.8 et seq. as it may be amended from time to time.

### **1.59 Materials Recovery Facility**

"Materials Recovery Facility" ("MRF") means a Facility licensed or permitted in accordance with CIWMA which separates secondary materials, such as paper and other fibers, plastic, mixed glass and metal containers and processes them for sale to end users or use by Company.

### **1.60 Mixed Waste Processing**

"Mixed Waste Processing" means the separation and sorting of Recyclable Materials and other recoverable materials from Trash at a MRF where commingled loads of Solid Waste are processed.

### **1.61 Mulch**

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

- (a) Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5) (A)(1) through (3).

(b) Was produced at one or more of the following types of Facilities:

(i) A compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10).

(ii) A transfer/processing facility or transfer/processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12; or,

(iii) A Solid Waste landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

## **1.62 Multi-Family**

“Multi-Family” means any Residential Premises with four or more units, irrespective of whether residence therein is transient, temporary, or permanent. Multi-Family premises do not include hotels, motels or other transient occupancy facilities which are considered Commercial Businesses.

The foregoing notwithstanding, residential dwelling units which are part of a “planned development” as the term is defined under Section 1351 of the California Civil Code shall not be considered multi-family premises but instead shall be considered residential premises. For purposes of illustration, “multi-family premises” include but are not necessarily limited to any apartment building or apartment structure containing 4 or more residential units; or any single, exclusively residential high-rise/mid-rise building or structure. For the purposes of this chapter, “multi-family premises” do not include “mixed use developments”.

## **1.63 Municipal Code**

“Municipal Code” means the City of Huntington Park Municipal Code.

## **1.64 Organic Materials**

“Organic Materials” means Green Waste, wood, lumber, and/or Food Waste, whether individually or in combination, set aside, handled, packaged, or offered for Collection in a manner different from Solid Waste for the purpose of processing. Organic Materials is a subset of Organic Waste.

## **1.65 Organics or Organic Waste**

“Organics” or “Organic Waste” means Solid Wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, green material, landscape and pruning waste, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). “Biosolids”, “digestate”, “paper products”, and “printing and writing paper” are as defined in 14 CCR Section 18982(a).

## **1.66 Owner**

“Owner” means the Person holding the legal title to the real property constituting the Premises to which Solid Waste Collection service is to be provided under this Agreement or the Person holding legal title to the Approved Disposal Facilities, depending upon the context used in this Agreement.

## **1.67 Permanent Roll-off Box Service**

“Permanent Roll-off Box Service” means the Collection of Solid Waste generated from ongoing operations at a Customer’s place of business using Roll-off Boxes or large Compactors. This includes, for example, the Collection of Solid Waste from a Commercial Premise that would otherwise be Collected using Bin service if the volume of Solid Waste generated were less. This does not include Roll-off Box service used for occasional higher volumes of waste due to special clean-up or other projects, or on construction or demolition sites.

## **1.68 Person(s)**

“Person(s)” means any individual, entity, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of California, the County of Los Angeles, town, city, or special purpose district.

## **1.69 Premises**

“Premises” means any land, or building in the City where Solid Waste is generated or accumulated.

## **1.70 Public Resources Code (PRC)**

“Public Resources Code” or “PRC” means the California Public Resources Code.

## **1.71 Putrescible Waste**

“Putrescible Waste” means wastes that are capable of being decomposed by micro-organisms with sufficient rapidity as to cause nuisances because of odors, gases, or other offensive conditions.

## **1.72 Rate Year**

“Rate Year” means the 12-month period from January 1 to December 31, each year of the Agreement.

## **1.73 Recycle/Recycling**

“Recycle/Recycling” means any process by which materials which would otherwise become Solid Waste are Collected (source-separated, co-mingled, or as mixed waste), separated and/or processed and returned to the economic mainstream in the form of raw materials or products or materials which are otherwise salvaged or recovered for Reuse.

## **1.74 Recyclable Materials**

“Recyclable Materials” means Residential, Commercial or Industrial source

separated by-products of some potential economic value, set aside, handled, packaged, or offered for Collection in a manner different from Trash.

### **1.75 Renewable Natural Gas (RNG)**

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

### **1.76 Residential**

“Residential” refers to property which is used for Residential purposes including Single-Family and Multi-Family dwelling units, irrespective of whether such dwelling units are rental units or are Owner-occupied.

### **1.77 Residential Services**

“Residential Services” means the Collection of Solid Waste and Recyclable Materials from Residential Premises not receiving Bin service.

### **1.78 Residual (or Residue)**

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

### **1.79 Reuse**

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

### **1.80 Roll-off Box**

“Roll-off Box” means an open-top metal Container or closed compactor boxes serviced by a roll-off truck with a capacity of 10 to 50 cubic yards.

### **1.81 Route Review**

“Route Review” means a visual Inspection of containers along a Hauler Route for the purpose of determining Container Contamination, graffiti removal and may include mechanical Inspection methods such as the use of cameras, or as otherwise defined in 14 CCR Section 18982(a)(65).

### **1.81 SB 1383**

“SB 1383” means Senate Bill 1383 (Chapter 395, Statutes 2016), as codified under Chapter 13.1 (commencing with Section 42652) of Part 3 of Division 30 of the California Public Resources Code, as it may be amended and as implemented by the

regulations of CalRecycle, together with Sections 39730.5 through 39730.8 of the California Health and Safety Code, as they may be amended.

#### **1.82 Self-Hauler**

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

#### **1.83 Single-Family**

“Single-Family” means any Residential Premises with fewer than four (4) units.

#### **1.84 Solid Waste**

“Solid Waste” has the same meaning as defined in PRC Section 40191, which defines Solid Waste as all Putrescible Waste and nonputrescible solid, semisolid, and liquid wastes, including garbage, Trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not Hazardous Waste, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes, with the exception that Solid Waste does not include any of the following wastes:

- (1) Hazardous Waste, as defined in PRC Section 40141.
- (2) Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code).
- (3) Medical waste regulated pursuant to the Medical Waste Management Act (Part 14, commencing with Section 117600, of Division 104 of the Health and Safety Code). Untreated medical waste shall not be disposed of in a Solid Waste landfill, as defined in PRC Section 40195.1. Medical waste that has been treated and deemed to be Solid Waste shall be regulated pursuant to PRC, Division 30.

#### **1.85 State**

“State” means the State of California.

#### **1.86 Temporary Service**

“Temporary Service” means Solid Waste Collection services provided on a project basis, such as Construction and Demolition projects and occasional clean-up projects using a Roll-off Box or Bin. Regular Collection of Solid Waste generated by a business’s ongoing operations is not included.

#### **1.87 Third-Party Owned/Managed Events**

“Third-Party Owned/Managed Events” means events that are not owned, planned, or managed primarily by City staff.

### **1.88 Transformation**

“Transformation” means incineration, pyrolysis, distillation, or biological conversion other than composting. “Transformation” does not include composting, gasification, EMSW conversion, or biomass conversion.

### **1.89 Transportation or Transport**

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

### **1.90 Trash**

“Trash” means all Solid Waste except Source Separated Recyclable Materials, Source Separated Organic Materials, Construction and Demolition Debris and Bulky Waste. Trash does not include Hazardous Substances, Hazardous Waste, Electronic Waste, or Universal Waste.

### **1.91 Universal Waste**

“Universal Waste” means any of the following waste that are conditionally exempt from classification as Hazardous Waste pursuant to Title 22 of the California Code of Regulations (22 CCR), § 66261.9: (i) batteries as described in 22 CCR § 66273.2; (ii) thermostats as described in 22 CCR § 66273.4; (iii) lamps as described in 22 CCR § 66273.5; and (iv) cathode ray tube materials as described in 22 CCR § 66273.6.

## **ARTICLE 2** **GRANT AND ACCEPTANCE OF FRANCHISE**

### **2.1 Grant and Acceptance of Franchise**

Subject to the terms and conditions of this Agreement, City hereby grants to Company a Franchise to Collect, transfer, Transport, Recycle, process, and dispose of Solid Waste accumulating in the boundaries of the City of Huntington Park, as presently existing or as such boundaries may be modified during the term of this Agreement, that is required to be accumulated and offered for Collection to Company in accordance with this Agreement.

Company hereby accepts the Franchise on the terms and conditions set forth in this Agreement.

### **2.2 Exclusive Nature of Franchise**

During the term of this Agreement, except as otherwise provided in Section 2.7, or as may otherwise be provided by federal or State law, the rights granted to Company under this Agreement shall be exclusive to Company. City will not let any contract to, or enter into any agreement with, any other Person for the performance of the services herein required to be performed by Company.

City shall protect Company’s exclusive rights by appropriate ordinances. Should City take administrative, law enforcement, or other legal action against any Person that

infringes on Company's exclusive rights, Company shall reimburse City for its reasonable administrative, law enforcement, or other legal costs related to any such action. Nothing herein shall preclude Company from taking such legal action against third parties as it deems appropriate to protect the exclusive nature of its Franchise.

### **2.3 Effective Date**

The Effective Date of this Agreement shall be September 5, 2023.

### **2.4 Term of Agreement and Option to Extend Term**

The term of this Agreement shall commence on the Effective Date and expire on September 4, 2033 ("Initial Term").

Company is entitled to request one (1), five (5)-year term extension to the Initial Term by providing City with written notice of the request no earlier than 24 months prior and no later than 18 months prior to the expiration of the Initial Term. Provided that Company is not then in default of any material term or condition of this Agreement, and has not failed to pay any outstanding liquidated damages and City has not received a compliance order from CalRecycle during the term of this Agreement or been referred to CalRecycle's Jurisdictional Compliance Unit, upon City Council approval, shall grant the requested extension.

### **2.5 Conditions to Effectiveness of Agreement**

The grant of this Franchise and the obligations of City under this Agreement are upon, and subject to the satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by City.

(a) **Accuracy of Representations.** Representations and warranties made by Company throughout this Agreement are accurate, true and correct on and as of the Effective Date of this Agreement.

(b) **Absence of Litigation.** There is no litigation pending in any court challenging the award of this Franchise to Company or the execution of this Agreement or seeking to restrain or enjoin its performance.

(c) **Furnishing of Insurance and Bonds.** Company has furnished evidence reasonably satisfactory to City of the insurance and bonds required by Article 8 within 30 days of award of contract.

(d) **Effectiveness of the City Council Action.** City's Resolution approving this Agreement shall have become effective pursuant to California law prior to the Effective Date of this Agreement.

(e) Payment by Company to City of all fees, costs and other payment due under this Agreement.

### **2.6 Propositions 218 and 26 Release.**

City intends to comply with all Applicable Laws concerning the Maximum Service Rates provided under this Agreement. Upon thorough analysis, the Parties

have made a good faith determination that the Maximum Service Rates for the Solid Waste Collection Services provided under this Agreement are NOT subject to California Constitution Articles XIIIC and XIIID because, among other reasons, such services are provided by a private corporation and not by City, and Company independently establishes the rates for services within the limits established in this Agreement.

Accordingly, Company agrees to hold harmless and release the City indemnitees from and against any and all claims Company may have against the City indemnitees resulting from the Maximum Service Rates provided for under this Agreement or in connection with the application of California Constitution Article XIIIC and Article XIIID to the imposition, payment or collection of the rates under this Agreement. This Section will survive the expiration or termination of this Agreement for Claims arising prior to the expiration or termination of this Agreement.

## **2.7 Limitations on Scope of Franchise**

The Franchise granted to Company shall be exclusive except as to the categories of Solid Waste listed in this Section. The granting of this Franchise shall not preclude the categories of Solid Waste listed below from being delivered to and Collected and Transported by others, provided that nothing in this Agreement is intended to or shall be construed to excuse any Person from obtaining any authorization from City that is otherwise required by law:

- (a) Recyclable Materials source separated from Solid Waste by the Customer and for which the Customer sells or is otherwise compensated by other Persons in a manner resulting in a net payment to the Customer;
- (b) Recyclable Materials and Organics that are source separated at any Premises by the Customer and donated to youth, civic, or charitable organizations;
- (c) Recyclable Materials and Organic Materials, which is removed from any Premises by the Customer, and which is Transported personally by the Customer off such Premises (or by his or her full-time employees) to a processing or Disposal Facility;
- (d) Containers delivered for Recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500 et. seq., California Public Resources Code;
- (e) Landscape and pruning waste removed from a Premises by a gardening, landscaping, or tree trimming company utilizing its own equipment and employees as an incidental part of a total service offered by the company rather than as a hauling service;
- (f) Animal waste and remains from slaughterhouse or butcher shops for use as tallow;
- (g) By-products of sewage treatment, including sludge, sludge ash, grit and screenings;

(h) Collection services related to take-back programs in which manufacturers or retail establishments accept extended responsibility for Recycling goods produced or sold;

(i) Organic Waste that is composted or otherwise managed at the site where it is generated or at a Community Composting site; and,

(j) Edible Food, which is collected from a Generator by other Person(s), such as a Person from a Food Recovery Organization or Food Recovery Service, for the purposes of Food Recovery; or which is Transported by the Generator to another Person(s), such as a Person from a Food Recovery Organization, for the purposes of Food Recovery, regardless of whether the Generator donates, sells, or pays a fee to the other Person(s) to collect or receive the Edible Food from the Generator; and,

(k) Hazardous Waste, medical waste, and radioactive waste, regardless of its source; and,

(l) The casual or emergency Collection, removal, Disposal or diversion of Solid Waste by City through City officers or employees.

Company acknowledges and agrees that City may permit other Persons besides Company to Collect any or all types of the Solid Waste listed in this Section without seeking or obtaining approval of Company under this Agreement. City may enter into agreements with other entities for the Solid Waste and Recycling services not provided for in this Agreement, including but not limited to, Disposal of street sweeping debris and processing of landscaping and pruning waste from City landscaping maintenance operations, contract services, and "niche" Recycling services.

This grant to Company of an exclusive Franchise, right and privilege to Collect, Transport, or process and Dispose of Solid Waste shall be interpreted to be consistent with State and federal laws, now and during the term of the Franchise, and the scope of this exclusive Franchise shall be limited by current and developing State and federal laws with regard to Solid Waste handling, exclusive franchises, control of Recyclable Materials, Solid Waste flow control, and related doctrines. In the event that future interpretations of current law, enactment of new laws or developing legal trends limit the ability of City to lawfully provide for the scope of Franchise services as specifically set forth herein, Company agrees that the scope of the Franchise will be limited to those services and materials which may be lawfully provided for under this Agreement, and that City shall not be responsible for any lost profits claimed by Company to arise out of further limitations of the scope of the Agreement set forth herein. In such an event, it shall be the responsibility of Company to minimize the financial impact to other services being provided as much as possible.

## **2.8 City's Right to Direct Changes**

### **2.8.1 General**

City may direct Company to perform additional services (including new diversion programs, etc.) or modify the manner in which it performs existing services or bills for services. Pilot programs and innovative services that may entail new Collection methods, different kinds of services and/or new requirements for Customers, and

alternative rate structures are included among the kinds of changes that City may direct. Company shall be entitled to an adjustment in the Approved Rate Schedule for providing such additional or modified services, if Company demonstrates that its cost of service would increase.

### **2.8.2      New Diversion Programs**

Company shall present, within 60 days of a request to do so by City, a proposal to provide additional or expanded diversion services. The proposal shall contain a complete description of the following:

- Collection methodology to be employed (equipment, manpower, etc.);
- Equipment to be utilized (vehicle number, types, capacity, age, etc.);
- Labor requirements (number of employees by classification);
- Type of Containers to be utilized;
- Provision for program publicity/education/marketing; and,
- Three-year projection of the financial results of the program's operations in an operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions.

### **2.8.3      City's Right to Acquire Services**

Company acknowledges and agrees that City may permit other Persons besides Company to provide additional Solid Waste services not otherwise contemplated under this Agreement. If pursuant to Section 2.8.2, Company and City cannot agree on terms and conditions of such additional or expanded diversion services within 90 days from the date when City first requests a proposal from Company to perform such services, Company acknowledges and agrees that City may permit Persons other than Company to provide such services.

## **2.9      Ownership of Solid Waste**

Once Solid Waste is Collected, ownership and the right to possession shall transfer directly from the Customer to Company by operation of this Agreement. Subject to Company's objective to meet the source reduction and Recycling goals which apply to City and City's right to direct the Company to process and dispose of Solid Waste at a particular licensed Solid Waste Facility or to dispose of Solid Waste at the particular licensed Approved Disposal Facilities. Company is hereby granted the right to retain, Recycle, process, Dispose of, and otherwise use such Solid Waste, or any part thereof, in any lawful fashion or for any lawful purpose desired by Company.

Subject to the provisions of this Agreement, Company shall have the right to retain any benefit resulting from its right to retain, Recycle, process, Dispose of, or Reuse the Solid Waste, Organic Materials, and Recyclable Materials which it Collects. Solid

Waste, Organic Materials, and Recyclable Materials, or any part thereof, which is disposed of at one of the Approved Disposal Facilities or other Approved Facility shall become the property of the Owner or operator of the Approved Disposal Facility(ies) once deposited there by Company. City may obtain ownership or possession of Solid Waste placed for Collection upon written notice of its intent to do so; however, nothing in this Agreement shall be construed as giving rise to any inference that City has such ownership or possession unless such written notice has been given to Company.

## **2.10 Representations and Warranties**

### **2.10.1 Company Status**

Company represents and warrants that it is (1) duly organized, (2) validly existing and in good standing under all Applicable Laws, (3) duly licensed and qualified to transact business in the State of California, and (4) has the power to provide services as required by this Agreement.

### **2.10.2 Company Authorization**

Company represents and warrants that it has the authority to enter into and perform its obligations under this Agreement. The Board of Directors or partners of Company (or the shareholders, if necessary) have taken all actions required by law, its articles of incorporation, its bylaws or otherwise to authorize the execution of this Agreement. The Persons signing this Agreement on behalf of Company have authority to do so. Company shall authorize one employee as a single point of contact for City for issues arising under this Agreement. City may accept that this employee's actions are taken on behalf of and with the full approval of Company.

### **2.10.3 Company's Investigation**

Company represents and warrants that it has made an independent investigation (satisfactory to it) of the conditions and circumstances surrounding this Agreement and the work to be performed by it.

## **2.11 Annexations**

This Agreement extends to any territory annexed to City during the term of this Agreement which is not within the service area for another Solid Waste enterprise which qualifies under Public Resources Code Section 49521 to continue to provide Solid Waste services. In such event, this Agreement shall become effective as to such area at the earliest possible date permitted by law, and City agrees that it shall cooperate with Company to fulfill any requirement necessary for Company to serve the annexed area consistent with this section.

## **2.12 Business License**

Company and any subcontractors shall annually obtain a City of Huntington Park business license. No contracts for services provided in City shall be awarded to any vendor until such business license has been obtained, and all fees paid therefore, by the vendor and the subcontractors.

## **ARTICLE 3** **DIRECT SERVICES**

### **3.1 Solid Waste Collection Services**

The work to be done by Company pursuant to this Agreement shall include, but not be limited to, the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve Company of the duty to furnish all others, as may be required, whether enumerated elsewhere in this Agreement or not.

The work to be done by Company pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the residents within the City are provided reliable, courteous and high-quality Solid Waste Collection at all times.

#### **3.1.1 Residential Trash Cart Service**

Company shall Collect Trash delivered for Collection by Single-Family Customers and Multi-Family Customers not receiving Bin service not less than once per week. Collection shall occur on Monday through Friday, as shown on the map attached hereto as **Exhibit 8**. Collection shall be semi-automated, such that Company may be required to manually position Customer Carts as needed to ensure that Containers are properly Collected and returned to the appropriate location after Collection so as not to impede parking or traffic. The designated Collection location of Containers, if disputed by the Customer or Company, shall be determined by City.

Additionally, if in City's opinion the existing Collection location is inappropriate, City may require the Customer and/or Company to relocate the Collection location. Company shall replace all Carts (Trash, Recycling and Organic Materials) with lids closed and placed upright after emptying them.

##### **3.1.1.A Processing of Residential Trash**

Company shall process the Residential Trash Cart to recover Recyclable Materials by sending the material to one of the Approved Facilities for processing if necessary to meet the diversion requirements in Section 3.8.

##### **3.1.1.B Backyard Service for Disabled Customers**

Customers physically unable to roll their automated Carts to the point of collection may request Backyard Service. Such Customer requests for Backyard Service shall be subject to City and Company approval. An annual verification process will be initiated, providing evidence of physical disabilities. City and Company will utilize the California Department of Motor Vehicles handicap license as evidence of physical disability. If the Customer does not possess a driver's license, then City and Company shall determine another method of verification.

Collection Carts, Green Waste bundles and Trash Cart overages per Sections 3.1.1, 3.2.1, and 3.3.1 from a Cart Customer's designated Collection location other than curbside, such as backyard, side yard, or driveway, for Collection, and returns Carts when Collection is complete.

### **3.1.2      Commercial and Multi-Family Service**

#### **3.1.2.1    Bin Services**

Company shall provide Bin service to Commercial and Industrial Customers and to Multi-Family Customers that use Bins. Company shall Collect and remove all Trash and Recyclables that are placed in Bins from Multi-Family, Commercial and Industrial Properties receiving Bin service, at least once every week or more frequently if required to handle the waste stream of the Premises where the Bins are located.

Customers that require twice per day Collection shall be charged as though they had twice the number of Containers being Collected once per day.

Customers may lease from Company or third parties compaction equipment that may be attached to Bins. The provision of compaction equipment is outside the scope of this Agreement. Collection of Bins using these devices remains within the scope of this Agreement unless otherwise excluded per Section 2.7.

#### **3.1.2.2    Locking Bins**

Company may charge for locking Bin service at rates that do not exceed those in the Approved Rate Schedule. No additional fees shall be permitted for provision or installation of the lock.

#### **3.1.2.3    Scout Service/Push-Out Service**

Upon Customer request, Company shall provide scout service, whereby Company will access Containers using a small vehicle either to move Containers to street or other public right-of-way for Collection or Collecting Solid Waste directly from Container storage location. The Company may charge the scout rate included in Approved Rate Schedule to move or retrieve a Container twenty-six (26) feet or more to facilitate Collection. In the event of a dispute between Company and Contractor as to whether scout service will be used, City will make the final determination. Company shall confirm that an encroachment permit has been issued for Scout Service that causes a Container to be staged for Collection in the public right-of-way if required by the City.

### **3.1.3      Roll-off Box Service**

Company must provide Permanent Roll-off Box Service to all Customers requesting service at a rate not to exceed the approved maximum rate contained in the Approved Rate Schedule. Customers may lease from Company or third parties compactor Roll-off Boxes. The provision of compaction equipment is outside the scope of this Agreement. Collection from these compactor Roll-off Boxes remains within the scope of this Agreement, unless otherwise excluded per Section 2.7.

### **3.1.4 On-Call Bulky Waste Pickup**

Company shall provide Bulky Waste pickup service to all Customers. Customers will be instructed in educational materials to provide Company with 48 hours' notice, and the items will be Collected on the Customer's regular Collection day.

Bulky Waste Collected by Company may not be landfilled until the following hierarchy has been followed by Company:

- (a) **Reuse as is (if energy efficient)**
- (b) **Disassemble for Reuse or Recycling**
- (c) **Recycle**
- (d) **Landfill**

This hierarchy precludes the use of front- or rear-loading packer vehicles for bulky goods unless the compaction mechanism is not used to compact the Bulky Goods, and unless they have been designated for Disposal.

Company to email the City a bulky items list on a daily basis of addresses that contacted them for this specific service.

#### **Single and Multi-Family Customers Bulky Waste Pickups**

Single and Multi-Family Customers, whether Bin or Cart Customers, are entitled to one (1) Bulky Waste pickup per dwelling unit per week at no additional charge, with additional pickups Billed at rates that do not exceed those in the Approved Rate Schedule. Customers may place up to four (4) items out for Collection per pickup.

#### **3.1.4.1 Commercial Customers**

Company may charge Commercial Bin and Cart Customers for Bulky Waste pickups at rates that do not exceed those in the Approved Rate Schedule, based on the number and type of items. Timing and place of pickup shall be arranged so traffic and sidewalks are not obstructed prior to or during pickup.

### **3.1.5 Commercial Container Overflow Procedures**

#### **3.1.5.1 Service Level Upgrade**

Customers using Bins, Roll-Off Boxes, and Commercial Carts that regularly produce more Solid Waste than their current level of service can accommodate may have their service level increased in accordance with the following procedure:

First Incident in Three Month Period – If more material is placed for Collection than fits in a Container, Company shall photograph the overflowing Container, Collect the Solid Waste, contact the Customer by phone or in person and speak with the Customer about the situation, and send to the Customer (at both the service and billing addresses) the picture and a letter instructing that the next instance of an overflowing Container may result in an increase in the level of service.

Second Incident in Three Month Period – Upon the second event of an overfilled Container in a three-month period, Company shall photograph the overflowing Container, Collect the Solid Waste, contact the Customer by phone or in person and speak with the Customer to discuss about the situation, and send to the Customer the picture and a letter instructing that a third incident in that same three -month period will result in an increase in the level of service.

Third Incident in Three-Month Period – Upon the third event of an overfilled Container in a three-month period, Company shall photograph the overflowing Container, Collect the Solid Waste, contact the Customer by phone or in person and speak with the Customer to discuss about the situation, and send to the Customer the picture and a letter documenting the third incident. Thereafter, Company is authorized to deliver the next larger-sized Container, or an additional Container, or increase frequency of Collection, as best addresses Collection needs, to the Premises, and to adjust the service rate to the rate then in effect for service using the delivered Containers.

### **3.1.6      Temporary Bin Service**

Company shall provide Temporary Bin Service to all Customers requesting such service, including service for Third-Party Owned/Managed Events. Company shall provide the requested Container within 48 hours of request. Special consideration shall be given when determining the pickup area to ensure that the flow of traffic is not impeded.

## **3.2      Recycling Services**

### **3.2.1      Residential Recycling Service**

Company shall provide weekly Recycling Collection to all Residential Cart Customers on the same day as Trash Collection. Company will make available one or more additional Recycling Carts to Customers who regularly Recycle more than will fit into their existing Recycling Cart(s). No extra fee will be charged for Recycling service. Customers will be charged for additional Recycling Carts per the Approved Rate Schedule. Company shall Collect and remove all Recyclable Materials placed in Recycling Carts for Collection.

As of the Effective Date, at a minimum, Recyclable Materials Collected shall include, but not be limited to the items listed in **Exhibit 6**.

### **3.2.2      Commercial Recycling**

Company agrees to provide, in accordance with the Approved Rate Schedule, both single-stream and comingled source separated Recycling Collection service to all Trash Bin service and Commercial Cart Customers requesting it from Company set at rates not to exceed those authorized in the Approved Rate Schedule. Company may purchase Recyclable Materials from its Customers as well. Company agrees to provide Recycling Bins or Carts to Bin Trash Customers in sufficient quantities to meet the Recycling needs of each Customer. As of the Effective Date, Recycling Collection programs shall be made available at a minimum for the items listed in **Exhibit 6**.

Source separated Recycling provided under this section shall be Collected on a separate route from mixed Trash.

Company also agrees to use commercially reasonable efforts to make programs available for all other Recyclable Materials for which it has established markets.

Company shall notify all Customers via a mailed flyer each year of the availability of Recycling Collection programs.

To assist City in meeting the requirements of the Act, Company must have a Recycling program and incentives whereby, at a minimum, Company Collects the Recyclables Materials described in Exhibit 6 and Construction and Demolition Debris. Company agrees to assist City to identify Multi-Family, Commercial and Industrial Premises required to arrange for Recycling Services under State law, offer Recycling Collection to such Premises, and notify City in the event of refusal by Customer to subscribe for Recycling Collection.

### **3.2.3 Construction and Demolition Waste Recycling**

Company shall make reasonable efforts to prevent Construction and Demolition Waste that is suitable for Recycling from being taken to the landfill by:

- Following City's Construction and Demolition Debris Diversion requirements of the Municipal Code;
- Transporting all Construction and Demolition Waste loads to a Materials Recovery Facility where they will be processed for Reuse, or, if materials have been source separated, they may be taken directly to a construction and demolition materials facility for Reuse;
- Inquiring of all Roll-off Box Customers as to the type of Solid Waste to be generated, instructing all potential Construction and Demolition Waste generators regarding how to divert such materials, and providing a how-to brochure; and,
- Contacting contractors on a list provided by City annually to educate them on Construction and Demolition Waste diversion.
- Complying with CalRecycle and California Green Building Standards Code (CalGreen) requirements for the processing and diversion of Construction and Demolition Waste material and land clearing material.
- Diverting a minimum of 65 percent for Construction and Demolition Waste material or the minimum diversion standard specified by CalGreen, whichever is greater.

### **3.2.4 Universal Waste**

Company shall instruct Customers not to set out Universal Waste for Collection except through programs included in this Agreement specifically tailored for the Collection of such items, including sharps Collection programs and Bulky Waste

Collection. Company will utilize Facilities to process Universal Waste at its cost and in compliance with all existing regulations regarding Universal Waste. Company will issue warnings to Customers who inappropriately place Universal Waste in Containers for Collection of Trash, Recyclable Materials, or Organic Materials, and shall tag and not Collect Universal Waste improperly placed for Collection if identified prior to Collection.

In the event that Company Collects improperly set-out Universal Waste, Company is responsible for disposing of it at a properly permitted facility.

### **3.3      Organic Materials Programs**

#### **3.3.1      Residential Organic Materials Collection**

Company shall provide weekly Collection of Organic Materials on the same day as Trash and Recycling Collection to all Trash Cart Customers, using the existing Green Waste Carts. Company shall make available one or more additional Organic Materials Carts to Customers that regularly separate more Organic Materials than will fit in their current Cart(s). Organic Materials services and additional Organic Materials Carts shall be provided in accordance with the Approved Rate Schedule. Organic Materials Collection will be made available pursuant to this Section to all Residential Trash Cart Customers.

Company will deliver a 3-gallon lidded kitchen pail and introductory roll of pail liner to all customers to keep food waste out of the regular kitchen garbage.

As part of its Residential Organic Materials Collection program, Company agrees to develop and implement a Residential Organics Materials program that includes Food Waste, as required by SB 1383 Regulations, by September 5, 2023. The Residential Organics Materials program that includes Food Waste shall comply in all respects with SB 1383, including the applicable Regulations adopted by CalRecycle. The program shall be provided to all Residential Services Customers.

Company shall provide on-going public education and outreach to Customers regarding the program, including but not limited to instructions on changes to the Organic Materials program, what materials may be placed in the Organic Materials Carts, and any other information required by CalRecycle. Company shall initially hold workshops, provide door hangers, or direct mail piece, to be approved by City, and shall continue to provide Customer outreach throughout the term.

