

EXCLUSIVE FRANCHISE AGREEMENT

BETWEEN

CITY OF HIDDEN HILLS

AND

G.I. INDUSTRIES

FOR

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

SEPTEMBER 17, 2025

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**Exclusive Franchise Agreement
between
City of Hidden Hills
and
G.I. Industries
for Solid Waste, Recyclable Materials, and Organic Waste Collection,
Processing, and Disposal Services**

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

RECITALS

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

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

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

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

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

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

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

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

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

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

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

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

1.1 GRANT AND ACCEPTANCE OF FRANCHISE

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

1.2 LIMITATIONS TO THE FRANCHISE

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

- A. **Section Reserved.**
- B. **Self-Hauled Materials.** A Commercial business Owner or resident may Transport Recyclable Materials, and Organic Materials for Processing, generated in or on their own Premises with their own vehicle.
- C. **C&D.** C&D that is removed by a duly-licensed C&D company or as part of a total service offered

by said licensed company or by the City, where the licensed company utilizes its own equipment as an incidental part of construction and/or demolition services being performed by such contractor in its ordinary course of business. Contractor recognizes the City's non-exclusive C&D Collection service if such Collection services are done in compliance with this Agreement. Contractor shall comply with the City's C&D Diversion ordinance (Ordinance No. 313), as adopted or as it may be amended. C&D materials, not subject to the C&D Ordinance, Disposed of in Bins or Roll-Off Boxes shall be Recycled at an Approved Processing Facility.

- D. **Donated or Sold Materials.** Any items which are Source Separated at any Premises by the Generator and (a) sold; or, (b) donated to a third party (provided there is no net payment made to the Generator by the buyer of such materials).
- E. **Section Reserved.**
- F. **Food Scraps.** Food Scraps that are separated by the Generator and used by the Generator or distributed to other Person(s) for lawful use as animal feed, in accordance with 14 CCR § 18983.1(b)(7). Food Scraps intended for animal feed may be Self-Hauled by Generator or Transported by another party.
- G. **Section Reserved.**
- H. **Beverage Containers.** Recyclable Materials with redemption value delivered for Recycling by residents under the California Beverage Container Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code.
- I. **Materials Removed by Customer's Contractor as an Incidental Part of Services.** Solid Waste, Yard Trimmings, or C&D removed from a Premises by a contractor (e.g., gardener, landscaper, tree-trimming service, construction contractor, Residential clean-out service), using its own staff, vehicles and equipment as an incidental part of the service being performed by such contractor in its ordinary course of business and such contractor is providing a service which is not included in the scope of this Agreement.
- J. **On-site or Community Composting.** Organic Materials Composted or otherwise legally managed at the site where it is generated (e.g., backyard Composting, or on-site anaerobic digestion) or at a Community Composting site.
- K. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or butcher shops, grease, or used cooking oil.
- L. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash, grit, and screenings.
- M. **Excluded Waste.** Excluded Waste regardless of its source.
- N. **Materials Generated by State and County Facilities.** Materials generated by State and County facilities located in the City and non-local entities as defined by 14 CCR § 18982(a)(42), provided that the Generator has arranged services with other Persons or has arranged services with the Contractor through a separate agreement.

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

This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now and during the Term of the Agreement. If future judicial interpretations of current law or new laws, regulations, or judicial interpretations limit the ability of the City to lawfully contract for the scope of services in the manner and consistent with all provisions as specifically set forth herein, Contractor agrees that the scope of the Agreement will be limited to those services and materials that may be lawfully included herein. City does not warrant any amount of revenues under this Agreement or minimum amount of material to be collected.

1.3 OBLIGATIONS OF PARTIES

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

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

ARTICLE 2. TERM OF AGREEMENT

2.1 TERM AND OPTION TO EXTEND

The Term of this Agreement shall commence January 1, 2026 (the "Commencement Date") and continue in full force for a period of five (5) years, through and including December 31, 2030, unless the Agreement is extended in accordance with Section 2.1.1 or terminated pursuant to Section 11.2.

2.1.1 Option to Extend Term

Unless terminated earlier in accordance with Article 13 of this Agreement, this Agreement may be extended with the written approval of both Parties for an additional five (5) years. Either party may provide written notice of their election to extend the Agreement at least one (1) year prior to expiration. If City wishes to extend the Agreement and Contractor declines, Contractor shall pay City the sum of One Hundred Thousand Dollars (\$100,000) as compensation for the impacts of re-procuring and/or re-negotiating a solid waste franchise. If both Parties indicate their desire to extend the Term of the Agreement, the Parties shall meet and confer to discuss potential amendments, including new or modified

Rates. Any amendments will be included in a future amendment to the Agreement. If there are no amendments, this Agreement will continue for the extension term without further action by the Parties.

2.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT

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

- A. Accuracy of Representations.** The Contractor's representations and warranties made in Article 12 of this Agreement are true and correct on and as of the Effective Date.
- B. Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the insurance and performance bond required by Article 9 that is satisfactory to the City.
- C. Absence of Litigation.** As of the Effective Date, to the best of Contractor's knowledge, after reasonable investigation, there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency, or instrumentality decided, pending, or threatened against Contractor wherein an unfavorable decision, ruling, or finding, in any single case or in the aggregate, would:
 - 1. Materially adversely affect the performance by Contractor of its obligations hereunder
 - 2. Adversely affect the validity or enforceability of this Agreement
 - 3. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement
- D. Permits Furnished.** As of the Effective Date, Contractor has obtained all permits necessary for operation of all Approved Facilities owned or operated by Contractor or any Subcontractor for use under the terms of this Agreement.
- E. Legal Challenge.** Contractor understands and acknowledges that the award of this Agreement and related decisions may be subject to review and repeal by the City's citizens through a referendum or similar petition, and to various types of legal and environmental challenges (such referenda, similar petition, and legal and environmental challenges being referred to collectively as "Legal Challenges"). Accordingly, this Agreement shall not become effective until the City reasonably determines that (1) any Legal Challenges that had been initiated as of the time of such determination have been resolved in favor of the City's award of this Agreement to Contractor; and (2) the deadline to initiate any additional Legal Challenges has expired; provided, however, that Contractor shall be entitled to rescind this Agreement upon thirty (30) Business Days prior written notice to the City if such determination is not made by XXXX, 202X. The successful proposer will be responsible for any of the City's costs or fees associated with any legal challenges to the award of this Agreement.

2.3 DELEGATION OF AUTHORITY

The administration of this Agreement by the City shall be under the supervision and direction of the City Manager's office and the actions specified in this Agreement, unless otherwise stated, shall be taken by

the City Manager, or their designee.

ARTICLE 3. SCOPE OF AGREEMENT

3.1 SUMMARY SCOPE OF SERVICES

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

- A. Providing a three (3) -Container Collection program for the separate Collection of Recyclable Materials, Organic Materials, and Solid Waste generated by and placed for Collection by Single-Family Residential Customers pursuant to the requirements of Article 4 and Exhibit B1.
- B. Contractor shall provide the following Collection programs pursuant to the requirements of Article 4 and Exhibits B2 and B3:
 - a. Three (3) -Container Collection program for the separate Collection of Recyclable Materials, Organic Materials, and Solid Waste.
 - b. Source Separated Manure Collection.
- C. Transporting Collected materials to the appropriate Approved Facilities pursuant to requirements of Article 4 and Exhibit B.
- D. Processing Collected Recyclable Materials and Organic Materials at the appropriate Approved Facilities pursuant to the requirements of Article 3, Article 4, and Exhibit B.
- E. Performing all other services required by this Agreement including, but not limited to, Customer billing, public education, Customer service, contamination monitoring, record keeping, and reporting pursuant to Articles 4 and 6 and Exhibit C and Exhibit F.
- F. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement.
- G. Performing or providing all services necessary to fulfill its obligations in full accordance with this Agreement at all times using best industry practice for comparable operations.
- H. Complying with all Applicable Laws.

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

3.2 USE OF APPROVED FACILITIES

The Contractor, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the Approved Facilities for the purposes of Processing and/or Disposing of all Discarded Materials and other materials Collected in the City. Use of a facility must be approved, in writing, by the

City prior to use consistent with the requirements of Article 4. Such decision by Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law regarding Flow Control limitations or any definition thereof.

3.3 SUBCONTRACTING

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

3.4 RESPONSIBILITY FOR MATERIALS

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

Responsibility for Excluded Waste that has been inadvertently Collected by the Contractor shall remain with the Contractor if it cannot identify the Generator, and Contractor shall assume all responsibility for its proper Disposal; provided that nothing in this Agreement shall require or imply that Contractor shall take title to any Excluded Waste that it inadvertently Collects under this Agreement.

3.5 CITY-DIRECTED CHANGES TO SCOPE; CHANGE IN LAW

- A. City may require a proposal from Contractor to establish the scope of any modification to existing services (which may include use of Approved Facilities) to be provided under this Agreement. In such case, Contractor shall present, within thirty (30) calendar days of City's request, unless an alternate schedule is mutually agreed-upon, a written proposal to provide such modified or additional services. City shall review the Contractor's Proposal for the change in scope of services. City and Contractor may meet and confer to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-upon changes in scope. If the City and Contractor are unable to agree on terms and conditions, including compensation adjustments, of such services within ninety (90) calendar days from City's receipt of Contractor's Proposal for such services, the City may permit other Persons to provide such services. Nothing herein shall prevent the City from soliciting cost and operating information from other Persons in order to inform the City's evaluation of Contractor's Proposal. The City and Contractor agree that Contractor's obligations and/or scope of services under this Agreement exclude any requirements regarding the future conversion of fleets, or any part thereof, to Zero-emissions (ZEV) or Near-zero-emissions (NZEV) vehicle(s) or the future acquisition, hiring or use

of ZEVs or NZEVs under Applicable Law. Should any present or future Applicable Law apply to any Contractor's vehicles used in the provision of services under this Agreement during the Term, then the City and Contractor agree to meet and confer in good faith to amend this Agreement to incorporate provisions and obligations reasonably necessary to comply with such Applicable Law, and Contractor shall be entitled to a rate adjustment in accordance with Section 8.5(B) for such change in Contractor's obligations and/or scope of services under this Agreement.

B. A Change in Law may require that Contractor provide new, modified, or additional services under this Agreement, including without limitation pilot programs or innovative services that may entail new Collection methods, or different services requirements for Customers. In the event of a Change in Law, the Parties shall meet and confer in good faith to amend this Agreement to incorporate provisions and obligations necessary to comply with the Change in Law and Contractor shall be entitled to request a rate adjustment in accordance with Section 8.5(E) as determined by the Parties.

ARTICLE 4. SCOPE OF SERVICES

Contractor shall perform the Recyclable Materials, Organic Materials, Solid Waste, and Bulky Item services described in this Article 4, for any Customer in the City that subscribes to Contractor's Collection services. Contractor shall provide On-Premises Collection of Recyclable Materials, Organic Materials, Solid Waste, and Bulky Items for Single-Family Customers. Contractor's Collection services shall be offered City Facility Customers that place Containers in a public right-of-way or that provide a waiver for Contractor to access the Private Road(s) where Customer places its Containers.

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

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

4.1 RECYCLABLE, ORGANIC MATERIALS, AND MANURE

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

B. **Transfer.** Contractor plans to Transport Discarded Materials to the Approved Transfer Facility where the materials will be unloaded from Collection vehicles and loaded into large-capacity vehicles and Transported to the Approved Processing Facilities. Contractor shall keep all existing permits and approvals necessary for use of the Approved Transfer Facility in full regulatory compliance. Upon request, Contractor shall provide copies of facility permits and/or notices of violations (obtained from its Transfer Facility Subcontractor if necessary) to City Manager. If the

Contractor is unable to use the Approved Transfer Facility, then the Contractor shall be responsible for making other Transportation arrangements. In such event, Contractor shall not be compensated for any additional costs. If the Contractor plans to change its Transfer method, Contractor shall obtain written approval from the City prior to making the change.

- C. **Processing.** Contractor shall Transport and deliver all Source Separated Recyclable Materials placed in Recyclable Material Containers to the Approved Recyclable Materials Processing Facility. Contractor shall Transport and deliver Source Separated Organic Materials and Source Separated Manure placed in Organic Materials or Manure Containers in the City to the Approved Organic Materials Processing Facility. All tipping fees and other costs associated with Transportation and Processing of such Recyclable and Organic Materials and Manure at the Approved Processing Facilities and Disposing of the Residue as required in Section 4.1.I below shall be paid by Contractor.
- D. **Capacity Guarantee.** Contractor guarantees sufficient capacity at the Approved Processing Facilities to Process all Source Separated Recyclable Materials, Source Separated Organic Materials, and Manure Collected by Contractor under this Agreement throughout the Term of the Agreement.
- E. **Compliance with Regulatory Requirements and Applicable Law.** Contractor shall keep all existing permits and approvals necessary for use of the Approved Processing Facilities in full regulatory compliance. Upon request, Contractor shall provide copies of facility permits and/or notices of violations (obtained from its Processing Facility Subcontractor if necessary) to the City Manager.
- F. **Notification of Emergency Conditions.** Each Approved Facility shall notify the City of any unforeseen operational restrictions that have been imposed upon the facility by a regulatory agency or any unforeseen equipment or operational failure that will temporarily prevent the facility from Processing the Discarded Materials Collected under this Agreement.
- G. **Approved Facility(ies) Unavailable/Use of Alternative Facility(ies).** If Contractor is unable to use the Approved Processing Facility due to an event that meets the requirements for excusing Contractor from performance of this specific obligation as described in Section 11.7, Contractor shall use an alternative Processing Facility provided that the Contractor provides written notice to City Manager. Within forty-eight (48) hours of emergency or sudden and unforeseen closure, the Contractor shall provide a written description of the reasons the use of the Approved Processing Facility is not feasible, and the period of time Contractor proposes to use the alternative Processing Facility. Such a change in Processing Facility shall be temporarily permitted until such time as the City Manager is able to consider and respond to the use of the proposed alternative Processing Facility. If the use of the proposed alternative Processing Facility is anticipated to, or actually does, exceed thirty (30) days in a consecutive twelve (12) month period, the use of such Processing Facility shall be subject to approval by the City Manager. The City Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative Processing Facility. If the City disapproves the use of the proposed alternative Processing Facility, the Parties shall meet and confer to determine an acceptable Processing Facility.

If the use of an alternative Processing Facility is for reasons within Contractor's, or its Processing Facility Subcontractor's control, Contractor's Compensation shall not be adjusted for any change

in Transportation and Processing costs associated with use of the alternative Processing Facility. However, if the use of an alternative Processing Facility is due to reasons beyond Contractor's or its Subcontractor's control, then City shall adjust, either up or down, Contractor's Compensation for changes in Transportation and Processing costs associated with the use of the alternative Processing Facility. In the event that the change in the Processing Facility results in increased costs, City may identify and direct Contractor to an alternative Processing Facility, which results in less cost than the Contractor-identified alternative.

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

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

- H. **Marketing.** The Contractor shall be responsible for marketing Recyclable Materials and any final product resulting from Organic Materials and Manure Collected in the City that are delivered for Processing at the Approved Processing Facilities. Contractor's marketing strategy shall promote the highest and best use of materials presented in the waste management hierarchy established by AB 939. Where practical, the marketing strategy should include use of local markets for Recyclable Materials and any final product resulting from Organic Materials and Manure.
- I. **Residue Disposal.** Residue from the Processing of Recyclable Materials, Organic Materials, and Manure Collected under this Agreement at the Approved Processing Facilities shall be Disposed of by Contractor, or the Processing Facility Subcontractor. Residue delivered for Disposal shall not include any Excluded Waste.
- J. **Compostable Plastics.** If Compostable Plastics are accepted at the Approved Organic Materials Processing Facility, Customers may place Compostable Plastics in the Organic Materials Container for Collection, including Compostable Plastic bags used by Customers to contain Food Waste prior to placement in the Organic Materials Container for Collection if they are accepted at the Approved Organic Waste Processing Facility. Contractor shall Collect and Transport such materials for Processing at the Approved Organic Waste Processing Facility. At least six (6) months prior to the commencement of the Agreement, Contractor shall provide a written notification to the City authorizing if the Facility has the capability to Process and recover the Compostable Plastics. If there are any changes to the Facility's ability to Compostable Plastics, Contractor shall notify the City within seven (7) days and shall provide a notice to Customers at least thirty (30) days prior to issuing any contamination notices. The notification shall, at a minimum, include: the date and a description of the reasons that the Facility is not able to Process and recover the Compostable Plastics.