Company will divert Collected Organic Materials from Disposal, providing end uses that maximize diversion credit in accordance with CalRecycle guidelines.

Residential Organic Materials Customers who place unacceptable Organics Waste into the Organic Materials Container will be handled in accordance with the procedures set forth in Section 3.4 with respect to the placement of non-Organic Materials into the Organics Container.

#### **3.3.1.1      Residential Organic Materials Collection Program to Include Food Waste Diversion**

Company will implement an Organic Materials program where the Food Waste is

placed in the current Green Waste Container and diverted from Disposal per the diversion guidelines in SB 1383. Trash and Recyclable Materials will continue to be Collected in separate Containers.

### **3.3.2 Commercial Organic Materials Collection**

#### **3.3.2.1 Collection**

Company shall Collect, process and divert Organic Materials from Commercial and Industrial Premises. Company shall provide a program sufficient to enable City and Commercial Customers to meet or exceed the requirements of Public Resources Code Sections 42649.81 and 42649.82 and the Proposed Regulations.

Company shall tailor the appropriate program to fit the waste generation and space constraints of each Commercial Customer. Company shall offer the following options, all-inclusive in this program:

Organic Materials Cart: Commercial Customers that have the space for an additional Cart will have the option to receive a 65-gallon Commercial Organic Materials Cart for Collection (Container colors must comply with the color requirements in SB 1383) at rates in accordance with the Approved Rate Schedule to Customers.

Two-yard Organic Materials Bin: Commercial Customers that have the space and need for a larger Container have the option to receive a two-yard Organic Materials Bin for Collection (Container colors must comply with the color requirements in SB 1383) at rates in accordance with the Approved Rate Schedule to Customers.

Company will deliver a 3-gallon lidded kitchen pail and introductory roll of pail liner to all Multi-Family customers to keep food waste out of the regular kitchen garbage.

#### **3.3.2.2 Site Visits, Education and Outreach**

Within 30 days after the Effective Date, Company will provide an outreach plan to City for approval identifying the site visit schedule for which to send a Company representative to visit each Commercial Customers' Premises for the purpose of assessing levels of Organic Materials generation, assessing when Organic Materials Collection service must be established to meet the requirements of Public Resources Code Section 42649.81, and encouraging all Commercial Customers to establish Organic Materials Collection service. Company will also notify Customers of rate impacts under the new Approved Rate Schedule and opportunities to reduce costs by subscribing to Recycling and Organic Materials service and reducing Trash service.

Company will contact Commercial Customers and provide site visits according to the approved schedule. Company will also provide a site visit to any Commercial Customer that requests a site visit. Beginning January 1, 2024, and annually thereafter, Company representatives will follow up with Commercial Customers not subscribing to the Organic Materials Collection service who are required under MORe or SB 1383 Requirements to participate. The Company representative shall assist Customers with selecting appropriate Containers and Container sizing, identifying acceptable Organic Materials for Collection and processing as set forth in Section 3.3.2.1, and attempting to resolve any logistical detriments to providing Organic

Materials Collection service.

Company will perform waste assessments and make recommendations to approve or deny the issuance of de minimis or physical space waivers for generators requiring or requesting a waiver. The waiver will be submitted to the City for final approval. Waivers granted are for a period of five years. It shall be the responsibility of the Company to reverify that the Generator continues to meet the waiver requirements every 5 years from the date of issuance. Company shall conduct reverifications of waivers through inspection of each Generator and submit the waiver recommendation to the City for final approval. Company shall maintain waiver-related records.

Company will incorporate education regarding Organics Recycling and the State requirements into materials produced under Section 4.3 and will develop its own Organic Materials-specific instructional manual for use in educating participating Customers. All participants shall receive ongoing, on-site training from Company for management, kitchen staff, service employees, janitors, etc. Company will create and distribute a letter to all Commercial Customers. Additional materials may include instructional posters, brochures, or other formats as mutually agreed to by City and Company. As with all outreach material, all items must be submitted for review and approval by City prior to distribution.

On a monthly basis, Company will provide to City an updated Mandatory Commercial Recycling ("MCR"), Mandatory Organics Recycling ("MORe") and SB 1383 Activities Worksheet in a format approved by City staff.

### **3.3.2.3 Contamination**

Company shall perform contamination monitoring, route reviews or waste evaluations per 14 CCR Section 18984.5, and inspections in compliance with the CalRecycle requirements under SB 1383 and provide results of all SB 1383 related activities to the City as part of the monthly reporting and record keeping.

Commercial Customers that place unacceptable Organic Materials or other items that cannot be Recycled such as textiles into the Organic Materials Container(s) will be handled in accordance with the procedures set forth in Section 3.4 with respect to the placement of non-Recyclable Materials into the Recycling Container.

### **3.3.2.4 Processing**

Company shall process recovered Organic Materials in a manner that maximizes diversion credit for City in accordance with CalRecycle regulations and complies with all processing facility requirements under SB 1383.

### **3.3.2.5 Records and Reports**

Company shall maintain records and provide reports to City, at no additional cost, of:

- Commercial and Multi-Family Customers that do and do not participate in an Organics program, whether the Organic Materials program is provided

by Company or another party, and whether the program is for Food Waste or Green Waste (such as a landscaper that composts or otherwise diverts Organic Waste);

- Which Customers are required to participate in an Organics Recycling program per Public Resources Code Section 42649.81;
- Records of Customer site visits, with outcome of each visit;
- Source separated Organic Materials tonnage Collected from Commercial and Multi-Family Customers, separately identifying Green Waste and Food Waste if collected separately;
- Commercial and Multi-Family Customers participating in Food Recovery programs;
- Commercial and Multi-Family Customers using third-party Recycling services;
- Names and contact information of third-party recyclers identified as operating in the City
- Additional information that may be requested by the State/CalRecycle related to Recycling and Organics programs.

### **3.3.2.6    Organic Materials Recycling Program Cost**

The full compensation to Company to provide the Residential Organic Materials program as described in Section 3.3.1 and the Commercial Organic Materials program as described in Section 3.3.2 is included in the rates authorized in the Approved Rate Schedule. Organic Materials Carts and Bins, public outreach, and all other elements of this program are to be provided at no additional cost. Participation in this program is anticipated to increase over time and has been factored into the rates, and no further compensation adjustment shall be implemented.

### **3.3.3    Roll-off Box Organic Materials Collection Service**

Company shall make Collection of Permanent Roll-off Box Service for Organic Materials available to all Customers at rates that do not exceed those shown in the Approved Rate Schedule.

### **3.3.4    Holiday Tree Collection Program**

Company shall operate and notify Customers about an annual holiday tree Collection and Recycling program. The program shall include curbside Collection from Single-Family and Multi-Family Cart and Bin Customers. Collection period shall be from the first Collection day after December 25 and ending on the third Saturday in January. The Company shall reasonably cooperate with City in the scheduling and operation of the holiday tree Collection program. Trees must be cut into lengths no longer than seven feet. All trees shall be diverted unless they include ornaments, flocking, garlands, tinsel, or stands.

### **3.3.5 End Uses for Organic Waste**

Company shall divert Organic Waste from Disposal. Company must provide end uses for Organic Waste that maximize diversion credits for City according to regulations established by CalRecycle.

### **3.3.6 Food Rescue and Donation Program**

Company shall assist the City in identifying potential Edible Food donors and shall coordinate food rescue and donation efforts with each Customer deemed to generate Organic Waste as required by CalRecycle. Company will work with food generating establishments to capture any currently unreported donation efforts, create educational outreach material, to be distribute annually to food service sales representatives and food generating establishments, and add information on food non-profits on the Company's City- dedicated website. Company shall also assist with Edible Food recovery at the City Owned/Managed events per Section 3.6.3.

## **3.4 Warning Notice**

Company shall warn Customers who have non-Recyclable Materials in their Recycling Container, Non-Organic Materials in their Organic Materials Container, or Organic Materials or Recyclable Materials in their Trash Containers as required by CalRecycle under SB 1383. Company must leave instructive warning notices on the contaminated Containers, indicating the issue, and how to correct it. The format of the warning notice must be approved by City.

For Bin Customers, the notice must also indicate that the Customer will be charged a contamination fee if the behavior is not corrected. If, after three written warnings in a six-month period, the Bin continues to be contaminated, a contamination fee may be charged in an amount that does not exceed that authorized in the Approved Rate Schedule.

Company shall report monthly to City any warning notices issued, including the Customer name, service address, the date contamination was observed, the Person who conducted the inspection, any photographic evidence of the violation that was obtained, and any other information reasonably requested by the City. Company will also provide copies of written notices to the City on a monthly basis.

## **3.5 Commercial Mixed Waste Processing**

Company shall process all mixed Commercial Bin, Multi-Family Bin and Roll-off Box Trash to recover Recyclable Materials from Customers.

## **3.6 City Services**

### **3.6.1 City Facilities Collection**

Company shall Collect and dispose of all Solid Waste generated and Recyclable Materials and Organic Materials accumulated at Premises owned and/or operated by City at no additional charge, including Bulky Waste items placed for Collection by City.

Such Premises include, but are not limited to, the City Facilities listed on **Exhibit 5**, offices, parks, street maintenance operations, and street litter Containers. Collections shall be scheduled at a time mutually agreed upon by Company and City. Company will provide all Containers required.

### **3.6.2      Abandoned Item Collection**

Company shall Collect Abandoned Items from the public right-of-way, at City parks, and other public locations, within 24 hours of notification to Company's customer service department or by City at no additional charge.

Company shall implement a roving collection vehicle program, six (6) days per week for the collection of bulky items placed at the curb, discarded legally or illegally, within the public right of ways.

### **3.6.3      Weekly Abandoned Item Sweeps**

Company shall Collect (at no charge to City) Abandoned Items identified by Company personnel during Company's weekly sweeps of all main City thoroughfares on one of the weekly Residential Collection days. Company shall have adequate vehicles available to perform the services outlined in this Section, which may require Collection of Abandoned Items Monday through Friday.

### **3.6.4      City Owned/Managed Events**

Company shall provide Solid Waste, Recycling, and Organic Materials Collection and portable restroom services at City Owned/Managed events each year as may be requested by the City. This shall include providing Containers to Collect and Dispose of all Solid Waste, using waste boxes, waste box liners, Roll-off Boxes and Bins, and providing Containers to Collect source separated Recyclable Materials and Organic Materials, as well as providing portable restrooms and sinks. In the event of any dispute between Company and City over the number and type of such Containers, equipment, restrooms and signs, the decision of the City Manager shall be final.

Company shall also provide signage for display as to what can be placed in source separated Recyclable Materials and Organic Materials Containers. Company shall also assist with Edible Food recovery at the events. Company shall provide these services at no additional cost to City or the ratepayers. Such events include, but are not limited to, those listed in **Exhibit 7**, and any additional community events that are owned, planned, and managed primarily by City staff. Company shall separately report recycling and organic tons diverted from any events with 2,000 or more in attendance.

In addition, Company shall assist the City by canvassing the entire City and picking up bulky items (whether abandoned or on-call) during the Earth Day Event which is held each year in April.

### **3.6.5      Shredding Service for City**

**Company will conduct shredding services annually for City Documents. The date and location will be coordinated with the City.**

### **3.6.6 City Projects**

Company, at no additional charge, shall accommodate City's reasonable written request to provide collection, disposal and recycling services for solid waste and recyclables from the Aquatic Center Project as well as all materials at the City Maintenance Yard. All material generated by all other City Projects shall be the responsibility of the contractor providing the work for the City to follow the City's C&D procedures.

### **3.6.7 Collection of Public Street Litter Baskets and BigBelly Units**

Company shall collect and service all litter baskets two (2) times per day, including replacing liners, and BigBellys once (1) per day. Service will be seven (7) days per week in the public area shown in the below map.



time period requested by City for Collection, cleanup and removal of debris resulting from an emergency or natural disaster, City shall have the right to engage other persons, firms, and entities to Collect, cleanup and remove debris resulting from such emergency or natural disaster for a period ending on the earlier of the date such Collection, cleanup and removal is complete or thirty (30) days following the original request from City.

At the time when Company's work may continue following a natural disaster, Company will cooperate with City to implement the disaster debris cleanup implementation plan. This plan shall identify Company's plans for maximizing the amount of Recyclable Materials diverted from the waste and debris created by the disaster and to identify and secure Disposal Sites and capacity for such waste.

City shall pay Company for the services provided pursuant to this section in accordance with the Approved Rate Schedule. Company's requests for payment for these services shall be accompanied by a full accounting of the labor hours, vehicle usage, Disposal costs, and any other costs incurred by Company for which Company is seeking payment. City reserves the right to audit Company's books and records to ascertain the accuracy of Company's costs.

### **3.6.9      Sharps Collection Program**

Company shall provide mail in Sharps Waste Containers to requesting Residential Customers, both Single and Multi-Family Cart and Bin Customers. Containers will be delivered to residents' door within one week of request. Company shall provide unlimited Sharps Containers at no additional charge. Sharps Waste Containers shall be pre-paid mail back Containers. Company may additionally or alternatively arrange for door-to-door Collection of such Containers through this program; however, Company shall continue to deliver Sharps Waste Containers to residents' door. "Sharps Waste" includes, but is not limited to, hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications or medical testing. Company will develop and distribute public education materials to promote this program, including promoting this program through its website and other outreach activities targeting seniors. This program will be provided at no additional charge to City or Customers.

## **3.7      Containers**

### **3.7.1      Carts**

#### **3.7.1.1      Residential Cart Distribution**

Company shall notify all Residential Cart Customers of any new rate structure and Cart options. Company must obtain City approval of the notice and information to be sent prior to distribution. The notice will provide Customers with information regarding how to request a change to their existing Cart size.

Company shall be responsible for Cart repair and maintenance, and replacing lost, stolen or damaged Carts where needed at no additional charge to the Customer or to City in accordance with Section 3.7.3.

Customers may request one Cart exchange at no charge each year. After one exchange per year, Customers may request Cart exchanges at rates that do not exceed those in the Approved Rate Schedule. One Cart exchange includes all Cart adjustments requested at one time, and multiple Carts and Cart types (Trash, Recycling, and Organic Materials) may be exchanged.

Company shall comply with CalRecycle Cart replacement requirements under SB 1383, including but not limited to color and labeling requirements.

Company shall provide City the number and size of Trash, Recycling, and Organic Materials Cart(s) used by each Customer for annual reporting purposes.

### **3.7.1.2 Use of Existing Carts**

Company may utilize existing Carts in place at the start of service under this Agreement for Commercial Customers and for Residential Customers receiving automated service under the previous Collection agreement, provided that such Carts are in reasonable condition and appearance, and subject to all ongoing maintenance and replacement requirements under this Agreement. Within one month of the start of this Agreement, Company shall replace all Residential Carts with new carts that conform to Section 3.7. Company shall ensure that all Carts in service comply with CalRecycle requirements under SB 1383.

### **3.7.1.3 Cart Requirements**

The Carts provided by Company shall meet the Cart design and performance requirements as specified below, as well as any additional requirements under SB 1383. All Carts selected shall be subject to City approval.

### **3.7.1.4 Cart Load Capacity**

Company shall provide replacement Carts for Residential Trash, Recycling and Organic Materials Collection, as needed. All replacement Carts shall be 95 gallons, unless the Customer requests a smaller size. References to Cart sizes of 35, 65, and 95 gallons are approximate. Acknowledging the different sizes provided by the various Cart manufacturers, the Carts shall be uniform in appearance and must conform to the following ranges in size:

- 30 to 40 gallons,
- 60 to 70 gallons, and
- 90 to 101 gallons.

Depending on their size, the Carts shall have a minimum load capacity as noted below without Container distortion, damage, or reduction in maneuverability or any other functions as required herein.

<b>Cart Size (Gallons)</b>	<b>Minimum Load Capacity (LBS)</b>
<b>90-101</b>	<b>200</b>

60-70	130
30-40	70

### 3.7.1.5 Cart Handles

The Cart handles and handle mounts may be an integrally molded part of the Cart body or molded as part of the lid. The Cart handles will provide a comfortable gripping area for pulling or pushing the Cart or lifting the lid. Pinch points are unacceptable.

### 3.7.1.6 Cart Lid

Each Cart shall be provided with a lid that continuously overlaps and comes in contact with the Cart body or otherwise causes an interface with the Cart body that simultaneously:

- Prevents the intrusion of rainwater, rodents, birds, and flies;
- Prevents the emission of odors;
- Enables the free and complete flow of material from the Cart during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism;
- Permits users of the Cart to conveniently and easily open and shut the lid throughout the serviceable life of the Cart;
- The lid handle shall be an integrally molded part of the lid;
- The lid (and body) must be of such design and weight that would prevent an empty Cart from tilting backward when flipping the lid open; and,
- The lid shall be hinged to the Cart body in such a manner so as to enable the lid to be fully opened, free of tension, to a position whereby it may rest against the backside of the Cart body.

### 3.7.1.7 Cart Colors

The Trash, Recycling and Organic Materials Carts, or their lids, will be differentiated by color, matching current colors in distribution. The colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation. Color must be uniform within each Container. Trash Carts, or their lids, will be black, Recycling Carts will be blue, and Organic Materials Carts will be green, unless CalRecycle implements regulations under SB 1383 requiring alternative colors, in which case any replacement Carts will comply with CalRecycle requirements.

No later than January 1, 2036, Company shall provide all Customers with Collection Containers that comply with the Container color requirements specified in the SB 1383 Regulations. If an existing container breaks or is otherwise rendered non-functional, the Company is to replace the non-functional Container with a Container that complies with the color requirements required by SB 1383.

### **3.7.1.8 Cart Labeling**

Company shall label all Carts with information meeting the requirements of this section, in English and Spanish, and include graphics indicating which materials may and may not be placed in each cart and instructions on how to properly dispose of HHW. Labels shall be replaced when worn. Labeling must be approved by City prior to ordering Carts. All new Carts shall be labeled in accordance with CalRecycle regulations under SB 1383 beginning September 5, 2023.

### **3.7.2 Cart Performance Requirements**

All Carts shall be designed and manufactured to meet the minimum performance requirements described below.

#### **3.7.2.1 Cart Durability**

Carts provided by Company shall remain durable, and at a minimum, shall meet the following durability requirements to satisfy its intended use and performance, for the term of this Agreement:

- Maintain its original shape and appearance;
- Be resistant to kicks and blows;
- Require no routine maintenance and essentially be maintenance free;
- Not warp, crack, rust, discolor, or otherwise deteriorate over time in a manner that will interfere with its intended use;
- Resist degradation from ultraviolet radiation;
- Be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats);
- The bottoms of Cart bodies must remain impervious to any damage, that would interfere with the Cart's intended use after repeated contact with gravel, concrete, asphalt or any other rough and abrasive surface;
- All wheel and axle assemblies are to provide continuous maneuverability and mobility as originally designed and intended;
- Resist degradation by other airborne gases or particulate matter currently present in the ambient air of City;
- Resist damage from common household or Residential products and chemicals; and
- Resist damage from human and animal urine and feces.

#### **3.7.2.2 Stability and Maneuverability**

The Carts shall be stable and self-balancing in the upright position, when either empty or loaded to its maximum design capacity with an evenly distributed load, and with the lid in either a closed or open position.

The Carts shall be capable of maintaining its upright position in sustained or gusting winds of up to 25 miles per hour as applied from any direction.

The Carts shall be capable of being easily moved and maneuvered, with an evenly distributed load equal in weight to its maximum design capacity, on a level, sloped or stepped surface.

### **3.7.2.3 Lid Performance**

Cart lid assemblies shall meet the following minimum requirements:

- Prevent damage to the Cart body, the lid itself or any component parts through repeated opening and closing of the lid by residents or in the dumping process as intended;
- Remain closed in winds up to 25 miles per hour from any direction. All lid hinges must remain fully functional and continually hold the lid in the original designed and intended positions when either opened or closed or any position between the two extremes; and,
- Lid shall be designed and constructed such that it prevents physical injury to the user while opening and closing the Container.

### **3.7.2.4 Reparability**

Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily repairable by the Company personnel. All repairs must restore the Container to its full functionality to meet the design and performance requirements as set for herein.

## **3.7.3 Cart Maintenance Responsibilities**

Company shall be responsible for Cart repair and maintenance, and replacing lost, stolen or damaged Carts as needed at no additional charge to the Customer or to City. Graffiti shall be removed or the Container replaced within one Business Day of request from City or the Customer. However, Company may charge the Customer for repairing or replacing a Cart if the damage was due to the Customer's willful negligence or abuse. In no event shall this charge be greater than Company's actual cost for replacement parts or the new Cart.

## **3.7.4 Bins and Compactors**

Company shall provide Customers with Bins, or compactors upon request, for Collection of Solid Waste. All Commercial Bins shall be replaced and labeled according to the requirements of this Section within 120 days of the Effective Date of this Agreement. All replacement Bins or compactors shall meet the Container color and labeling requirements under SB 1383 and as may be otherwise specified by CalRecycle. Customers may obtain Bin compactors and Roll-Off compactors from

either Company or a third party; the leasing of such equipment is outside the scope of this Agreement.

Company shall maintain its Bins or compactors in a clean, sound condition free from Putrescible Waste Residue. Bins or compactors shall be constructed of heavy metal, or other suitable, durable material, and shall be watertight and well painted. Wheels, forklift slots, and other appurtenances which were designed for movement, loading, or unloading of the Bin or compactor, shall be maintained in good repair. Company shall inspect, and if necessary or requested by the Customer, clean or replace all Bins or compactors once per year at no charge. Company shall perform cleaning or replacement of Bins or compactors more frequently, if necessary, for an additional fee, to prevent a nuisance caused by odors or vector harborage. Customer may request additional cleanings at rates that do not exceed those in the Approved Rate Schedule.

Company shall remove graffiti, at no additional charge, from any Bin or compactor within one Business Day of request by City or Customers. Company shall conduct a commercial graffiti route review and remove graffiti, at no additional charge, on all commercial bins and compactors every 6 months. All Bins and compactors provided by Company shall remain the property of Company.

Each Bin or compactor placed in City by Company shall have the name and phone number of Company in letters not less than three inches high on the exterior of the Container so as to be visible when the Container is placed for use. Company shall identify the Bins or compactors that are assigned to each Commercial and Industrial Customer, and each Multi-Family Customer with Bin service, using a method that is acceptable to City. Company shall repaint Bins upon City's request.

### **3.7.5 Roll-off Boxes**

Company shall provide clean Roll-off Boxes upon request, free from graffiti, equipped with reflectors. Each Roll-off Box placed in City by Company shall have the name and phone number of Company in letters not less than three inches high on the exterior of the Container so as to be visible when the Container is placed for use.

Company shall remove graffiti at no additional charge from any Roll-off Box within one Business Day of request by City or Customers. Company shall properly cover all open Roll-off Boxes during Transport as required by the State Vehicle Code.

## **3.8 Diversion Requirements**

### **3.8.1 Hauler Diversion Requirements**

Beginning September 5, 2023, the minimum amount of hauler-Collected tonnage that shall be diverted by Company through Recycling, Organic Materials Collection, Mixed Waste Processing, and Transformation of the Solid Waste Collected by Company under this Agreement during each year of this Agreement is 44%.

Diverted tonnage shall be tonnage Collected and processed in a manner such that the tonnage is not considered as Disposal by the State (per annual reports to CalRecycle). Diversion achieved by Transformation shall be credited toward reaching

this diversion requirement only to the extent that the State grants City diversion credit. Diversion from third-party diversion shall not be considered towards the minimum diversion rate.

Upon the request of either party, but not more than once every two years, the Parties agree to meet and confer, and negotiate in good faith, regarding adjustments to the hauler diversion requirement, including trends in source reduction, the availability of permitted Facilities that are capable of processing material to achieve the required levels of diversion, the availability of commercially viable markets for Recyclable Materials or Organic Materials, Transportation constraints, embargoes, and the impact of third party recycling and scavenging.

### **3.8.2 Additional Diversion Services**

If City determines that Company has not maximized diversion from the services and programs contemplated under this Agreement, Company agrees to undertake its best reasonable efforts to implement programs and provide equipment necessary in order for City to exceed the State requirement. Additional services required by City under this section that are not otherwise required to be implemented under this Agreement will be implemented in accordance with Section 2.8, under which Company may be entitled to an adjustment in compensation.

## **3.9 Operations**

### **3.9.1 Schedules**

To preserve peace and quiet, no Solid Waste shall be Collected between the hours of 6:00 p.m. and 5:00 a.m. Site and route-specific exemptions may be made to this limitation by City's Director of Public Works, to the extent that the exemptions are not in conflict with the Municipal Code. Company shall adjust the early morning start point of Collection routes to address and minimize service Complaints when warranted and as practicable. If the regularly scheduled Collection day falls on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day, alternate Collection shall be performed on the following day, with Collection delayed for one day for the remainder of the calendar week, except as may be directed by the Director of Public Works in those instances where the make-up day may conflict with routine City street sweeping for a particular sector, quadrant or portion thereof. If any of the foregoing holidays fall on a Saturday, Customers with regularly schedule Saturday Collection, if any, will instead receive Collection on the following Monday, except as may otherwise be directed by the Director of Public Works in those instances where the make-up day may conflict with routing City street sweeping for a particular sector, quadrant or portion thereof. One exception shall be that Customers with seven day per week service will continue to be serviced on all holidays. All other Collection days falling on a legal holiday shall remain as scheduled. Residential Collection shall only take place Monday through Friday, except when Saturday Collection is necessary due to a holiday.

For example, a Wednesday holiday would delay Wednesday, Thursday, and Friday Collection each to the following day. Friday Residential Collection would be

permitted on Saturday. Saturday service would only be provided to seven day per week Customers. Sunday service would be uninterrupted as Sunday service is typically provided only to seven day per week Customers.

Company shall be prepared to review its operations plan outlining the Collection routes, intervals of Collection and Collection times for all materials Collected under this Agreement with City within ten days after the Effective Date and thereafter once annually upon 30-day written notice requesting the review. More frequent reviews may be required if operations are not satisfactory based on documented observations or reports of Complaints. If the plan is determined to be inadequate by City, Company shall revise its plan incorporating any changes into a revised plan and review the revised plan with City within 30 calendar days.

### **3.9.2      Vehicles and Equipment**

(a) **General.** Company shall provide Collection vehicles sufficient in number and capacity to efficiently perform the work required by this Agreement in strict accordance with its terms as described in this Agreement. Company shall have available on Collection days sufficient back-up vehicles for each type of Collection vehicle used to respond to Complaints and emergencies.

(b) **Specifications.** At no time during the Agreement term shall Company use vehicles for the Collection of Solid Waste in City that are more than ten years old. All route vehicles shall use liquefied natural gas ("LNG") or compressed natural gas ("CNG") at the start of service under this Agreement. When RNG is available, which is estimated to be January 1, 2024, all route vehicles shall use RNG that is purchased through a wheeling agreement with a party(ies), provided that the wheeling agreement is for the purchase of gas derived from Organic Waste. Upon the City's request, Contractor shall obtain and provide the City with a written certification by an authorized representative of the publicly owned treatment works or the wheeling agreement service provider certifying that the in-vessel digestion Facility produces the RNG consistent with the requirements of 14 CCR Section 18993.1(h). Company shall maintain records of the amount of RNG purchased and shall report this information to the City. Company shall agree to the City's right to report this RNG usage toward the Jurisdiction's fulfilment of its annual recovered Organic Waste product procurement target in accordance with 14 CCR Section 18993.1.

Company shall be in compliance with all rules and regulations currently in force or passed during the contract term, including South Coast Air Quality Management District ("SCAQMD") and the Air Resource Board's regulations. No rate adjustments shall be made for such changes in law. All vehicles used by Company in providing Solid Waste Collection services shall be registered with the California Department of Motor Vehicles. All such vehicles shall have watertight bodies designed to prevent leakage, spillage or overflow, and shall be equipped with 3rd Eye technology.

Roll-off Box vehicles, Container delivery vehicles, scout vehicles, supervisor pickup trucks, and vehicles used for holiday tree Collection, special events and Bulky Waste Collection are only required to use LNG, CNG or RNG fuel to the extent required by law, including SCAQMD and Air Resources Board regulations, with no rate adjustments granted for any changes in law.

(c) **Vehicle Identification.** Company's name, local telephone number, and a unique vehicle identification number designed by Company for each vehicle shall be prominently displayed on all vehicles, in letters and numbers no less than three inches high. Company shall not place City's name and/or any City logos on Company vehicles. Vehicles shall all be painted in a standard color.

(d) **Cleaning and Maintenance.**

1. Company shall maintain all of its properties, vehicles, Facilities, and equipment used in providing service under this Agreement in a good, safe, neat, clean and operable condition at all times.
2. Vehicles used in the Collection of Solid Waste shall be painted, thoroughly washed, and thoroughly steam cleaned on a regular basis so as to present a clean appearance. City may inspect vehicles at any time to determine compliance with this Agreement. Company shall also make vehicles available to the Los Angeles County Health Department for inspection, at any frequency it requests. Company agrees to replace or repair to City's satisfaction, any vehicle that City determines to be of unsightly appearance, leaking, or in unsatisfactory operating condition.
3. Company shall repaint any vehicles used in the Collection of Solid Waste within 60 days' notice from City, if City determines that their appearance warrants painting. City shall not request that vehicles be painted more than once every three years.
4. Company shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly, or vehicles in such a condition as to be unsafe or excessively noisy, shall be removed from service until repaired and operating properly. Company shall reasonably perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule. Company shall keep accurate records of all vehicle maintenance, recorded according to date and mileage (or hours of operation) and shall make such records available to City upon request.
5. Company shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. Company shall maintain accurate records of repair, which shall include the date and mileage (or hours of operation), nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed, and shall make such records available to City upon request.
6. Upon request by City, Company shall furnish City a written

inventory of all equipment, including Collection vehicles, used in providing service, and shall update the inventory annually. The inventory shall list all equipment by manufacturer, ID number, date of acquisition, type, and capacity.

(e) **Operation.**

1. Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety and local ordinances.

Company shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by State or local weight restrictions on vehicles.

2. Equipment shall comply with US EPA noise emission regulations, currently codified at 40 CFR Part 205 and other applicable noise control regulations, and shall incorporate noise control features throughout the entire vehicle. In no event shall the noise level of equipment used for Collection exceed 75 dB when measured at a distance of 25 feet from the vehicle and five feet from the ground. Company shall submit to City, upon City's request, a certificate of vehicle noise level testing of all vehicles by an independent testing entity. Company shall store all equipment in safe and secure locations in accordance with City's applicable zoning regulations.
3. Company shall be responsible for any damage resulting from or directly attributable to any of its operations, and which it causes to: City's driving surfaces (excluding normal wear and tear), whether or not paved; associated curbs, gutters and traffic control devices; other public improvements; and private roads and alleys.
4. Company shall equip all route vehicles with a GPS tracking system and enable City to monitor route vehicle activity through this system by computer at City through read-only access. Company shall provide activity reports upon request. With this service, Company shall ensure that City has access to the online system to pull up GPS data from trucks at any time during the day.

(f) **City Inspection.** City may cause any vehicle used in performance of this Agreement to be inspected and tested at any commercially reasonable time and in such manner as may be appropriate to determine that the vehicle is being maintained in compliance with the applicable provisions of the State Vehicle Code, including all Vehicle Code sections regarding smog equipment requirements. City may direct the removal of any vehicle from service if that vehicle is found to be in nonconformance with applicable codes or this Agreement. No vehicle directed to be removed from service by City shall be returned to service until it conforms with, and its return to service has been approved by, City. Following any inspection, the Public Works Director shall have the right to cause Company, at its sole cost and expense, to recondition or replace any vehicle or equipment found to be unsafe, unsanitary or unsightly. The Public Works Director's determination may be appealed to the City

Manager, which decision shall be final.

(g) **Brake Inspections.** The brake system of each vehicle used in performance of this Agreement shall be inspected and certified according to State law by the California Highway Patrol or by a brake inspection station licensed by the California Highway Patrol. Notice of certification shall be made available to City within 30 days of request. Failure to submit the required certification if requested shall be grounds for terminating this Agreement.

### **3.9.3 Litter Abatement**

(a) **Minimization of Spills.** Company shall use due care to prevent Solid Waste or fluids from leaking, being spilled and/or scattered during the Collection or Transportation process. If any Solid Waste or fluids leak or are spilled during Collection, Company shall promptly clean up all such materials. Each Collection vehicle shall carry a broom and shovel at all times for this purpose. Company shall notify City within 30 minutes of the spill of any material with the potential to reach the storm drains, including all liquids.

Company shall not transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, accidental damage to a vehicle, or a pre-approved method of Solid Waste transfer between vehicles, without prior written approval by City.

(b) **Clean Up.** During the Collection or Transportation process, Company shall clean up litter in the immediate vicinity of any Solid Waste storage or Collection area whether or not Company has caused the litter. Company shall identify instances of repeated spillage not caused by it directly with the Customer responsible and will report such instances to City. City will attempt to rectify such situations with the Customer if Company has already attempted to do so without success.

### **3.9.4 Personnel**

Company shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical and efficient manner. All drivers shall be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

Company also agrees to establish and vigorously enforce an educational program that will train Company's employees in the identification of Hazardous Waste. Company's employees shall not knowingly place such Hazardous Waste in the Collection vehicles, nor knowingly dispose of such Hazardous Wastes at the processing Facility or Approved Disposal Facilities.

Company shall train its employees in Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection crews to perform the work quietly. Company shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. If any employee is found to be discourteous or not to be performing services in the manner required by this

Agreement, Company shall take all necessary corrective measures including, but not limited to, transfer, discipline or termination. If City has notified Company of a Complaint related to discourteous or improper behavior, Company will consider reassigning the employee to duties not entailing contact with the public while Company is pursuing its investigation and corrective action process.

Company shall provide suitable operations, health, and safety training for all of its employees who use or operate equipment or who are otherwise directly involved in Collection or other related operations.

### **3.9.5 Identification Required**

Company shall provide its employees, Affiliates and subcontractors with identification for all individuals who may make personal contact with residents or businesses in City. City may require Company to notify Customers yearly of the form of that identification. Company shall provide a list of current employees, Affiliates, and subcontractors to City upon request.

City reserves the right to perform a security and identification check through law enforcement agencies upon Company and all its present and future employees, in accordance with accepted procedures established by City, or for probable cause.

### **3.9.6 Fees and Gratuities**

Company shall not, nor shall it permit any agent, employee, or subcontractors employed by it, to request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for the Collection, Transportation, Recycling, processing, and Disposal of Solid Waste other than required under this Agreement.

### **3.9.7 Non-Discrimination**

Company shall not discriminate in the provision of service or the employment of Persons engaged in performance of this Agreement on account of race, color, religion, sex, age, physical handicap or medical condition in violation of any applicable federal or State law.

### **3.9.8 Change in Collection Schedule**

Company shall notify City not later than 45 days prior to, and Residential Customers not later than 14 days prior to, any change in Collection operations which results in a change in the day on which Residential Solid Waste Collection occurs. Company will not permit any Customer to go more than seven days without service in connection with a Collection schedule change. City's approval of any change in Residential Collection is required prior to such change, and such approval will not be withheld unreasonably.

Any changes in the route map or Collection schedule shall require the prior approval of City. City may require changes in the route map or Collection schedule, to improve service, to resolve Complaints or for other reasons.

### **3.9.9 Report of Accumulation of Solid Waste; Unauthorized Dumping**

Company shall direct its drivers to note the addresses of any private Premises at which they observe that Solid Waste is accumulating and is not being delivered for Collection; and the address, or other location description, at which Solid Waste has been dumped in an apparently unauthorized manner. Company shall deliver the address or description to City within five Business Days of such observation. Company shall cooperate with City in the investigation and prosecution of any violations of the Municipal Code, health codes or other laws.

### **3.9.10      Notification of Scavenging or Other Suspicious Situations**

Company shall train drivers who operate in City to recognize and report unusual or suspicious situations to the appropriate emergency responder, or to their supervisor who will contact the appropriate party. Company is responsible for forming a partnership with local authorities to coordinate notification efforts. Examples of activities that Company employees may report includes scavenging of Recyclable Materials, lost child, observation of a burglary or petty theft.

## **3.10      Transportation, Disposal and Processing**

Company shall Transport all Solid Waste Collected pursuant to this Agreement to an Approved Facility listed in Exhibit 2 (transfer station, MRF, processing Facility, Transformation Facility or Approved Disposal Facilities) that meets the performance requirements and regulations included in SB 1383. Company shall notify City immediately if one of the Approved Facilities fails to meet the performance requirements and regulations included in SB 1383.

Company shall maintain complete, accurate and up-to-date records of the quantities of Solid Waste Transported to Solid Waste Facilities and will cooperate with City in any audits or investigations of such quantities.

City reserves the right to require the use of one or more other Solid Waste Facility(ies) (whether landfill, Transformation Facility, transfer station, processing Facility or Material Recovery Facility) at a later date. City and Company will use their best efforts to obtain indemnification against CERCLA, State Environmental Laws, and related claims from the operator of the landfill or other destination City designates. In the event that City selects a Disposal Site or other Facility, City or Company is entitled to a rate adjustment to offset an increase or decrease in rates due to a change in tip fee or Transportation costs.

If City directs Company to a facility other than a Solid Waste Facility selected or owned by Company, and use of this Facility adversely affects the ability of Company to meet either or both of the requirements of Section 3.8 and/or Section 8.3, City and Company shall meet and confer and mutually agree on revised obligations under Sections 3.8 and 8.3.

## **3.11      Status of Disposal Site**

Any Disposal Site utilized by Company shall be designed and constructed in

accordance with 23 California Code of Regulations Section 2510 et seq. (“Subchapter 15”). Any such landfill must have been issued all permits from federal, State, regional, county and City agencies necessary for it to operate as a Class III Sanitary Landfill and is in full regulatory compliance with all such permits.

### **3.12 Dedicated Routes**

Solid Waste Collected in City may not be commingled in Collection vehicles with Solid Waste from other jurisdictions. All routes shall be dedicated exclusively to City of Huntington Park Solid Waste. Company may request permission from City for an exception on a case-by-case basis.

### **3.13 Route Audit**

Once during the first year and every third year thereafter following the Effective Date, Company shall conduct an audit of its Collection routes in City. The route audit, at minimum, shall consist of an independent physical observation by Person(s) other than the route driver or route supervisor of each Residential and Commercial Customer in City. The route audit information shall include, at a minimum, the following information for each account:

For Residential Cart Customers:

- Route Number;
- Truck Number;
- Number and size of Carts by waste stream (Trash, Recycling, Organic Materials);
- Service Address; and,
- Cart condition.

For Commercial and Multi-Family Bin Customers:

- Route Number;
- Truck Number;
- Account Name;
- Account Number;
- Account Service Address;
- Whether each individual address is Commercial or Multi-Family;
- Number of Residential Dwelling units at each Multi-Family account;
- Service Level per Billing System (Quantity, Size, Frequency);
- Service Level per Routing System;
- Observed Containers (Quantity and Size);
- Bin condition;

- Proper signage; and,
- Graffiti.

Within 30 days after the completion of the route audit, Company shall submit to City a report summarizing the results of the route audit. One copy shall be submitted to the City Manager and one to City's billing manager. This summary shall include:

- Identification of the routes;
- Truck numbers;
- Number of accounts, by route and in total (Residential Cart, Multi-Family Bin, and Commercial);
- Types of billing and service exceptions observed;
- Number of billing and service exceptions by type;
- Total monthly billing, pre-audit;
- Total monthly billing, post-audit (subsequent to corrections of identified exceptions; and,
- Percentage of billing and service exceptions:
  - Percentage of the number of accounts with errors to the total number of accounts served;
  - Percentage of the "net" change in monthly billing as a result of the audit to the total pre-audit monthly billing; and,
  - Percentage of the "absolute" change in net monthly billing as a result of the audit to the total "pre-audit" monthly billing.

The report shall include a description of the procedures followed to complete the route audit. This description shall include the names and titles of those supervising the route audits and the name and titles of those performing the observations. Additionally, the report shall include a description of the pre-audit training of the route auditors, particularly if temporary personnel are used.

The report shall also include a description of the changes and Company's plans to resolve the exceptions. The results of the route audit shall be available for review by the City Manager.

### **3.14 Service Exceptions; Hazardous Waste Notifications**

(a) **Failure to Collect.** When Solid Waste is not Collected from any Customer, Company shall notify the Customer in writing, at the time Collection is not made, through the use of a "tag" or otherwise, of the reasons why the Collection was not made.

(b) **Hazardous Waste Inspection and Reporting.** Company reserves the right to inspect Solid Waste put out for Collection and to reject Solid Waste observed to be contaminated with Hazardous Waste and the right not to Collect Hazardous Waste put out with Solid Waste. Company shall notify all agencies with jurisdiction, if

appropriate, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste, found or observed in Solid Waste anywhere within City. In addition to other required notifications, if Company observes any substances that it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on any City property, including storm drains, streets or other public rights of way, Company will immediately notify the City Manager.

(c) **Hazardous Waste Diversion Records.** Company shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste and which was inadvertently Collected from Customers within the City, but diverted from landfilling.

### **3.15 Hazardous Waste Management Component**

Company shall maintain a Hazardous Waste Management Plan describing procedures for handling Hazardous Waste identified in Solid Waste Collected and make it available to City upon request.

### **3.16 Disposal and Facility Capacity Guarantee**

Company guarantees capacity for all Solid Waste Collected under this Agreement for the Agreement term at Company's following Facilities: Grand Central Recycling and Transfer Station and at one or more of the following landfills as needed: El Sobrante, San Bernardino County Landfills and Orange County Landfills. Company guarantees capacity for the Organic Materials at the following Facilities: Grand Central Recycling and Transfer Station.

## **ARTICLE 4 OTHER SERVICES**

### **4.1 Customer Billing**

#### **4.1.1 Residential Customer Billing**

Company shall Bill Residential Customers on a bi-monthly basis (such that each Billing represents two months of service) in advance of service. The first bi-monthly invoices will be for the bi-monthly period commencing September 5, 2023. Company shall Bill any one-time charges, such as extra Bulky Waste or overage pickups, on or after the date of service.

If payment is not made by the due date, Company shall notify Customer in writing that the payment is late. If payment is not made within thirty (30) days after the due date, Company shall notify Customer that the invoice is overdue and that non-payment will result in further collection action.

Billings shall include Company's telephone number for Billing and service

inquiries.

#### **4.1.2 Commercial Customer Billing**

Contactor shall Bill Commercial Customers monthly at the beginning of the month, with payment due no sooner than thirty (30) days after the invoice date. Company shall Bill any one (1) time charges, such as extra pickups or extra Bin cleanings, on or after the date of service.

If payment is not made by the due date, Company shall notify Customer in writing that the payment is late. If payment is not made within thirty (30) days after the due date, Company shall notify Customer that the invoice is overdue and that non-payment will result in further collection action. If payment is not made within sixty (60) days after the initial due date, Company shall submit a list of overdue Customers to the City Manager who shall pursue collection remedies in accordance with the Municipal Code.

Billings shall include Company's telephone number for Billing and service inquiries.

#### **4.1.3 Low-Income Senior Rate Discount**

Special rates are available for qualifying Senior Cart Customers, as shown in the Approved Rate Schedule. The discount will be available only for automated Residential Cart Customers and will be as shown in the Approved Rate Schedule. Qualifying "Senior(s)" are defined as Persons who are 62 years of age or older who also qualify for Edison's low-income discount (Care Program). To qualify for this reduced rate, the Senior must reside at the Premises, own or lease the Premises in his/her name, and the Bill must be in the Senior's name. Senior landlords are not entitled to the discount. Company may request Seniors to re-confirm their entitlement to this reduction no more than once per year, using an application form that must be approved in advance by Company. Company shall handle the administration of this reduced rate. In the event of dispute between Company and Customer as to the applicability of the Senior rate discount, the City Manager shall make the determination, which determination shall be final and binding.

#### **4.1.4 Company's Invoices**

Bills must include a Customer service telephone number, itemized service description documenting each charge, including but not limited to, number and size of Containers, frequency of service, special services, and period billed for. City must approve Company Billings as to content and format of invoice. All bills must carry a due date, and shall not use the phrase "due upon receipt." Bills must use the rates as they appear on the Approved Rate Schedule, and will not separately itemize City fees, surcharges, Disposal components or other breakdown of rates without advance written approval from City.

#### **4.1.5 Customer Billing Adjustments**

Should Company determine that Company has underbilled a Customer, or

Customers, Company may back-Bill for no more than six (6) months. Amounts overbilled to Customers shall be refunded upon discovery and such refunds are not limited by time.

#### **4.1.6      Electronic Billing and Payment**

Company shall offer electronic invoice payment to Customers at no additional charge.

#### **4.1.7      Public Hearing Notices**

Upon City request, Company shall produce, manage and fund distribution of, and manage return correspondence related to public hearing notices regarding rate adjustments.

#### **4.1.8      Suspension of Service Due to Non-Payment**

(a) **Residential Units.** Company shall provide at least three (3) monthly, written notices of delinquency/past-due account status to the occupants of any Residential Unit with a delinquent account and Company shall otherwise make diligent efforts to resolve account delinquencies, including but not limited to the reasonable use of a collection agency. Further, Company shall be entitled to collect late charges at the rate of 1.5% per month after thirty (30) days late and, in addition, if, after Company's exercise of diligent efforts to collect a delinquent account, a Residential Unit remains delinquent, Company shall request placement of the delinquent account onto City tax rolls. The placement of delinquent accounts onto City tax rolls shall occur no more than once-per-year at a time, and in a manner coordinated with the City's regular processing of tax liens. From the proceeds received from the County Tax Assessor, City shall be entitled to retain a sum equal to fifteen percent (15%) of the proceeds collected for the Collector Fee. City shall have no obligation to pay any sums to Company other than those City receives from the County Tax Assessor pursuant to this Section. City will have no liability to Company for failure to collect any such sums.

(b) **Commercial, Industrial and Multi-Family Residential Unit Accounts.** City may permit Company to discontinue service to Commercial, Industrial, and Multi-Family Residential Units whose accounts are more than ninety (90) days past due. Company shall notify Code Enforcement of all discontinued service accounts. Company shall be entitled to collect late charges at the rate of 1.5% per month after thirty (30) days late and, in addition, to charge a reasonable rate for the redelivery of Company provided Containers.

#### **(c)      Commercial, Industrial and Multi-Family Collection for Delinquent Accounts**

As of the effective date of this Agreement, City desires to assist Company with the collection of charges associated with delinquent accounts. Thus, in addition to, or as an alternative to discontinuing service as set forth in this Section 4.18, Company may request City's assistance in placing the delinquent accounts on the annual tax roll.

Company shall provide at least three (3) monthly, written notices of

delinquency/past-due account status to the occupants of any Commercial Property with a delinquent account and Company shall otherwise make diligent efforts to resolve account delinquencies, including but not limited to the reasonable use of a collection agency. Further, Company shall be entitled to collect late charges at the rate of 1.5% per month after thirty (30) days late and, in addition, if, after Company's exercise of diligent efforts to collect a delinquent account, a Commercial Property remains delinquent, Company shall request placement of the delinquent account onto City tax rolls. The placement of delinquent accounts onto City tax rolls shall occur no more than once-per-year at a time, and in a manner coordinated with the City's regular processing of tax liens. From the proceeds received from the County Tax Assessor, City shall be entitled to retain a sum equal to fifteen percent (15%) of the proceeds collected for the Collector Fee. City shall have no obligation to pay any sums to Company other than those City receives from the County Tax Assessor pursuant to this Section. City will have no liability to Company for failure to collect any such sums.

### **1) No Waiver of City Remedies to Address Public Nuisance**

Should Company terminate service to any Customer in the City, nothing herein waives or supersedes the City's rights to initiate code enforcement action(s) in response to the build-up, long-term stagnation, or misplacement of Solid Waste as a result of the termination of Company's service. In addition, the City and Company shall, at the option of either Party, meet and confer in good faith to resolve any matters of public nuisance or Solid Waste build-up that resulted from a termination of service by Company.

## **4.2 Customer Service**

### **4.2.1 Office Hours**

Company office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays, and from 8:00 a.m. to 12:00 p.m. on Saturday. A responsible and qualified representative of Company shall be available during office hours for communication with the public at the office. Normal office hour telephone numbers shall be a toll-free call. Company's telephone system and number of representatives shall be adequate to handle the volume of calls typically experienced on the busiest days. A live operator shall answer calls placed during office hours within one minute of the initial ring. Company shall also maintain a toll-free telephone number for use during other than normal business hours. Company shall have a representative, answering or message providing/receiving (voicemail) service available at the after-hours telephone number. After-hours calls shall be responded to on the next Business Day.

Company shall provide City staff with the phone number or pager number of a live Person who may be reached 24 hours a day.

### **4.2.2 Missed Pick-ups**

When notified of a missed pick-up, Company shall Collect the Trash, Recyclable Materials, and/or Organic Materials the same day, if notified by 12:00 noon, otherwise by 5:00 p.m. of the following day, unless Company can provide documentation the

Container was not placed for Collection in a timely manner. Evidence may include a report by the driver, provided at time of normal Collection, indicating no Container had been placed out for Collection. A summary of missed pickups shall be submitted to City monthly.

#### **4.2.3 Complaint Documentation**

All service Complaints shall be directed to Company. Daily logs of Complaints concerning Collection of Solid Waste shall be retained for a minimum of 24 months and shall be available to City at all times upon request. A summary of Complaints shall be submitted to City monthly.

Company shall log all Complaints received by telephone and the log shall include the date and time the Complaint was received, name, address and telephone number of caller, description of Complaint, the name of the employee recording Complaint and the action taken by Company to respond to and remedy Complaint. All written Customer Complaints and inquiries shall be date-stamped when received. All Complaints shall be initially responded to within one Business Day of receipt. Company shall log action taken by Company to respond to and remedy all Complaints.

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

#### **4.2.4 Resolution of Customer Complaints**

Disputes between Company and its Customers regarding the services provided in accordance with this Agreement may be resolved by City. City's decision shall be final and binding.

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

#### **4.2.5 Government Liaison**

Company shall designate in writing a "Government Liaison" who shall be responsible for working with City and/or City's designated representative(s) to resolve Customer Complaints and assist with waste reduction programs. City shall have the right to approve Company's choice for a liaison.

The Government Liaison shall be the community relations liaison for Huntington Park business, Residential, and school and municipal issues for continuous and consistent collaboration with City and Customers, including his/her physical presence when requested or appropriate at schools, businesses and business organizations, community events, City Council meetings and workshops, et al.

#### **4.2.6 Service Liaison**

Company shall designate in writing a field supervisor (i.e., route manager) as the “Service Liaison” who shall be responsible for working with City and/or City’s designated representative(s) to resolve Customer service related Complaints, and strategize with City on an on-going basis regarding more efficient Collection practices. The Service Liaison will have daily presence in City and daily contact with City staff, and will coordinate with City’s Engineering Department to coordinate Collection practices to accommodate City Road projects. City shall have the right to approve Company’s choice for a liaison.

#### **4.2.7 Customer Service Liaison**

Company shall designate a Customer service representative to which City can direct Customers that contact City with Solid Waste service questions. Customer Service Liaison will take responsibility for completing and closing out work orders within City’s designated work order system. Company shall also designate Customer service representatives dedicated to respond to Customer’s questions regarding the contract transition.

### **4.3 Education and Public Awareness**

#### **4.3.1 Huntington Park Zero Waste Outreach Program**

Company acknowledges and agrees that education and public awareness are critical, key and essential elements of any efforts to significantly exceed CIWMA and SB 1383 requirements. Accordingly, Company agrees to implement a public education plan, with strategies and timetables, to expand public and Customer awareness concerning the need to and methods of reducing, reusing and recycling Solid Waste. Company will provide and distribute waste reduction literature in the form of online resources, web-ads, fliers, cards, magnets or other methods acceptable to City. Any outreach material utilizing paper, provided and distributed by Company, shall be made from recycled-content paper and must be labeled “Printed on Recycled Paper” on the outreach material. Company shall cooperate fully with City in this regard. Company shall submit the public education plan for review by City within 30 days after the Effective Date of this Agreement.

Company shall maintain its own program of providing information relevant to billing and Solid Waste services, issues and needs, to all of its Customers. Company shall assist City in maintaining its Multi-Family mailing list for all Multi-Family dwelling units by reporting changes in Multi-Family Customers and providing addresses of each new or eliminated dwelling unit to City. All public education materials shall be approved in advance by City. All printed materials shall be printed on recycled paper.

#### **4.3.2 Implementation and On-going Education Requirements**

Company will provide a minimum of the following public education items to be developed at Company’s expense and distributed, after City approval, as indicated below:

- **Web-based Program Catalogue** – Company shall be required to develop and provide updated information details for each program to City in an “e-book” or “e magazine” format, or a dedicated website for City programs,

or an alternative format only if approved in advance by City (not PDF), ready for addition to City's and Company's websites. Company shall update this based on any program, service or date changes.

- **Instructional Packet Accompanying Company-Provided Containers**  
– An information packet shall be attached to each set of Carts distributed to a new Customer. Packet should describe available services, including how to place Carts for Collection, which materials should be placed in each Cart, Collection holidays, and a Customer service phone number.
- **Annual Brochures** – The annual brochures shall each be four pages, and in full color, informing Customers of how to use available services, including holiday Collection schedules and Customer services numbers. Once per year, two brochures shall be developed: one for Residential Customers, and one for Commercial and Industrial Customers. These brochures shall be prepared and direct mailed by Company once per year (total of two brochures per year) for each year in which this Agreement is in effect.
- **Quarterly Newsletters** – Company is responsible for preparing and mailing newsletters promoting and explaining programs (such as Recycling, Organic Materials, Holiday Tree and Bulky Waste Collections, free Commercial Recycling, Bulky Item pickup, and proper Household Hazardous Waste Disposal) and Collection schedules, including holiday schedules, up to four times per year, at City's request and with City's review and approval of the materials.
- **Annual Notifications of Commercial Recycling Services** – Company will provide all Bin Customers with notification and description of the Commercial Recycling program available to them.
- **Corrective Action Notice** – For use in instances where the Customer sets out inappropriate materials.
- **SB 1383 Education and Outreach** – Company shall provide additional education and outreach in accordance with the CalRecycle requirements under SB 1383 as well as Food Recovery education and outreach to Edible Food Generators.

All brochures, mailings, and other educational materials are to be approved by City in advance of distribution, and shall not bear City seal unless otherwise approved by City. Any outreach material utilizing paper provided and distributed by Company shall be made from recycled-content paper and must be labeled "Printed on Recycled Paper" on the outreach material.

#### **4.3.3 Waste Reduction Community Events**

At the direction of City, Company shall participate in and promote Recycling, zero waste, waste reduction, and other diversion techniques at City Owned/Managed Events. Such participation would normally include providing, without cost to City, educational information promoting the goals of City's waste reduction efforts.

#### **4.3.4 Multi-Family Recycling Outreach Program**

Company agrees to provide, in accordance with the approved rate schedule in Exhibit 1, Recycling Collection service to Customers requesting it from the Contractor. Company may purchase Recyclable Materials from its Customers as well. The Contractor agrees to provide Recycling Bins or Carts to such Customers in sufficient quantities to meet the Recycling needs of each Customer.

Company will provide all property managers and Residents with Recycling Bin service with Recycling program guidelines, posters to be placed in laundry rooms, Trash/Recyclable Materials Container enclosures and other community areas at each building, and other outreach materials tailored to Multi-Family Bin Customer service. Company to provide educational materials, and to train Owners/managers in how to work with tenants to Recycle. Company shall provide each building Owner and property manager with welcome packets for Owners/managers to provide to each new resident upon move-in; packets will include information on what should be placed in the Recyclable Materials Containers.

Company shall take whatever actions may be appropriate, lawful and effective to discourage the unauthorized removal of Recyclable Materials from the Solid Waste stream, commonly referred to as scavenging. Recycling Bins shall not be used for the Collection of materials prohibited by CalRecycle.

#### **4.3.5 Mandatory Compliance and Outreach for State Regulations**

Company shall assist City in gathering and providing all required Customer data, performing site visits, public outreach, and other requirements in order to comply with State requirements and regulations such as Mandatory Commercial Recycling Requirements and Mandatory Organics Recycling Requirements. The Parties acknowledge that CalRecycle is in the process of implementing SB 1383 (Public Resources Code Section 42652 et seq.), which establishes targets to achieve a 50 percent reduction in the level of the statewide Disposal of Organic Waste from the 2014 level by 2020 and a 75 percent reduction by 2025, and Company shall comply with these and any other requirements of SB 1383. The law grants CalRecycle the regulatory authority required to achieve the Organic Waste Disposal reduction targets, and establishes an additional target that not less than 20 percent of currently disposed edible food is recovered for human consumption by 2025.

#### **4.3.6 Recycling and Take-Back Programs**

Take-Back Program Assistance – Company shall assist in promoting take-back programs, at no additional charge, within the City such as used oil Collection at certified oil Collection centers or promoting Los Angeles County programs (such as, but not limited to County Smart Gardening, S.A.F.E. HHW permanent Collection centers and HHW Collection mobile events).

City-Wide Clean Up Events – Company shall promote and conduct, at no additional charge, at least two Bulky Items (including televisions, monitors and other items

referred to as “e-waste” which will be properly handled in accordance with all Applicable Laws)) and Solid Waste drop-off events (clean-up days) per year at no cost to the City. Company shall obtain prior approval for the date of the events (typically Saturday) from the City, and for the location of the events. On event day, Company shall accept all Solid Waste and Bulky Items dropped off by the City residents. Residency will be proved by driver’s license, utility bills, or other method approved by the City. Company may impose the following restrictions on material Collected:

- No single item that cannot be handled by two workers will be accepted.
- The following items will not be Collected:
  - Hazardous Waste, including waste oil or anti-freeze;
  - Concrete and dirt

Company shall record by class and weight (in tons) the Solid Waste Collected during the clean-up events. Company shall record the types and weights (in tons) of Solid Waste diverted during these clean-ups from the landfill through recycling, reuse, or other means of diversion.

SB 1383 Eligible Mulch and Compost Giveaway Program - Company shall provide two SB 1383 Eligible Mulch and Compost giveaway events per calendar year in coordination at no additional charge. City residents will be allowed to fill up their containers on a first-come, first-serve basis. Company shall provide forty (40) tons of SB 1383 Eligible Compost material at each event delivered to a location designated by the City. Any Compost material remaining after event shall be removed by Company. The SB 1383 Eligible Compost giveaway events will be coordinated with the City and can be held in conjunction with other City events.

#### **4.4 Waste Generation/Characterization Studies**

Company acknowledges that City must perform Solid Waste generation and Disposal characterization studies periodically to comply with the requirements of the CIWMA. Company agrees to participate and cooperate with City and its agents and to accomplish studies and data collection and prepare reports, as needed and directed by City, to determine weights and volumes of Solid Waste Collected and characterize Solid Waste generated, disposed, transformed, diverted or otherwise handled/processed, by Customer type (Single-Family, Multi-Family, Commercial), to satisfy the requirements of the CIWMA. Company will at its sole expense conduct such a waste generation and Disposal characterization study upon request of City or reimburse City its actual costs to contract for a third-party to perform a waste generation/Disposal characterization study, but not more than once every two years, unless required more frequently by CalRecycle.

### **ARTICLE 5 RATE SCHEDULE**

#### **5.1 General**

The rates provided for in this Article shall be the full, entire and complete compensation due to Company pursuant to this Agreement for all services, labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, Disposal,

transfer, processing, profit and all other things necessary to perform all the services required and reasonably anticipated by this Agreement in the manner and at the times prescribed.

Company will perform the responsibilities and duties described in this Agreement in consideration of the right to receive compensation for services rendered at rates that do not exceed maximum rates fixed by City from time-to-time.

## **5.2 Initial Rates**

The maximum rates shown in the initial Approved Rate Schedule attached hereto as **Exhibit 1** are the rates proposed by the Company. Company will provide the services required by this Agreement, receiving no more than the rates authorized by the Approved Rate Schedule, as the same may be adjusted pursuant to this Article 5.

## **5.3 Schedule of Future Adjustments**

Residential Service rates shall not exceed those set forth in the attached initial Approved Rate Schedule until September 5, 2024. Thereafter, Company may seek rate adjustments using the procedure described in Section 5.4. Beginning with the Rate Year commencing on September 5, 2024 for Commercial Services and Residential Services, and for all subsequent Rate Years, Company may request an annual adjustment to the rates shown in the Approved Rate Schedule, based on the method of adjustment described in Section 5.4. Company shall submit its request in writing, to be received by City, via personal delivery or certified mail, at least 90 days prior to the start of the new Rate Year. Failure to submit a written request at least 90 days prior to the start of the new Rate Year shall result in Company waiving the right to request such an increase for the subsequent year.