4.2 SOLID WASTE

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

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

4.3 BULKY ITEMS

- A. Bulky Item Annual Collection.** Contractor shall provide at no additional cost, an annual Bulky Item Collection service for one (1) day during each calendar year. Customer shall schedule an appointment with Contractor for Collection. Contractor shall publish and distribute a notice to all Single-Family Customers. The notice shall contain information including, definitions of materials to be Collected (including E-waste), procedures for setting out the materials, and Contractor Customer service number. The notice shall be provided in English and Spanish in a format approved by the City. This Collection shall take place during a week that is mutually acceptable to City and Contractor.
- B. On-Call Bulky Item, HHW, and E-Waste Collection.** Contractor or its Affiliate shall offer on-call Bulky Item, HHW, and E-Waste Collection services as described in Exhibit B for an additional charge to Customers. On-call Bulky Item, HHW, and E-Waste Collection services shall be provided to Customers prior to the Customer's next regularly scheduled Collection day, pursuant to Exhibit B, provided that the Customer notify Contractor at least two (2) Business Days prior to Customer's next regularly scheduled Collection Day. Provided the Customer does not notify Contractor at least two (2) Business Days prior to their regularly scheduled Collection Day, Contractor shall provide services prior to the following regularly scheduled Collection Day. Contractor shall make reasonable efforts to schedule on-call Bulky Item, HHW, and E-Waste Collections on a day that is convenient to the Customer. Contractor shall Transport all Bulky Items, HHW, and E-Waste Collected under this Agreement to the Approved Processing Facility. Contractor shall pay all costs associated with Transporting and Processing Bulky Items, HHW, and E-Waste. Contractor shall observe and comply with all regulations in effect at the Approved Processing Facility and cooperate with and take direction from the operator thereof with respect to delivery of Bulky Items, HHW, and/or E-Waste. The City has approved WM's At Your Door Special CollectionSM services, as an affiliate of Contractor, to provide services under this section in accordance with the rate(s) on Exhibit D.
- C. Los Angeles County HHW Cleanup Events.** At all times during the Term of this Agreement, Contractor shall provide a toll-free number that will provide information regarding HHW and E-Waste including available Disposal sites or events. Contractor agrees to cooperate fully with the Los Angeles County Department of Public Works HHW Cleanup events.

4.4 CITY AND COMMUNITY ASSOCIATION SPECIAL EVENTS

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

City Manager.

- A. **Event Collection Stations.** Upon request, Contractor shall provide event Collection stations for Collection of Recyclable Materials, Organic Materials, and Solid Waste at City-sponsored events. Each event Collection station shall include a separate Cart or special event Cardboard boxes for each of Recyclable Materials, Organic Materials, and Solid Waste, as appropriate. Contractor shall provide a sufficient number of event Collection stations of sufficient capacity to meet the needs of the event as determined by Contractor in cooperation with the City and/or the event organizer. Collection stations shall utilize the same Carts used to provide services to Residential Customers, unless alternative Containers are approved by the City. Contractor shall provide liners/bags for the Carts at the Collection stations. Collection stations shall include adequate signs and labeling.
- B. **Containers.** Upon request, Contractor shall provide Containers, which may include Bins or Roll-Off Boxes for the aggregation of material removed from event Collection stations during the course of the event. Contractor shall provide Containers in sufficient number of appropriate type(s) for the needs of the event as determined by Contractor in cooperation with the City and/or the event organizer. Contractor shall service Containers, as agreed-upon with the City and/or the event organizer, and deliver Collected materials to the appropriate Approved Facility for Processing and/or Disposal.
- C. **Public Education Booth.** Upon request of either the City Manager or the event organizer, Contractor shall staff a booth or exhibit at the event for the purpose of educating the public about the services and programs provided by Contractor under this Agreement and the benefits of source reduction, reuse, Recycling, and Composting.
- D. **Reporting.** Upon request, Contractor shall submit a report to the City Manager and event organizer within fourteen (14) calendar days of the end of the event. The report should include, at a minimum: the number of event Collection stations deployed at the event, the estimated Tonnage of each material type (i.e., Recyclable Materials, Organic Materials, and Solid Waste) Collected, and a description of the public education provided at the event.

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

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

4.5 PUBLIC EDUCATION AND OUTREACH

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

- A. **Program Objectives.** The City's public education and outreach strategy shall focus on improving Generator understanding of the benefits of and opportunities for source reduction, reuse, and landfill Disposal reduction and supporting compliance with Applicable Laws and regulations,

including, but not limited to AB 939. Examples of goals of the City-provided public education and outreach program include, but are not limited to: (i) informing Generators about the services that are provided under this Agreement with specific focus on describing the methods and benefits of source reduction, reuse, Recycling, and Composting; (ii) instructing Generators on the proper method for placing materials in Containers for Collection, with specific focus on minimizing contamination of Recyclable Materials, Organic Materials and Manure; (iii) clearly defining Excluded Waste and educating Generators about the hazards of such materials and their opportunities for proper handling; (iv) discouraging Generators from buying products if the product and its packaging are not readily reusable, Recyclable, or Compostable; and, (v) encouraging Generators to purchase products/packaging made with Recycled content materials. The cumulative intended effect of these efforts is to reduce generation of Solid Waste and, ultimately, Disposal of Solid Waste by each Generator in the City, and Contractor agrees to support and not undermine or interfere with such efforts.

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

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

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

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

4.6 BILLING

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

Contractor shall bill Customers with Bin Service and Other Collection Services monthly in advance for scheduled and regularly recurring services and shall bill Customers with Residential Basic Service in advance on a bi-monthly basis. Contractor shall bill Customers for any on-call and/or non-recurring services or charges no more frequently than monthly and may only bill for services provided during the previous month.

Contractor shall develop, maintain, and regularly update a Customer Account Information Database,

which shall include, but is not limited to:

- i. Customer name;
- ii. Phone number (if provided by the Customer);
- iii. Service address;
- iv. Email address (if provided by the Customer);
- v. Subscribed Services (subject to the requirements of Applicable Law).

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

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

City may direct Contractor to attach inserts to Customer invoices. Contractor shall provide electronic bill inserts to Customers who are billed electronically, and paper bill inserts to Customers who receive paper bills. Electronic bill inserts/attachments must be readily available for the Customer to view upon receipt of the invoice (attachments may be provided as links). Upon City request for such attachments, Contractor shall comply with such request during its next billing cycle for the targeted Customer group. Contractor shall perform this service with no additional requirement for compensation.

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

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

Monthly Customer invoices shall be due thirty (30) calendar days from the last day of the billing period. In the event that any account becomes more than thirty (30) calendar days past due, Contractor shall notify such Customer of the delinquency via written correspondence, instructing the Customer that unpaid bills which become more than thirty (30) calendar days delinquent may be assessed a one- and one-half percent (1.5%) late fee per month. Contractor shall provide a second written notice of delinquency to any account which becomes more than forty five (45) calendar days past due, and a third written notice of delinquency to any account which becomes more than sixty (60) calendar days past due. Should any account become more than ninety (90) calendar days past due, Contractor may discontinue providing service to the Customer. In the event the billing address and service address differ, notices shall be mailed to both addresses. No less than seven (7) calendar days prior to discontinuing service to a Customer, Contractor shall notify the City Manager of the address, Service Level, service frequency, and

delinquent billing amount. Contractor may withhold service from a delinquent account until past delinquencies are paid in full. Upon restoring service to a previously delinquent account, Contractor may require a deposit from the Customer not to exceed one (1) month's billings at the Customer's Service Level.

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

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

4.7 CUSTOMER SERVICE PROGRAM

4.7.1 Program Requirements

A. Customer Service

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

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

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

B. Complaint Documentation

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

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

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

All Customer service records and logs kept by Contractor shall be available to City upon request within five (5) Business Days at no cost to City. City shall, at any time during regular Contractor business hours, have access to Contractor's City Liaison for purposes that may include monitoring the quality of Customer service or researching Customer Complaints.

C Resolution of Customer Complaints

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

Should Contractor and Customers not be able to establish a mutually acceptable fee to be charged for special hauling services, the matter may be referred to the City for consultation with the City.

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

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

4.7.2 Missed Collections

A. Missed Collection Complaints. When handling Customer Complaints related to missed or incomplete Collections, Contractor shall not question or contest the Customer's claim that the

Collection was missed or incomplete, even in cases where the route driver recorded the Container(s) in question as already "Collected."

B. **Schedule for Resolution.** Contractor shall resolve every Customer Complaint of a missed or incomplete Collection by returning to the Customer address and completing the Collection. For all Complaints related to missed Collections that are received by 3:00 p.m. on a Working Day, the Contractor shall return to the Customer address and Collect the missed materials on the same Working Day on which the missed Collection was reported. For those Complaints related to missed Collections that are received after 3:00 p.m. on a Working Day, the Contractor shall have until the end of the following Working Day to resolve the Complaint.

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

4.8 SECTION RESERVED.

4.9 SERVICE EXEMPTIONS

4.9.1 General Exemptions

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

4.9.2 Contractor Service Exemptions

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

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

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

4.10 CONTAMINATION MONITORING

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

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

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

- A. **Contamination Notification.** Upon identification of Prohibited Container Contaminants in a Customer's Container, Contractor shall provide the Customer with a notice of contamination in the form of either a Courtesy Pick-Up Notice or a Non-Collection Notice as determined by the route auditor or driver. Non-Collection Notices shall only be provided for Containers which are reasonably believed to contain Excluded Waste. Contractor may use electronic, digital, or visual image technology to visualize the contents of Containers.
- B. **Courtesy Pick-Up Notice.** Upon identification of Prohibited Container Contaminants in a Customer's Container, Contractor may provide the contamination violation notice to the Customer by phone, U.S. mail, e-mail, text, or other electronic means, or may attach or adhere Courtesy Pick-Up Notice to Generators contaminated Containers.

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

1. Inform the Customer of the observed presence of Prohibited Container Contaminants.
2. Include the date and time the Prohibited Container Contaminants were observed.
3. Include information on the Customer's requirement to properly separate materials into the appropriate Containers, and the accepted and prohibited materials for Collection in each Container.
4. Inform the Customer of the courtesy pick-up of the contaminated materials on this occasion with information that the Contractor may assess contamination Processing fees and/or issue a Non-Collection Notice in the future.
5. Include photographic evidence, unless the Courtesy Pick-Up notice is attached to the contaminated Container(s).

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

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

C. **Non-Collection Notices**

- 1. **Non-Collection Notice.** If the Contractor observes Excluded Waste, Contractor shall provide

a Non-Collection Notice to the Generator.

The Non-Collection Notice shall, at a minimum:

- a. Inform the Customer of the reason(s) for non-Collection.
- b. Include the date and time the notice was left or issued.
- c. Describe the premium charge to Customer for Contractor to return and Collect the Container after Customer removes the Excluded Waste.
2. **Communications with Customer.** Whenever a Container is not Collected, Contractor shall contact the Customer on the scheduled Collection day or during the next Business Day by telephone, email, text message, or other verbal or electronic message to explain why the Container was not Collected. Contractor shall include a telephone number in all communication to Customers in order to allow direct communication with a Customer service representative or to leave voice messages during non-business hours. Whenever a Container is not Collected because of Prohibited Container Contaminants, a Customer service representative shall contact the Customer to discuss and encourage the Customer to adopt proper Discarded Materials preparation and separation procedures.
3. **Contractor Return for Collection.** Upon request from Customer, Contractor shall Collect Containers that received Non-Collection Notices within two (2) Working Days of Customer's request if the request is made at least two (2) Business Days prior to the regularly scheduled Collection Day. Contractor shall bill Customer for the extra Collection service event ("extra pick-up") at the applicable City-approved Rates only if Contractor notifies Customer of the premium Rate for this service at the time the request is made by Customer.

D. Reporting Requirements.

1. **Container Contaminant Log:** The driver or other Contractor representative shall record each event of identification of Prohibited Container Contaminants in a written log or in the on-board computer system including, but not limited to: date, time, Customer's address, type of Container, and maintain photographic evidence.
2. **Monthly Report:** The monthly report shall include, but is not limited to: list of Customers that were provided non-collection notices; photographic evidence of each contamination event(s) where a notice(s) was provided; date of notification, form(s) of notification given to Customer; list of Customer Complaints in response to notification; Contractor's response and actions taken in response to Customer Complaints; and, the total number of notices distributed during the reporting period by notification type.

4.11 ROUTE AUDIT

Upon City's request (but not more than once every three years), Contractor shall conduct an audit of its Collection routes in the City. City may use information from the audit to develop a request for proposals for a new service provider. City may instruct Contractor when to conduct the audit in order for the results to be available for use in preparation of a request for proposals or for other City uses. City may also instruct Contractor to conduct an audit at a time that would produce the most accurate Customer service

information for a new service provider to use in establishing service with Customers. In setting these audit dates, City will establish due dates for Contractor providing routing and account information, and later, the report, to City.

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

For Cart Customers:

- Route Number
- Truck Number
- Number and size of Carts by waste stream (Refuse, Recyclable Materials, and Organic Materials)
- Cart condition

For Bin Customers:

- Route Number
- Truck Number
- Account Name
- Account Number
- Account Service Address
- Account Type (Residential and City Facilities)
- Service Level per Contractor Billing system (Quantity, Size, Frequency, Waste Stream)
- Observed Containers (Quantity, Size, Frequency, Waste Stream)
- Container condition
- Proper signage
- Graffiti

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

- Identification of the routes
- Route map
- Truck numbers
- Number of accounts, by route and in total (Residential and Commercial)
- Confirmation that all routes are dedicated exclusively to City Customers
- Number and type of exceptions observed
- Total monthly service charge (Residential and Commercial), pre-audit for each Customer.
- Total monthly service charge (Residential and Commercial), post-audit (subsequent to

corrections of identified exceptions) for each Customer.

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.

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

4.12 PROCUREMENT OF RECOVERED ORGANIC WASTE PRODUCTS

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

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

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

B. Bulk Compost and/or Mulch for Private Uses – If the City is unable to use the full amount of Compost, Mulch, or both, required by SB 1383 in a given Calendar Year, Contractor shall arrange the legal donation of the remainder of the City's SB 1383 allotment to other productive uses. The production, acquisition, advertising, storage, Transportation, distribution, or any other costs needed to achieve this requirement shall be performed by Contractor at no additional cost to the City or Customers. The City shall notify Contractor in writing no later than October 1 of each Calendar Year if it is unable to use the full amount of Compost, Mulch, or both, required by SB 1383 in a given Calendar Year.

C. Compost and/or Mulch Give-Away Events - Contractor must distribute one cubic-foot bags of Compost and/or Mulch to City Residents at no additional cost to the City or Customers at up to two public Compost and/or Mulch give-away events per Agreement Year. The amount of compost and mulch will be determined by the City in consultation with the Contractor but shall not exceed the City's annual requirement for recovered Organic Waste products (ROWP) . The location, date, and time of such events must be mutually agreed upon by the City Manager and Contractor and may be held in conjunction with other City-approved events. Contractor must deliver the bagged Compost and/or Mulch to the agreed-upon event location at no cost to City. Franchisee must provide at least one attendant for at least six hours per event. Any Compost and or Mulch given away to the community through this program must apply to

Contractor's assistance to City with the amount of recovered Organic Waste products required under Applicable Law.

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

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

F. Other methods approved by CalRecycle.

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

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

4.13 EXTENDED PRODUCER RESPONSIBILITY PROGRAMS

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

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

Any and all such City requests and/or requirements related to any Extended Producer Responsibility Program shall be treated as a Change in Law under this Agreement and. Contractor shall be entitled to an Extraordinary Rate Adjustment to compensate it for all of its costs related to, arising from, or caused by the Collection, Transportation, Processing, Recovery, and/or Diversion of material associated such Change in Law.

ARTICLE 5. **STANDARD OF PERFORMANCE**

5.1 GENERAL

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

5.2 OPERATING HOURS AND SCHEDULES

- A. Hours of Collection.** Unless otherwise authorized by the City Manager, Contractor's days and hours for Collection operations shall be as follows:
 - 1. Collection Days.** Subject to the requirements of Section 4.10(c)(3), Collection is limited to three (3) days a week Collection except special Collections or as approved by City. No collection shall be made on Saturday or Sunday unless specifically authorized in writing by the City Manager.
 - 2. Collection Hours.** Collection shall only occur between the hours of 7:00 a.m. and 5:00 p.m.
- B. Changes in Collection Routes.** Prior to commencement of this Agreement, Contractor shall provide the City with route maps identifying at a minimum: the type of route (e.g., Single-Family, City Facilities, etc.) and the service day. City shall either approve or deny proposed standard Collection routes. If City denies any standard Collection routes, Contractor may request a meet and confer with the City Manager to discuss potential options. The City Managers decision shall be final with respect to any routing changes that may impact the day of service of any Customer. Contractor may, at any time during the Term of this Agreement, propose changes or additional routes, subject to City approval. If a standard Collection route change is approved, Contractor must notify all affected Customers fourteen (14) days prior to Contractor implementing the new route. This notification will be at the expense of the Contractor and shall be published in bold and legible type at least one time in the newsletter used for City notices. In addition, Contractor, at its own expense, will prepare notices to be distributed to all affected Customers. Failure to obtain City approval on route changes resulting in service day changes for
- C. Holiday Collection.** Contractor, at its sole discretion, may choose not to provide Collection services on a Holiday. In such event, Contractor shall provide Collection services on the day following the Holiday thereby adjusting subsequent work that week with normally scheduled Tuesday Collection Services being performed on Wednesday; however, Customer service days shall be returned to the normal schedule within one (1) week of the Holiday. Collection Services shall be adjusted as agreed between the Contractor and the Customer but must meet the minimum frequency requirement of one (1) time per week. The Contractor shall provide Customers notice of Holiday-related changes in Collection schedules at least two (2) weeks prior to the change.

5.3 COLLECTION STANDARDS

- A. **Servicing Containers.** Contractor shall provide Standard Valet Service Collection as outlined in Exhibit B. Contractor shall place the Containers upright with lids properly secured.
- B. **Non-Collection, Courtesy, and Container Removal Noticing.** Prior to the Commencement Date, Contractor shall develop, and submit to the City Manager for review and approval, and as per the requirements of Section 4.10(C)
 - 1. A template Non-Collection Notice, for use in instances of acceptable non-Collection of Discarded Materials; and,
 - 2. A template Courtesy Pick-Up Notice, for use in instances of improper set-out of Discarded Materials, which the Contractor, at its sole option, elects to Collect as a courtesy to the Customer; and,

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

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

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

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

- D. **No Commingling of Materials.** Contractor shall not commingle materials which have been Source Separated with other material types (for example, Source Separated Recyclable Materials which have been properly placed for Collection shall not be combined with Solid Waste or Source Separated Organic Materials).

5.4 TRANSFER AND PROCESSING STANDARDS

5.4.1 Approved Processing Facilities Owned and Operated by Contractor or its affiliate

For Approved Processing Facilities owned and operated by Contractor or its affiliate, Contractor shall maintain the Approved Processing Facilities in compliance with Applicable Law. Contractor is solely

responsible for the adequacy, safety, and suitability of such Approved Processing Facilities.

5.5 COLLECTION VEHICLE REQUIREMENTS

- A. **Vehicle Requirements.** Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection vehicle used to respond to scheduled and unscheduled maintenance, service requests, Complaints, and emergencies. Should the City Manager at any time give notification in writing to Contractor that any vehicle does not comply with the standards hereunder, that vehicle shall forthwith be removed from service by Contractor and not again be used until inspected and approved in writing by the City Manager.
 - 1. Contractor shall operate no vehicles within the City over 10-years in age during the Term of this Agreement. Should this Agreement be extended beyond the initial Term and extended as described in Sections 2.1 and 2.1.1, Contractor shall operate no vehicles within the City over 12-years in age during the extended Term. All such vehicles shall have watertight bodies designed to prevent leakage, spillage, or overflow. All such vehicles shall meet 2024 On-Road Heavy Duty Vehicle emissions requirements, and comply with all Federal, State, and local laws and regulations effective as of the Effective Date of this Agreement
 - 2. Collection vehicles shall have the capacity to Collect and Transport loose Cardboard overages, to ensure that Contractor is capable of complying with Exhibit B.
 - 3. Collection vehicles shall present a clean appearance while providing service under this Agreement.
- B. **Vehicle Display.** Contractor's name and local telephone number shall be displayed on all vehicles in at least four (4) inch characters.
- C. **Vehicle Inspection.** Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly shall be taken out of service until they are repaired and operate properly. Contractor shall repair or arrange for the repair of all 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, clean, and operable condition. City Manager may inspect vehicles at any reasonable time, and within three (3) Business Days of such a request, to determine compliance with sanitation requirements.
 - 1. All vehicles used to Collect, Transport, or Dispose of Discarded Materials may be inspected by the California Highway Patrol, as determined by the California Highway Patrol. Upon request, Contractor shall furnish said inspection certificates to the City Manager and/or designated representative.
- D. **Vehicle Operations.** All Collection operations shall be conducted as quietly as possible and shall conform to applicable Federal, State, County, and City noise level regulations. All decibel readings shall be based performed in accordance with Applicable Law. The City may request Contractor to

check any piece of equipment for conformance with the noise limits in response to Complaints and/or when the City Manager believes it is reasonable to do so.

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

5.6 CONTAINER REQUIREMENTS

A. **Containers Provided to Customers.** On or before the Commencement Date, Contractor shall provide all Customers with Collection Containers as requested by the Customer to meet its desired Service Level. Contractor shall provide Containers to new Customers requesting service initiation within five (5) Business Days of Contractor's first receipt of the Customer request. Contractor-provided Containers shall be new or fully refurbished condition and shall comply with the Container standards set forth in the Section. All Containers shall display the Contractor's name, logo, website, capacity (yards or gallons) and some identifying inventory or serial number.

B. **Container Standards**

1. All Carts shall be manufactured by injection or rotational molding methods. 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 shall provide comfortable gripping area for pulling or pushing the Cart or lifting the lid. Pinch points are unacceptable. Carts provided to Customer shall have a useful life of ten (10) or more years or more as evidenced by a manufacturer's warranty or other documentation acceptable to the City.
2. Carts 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 shall 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.

3. Carts shall be resistant to common household or Residential products and chemicals; human and animal urine and feces; and airborne gases or particulate matter currently present in the ambient air of the Service Area.
4. All Bins with a capacity of one (1) cubic yard or more shall meet applicable Federal regulations for Bin safety and be covered with attached lids.
5. When purchasing plastic Collection Containers, Contractor shall purchase Containers that contain a minimum of thirty percent (30%) post-consumer recycled plastic content, unless such requirement is waived by the City Manager.
6. Container lids shall be designed such that the follow requirements are met:
 - a. Prevents the intrusion of rainwater and vectors.
 - b. Prevents the emissions of odors.
 - c. Enables the free and complete flow of material from the Container during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism.
 - d. Permits users of the Cart to conveniently and easily open and shut the lid throughout the serviceable life of the Cart.
 - e. Hinges to the Cart body in such a manner 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.
 - f. Prevents damage to the Container body, the lid itself, or any component parts through repeated opening and closing of the lid by Generators or in the dumping process as intended.
 - g. Remains closed in winds up to twenty-five (25) miles per hour. 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 (2) extremes.
 - h. Designed and constructed such that it prevents physical injury to the user while opening and closing the Cart.
7. Containers 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 an open position.
8. Containers shall be capable of being easily moved and maneuvered, if applicable, with an evenly distributed load equal in weight to its maximum design capacity on a level, sloped or stepped surface.
9. All such Containers shall be one hundred percent (100%) recyclable at the end of their useful life.

10. All Containers shall be designed and constructed to be watertight and prevent the leakage of liquids.
- C. **Container Color and Labeling.** All Containers placed in service after the Commencement Date shall comply with color and labeling requirements specified in 14 CCR Section 18984.7 and 14 CCR Section 18984.8 respectively. All Containers shall comply with Applicable Law during the term of this Agreement.
- D. **[Reserved]**

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

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

Contractor shall provide to the City and Customers at least one (1) free Cart replacement per any calendar year for any reason, upon Customer request at no charge unless the Cart replacement is due to Customer's negligence or willful misconduct.

- F. **Maintenance, Cleaning, Painting.** All Containers shall be maintained in a safe, serviceable, and functional condition, and present a clean appearance. Contractor shall repair or replace all Containers damaged by Collection operations in accordance with standards specified in Section 5.6.E, unless damage is caused by Customer's negligence or willful misconduct (excluding normal wear and tear), in which case, the Customer will be billed for repair or replacement of Container at a City-approved Rate for such service. All Containers shall be maintained in a functional condition.

Contractor shall remove graffiti from Containers within five (5) Business Days of notification at no additional charge.

5.7 PERSONNEL

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

Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall not permit its employees to accept,

demand, or solicit, directly or indirectly, any additional compensation, or gratuity from Customers or members of the public.

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

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

D. **Designated Staff.**

1. Contractor shall designate at least one (1) qualified Contract Administrator as the City’s primary point of contact with Contractor who is principally responsible for Collection operations and resolution of service requests and Complaints. Such individual shall be empowered to negotiate on behalf of Contractor with respect to any changes in scope, dispute resolution, compensation adjustments, and service-related matters which may arise during the Term of this Agreement. The Contract Administrator shall initiate regular communication with the City Manager in order to remain up-to-date on issues relating to this Agreement and shall serve as the Recycling Coordinator under Subsection (E)(2). Such individual is defined as Contractor’s Project Manager.
2. The Recycling Coordinator shall assist in contacting all City Facilities prior to the Commencement Date to determine Service Levels. The duties of the Recycling Coordinator will be focused on public education, community outreach, presentations, City Facility site visits, and technical assistance.

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

Contractor shall maintain all requisite certifications, licenses, and the like, for its personnel and Contractor shall require that its personnel at all times fully comply with Applicable Law.

5.8 HAZARDOUS WASTE INSPECTION AND HANDLING

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

Contractor’s load checking personnel, including its Collection vehicle drivers, shall be trained in: (i) the effects of Hazardous Waste on human health and the environment; (ii) identification of

prohibited materials; and, (iii) emergency notification and response procedures. Collection vehicle drivers shall inspect Containers before Collection when practical.

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

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

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

5.9 CONTRACT MANAGEMENT

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

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

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

From time to time the City Manager may designate other agents of City or Consultants to work with Contractor on specific matters. In such cases, the Consultants shall enter a reasonable non-disclosure agreement prior to being provided any of Contractor's Intellectual Property.

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

City Manager shall have the right to observe and review Contractor operations for compliance with the terms of this Agreement, including review of Contractor's records, during reasonable hours with reasonable notice.

5.10 DIVERSION REQUIREMENTS

This Agreement is part of City's efforts to comply with the provisions of the California Integrated Waste Management Act of 1989, (AB 939), as such from time to time may be amended and as implemented by the regulations of the California Department of Resources Recycling and Recovery ("CalRecycle"), and City's Source Reduction and Recycling Element, as such may be amended from time to time. Contractor shall comply with Applicable Law regarding Diversion requirements. Contractor agrees to work with City to facilitate compliance with AB 939 and subsequent California law including, without limitation, Public Resources Code §41780, on an annual basis from January 1 through December 31.

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

Contractor shall provide documentation to the City within forty-five (45) days of the end of each calendar year stating and supporting that calendar year's Diversion rate.

ARTICLE 6. **RECORD KEEPING AND REPORTING**

6.1 RECORD KEEPING

Subject to Applicable Law, Contractor shall maintain Customer contact information, Customer service, accounting, statistical, operational, programmatic, and other records, and associated documentation, related to its performance as shall be necessary to provide detailed and accurate reports under this Agreement, and to demonstrate compliance with this Agreement and Applicable Law. Unless otherwise required in this Article, Contractor shall retain all records required to be maintained by this Agreement for the Term of this Agreement plus five (5) years after its expiration or earlier termination. Records shall be in chronological and organized form that is readily and easily interpreted to facilitate the flexible use of records to structure reports. Contractor's records shall be stored in one central location, physical or electronic, that can be readily accessed by Contractor. Upon request, any such records shall be retrieved in a timely manner, not to exceed five (5) Business Days of a request by the City Manager, and made available to the City Manager; including any record or documentation in connection with Contractor's

performance of this Agreement or that is necessary for the City to fulfill its obligations under Applicable Law including, but not limited to, AB 939, AB 901, and other current or future Federal, State, or local regulations, as amended.

Contractor shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained records shall be protected and backed-up. To the extent that Contractor utilizes its computer systems to comply with record keeping and reporting requirements under this Agreement, Contractor shall, on a monthly basis, save all system-generated reports supporting those record keeping and reporting requirements in a static format in order to provide an audit trail for all records required by City, as requested, under this Agreement.

At a mutually agreed upon time during normal business hours, Contractor shall provide to the City the Contractor's records with respect to the matters covered by this Agreement and Applicable Law in connection with Contractor's performance of this Agreement. With respect to Contractor's Intellectual Property (as defined below) Contractor shall permit the City, or its designee, to audit and examine all records relating to all matters covered by this Agreement and the Applicable Law; provided that if the City engages a qualified professional to examine any of Contractor's Intellectual Property, prior to commencing any such review such qualified professional shall agree to a reasonable non-disclosure agreement with Contractor to protect Contractor's Intellectual Property, and shall be subject to California privacy rights to the extent permitted by Applicable Law. Contractor shall maintain such records in an accessible location and condition for a period of not less than five (5) years following the City's receipt of final payment under this Agreement unless the City agrees in writing to an earlier disposition. Contractor acknowledges that City is legally obligated to comply with the California Public Records Act ("CPRA"). City acknowledges that certain records, reports, or information contained therein, which Contractor may be required to maintain under this Agreement or Applicable Law, may be protected by or exempt from disclosure under Applicable Law (including, without limitation, law governing data security and privacy rights) or are of a proprietary or confidential nature or may include intellectual property of Contractor, including, without limitation, any confidential information, copyrighted material, proprietary information, trade secrets or trademark/service mark, as well as any and all such documents or reports containing such information (together, "Contractor's Intellectual Property"). Contractor will inform and subsequently mark all records which may be protected or exempt from disclosure under Applicable Law or contain Contractor's Intellectual Property with "confidential" or similar terminology. At such time as City receives a request for records under the CPRA or Federal Freedom of Information Act or a subpoena or other court order requesting disclosure of the records, City shall notify Contractor of the request, subpoena or order if permitted by Applicable Law. Contractor shall within three (3) Business Days either: (i) consent in writing to the disclosure of the records; or (ii) seek and obtain, at Contractor's sole cost and expense, the order of a court of competent jurisdiction staying or enjoining the disclosure of the records. Nothing in this Agreement shall require Contractor to disclose any records, reports, or information protected by or exempt from disclosure under Applicable Law to the City or any third party. The City agrees to hold all Contractor's Intellectual Property reviewed by the City pursuant to this Agreement as confidential and shall not disclose the same unless and to the extent disclosure is required pursuant to Applicable Law.

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

provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain these records for a minimum of five (5) years beyond expiration or earlier termination of the Agreement. Contractor shall provide these records to City (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or Disposing of them.

6.2 REPORT SUBMITTAL REQUIREMENTS

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

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

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

City reserves the right to require Contractor to provide additional reports or documents from data or information maintained by Contractor pursuant to this Agreement as City Manager reasonably determines to be required for the administration of this Agreement or compliance with Applicable Law.

6.3 [RESERVED]

ARTICLE 7.

CITY FEES

7.1 FRANCHISE FEE

The Contractor shall pay a Franchise Fee to City quarterly in exchange for the rights granted under this Agreement. The amount of the Franchise Fee shall be equal to \$60,820.00 per year and shall be paid by Contractor in equal installments quarterly in arrears.

7.1.1 Adjustment to Franchise Fee

The Franchise Fee shall be adjusted for subsequent Rate Periods annually by the average percentage change in the CPI in accordance with the "Service Component" formula set forth in Exhibit E. Such adjustment shall be reflected in the Rates that Contractor is allowed to charge and collect from Customers in accordance with Article 8.

7.2 AB 939 REIMBURSEMENT

The Contractor shall pay an AB 939 Reimbursement to City each month. The amount of the AB 939 Reimbursement shall be equal to one dollar (\$1.00) per account per month and shall be paid by Contractor quarterly in arrears. City shall use the AB 939 Reimbursement to refund expenses including but not limited to, staffing costs related to City programs, pilot studies, education and outreach campaigns, technical

assistance to Customers, reporting, compliance, capacity planning, provision of special Containers, or other activities involved in compliance with AB 939. The City shall retain the sole right to set priorities for the use of its AB 939 Fee.

7.3 ADJUSTMENT TO CITY FEES

City may set other reimbursement payments or adjust the reimbursement amounts established in this Article from time-to-time during the Term of this Agreement and such other reimbursement payments or adjustments shall be included in the adjustment of Rates described below as a pass-through cost Contractor is entitled to collect from Customers.

7.4 PAYMENT SCHEDULE AND LATE FEES

Within thirty (30) calendar days of the end of each calendar quarter, during the Term of this Agreement, Contractor shall remit to City all fees as described in this Article. Such fees shall be remitted to City and sent or delivered to the City Manager. If such remittance is not paid to City on or before the thirtieth (30th) calendar day following the end of a calendar quarter, all fees due shall be subject to a delinquency penalty of one and one-half percent (1.5%), which attaches on the first day of delinquency. The delinquency penalty shall be increased an additional one and one-half percent (1.5%) for each additional month the payment remains delinquent.