City may, at its discretion, decrease the rates in accordance with Section 5.4 in the event that the rate adjustment formula produces a decline. If any rates would decline based upon Section 5.4 calculations and a rate decrease is not implemented, the subsequent rate adjustment shall be based upon the average changes in indices since the previous rate adjustment instead of the average change over the prior year.

## **5.4 Method of Adjustments**

### **5.4.1 General**

For Rate Years beginning September 5, 2024 for Commercial Services and Residential Services, and each Rate Year thereafter, Company may request an adjustment to the rate categories included in the Approved Rate Schedule according to the method described below and the formulas shown in **Exhibit 4**, subject to review and approval of City.

### **5.4.2 Rate Adjustment Calculation**

The adjustment to the Approved Rate Schedule shall be based upon the percentage change in the average annual published Consumer Price Index ("CPI"), for Trash and Garbage Collection (CUUR0000SEHG02), U.S. City average, as published by the United States Department of Labor, Bureau of Labor Statistics, between the 12-month period ended on June 30 prior to the Rate Year anniversary date, and the 12-

month period ended the prior June 30. The rate increase is subject to a 5% annual cap.

For example, for the first rate increase effective September 5, 2024, the change in indices shall be measured as the percentage change from the average of the monthly indices for July 1, 2022 - June 30, 2023 to the average of the monthly indices for July 1, 2023 to June 30, 2024. An example calculation is included in **Exhibit 4**. If the index is discontinued, an alternative index must be approved by the City Manager.

## **5.5 Extraordinary Adjustments**

Company may request an adjustment to maximum rates at reasonable times other than that allowed under Section 5.3 and 5.4 of this Agreement in the event of extraordinary changes in the cost of providing service under this Agreement. Extraordinary rate adjustments may be requested no more than once per year, and if approved, will be implemented at the same time as the next regularly scheduled rate adjustment under Section 5.4 effective July 1. No adjustments may be made for inaccurate estimates by Company of its proposed cost of operations, unionization of Company's workforce, change in wage rates or employee benefits.

City will permit an adjustment to the rate based on an increase or decrease in a direct per ton surcharge assessed at the Disposal site or transfer station by federal, State or local regulatory agencies after the Effective Date of this Agreement, to the extent the percentage change in these adjustments exceed the cumulative percentage change in the total rate granted under Section 5.4 since the Effective Date.

For each request for an adjustment to the maximum rates that Company may charge Customers brought pursuant to this section, Company shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to City with support for assumptions made by Company in preparing the estimate. Company shall also submit a schedule showing how its total costs and total revenues have changed over the past three years for the services provided under this Agreement. Upon a request by City, Company shall provide a copy of Company's annual financial statements in connection with City's review of Company's rate adjustment request. City may review tonnage reports and all other applicable documentation to determine the accuracy of the rate adjustment request, including the tonnage to which it applies, the impact on Customer rates, and any other issues City determines to be relevant to this review.

City shall review Company's request and, in City's sole judgment and absolute discretion, make the final determination as to whether an adjustment to the maximum rates will be made, and, if an adjustment is permitted, the appropriate amount of the adjustment, subject to the provisions of Section 2.8. City may consider increases or decreases in Company's total revenues and total cost of services when reviewing an extraordinary rate adjustment request.

In the event the City requires changed or additional services, additional reporting, use of a particular Disposal Site or processing Facility, or change to the City's Municipal Code affecting Company's operations, the Company shall be entitled to request a rate adjustment for increased costs arising out of the City's actions.

## **ARTICLE 6**

### **ADMINISTRATIVE OBLIGATIONS; COMMUNITY INVOLVEMENT**

#### **6.1 Collector Fee**

Company shall pay a monthly fee to City equal to Fifteen Percent (15%) of Gross Receipts collected the preceding month for any service, or related service, provided under this Agreement. This Collector Fee is a specific public benefit remitted to the City in recognition of the granting of this Agreement. Collector Fee payments are due on or before the last day of the following month, together with an accounting of the Gross Receipts and calculations of the Collector Fee, and the attestation required by Section 6.3. Any under-payment or non-payment of the Collector Fee is subject to a late payment penalty of one and one-half percent (1½%) per month, or any fraction of a month beyond the prescribed due date.

#### **6.2 Annual Program Payments**

Commencing ten days after the date of this Agreement, and each September 5 thereafter, Company shall make the following annual payments to the City. Failure to make annual payments on the prescribed date is considered a material breach of this Agreement:

1. CIWMA Program Payment: A "CIWMA Program Payment" in the amount of forty thousand dollars (\$40,000) is to be remitted by the Company on an annual basis to reimburse the City for costs related to compliance with CIWMA mandates, City staff expense for oversight and review of Company recycling activities, and the cost of professional consulting services determined as necessary and/or beneficial by the City; and

2. Performance Audit Program Payment: An annual payment in the amount of fifty thousand dollars (\$50,000) for a third-party review and audit of Company performance, record keeping, and fee calculations. Such an audit will verify the accuracy of all fee payments as well as the Company's implementation of programs, maintenance of records, and general compliance with the terms of this Agreement.

3. Bulky Item Cost Reimbursement Payment: An annual payment in the amount of twenty-five thousand dollars (\$25,000) is to be remitted by the Company on an annual basis to reimburse the City for costs related to defray the City's administrative costs related to Bulky Item pick-ups which City performs. The Bulky Item Reimbursement will reduce the number of calls the Company receives from Customers, as well as the number of calls the Company receives from the City for the collection of bulky items. Company shall provide ample 40 cubic yard rolloffs (no less than four (4), 40 cubic yard bins) at City yard for the accumulation of discarded bulky items collected by City crews as needed.

4. Annually, starting September 5, 2024, the amounts set forth in paragraphs 1 through 3 of this Section will be increased by the percentage change in the CPI for the immediately preceding calendar year.

## **6.3 Attestations**

Each payment of the Collector Fee and Annual Program Payment(s) shall be accompanied by a statement setting forth the Company's computations and the total tax or fee due. Each statement shall include the following certification executed by an officer of Company: "I hereby certify that the foregoing statement is made by me, that I am authorized to make such statement, and that, to the best of my knowledge and belief, it is true, correct and complete."

# **ARTICLE 7**

## **REVIEW OF SERVICES AND PERFORMANCE**

### **7.1 Performance Review Hearing**

City may hold a public hearing on or about the two-year anniversary of the Effective Date, and annually thereafter, at which time Company shall be present and shall participate, to review the Solid Waste Collection, source reduction, processing and other diversion services and overall performance. The purpose of the hearing is to provide for a discussion and review of technological, economic, and regulatory changes in Collection, source reduction, Recycling, processing and Disposal to achieve a continuing, advanced Solid Waste Collection, source reduction and Recycling and Disposal system; and to ensure services are being provided with adequate quality, effectiveness and economy.

Forty-five days after receiving notice from City of a Solid Waste Services and Performance Review Hearing, Company shall, at a minimum, submit a report to City indicating the following:

- (a) Recommended changes and/or new services to improve City's ability to significantly exceed the goals of CIWMA and to contain costs and minimize impacts on rates.
- (b) Any specific plans for provision of changed or new services by Company.
- (c) Results of the most recent route audit as described in Section 3.13.

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

Topics for discussion and review at the Solid Waste Services and Performance Review Hearing shall include, but shall not be limited to, services provided, route audit results, feasibility of providing new services, application of new technologies, Customer Complaints, amendments to this Agreement, developments in the law, new initiatives for significantly exceeding CIWMA's goals, regulatory constraints, and Company's performance. City and Company may each select additional topics for discussion at any Solid Waste Services and Performance Review Hearing.

Not later than 60 days after the conclusion of each Solid Waste Services and Performance Review Hearing, City may issue a report. As a result of the review, City may require Company to provide expanded or new services within a reasonable time and for reasonable rates and compensation, and City may direct or take corrective actions for any performance inadequacies.

## **7.2 Performance Satisfaction Survey**

If requested by City, Company will create and conduct a survey at Company's expense in preparation for any Solid Waste Services and Performance Review Hearing held pursuant to Section 7.1. City shall notify Company of its desire for such a survey at least 90 days in advance of the Solid Waste Services and Performance Review Hearing. The purpose of the survey is to determine Customer satisfaction with current Collection services and Customer service provided by Company. The Survey will be distributed to a minimum of ten percent of the Residential Customers and ten percent of the Commercial Customers, selected at random. City may instruct Company to send out separate Single-Family and Multi-Family/Commercial surveys. Company shall obtain City's approval of each survey's content, format, and mailing list prior to its distribution. City may choose to write or re-write the survey. City may require that Company have Customer responses to the survey returned directly to City.

# **ARTICLE 8**

## **RECORDS, REPORTS AND INFORMATION REQUIREMENTS**

### **8.1 General**

Company shall maintain such accounting, statistical and other records related to its performance under this Agreement as shall be necessary to develop the financial statements and other reports required by this Agreement. Also, Company agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with Applicable Laws and regulation and to meet the reporting and Solid Waste program management needs of City, and in particular, reporting obligations imposed by CIWMA. To this extent, such requirements set out in this and other Articles of this Agreement shall not be considered limiting or necessarily complete. In particular, this Article is intended to only highlight the general nature of records and reports and is not meant to define exactly what the records and reports are to be and their content. Further, with the written direction or approval of City, the records and reports to be maintained and provided by Company in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency.

### **8.2 Records**

#### **8.2.1 General**

Company shall maintain records required to conduct its operations, to support requests it may make to City, and to respond to requests from City in the conduct of City business. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data/records shall be protected and backed up. All records

shall be maintained for five years, unless otherwise provided for in this Agreement, and the last five years of records shall be maintained for an additional three years after the expiration of this Agreement. This provision shall survive the expiration or termination of this Agreement.

Company agrees that its records and the records of any of its Affiliates or subcontractors conducting operations addressed in this Agreement shall be provided or made available to City and its official representatives during normal business hours at City's request. City may review or utilize any of the records described in this section for any purpose whatsoever. Failure to provide the records may be considered a material breach of this Agreement.

#### **8.2.2 Financial Records**

Financial records shall be maintained and expense and revenue information for City shall be segregated from information about other areas served by Company.

#### **8.2.3 Solid Waste Service Records**

Records shall be maintained by Company for City relating to:

- (a) Customer services and billing (for limited services billed by Company);
- (b) Routes;
- (c) Facilities, equipment and personnel used;
- (d) Complaints;
- (e) Missed pickups;
- (f) Number of Trash, Recycling, and Organic Materials Containers, both Residential and Commercial;
- (g) Tons Collected, processed, diverted, and disposed by type of service, waste stream and Customer;
- (h) Weight of each Recyclable Materials recovered at a MRF; and,
- (i) Compliance with Mandatory Commercial Recycling Requirements and Mandatory Organics Recycling Requirements of the CIWMA.

#### **8.2.4 CERCLA Defense Records**

City views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), State Hazardous Substance Law, and related litigation as a matter of great importance. For this reason, City regards the ability to prove where Solid Waste Collected in the City was taken for Disposal, as well as where it was not taken, to be matters of concern. Company shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the City was landfilled (and therefore establish where it was not landfilled) and provide a copy of the reports required in Section 8.3 for five years after

the term during which Collection services are to be provided pursuant to this Agreement, or to provide copies of such records to City. Company agrees to notify the City Manager and City Attorney at least 90 days before destroying such records. This provision shall survive the expiration or termination of this Agreement.

### **8.2.5 Other Programs' Records**

Records for other programs shall be tailored to specific needs. In general, they shall include:

- (a) Plans, tasks, and milestones; and,
- (b) Accomplishments in terms such as dates, activities conducted, quantities of products used, produced or distributed, and numbers of participants and responses.

### **8.2.6 Payments and Refunds**

Should an audit disclose that fees payable to the City by the Company were underpaid or that Customers were overcharged for the period under review, Company shall pay to City any underpayment of fees and/or refund to Company's Customers any overcharges within thirty (30) days following the date of the audit. Undercharges shall not be billed in arrears for more than ninety (90) days of service, with any remaining undercharges absorbed by Company. Should an audit disclose that fees remitted to the City were overpaid, City may credit such amounts against future fees payable by Company.

## **8.3 Reports**

### **8.3.1 Report Formats and Schedule**

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

- (a) Determine and set rates and evaluate the efficiency of operations;
- (b) Evaluate past and expected progress towards significantly exceeding CIWMA goals and objectives;
- (c) Determine needs for adjustment to programs; and,
- (d) Evaluate Customer service and Complaints.

Company may propose report formats that are responsive to the objectives and audiences for each report. The format of each report requires approval by City. The Company agrees to submit all reports on computer USB drives or by electronic means in a format compatible with City's software/computers at no additional charge, if requested by City. Company will provide a certification statement, under penalty of perjury, by an authorized Company official, that the report being submitted is true and correct.

Monthly reports shall be submitted within 30 calendar days after the end of each month. Quarterly reports shall be submitted within 30 calendar days after the end of the calendar quarter. If requested, Company's Complaint summary, described in Section 8.3.3 (a), shall be sent to the Public Works Director within five days of request. Annual reports shall be submitted before January 31 following the reporting year.

All reports shall be submitted electronically to City, as directed, and to:

Public Works Director (or designated representative) Department of  
Public Works  
City of Huntington Park  
6550 Miles Avenue  
Huntington Park, CA 90255

### **8.3.2      Monthly Reports**

The information listed shall be the minimum reported:

- (a) Solid Waste Collected by Company for each month, sorted by type of Solid Waste (Trash, Recycling, Green Waste, Food Waste, tonnage recovered through the processing of mixed waste) and type of Customer (Residential Cart, Bin and Commercial Cart Service, Roll-off) in tons, and the Facilities where the tons were processed or disposed. Bulky Waste items shall be separately reported.
- (b) Materials Recovered. Statement showing kinds of material and quantity sold (in tons).
- (c) Narrative summary of problems encountered (including scavenging) and actions taken with recommendations for City, as appropriate.
- (d) Warning notices issued for contaminated Recyclable Materials and Organic Materials Containers.
- (e) Number of Residential and Commercial Organic Materials diversion Program Participants, if applicable.
- (f) Commercial tons processed and recovered through Commercial Mixed Waste Processing.
- (g) Summary of missed pickups per Section 4.2.2.
- (h) Summary of Complaints per Section 4.2.3.
- (i) Report of contacts, visits and results of Multi-Family Customer visits in accordance with Section 4.3.6.
- (j) Bulky Waste Collection report stating number of items Collected, reused, recycled, and landfilled, in accordance with Section 3.1.4.
- (k) Commercial Recycling site visits summary, including the name and address of Customer, the date of the visit and the contact name and phone number, demonstrating that the required visits have been made, and reason provided for not

establishing a Recycling program, in accordance with Sections 3.2.2 and 4.3.5.

(l) List of Commercial and Multi-Family Customers that do and do not participate in an Organics program, whether the Organics or Organic Materials program is provided by Company, another party or the Customer Self-Hauls, and whether the program is for Food Waste or Green Waste (such as a landscaper that composts or otherwise diverts Organic Waste);

(m) Which Customers are required to participate in an Organics Recycling program per Public Resources Code Section 42649.81;

(n) Commercial and Multi-Family Customers participating in Food Recovery programs;

(o) Commercial and Multi-Family Customers using third-party Recycling, self-haul or back-haul; and

(p) Names and contact information of the third-party Recyclers;

(q) Commercial and Multi-Family waivers granted

(r) Mandatory Commercial Recycling Requirements and Mandatory Organics Recycling Requirements Activities Worksheet in a format approved by the City, and any future SB 1383 worksheets provided by CalRecycle.

(s) Additional information that may be requested by CalRecycle or City related to Recycling and Organics programs, including but not limited to compliance activities related to SB 1383.

(t) Other information or reports that City may reasonably request or require.

### **8.3.3      Quarterly Reports**

The quarterly report should contain at a minimum the information required in the monthly report and the following:

(a) Complaint summary for the quarter summarized by nature of Complaints in Excel

(b) Copies of promotional and public education materials sent during the quarter.

(c) Other information or reports that City may reasonably request or require.

### **8.3.4      Annual Report**

The Annual Report is to be essentially in the form and content of the monthly and quarterly reports combined, but shall also include:

(a) A complete inventory of equipment used to provide all services

(such as vehicles and Containers by size and waste stream type Container is used for).

(b) Results of route audits, including a summary of the number of Bins by size and service level, Cart counts by size and type of service (Trash, Recycling, Organic Materials, and Residential versus Commercial), and Roll-off Box pulls per month by material type.

(c) CERCLA Defense records required under Section 8.2.4.

(d) General information about Company, including a list of officers and members of its board of directors.

(e) Number of routes and route hours per day by type of service.

(f) List of Customers and service levels of the Customers participating in the MCR programs in compliance with MCR Requirements, and list of Customers and service levels not in compliance with MCR Requirements.

(g) List of Customers and service levels of the Customers participating in the MORe programs in compliance with MORe Requirements, and list of Customers and service levels not in compliance with MORe Requirements.

(h) Dates and details of site visits to Customers not in compliance with MCR, MORe, or SB 1383 Requirements.

(i) Other information or reports that City may reasonably request or require.

### **8.3.5 Financial Report**

City may, at City's option, request Company's financial reports/statements for the most recently completed fiscal year in connection with Company's performance or obligations under this Agreement, including a rate adjustment, performance audit, billing audit, or verification of other information required under this Agreement.

Financial statements shall include a supplemental combining schedule showing Company's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement, separated from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles ("GAAP") and audited, in accordance with Generally Accepted Auditing Standards ("GAAS") by a certified public accountant ("CPA") licensed (in good standing) to practice public accounting in the State of California as determined by the State of California Department of Consumer Affairs Board of Accountancy. The cost for preparation of the financial statements and audit shall be borne by Company as a direct cost of service. Company may provide to City the supplemental schedule on a compiled basis.

Company shall, in its agreement with the CPA preparing the audit above, have its CPA make available to City (or City's designated representative) such CPA's working papers related to the audit. The cost, if any, incurred by Company's CPA shall be included in the cost of the audit.

At City's request, Company shall provide City with copies of working papers or other documentation deemed relevant by City relating to information shown in the disclosure letter. The disclosure letter shall be provided to City.

#### **8.4 Adverse Information**

A. Reporting Adverse Information. Company shall provide City two copies (one to the City Manager and one to the City Attorney) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to Company's performance of services pursuant to this Agreement, submitted by Company to, or received by Company from, the United States or California Environmental Protection Agency, CalRecycle, the Securities and Exchange Commission or any other federal, State or local agency, including any federal or State court. Copies shall be submitted to City simultaneously with Company's filing or submission of such matters with the agencies. Company's routine correspondence to the agencies need not be routinely submitted to City, but shall be made available to City promptly upon City's written request.

B. Failure to Report. The refusal or failure of Company to file any required reports, or to provide required information to City, or the inclusion of any materially false or misleading statement or representation by Company in such report shall be deemed a material breach of this Agreement as described in Article 10 and shall subject Company to all remedies which are available to City under this Agreement or otherwise.

#### **8.5 Right to Inspect Records**

City shall have the right to inspect or review the specific documents or records required expressly or by inference pursuant to this Agreement, or any other similar records or reports of Company or its related party entities that City shall deem, in its sole discretion, necessary to evaluate annual reports, compensation applications provided for in this Agreement and Company's performance provided for in this Agreement. Failure to make such records readily available shall be deemed a material breach of this Agreement. The provisions protecting confidentiality set forth in Sections 12.16 and 12.17 apply to the records made available pursuant to this Section.

### **ARTICLE 9 INDEMNIFICATION, INSURANCE AND BONDS**

#### **9.1 Indemnification**

Company hereby agrees to and shall indemnify, defend, and hold harmless City, its elected and appointed boards, commissions, officers, officials, employees, and agents (collectively, "Indemnitees") from and against any and all loss, liability, damage, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) including attorney's fees arising or resulting from and in any way connected with (1) the negligence or willful misconduct of Company, its officers, employees, agents, Affiliates and/or subcontractors in performing services under this Agreement;

(2) the failure of Company, its officers, employees, agents, Affiliates and/or subcontractors to comply in all respects with the provisions of this Agreement, Applicable Laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; (3) the acts of Company, its officers, employees, agents, Affiliates and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws).

The foregoing indemnity and hold harmless shall apply to any loss, liability, penalty, damage, cost, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage encompassed by the first paragraph of this Section, except that which is caused by the negligence or willful misconduct of the Indemnitees', provided such willful misconduct or negligence is determined by agreement between the Parties or by the findings of a court of competent jurisdiction. In instances where an Indemnitee is determined by agreement between the Parties or by the findings of a court of competent jurisdiction to have engaged in willful misconduct or been negligent and where the Indemnitees' willful misconduct or negligence accounts for only a percentage of the liability involved, the obligation of Company under this Section 9.1 will be for that entire portion or percentage of liability not attributable to the willful misconduct or negligence of the Indemnitee(s). Company further agrees to and shall, upon demand of City, at Company's sole cost and expense, defend (with attorneys acceptable to City) the Indemnitees against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events, and to reimburse City for any and all costs and expenses City incurs in providing any such defense, either before, during or after the time Company elects to provide such defense, including any and all costs incurred in overseeing any defense to be provided herein by Company. In instances where an Indemnitee is determined by agreement between the Parties or by the findings of a court of competent jurisdiction to have engaged in willful misconduct or been negligent, City shall reimburse Company for the share of the cost of defense proportionate to the percentage of liability attributable to the willful misconduct or negligence of the Indemnitee(s).

Company, upon demand of City, made by and through the City Attorney, shall protect City and appear in and defend the Indemnitees, in any claims or actions by third parties, whether judicial, administrative or otherwise, that challenge the effectiveness of this Agreement or City's authority to enter into it, including but not limited to disputes and litigation over the definitions of "Solid Waste" or "Recyclable Materials," the scope of the rights granted herein, conflicts between the rights granted herein and rights asserted by other Persons, or the limits of City's authority with respect to the grant of licenses, or agreements, exclusive or otherwise, or asserting rights under the United States or California Constitutions or any federal or State laws to provide Solid Waste services within the City.

City and Company agree to confer following any trial to decide jointly whether to appeal or to oppose any appeal. In the event City and Company jointly agree to appeal, or to oppose any appeal, City and Company agree to share equally the costs of appeals. Should either City or Company decide to appeal, or to oppose an appeal, and the other decide not to appeal, or to oppose an appeal, the Party which decides to appeal, or to oppose an appeal, shall bear all fees and costs of the appeal or the

opposition to the appeal.

**COMPANY'S DUTY TO INDEMNIFY AND DEFEND FROM THE AFOREMENTIONED EVENTS ARISING DURING THE TERM OF THIS AGREEMENT AND AS IT MAY BE EXTENDED SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.**

## **9.2 Hazardous Substances Indemnification**

Company shall defend with counsel reasonably acceptable to City, indemnify, protect and hold harmless the Indemnitees from and against all claims, damages (including but not limited to special, consequential, natural resources and punitive damages), injuries, costs, (including without limit any and all response, remediation and removal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, attorney's fees for the adverse Party and expenses (including without limit attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), (collectively, "Damages") of any kind whatsoever paid, incurred or suffered by, or asserted against, the Indemnitees arising from or attributable to the acts or omissions of Company, its officers, directors, employees, Affiliates or agents, whether or not negligent or otherwise culpable, relating to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Substance, Hazardous Waste, Household Hazardous Waste, Solid Waste, and/or other waste that has been generated, Collected, stored, Transported, or disposed in connection with or related to the performance of this Agreement.

The foregoing indemnity is intended to operate as an agreement pursuant to § 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, CERCLA, 42 USC. § 9607(e), Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et seq., and California Health and Safety Code § 25364, to defend, protect, hold harmless, and indemnify the Indemnitees from liability.

If City exercises its option under Section 3.10, in writing, to direct Solid Waste to another Solid Waste Facility that is not owned or operated by Company or its Affiliates, then this indemnity shall not apply to that portion of the waste that City has redirected.

The liability of Company pursuant to this Section 9.2 is not limited to the limits of the policies of insurance provided pursuant to Section 9.4.

**THE PROVISIONS OF THIS SECTION ARE IN ADDITION TO ALL OTHER PROVISIONS IN THIS AGREEMENT AND SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.**

## **9.3 CIWMA Indemnification**

Subject to the restrictions set forth in Public Resources Code Section 40059.1, Company shall indemnify, defend, and hold harmless City from and against all fines and/or penalties imposed by CalRecycle, if the source reduction and Recycling goals, or any other requirement of the CIWMA, are not met by City with respect to the waste

stream Collected under this Agreement, and such failure is: (i) due to the failure of Company to meet its obligations under this Agreement, or, (ii) due to delays of Company in providing information that prevents Company or City from submitting reports required by CIWMA in a timely manner. The provisions of this Section shall survive the termination or expiration of this Agreement.

#### **9.4 Insurance**

Company shall procure and maintain during the entire term of this Agreement the following types of insurance, and shall maintain the following minimum levels of coverage, which shall apply to any claims which may arise from or in connection with Company's performance hereunder or the actions or inactions of any of Company's officers, agents, representatives, employees, or subcontractors in connection with Company's performance. City does not, and shall not, waive any rights against Company which it may have by reason of the hold harmless agreements, because of acceptance by City or the deposit with City by Company of the insurance policies described in this section. The insurance required is in addition to and separate from any other obligations contained in this Agreement.

(a) **Minimum Scope of Insurance.** Coverage shall be at least as broad as:

1. The most recent editions of Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 1996 or later).
2. The most recent editions of Insurance Services Office form number CA 00 01 covering Automobile Liability, code 1 "any auto" and endorsement CA 00 25.
3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

(b) **Minimum Limits of Insurance.** Company shall maintain in force for the term of this Agreement limits no less than:

1. General Liability: \$10,000,000.00 limit aggregate and \$5,000,000.00 limit per occurrence, for bodily injury, personal injury and property damage per year. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$5,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

(c) **Deductibles and Self-Insured Retentions.** Any deductibles or self-

insured retentions must be declared to and approved by City. At the option of City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Indemnitees; or Company shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in the amount of such deductibles or self-insured retentions.

(d) **Other Insurance Provisions.** The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
  - a. City of Huntington Park and its officers and employees are to be named as additional insureds by policy endorsement as respects: liability arising out of activities performed by or on behalf of Company; products and completed operations of Company; premises owned, leased or used by Company; or vehicles owned, leased, hired or borrowed by Company. The coverage shall contain no additional limitations on the scope of protection afforded to City, its elective and appointive boards, commissions, officials, employees or agents unless specifically agreed to in writing by City.
  - b. Company's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by City, its officials, elective and appointive boards, commissions, employees or agents shall be excess of Company's insurance and shall not contribute with it.
  - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Indemnitees.
  - d. Coverage shall state that Company's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - e. The automobile liability policy shall be endorsed to delete the Pollution and/or the Asbestos exclusion and add the Motor Carrier Act endorsement (MCS-90), TL 1005, TL 1007 and/or other endorsements required by federal or state authorities.
2. Workers' Compensation and Employers Liability Coverage - The insurer shall agree to waive all rights of subrogation against the Indemnitees for losses arising from work performed by Company for City pursuant to this Agreement.
3. All Coverages - Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either Party, reduced in coverage or in limits

except after 30 days' prior written notice by certified mail, return receipt requested, has been given to City.

(e) **Acceptability of Insurers.** The insurance policies required by this section shall be issued by an insurance company or companies authorized to do business in the State of California and with a rating in the most recent edition of A.M. Best's Insurance Reports of size category VII or larger and a rating classification of A or better.

(f) **Verification of Coverage.** Company shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this section. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by or acceptable to City and are to be received and approved by City before work commences. City reserves the right to require complete, certified copies of all required insurance policies, at any time. City will attempt to maximize confidentiality of the policies to the extent permitted by law.

Renewal certificates will be furnished periodically to City to demonstrate maintenance of the required coverage throughout the term.

(g) **Companies and Subcontractors.** Company shall include all other companies and subcontractors providing services on behalf of Company at its request under this Agreement as additional insureds under its policies or shall furnish separate certificates and endorsements for each other company and subcontractor. All coverages for companies and subcontractors shall be subject to all of the requirements stated herein.

(h) **Required Endorsements.**

1. The Workers' Compensation policy shall contain an endorsement in substantially the following form:

"Thirty days prior written notice by certified mail (ten days in the event of cancellation for non-payment), return receipt requested, shall be given to City in the event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall be sent to:

City Manager  
The City of Huntington Park  
6550 Miles Avenue  
Huntington Park CA 90255

2. The Public Liability policy shall contain endorsements in substantially the following form:

- a. "Thirty days prior written notice (ten days in the event of cancellation for non-payment) shall be given to City in the

event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall be sent to:

City Manager  
The City of Huntington Park  
6550 Miles Avenue  
Huntington Park CA 90255

- b. "The City, its officers, elective and appointive boards, commissions, employees, and agents are additional insureds on this policy."
- c. "This policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by City, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only."
- d. "Inclusion of City as an additional insured shall not affect City's rights as respects any claim, demand, suit or judgment brought or recovered against Company. This policy shall protect Company and City in the same manner as though a separate policy had been issued to each."

(i) Other Insurance Requirements.

- 1. Company will establish an insurance policy repository and maintain copies of insurance policies required pursuant to this Agreement for 25 years after the end of the term during which Collection services are to be provided pursuant to this Agreement. Company shall notify City's Risk Manager and City Attorney before destroying copies of such policies. This provision shall survive the expiration of the period during which Collection services are to be provided under this Agreement.
- 2. In the event any services are delegated by Company to another contractor or subcontractor, Company shall require such contractor or subcontractor to provide statutory Workers' Compensation insurance and employer's liability insurance for all of the other contractor or subcontractor's employees engaged in the work in accordance with this section. The liability insurance required by this section shall cover all contractors or subcontractors, or the contractor or subcontractor must furnish evidence of insurance that meets all of the requirements of this section.

Company shall comply with all requirements of the insurers issuing policies. The carrying of insurance shall not relieve Company from any obligation under this Agreement. If any claim exceeding the amount of any deductibles or self-insured reserves is made by any

third party against Company or any contractor or subcontractor on account of any occurrence related to this Agreement, Company shall promptly report the facts in writing to the insurance carrier and to City.

If Company fails to procure and maintain any insurance required by this Agreement, City may take out and maintain, at Company's expense, such insurance as it may deem proper and deduct the cost thereof from any moneys due Company.

## **9.5 Performance Bond**

### **9.5.1 Performance Bond Required.**

Within ten days of the Effective Date, Company shall deliver to City a performance bond, from an admitted surety insurer with an A.M. Best rating of not less than A-, in the amount of \$1,000,000.00 substantially in the form provided in **Exhibit 3**, which secures the faithful performance of this Agreement, including, without limitation, payment of any liquidated damages and the funding of any work to cure a breach of this Agreement. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional, annually renewed, and remain in force during the entire term of this Agreement and for the period specified in subsection 9.5.3, and shall be null and void (and returned to Company) at the conclusion of that period if Company promptly and faithfully performs all terms and conditions of this Agreement.