7.5 CONTRACTING FEE

Contractor shall pay to City a Contracting Fee to reimburse the City for its out-of-pocket costs of extending the Franchise. The Contracting Fee is \$100,000 and shall be paid on the Commencement Date of the Agreement.

7.6 OTHER FEES

City shall reserve the right to set other fees, or further adjust the Franchise Fee, AB 939 Regulatory Reimbursement and Administrative Fee beyond the regular annual adjustments described above as it deems necessary, provided that such other fees or further adjustments may be included in the adjustments to the approved Rates as a pass-through cost Contractor is entitled to collect from Customers at Contractor's election.

7.7 DISCONTINUANCE OF FEES

In event one or more of the fees described in Article 7 are discontinued during the Term of this Agreement including Agreement extensions granted by the City, Customer Rates will be reduced based on the amount of the discontinued fee(s).

ARTICLE 8. CONTRACTOR'S COMPENSATION AND RATE SETTING

8.1 GENERAL

Contractor will perform the responsibilities and duties described in this Agreement in consideration of the right to receive compensation for services. Contractor's Compensation shall be the full, entire, and

complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, Disposal, Recycling, Processing, Transfer, profit and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed.

8.2 INITIAL RATES

The Rates for the Rate Period ending December 31, 2026, are set forth in Exhibit D hereto, unless amended by a written amendment to this Agreement entered into by and between the City and the Contractor. Unless and until the maximum Rates set forth on Exhibit D are adjusted, Contractor will provide the services required by this Agreement, charging no more than the maximum Rates authorized by Exhibit D, except as provided herein in this Article 8.

8.3 SCHEDULE OF FUTURE ADJUSTMENTS

Beginning with Rate Period two (2) (January 1, 2027, to December 31, 2027) and for all subsequent Rate Periods, Contractor or City may request an annual inflationary adjustment (increase or decrease) to the Rates shown in Exhibit D (excluding Residential Basic Services). The adjustment request and supporting documentation shall be submitted to the City at least one hundred twenty (120) days prior to the effective date of the rate adjustment for review by City Manager, for accuracy of the supporting data. Such request shall not be unreasonably denied by the City. If an adjustment results in a Rate decrease, then the City shall maintain the current Rates and rollover the Rate decrease to the next Rate adjustment; the intent is to ensure subsequent Rate increases shall be offset with any decrease not previously implemented.

For all adjustments extending beyond those set forth in Section 8.4.2 or Section 8.4.3, the Contractor shall submit its request in writing, to be received by City in person or via certified mail, based on the method of adjustment described in Section 8.5.

8.4 METHOD OF ADJUSTMENTS

8.4.1 General

Pursuant to Section 8.3, the Rates shall be adjusted annually according to the formula shown in Exhibit E, subject to review and approval of the City.

8.4.1.1 [RESERVED]

8.4.2 Rate Adjustment Calculation - Bin Service and Other Collection Services

The approved Rates for Bin Service and Other Collection Services, as defined in Exhibit A, consist of the following cost components. The approved Contractor compensation shall be based on two components:

- A. **Service Component.** The service component comprises seventy percent (70%) of the Rates and is adjusted based on the average percentage change in the CPI in each month of the twelve month period ending in July immediately preceding the date of the Rate adjustment, and the same twelve months in the year prior. For example, for the first rate increase effective January 1, 2027, the change in the index shall be measured as the percentage change from the average of the monthly index for 12 months ending July 2025 to the average of the monthly index for the 12 months ending July 2026. If the index is discontinued, an alternative index must be approved by the City Manager.

B. **Disposal Component.** The Disposal component comprises thirty percent (30%) of the Rates and is adjusted based on the percentage change in the Gate Rate for Solid Waste originating from “out-of-county” at the Simi Valley Landfill & Recycling Center established by Ventura County for the current calendar year with the rate for the prior calendar year. For example, for the first rate increase effective January 1, 2027, the change in the gate rate shall be measured as the percentage change from the Gate Rate as of March 1, 2025, to the Gate Rate as of March 1, 2026.

SERVICE COST COMPONENTS

Row	Cost Component	% of Costs	Rate Adjustment Index
A.	Service	70%	CPI
B.	Disposal	30%	“Out-of-county” Solid Waste Gate Rate at the Simi Valley Landfill & Recycling Center established by Ventura County
	Total	100%	

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

C. **Calculation Formula for Rate Adjustment.** The approved Rates for Bin Service and Other Collection Services shall be calculated in accordance with the Example Rate Adjustment Formula in Exhibit E, as follows:

Step One – Calculate the percentage increase or decrease in the Service and Disposal Component indices identified in the above table in this Section 8.4.2.

- The increase or decrease in the Service Component index will be the change in the average annual published CPI for the twelve (12) month period ending July prior to the January 1 when the rate change will take effect.
- The Disposal component will be based on the percentage change in the Out of County Solid Waste Gate Rate for the current calendar year compared to the Gate Rate for the prior year at the Simi Valley Landfill & Recycling Center.

Step Two – Add one to the percentage change for each rate adjustment component and multiply that numeral by the current value of that rate component.

Step Three – Add (subtract) the new value for each rate component to determine the new Rate for Bin Service and Other Collection Services.

8.4.3 Rate Adjustment Calculation – Ancillary Services

Annual changes in Ancillary Services shall be calculated by multiplying the current Rate by one (1) plus the

percent change in the Service Component as calculated above in Section 8.4.2.

8.4.4 Rate Adjustment Calculation - Residential Basic Services

The Rates for Residential Basic Service Rates shall be increased annually in the amount of One Dollar and Fifty Cents (\$1.50).

8.4.5 Approved Disposal Facility

With written notice to Contractor, City may designate a new or different Approved Disposal Facility. In such event, the Disposal component of the rates shall be adjusted to reflect the modified Gate Rate for such Disposal Facility.

8.5 EXTRAORDINARY ADJUSTMENTS

In addition to the annual rate adjustment provided by Section 8.4, the Rates may, upon written request of Contractor, be further adjusted for increased costs associated with performance of the services under this Agreement due to any one or more of the following causes:

- A. material changes in Contractor's costs resulting from Uncontrollable Circumstances;
- B. changes to Contractor's operations, obligations under this Agreement, the Franchise Fee, or other fees required, requested, or initiated by City, including, without limitation, City directed changes in scope under Section 3.5, additional or new reporting requirements, changes in service frequency, any change in City's designation of a Facility utilized by Contractor under this Agreement, or any change in the Facility(ies) utilized by Contractor as a result of circumstances beyond Contractor's control;
- C. City requests Contractor to provide any new services, or the City requests the Contractor to change the method of providing, or the technology used to provide, existing services under this Agreement;
- D. [reserved];
- E. any Change in Law that occurs after the Effective Date, including, without limitation, additional costs imposed by or arising from such changes, such as additional diversion requirements;
- F. new or increased taxes, fees, charges, or surcharges of any kind or nature applicable to the services provided under this Agreement imposed by a governmental entity (excluding income taxes); or
- G. other extraordinary changes in operational costs outside of Contractor's reasonable control, including increased costs related to fuel, transportation, labor, and market conditions relating to Recyclable Materials and Recovered Organic Waste Products (as defined in 14 CCR Section 18982(a)(60)), including commodity values and Processing costs.

Contractor shall provide reasonable evidence to support the adjustment. The City Contract Manager shall review Contractor's request and determine whether an adjustment to the rates shall be made subject to the requirements of this Section. With respect to requests made under subsections A or G, the City Contract Manager shall determine whether an adjustment to the rates shall be made in the City Contract

Manager's sole discretion. With respect to requests made under subsections B and C, the City Contract Manager shall determine whether an adjustment to the rates shall be made in the City Contract Manager's reasonable discretion. If Contractor and City Contract Manager cannot agree, the matter shall be submitted to the City Council for a determination of whether an adjustment to the rates shall be made in the Council's sole discretion. Notwithstanding the foregoing, a requested adjustment may not be denied by the City Contract Manager or City Council in the case of requests by Contractor under subsections E or F of this Section, so long as Contractor has provided reasonable evidence to the City Contract Manager to support the adjustment.

ARTICLE 9. INDEMNITY, INSURANCE, AND PERFORMANCE BOND

9.1 INDEMNIFICATION

- A. **General.** Contractor shall indemnify, defend, and hold harmless (to the full extent permitted by law) City and its officers, officials, and employees from and against any and all claims, liability, loss, injuries, damage, expense, and costs (including without limitation costs and fees of litigation, including attorneys' and expert witness fees) (collectively, "Damages") of every nature arising out of or in connection with Contractor's performance, and the performance of any Subcontractor, or agent of Contractor, under this Agreement, or its failure to comply with any of its obligations contained in the Agreement, except to the extent such loss or damage was caused by the sole negligence or willful misconduct of City. This Section 9.1 shall survive the expiration or termination of this Agreement and shall not be construed as a waiver of City's legal and/or equitable rights as defined herein and permitted under Applicable Law.
- B. **Excluded Waste Indemnification.** Contractor acknowledges that it is responsible for compliance during the entire Term with all Applicable Laws relating to Contractor's performance of this Agreement.

Contractor shall indemnify, defend with counsel acceptable to the City, protect and hold harmless the City, officers, and employees (collectively, "indemnitees") from and against all claims, damages (including, but not limited to, special, consequential, natural resources, and punitive damages), injuries, costs, (including, without limitation, 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, and expenses (including, without limitation, 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, indemnitees arising from or attributable to the negligent acts or omissions or willful misconduct of Contractor in handling Excluded Waste, including, without limitation, damages arising from or attributable to any operations, repair, clean-up or detoxification, or other plan (regardless of whether undertaken due to governmental action). Notwithstanding the foregoing, however, Contractor shall not be required to indemnify the City for the costs for any claims arising from the Disposal of Solid Waste at the Approved Disposal Facility, including, but not limited to, claims arising under CERCLA unless such claim is a direct result of Contractor's negligence or willful misconduct. This indemnity afforded the indemnitees, shall only be limited to exclude coverage for intentional wrongful acts and negligence of indemnitees, and as provided below.

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

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

In the event that Contractor negligently or willfully mishandles Excluded Waste in the course of carrying out its activities under this Agreement, Contractor shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such environmental contamination. Should Contractor fail at any time to promptly take such action, City may undertake such action at Contractor's sole cost and expense, and Contractor shall reimburse City for all such reasonable expenses incurred by City within forty-five (45) calendar days of being billed for those expenses, and any amount not paid within that forty-five (45) calendar day period shall thereafter be deemed delinquent and subject to the delinquent fee payment provision of Section 7.8. These obligations are in addition to any defense and indemnity obligations that Contractor may have under this Agreement.

- C. **Environmental Indemnification.** Contractor shall defend with counsel acceptable to City, indemnify, and hold City harmless against and from any and all claims, suits, losses, penalties, damages, and liability for damages of every name, kind and description, including attorneys' fees and costs incurred, attributable to the negligence or willful misconduct of Contractor in handling Excluded Waste.
- D. **Electronic and Web based Information Indemnification.** Contractor shall defend with counsel acceptable to City, indemnify, and hold City harmless against and from any and all -related claims, including but not limited to, suits, losses, penalties, damages, responsibility for costs, regulatory fines, penalties, credit monitoring expenses, and liability for damages of every name, kind and description, including attorneys' fees and costs incurred, attributable to the negligence or willful misconduct of Contractor and any Subcontractors used in performance of this Agreement in handling or protecting Customer information over which Contractor has control, including but not limited to billing details, electronic payment(s), and Customer account information that is not readily available to the general public. Contractor shall maintain electronic files and Contractor's website in accordance with the industry best practices for maintaining such information as safely and securely as possible. Nothing in this Section 9.1(D) shall prevent or restrict Contractor's obligation and responsibility to provide City with information required under this Agreement.
- E. **Related to AB 939, and SB 1383.** To the extent permitted by Applicable Law, including Public Resources Code Section 40059.1, Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle, if the requirements of AB 939 and/or SB 1383 are not met by the Contractor with respect to the Contractor's obligations under this Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor delays in providing information that prevents City from submitting reports to regulators in a timely manner. Notwithstanding the foregoing, Contractor shall not be required to defend or indemnify City for fines and/or penalties imposed by CalRecycle under this section to the extent that any such fines and/or penalties arise from or are attributable to the negligence or willful misconduct of the City.

F. Related to Proposition 218. The City may condition any increase to the Rates on successful completion of the procedural requirements set forth in Article XIII C and D of the California Constitution (Proposition 218). Contractor shall pay all related printing and postage costs for any Proposition 218 majority protest hearing occurring in 2025. If, at any time, a Rate adjustment determined to be appropriate by both City and Contractor (such determination not to be unreasonably withheld) to compensate Contractor for increases in costs as described in this Agreement cannot be implemented for any reason, Contractor shall be granted the option to negotiate with City, in good faith, a reduction of services equal to the value of the Rate adjustment that cannot be implemented. If City and Contractor are unable to reach agreement about such a reduction in services, then Contractor may terminate this Agreement upon one (1) year's prior written notice to City, in which case the Contractor and City shall each be entitled to payment of amounts due for contract performance through the date of termination but otherwise will have no further obligation to one another unless this Agreement specifically states otherwise, after the date of such termination. Should a court of competent jurisdiction determine that the Contractor cannot charge and/or increase its Rates for charges related to Franchise Fees and governmental fees and charges, Contractor shall reduce the Rates it charges Customers a corresponding amount, providing said fees, reimbursements, Rates and/or charges disallowed by the court are not related to the cost of providing service hereunder and had been incorporated in the Rates charged by Contractor to its Customers. Contractor shall have no obligation to remit such reduced or eliminated fees to City going forward.

Nothing herein is intended to imply that California Constitution, Articles XIIIC or XIIID, apply to the Rates established for services provided under this Agreement.

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

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

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

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

9.2 INSURANCE

- A. **General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all times during the Term of this Agreement not less than the following coverage and limits of insurance:
- B. **Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times maintain, at its expense, the following coverages and requirements. Failure to maintain the identified insurance requirements during the entire Term of this Agreement shall constitute an event of default subject to Section 11.1(C). The comprehensive general liability insurance shall include broad form property damage insurance.

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

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

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

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

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

Cyber Liability appropriate to the Contractor's profession and industry practice, with limits not less than \$2,000,000 per occurrence. Coverage for cyber risks shall be sufficiently broad to respond to the duties and obligations as are undertaken by

Contractor under this Agreement and shall include, but not be limited to claims involving invasion of privacy violations, information theft, release of private information, extortion, and network security. The policy shall provide coverage for breach response notification and remediation costs, regulatory fines and penalties, credit monitoring expenses, electronic funds transfer losses, electronic data restoration expenses, and business interruption costs with limits sufficient to respond to these obligations.

2. **Additional Insured.** City, its officers, agents, employees, and volunteers shall be named as additional insured on all but the workers' compensation and professional liability coverages. Contractor may comply with this requirement by including blanket additional insured endorsements in its insurance policies.
3. Said policies shall remain in force through the life of this Agreement and, with the exception of pollution liability coverage, shall be payable on a "per occurrence" basis unless City's Risk Manager specifically consents in writing to a "claims made" basis. For all "claims made" coverage, if the Contractor changes insurance carriers Contractor shall purchase "tail" coverage or otherwise provide for continuous coverage covering the Term of this Agreement and not less than three (3) years thereafter, except for the five (5) year tail of Pollution Liability Coverage as described above. Proof of such "tail" or other continuous coverage shall be required at any time that the Contractor changes to a new carrier prior to receipt of any payments due.
4. The Contractor shall declare all aggregate limits on the coverage before commencing performance of this Agreement, and City's Risk Manager reserves the right to require higher aggregate limits to ensure that the coverage limits required for this Agreement as set forth above are available throughout the performance of this Agreement.
5. The deductibles or self-insured retentions are for the account of Contractor and shall be the sole responsibility of the Contractor.
6. Each insurance policy shall provide or be endorsed to state that coverage shall not be canceled by either Party, except after thirty (30) calendar days prior written notice has been given to the City Manager.
7. Insurance must be placed with insurers with a current A.M. Best's rating of no less than A-VII, or with a surplus line carrier appearing on the List of Approved Surplus Line Insurers, ("LASLI") with a Best's Key Rating Guide of at least A: X. Insurers, and corresponding policies required by this Section, must also comply with all other aspects of City Council Policy # 70.
8. The policies shall cover all activities of Contractor, its officers, employees, agents and volunteers arising out of or in connection with this Agreement.
9. For any claims relating to this Agreement, the Contractor's insurance coverage shall be primary, including as respects City, its officers, agents, employees, and volunteers. Any insurance maintained by City shall apply in excess of, and not contribute with, insurance provided by Contractor's liability insurance policy.

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

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

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

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

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

9.3 SECURITY

On or before the Commencement Date, Contractor provided to the City a bond, payable to the City, securing Contractor's performance of its obligations under this Agreement, such bond to be renewed annually if necessary so that it is maintained at all times during the Term. The principal sum of the bond shall be two hundred and fifty thousand dollars (\$250,000.00). The bond shall be executed as surety by a corporation authorized to issue surety bonds in the State of California that has a rating of A or better in the most recent edition of Best's Key Rating Guide, and that has a record of service and financial condition satisfactory to the City. A copy of the bond shall be attached as Exhibit H. In the event Contractor becomes unable 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 the City, forfeited to the City.

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ARTICLE 10.

CITY'S RIGHT TO DEMAND ASSURANCES

10.1 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE

If the City believes in good faith that the Contractor's ability to perform under the Agreement has been placed in substantial jeopardy by one of the events enumerated below, the City Contract Manager may, at their option and in addition to all other remedies the City may have, require that Contractor provide City Contract Manager with sufficient proof that none of the events enumerated below will in fact impair Contractor from performing its obligations under the Agreement:

- A. Contractor appears, in the reasonable judgment of the City, to be unable to regularly pay its bills

as they become due; or,

B. Contractor is the subject of a civil or criminal judgment or order entered by a federal, state, regional, or local agency for violation of an environmental law.

If the Contractor fails or refuses to provide to the City reasonably adequate assurances to establish its ability to perform within thirty (30) days, such failure or refusal shall be an Event of Default for purposes of Section 11.1(A)(4).

10.2 DISASTER PREPAREDNESS PLAN

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

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

ARTICLE 11.

DEFAULT AND REMEDIES

11.1 EVENTS OF DEFAULT

A. **Events of Default.** Each of the following shall constitute an "Event of Default":

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

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

C. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force the workers' compensation or insurance coverage required by Section 9.2.

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

- E. **Violations of Applicable Law.** Contractor violates Applicable Law relative to this Agreement, which violation the City reasonably determines is material.
- F. **Failure to Perform Direct Services.** Contractor ceases to provide Collection, Transportation, or Processing services as required under this Agreement for a period of two (2) consecutive calendar days or more, for any reason within the control of Contractor.
- G. **Failure to Pay or Report.** Contractor fails to make any payments to City required under this Agreement including payment of City Fees or Liquidated Damages and/or refuses to provide City with required information, reports, and/or records in a timely manner as provided for in the Agreement.
- H. **Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions, or requirements of this Agreement, or Applicable Law and which is not corrected or remedied within the time set in the written notice of the violation. It shall not be an Event of Default under this Section 11.1 if Contractor cannot reasonably correct or remedy the breach within the time set forth in a notice of violation, provided that Contractor commences to cure such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
- I. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the City by Contractor 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. Additionally, a default occurs if any Contractor-provided report contains a misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical typographical and grammatical errors.
- J. **Suspension or Termination of Service.** There is any termination or suspension of the transaction of business by Contractor related to this Agreement, including without limit, due to labor unrest including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than two (2) calendar days.
- K. **Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of criminal activity related directly or indirectly to performance of this Agreement or any other agreement held with the City.
- L. **Assignment without Approval.** Contractor transfers or assigns this Agreement without the expressed written approval of the City unless the assignment is permitted without City approval pursuant to Section 13.6.
- M. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal for new services or changes to services or fails to implement a change in service as requested by the City as specified in Section 3.5.
- N. **Failure to Complete Transition.** Contractor fails to complete the tasks identified in Contractor's Implementation Plan.

City shall provide Contractor written notice of default within seven (7) calendar days of the City's first

knowledge of the Contractor's default.

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

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

Contractor shall be given two (2) Business Days from written notification by the City Manager to cure any default arising under subsections C, D, E, F, G, J, or N, in Section 11.1.. It is expressly understood that Contractor is not entitled to cure such default, with respect to those matters listed in subsections A, B, I, K, and L in Section 11.1.

Contractor shall be given thirty (30) calendar days from written notification by the City Manager to cure any other default (which is not required to be cured within two (2) Business Days). Furthermore, if Contractor cannot reasonably cure a default within the applicable period described in this Section and Contractor promptly commences the cure or remedy within the initial cure period and thereafter diligently pursues the cure or remedy to completion, Contractor shall not be in default of this Agreement.

11.3 CITY'S REMEDIES IN THE EVENT OF DEFAULT

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

- A. **Waiver of Default.** City may waive any event of default or may waive Contractor's requirement to cure a default event if City determines that such waiver would be in the best interest of the City. City's waiver of an event of default is not a waiver of future events of default that may have the same or similar conditions.
- B. **Suspension of Contractor's Obligation.** City may suspend Contractor's performance of its obligations if Contractor fails to cure default in the time frame specified in Section 11.2 until such time the Contractor can provide assurance of performance in accordance with Section 11.8.
- C. **Liquidated Damages.** Subject to Contractor's right to cure as described in Section 11.1, City may assess Liquidated Damages for Contractor's failure to meet specific performance standards pursuant to Section 11.6.
- D. **Termination.** Subject to Contractor's right to cure as described in Section 11.1 and Section 11.2, City Manager may, in their sole discretion, set a public hearing for the City Council to determine whether to terminate this Agreement. Subject to Contractor's right to cure as described in Section 11.1 and Section 11.2, such termination hearing must be set if a default remains uncured thirty (30) calendar days after receipt of written notice of default from the City. Such termination hearing must also be set if a Contractor's default is not cured in accordance with Section 11.2 and creates a potential public health and safety threat.

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

of the twenty (20) day notice, the City may, in its sole discretion:

1. Directly undertake performance of the services.
2. Arrange with other Persons to perform the services with or without a written agreement.

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

Contractor shall not be entitled to any further revenues from Collection operations authorized hereunder from and after the date of termination, but shall be entitled to all undisputed fees, charges, and surcharges of any kind owed to Contractor for services provided under this Agreement prior to the date of termination.

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

11.4 POSSESSION OF RECORDS UPON TERMINATION

Subject to the requirements of Applicable Law, including Applicable Law governing data security and privacy rights, in the event of termination for an event of default in accordance with Section 11.3, upon request Contractor shall furnish City Manager with records maintained by Contractor in accordance with this Agreement reasonably necessary for City to directly undertake performance of the services or to arrange for another person to perform the services. Nothing in this Agreement shall require Contractor to provide to City or any third-party any of Contractor's Intellectual Property except as required in accordance with Section 6.1.

11.5 CITY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE

City's rights to terminate the Agreement under Article 11 is not exclusive; provided that if the City imposes Liquidated Damages, the assessment of Liquidated Damages shall be the City's exclusive remedy.

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

11.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

The City Contract Manager may levy a charge in the amounts listed below for the Contractor's failure to meet the requirements enumerated below that constitute a breach of the terms and conditions of this Agreement. The City Contract Manager's decision to levy such a charge shall be the exclusive remedy for Contractor's failure to meet the requirements enumerated below and only those listed below. The City Contract Manager's decision not to levy any such charge shall not be deemed a waiver of any breach by Contractor under this Agreement and the City may pursue any and all other legal and equitable rights and remedies which the City may have for breaches of this Agreement not enumerated in this Section,

including but not limited to specific performance, and fees and expenses incurred by or on behalf of the City in the Contractor's obligations.

The Parties agree that the following Liquidated Damages represent a reasonable estimate of the amount of such damages, considering all of the circumstances existing on the date of the Agreement, including the relationship of the sums to the range of harm to the City that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing this Agreement, each Party specifically confirms the accuracy of the statements made above and the fact that each Party had ample opportunity to consult with legal counsel and obtain an explanation of this Liquidated Damage provision at the time that this Agreement was entered into.

- A. Excessive complaints. When Contractor or the City Contract Manager receives more than 25 reasonable complaints in a month, Contractor will be assessed two hundred fifty dollars (\$250) per complaint during that period. For purposes of this section, "complaints" shall mean substantive and credible Customer notifications to the Contractor or the City Contract Manager of actual missed pick-ups, property damage, missed commitments, employee misconduct or poor quality of service (e.g. litter on property or public right-of-way or misplacement of Containers).
- B. Failure to remit Franchise Fees collected by Contractor to the City, or file required reports timely by the fifth Business Day following the due date of such fees or reports: five hundred dollars (\$500) per occurrence.
- C. Failure to provide access to records in accordance with Section 6.1: five hundred dollars (\$500) per occurrence.
- D. Failure to charge a Customer at the approved Rate, where not cured by Contractor in accordance with this Agreement: one hundred dollars (\$100) per occurrence
- E. Collection outside permitted hours under Section 5.2 in excess of twenty (20) occurrences per calendar year: one hundred dollars (\$100) per Customer for each occurrence.

The City Contract Manager shall give the Contractor written notice of charges levied pursuant to this Section. Upon receipt of such written notice, Contractor may file with the Clerk of the City Council a "Notice of Appeal" within fifteen (15) days of receipt of the City Contract Manager's decision to impose liquidated damages under this Section. The Notice of Appeal shall be in writing and shall contain a detailed statement of the basis for the appeal. Upon receipt of the Notice of Appeal, the City Contract Manager shall set the matter for a public hearing within ninety (90) days or other time period as agreed by the Parties. The City Contract Manager shall give the Contractor ten (10) days written notice of the time and place of the hearing. At the hearing, the City Council shall determine, based on the record, the reasonable and appropriate action to be taken. The decision of the City Council shall be final and conclusive; provided that nothing in this Agreement shall restrict or prohibit either party from filing suit in a court of competent jurisdiction in accordance with Article 11.

11.7 EXCUSE FROM PERFORMANCE

- A. **Excuse from Performance.** In the event that a Party is prevented from performing its obligations under this Agreement by an Uncontrollable Circumstance, it shall not constitute a default of this Agreement, so long as the Party in good faith has used its best efforts to perform its respective

obligations.

The Party claiming excuse from performance shall, within three (3) Business Days after such Party has notice of the effect of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to excuse under this Section. Specifically, such information shall include the following:

1. The Uncontrollable Circumstance and the cause thereof (to the extent known);
2. The date the Uncontrollable Circumstance began (to the extent known), its estimated duration (to the extent known), and the estimated time during which the performance of such Party's obligations hereunder will be delayed;
3. Its estimated impact on the other obligations of such Party under this Agreement, if any; and
4. Potential mitigating actions which might be taken by the Contractor or City and the approximate amount of such mitigating actions.

While the Uncontrollable Circumstance continues, the Contractor or City shall give notice to the other Party updating the information previously submitted as reasonable.

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

B. **City's Right to Terminate.** The partial or complete interruption or discontinuance of the Contractor's services caused by one (1) or more of the events described in this Section 13.3 shall not constitute a default by the Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) Business Days' notice to Contractor, in which case the provisions of Section 11.4 shall apply.

C. **Work Stoppages.** Notwithstanding anything in this Agreement to the contrary, any strikes, work stoppages, or other labor disputes or disturbances occurring with respect to an activity performed or to be performed by the Contractor or any of the Contractor's Subcontractors in connection with the Operating Assets or the Collection Services and which last beyond seven (7) days shall not constitute an Event of Default under Section 13.1(A).

However, in the event of such occurrence which prevents or diminishes the ability of Contractor to Collect, Transport and Dispose of any or all the Solid Waste which it is obligated under this Agreement to Collect, Transport or Dispose of for a period of more than seventy-two (72) hours, the City may request adequate assurances from Contractor that Contractor will be able to perform its obligations under this Agreement. In the event that Contractor does not provide reasonable assurances to the City that it is able to perform its obligations under this Agreement within two (2) Business Days of such request by the City, and as a result, the City Contract Manager, in his or her discretion, should find that such accumulation endangers or menaces the public health, safety or welfare, then City shall have the right, upon twenty-four (24) hours' notice to Contractor, contract with any other third parties to Collect and Transport any and all Solid Waste which

Contractor would otherwise be obligated to Collect and Transport pursuant to this Agreement until such time as Contractor is able to resume performance of its obligations under this Agreement. Contractor agrees that in such event, it will fully cooperate with City and its third-party contractor to transfer collection services in as smooth and efficient a fashion as is practicable. All costs, fees, rates or other expenses incurred by City that exceed those that would have been incurred by City had no such work stoppage arisen shall be the responsibility of the Contractor and shall be paid to City within thirty (30) days of receipt of written notice to pay.

11.8 [RESERVED]

11.9 DISPUTE RESOLUTION

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

- A. Meet and Confer.** In the event of disputes regarding the performance of any obligation under this Agreement which results in a material impact to the Contractor's revenue and/or cost of operations, the City and Contractor agree that they promptly will meet and confer to attempt to resolve the matter between themselves.
- B. Mediation.** If disputes which arise under this Agreement cannot be resolved satisfactorily between the Parties in accordance with Section 11.9.A, the City and Contractor may agree to submit such disputes to mandatory, non-binding mediation by a mutually agreed upon independent third party.
- C. Period of Time.** Insofar as allowed by Applicable Law, the period otherwise applicable for filing claims against the City under Applicable Law shall be tolled during the period of time for which meet and confer or mediation procedures are pending, in accordance with Sections 11.9.A and 11.9.B.
- D. Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s) pursuant to Sections 11.9.A, 11.9.B, and 11.9.C (if applicable) have failed and any necessary claim(s) have been denied.

ARTICLE 12. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

The Parties, by acceptance of this Agreement, represent and warrant the conditions presented in this Article as of the Effective Date.

12.1 CONTRACTOR'S CORPORATE STATUS

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

12.2 CONTRACTOR'S CORPORATE AUTHORIZATION

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

12.3 AGREEMENT WILL NOT CAUSE BREACH

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

12.4 NO LITIGATION

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

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

12.5 NO ADVERSE JUDICIAL DECISIONS

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

12.6 NO LEGAL PROHIBITION

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

12.7 CONTRACTOR'S ABILITY TO PERFORM

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

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

13.1 RELATIONSHIP OF PARTIES

The Parties intend that Contractor shall perform the services required by this Agreement as an independent Contractor engaged by City and neither as an officer nor employee of City, nor as a partner or agent of, or joint venture with, City. No employee or agent of Contractor shall be, or shall be deemed to be, an employee or agent of City. Contractor shall have the exclusive control over the manner and means of performing services under this Agreement, except as expressly provided herein. Contractor shall be solely responsible for the acts and omissions of its officers, employees, Subcontractors and agents. Neither Contractor nor its officers, employees, Subcontractors, 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.

13.2 COMPLIANCE WITH LAW

Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the United States, the State, County, and City , now in force and as they may be enacted, issued or amended during the Term.

13.3 GOVERNING LAW AND VENUE

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State without regard to its conflict of law principles. Venue shall be in Los Angeles County or the federal Central District of California.

13.4 SECTION RESERVED

13.5 BINDING ON SUCCESSORS

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

13.6 ASSIGNMENT

Except with respect to assignments by Contractor to an Affiliate, 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 Contractor, "assignment" shall include, but not be limited to (i) a sale, exchange or other transfer of substantially all of Contractor's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding common stock of Contractor to a third party provided said sale, exchange or transfer may result in a change of control of Contractor; (iii) 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 Contractor; (iv) 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 Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) 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 Contractor.

Contractor acknowledges that this Agreement involved rendering a vital service to City's residents and businesses, and that City has selected Contractor to perform the services specified herein based on (1) Contractor's experience, skill and reputation for conducting its Discarded Materials management operations in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws, regulations and best Discarded Materials management practices, and (2) Contractor'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 Contractor to perform the services to be rendered by Contractor under this Agreement.

Except with respect to assignments by Contractor to an Affiliate which shall not require City's consent, if Contractor requests City's consideration of and consent to an assignment, City may deny or approve such request in its complete discretion. No request by Contractor for consent to an assignment need be considered by City unless and until Contractor has met the following requirements:

- a. Contractor shall undertake to pay City its reasonable expenses for attorney'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;
- b. Contractor shall pay the City a transfer fee equal to 1% of the Gross Revenues times the number of years (pro-rated for partial years) remaining under this Agreement (based on actual rate revenues for the prior 12-months);
- c. Contractor shall furnish City with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;
- d. A proforma financial statement (income statement and balance sheet) for the proposed assignee with the projected results of operations assuming that the assignment is completed. Such proforma financial statement shall reflect any debt to be incurred by the assignee as part of the acquisition of Contractor's operations; and,
- e. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Discarded Materials management experience on a scale equal to or exceeding the sale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any significant citations or other censure from any Federal, State, or local agency having jurisdiction over its Discarded Materials 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 Discarded Materials management practices in accordance with sound Discarded Materials management practices in full compliance with all Federal, State, and local laws regulating the Collection and Disposal of

Discarded Materials including Hazardous Material; 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 Contractor is in default at any time during the period of consideration.