### **9.5.2 Forfeiture of Performance Bond.**

In the event Company shall for any reason become unable to, or fail in any way to, perform as required by this Agreement, City may declare a portion or all of the performance bond which is necessary to recompense and make whole City, forfeited to City. In the event Company fails to renew the performance bond at least 30 days prior to its expiration, and fails to notify City of same within that same period, City may declare the performance bond forfeited to City. Upon partial or full forfeiture of the performance bond, Company shall restore the performance bond to its face amount within 30 days of City's declaration. Failure to restore the performance bond to its full amount within 30 days shall be a material breach of contract.

### **9.5.3 Duty to Maintain Beyond Service Term.**

Some Agreement requirements extend beyond the term and other requirements, such as minimum diversion rates per Section 3.8, will not be substantiated until after the final service date. Therefore, Company shall not terminate the performance bond, and will renew it annually to ensure continuous availability to City, until receiving a written release from City. Any performance bond will automatically expire at the end of 18 months after the end of the term unless City has notified Company in writing as to a specific contractual claim which is yet to be resolved, instructing Company to retain the bond until the contractual claim is resolved. Neither permission from City to discontinue holding this bond, nor permitted expiration after 18 months, shall relieve Company of payments to City that may be due, or may become due.

## **9.6 Property Damage**

Any physical damage caused by the acts or omissions of employees of Company to public or private property shall be promptly repaired or replaced by Company at Company's sole expense.

## **9.7 Pavement Damage**

Company shall be responsible for the cost to repair any damage to City's driving surfaces, whether paved or not paved, beyond normal wear and tear, caused by Company, or Company's subcontractor's, vehicles or employees. Company understands that the exercise of this Franchise may involve operation of its Collection vehicles over private roads and streets. Disputes between Company and its service recipients as to damage to private pavement are civil matters and complaints of damage will be referred to Company as a matter within its sole responsibility and as a matter within the scope of Section 9.1.

# **ARTICLE 10**

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

### **10.1 General**

In addition to, but not in lieu of, any other rights or remedies City might have under this Agreement, at law or in equity, in the event that Company fails, refuses or is unable to Collect, Recycle, process, Transport or dispose of any or all Solid Waste as required by this Agreement, at the time and in the manner provided in this Agreement, for a period of more than 72 hours, and if, as a result thereof, Solid Waste should accumulate in City to such an extent, in such a manner, or for such a time that City should find that such accumulation endangers or menaces the public health, safety or welfare, then City shall have the right, but not the obligation, upon notice to Company as hereinafter set forth, (1) to perform, or cause to be performed, such services itself with its own or other personnel without liability to Company; and/or (2) to take possession of any or all of Company's collection Vehicles and Containers that are used by Company to Collect and Transport to an Approved Facility any Solid Waste generated within City which Company would otherwise be obligated to Collect, Transport to an Approved Facility and properly dispose of or process pursuant to this Agreement (the "Designated Vehicles and Designated Containers").

Notice of Company's failure, refusal or neglect to Collect, Transport and properly dispose of or process Solid Waste may be given orally by telephone to Company at its principal office and shall be effective immediately. Written confirmation of such oral notification shall be sent to Company within one Business Day of the oral notification.

Company further agrees that in such event:

- (a) It will take direction from City to affect the transfer of possession of the Designated Vehicles and Designated Containers to City for City's use.
- (b) It will, if City so requests, keep in good repair and condition all of the Designated Vehicles and Designated Containers, provide all motor vehicles

with fuel, oil and other service, and provide such other service as may be necessary to maintain the property in operational condition.

(c) City may immediately engage all drivers and other personnel necessary for the Collection and Transportation of Solid Waste as contemplated by this Article 10, including, if City so desires, employees previously or then employed by Company. Company further agrees, if City so requests, to furnish City the services of any or all management or office personnel employed by Company whose services are necessary for Solid Waste Collection, Transportation, processing and Disposal operations and for the Billing and Collection of fees for these services as contemplated by this Article 10. City acknowledges that the persons described in this paragraph (c) may have duties and responsibilities relating to Company's ongoing business operations during any period in which this Article 10 is implemented and agrees to coordinate and cooperate with Company in City's use of those persons hereunder to minimize, to the extent possible, any adverse impact such use would have on Company's ongoing business operations during such period. City also acknowledges that the trucks (but not the Containers) included in the definition of Designated Vehicles and Designated Containers are also used by Company to service other customers outside of Huntington Park on days when they are not used for collection under this Agreement, and agrees that Company shall have the right, if it elects to do so, to continue using the trucks for such service to other customers during any period in which this Article 10 is implemented.

City agrees that it assumes complete responsibility for the proper and normal use of such equipment and facilities while in its possession. If the interruption or discontinuance in service is caused by any of the reasons listed in Section 11.5, City shall pay to Company the reasonable rental value of the Designated Vehicles and Designated Containers, possession of which is taken by City, for the period of City's possession, if any, which extends beyond the period of time for which Company has rendered bills in advance of service, for the class of service involved.

## **10.2 Billing and Compensation to City During City's Possession**

During such time that City is providing Solid Waste services, as above provided, City shall bill and collect payment from all users of the above-mentioned services as described in Section 4.1. Company further agrees that, in such event, it shall reimburse City for any and all costs and expenses incurred by City beyond that billed and received by City in taking over possession of the Designated Vehicles and Designated Containers for Solid Waste service in such manner and to an extent as would otherwise be required of Company under the terms of this Agreement. Such reimbursement shall be made from time to time after submission by City to Company of each statement listing such costs and expenses, but in no event later than five Business Days from and after each such submission. To the extent Company provides services, equipment, materials or personnel to or on behalf of the City during any period in which this Article 10 is implemented which are the same as or similar to what Company would otherwise do in connection with providing services itself under this Agreement, including but not limited to those described in paragraphs (b) and (c) of Section 10.1, Company shall be

entitled to reimbursement for the costs and expenses incurred by Company for the same from the Customer Billings and payments for such period. City and the Company agree that the Customer Billings and payments for the period in which this Article 10 is implemented shall not constitute "Gross Receipts" and therefore no Collector's Fee shall be due or payable thereon.

### **10.3 City's Right to Relinquish**

It is further mutually agreed that City may at any time at its discretion relinquish possession of any or all of the Designated Vehicles and Designated Containers to Company and thereupon demand that Company resume the Solid Waste services as provided in this Agreement, whereupon Company shall be bound to resume the same.

### **10.4 City's Possession Not A Taking**

City's exercise of its rights under this Article: (1) does not constitute a taking of private property for which compensation must be paid; (2) will not create any liability on the part of City to Company; and (3) does not exempt Company from the indemnity provisions of Article 9, which are meant to extend to circumstances arising under this section.

### **10.5 Duration of City's Possession**

City's right pursuant to this Article to retain temporary possession of Designated Trucks and Bins, and to render Collection services, shall terminate when City determines that such services can be resumed by Company, or when City no longer reasonably requires such property or equipment. City also agrees that, upon the request of Company (accompanied by satisfactory assurances that Company is then ready, willing and able to resume such services), the City will make the determination described in the preceding sentence as to whether such services can be resumed by Company, which determination shall not be unreasonably withheld or delayed. In any case, City has no obligation to maintain possession of the Designated Vehicles and Designated Containers and/or continue their use for any period of time and may at any time, in its sole discretion, relinquish possession to Company.

## **ARTICLE 11**

### **DEFAULT, REMEDIES AND LIQUIDATED DAMAGES**

#### **11.1 Events of Default**

All provisions of this Agreement to be performed by Company are considered material. Each of the following shall constitute an event of default.

- (a) **Fraud or Deceit or Misrepresentation.** If Company engages in, or attempts to practice, any fraud or deceit upon City or makes a misrepresentation regarding material information to City.
- (b) **Insolvency or Bankruptcy.** If Company becomes insolvent, unable, or unwilling to pay its debts, files a bankruptcy petition or takes steps to liquidate its assets.

(c) **Failure to Maintain Coverage.** If Company fails to provide or maintain in full force and effect the insurance required by Article 9 of this Agreement.

(d) **Violations of Regulation.** If Company violates any orders or filings of any regulatory body having jurisdiction over Company or City relative to the performance of this Agreement, provided that Company may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of the Franchise and this Agreement shall be deemed to have occurred until a final decision adverse to Company is entered.

(e) **Failure to Perform.** If Company ceases to provide Collection, processing or Recycling services as required under this Agreement over all or a substantial portion of its Franchise area for a period of two consecutive days or more, unless excused per Section 11.5.

(f) **Failure to Pay.** If Company fails to make any payments required under this Agreement by the specified due date.

(g) **Failure to Provide Required Information.** If Company fails or refuses to provide City, within ten days of written demand, with required information, reports, and/or records in a timely manner as provided for in this Agreement.

(h) **Acts or Omissions.** Any other act or omission by Company related to performance under this Agreement which violates the terms, conditions, or requirements of this Agreement, the California Integrated Waste Management Act of 1989, any Applicable Law as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if Company cannot reasonably correct or remedy the breach within the time set forth in such notice, if Company should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter. Any notice of violation of this subsection (h) issued by City shall include a period of thirty days as the time set to correct or remedy the violation, or such shorter period provided to City by any related notice from CalRecycle or other governmental or regulatory agency.

(i) **False or Misleading Statements.** Any written representation or disclosure made to City by Company in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement.

(j) **Attachment.** There is a seizure of, attachment of, or levy on, the operating equipment of Company, including without limits its equipment, maintenance or office facilities, or any part thereof, and the same would render Company unable to perform its obligations under this Agreement. Company may contest any such seizure, attachment or levy by appropriate proceedings conducted in good faith, in which case no breach of the Franchise and this Agreement shall be deemed to have occurred until a final decision adverse to

Company is entered, so long as during such period Company continues to perform its obligations under this Agreement.

(k) **Failure to Provide Assurance of Performance.** If Company fails to provide reasonable assurances of performance as required under Section 11.6.

(l) **Failure to Use Collection Vehicles Powered by Renewable Natural Gas or Vehicles Less Than Ten Years of Age.** If Company fails to comply with the vehicle requirements of Section 3.9.2.B.

Company shall be given 72 hours from written notification by City to cure any default arising under subsections (e), (j), (k), and (l) above, provided, however, that City shall not be obligated to provide Company with a notice and cure opportunity if Company has committed and received a written notice and opportunity to cure the same or similar breach within a six-month period. Company shall be given 72 hours from written notification by City to cure any default arising under subsection (f) above, provided, however, that City shall not be obligated to provide Company with a notice and cure opportunity if Company has committed and received two or more written notices and opportunity to cure the same or similar breach within a six-month period. Unless otherwise indicated, City is not obligated to provide an opportunity to cure a default arising under the other subsections.

## **11.2 Criminal Activity of Company**

Should Company or any of its officers, directors or employees be found guilty of felonious conduct related to the performance of this Agreement, or of felonious conduct related to antitrust activities, illegal transport or disposal of hazardous or toxic materials, or bribery of public officials, City reserves the right to unilaterally terminate this Agreement or impose other such sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it shall deem proper. Such action shall be taken after Company has been given notice and opportunity to present evidence in mitigation. The term "found guilty" shall be deemed to include any judicial determination that Company or any of Company's officers, directors or employees is guilty and any admission of guilt by Company or any of Company's officers, directors or employees including, but not limited to, the plea of "guilty", "nolo contendere", "no contest", and "guilty to a lesser charge" entered as part of any plea bargain. If this Agreement is terminated pursuant to the above, such termination shall not occur if, within six months after City determines to terminate, Company completes a transfer of its contract rights and obligations to an individual or entity acceptable to City pursuant to this Agreement.

## **11.3 Right to Terminate Upon Default**

Upon a default by Company, City shall have the right to terminate this Agreement upon a ten days' notice if the public health or safety is threatened, or otherwise 30 days' notice, but without the need for any hearing, suit or legal action.

City's rights to terminate this Agreement, or to take possession of Company's Designated Vehicles and Designated Containers is not exclusive; and City's termination of this Agreement shall not constitute an election of remedies. Instead, they shall be in

addition to any and all other legal and equitable rights and remedies which City may have.

By virtue of the nature of this Agreement, the urgency of timely continuous and high-quality service, the time required to effect alternative service, and the rights granted by City to Company, the remedy of damages for a breach hereof by Company is inadequate and City shall be entitled in injunctive relief.

#### **11.4 Liquidated Damages**

(a) **General.** City finds, and Company agrees, that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by City as a result of a breach by Company of its obligations under this Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that:

- (i) substantial damage results to members of the public who are denied services or denied quality or reliable service;
- (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of this Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms;
- (iii) the services provided under this Agreement might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and
- (iv) the termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

(b) **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties further acknowledge that consistent, reliable Solid Waste Collection service is of utmost importance to City and that City has considered and relied on Company's representations as to its quality of service commitment in awarding the Franchise to it. The Parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The Parties further recognize that if Company fails to achieve the performance standards, or fails to submit required documents in a timely manner, City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which City will suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of default under this Article 11, the Parties agree that the following liquidated damage amounts represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this

Agreement, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that this Agreement was made.

Company \_\_\_\_\_ City \_\_\_\_\_

Initial Here \_\_\_\_\_ Initial Here \_\_\_\_\_

Company agrees to pay (as liquidated damages and not as a penalty) the amounts set forth below:

1. **Collection Reliability**

- a. For each failure to commence service to a new Customer account within seven days after order, which exceed five such failures annually \$150.00
- b. For each failure to deliver Bins, Carts, or Containers on the day scheduled for delivery that exceeds five such failures annually: \$ 50.00
- c. For each failure to correct a missed pickup within the timing allotted for correction per Section 4.2.2, and for each additional Business Day in which the Collection is not made up, which exceeds ten such failures annually: \$50.00/day
- d. For each failure to Collect Solid Waste, which has been properly set out for Collection, from the same Customer on two consecutive scheduled pickup days: \$150.00
- e. For each failure to Collect Solid Waste, which has been properly set out for Collection, from an established Customer account on the scheduled Collection day which exceeds ten such failures annually: \$25.00/pickup

2. **Collection Quality**

- a. For each occurrence of damage to private property which exceeds five such occurrences annually: \$250.00

- b. For each occurrence of failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place Containers upright which exceeds ten such occurrences annually: \$150.00
- c. For each failure to clean up Solid Waste spilled from Solid Waste Containers within 90 minutes that exceeds five such failures annually: \$150.00
- d. For each occurrence of Collecting Solid Waste during unauthorized hours (see Section 3.9.1) which exceeds five such occurrences annually: \$250.00
- e. For each failure to deliver a Roll-off Box or Temporary Service Bin within 48 hours of a Customer's request: \$ 50.00

3. **Customer Responsiveness**

- a. For each failure to initially respond to a Customer Complaint within one Business Day and for each additional day in which the Complaint is not addressed: \$250.00
- b. For each failure to process Customer Complaints as required by Article 4 herein: \$250.00
- c. For each failure to remove graffiti from Containers, or to replace with Containers bearing no graffiti, within one Business Day of request from City or Customers: \$150.00
- d. For each failure to process a claim for damages within 30 days from the date submitted to Company: \$100.00
- e. For each additional 30-day increment of time in which Company has failed to take good faith actions (in the sole judgment of City) to resolve a claim for damages within 30 days from the claim date: \$100.00

4. **Timeliness of Submissions to City**

Any report shall be considered late until such time as a correct and complete report is received by City. For each calendar day a report is late, the daily liquidated damage amount shall be:

- a. Monthly or Quarterly Reports: \$100.00 per day
- b. Annual Reports: \$350.00 per day

5. **Diversion Efforts**

- a. For every Organic Materials or Recycling Cart Collected as Trash without issuing a warning notice per Section 3.4: \$25.00 per Cart
- b. For every ton of diversion Company falls below the minimum necessary to meet the diversion requirement each year per Section 3.8.1, beginning with the first full calendar year 2024, and including any partial calendar year at the end of the term: \$25.00 per ton

6. **Cooperation with Service Provider Transition**

- a. For each day routing information requested by City in accordance with Section 12.8 is received after City-established due dates, both for preparation of a request for proposals and for new service provider's implementation of service: \$1,000.00/day
- b. For each day delivery of keys, access codes, remote controls, or other means of access to Solid Waste Containers is delayed beyond one day prior to new service provider servicing Customers with access issues, as described in Section 12.8: \$1,000.00/day
- c. For delay in not meeting the requirements contained in Sections 3.13 (route audit) and 12.8 (transition requirements) in a timely manner, in addition to the daily liquidated damages for breach under 6a) and 6b) above : \$10,000.00 per occurrence

7. **Collection Vehicles**

- a. For each day vehicle on each day Company does not comply with requirements to exclusively use Collection vehicles powered by natural gas as described in Section 3.9.2.B: \$100.00 per vehicle per day

## 8. **General Contract Adherence**

a. For each day that Company fails to provide services required under this Agreement, or comply with terms of this Agreement, five Business Days after receipt of written notification from City that such services are not being provided or terms are not being met: \$100.00 per day

City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representative or investigation of Customer Complaints.

Prior to assessing liquidated damages, City shall give Company written notice of its intention to do so. The notice will include a brief description of the incident(s)/non-performance. Company may review (and make copies of, at its own expense) all non-confidential information in the possession of City relating to incident(s)/non-performance. Company may, within ten days after receiving the notice, request a meeting with the City Manager. Company may present evidence in writing and through testimony of its employees and others relevant to the incident(s)/non-performance. The City Manager will provide Company with a written explanation of his or her determination on each incident(s)/non-performance prior to authorizing the assessment of liquidated damages. The decision of the City Manager shall be final.

(c) **Amount.** City may assess liquidated damages for each calendar day or event, as appropriate, that Company is determined to be liable in accordance with this Agreement.

(d) **Timing of Payment.** Company shall pay any liquidated damages assessed by City within ten days after they are assessed. If they are not paid within the ten-day period, City may withhold the amount due from any payments due to Company (if any), or, to the extent such withholding would not be sufficient to cover the amount due, may proceed against the bond required by this Agreement or order the termination of the Franchise granted by this Agreement, or exercise any other right or remedy available to City under this Agreement or at law or in equity, or any combination of these remedies.

## 11.5 **Excuse from Performance**

### 11.5.1 **Force Majeure**

The Parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of floods, earthquakes, other natural disasters, war, civil insurrection, riots, epidemics, pandemics, quarantine restrictions, acts of any government (including judicial action), and other similar catastrophic events to the extent that such events could not be reasonably mitigated and are beyond the control of and not the fault of the Party claiming excuse from performance hereunder.

### **11.5.2 Labor Unrest**

Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by Company's employees or directed at Company will be considered an excuse from performance to the extent that Company meets the terms of this Section 11.5. Notwithstanding other remedies to which City shall be entitled under this Agreement in event of failure to perform, in the event of Company's failure to perform, or anticipated failure to perform, due to labor unrest, Company shall:

1. Provide a contingency plan to City within 90 days of the execution of this Agreement demonstrating how services will be provided during the period of labor unrest. The contingency plan is subject to City approval; and Company shall amend the plan, to the extent reasonably practicable, to meet City requirements, including reasonably demonstrating how City's basic Collection and sanitary needs will be met to City's satisfaction. The plan shall address, at a minimum, the priority of Collection by customer type (residents, hospitals, restaurants, nursing homes, etc.) and waste streams, additional Collection options to be provided (drop-off sites, etc.), source of additional personnel to be utilized and detailed communications procedures to be used.
2. Notify the City Manager 60 days prior to the expiration of its drivers' labor agreement, if any.
3. Meet the requirements agreed to in the contingency plan.
4. Meet requirements of 11.5.3 below.

Company shall act reasonably and in good faith to meet all requirements under this section or City may choose to revoke this excuse from performance offered under this Agreement and may choose to use enforcement provisions under this Agreement, including Sections 11.1, 11.3 and 11.4, in which case Company is not excused from performance. In that event, Company shall be obligated to continue to provide service notwithstanding the occurrence of any or all of such events, until the effective date of any termination pursuant to Section 11.3 (if any).

### **11.5.3 Procedures in Event of Excused Performance**

The Party claiming excuse from performance under Section 11.5.1 or 11.5.2 shall, within ten days after such Party has notice of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to excuse under this section.

Throughout service disruption, Company shall:

1. Provide City with a minimum of daily service updates.
2. Shall notify Customers on a real-time basis as to alternative Collection procedures. At a minimum, Company shall update its website and shall provide ongoing updates to City for use on its website, and a "reverse

911" contact method to reach all possible Customers. Should enhanced contact technologies become available, Company shall use such methods upon approval from City.

The interruption or discontinuance of Company's services caused by one or more of the events excused shall not constitute a default by Company under this Agreement. Notwithstanding the foregoing, however, if Company is excused from performing its obligations hereunder for any of the causes listed in this section for a period of 30 days or more, City shall nevertheless have the right, in its sole discretion, upon 10 days' notice, to take possession of the Designated Vehicles and Designated Containers pursuant to Article 10, and/or terminate this Agreement. Except as set forth in the next sentence, termination pursuant to this Section shall be deemed a termination without fault of either Party, and City shall have no right to call on the performance bond. If Company is excused from performing its obligations hereunder due to labor unrest as described in Section 11.5.2, and City exercises the right to revoke that excuse from performance as authorized by Section 11.5.2, City shall also have the right, in its sole discretion, upon 10 days' notice, to declare a portion or all of the performance bond which is necessary to recompense and make whole City, forfeited to City pursuant to Section 9.5.2.

## **11.6 Assurance of Performance**

City may, at its option and in addition to all other remedies it may have, demand from Company reasonable assurances of timely and proper performance of this Agreement, in such form and substance as City may require. If Company fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by City, such failure or refusal shall be an event of default.

# **ARTICLE 12**

## **OTHER AGREEMENTS OF THE PARTIES**

### **12.1 Relationship of Parties**

The Parties intend that Company shall perform the services required by this Agreement as an independent contractor engaged by City and not as an officer or employee of City nor as a partner of or joint venture with City. No employee or agent or Company shall be or shall be deemed to be an employee or agent of City. Except as expressly provided herein, Company shall have the exclusive control over the manner and means of conducting the Solid Waste Collection services performed under this Agreement and all Persons performing such services. Company shall be solely responsible for the acts and omissions of its officers, employees, subcontractors, Affiliates and agents. Neither Company nor its officers, employees, subcontractors, Affiliates and agents shall obtain any rights to retirement benefits, Workers' Compensation benefits, or any other benefits which accrue to City employees by virtue of their employment with City.

### **12.2 Compliance with Law**

In providing the services required under this Agreement, Company shall at all times, at its sole cost, comply with all Applicable Laws and regulations of the United

States, the State of California, and local agencies. City shall comply with all applicable regulations promulgated by federal, State, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the term.

### **12.3 Governing Law**

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

### **12.4 Jurisdiction**

Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of the State of California, which shall have exclusive jurisdiction over such lawsuits.

With respect to venue, the Parties agree that this Agreement is made in and will be performed in Los Angeles County.

### **12.5 Assignment**

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

For purposes of this section when used in reference to Company, "assignment" shall include, but not be limited to (a) a sale, exchange or other transfer of substantially all of Company's assets dedicated to service under this Agreement to a third party; (b) a sale, exchange or other transfer of outstanding common stock of Company to a third party that may result in a change of control of Company; (c) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which results in a change of ownership or control of Company; (d) any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Company's property, or transfer occurring in the event of a probate proceeding; and (e) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Company.

Company acknowledges that this Agreement involved rendering a vital service to City's residents and businesses, and that City has selected Company to perform the services specified herein based on (a) Company's experience, skill and reputation for conducting its operations in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws, regulations and best Solid Waste management practices, and (b) Company's financial resources to maintain the required equipment and to support its indemnity obligations to City under this Agreement. City has relied on each of these factors, among others, in choosing Company to perform the

services to be rendered by Company under this Agreement.

If Company requests City's consideration of and consent to an assignment, City may deny or approve such request in its complete discretion, except for an assignment to an Affiliate, which City shall deny or approve in its reasonable discretion. No request by Company for consent to an assignment need be considered by City unless and until Company has met the following requirements:

(a) Company shall pay City its reasonable expenses for attorney's and consultant's fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment. An advance payment towards expenses may be requested by City prior to City consideration of any assignment request. Company shall be responsible to pay all costs incurred by City in considering a request for assignment, including those in excess of the advance payment, regardless of whether City consents to the assignment.

(b) Company shall pay a transfer fee to City equal to one percent of the annual revenue for the most recent 12 months prior to the Effective Date of the change of ownership multiplied by the number of remaining years, or fraction thereof, under this Agreement. Payment of a transfer fee will not be required in the event of an assignment to an Affiliate of Company.

(c) The proposed assignee must furnish City with audited financial statements of the proposed assignee's operations for the immediately preceding three operating years. If assignment is to an Affiliate and Affiliate provides a performance guarantee from the parent company, the parent company's audited financial statements may be provided.

(d) A pro-forma financial statement (income statement and balance sheet) for the proposed assignee with the projected results of operations assuming that the assignment is completed. Such pro-forma financial statement shall reflect any debt to be incurred by the assignee as part of the acquisition of Company's operations. A pro-forma financial statement is not required for an assignment to an Affiliate where the parent guaranty is unchanged.

(e) Except for an assignment to an Affiliate of Company, the proposed assignee must furnish City with satisfactory proof: (i) that the proposed assignee has at least ten years of Solid Waste management experience on a scale equal to or exceeding the sale of operations conducted by Company under this Agreement; (ii) that in the last five years, the proposed assignee has not suffered any significant citations or other censure from any federal, State or local agency having jurisdiction over its Solid Waste management operations due to any significant failure to comply with State, federal or local Environmental Laws and that the assignee has provided City with a complete list of such citations and censures; (iii) that the proposed assignee has at all times conducted its operations in an environmentally safe and conscientious fashion; (iv) that the proposed assignee conducts its Solid Waste management practices in accordance with sound Solid Waste management practices in full compliance with all federal, State and local laws regulating the Collection and Disposal of Solid Waste including Hazardous Substances; and, (v) of

any other information required by City to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.

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

## **12.6 Contracting or Subcontracting**

Company shall not engage any Affiliates or subcontractors for Collection, transfer, processing, Recycling or Disposal of Solid Waste without the prior written consent of City. Transport from the transfer station to processing or Disposal Sites is excluded from this paragraph.

## **12.7 Binding on Assigns**

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

## **12.8 Transition to the Next Company**

If the transition of services to another company occurs through expiration of term, default and termination, or otherwise, Company will cooperate with City and subsequent company(ies) to assist in an orderly transition which will include, but not be limited to, Company providing detailed route lists, billing and service-level information and other operating records needed to service all properties covered by this Agreement. The failure to cooperate with City following termination shall be conclusively presumed to be grounds for specific performance of this Agreement and/or other equitable relief necessary to enforce this Agreement.

Company shall provide a new service provider with all keys, security codes and remote controls used to access garages and Bin enclosures. Company shall obtain any Customer approvals, if required, to transfer such means of access to the new service provider in a timely manner, and shall provide to City and new service provider the names, service address, service level details, and contact information for any Customers who refuse to provide such authorization. Company shall be responsible for coordinating transfer immediately after Company's final pickups, so as not to disrupt service. Company shall provide City with detailed route sheets containing service names and addresses, billing names and addresses, monthly rate and service levels (number and size of Containers and pickup days) at least 90 days prior to the transition date, and provide an updated list two weeks before the transition and a final list of changes the day before the transition. Company shall provide means of access to the new service provider at least one full Business Day prior to the first day of Collection by another party, and always within sufficient time so as not to impede in any way the new service provider from easily servicing all Containers.

Company shall cooperate in good faith with City and new service provider in scheduling exchanges of Company Containers with Containers provided by the new service provider so as to assure that Customers neither need to find storage for two sets of Containers nor go without a Container for an inconvenient length of time.

This provision shall survive termination of this Agreement.

## **12.9 Parties in Interest**

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

## 12.10 Waiver

The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either Party of any moneys that become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other Party of any provision of this Agreement.

## 12.11 Condemnation

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

## 12.12 Notice

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

If to City: City Manager  
The City of Huntington Park  
6550 Miles Avenue  
Huntington Park, CA 90255

Copy to: City Attorney Alvarez-Glasman & Colvin  
13181 Crossroads Pkwy. North  
Suite 400 – West Tower  
City of Industry, CA 91746

If to Company: David Perez  
Chief Executive Officer  
Valley Vista Services, Inc.  
17445 E. Railroad Street  
City of Industry, CA 91748

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

Notice shall be deemed given on the day it is personally delivered or, if mailed, three days from the date it is deposited in the mail.

### **12.13 Representatives of the Parties**

References in this Agreement to "City" shall mean the City Council and all actions to be taken by City shall be taken by the City Council except as provided below. The City Council may delegate, in writing, authority to the City Manager, and/or to other City employees and may permit such employees, in turn, to delegate in writing some or all of such authority to subordinate employees. Company may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them.

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

### **12.14 City Free to Negotiate with Third Parties**

Notwithstanding the exclusive nature of the Franchise, City may investigate all options for the Collection, Transporting, Recycling, processing and Disposal of Solid Waste at any time prior to the expiration of the term. Without limiting the generality of the foregoing, City may solicit proposals from Company and from third parties for the provision of Collection services, Disposal services, Recycling services, Organic Materials services and processing, and any combination thereof, and may negotiate and execute agreements for such services which will take effect upon the expiration or earlier termination of this Agreement.

### **12.15 Compliance with Municipal Code**

Company shall comply with those provisions of the Municipal Code that are applicable, and with any and all amendments to such applicable provisions during the term of this Agreement. If changes to the Municipal Code made after the execution of this Agreement are in conflict with this Agreement, the terms and conditions set forth in this Agreement shall prevail unless such changes are made to comply with any Applicable Laws and amendments thereto to which are intended to apply to this Agreement.

### **12.16 Privacy**

Company shall strictly observe and protect the rights of privacy of Customers. Information identifying individual Customers or the composition or contents of a Customer's waste stream shall not be revealed to any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the Customer. This provision shall not be construed to preclude Company from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by CIWMA. This provision shall not apply to reports or records provided to City pursuant to this Agreement so long as City maintains reports or records with Customer identification or confidential information in accordance with this section, in which case this section shall apply to City in the same manner to which it applies to Company.