13.7 NO THIRD-PARTY BENEFICIARIES

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

13.8 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 monies which 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.

13.9 AFFILIATED COMPANIES

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

13.10 TRANSITION TO NEXT CONTRACTOR

Contractor will take direction from the City and cooperate with the subsequent contractor to assist in a timely and orderly transition of services from Contractor to subsequent contractor. In response to the City's direction, and subject to the requirements of Applicable Law, including Applicable Law governing data security and privacy rights, Contractor shall provide then-current route lists, which identify each Customer on the route, its service level (number of Containers, Container sizes, frequency of Collection, scheduled Collection day), and any special Collection notes, and detailed then-current Customer account and billing information. Contractor may, but shall not be obliged to, sell Collection vehicles, equipment, or facilities to the next contractor. Notwithstanding anything to the contrary, nothing in this Agreement shall require Contractor to provide any of Contractor's Intellectual Property, confidential information, proprietary or trade secret information to any third party.

13.11 CONTRACTOR'S INVESTIGATION

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

13.12 [RESERVED].

13.13 NOTICE PROCEDURES

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 deposited in the United States mail, first class postage prepaid, addressed as follows:

If to City:

City of Hidden Hills
Attention: City Manager
6165 Spring Valley Road
Hidden Hills, CA 91302

If to Contractor:

G.I. Industries.
Attn: Asst. General Counsel
9081 Tujunga Avenue
Sun Valley, California 91352
AKHAJETO@WM.COM

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

13.14 REPRESENTATIVES OF THE PARTIES

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

The Contractor shall, by the Commencement Date, designate in writing a responsible officer who shall serve as the representative of the Contractor 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 the Contractor. City may rely upon action taken by such designated representative as actions of the Contractor unless they are outside the scope of the authority delegated to him/her by the Contractor as communicated to City.

13.15 COMPLIANCE WITH MUNICIPAL CODE

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

13.16 COOPERATION FOLLOWING TERMINATION

At the end of the Term or in the event this Agreement is terminated prior to the end of the Term, Contractor shall cooperate fully with City and any subsequent Contractor to assure a smooth transition of Discarded Materials management services pursuant to Section 13.10. Contractor's cooperation shall include, but not be limited to, providing operating records needed to service all properties covered by this Agreement.

13.17 COMPLIANCE WITH IMMIGRATION LAWS

Contractor shall comply with all local, State, and Federal laws which may apply to the performance of this Agreement. Contractor warrants and represents that all of its employees, including any and all prospective employees hired to perform services for the City under this Agreement and the employees of any Subcontractor retained by the Contractor to perform a portion of the services under this Agreement, are and will be authorized to perform the services contemplated by this Agreement in full compliance with all applicable State and Federal laws, rules and regulations, including, but not limited to, the Immigration Nationality Act of 1952 (commencing with Section 1101 of Title 8 of the United States Code), and the Immigration Nationality and the Immigration Reform and Control Act of 1986 (commencing with Section 1324a of Title 8 of the United States Code), as amended. Contractor agrees to verify the legal status of all of its employees and provide documentation of such verification whenever requested by the City. If Contractor discovers that any employee it has retained is not in compliance with Immigration Laws, Contractor agrees to terminate such employee.

ARTICLE 14. MISCELLANEOUS AGREEMENTS

14.1 ENTIRE AGREEMENT

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

14.2 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.

14.3 [RESERVED]

14.4 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.

14.5 AMENDMENTS

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

14.6 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.

14.7 COUNTERPARTS

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

14.8 EXHIBITS

Each of the Exhibits identified as Exhibit "A" through "I" is attached hereto and incorporated herein and made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and the terms of an Exhibit, the terms of this Agreement shall control.

14.9 [RESERVED]

14.10 ATTORNEYS' FEES

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

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

City of Hidden Hills
A Municipal Corporation "CITY"

[Name], Mayor

Date



ATTEST:

[Name], City Clerk
(SEAL)

Date

APPROVED AS TO FORM:

[Name], City Attorney

10/06/25

Date

G.I. Industries
"CONTRACTOR"

Signature

9/12/2025

Date

Michael Hammer

Print Name of Signatory

President

Title of Signatory

FRANCHISE EXHIBITS



EXHIBIT A: DEFINITIONS

For purposes of this Agreement, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit and shall be capitalized throughout this Agreement:

"AB 939" means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), also commonly referred to as "AB 939."

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

"Ancillary Services" means those Collection Service(s) whose corresponding Rates are identified on Exhibit D as "Ancillary Services."

"Applicable Law" means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, Processing, and/or Disposal of Recyclable Materials, Organic Materials, and Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement.

"Approved Disposal Facility" means the WM Simi Valley Landfill and Recycling Center, located 2801 Madera Road, Simi Valley, CA 93065, which is owned and operated by Waste Management of California, Inc., or the Calabasas Landfill, located at 5300 Lost Hills Road, Agoura Hills, CA 91301, which is owned by County of Los Angeles and operated by Los Angeles County Sanitation Districts.

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

"Approved Organic Materials Processing Facility" means the WM Simi Valley Landfill and Recycling Center, located 2801 Madera Road, Simi Valley, CA 93065, which is owned and operated by Waste Management of California, Inc. or the Calabasas Landfill, located at 5300 Lost Hills Road, Agoura Hills, CA 91301, which is owned by County of Los Angeles and operated by Los Angeles County Sanitation Districts.

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

"Approved Recyclable Materials Processing Facility" means the WM Sun Valley Recycling Park (Bradley East Processing/Transfer Station), located 9227 Tujunga Ave., Sun Valley, CA 91352, which is owned and operated by Waste Management Recycling & Disposal Services of California, Inc., the WM Azusa Transfer Station and MRF, located at 1501 W. Gladstone Ave., Azusa, CA 91701, which is owned and operated by Azusa Land Reclamation, Inc., or the Gold Coast Recycling Facility located at 5275 Colt Street, Ventura (San Buenaventura), CA 93003, which is owned and operated by Gold Coast Recycling Inc.

EXHIBIT A: DEFINITIONS

“Approved Transfer Facility(ies)” means the WM Simi Valley Landfill and Recycling Center, located 2801 Madera Road, Simi Valley, CA 93065, which is owned and operated by Waste Management of California, Inc.

“Basic Service” means those Collection Service(s) whose corresponding Rates are identified on Exhibit D as “Basic Service.”

“Bin” means a Container with capacity of approximately one (1) to four (4) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading Collection vehicle, including Bins with Compactors attached to increase the capacity of the Bin.

“Bin and Other Collection Services” means those Collection Service(s) whose corresponding Rates are identified on Exhibit D as “Bin and Other Collection Services.”

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

“Business Day(s)” mean Monday through Friday, excluding legal public holidays recognized by the City and weekends.

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

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

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

“Cart” means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has an approximate capacity of 96 or 64 gallons (or similar volume), as applicable.

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

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

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

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

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

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

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

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

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

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

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

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“Compost” or “Composting” (as a verb) means the controlled biological decomposition of Organic Materials yielding a safe and nuisance free Compost product. **“Compost”** (as a noun) has the same meaning as defined in Section 14 CCR 17896.2(a)(4).

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

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

“Consumer Price Index” or “CPI” shall mean the All Urban Consumers (CPI-U) compiled and published by the BLS, using the following parameters:

- Area – U.S. city average
- Item – Garbage and trash collection
- Base Period – DECEMBER 1983=100
- Not seasonally adjusted
- Periodicity – Monthly
- Series Identification Number – CUUR0000SEHG02.

“Container(s)” means Carts and Bins.

“Contractor” means G.I. Industries, organized and operating under the laws of the State of Utah and its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and Subcontractors.

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

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

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

“Courtesy Pick-Up Notice” means the Contractor’s notice to Customer(s) as described in Section 4.10.B.1.

EXHIBIT A: DEFINITIONS

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

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

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

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

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

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

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

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

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

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

“Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that

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Contractor reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Contractor's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

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

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

"Flow Control" means City right to direct Discarded Materials to a facility of the City's choosing.

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

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

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

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

"Generator" means any Person who generates, produces, or disposes Discarded Materials, or whose act first causes Discarded Materials to become subject to regulation.

"Gross Receipts" shall mean total cash receipts actually collected from Customers by the Contractor for the provision of services provided pursuant to this Agreement, without any deductions. Excluded from Contractor's "Gross Receipts" is amounts received from Organic Material disposal and processing charges and revenue from the sale of Recovered Organic Waste Products or Recyclable Materials.

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

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

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

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

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at Residential Premises within the City. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, used motor oil, used oil filter, batteries, household batteries, fluorescent bulbs , tubes, cleaners and sprays, fertilizers and other garden products, needles, syringes, and lancets (only to the extent that the needles, syringes, and/or lancets are not waste regulated pursuant to the Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division 104 of the California Health and Safety Code), or are otherwise Excluded Waste).

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

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

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

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

- A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).
- B. Was produced at one or more of the following types of Facilities:
 1. A Compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10); Guidance: Note that this criteria disallows Mulch produced from chipping and grinding operations to count toward fulfillment of a jurisdiction’s annual Organic Waste product procurement target;
 2. A Transfer/Processing Facility or Transfer/Processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12; or,
 3. A Solid Waste landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

“Non-Collection Notice” means the notice as described in Section 4.10(C).

“Occupant” means the Person who occupies a Premises.

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

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

“Organic Waste” means wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, Manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively. Organic Waste does not include Excluded Waste. For purposes of this Agreement, textiles shall be treated as Solid Waste, and printing and writing paper and paper products (each as defined in 14 CCR Section 18982(a)) shall be treated as Recyclable Material.

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

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

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

“Premises” means any land or building in the City where Recyclable Materials, Organic Materials, or Solid Waste are generated or accumulated by an Owner or the City.

“Process” or “Processing” means the reduction, separation, recovery, conversion, or recycling of Solid Waste.

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

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

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

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

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

“Recovered Organic Waste Products” means Recovered Organic Waste Products as defined 14 CCR Section 18982(a)(60).

“Recyclable Materials” means those materials identified on Exhibit G.

“Recycle” or “Recycling” (or any variation thereof) means the Process of sorting, cleansing, treating, and reconstituting at a Recyclable Materials Processing Facility materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes Processes deemed to constitute a reduction of

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landfill Disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

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

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

“Residential” shall mean of, from, or pertaining to a Single-Family Premises.

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

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

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

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

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“SB 343” means the Environmental Advertising: Recycling Symbol: Recyclability: Products and Packaging Senate Bill approved by the Governor of the State of California on October 5, 2021, which amended Sections 17580, 17580.5 of the California Business and Professions Code, and amended Sections 18015 and 42355.5 of, and added Section 42355.51 to, the California Public Resources Code, relating to environmental advertising.

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

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

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

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

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

“Single-Family” or “Single-Family Dwelling (SFD)” means any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service.

“Solid Waste” means Solid Waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and applicable regulations. Excluded from the definition of Solid Waste are Excluded Waste, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of HHW in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended

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from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container not Source Separated from Solid Waste at the site of generation.

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

“State” means the State of California.

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

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

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

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

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

“Uncontrollable Circumstance” means one or more of the following specified acts, events, or conditions, whether affecting the Operating Assets, the approved Processing Facilities, the Designated Disposal Facility, the City, or the Contractor, to the extent that it effects the ability of the Contractor to perform any obligation under the Agreement, if such act, event or condition is beyond the reasonable control, and is not also the result of the willful or negligent act, error, or omission or failure to exercise reasonable diligence on the part of the Contractor, provided however, that the contesting in good faith or the failure in good faith to contest such action or inaction shall not be construed as willful or negligent action or a lack of reasonable diligence of the Contractor:

- A. An act of God (but not including reasonably anticipated weather conditions for the City), hurricane, landslide, lightning, earthquake, fire, explosion, flood, sabotage, pandemic, epidemic, government mandated quarantine, or similar occurrences, acts of a public enemy, extortion, war, blockade or insurrection, riot or civil disturbance.
- B. A Change in Law.

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- C. Preemption of materials or services by a Governmental Body in connection with a public emergency or any condemnation or other taking by eminent domain of any portion of the Operating Assets.
- D. Work stoppage, or other labor dispute or disturbance , in accordance with Section 11.7(C).

Without limiting the generality of the foregoing, the Parties acknowledge that none of the following acts or conditions shall constitute Uncontrollable Circumstances:

1. The consequences of errors, neglect, or omission by the Contractor, any of its Affiliates, or any Subcontractor in the performance of the Collection Services;
2. The failure of the Contractor to secure patents or licenses in connection with the technology necessary to perform its obligations hereunder; or
3. Union work rules, requirements, or demands which have the effect of increasing the number of employees employed in connection with the Operating Assets.

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

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

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

EXHIBIT B: DIRECT SERVICES

The following Exhibits (B1 through B4) describe the programs which, in aggregate, represent the direct services to be performed under this Agreement by the Contractor.

Each of the following Exhibits (B1 through B4) present the programs to be provided to each Customer Type by Contractor. Within each program description are specific requirements for the:

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

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B4 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.

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

Standard Valet Service Collection

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

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

1. Recyclable Materials Collection

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

Containers: Carts, Bins

Container Sizes: Standard Cart size is 96 gallons.

Service Frequency: For Carts, one (1) time per week on the same day as Organic Materials and Solid Waste Collection services.

For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by Customer).

Service Location: Private driveways, On-Premises, or Curbside as determined by Customer depending on Container type

Acceptable Materials: Recyclable Materials

Prohibited Materials: Solid Waste, Organic Materials, Excluded Waste

Additional Service: Single-Family Customers shall receive one (1) Recyclable Materials Cart standard and may request one (1) additional Recyclable Materials Cart at no additional charge.

Other Requirements: Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3 of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

2. Organic Materials Collection

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

Containers: Carts, Bins

Container Sizes: Standard Cart size is 96 gallons; 64-gallon Carts available upon Customer Request 1.5-, 2-, and 3-cubic yard Bins, as requested by Customer

Service Frequency: For Carts, one (1) time per week on the same day as Recyclable Materials and Solid Waste Collection services.
For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by Customer).

Service Location: Private driveways, On-Premises, or Curbside as determined by Customer depending on Container type

Acceptable Materials: Organic Materials (including Yard Trimmings and Food Waste)

Prohibited Materials: Recyclable Materials, Solid Waste, Excluded Waste

Additional Service: Single-Family Customers shall receive one (1) Organic Materials Cart standard. Contractor shall provide additional Organic Materials Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.

Other Requirements: If Contractor's Approved Organic Facility accepts Compostable Plastic bags, Single-Family Customers may place Organic Materials in Compostable Plastic bags and then place the bagged Organic Materials into their Organic Materials Carts for Collection. Such bags must be labeled as "Compostable" by the manufacturer and certified by BPI. Contractor shall submit the required Compostable Plastic Processing notifications in accordance with Section 4.1 and Exhibit F of this Agreement.

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

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

2.1 Manure Collection

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

Containers:	Bins, Roll-Off Box
Container Sizes:	1.5-, 2-, and 3-cubic yard Bins, and 10-yard Roll-Off Boxes as requested by Customer.
Service Frequency:	Up to two (2) times per week but not less than one (1) time per week (as requested by Customer).
Service Location:	On-Premises
Acceptable Materials:	Manure
Prohibited Materials:	Recyclable Materials, Organic Materials, Solid Waste, Excluded Waste
Additional Service:	Contractor shall provide Manure Containers to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.
Other Requirements:	Contractor may refuse to Collect a Manure Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3 of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

3. Solid Waste Collection

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

Containers:	Carts, Bins
Container Sizes:	Standard Container size is 96 gallons. 1.5-, 2-, and 3-cubic yard Bins, and 25- and 40-cubic yard Roll-Off Boxes, as requested by Customer
Service Frequency:	For Carts, one (1) time per week on the same day as Recyclable Materials and Solid Waste Collection service. For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by Customer).
Service Location:	Private driveways, On-Premises, or Curbside as determined by Customer depending on Container type
Acceptable Materials:	Solid Waste

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Prohibited Materials: Recyclable Materials, Organic Materials, Excluded Waste

Additional Service: Contractor shall provide additional Solid Waste Containers to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.

Other Requirements: None

4. Bulky Item Annual Collection

Contractor shall Collect Bulky Items from Single-Family Customers for one (1) week during each Rate Period. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

Containers: Not applicable

Service Level: Bulky Items (including E-Waste)

Service Frequency: Annually

Service Location: On-Premises

Acceptable Materials: Bulky Items

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

Additional Service: None

Other Requirements: Contractor shall provide the service to the Customer within the scheduled week agreed upon by the City and Contractor and shall make reasonable efforts to schedule Collection on a day that is convenient to the Customer or as mutually agreed upon by the Customer and Contractor. Contractor will collect those Bulky Items specified by Customer in advance and placed for Collection. Contractor shall not Dispose of materials Collected through the Bulky Item Annual Collection program unless the materials cannot reasonably be reused or Recycled. Contractor shall Process and Dispose of Bulky Items Collected from Customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the other options are practicable; then, (4) Dispose.