## **12.17 Proprietary Information, Public Records**

City acknowledges that a number of the records and reports of Company are proprietary and confidential. Company is obligated to permit City inspection of its records on demand and to provide copies to City where requested. City will endeavor to maintain the confidentiality of all proprietary information provided by Company. Notwithstanding the foregoing, and notwithstanding Section 12.17 (as it applies to City), any documents provided by Company to City that are public records may be disclosed pursuant to the California Public Records Act or other Applicable Law.

## **12.18 Attorney's Fees**

In any action or proceeding to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall be entitled to an award of attorney's fees, experts' fees, and other costs reasonably incurred in the prosecution or defense of such action, in addition to any other relief to which the Party may be entitled.

# **ARTICLE 13 MISCELLANEOUS AGREEMENTS**

## **13.1 Entire Agreement**

This Agreement, including the exhibits, contains the entire integrated agreement and understanding concerning the subject matter herein and supersedes and replaces any prior negotiations, promises, proposals, and agreements between the Parties, whether written or oral. The Parties acknowledge this document has been executed with the consent and upon the advice of counsel. No verbal agreement or conversation with any office, agent, or employee of City, either before, during, or after the execution of this Agreement, shall affect or modify any of the terms or obligations herein contained.

## **13.2 Section Headings**

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

## **13.3 References to Laws**

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

## **13.4 Interpretation**

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

## **13.5 Amendment**

This Agreement may not be modified or amended in any respect except by a writing signed by the Parties and duly authorized.

### **13.6 Severability**

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

### **13.7 Exhibits**

Each of the exhibits identified in this Agreement is attached hereto and incorporated herein and made a part hereof by this reference.

### **13.8 Non-Waiver Provision**

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

IN WITNESS WHEREOF, City and Company have executed this Agreement  
as of the day and year first above written.

Company:

VALLEY VISTA SERVICES, INC.

  
David Perez, Chief Executive Officer

City of Huntington Park

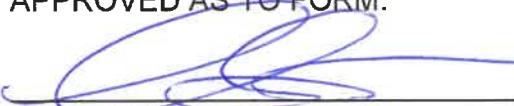
By:

  
Ricardo Reyes, City Manager

ATTEST:

  
Eduardo Sarmiento, City Clerk

APPROVED AS TO FORM:

  
Arnold M. Alvarez-Glasman,  
City Attorney

**EXHIBIT 1**  
**INITIAL APPROVED RATE**

<b>Single Family Monthly Collection Rates</b>		<b>Contractors Proposed Rates</b>			
<b>Single Family Residential City Wide</b>		<b>Proposed</b>	<b>Franchise Fee</b>	<b>AB 939 Fee</b>	<b>Proposed</b>
Standard 3 Cart Service		\$ 13.88	\$ 2.08	\$ 0.32	\$ 16.28
Senior Rate with 20% Discount		\$ 11.10	\$ 1.67	\$ 0.26	\$ 13.02
Additional Refuse Cart		\$ 5.44	\$ 0.82	\$ 0.13	\$ 6.39
Free Extra Recycle Cart		\$ -	\$ -	\$ -	\$ -
Free Extra Green Waste Cart		\$ -	\$ -	\$ -	\$ -
Free Valet Service/Disabled Residents		\$ -	\$ -	\$ -	\$ -
Walk-out Service for Other Customers		\$ 27.00	\$ 4.05	\$ 0.62	\$ 31.67
Bulky Item in Excess of 4 Per Week		\$ 22.00	\$ 3.30	\$ 0.51	\$ 25.81
<b>Frequency</b>		<b>Proposed</b>	<b>Franchise Fee</b>	<b>AB 939 Fee @</b>	<b>Proposed Monthly</b>
		<b>Base Rate</b>	<b>@ 15%</b>	<b>2.3%</b>	<b>Rate</b>
1 Cubic Yard Bin	1x/Wk	\$ 70.31	\$ 10.55	\$ 1.62	\$ 82.47
1.5 Cubic Yard Bin	1x/Wk	\$ 73.25	\$ 10.99	\$ 1.68	\$ 85.92
2 Cubic Yard Bin	1x/Wk	\$ 76.18	\$ 11.43	\$ 1.75	\$ 89.36
3 Cubic Yard Bin	1x/Wk	\$ 82.06	\$ 12.31	\$ 1.89	\$ 96.25

<b>Commercial Monthly Collection Rates</b>					
	<b>Frequency</b>	<b>Proposed</b>	<b>Franchise</b>	<b>AB 939 Fee @</b>	<b>Proposed Monthly</b>
96 Gallon Automated Cart	1x/Wk	\$ 66.84	\$ 10.03	\$ 1.54	\$ 78.40
96 Gallon Automated Cart	2x/Wk	\$ 133.68	\$ 20.05	\$ 3.07	\$ 156.80
96 Gallon Automated Cart	3x/Wk	\$ 200.52	\$ 30.08	\$ 4.61	\$ 235.21
96 Gallon Automated Cart	4x/Wk	\$ 218.35	\$ 32.75	\$ 5.02	\$ 256.13
96 Gallon Automated Cart	5x/Wk	\$ 233.74	\$ 35.06	\$ 5.38	\$ 274.17
96 Gallon Automated Cart	6x/Wk	\$ 260.51	\$ 39.08	\$ 5.99	\$ 305.58
96 Gallon Automated Cart	7x/Wk	\$ 287.29	\$ 43.09	\$ 6.61	\$ 336.99
1 Cubic Yard Bin	1x/Wk	\$ 140.62	\$ 21.09	\$ 3.23	\$ 164.95
1 Cubic Yard Bin	2x/Wk	\$ 281.24	\$ 42.19	\$ 6.47	\$ 329.90
1 Cubic Yard Bin	3x/Wk	\$ 421.86	\$ 63.28	\$ 9.70	\$ 494.85
1 Cubic Yard Bin	4x/Wk	\$ 459.39	\$ 68.91	\$ 10.57	\$ 538.86
1 Cubic Yard Bin	5x/Wk	\$ 491.76	\$ 73.76	\$ 11.31	\$ 576.83
1 Cubic Yard Bin	6x/Wk	\$ 548.09	\$ 82.21	\$ 12.61	\$ 642.91
1 Cubic Yard Bin	7x/Wk	\$ 604.43	\$ 90.66	\$ 13.90	\$ 709.00
1.5 Cubic Yard Bin	1x/Wk	\$ 146.49	\$ 21.97	\$ 3.37	\$ 171.83
1.5 Cubic Yard Bin	2x/Wk	\$ 292.99	\$ 43.95	\$ 6.74	\$ 343.68
1.5 Cubic Yard Bin	3x/Wk	\$ 439.48	\$ 65.92	\$ 10.11	\$ 515.51
1.5 Cubic Yard Bin	4x/Wk	\$ 482.88	\$ 72.43	\$ 11.11	\$ 566.42
1.5 Cubic Yard Bin	5x/Wk	\$ 521.12	\$ 78.17	\$ 11.99	\$ 611.27
1.5 Cubic Yard Bin	6x/Wk	\$ 583.34	\$ 87.50	\$ 13.42	\$ 684.25
1.5 Cubic Yard Bin	7x/Wk	\$ 645.55	\$ 96.83	\$ 14.85	\$ 757.23
2 Cubic Yard Bin	1x/Wk	\$ 152.37	\$ 22.86	\$ 3.50	\$ 178.73
2 Cubic Yard Bin	2x/Wk	\$ 304.74	\$ 45.71	\$ 7.01	\$ 357.46
2 Cubic Yard Bin	3x/Wk	\$ 457.11	\$ 68.57	\$ 10.51	\$ 536.19
2 Cubic Yard Bin	4x/Wk	\$ 506.38	\$ 75.96	\$ 11.65	\$ 593.98
2 Cubic Yard Bin	5x/Wk	\$ 550.49	\$ 82.57	\$ 12.66	\$ 645.73
2 Cubic Yard Bin	6x/Wk	\$ 618.58	\$ 92.79	\$ 14.23	\$ 725.59
2 Cubic Yard Bin	7x/Wk	\$ 686.67	\$ 103.00	\$ 15.79	\$ 805.46

## EXHIBIT 1

### INITIAL APPROVED RATE SCHEDULE (CONTINUED)\*

3 Cubic Yard Bin	1x/Wk	\$ 164.12	\$ 24.62	\$ 3.77	\$ 192.51
3 Cubic Yard Bin	2x/Wk	\$ 328.23	\$ 49.24	\$ 7.55	\$ 385.02
3 Cubic Yard Bin	3x/Wk	\$ 492.35	\$ 73.85	\$ 11.32	\$ 577.53
3 Cubic Yard Bin	4x/Wk	\$ 553.37	\$ 83.01	\$ 12.73	\$ 649.10
3 Cubic Yard Bin	5x/Wk	\$ 609.22	\$ 91.38	\$ 14.01	\$ 714.62
3 Cubic Yard Bin	6x/Wk	\$ 689.06	\$ 103.36	\$ 15.85	\$ 808.27
3 Cubic Yard Bin	7x/Wk	\$ 768.89	\$ 115.33	\$ 17.68	\$ 901.91
4 Cubic Yard Bin	1x/Wk	\$ 175.87	\$ 26.38	\$ 4.04	\$ 206.29
4 Cubic Yard Bin	2x/Wk	\$ 351.73	\$ 52.76	\$ 8.09	\$ 412.58
4 Cubic Yard Bin	3x/Wk	\$ 527.60	\$ 79.14	\$ 12.13	\$ 618.87
4 Cubic Yard Bin	4x/Wk	\$ 600.35	\$ 90.05	\$ 13.81	\$ 704.21
4 Cubic Yard Bin	5x/Wk	\$ 667.96	\$ 100.19	\$ 15.36	\$ 783.52
4 Cubic Yard Bin	6x/Wk	\$ 759.55	\$ 113.93	\$ 17.47	\$ 890.95
4 Cubic Yard Bin	7x/Wk	\$ 851.13	\$ 127.67	\$ 19.58	\$ 998.37
6 Cubic Yard Bin	1x/Wk	\$ 199.36	\$ 29.90	\$ 4.59	\$ 233.85
6 Cubic Yard Bin	2x/Wk	\$ 398.72	\$ 59.81	\$ 9.17	\$ 467.70
6 Cubic Yard Bin	3x/Wk	\$ 598.07	\$ 89.71	\$ 13.76	\$ 701.54
6 Cubic Yard Bin	4x/Wk	\$ 694.34	\$ 104.15	\$ 15.97	\$ 814.46
6 Cubic Yard Bin	5x/Wk	\$ 785.44	\$ 117.82	\$ 18.07	\$ 921.32
6 Cubic Yard Bin	6x/Wk	\$ 900.52	\$ 135.08	\$ 20.71	\$ 1,056.31
6 Cubic Yard Bin	7x/Wk	\$ 1,015.60	\$ 152.34	\$ 23.36	\$ 1,191.29

Commercial Monthly Organic Collection Rates		Contractors Proposed Rates				
	Frequency	Proposed	Franchise	AB 939 Fee @	Proposed Monthly	
65 Gallon Organic Cart	1x/Wk	\$ 62.30	\$ 9.35	\$ 1.43	\$ 73.08	
65 Gallon Organic Cart	2x/Wk	\$ 70.19	\$ 10.53	\$ 1.61	\$ 82.34	
65 Gallon Organic Cart	3x/Wk	\$ 105.54	\$ 15.83	\$ 2.43	\$ 123.80	
65 Gallon Organic Cart	4x/Wk	\$ 130.43	\$ 19.56	\$ 3.00	\$ 152.99	
65 Gallon Organic Cart	5x/Wk	\$ 176.74	\$ 26.51	\$ 4.07	\$ 207.32	
65 Gallon Organic Cart	6x/Wk	\$ 264.35	\$ 39.65	\$ 6.08	\$ 310.08	
65 Gallon Organic Cart	7x/Wk	\$ 351.97	\$ 52.80	\$ 8.10	\$ 412.86	
2 Cubic Organcis Bin	1x/Wk	\$ 176.74	\$ 26.51	\$ 4.07	\$ 207.32	
2 Cubic Organcis Bin	2x/Wk	\$ 318.14	\$ 47.72	\$ 7.32	\$ 373.18	
2 Cubic Organcis Bin	3x/Wk	\$ 452.23	\$ 67.83	\$ 10.40	\$ 530.47	
2 Cubic Organcis Bin	4x/Wk	\$ 584.24	\$ 87.64	\$ 13.44	\$ 685.31	
2 Cubic Organcis Bin	5x/Wk	\$ 716.24	\$ 107.44	\$ 16.47	\$ 840.15	
2 Cubic Organcis Bin	6x/Wk	\$ 842.62	\$ 126.39	\$ 19.38	\$ 988.39	
2 Cubic Organcis Bin	7x/Wk	\$ 969.00	\$ 145.35	\$ 22.29	\$ 1,136.64	

## EXHIBIT 1

### INITIAL APPROVED RATE SCHEDULE (CONTINUED)\*

Commercial Single Stream Recycling Monthly Rates						
	Frequency	Proposed Base Rate	Franchise Fee @ 15%	AB 939 Fee @ 2.3%	Proposed Monthly Rate	
96 Gallon Automated Cart	1x/Wk	\$ 40.10	\$ 6.02	\$ 0.92	\$	47.04
96 Gallon Automated Cart	2x/Wk	\$ 80.21	\$ 12.03	\$ 1.84	\$	94.08
96 Gallon Automated Cart	3x/Wk	\$ 120.31	\$ 18.05	\$ 2.77	\$	141.12
96 Gallon Automated Cart	4x/Wk	\$ 131.01	\$ 19.65	\$ 3.01	\$	153.68
96 Gallon Automated Cart	5x/Wk	\$ 140.24	\$ 21.04	\$ 3.23	\$	164.50
96 Gallon Automated Cart	6x/Wk	\$ 156.31	\$ 23.45	\$ 3.60	\$	183.35
96 Gallon Automated Cart	7x/Wk	\$ 172.37	\$ 25.86	\$ 3.96	\$	202.20
1 Cubic Yard Bin	1x/Wk	\$ 84.37	\$ 12.66	\$ 1.94	\$	98.97
1 Cubic Yard Bin	2x/Wk	\$ 168.75	\$ 25.31	\$ 3.88	\$	197.94
1 Cubic Yard Bin	3x/Wk	\$ 253.12	\$ 37.97	\$ 5.82	\$	296.91
1 Cubic Yard Bin	4x/Wk	\$ 275.63	\$ 41.34	\$ 6.34	\$	323.32
1 Cubic Yard Bin	5x/Wk	\$ 295.05	\$ 44.26	\$ 6.79	\$	346.10
1 Cubic Yard Bin	6x/Wk	\$ 328.86	\$ 49.33	\$ 7.56	\$	385.75
1 Cubic Yard Bin	7x/Wk	\$ 362.66	\$ 54.40	\$ 8.34	\$	425.40
1.5 Cubic Yard Bin	1x/Wk	\$ 87.89	\$ 13.18	\$ 2.02	\$	103.10
1.5 Cubic Yard Bin	2x/Wk	\$ 175.79	\$ 26.37	\$ 4.04	\$	206.21
1.5 Cubic Yard Bin	3x/Wk	\$ 263.69	\$ 39.55	\$ 6.06	\$	309.31
1.5 Cubic Yard Bin	4x/Wk	\$ 289.73	\$ 43.46	\$ 6.66	\$	339.85
1.5 Cubic Yard Bin	5x/Wk	\$ 312.67	\$ 46.90	\$ 7.19	\$	366.76
1.5 Cubic Yard Bin	6x/Wk	\$ 350.00	\$ 52.50	\$ 8.05	\$	410.55
1.5 Cubic Yard Bin	7x/Wk	\$ 387.33	\$ 58.10	\$ 8.91	\$	454.34
2 Cubic Yard Bin	1x/Wk	\$ 91.42	\$ 13.71	\$ 2.10	\$	107.24
2 Cubic Yard Bin	2x/Wk	\$ 182.84	\$ 27.43	\$ 4.21	\$	214.48
2 Cubic Yard Bin	3x/Wk	\$ 274.27	\$ 41.14	\$ 6.31	\$	321.71
2 Cubic Yard Bin	4x/Wk	\$ 303.83	\$ 45.57	\$ 6.99	\$	356.39
2 Cubic Yard Bin	5x/Wk	\$ 330.30	\$ 49.54	\$ 7.60	\$	387.44
2 Cubic Yard Bin	6x/Wk	\$ 371.15	\$ 55.67	\$ 8.54	\$	435.36
2 Cubic Yard Bin	7x/Wk	\$ 412.00	\$ 61.80	\$ 9.48	\$	483.28
3 Cubic Yard Bin	1x/Wk	\$ 98.47	\$ 14.77	\$ 2.26	\$	115.51
3 Cubic Yard Bin	2x/Wk	\$ 196.94	\$ 29.54	\$ 4.53	\$	231.01
3 Cubic Yard Bin	3x/Wk	\$ 295.41	\$ 44.31	\$ 6.79	\$	346.52
3 Cubic Yard Bin	4x/Wk	\$ 332.02	\$ 49.80	\$ 7.64	\$	389.46
3 Cubic Yard Bin	5x/Wk	\$ 365.53	\$ 54.83	\$ 8.41	\$	428.77
3 Cubic Yard Bin	6x/Wk	\$ 413.44	\$ 62.02	\$ 9.51	\$	484.96
3 Cubic Yard Bin	7x/Wk	\$ 461.34	\$ 69.20	\$ 10.61	\$	541.15

4 Cubic Yard Bin	1x/Wk	\$ 105.52	\$ 15.83	\$ 2.43	\$ 123.77
4 Cubic Yard Bin	2x/Wk	\$ 211.04	\$ 31.66	\$ 4.85	\$ 247.55
4 Cubic Yard Bin	3x/Wk	\$ 316.56	\$ 47.48	\$ 7.28	\$ 371.32
4 Cubic Yard Bin	4x/Wk	\$ 360.21	\$ 54.03	\$ 8.28	\$ 422.53
4 Cubic Yard Bin	5x/Wk	\$ 400.78	\$ 60.12	\$ 9.22	\$ 470.11
4 Cubic Yard Bin	6x/Wk	\$ 455.73	\$ 68.36	\$ 10.48	\$ 534.57
4 Cubic Yard Bin	7x/Wk	\$ 510.68	\$ 76.60	\$ 11.75	\$ 599.02
6 Cubic Yard Bin	1x/Wk	\$ 119.62	\$ 17.94	\$ 2.75	\$ 140.31
6 Cubic Yard Bin	2x/Wk	\$ 239.23	\$ 35.88	\$ 5.50	\$ 280.62
6 Cubic Yard Bin	3x/Wk	\$ 358.84	\$ 53.83	\$ 8.25	\$ 420.92
6 Cubic Yard Bin	4x/Wk	\$ 416.60	\$ 62.49	\$ 9.58	\$ 488.67
6 Cubic Yard Bin	5x/Wk	\$ 471.27	\$ 70.69	\$ 10.84	\$ 552.79
6 Cubic Yard Bin	6x/Wk	\$ 540.31	\$ 81.05	\$ 12.43	\$ 633.79
6 Cubic Yard Bin	7x/Wk	\$ 609.36	\$ 91.40	\$ 14.02	\$ 714.78

**EXHIBIT 1**  
**INITIAL APPROVED RATE SCHEDULE (CONTINUED)\***

<b>Other Commercial Service Fees City Wide</b>						
<b>Locking Bin Service</b>	<b>Frequency</b>	<b>Proposed Base Rate</b>	<b>Franchise Fee @ 15%</b>	<b>AB 939 Fee @ 2.3%</b>	<b>Proposed Monthly Rate</b>	
Locking Bin Service	1x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
Locking Bin Service	2x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
Locking Bin Service	3x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
Locking Bin Service	4x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
Locking Bin Service	5x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
Locking Bin Service	6x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
Locking Bin Service	7x/Wk	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73	
<b>Scout Service</b>						
<b>Scout Service</b>	<b>Frequency</b>	<b>Proposed Base Rate</b>	<b>Franchise Fee @ 15%</b>	<b>AB 939 Fee @ 2.3%</b>	<b>Proposed Monthly Rate</b>	
Scout Service	1x/Wk	\$ 60.00	\$ 9.00	\$ 1.38	\$ 70.38	
Scout Service	2x/Wk	\$ 120.00	\$ 18.00	\$ 2.76	\$ 140.76	
Scout Service	3x/Wk	\$ 180.00	\$ 27.00	\$ 4.14	\$ 211.14	
Scout Service	4x/Wk	\$ 240.00	\$ 36.00	\$ 5.52	\$ 281.52	
Scout Service	5x/Wk	\$ 300.00	\$ 45.00	\$ 6.90	\$ 351.90	
Scout Service	6x/Wk	\$ 360.00	\$ 54.00	\$ 8.28	\$ 422.28	
Scout Service	7x/Wk	\$ 420.00	\$ 63.00	\$ 9.66	\$ 492.66	

<b>Additional Charges and Collection Rates</b>		<b>Contractors Proposed Rates</b>				
<b>Extra Services</b>						
Extra Refuse Cart Pickups	96 gal	\$ 4.08	\$ 0.61	\$ 0.09	\$ 4.79	
Extra Refuse Bin Pickups	1 to 3 yard	\$ 75.00	\$ 11.25	\$ 1.73	\$ 87.98	
Extra Refuse Bin Pickups	4 yard	\$ 75.00	\$ 11.25	\$ 1.73	\$ 87.98	
Extra Refuse Bin Pickups	6 yard	\$ 75.00	\$ 11.25	\$ 1.73	\$ 87.98	
Bin Cleaning or Exchange		\$ 85.00	\$ 12.75	\$ 1.96	\$ 99.71	
Customer Reinstatement Fee		\$ 25.00	\$ 3.75	\$ 0.58	\$ 29.33	
Bulky Item Pickup After 4 Per Week		\$ 22.50	\$ 3.38	\$ 0.52	\$ 26.39	
<b>Temporary Bin Service</b>						
3 Cubic Yard Services, 7 Day Rental		\$ 145.00	\$ 21.75	\$ 3.34	\$ 170.09	
Additional Daily Charge Over 7 Days		\$ 7.00	\$ 1.05	\$ 0.16	\$ 8.21	
<b>Rolloff and Compactor Services</b>						
40 Cubic Yard Open Top Container	per pull	\$ 217.39	\$ 32.61	\$ 5.00	\$ 255.00	
10 Cubic Yard "Lowboy" for Inert Solids	per pull	\$ 250.00	\$ 37.50	\$ 5.75	\$ 293.25	
20 to 42 Cubic Yard Compactor Container	per pull	\$ 250.00	\$ 37.50	\$ 5.75	\$ 293.25	
Per Ton Mixed Waste Diversion	per ton	\$ 121.73	\$ 18.26	\$ 2.80	\$ 142.79	

Additional Daily Charge Over 7 Days	per day	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73
Per Pull Dry Run Trip Charge		\$ 81.73	\$ 12.26	\$ 1.88	\$ 95.87
<b>Rolloff Temp Services</b>					
10 Cubic Yard "Lowboy" for Inert Solids	per pull	\$ 624.57	\$ 93.68	\$ 14.36	\$ 732.61
12 Cubic Yard Container	per pull	\$ 405.97	\$ 60.90	\$ 9.34	\$ 476.20
26 Cubic Yard Container	per pull	\$ 624.57	\$ 93.68	\$ 14.36	\$ 732.61
40 Cubic Yard Container	per pull	\$ 624.57	\$ 93.68	\$ 14.36	\$ 732.61
Extra Ton Charge Over 5 tons	per ton	\$ 121.73	\$ 18.26	\$ 2.80	\$ 142.79
Additional Daily Charge Over 7 Days	per day	\$ 10.00	\$ 1.50	\$ 0.23	\$ 11.73
Per Pull Dry Run Trip Charge		\$ 81.73	\$ 12.26	\$ 1.88	\$ 95.87

Container Type/Size						
	Frequency	Proposed Base Rate	Franchise Fee @ 15%	AB 939 Fee @ 2.3%	Proposed Monthly Rate	
2 Cubic Yard Refuse Compactor	1x/Wk	\$ 280.94	\$ 42.14	\$ 6.46	\$ 329.54	
2 Cubic Yard Refuse Compactor	2x/Wk	\$ 485.56	\$ 72.83	\$ 11.17	\$ 569.56	
2 Cubic Yard Refuse Compactor	3x/Wk	\$ 675.99	\$ 101.40	\$ 15.55	\$ 792.94	
2 Cubic Yard Refuse Compactor	4x/Wk	\$ 853.96	\$ 128.09	\$ 19.64	\$ 1,001.69	
2 Cubic Yard Refuse Compactor	5x/Wk	\$ 1,021.17	\$ 153.18	\$ 23.49	\$ 1,197.83	
2 Cubic Yard Refuse Compactor	6x/Wk	\$ 1,204.44	\$ 180.67	\$ 27.70	\$ 1,412.81	
3 Cubic Yard Refuse Compactor	1x/Wk	\$ 298.13	\$ 44.72	\$ 6.86	\$ 349.70	
3 Cubic Yard Refuse Compactor	2x/Wk	\$ 522.94	\$ 78.44	\$ 12.03	\$ 613.41	
3 Cubic Yard Refuse Compactor	3x/Wk	\$ 692.95	\$ 103.94	\$ 15.94	\$ 812.82	
3 Cubic Yard Refuse Compactor	4x/Wk	\$ 868.09	\$ 130.21	\$ 19.97	\$ 1,018.27	
3 Cubic Yard Refuse Compactor	5x/Wk	\$ 1,049.43	\$ 157.41	\$ 24.14	\$ 1,230.98	
3 Cubic Yard Refuse Compactor	6x/Wk	\$ 1,249.65	\$ 187.45	\$ 28.74	\$ 1,465.84	
6 Cubic Yard Refuse Compactor	1x/Wk	\$ 357.75	\$ 53.66	\$ 8.23	\$ 419.64	
6 Cubic Yard Refuse Compactor	2x/Wk	\$ 627.53	\$ 94.13	\$ 14.43	\$ 736.09	
6 Cubic Yard Refuse Compactor	3x/Wk	\$ 831.53	\$ 124.73	\$ 19.13	\$ 975.39	
6 Cubic Yard Refuse Compactor	4x/Wk	\$ 1,041.71	\$ 156.26	\$ 23.96	\$ 1,221.92	
6 Cubic Yard Refuse Compactor	5x/Wk	\$ 1,259.31	\$ 188.90	\$ 28.96	\$ 1,477.18	
6 Cubic Yard Refuse Compactor	6x/Wk	\$ 1,499.58	\$ 224.94	\$ 34.49	\$ 1,759.01	

## EXHIBIT 2

### CITY APPROVED FACILITIES

#### **C & D Processing Facilities:**

<b><u>Facility Name</u></b>	<b><u>Owned &amp; Operated By:</u></b>
DIRECT DISPOSAL	CWS, INC.
DOWNTOWN DIVERSION	WASTE MANAGEMENT
GRAND CENTRAL RECYCLING	GCR & T, INC.

#### **Disposal Facilities:**

<b><u>Facility Name</u></b>	<b><u>Owned &amp; Operated By:</u></b>
EL SOBRANTE LANDFILL	WASTE MANAGEMENT
MID VALLEY LANDFILL	COUNTY OF SAN BERNARDINO

#### **Organic Waste Processing Facilities:**

<b><u>Facility Name</u></b>	<b><u>Owned &amp; Operated By:</u></b>
LACSD PUENTE HILLS MRF	COUNTY OF LOS ANGELES SANITATION DISTRICT
GREENWISE INDUSTRIES	UNIVERSAL WASTE SYSTEMS
GRAND CENTRAL RECYCLING	GCR & T, INC.

#### **Source Separated Recyclable Materials Processing Facilities:**

<b><u>Facility Name</u></b>	<b><u>Owned &amp; Operated By:</u></b>
GRAND CENTRAL RECYCLING	GCR & T, INC.

#### **Transfer Facilities:**

<b><u>Facility Name</u></b>	<b><u>Owned &amp; Operated By:</u></b>
SOUTH GATE TRANSFER	WASTE MANAGEMENT
PUENTE HILLS MRF	WASTE MANAGEMENT
GRAND CENTRAL RECYCLING	GCR & T, INC.

**EXHIBIT 3**  
**COMPANY'S FAITHFUL PERFORMANCE BOND**

KNOW ALL MEN BY THESE PRESENTS:

That, \_\_\_\_\_, a \_\_\_\_\_ corporation, as PRINCIPAL, and \_\_\_\_\_, a corporation organized and doing business by virtue of the laws of the State of California, and duly licensed for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as SURETY, are held and firmly bound to City, hereinafter called OBLIGEE, in the penal sum of One Million (\$1,000,000.00) lawful money of the United States, for the payment of which, well and truly to be made, we and each of us hereby bind ourselves, and our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden PRINCIPAL has entered into a contract, entitled "INTEGRATED SOLID WASTE MANAGEMENT SERVICES" with City, to do and perform the following work, to wit: Collect, Process and Dispose of Solid Waste generated within City, in accordance with the Agreement.

NOW, THEREFORE, if the above bounden PRINCIPAL shall well and truly perform, or cause to be performed each and all of the requirements and obligations of the Agreement to be performed by the PRINCIPAL, as in the Agreement set forth, then this BOND shall be null and void; otherwise it will remain in full force and effect.

And the SURETY for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligations on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the work or to the specifications.

IN WITNESS WHEREOF, the PRINCIPAL and SURETY have caused these presents to be duly signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

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a \_\_\_\_\_ corporation

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SURETY

By: \_\_\_\_\_  
PRINCIPAL)

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

(SEAL)

(SEAL)

## EXHIBIT 4A

### EXAMPLE RATE ADJUSTMENT FORMULA

#### Step One: Calculate percentage change in indices

Row	Index	Old Index Value	New Index Value	Percent Change in Index, $((\text{Column B} / \text{Column A}) - 1)$
1	CPI, Garbage and Trash Collection (1)	454.651	477.101	4.9%

#### Step Two: Apply percentage change to rates

Row	Example Rate Categories	Current Customer Rate (2)	Percentage Change in Index (from Column C)	Rate Increase or Decrease (Column D x Column E)	Adjusted Rate (Column D + Column F)
2	Standard Residential Service - 3 Carts	\$ 16.43	4.9%	\$ 0.81	\$ 17.24
3	Senior Discounted Rate	\$ 12.43	4.9%	\$ 0.61	\$ 13.04
4	Additional Refuse Cart	\$ 8.22	4.9%	\$ 0.41	\$ 8.63
5	Temporary 3 Cubic Yard Bin	\$ 150.00	4.9%	\$ 7.41	\$ 157.41
6	Commercial Organics - 65-gallon 1x/week	\$ 79.00	4.9%	\$ 3.90	\$ 82.90
7	Commercial 3 cubic yard 1x week	\$ 170.00	4.9%	\$ 8.39	\$ 178.39
8	Commercial 3 cubic yard 2x week	\$ 297.50	4.9%	\$ 14.69	\$ 312.19
9	Commercial Recycling - 95-gallon 1x week	\$ 30.95	4.9%	\$ 1.53	\$ 32.48

Seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics. Average annual change for the 12 months ending June prior to the Rate Year anniversary date compared to the 12 months ending June in the previous year.

(2) Example rates listed. Adjustment applies to all residential and commercial rates as of January 1, 2024.

## EXHIBIT 4B

### EXAMPLE CALCULATION FOR AVERAGE ANNUAL CHANGE IN PUBLISHED CONSUMER PRICE INDEX

The rate adjustment index is calculated using the “average annual change” as demonstrated in the example below, measured for the calendar year ended in the December before each rate adjustment, as compared to the calendar year ended the prior December. The Bureau of Labor Statistics publishes the Consumer Price Index for All Urban Consumers for Garbage and Trash Collection (CUUR0000SEHG02) - U.S. City average.

If a rate adjustment based on this CPI index were to be implemented as of January 1, 2020, the twelve month period from July 1, 2018 to June 31, 2019 average annual index of 477.101 would have been the “New Index Value” to be used in Column B of the example rate adjustment formula in Exhibit 4A, and the twelve month period from July 1, 2017 to June 31, 2018 average annual index of 454.651 would have been the “Old Index Value” in Column A. This would have resulted in a 4.9% increase to the rates as calculated in Column C of Exhibit 4A.

**Consumer Price Index – All Urban Consumers, U.S. City**  
**Average Garbage and Trash Collection,**  
**CUUR0000SEHG02**

Year	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Average
17/18	448.328	448.717	449.008	452.196	453.820	453.596	453.354	454.915	455.230	458.722	462.887	465.041	454.651
18/19	465.579	470.457	471.026	472.535	486.650	485.935	475.687	477.474	478.569	479.449	480.865	480.984	477.101

Average Annual Change: 4.9%

## EXHIBIT 4B

### EXAMPLE CALCULATION FOR AVERAGE ANNUAL CHANGE IN PUBLISHED CONSUMER PRICE INDEX

The rate adjustment index is calculated using the “average annual change” as demonstrated in the example below, measured for the calendar year ended in the December before each rate adjustment, as compared to the calendar year ended the prior December. The Bureau of Labor Statistics publishes the Consumer Price Index for All Urban Consumers for Garbage and Trash Collection (CUUR0000SEHG02) - U.S. City average.

If a rate adjustment based on this CPI index were to be implemented as of January 1, 2020, the twelve month period from July 1, 2018 to June 31, 2019 average annual index of 477.101 would have been the “New Index Value” to be used in Column B of the example rate adjustment formula in Exhibit 4A, and the twelve month period from July 1, 2017 to June 31, 2018 average annual index of 454.651 would have been the “Old Index Value” in Column A. This would have resulted in a 4.9% increase to the rates as calculated in Column C of Exhibit 4A.

#### Consumer Price Index – All Urban Consumers, U.S. City

#### Average Garbage and Trash Collection,

#### CUUR0000SEHG02

18/19	465.579	470.457	471.026	472.535	486.650	485.935	475.687	477.474	478.569	479.449	480.865	480.984	477.101
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Average Annual Change: 4.9%

## **EXHIBIT 5**

### **LIST OF CITY FACILITIES**

**Huntington Park City Hall**  
**Huntington Park Public Works Yard**  
**Huntington Park Police Department**  
**Huntington Park Community Center**  
**Huntington Park Main Recreation Center**  
**Freedom Park**  
**Raul Perez Park**  
**Salt Lake Park**

**EXHIBIT 6**  
**LIST OF ACCEPTABLE RECYCLABLE MATERIALS**

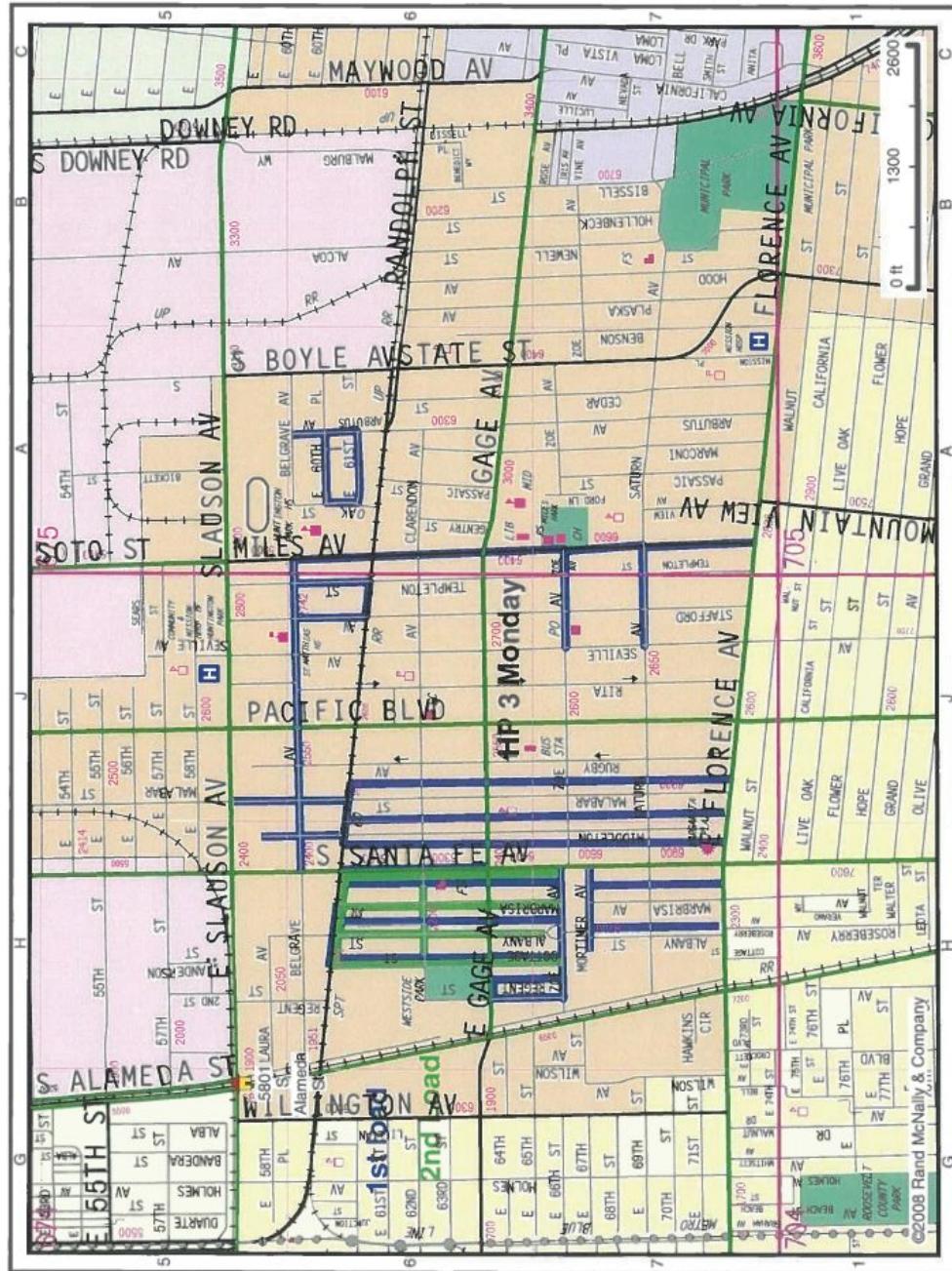
Aluminum trays, plates	Dish soap bottles (#2 plastic)	Plastic containers
Bleach bottles (#2 plastic)	Envelopes	Shampoo bottles (#1 & #2)
Brown paper bags	Glass bottles & jars & lids	Shoe boxes
Cans (metal food and drink cans)	Juice bottles (#1 plastic)	Telephone books
Cardboard boxes (corrugated)	Junk mail	Tissue boxes
Catalogs	Magazines	Tub containers (#1-#7)
Cereal boxes (without liners)	Newspapers and fliers	Plastic or glass water jugs
Computer paper	Office paper	
Detergent boxes (laundry)	Photocopy paper	

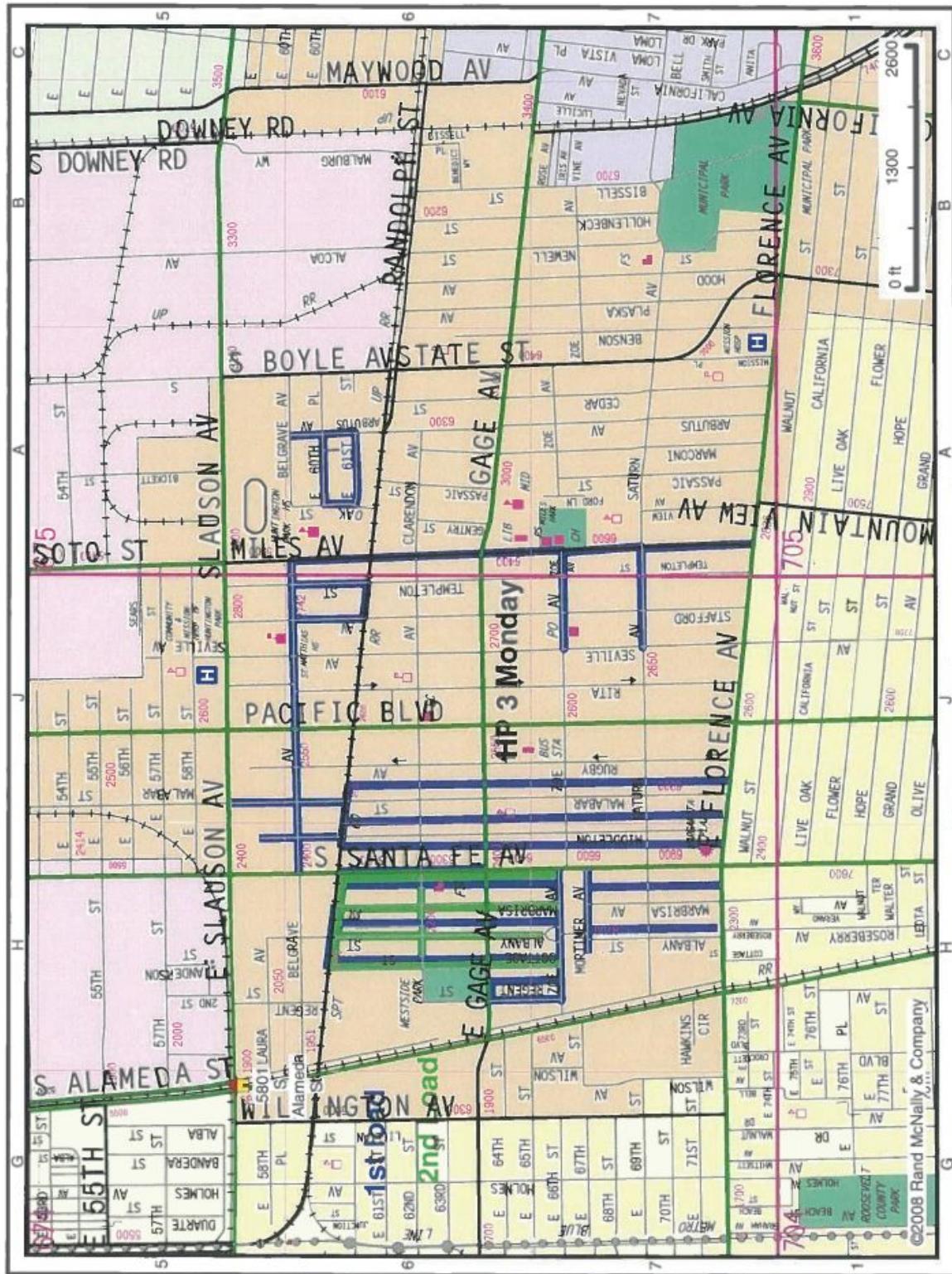
**EXHIBIT 7**  
**CITY OWNED/MANAGED EVENTS**

Previous Events	Event Duration
EVENT 1	1 day
EVENT 2	1 day
EVENT 3	1 day
EVENT 4	3 days
	3 days
	3 days
EVENT 5	3 days
	3 days
	3 days
City Yard, Misc Events	TBD

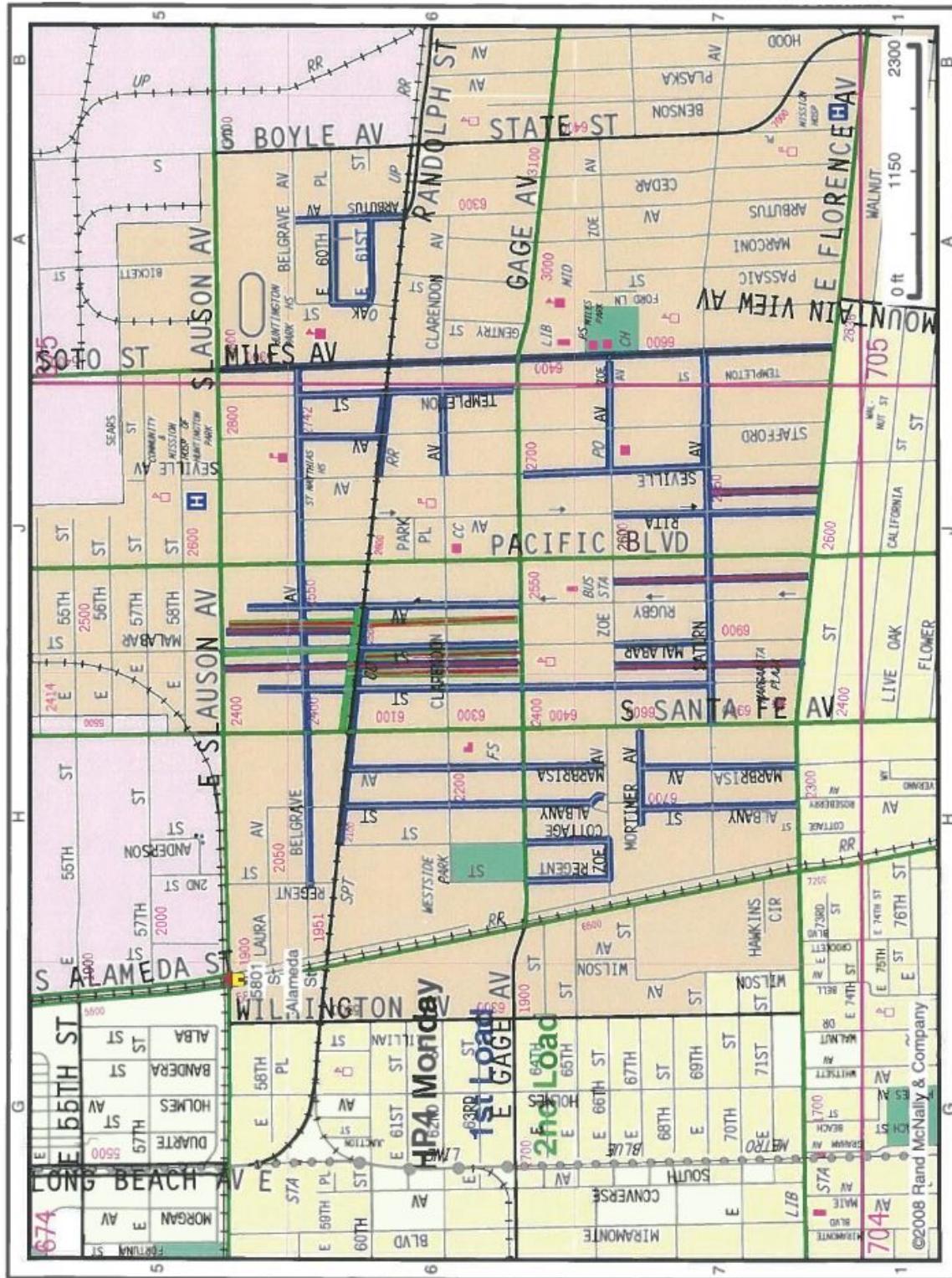
## **EXHIBIT 8**

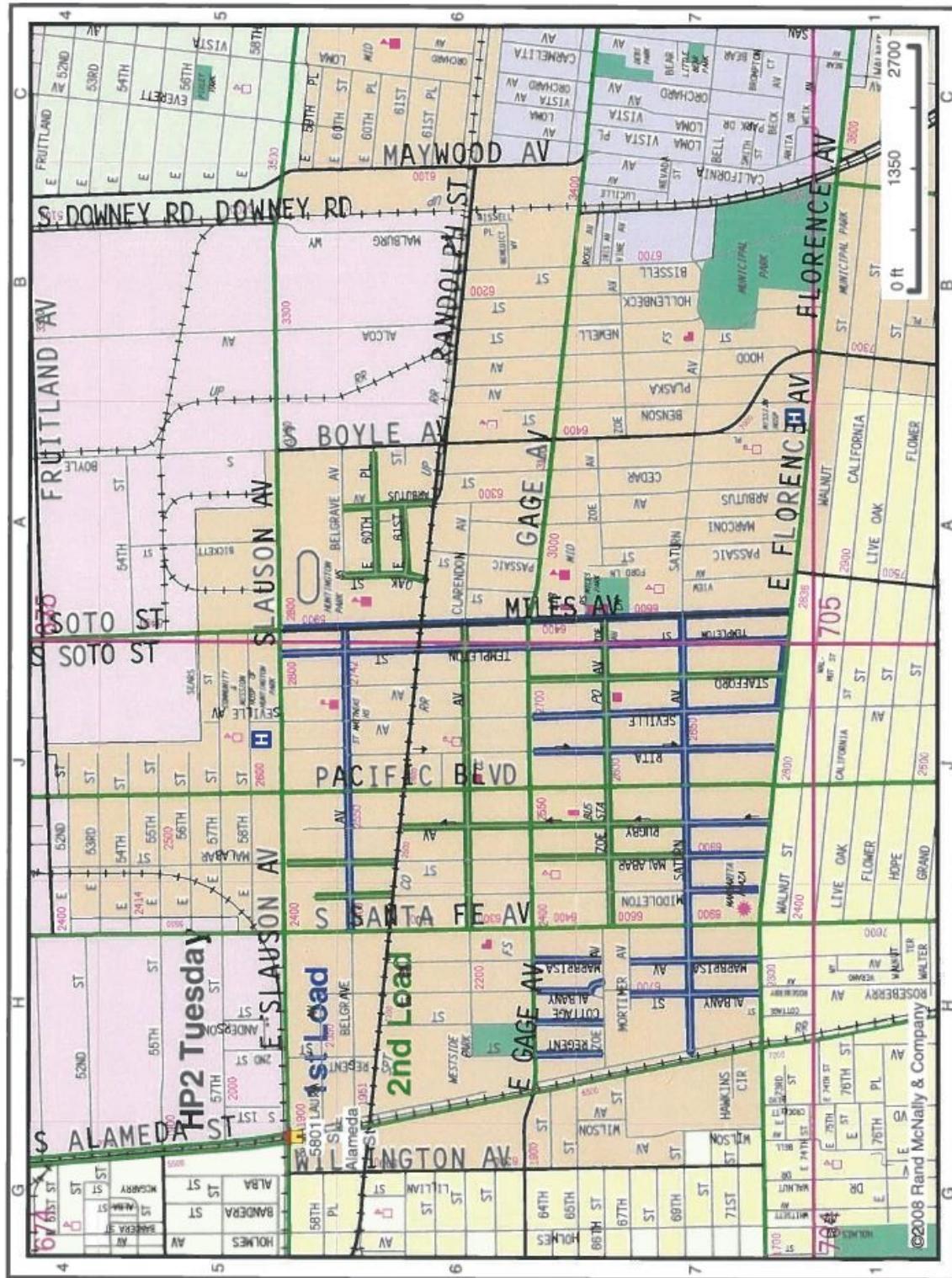
### **COLLECTION MAPS**

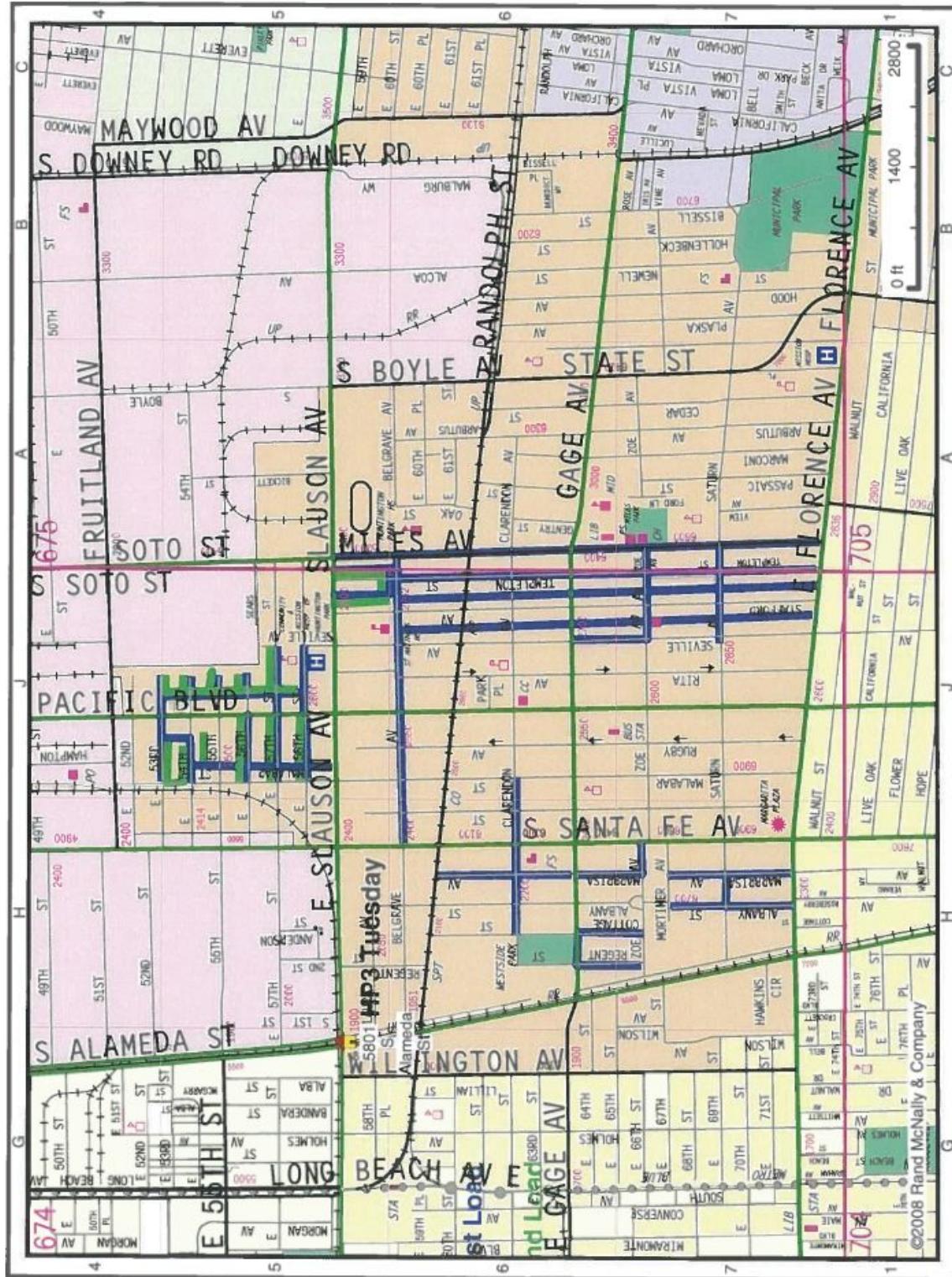




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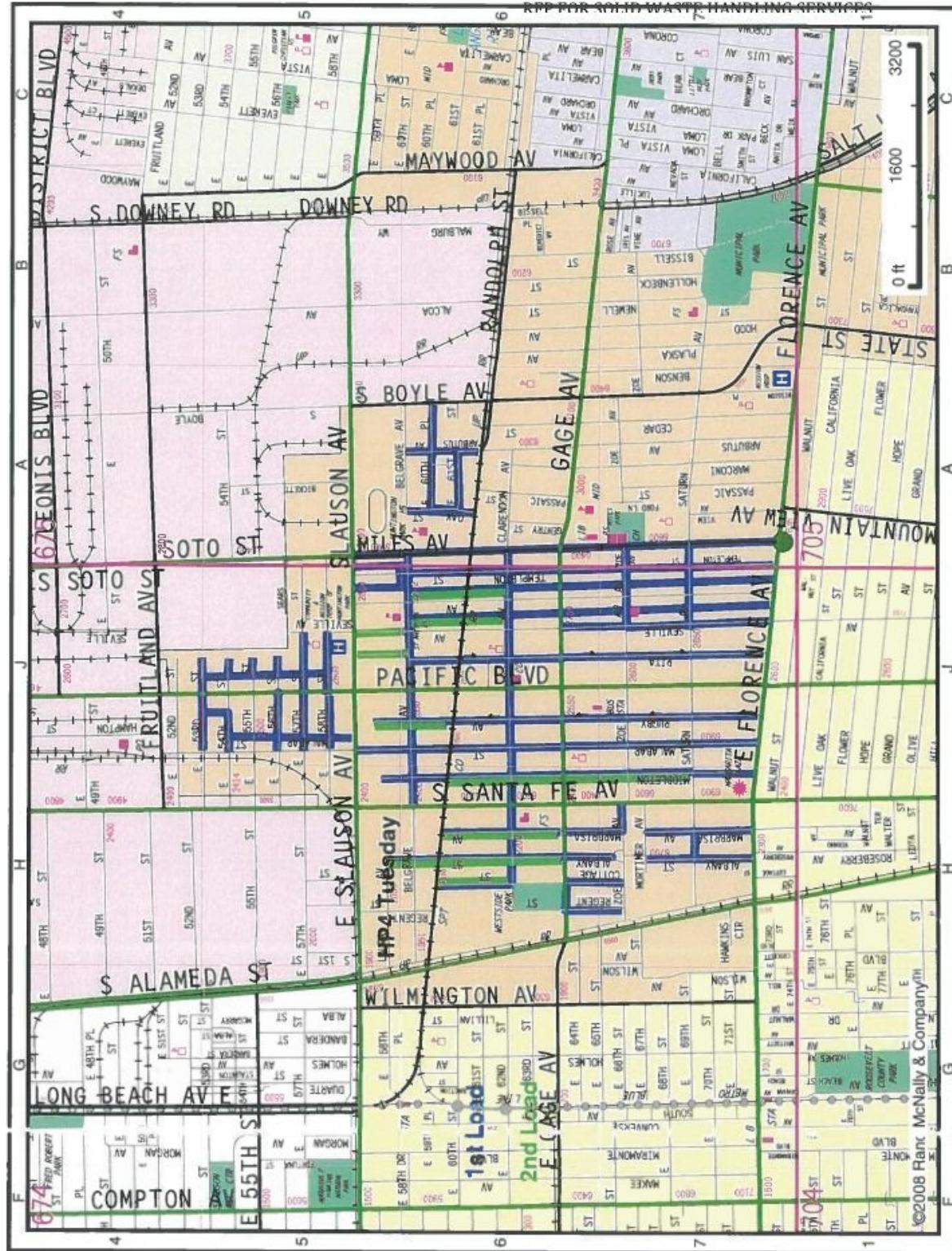




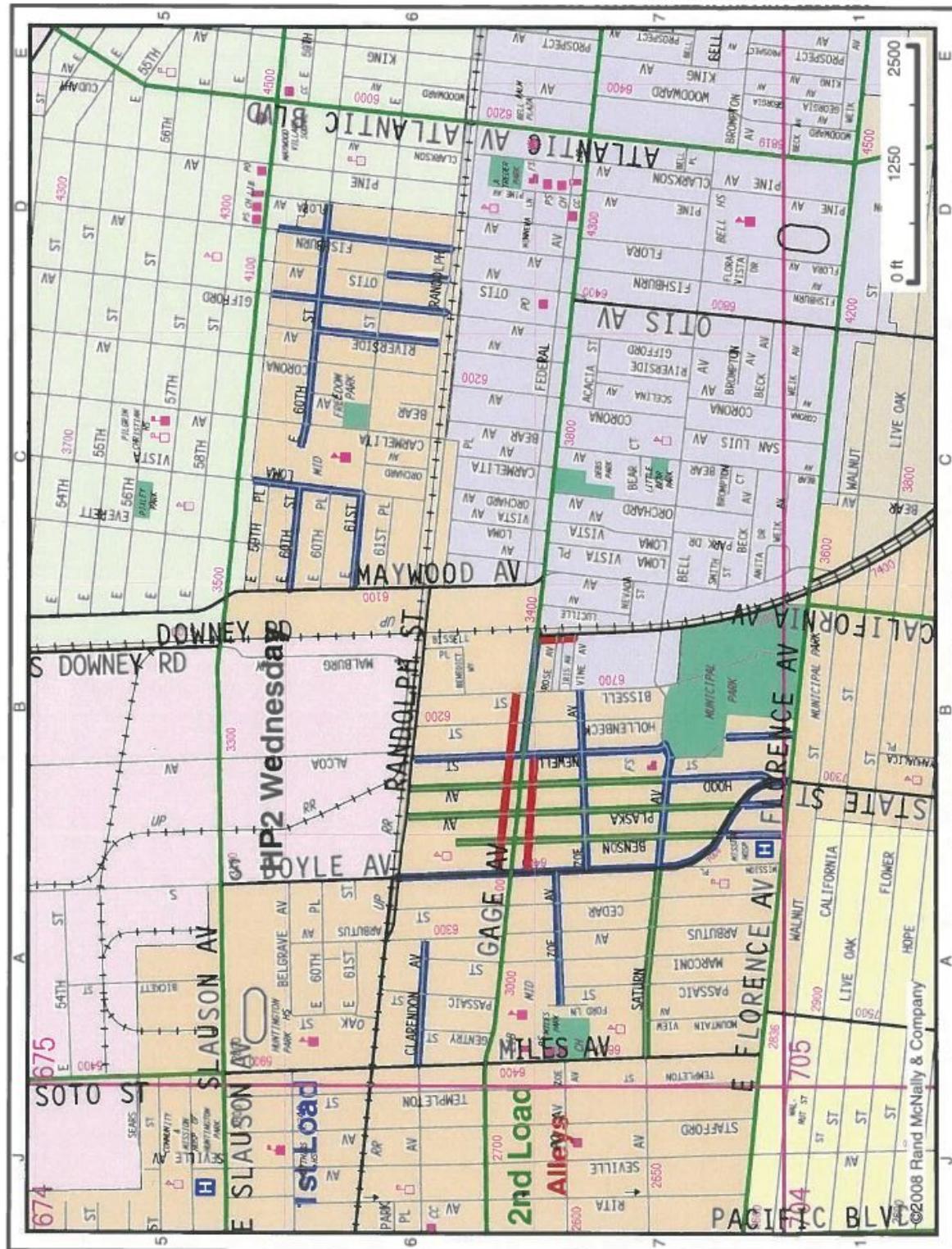


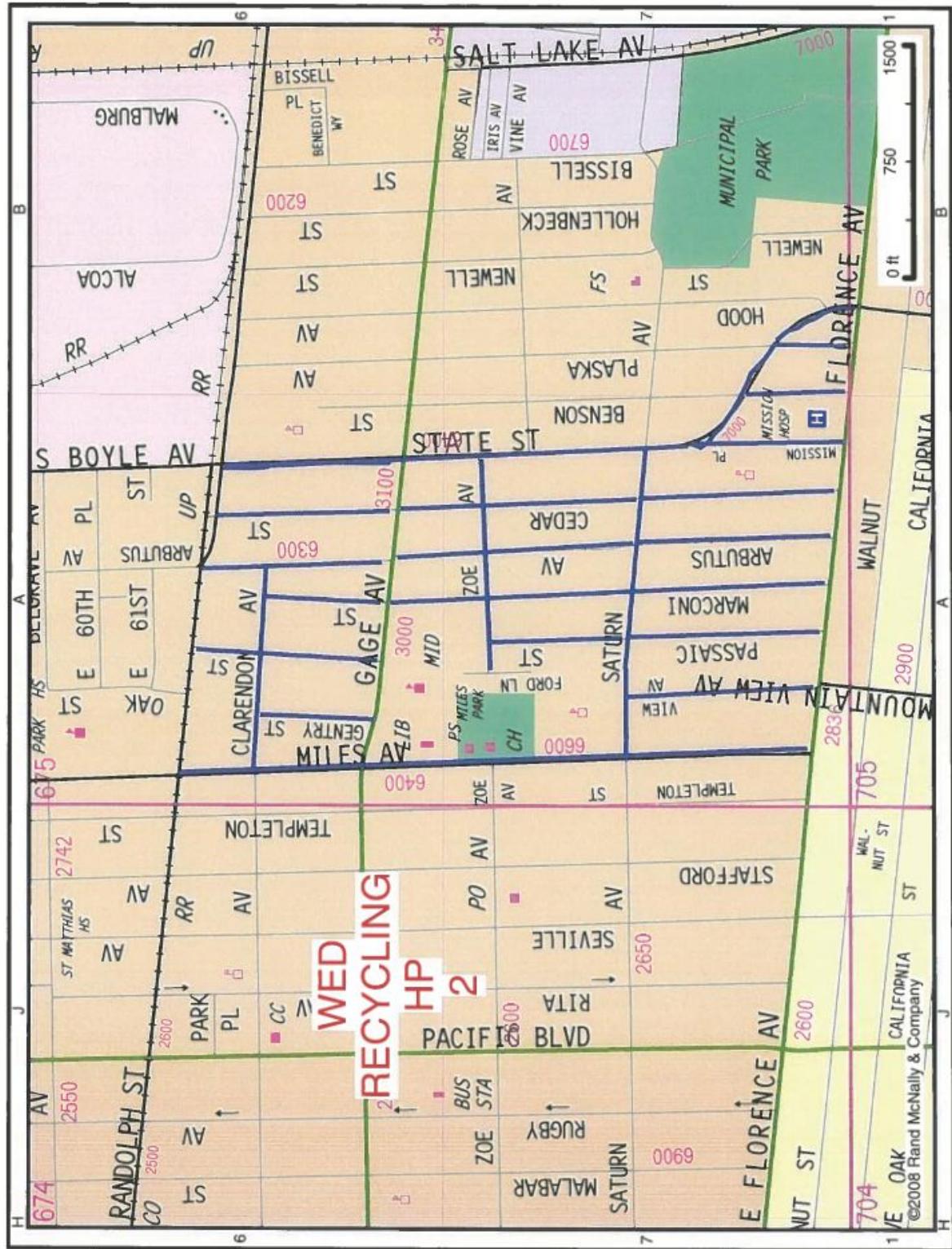
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PPR FOR SOLID WASTE HANDLING SERVICES

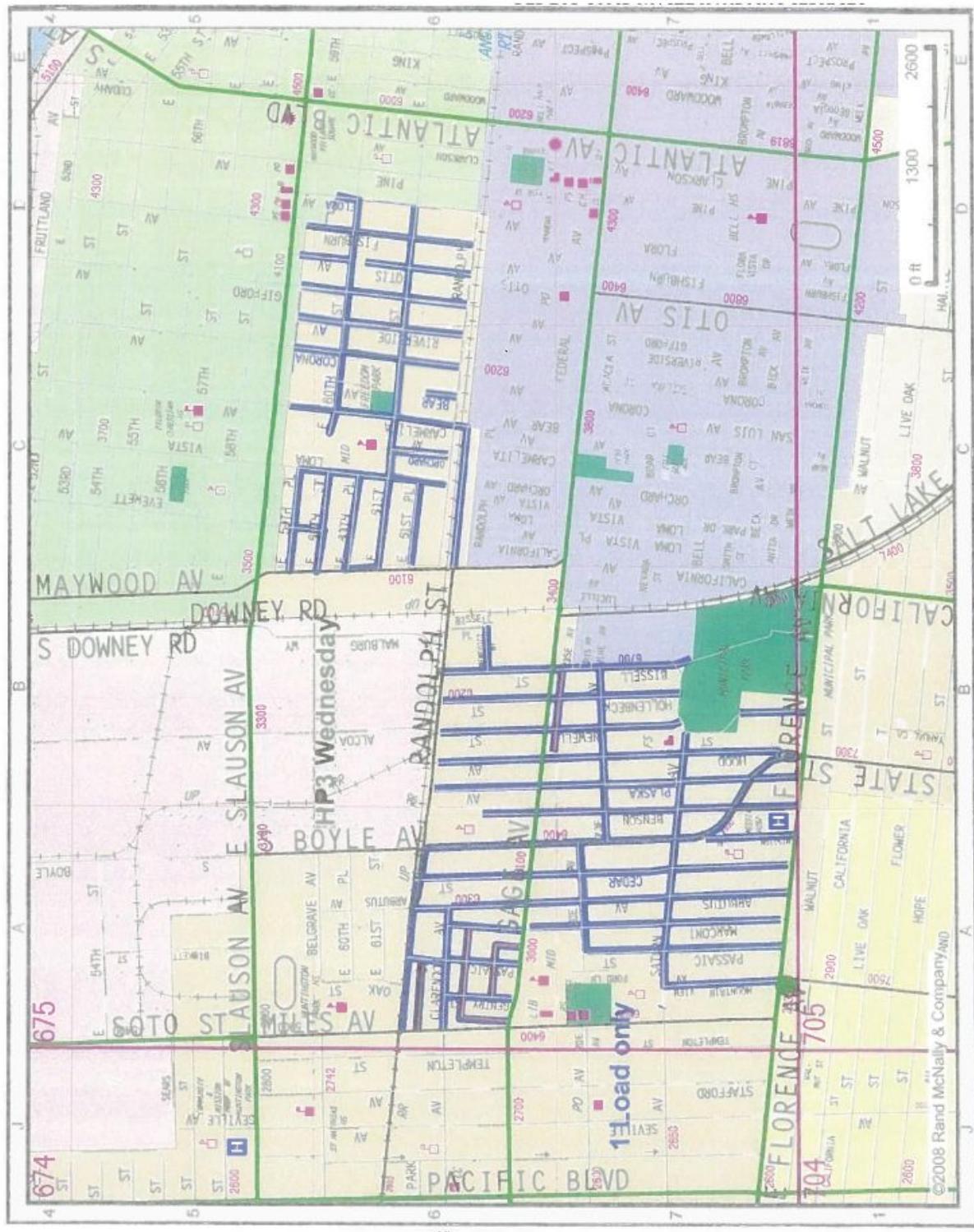


CITY OF HUNTINGTON PARK

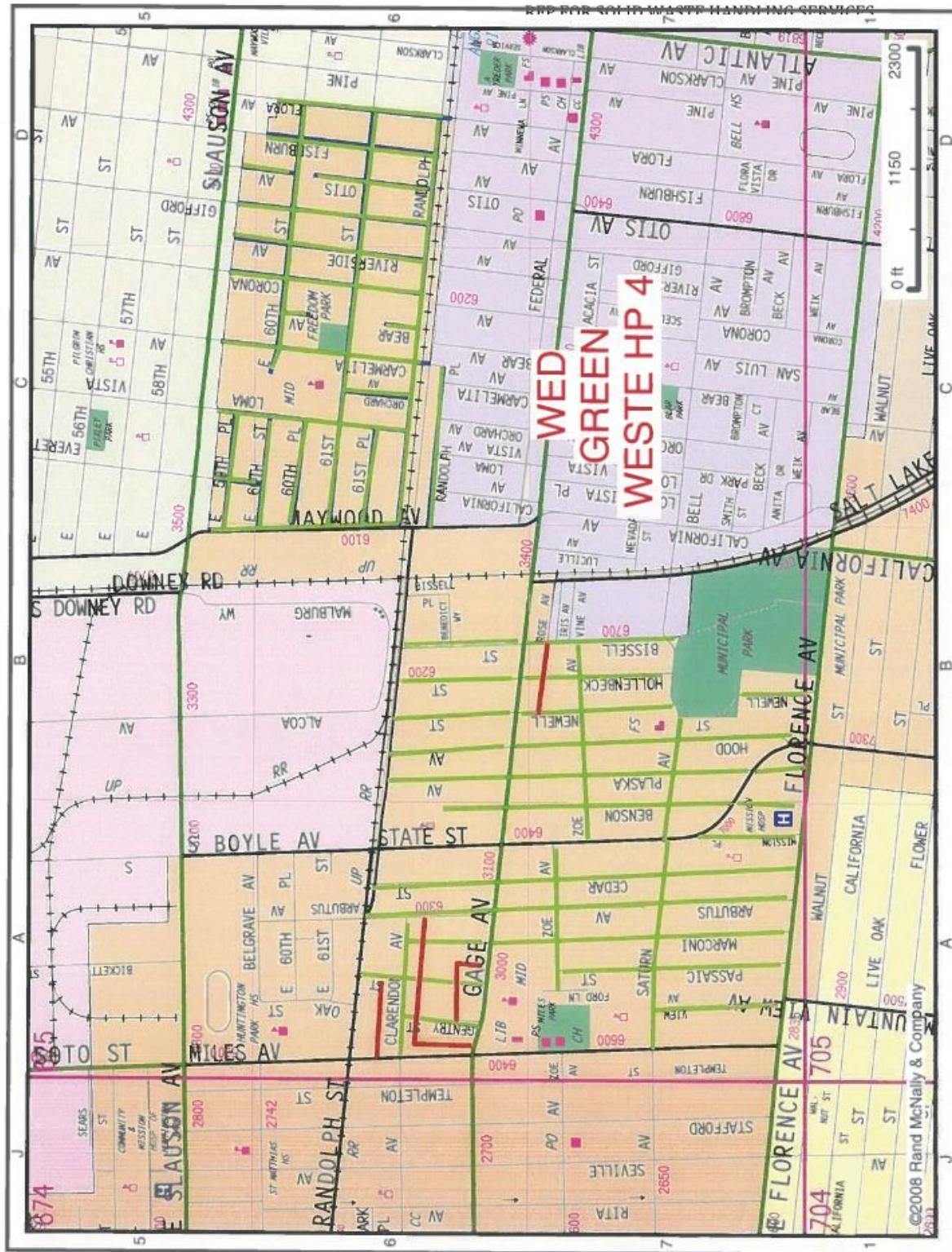


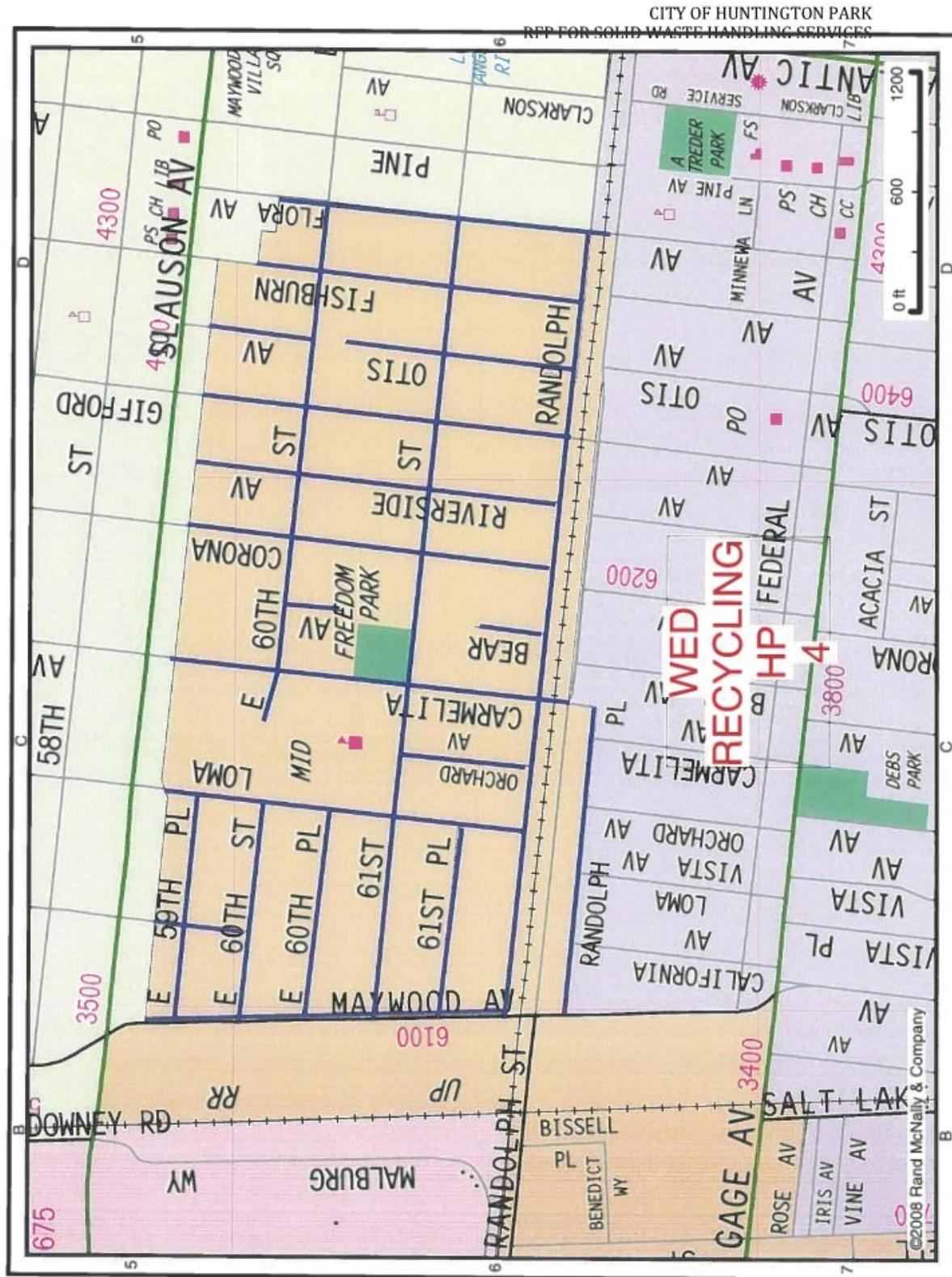


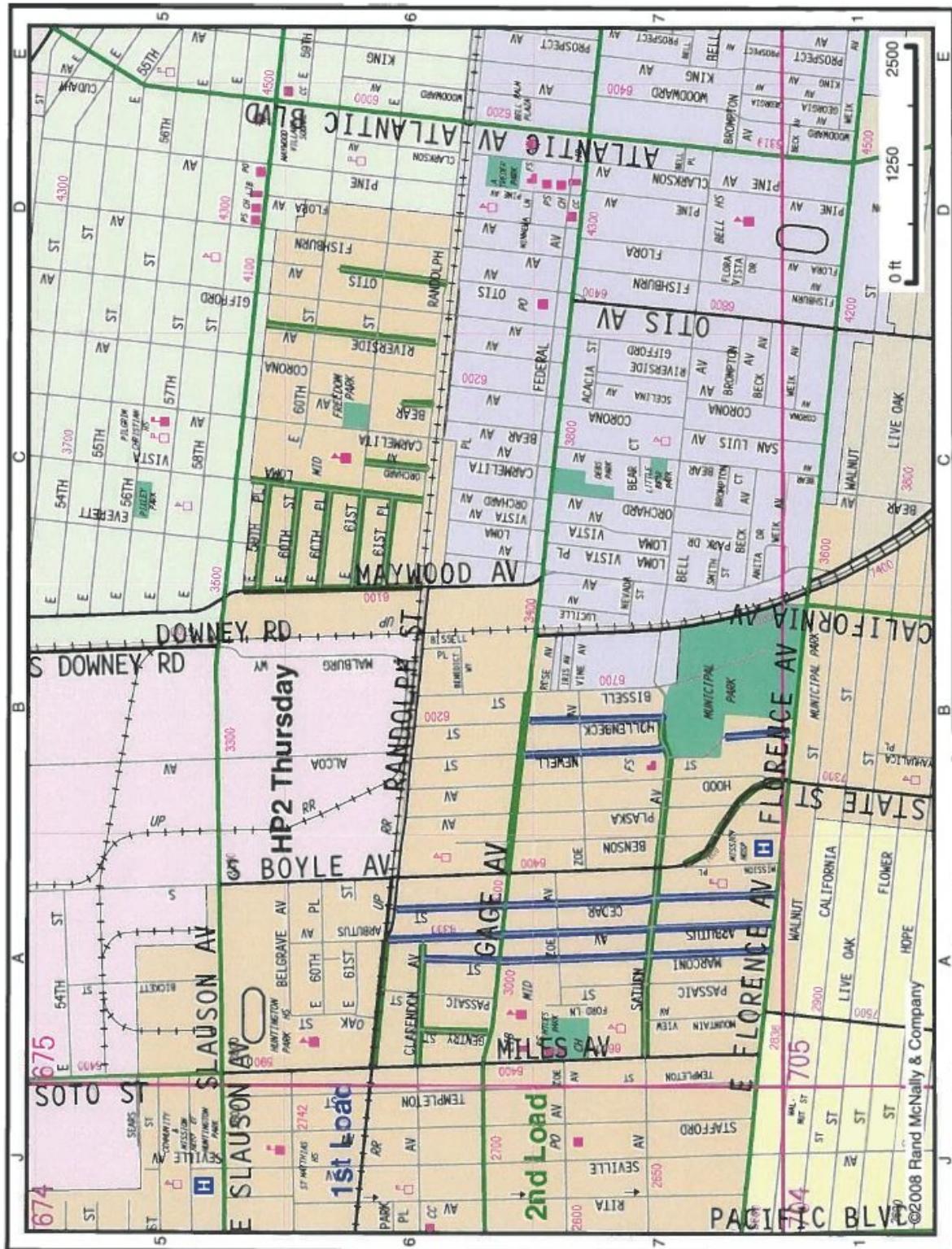
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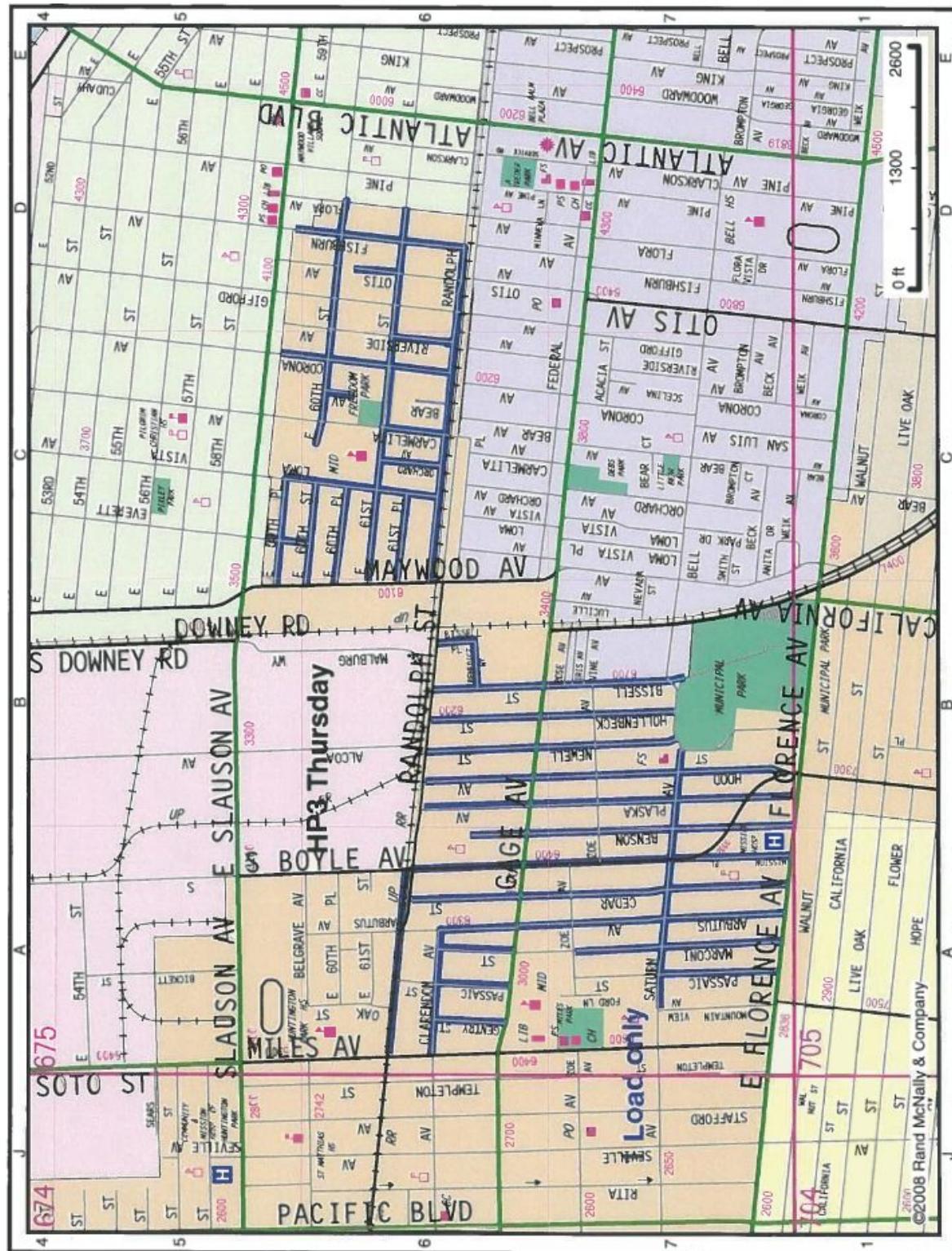


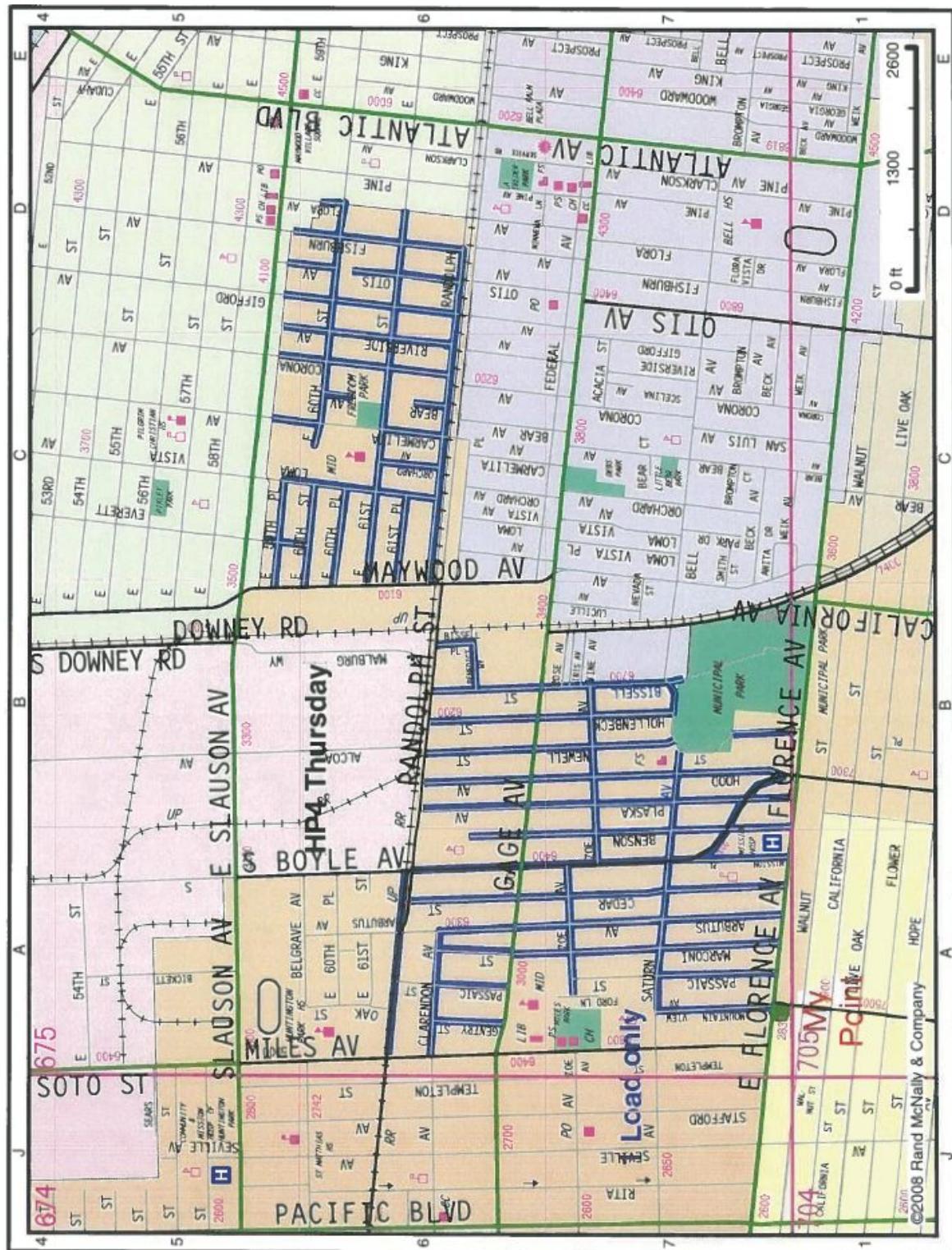
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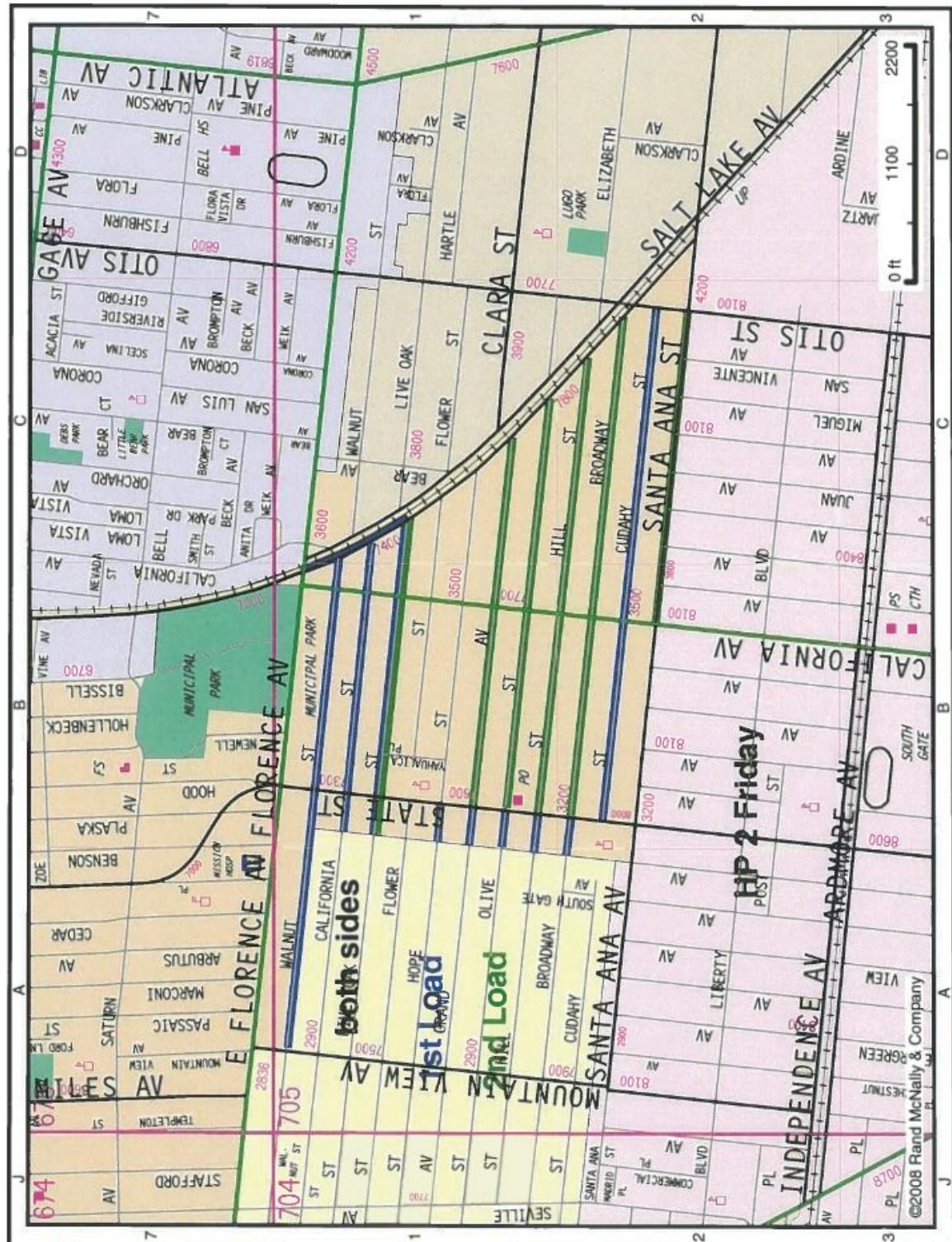












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