5. On-Call Bulky Item and E-Waste Collection

Contractor shall Collect Bulky Items, and other materials described herein upon request from Single-Family Customers and may charge the appropriate Rate(s) for such Collection services. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

Containers: Not applicable

Service Level: Up to two (2) Bulky Items per Collection.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Service Frequency: As requested by Customer

Service Location: Curbside

Acceptable Materials: Bulky Items

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

Additional Service: Contractor shall Collect additional Acceptable Materials (as described herein) that exceed two (2) Bulky Items (upon request by Customer) and may charge the appropriate Rates approved by the City for such additional service.

Other Requirements: Customer shall contact Contractor to schedule Collection of Bulky Items at least two (2) Business Days in advance of their next scheduled Collection day. Contractor shall not Dispose of materials Collected through the on-call Bulky Item Collection program unless the materials cannot be reasonably reused or Recycled. Contractor shall Process and Dispose of Bulky Items Collected from Customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the other options are practicable; then, (4) Dispose.

6. Household Hazardous Waste (HHW) Collection

Contractor shall Collect Household Hazardous Waste (HHW) upon request from Single-Family Customers and may charge the appropriate Rate on Exhibit D. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

Containers: Not applicable

Service Level: One (1) Collection, up to a maximum of [AMOUNT] per Collection

Service Frequency: As requested by Customer

Service Location: Curbside

Acceptable Materials: HHW

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

Additional Service: Not Applicable

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SINGLE-FAMILY RESIDENTIAL SERVICES

Other Requirements: Customer shall contact Contractor to schedule Collection of HHW items in advance. Contractor will provide Customer with a list of acceptable and non-acceptable items as well as instructions for preparing items for Collection.

In addition to providing HHW Collection, Contractor shall support City in promoting Los Angeles County HHW Cleanup Events. At all times during the Term of this Agreement and upon any Customer request, Contractor shall provide a toll-free number that will dispense information regarding HHW and E-Waste including available disposal sites or events. Contractor agrees to cooperate fully with the Los Angeles County Department of Public Works HHW Cleanup events.

7. Holiday Tree Collection

Annually, commencing December 26 and two (2) weeks thereafter, the Contractor shall provide at least one (1) Roll-off Container at City Hall and at the Community Center for Single-Family Customers to drop off their Holiday trees. Holiday trees must be removed from stands and be free of ornaments, garlands, tinsel, or other non-Organic decorations. Contractor may require that Customers with larger trees cut the trees to pieces no longer than seven (7) feet in length prior to placement in the Roll-off Container. Contractor shall deliver all Collected Holiday trees to the Approved Organic Materials Processing Facility for Processing.

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

8. Sharps Waste Collection

Contractor shall provide Customers postage-paid mail-back container to safely Collect Sharps and send Sharps for proper Disposal at no additional charge within one week of request. Contractor shall also make Sharps Containers available at pick-up location in the City as an alternative for Customers. Residents are limited to four (4) Containers of approximately 1.4 quarts in volume each, at no additional charge per year.

9. Temporary Bin Service

Contractor shall provide temporary Bin Service to Customers upon request for Collection of Solid Waste, Recyclable Materials, and Organic Materials. The size of the Bins or Roll-Off Container and frequency of Collection shall be determined by contract between the Customer and Contractor. Contractor shall offer a seven-day rental period to Customer.

Contractor must deliver a temporary Bin to a Customer within two (2) Business Days or at another mutually agreed upon time. Temporary Bin and Roll-off Containers shall not be placed or stored on any bridle trail or parkway without obtaining an Encroachment Permit from the HHCA.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

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

EXHIBIT B2: **CITY FACILITIES SERVICES**

City Facilities Collection

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

1. Recyclable Materials Collection

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

Containers: Carts and Roll-Off Boxes

Container Sizes: 64 or 96 gallon Carts,
and,

10-, 25-, 30-, and 40-cubic yard Roll-Off Boxes
as requested by the City or HHCA

Service Frequency: For Carts, one (1) time per week.

For Roll-Off Boxes, as requested by the City or HHCA.

Service Location: On-Premises or other Customer-selected service location at the City Facility Premises

Acceptable Materials: Recyclable Materials

Prohibited Materials: Organic Materials, Solid Waste, Excluded Waste

Additional Service: None

Other Requirements:

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

Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection

EXHIBIT B2

CITY FACILITIES SERVICES

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

2. Organic Materials Collection

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

Containers:	Carts, Bins, Roll-Off Boxes
Container Sizes:	96-gallon Carts, 1.5-, 2-, and 3-, cubic yard Bins, and, 10-, 25-, 30-, and 40-cubic yard Roll-Off Boxes as requested by City or HHCA.
Service Frequency:	For Carts, one (1) time per week. For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA).
Service Location:	On-Premises or other Customer-selected service location at the City Facility Premises
Acceptable Materials:	Organic Materials (including Yard Trimmings and Food Waste)
Prohibited Materials:	Recyclable Materials, Solid Waste, Excluded Waste
Additional Service:	None
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers. Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

EXHIBIT B2

CITY FACILITIES SERVICES

2.1 Manure Collection

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

Containers: Bins, Roll-Off Boxes

Container Sizes: 1.5-, 2-, and 3-, cubic yard Bins and 10-cubic yard Roll-Off Boxes as requested by Customer.

Service Frequency: Up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA).

Service Location: On-Premises or other Customer-selected service location at the City Facility Premises

Acceptable Materials: Manure

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

Additional Service: None

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

3. Solid Waste Collection

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

Containers: Carts, Bins, Roll-Off Boxes

Container Sizes: 64 or 96-gallon Carts; 1.5-, 2-, and 3-, cubic yard Bins, and, 10-, 25-, 30-, and 40-cubic yard Roll-Off Boxes as requested by City or HHCA.

Service Frequency: For Carts, one (1) time per week. For Bins, up to two (2) times per week but not less than one (1) time per week (as requested by the City or HHCA).

Service Location: On-Premises or other Customer-selected service location at the City Facility Premises

Acceptable Materials: Solid Waste

Prohibited Materials: Recyclable Materials, Organic Materials, Excluded Waste

EXHIBIT B2

CITY FACILITIES SERVICES

Additional Service: None

Other Requirements: Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers.

EXHIBIT B3: CITY SERVICES

1. Collection Services to City Facilities

Contractor shall Collect Recyclable Materials, Organic Materials, and Solid Waste, from City Facilities as outlined in Exhibit B2. and shall provide designated personnel in accordance with Section 5.7.E of this Agreement. Contractor shall provide service to all existing City Facilities identified in Exhibit B4 as well as any future City Facilities established after the Commencement Date. Contractor shall provide these services at no additional cost to the City.

2. City and Community Association Special Events

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

3. Battery Recycling Program

[RESERVED]

4. Recovered Organic Waste Products for City Facilities, Parks, and City Projects

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

5. News Media Relations

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

EXHIBIT B3

CITY SERVICES

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

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

6. Large Venue and Event Assistance, Event Recycling

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

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

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

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

Table 1: City Facilities

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

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

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

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

Table 2: Special Events

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

EXHIBIT C: **PUBLIC EDUCATION AND OUTREACH REQUIREMENTS**

1. General Administration

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

- A. Prior to the Commencement Date and by October 1 of each following year during the Term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs designed by the City and performed by Contractor under this Agreement. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, identify program objectives, individual tasks, public education materials to be distributed, opportunities for expanded partnerships, and a timeline for implementation. The City Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Manager. Contractor shall meet with the City Manager to present and discuss the plan, review the prior year's activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to the City reflect the needs of City staff and the City Council. City Manager shall be allowed up to sixty (60) calendar days after receipt to review and request modifications. The City Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan; provided that any material changes to Contractor's obligations detailed in this Exhibit C that are requested by the City Manager shall entitle Contractor to an adjustment to the Rates as a change in scope of services in accordance with Section 8.5(C) of the Agreement. Contractor shall have up to fifteen (15) Business Days or such other time period mutually agreed by the parties to revise the plan in response to any requested changes by the City Manager.
- B. Upon request from the City Manager, City Manager and Contractor's Contract Administrator shall meet at least one (1) time per month or another mutually agreed upon frequency to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.
- C. Contractor shall distribute instructional information, public education, and promotional materials in advance of, and following, Commencement of services. This shall entail, at a minimum, distributing program literature to all Customers at the Commencement of the Agreement as well as to any new Customer during the Agreement Term. Contractor may use multiple media sources including print, radio television, electronic/social media, and events to notify Customers of the change in their service provider, if applicable, and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be distributed. The Contractor shall submit all draft materials to City Manager for review and approval.

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

- D. All City Facilities shall receive any and all public education and outreach materials. Contractor shall provide all printed public education materials to City offices and facilities and Community Center to have available for the public that visit those facilities and shall replenish the materials as requested by the City Manager.
- E. Bill inserts may be designed by the City or Contractor. Bill inserts designed by Contractor shall be provided to the City Manager a minimum of sixty (60) days prior to publication. The City Manager shall review bill inserts designed by Contractor; and the Contractor shall be responsible for publication and distribution of the billing inserts to Customers. Contractor shall provide electronic bill inserts to Customers who are billed electronically, and paper bill inserts to Customers who receive paper bills. Electronic bill inserts/attachments must be readily available for the Customer to view upon receipt of the invoice (attachments may be provided as links). Upon City request for billing inserts, Contractor shall comply with such request during its next billing cycle, so long as the request does not conflict with the insertion of any other public education materials required by this section (in which case it would be completed with the subsequent billing cycle), for the targeted Customer group, if specified. Bill inserts designed by the City shall be provided in an electronic format acceptable to the Contractor not to exceed one (1) 8.5" x 11" page, at least sixty (60) days prior to publication. Contractor shall perform this service with no additional requirement for compensation.
- F. Contractor shall develop a website specific to its operations in the City, with a section specific to City programs and Customers, which will be used to post educational materials for download, highlight program successes, and provide Diversion statistics. The Contractor's City specific website shall also include links to relevant web pages of the City's website where further information can be found. Content for the website shall be approved by the City Manager. Contractor shall review the website at a minimum annually to update information contained on website.

2. Sector-Specific Activities

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

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH PLAN

Public Education and Outreach | All Sectors

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

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

Activity	Description	Distribution/Frequency
Advertisement	Develop and distribute an advertisement that explains all programs that will be offered under the new Agreement.	One (1) time after the Effective Date (estimated 20-30 days prior to Commencement Date).

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH PLAN

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

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

Activity	Description	Distribution/Frequency
Initial Mailing	Produce and Distribute a City-designed initial mailing to Single-Family Customers, which may include content such as explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; regulatory requirements, and, the Effective Date of the change. Contractor shall include its Holiday schedule and the Residential Recycling and expanded services guide.	One (1) time after the Effective Date (estimated 45-60 days prior to Commencement Date) via direct mail or with Customer billings.
Community Workshops	Contractor will conduct a minimum of one (1) public workshop and more as necessary upon City request describing program changes, route changes, dates of program implementation, and other necessary information.	30 days prior Commencement Date.
Annual Service Guide	Produce and Distribute a "service guide" specific to Single-Family Customers. This guide shall include information on Collection methodologies, set out instructions, holiday schedule, available programs and amenities, contact information, and acceptability and necessary preparation of Recyclable and Organic Materials to comply with Applicable Law for all Single-Family programs described in Exhibit B1. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	By direct mail or with Customer billings once each Rate Period beginning January 1, 2026, and annually thereafter to each Single-Family Customer
Community Groups	Upon City request, visit community and other neighborhood groups and associations to promote and explain the Recycling programs included in this Agreement.	At City Manager or Customer request.

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH PLAN

Activity	Description	Distribution/Frequency
Quarterly Newsletter	<p>Not less than four times per year during each Rate Year, Contractor shall be responsible for all costs incurred for the production and mailing of the City's Quarterly Newsletter. The City reserves the right to direct the production of the Quarterly Newsletter to a contractor of the City's choosing. The Quarterly Newsletter will include information on current regulations, and any additional regulations adopted during the Term of this Agreement and any extensions granted by the City. The Contractor shall be required to coordinate distribution via U.S. Mail of the Quarterly Newsletter with a local mailing house, including furnishing Customer mailing addresses.</p>	
Corrective Action Notices	<p>Produce and distribute a Single-Family Customer oriented Non-Collection Notice, and Courtesy Pick-Up Notices for use in instances where the Customer includes prohibited materials in a Container or fails to properly prepare or set-out Containers.</p>	As needed.
Seasonal Program Notifications	<p>Provide written or electronic notification to Single-Family Customers advertising each scheduled Bulky Item Annual Collection pursuant to Exhibit B1.4, Holiday tree Collections pursuant to Exhibit B1.7. The notification shall inform Customers of the schedule, acceptable and prohibited materials, and set-out requirements for the program.</p>	<p>At least fourteen (14) calendar days prior to event via Customer billing inserts or direct mail.</p>
Website	<p>Contractor shall prepare a "Single-Family Customer" section of its website where it will present Customers with "how-to" information for participating in Contractor-provided programs including proper Container set-outs and provide Single-Family Customers with links to click on for additional resources. All other Single-Family educational materials specified in this Section shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current Rates charged to Single-Family Customers within the City.</p>	<p>At least sixty (60) calendar days prior to Commencement Date.</p> <p>Updated no less than quarterly.</p>

EXHIBIT C
PUBLIC EDUCATION AND OUTREACH PLAN

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

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH PLAN

Public Education and Outreach | City Facilities Education and Outreach Activities

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

Description	Purpose	Distribution/Frequency
.	.	.
“How-to” Flyer: Recyclable Materials	Upon request, prepare and distribute a “how-to” brochure explaining the Recycling Materials Collection programs for each general business type (office buildings, parks, and arenas).	One (1) time after Effective Date (estimated 20-30 days prior to contract start date) and during Diversion opportunity assessments, upon request.
“How-to” Flyer: Organic Materials	Upon request, prepare and distribute a flyer describing the Organic Materials Collection services available and how to prepare Organic Materials for Collection for each general business type (office buildings, parks, and arenas).	One (1) time after Effective Date (estimated 20-30 days prior to contract start date) and during Diversion opportunity assessments, upon request.
Technical Assistance: Diversion Opportunity Assessments	Offer Diversion opportunity assessments at least one (1) time annually to all City Facilities to meet with on-site staff to promote Recyclable and Organic Materials Collection.	Offer in-person meetings to all City Facilities conducted one (1) time per year, plus follow-up meetings with individual Customers, as needed.
Recycling and Organics Posters	Upon request, produce and distribute (during Diversion opportunity assessments) laminated Recycling and Organics posters that provide graphic illustrations of acceptable and prohibited materials within each program.	Distributed during or following Diversion opportunity assessments, upon request.

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH PLAN

Description	Purpose	Distribution/Frequency
Workshops	Offer and respond to requests for on-site meetings and workshops. Contractor shall conduct workshops for Customers (when requested) that will show on-site staff, in a hands-on interactive format, how to use the Recycling and Organics program and will provide resources for additional information and support.	At City's request.
Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials, such as flyers and social media postings, containing information to assist City with outreach compliance for various Applicable Laws related to Mandatory Recycling and Organics.	One (1) time annually

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH PLAN

Public Education and Outreach | City and Community Association Special Events

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

Description	Purpose	Distribution/Frequency
Event Exhibit Booth	Contractor shall staff an exhibit booth and distribute promotional and educational materials at special events. Contractor shall provide visual displays, copies of educational materials (including all guides, flyers, and brochures produced for this Agreement), and Recycling education activities appropriate to a variety of age groups. Display components will be professionally designed and created and shall be scalable to be appropriate for a variety of booth or display configurations. Materials will include those pertaining to the programs provided under this Agreement as well as general information on "green" and/or sustainable behaviors.	Any or all special events listed in Exhibit B4 of this Agreement. Other events at City Manager's request, provided sufficient notice to ensure staff availability.

EXHIBIT D: INITIAL MAXIMUM RATES

City of Hidden Hills - Effective January 1, 2026

Rates are per month and invoiced by WM unless otherwise noted.

Residential Basic Service

Note: In addition to the listed Refuse Cart size serviced once per week, service includes one (1) 96-Gallon Cart for Organic Materials serviced once per week and up to two (2) 96-Gallon Carts for Recyclable Materials serviced once per week.

Service	Rates
Residential Basic Service - Service includes one (1) 96-Gallon Cart for Solid Waste serviced once per week, one (1) 96-Gallon Cart for Organic Materials serviced once per week and up to two (2) 96-Gallon Carts for Recyclable Materials serviced once per week.	\$ 90.00

Bin and Other Collection Services

Service	Rates
Other Residential Cart Collection Services	
Additional 96-Gallon Solid Waste Cart	\$ 30.81
Additional 96-Gallon Organic Materials Cart	\$ 30.81
Additional 96-Gallon Recycle Materials Cart (third and additional)	\$ 30.81

Solid Waste Bin Collection Services	
96-Gallon Solid Waste Cart (available for Customers with Bin service for Recyclable Materials and/or Organic Materials)	\$ 30.81
1.5-Cubic Yard Solid Waste Bin 1x per week service	\$ 203.33
1.5-Cubic Yard Solid Waste Bin 2x per week service	\$ 394.24
2-Cubic Yard Solid Waste Bin 1x per week service	\$ 203.33
2-Cubic Yard Solid Waste Bin 2x per week service	\$ 394.24
3-Cubic Yard Solid Waste Bin 1x per week service	\$ 231.11
3-Cubic Yard Solid Waste Bin 2x per week service	\$ 456.22

Recyclable Materials Bin Collection Services	
96-Gallon Recyclable Materials Cart (available for Customers with Bin service for Solid Waste and/or Organic Materials)	\$ 28.42

<u>Yard Trimmings, Manure, and Organic Materials Bin Collection Services</u>	
64-Gallon Yard Trimmings/Manure Cart (available for Customers with Bin service for Solid Waste and/or Recyclable Materials)	\$ 28.42
64-Gallon Organic Materials Cart (available for Customers with Bin service for Solid Waste and/or Recyclable Materials)	\$ 28.42
96-Gallon Yard Trimmings/Manure Cart (available for Customers with Bin service for Solid Waste and/or Recyclable Materials)	\$ 34.42
96-Gallon Organic Materials Cart (available for Customers with Bin service for Solid Waste and/or Recyclable Materials)	\$ 34.42
1.5-Cubic Yard Yard Trimmings/Manure/Organic Materials Bin 1x/week service	\$ 203.33
1.5-Cubic Yard Yard Trimmings/Manure/Organic Materials Bin 2x/week service	\$ 394.24
2-Cubic Yard Yard Trimmings/Manure/Organic Materials Bin 1x/week service	\$ 213.33
2-Cubic Yard Yard Trimmings/Manure/Organic Materials Bin 2x/week service	\$ 427.63
3-Cubic Yard Yard Trimmings/Manure/Organic Materials Bin 1x/week service	\$ 231.11
3-Cubic Yard Yard Trimmings/Manure/Organic Materials Bin 2x/week service	\$ 456.22

<u>Roll-Off and Temporary Bin Services</u>	
Roll-Off Haul Rate, per haul (does not include tonnage charge)	\$ 338.00
Roll-Off Tonnage Charge – Solid Waste Disposal, per ton	Per Facility Charge
Rolloff Tonnage Charge – Recyclable Materials Processing, per ton	Per Facility Charge
Rolloff Tonnage Charge – Yard Trimmings, Manure, and Organic Materials Processing, per ton	Per Facility Charge
Rolloff Tonnage Charge - Inerts Processing, per ton	Per Facility Charge
Rolloff Tonnage Charge - C&D Debris Processing, per ton	Per Facility Charge
3-Cubic Yard Temporary Bin - per empty	\$ 178.50
Daily Rental - after 7 days (rate per day)	\$ 14.70

<u>Extra Pick-Ups and Bulky Items</u>	
Extra Pick-up 64/96-Gallon Cart – On service day, per Cart	\$ 7.19
Extra Pick-up bag – On service day, per bag	\$ 4.79
Extra Pick-up 64/96-Gallon Cart – On non-service day, per Cart	\$ 55.42
Extra Pick up 1.5-Cubic Yard Bin – Solid Waste	\$ 148.92
Extra Pick up 3-Cubic Yard Bin – Solid Waste	\$ 148.92
Extra Pick up 4-Cubic Yard Bin – Solid Waste	\$ 160.04
Extra Pick up 1.5-Cubic Yard Bin – Yard Trimmings/Manure	\$ 148.92
Extra Pick up 3-Cubic Yard Bin – Yard Trimmings/Manure	\$ 148.92
Extra Pick up 1.5-Cubic Yard Bin – Organic Materials	\$ 148.92
Extra Pick up 3-Cubic Yard Bin – Organic Materials	\$ 148.92
Extra Pick up 1.5-Cubic Yard Bin – Recyclable Materials	\$ 148.92
Extra Pick up 3-Cubic Yard Bin – Recyclable Materials	\$ 148.92
On Call Bulky Item Pick-up – Up to two (2) items, per event	\$ 68.62
Additional Bulky Items, per item	\$ 25.28

Ancillary Services

Service	Rates
At Your Door (Direct Billed to Customer)	\$ 170.00
Start Charge – Residential Basic Service	\$ 19.52
Restart Charge – Residential Basic Service	\$ 24.12
Start Charge – Bin Service	\$ 18.89
Restart Charge – Bin Service	\$ 24.58
Roll-Off Trip Charge	\$131.25
Roll-Off Relocation Charge	\$ 131.25
Hasp (one-time charge)	\$52.50
Lock (per lock, per month)	\$21.00
Finance Charge	1.50%
Fuel Surcharge	30.22%

EXHIBIT E: **EXAMPLE RATE ADJUSTMENT FORMULA**

Rate Adjustment Calculation – Bin and Other Collection Services

SERVICE COST COMPONENTS

Cost Component	% of Costs	Rate Adjustment Index
Service	70%	CPI
Disposal	30%	“Out-of-county” Solid Waste Gate Rate at the Simi Valley Landfill & Recycling Center established by Ventura County

- (1) Average annual change for the 12 months ending July of the previous Calendar Year compared to the 12 months ending in July of the year prior.
- (2) Percentage change in the “Out-of-county” Solid Waste Gate Rate at the Simi Valley Landfill & Recycling Center established by Ventura County for the Calendar Year that aligns with the upcoming rate year compared to the “Out-of-county” Solid Waste Gate Rate at the Simi Valley Landfill & Recycling Center established by Ventura County for the year prior.

Step 1: Calculate the percentage increase or decrease in Service and Disposal component indices listed in Section 8.4.2.

Service Component

Calculate the average percentage change in the Consumer Price Index (CPI) for in each month of the twelve-month period ending in July immediately preceding the date of the Rate adjustment, and the same twelve months in the year prior.

Consumer Price Index for All Urban Consumers (CPI-U) Original Data Value												
Series Id:	CUUR0000SEHG02											
Not Seasonally Adjusted												
Series Title:	Garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted											
Area:	U.S. city average											
Item:	Garbage and trash collection											
Base Period:	DECEMBER 1983=100											
Years:	2015 to 2025											
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	512.722	517.270	518.505	518.579	516.440	517.202	521.185	524.408	529.934	530.114	529.053	532.538
2022	533.078	538.313	540.719	542.564	544.546	547.554	548.187	548.706	558.254	561.090	563.816	565.185
2023	570.412	575.697	576.773	580.124	587.431	589.812	596.167	597.347	596.997	597.569	601.631	602.164
2024	606.773	610.551	610.015	611.073	609.538	611.946	614.089	615.880	619.640	621.632	627.127	627.807
Annual % Change	6.37%	6.05%	5.76%	5.33%	3.76%	3.75%	3.01%	8.86%	6.94%	6.50%	6.71%	6.54%

Monthly CPI Data organized by month for the twelve-month period ending in July:

	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul
Prior	548.706	558.254	561.09	563.816	565.185	570.412	575.697	576.773	580.124	587.431	589.812	596.167
Current	597.347	596.997	597.569	601.631	602.164	606.773	610.551	610.015	611.073	609.538	611.946	614.089
Change	48.641	38.743	36.479	37.815	36.979	36.361	34.854	33.242	30.949	22.107	22.134	17.922
% Change	8.86%	6.94%	6.50%	6.71%	6.54%	6.37%	6.05%	5.76%	5.33%	3.76%	3.75%	3.01%

Average Annual Change 5.80%

Disposal Component

Calculate the percentage change in the "Out-of-county" Solid Waste Gate Rate at the Simi Valley Landfill established by Ventura County for the calendar year that aligns with the upcoming rate year as compared with the rate for the prior calendar year.

Rate	Per Ton Rate (\$)
Current (upcoming) Rate	\$ 94.09
Prior Rate	- \$ 87.45
Change in Rate (\$)	= \$ 6.64
Change in Rate (%)	7.59%

Step 2: Multiply the percentage change in the Service and Disposal components by the current value of that rate component.

Example: One (1) three-cubic yard bin serviced one time per week

Service	2026 Rate
3CY x 1 MSW	\$ 231.11

Component	Percentage of Rate	Current Component Value (\$)
Service Component	70%	\$ 161.78
Disposal Component	30%	\$ 69.33
Total	100%	\$231.11

Component	Current Component Value (\$)	Percentage Change (%)	Component Value Change (\$)
Service Component	\$ 161.78	x 5.80%	= \$ 9.38
Disposal Component	\$ 69.33	x 7.59%	= \$ 5.26

Step 3: Add (subtract) the new value for each rate component to determine the new Rate for service.

Component	Current Component Value (\$)	Component Value Change (\$)	New Component Value (\$)
Service Component	\$ 161.78	+ \$ 9.38	= \$ 171.16
Disposal Component	\$ 69.33	+ \$ 5.26	= \$ 74.59
Total	\$231.11		\$ 245.75

Service	2027 Rate
City of Hidden Hills	

3CY x 1 MSW	\$ 245.75
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Rate Adjustment Calculation – Ancillary Services

Example: Roll-Off Relocation Fee

Service	2026 Rate
Roll-Off Relocation Fee	\$ 131.25

2026 Rate	Percentage Change (%)	2027 Rate
\$ 131.25	x 1.058	= \$ 138.86

Rate Adjustment Calculation – Residential Basic Service

Service	2026 Rate
Residential Basic Service	\$ 90.00

2026 Rate	Dollar Increase (\$)	2027 Rate
\$ 90.00	+ \$ 1.50	= \$ 91.50

EXHIBIT F: **REPORTING REQUIREMENTS**

Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

1. Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives.
2. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under Applicable Law.
3. Determine needs for adjustment to programs.
4. Evaluate Customer service and Complaints.
5. Determine Customer compliance with current and any subsequent State-mandated Recycling requirements.
6. Provide information needed by the City for the purpose of determining compliance with and fulfilling its State reporting requirements pursuant to SB 54, SB 343, SB 1383, and all Applicable Law.

1. Monthly Report Content

Monthly reports shall be submitted by Contractor to the City and shall include the following information pertaining to the most recently-completed calendar month. In addition, each monthly report shall include a year-to-date summary page that includes the data submitted from the monthly report(s) submitted in the current calendar year. Contractor shall report the information included in the following subsections.

A. Tonnage Report

1. Tonnage delivered to each Approved Facility by Material Type, subtotaling and clearly identifying those Tons that are Diverted and those that are Disposed.
2. Units and/or tonnage of E-Waste and Bulky Items Collected.
3. Solid Waste Tonnage Collected.
4. Recyclable Materials Tonnage Collected.
5. Organic Materials Tonnage Collected.
6. Monthly Diversion rate by Customer Type and in aggregate for all Customer Types under this Agreement.

B. Diversion Report

Contractor shall report the Diversion percentage for each month and the cumulative year-to-date Diversion percentage calculated as: (Divertible Materials Collected (in tons) / Discarded Materials Collected (in tons)).

EXHIBIT F

REPORTING REQUIREMENTS

C. Revenue Report

Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement.

D. Customer Subscription and Collection Report

1. A summary of Customer subscription data, including the number of accounts; the number of Customers subscribing to each Service Level and Discarded Material type.
2. Number of Containers at each Service Level. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Roll-Off Box by Customer Type. Report should calculate the average volume of service received per Single-Family Dwelling Unit.
3. List of all Customers that cancelled service, and are newly subscribed for service.

E. City Services Report

1. City Facility estimated Diversion rate report (i.e., volume of service-by-service type received by each City Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).

F. Customer Service Report

1. Records of Complaints received including the following information:
 - a. A summary of the total number of Complaints received; missed pickups shall be reported separately
 - b. A description of the Complaint as received including the date and time
 - c. Customer's name, address, and telephone number (if provided by Customer to Contractor)
 - d. The date the Contractor investigated and resolved the Complaint including the action(s) taken to respond and remedy

G. Contamination Monitoring Report

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

EXHIBIT F

REPORTING REQUIREMENTS

2. Quarterly Report Content

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

A. Education and Outreach

1. A copy of all education and outreach materials provided to Customers, or otherwise used for education and outreach efforts in accordance with Section 4.5 of the Agreement and Exhibit C, including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
2. For any mass distribution through events, mailings, or bill inserts, provide a record of the date, a copy of the information distributed, and the type and estimated number of Customers that received the information.
3. A copy of all electronic media, including the dates posted or sent: social media posts, e-mail communications, or other electronic messages.
4. Dates, times, and group or event names of any site visits, meetings, and events attended in the month.

3. Annual Report Content

The annual report shall be the final monthly report, including annual totals, summary pages, and a compilation of any materials required by the monthly reports, plus the following additional information.

A. Summary Assessment

Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective. The assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly the Contractor's Diversion goals. Highlight any notable accomplishments or challenges and, if warranted, provide recommendations to change or improve.

B. Organic Materials Processing Report

1. A record of all compliance agreements for quarantined Organic Materials that are Disposed of, including the name of Generator, date issued, location of final Disposition, and the amount of quarantined Organic Material that was required to be Disposed at a landfill, pursuant to Section 4.9.2.B of the Agreement.

EXHIBIT F

REPORTING REQUIREMENTS

2. If necessary, written notification that the Approved Organic Waste Processing Facility(ies) has and will continue to have the capabilities to Process and recover the Compostable Plastics, in accordance with Section 4.1.J of the Agreement.

C. Education and Outreach Report

1. A summary of the status of the annual education plan of the reporting year, including activities conducted and the quantitative and/or qualitative results of those activities.
2. The annual public education plan required by Section 4.5 of the Agreement and Exhibit C for the upcoming then-current calendar year. For example, Contractor submittal of a 2025 annual report in February 2026 shall include Contractor submittal of the annual public education plan for calendar year 2026.

D. Vehicle Inventory

1. A list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, , and engine overhaul/rebuild date (if applicable).
2. If using RNG, the total amount of RNG procured by the Contractor for use in Contractor vehicles, in diesel gallon equivalents (DGE), including documentation evidencing procurement. In addition to the amount procured, Contractor shall include the total amount actually used in Contractor vehicles in the calendar year, if these values are different.
3. The name, physical location, and contact information of each entity, operation, or facility from whom the Contractor procured RNG for Collection vehicles.

4. Additional Reports

A. Upon Incident Reporting. City reserves the right to request additional reports or documents in the case of unforeseen events or additional requirements imposed upon the City. The Contractor shall provide the requested reports, documents, or information within ten (10) Business Days upon receipt of the request or within a timeframe determined by the City Manager. If City requests any such additional or modified reporting or documents, Contractor shall be entitled to a rate adjustment under Section 8.5 to compensate it for the change in scope in accordance with Section 3.5.

B. Customized Reports. The City reserves the right to request Contractor to prepare and provide customized reports from records Contractor is required to maintain under this Agreement; or require a specified format or submission system, such as the use of a web-based software platform. If City requests any such customized reports, Contractor shall be entitled to a rate adjustment under Section 8.5 to compensate it for the change in scope in accordance with Section 3.5.

EXHIBIT G: **RECYCLABLE MATERIALS**

“Recyclable Materials” means those Discarded Materials that: the Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the Contractor and that exclude Excluded Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Organic Materials, and Solid Waste. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, paper grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, gable top beverage containers, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-lined paper and cartons, Tyvex non-tearing paper envelopes); chipboard; corrugated Cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin, or bi-metal cans; mixed plastics such as plastic containers (no. one (1) to seven (7)), except expanded Polystyrene (EPS); bottles including containers made of HDPE, LDPE, or PET; film plastic (when clean, dry, and contained inside of a plastic bag); dry cell household batteries when placed on the Recycling Cart in a sealed heavy-duty plastic bag; and, those materials added by the Contractor from time to time.

EXHIBIT H:
CONTRACTOR'S FAITHFUL PERFORMANCE

EXHIBIT I:
NOTARY CERTIFICATION

STATE OF CALIFORNIA

COUNTY OF _____) ss:

On _____, _____, before me, the undersigned, a Notary Public in and for the State of California, personally appeared _____
_____, known to me to be the _____
_____ of Contractor that executed the within instrument on behalf of Contractor therein named, and acknowledged to me that such Contractor executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of _____ this _____ day of _____, _____.

Notary Public

My Commission Expires: