



**First Amended and Restated  
Franchise Agreement for Franchise Area #7  
Between  
The County of Riverside  
And  
CR&R Incorporated  
For  
Solid Waste Collection Service**

**October 1, 2024**

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**FIRST AMENDED AND RESTATED  
FRANCHISE AGREEMENT FOR FRANCHISE AREA #7 BETWEEN THE COUNTY OF  
RIVERSIDE AND CR&R INCORPORATED FOR  
SOLID WASTE COLLECTION SERVICE**

This FIRST AMENDED AND RESTATED FRANCHISE AGREEMENT FOR FRANCHISE AREA #7 FOR SOLID WASTE COLLECTION SERVICE ("Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between the County of Riverside, a political subdivision of the State of California ("County"), and CR&R Incorporated, a California corporation ("Franchisee"), for the Collection, Transportation, Recycling, Processing, Composting, and Disposal of Solid Waste, Recyclables and Organic Materials.

**RECITALS**

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939"), has declared that it is within the public interest to authorize and require local agencies to make adequate provisions for Solid Waste handling within their jurisdictions; and

WHEREAS, pursuant to Public Resource Code Section 40059(a) and Riverside County Ordinance No. 745, the County has determined that the public health, safety and well-being require that an Exclusive Franchise be awarded to a qualified Solid Waste enterprise for Solid Waste collection, recycling and disposal in residential, commercial and industrial areas of the County; and

WHEREAS, Public Resources Code Section 40059 permits the County to impose terms and conditions on the award of a Solid Waste franchise if, in the opinion of the governing body, the public health, safety and well-being require the imposition of those terms and conditions; and

WHEREAS, Franchisee has represented and warranted to County that it has the experience, responsibility, and qualifications to provide Solid Waste handling services and recyclable materials handling services, as defined in Public Resources Code Section 49505 and as described herein; and

WHEREAS, the County Board of Supervisors declares its intention of maintaining reasonable rates for provision of Solid Waste services within the unincorporated County; and

WHEREAS, the parties previously entered into an agreement for Solid Waste services on or about October 8, 1997 ("Original Franchise Agreement"), which was thereafter amended and superseded by the Franchise Agreement between the County of Riverside and CR&R Incorporated for the Collection and transportation of Solid Waste and Other Specified Services, executed on May 5, 2016 (Existing Franchise Agreement for Franchise Area #7); and

WHEREAS, the parties now wish to restate, amend, and supersede the Existing Franchise Agreement for Franchise Area #7 in its entirety, and enter into this Agreement on the terms and subject to the conditions set forth herein to achieve compliance with state law; and

WHEREAS, upon the execution of this Agreement, the Existing Franchise Agreement for Franchise Area #7 shall be superseded and replaced.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the parties hereby agree as follows:

## **1 Definitions**

Whenever any term used in this Agreement has been defined by Riverside County Ordinance No. 745, the California Code of Regulations, or Division 30, Part 1, Chapter 2 of the Public Resources Code, the definitions in the Riverside County Ordinances, California Code of Regulations shall apply unless the term is otherwise defined in this Agreement. Nothing contained herein shall be interpreted to require the Franchisee to undertake any conduct which is contrary or in conflict with federal, state or local law.

### **1.1 Abandoned Items**

"Abandoned Items" means Solid Waste abandoned in the public right-of-way and on public Premises to be Collected by Franchisee pursuant to Section 5.5.1.

### **1.2 Affiliate**

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

### **1.3 Agreement**

"Agreement" means this First Amended and Restated Franchise Agreement for Franchise Area #7 between the County and the Franchisee for the Collection, Transportation, Recycling, Processing and Disposal of Solid Waste and other specified services, including all exhibits, and any future amendments.

### **1.4 Applicable Law**

"Applicable Law" means all Federal, State, County, and local laws, regulations, rules, orders, judgments, decrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, Processing, and Disposal of Solid Waste that are in force on the Effective Date and as may be enacted,

issued, or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383 and their corresponding regulations.

#### **1.5 Back-Haul**

“Back-Haul” means generating and transporting Recyclable Materials or Organic Waste by the Generator to a destination owned and operated by Generator using the Generator's own employees and equipment.

#### **1.6 Backyard/Side Yard Service**

“Backyard/Side Yard Service” means that the Franchisee moves all Collection Carts, and Cart overages from a Single-Family Premises Customer’s designated Collection location other than curbside, such as backyard, side yard, or driveway, for Collection, and returns Carts when Collection is complete.

#### **1.7 BASIC Score**

“BASIC Score” means the Behavior Analysis and Safety Improvement Category percentile score assigned to motor carriers and determined by the Federal Motor Carrier Safety Administration’s Safety Measurement System. BASIC Scores are also known as “CSA Scores.” BASIC scores are calculated on a zero to 100 percentile scale, with 100 indicating the worst performance and zero indicating the best performance.

#### **1.8 Bin**

“Bin” means a Container provided by Franchisee for commercial, industrial, construction, and multi-residential uses. Bins are generally 2 to 6 cubic yards in size with hinged lids and wheels that are picked up by Collection trucks with a front-loading apparatus.

#### **1.9 Bin Collection Service**

“Bin Collection Service” means using Bins to provide Solid Waste Collection Services to Customers that require Bin Collection service on a regular, ongoing, and indefinite basis.

#### **1.10 Blue Container**

“Blue Container” has the same meaning as in 14 CCR Section 18982(a)(5) which provides that the lid of the Container is blue, or the body of the Container is blue and the lid is either blue, gray, or black. Blue Containers shall be used to store and Collect Source Separated Recyclable Materials or Source Separated Blue Container Organic Waste.

#### **1.11 Bulky Item(s)**

“Bulky Item” or “Bulky Items” means Solid Waste that would not typically be discarded using a Cart including: furniture (including chairs, sofas, mattresses, carpet scraps, and other similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances, and other similar items,



commonly known as "White Goods"); untreated wood wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per Collection unless Franchisee allows heavier or larger-sized items); Electronic waste (including stereos, televisions, laptop computers, computers and computer monitors, microwaves and other similar items discarded from Premises; fluorescent bulbs; clothing; and up to four passenger car tires. Any Bulky Items containing chlorofluorocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law. Bulky Items do not include items such as dirt, rock, sod, other inert or construction materials, motor vehicles, large truck and tractor tires, motor vehicle parts (except car passenger tires), boats, campers, trailers, items that cannot be handled safely by two (2) Persons, or Household Hazardous Waste or Excluded Waste.

#### **1.12 C&D**

"C&D" means Construction and Demolition Debris.

#### **1.13 C&D Processing Facility**

"C&D Processing Facility" means any facility that is designed, operated and legally permitted for the purpose of receiving and Processing C&D debris.

#### **1.14 Cart**

"Cart" means a plastic Container with a hinged lid and wheels serviced by an automated or semi-automated truck with a capacity of approximately no less than 32-gallons and no greater than 101-gallons. Cart sizes vary depending on the manufacturer, and any reference to Cart sizes in this Agreement is an approximation.

#### **1.15 Cart Collection Service**

"Cart Collection Service" means Collection service using Carts. This includes service provided to Single-Family Residential (excluding those Single-Family Residential Premises Customers that elect to use Bin Collection Service), Customers on Commercial Premises that generate small quantities of waste and elect to use Cart Collection Service, and Customers on Multi-Family Premises with individual storage capacity to store Carts with access to curbside service from side-loading Collection vehicles.

#### **1.16 Collect / Collection**

"Collect or Collection" means the operation of gathering together discarded Solid Waste or other material specified in this Agreement and its transportation to an appropriate Solid Waste Facility.

### **1.17 Commercial Business**

“Commercial Business” means all commercial facilities (including but not limited to firms, partnerships, proprietorships, joint-stock companies, corporations, associations, strip malls, industrial, institutional or other facilities). Single-Family Residential and Multi-Family Premises are not considered commercial businesses.

### **1.18 Commercial Edible Food Generators**

“Commercial Edible Food Generators” means a Commercial Premises that generates Recoverable Edible Food including a Tier One or a Tier Two Commercial Edible Food Generator as set forth in 14 CCR Section 18982(a)(7). For the purposes of this definition, Food Recovery Organizations, and Food Recovery Services, are not Commercial Edible Food Generators.

### **1.19 Commercial Premises**

“Commercial Premises” means Premises upon which business activity is conducted, including but not limited to retail sales, services, wholesale operations, manufacturing and industrial operations, commercial and industrial construction and demolition activities, but excluding Residential Premises upon which business activities are conducted when such activities are permitted under applicable zoning regulations, but are not the primary use of the property. For purposes of this chapter, the following types of properties are Commercial Premises: assisted living facilities, convalescent homes, dormitories, extended stay motels, group residential facilities, group care facilities, hostels, hotels, and motels. Single-Family Premises are not Commercial Premises.

### **1.20 Compactor**

“Compactor” means any Bin or Roll-Off Box that has a compaction mechanism, whether stationary or mobile.

### **1.21 Complaint**

“Complaint” means a communication delivered to Franchisee indicating services have not been performed in accordance with this Agreement, or otherwise expressing dissatisfaction with service.

### **1.22 Compliance Review**

“Compliance Review” means a review of records of a Commercial Premises by Franchisee to determine compliance pursuant to Section 6.8 of this Agreement.

### **1.23 Compostable Plastics**

“Compostable Plastics” means food-service and food-packaging plastic materials used for Collecting Organics material that are placed in the Green Container and transported to Compostable material handling operations or Facilities, in-vessel digestion operations or

other Facilities provided the Organic Waste Processing Facility accepts the material and has provided written notification annually to the Department stating that the Facility can Process and recover that material for Compostability, or as otherwise defined in 14 CCR Section 18984.1(a)(1)(A) for three Container systems.

#### **1.24 Compost or Composting**

“Composting or Compost” means the product resulting from the controlled biological decomposition of Organic Solid Wastes that are Source Separated from the municipal Solid Waste stream, or which are separated at a centralized Facility.

#### **1.25 Construction and Demolition Debris (C&D)**

“Construction and Demolition Debris” (“C&D Debris”) means any Solid Waste generated at a Premises that is directly related to construction or demolition activities. These activities include, but are not limited to, construction, demolition, remodeling, grading, land clearing, or renovation on any Residential, Commercial, institutional or industrial building, road, driveway, walkway or other structure. C&D debris includes but is not limited to, concrete, asphalt paving, asphalt roofing, lumber, gypsum board, rock, soil and metal.

#### **1.26 Container**

“Container” means any and all types of Solid Waste receptacles, including Carts, Bins, and Roll-Off Boxes.

#### **1.27 Container Contamination**

“Container Contamination” or “Contaminated Container” means a Container, regardless of color, that contains Prohibited Container Contaminants, or Excluded Waste.

#### **1.28 Contamination Fee**

“Contamination Fee” shall mean an amount charged by Franchisee to Customers to offset Franchisee’s additional costs or diminished revenue due to Container Contamination.

#### **1.29 Contamination Occurrence**

“Contamination Occurrence” means a circumstance when one or more Container(s) at a Customer Premises on a single day contains Prohibited Container Contaminants or Excluded Waste.

#### **1.30 County**

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

#### **1.31 CPI**

“CPI” means the Consumer Price Index (Series ID# CUURS49CSA0) for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area, not

seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS).

#### **1.32 Customer**

“Customer” means any Person receiving Solid Waste Collection service from Franchisee within the County pursuant to this Agreement, the Person arranging for Solid Waste Collection services pursuant to this Agreement, or the Person obligated to pay Franchisee for Solid Waste Collection Service rendered in accordance with this Agreement, as the case may be.

#### **1.33 Department**

“Department” means the Riverside County Department of Environmental Health.

#### **1.34 Director**

“Director” means the Director of the County Department of Environmental Health or his or her designee.

#### **1.35 Disaster**

“Disaster” means a sudden regional, statewide, nationwide, or worldwide event, such as an accident or a natural catastrophe, that causes great damage or loss of life, or that significantly stops, or impacts the normal ongoing operations of Solid Waste Collection in the County. Disaster may include, but is not limited to floods, earthquakes, epidemics, pandemics, quarantine restrictions, landslides, and fires or other catastrophic events that are beyond the reasonable control of Franchisee. Disaster does not include Labor Unrest as described in Section 12.7.

#### **1.36 Disposal**

“Disposal” means the final deposit of Solid Waste at a Landfill or facility permitted to accept such material.

#### **1.37 Disposal Facility**

“Disposal Facility” means a designated fully permitted Landfill(s) or other such sites approved by the County for the Disposal of Solid Waste Collected under the Terms of this Agreement.

#### **1.38 Diversion**

“Diversion” (or any variation including “Divert”) means activities which reduce or eliminate discarded materials from Disposal, including, but not limited to, source reduction, reuse, salvage, Recycling, and Composting, provided such activities are recognized by CalRecycle as Diversion in its determination of the County's Diversion targets in accordance with AB 939.

### **1.39 Dwelling Unit**

“Dwelling Unit” means a building or a portion thereof, designated for residential occupation by one Person or a group of two or more Persons living together as a domestic unit. Types of dwellings include Single-Family Premises, duplexes, Multi-Family Premises, mobile homes, condominiums and townhouses.

### **1.40 Edible Food**

“Edible Food” means food intended for human consumption. For the purposes of this Agreement Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code (Health and Safety Code §§ 113700 *et seq.*).

### **1.41 Effective Date**

“Effective Date” means the date on which this Agreement becomes effective, which shall be October 1, 2024.

### **1.42 Electronic or E-Waste**

“Electronic Waste” or “E-Waste” means electronic devices as defined in 22 CCR § 66273.9, including but not limited to computers, televisions, VCRs, stereos, copiers, fax machines, and other “covered electronic devices” as defined in Public Resources Code Section 42463. E-Waste does not mean a major appliance, as defined in Public Resources Code Section 42166, White Goods, or other devices which are: (1) comprised largely of metals; (2) qualify as “scrap metal” as defined in 22 CCR § 66260.10; and (3) are Recycled.

### **1.43 Environmental Laws**

“Environmental Laws” means all federal and State statutes, County, and local ordinances concerning public health, safety and the environment applicable to the County including, by way of example and not limitation, the National Environmental Policy Act (NEPA), the California Environmental Quality Act (CEQA), the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC § 9601 *et seq.*; the Resource Conservation and Recovery Act, 42 USC § 6902 *et seq.*; the Federal Clean Water Act, 33 USC § 1251 *et seq.*; the Toxic Substances Control Act, 15 USC § 1601 *et seq.*; the Occupational Safety and Health Act, 29 USC § 651 *et seq.*; the California Hazardous Waste Control Act, Health and Safety Code § 25100 *et seq.*; the California Toxic Substances Control Act, Health and Safety Code § 25300 *et seq.*; the Porter-Cologne Water Quality Control Act, Water Code § 13000 *et seq.*; the Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code § 25249.5 *et seq.*; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

#### **1.44 Excluded Waste**

“Excluded Waste” means Hazardous Substances, Hazardous Waste, infectious waste, designated waste, Special Waste, Universal Waste, volatile, corrosive, Medical Waste, infectious, biohazardous, regulated radioactive waste, and toxic substances or material that facility operator(s), which receive materials from the County and its Generators, reasonably believe(s) would, as a result of or upon acceptance, Transfer, Processing, or Disposal, be a violation of local, State, or Federal law, regulation, or ordinance, including: waste that cannot be Disposed of in Class III Landfills or accepted at the Facility by permit conditions, waste that in the Franchisee’s opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Franchisee or the County to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Solid Waste generated at Residential Premises after implementation of programs for the safe Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41510 and 41802 of the Public Resources Code.

#### **1.45 Exclusive Franchise**

“Exclusive Franchise” means the rights granted to the Franchisee under the terms and conditions of this Agreement, including the sole right to Collect Refuse, Recyclable Materials, Organic Waste, and other materials as specified in this Agreement and its exhibits, within the Franchise Area.

#### **1.46 Exclusive Waste Delivery Agreement**

“Exclusive Waste Delivery Agreement” means the contract entered into by and between the County and the Franchisee (defined as "Collector" therein) for the Franchise Area, dated May 19, 1998 (as it may be amended), which shall be incorporated herein by this reference.

#### **1.47 Facility**

“Facility” means any properly permitted plant or site, owned or leased, and maintained, operated or used by the Franchisee for purposes of performing under this Agreement.

#### **1.48 Food Recovery**

“Food Recovery” means actions to collect and distribute food for human consumption which otherwise would be Disposed.

#### **1.49 Food Recovery Organization**

“Food Recovery Organization” means an entity that primarily engages in the Collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that

Edible Food to the public for Food Recovery either directly or through other entities, or as otherwise defined in 14 CCR Section 18982(a)(26), including, but not limited to:

- (1) A food bank as defined in Section 113783 of the Health and Safety Code;
- (2) A nonprofit charitable organization as defined in Section 113841 of the Health and Safety Code; and,
- (3) A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

#### **1.50 Food Recovery Service**

“Food Recovery Service” means a Person or entity that collects and transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery, or as otherwise defined in 14 CCR Section 18982(a)(27).

#### **1.51 Food Scraps**

“Food Scraps” means discarded food that will decompose and/or putrefy and is segregated for Collection and Recycling. Food scraps include, but are not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells. Food Scraps exclude fats, oils, and grease when such materials are Source Separated from other Food Scraps.

#### **1.52 Food-Soiled Paper**

“Food-Soiled Paper” means Compostable paper material that has come in contact with food or liquid, such as, Compostable paper plates, paper coffee cups, napkins, and pizza boxes. Food-Soiled Paper does not include Non-Compostable Paper.

#### **1.53 Food Waste**

“Food Waste” means Food Scraps and Food-Soiled Paper.

#### **1.54 Franchise Area**

“Franchise Area” means the geographic territory known as Franchise Area 7 shown in the map in Exhibit 1 – Map of Franchise Area 7 and defined in Exhibit 2 – Legal Description of Franchise Area 7.

#### **1.55 Franchise Fee**

“Franchise Fee” means the fee paid by Franchisee to County pursuant to Section 9.1 of this Agreement for the exclusive right, benefit, and privilege to Collect Solid Waste within the Franchise Area; for the right to enter and use County property to Collect Solid Waste, including but not limited to Solid Waste transfer facilities and other facilities for similar purposes, and operation of heavy vehicles upon public streets for the Collection and replacement of waste Bins in the public right of way in connection with Solid Waste

services described herein; and/or for the County oversight and administration of this Agreement.

**1.56 Franchisee**

“Franchisee” means CR&R Incorporated, the entity granted the franchise pursuant to this Agreement.

**1.57 Franchisee Compensation**

“Franchisee Compensation” means the revenue billed to Customers by the Franchisee in return for providing services in accordance with this Agreement and any amendments to this Agreement.

**1.58 Generator**

“Generator” means the owner or occupant of Premises, including residences or businesses, that produces Solid Waste.

**1.59 Gray or Black Container**

“Gray or Black Container” means a Bin or Cart with a gray or black lid and/or body used to store and Collect Gray/Black Container Waste.

**1.60 Gray or Black Container Waste**

“Gray or Black Container Waste” means Refuse that is Collected in a Gray/Black Container that is part of Collection service that prohibits the placement of Green or Blue Container waste in the Gray/Black Container. Gray/Black Container Waste does not include Organic Waste, Recyclable Material, or Excluded Waste.

**1.61 Green Container**

“Green Container” means a Bin or Cart with a green lid and/or body used for storage and Collection of Source Separated Green Waste.

**1.62 Green Waste**

“Green Waste” means Organic Waste generated from any landscaping including grass clippings, leaves, prunings, tree trimmings, weeds, branches, and brush.

**1.63 Gross Receipts**

“Gross Receipts” means any and all revenue or compensation or monies received by Franchisee for providing services in connection with this Agreement. Gross Receipts do not include revenue from the sale of Recyclable Material or Recovered Organic Waste Product or revenue from the sale or lease of Roll-Off Compactors.



#### **1.64 Hard-to-Serve**

"Hard-to-Serve" shall mean areas that do not have standard curb and gutters or cannot be serviced by the Franchisee's standard vehicles. Hard-to-Serve areas may include one or more of the following:

- (1) Rural, sparsely populated areas;
- (2) Hilly or mountainous terrain;
- (3) Poorly paved or unpaved roads;
- (4) Large, uninhabited areas between pockets of homes;
- (5) Unusually heavy waste due to large properties, livestock, etc.;
- (6) Limited access on a private street or alley; or,
- (7) Pavement surfaces constructed of non-standard or decorative materials not suitable for heavy truck traffic.

#### **1.65 Hauler Route**

"Hauler Route" means the designated itinerary or sequence of stops for each segment of the County's Collection service area, as defined in 14 CCR Section 18982(a) (31.5).

#### **1.66 Hazardous Substance**

"Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Waste", "toxic waste", "pollutants" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC § 9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC § 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) Health and Safety Code §§ 25115-25117, 25249.8, 25281, 25316, 25501 and 25501.1; (vi) the Clean Air Act, 42 USC § 7901 et seq.; and (vii) California Water Code § 13050; (b) any substances defined, regulated or listed by any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local Environmental Laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

#### **1.67 Hazardous Waste**

"Hazardous Waste" means any waste which meets the definitions set forth in 22 CCR Section 66261.3, et seq. and is required to be managed; or as otherwise defined in 14 CCR Section 17402(a)(7). Hazardous Waste includes hazardous wood waste, which means

wood that falls within the definition of “treated wood” or “treated wood waste” in 22 CCR Section 67386.4, or as otherwise defined in 14 CCR Section 18982(a)(30.5), including as defined in Health and Safety Code § 25117 or in future amendments to or recodifications of such statutes and those substances identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the Resource Conservation and Recovery Act.

#### **1.68 Holiday**

“Holiday” means New Years’ Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

#### **1.69 Household Hazardous Waste**

“Household Hazardous Waste” means Hazardous Waste or Hazardous Substances generated at Residential Premises.

#### **1.70 Landfill**

“Landfill” means a “Solid Waste landfill” defined by Public Resources Code Section 40195.1.

#### **1.71 Large Event**

“Large Event” means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event, or as defined in 14 CCR Section 18982(a)(38).

#### **1.72 Large Venue**

“Large Venue” means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a large venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a site under common ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue, or as defined in 14 CCR Section 18982(a)(39).

### **1.73 Liquidated Damages**

“Liquidated Damages” means the amounts due by Franchisee for failure to meet standards of performance set forth in this Agreement.

### **1.74 Materials Recovery Facility**

“Materials Recovery Facility” means a permitted Solid Waste Facility where Solid Wastes, including Refuse, Recyclable Materials, or Organic Waste are sorted or separated for the purposes of Recycling, Processing or Composting.

### **1.75 Medical Waste**

“Medical Waste” means any Solid Waste that is generated or has been used in the diagnosis, treatment, or immunization of human beings or animals, or research pertaining thereto, and shall include, but not limited to, biomedical, biohazardous and medical waste, or other Solid Waste resulting from medical activities or services as defined by any State or federal law or regulation, all as currently enacted or subsequently amended.

### **1.76 Mulch**

“Mulch” means a layer of material applied on top of soil, and, for the purposes of the Agreement, Mulch shall conform with the following conditions, as 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 application 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 14 CCR, Division 7, other than a chipping and grinding operation or Facility as defined in 14 CCR Section 17852(a)(10);
  - 2. 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; or,
  - 3. A Solid Waste Landfill as defined in PRC Section 40195.1.

### **1.77 Multi-Family Premises**

“Multi-Family Premises” means permanent buildings containing five (5) or more Residential Units including, but not limited to, condominiums, apartment houses, and townhomes.

#### **1.78 Non-Compostable Paper**

“Non-Compostable Paper” means paper that will not breakdown in the Composting process including paper that is coated in a plastic material.

#### **1.79 Notice of Violation**

“Notice of Violation” means a notice that a violation has occurred that includes a compliance date to avoid the imposition of penalties.

#### **1.80 Organic Waste**

“Organic Waste” or “Organics” means Solid Waste containing material originated from living organisms and their metabolic waste products, including but not limited to Food Waste, Green Waste, landscape and pruning waste, nonhazardous or untreated wood waste, and Food-Soiled Paper. Organic Waste does not include Refuse, Recyclable Material or Excluded Waste.

#### **1.81 Owner**

"Owner" means the Person holding the legal title to the real property to which Solid Waste Collection Service is provided under this Agreement or the Person holding legal title to the Disposal site, depending upon the context used in this Agreement.

#### **1.82 Person**

‘Person’ includes firms, corporations, associations, partnerships, societies, church organizations and individuals.

#### **1.83 Premises**

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

#### **1.84 Process, Processed, or Processing**

“Processing” means the controlled separation, recovery, volume reduction, conversion, or Recycling of Solid Waste including, but not limited to, organized, manual, automated, or mechanical sorting, the use of vehicles for spreading of waste for the purpose of recovery, and/or includes the use of conveyor belts, sorting lines, or volume reduction equipment.

#### **1.85 Prohibited Container Contaminants**

“Prohibited Container Contaminants” means the following: (i) discarded materials placed in the Blue Container that are not identified as acceptable Source Separated Recyclable Materials for the Blue Container; (ii) discarded materials placed in the Green Container that are not identified as acceptable Source Separated Organic Waste for the Green Container; (iii) discarded materials placed in the Gray/Black Container that are acceptable

Source Separated Recyclable Materials and Organic Waste to be placed in Green Container and/or Blue Container; and (iv) Excluded Waste placed in any Container.

#### **1.86 Rate Year**

"Rate Year" means the twelve-month period from July 1st to June 30th, each year of the Agreement.

#### **1.87 Recyclables or Recyclable Materials**

"Recyclables" and "Recyclable Materials" means material which has been segregated from other Solid Waste material for the purpose of reuse or Recycling at a designated Recycling Facility, and that may be returned to the economic mainstream through the Franchisee's processes and markets. Recyclable Materials include, but are not limited to, discarded paper, glass, cardboard, plastic, ferrous materials, and aluminum. Recyclables and Recyclable Materials do not include Refuse, Organic Waste, or Excluded Waste.

#### **1.88 Recycle or Recycling**

"Recycle" or "Recycling" means the process of Collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become waste and returning those materials to the economic mainstream in the form of raw materials for new, reused or reconstituted products that meet the quality standards to be used in the marketplace. Recycling does not include Transformation as defined in Public Resources Code Section 40201.

#### **1.89 Refuse**

"Refuse" means all putrescible and non-putrescible solid and semisolid wastes, generated in or upon, related to the occupancy of, remaining in or emanating from a Premises, including garbage, rubbish, trash, ashes, industrial wastes, vegetable or animal solid or semisolid wastes, and other solid and semisolid wastes. Refuse does not include Recyclable Material, Organic Waste, Construction and Demolition Debris, Bulky Items, or Excluded Waste.

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

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

#### **1.91 Residential**

"Residential" means Single-Family and Multi-Family.

#### **1.92 Roadways**

“Roadways” mean all County maintained roadways in the unincorporated area of the County or private roadways, accessible by the Franchisee and used for providing routine service under this Agreement.

#### **1.93 Roll-Off Box**

“Roll-Off Box” means an open top metal Container, generally 10 to 40 cubic yards, which is picked up by roll-off vehicles.

#### **1.94 Roll-Off Collection Service**

“Roll-Off Collection Service” mean the Collection of Solid Waste utilizing a Container or Compactor specifically designed for the purpose of leaving the Container on a Customer’s property, then rolling or lifting such Container or Compactor onto a truck and transporting it to a designated Facility.

#### **1.95 Route Review**

“Route Review” means a visual inspection of Containers along a Hauler Route for the purpose of determining Container Contamination, and may include mechanical inspection methods such as the use of cameras.

#### **1.96 SB 1383**

“SB 1383” means Senate Bill 1383 of 2016 approved by the Governor on September 19, 2016. SB 1383 added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code and 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.

#### **1.97 SB 1383 Regulations**

“SB 1383 Regulations” or “SB 1383 Regulatory” refers to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle. SB 1383 Regulations were adopted in 2020, creating Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR.

#### **1.98 Scavenging**

“Scavenging” means the unauthorized removal of Recyclables that have been set out for Collection.

#### **1.99 Scout Service**

“Scout Service” means using a heavy-duty service truck to pre-position Bins at a readily accessible Collection location to be Collected by a Collection vehicle, and returning the Bins to their storage location.

#### **1.100 Self-Haul and Self-Hauling**

“Self-Haul” and “Self-Hauling” means hauling Solid Waste that a Person has generated to a Solid Waste Facility. Self-Haul also includes Back-Hauling Solid Waste.

#### **1.101 Service Level**

“Service Level” refers to the number and size of a Customer’s Container(s) and the frequency of Collection service, as well as ancillary services such as lock/unlock service, Container push/pull service, etc.

#### **1.102 Single-Family and Single-Family Premises**

“Single-Family” and “Single-Family Premises” means a Residential Dwelling Unit in a building containing four (4) or fewer Dwelling Units.

#### **1.103 Solid Waste**

“Solid Waste” has the meaning defined in Public Resources Code Section 40191, including all putrescible and non-putrescible solid and semi-solid waste, generated in or upon, related to the occupancy or, remaining in or emanating from Residential Premises or Commercial Premises, including Recyclable Materials, Food Waste, Green Waste, Organic Waste, Construction and Demolition Debris, Bulky Items, and Refuse. Solid Waste does not include Excluded Waste.

#### **1.104 Solid Waste Collection Service**

“Solid Waste Collection Services” means the Collection, Transportation, storage, Transfer, Processing, and Disposal of Solid Waste.

#### **1.105 Source Separated**

“Source Separated” means materials, including Recyclable Materials and Organic Waste, that have been separated or kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or Processing to return them to the economic mainstream in the form of raw material for new, reused, or reconstituted products.

#### **1.106 Special Waste**

“Special Waste” means any Hazardous Waste listed in Section 66261.120 of Title 22 of the California Code of Regulations, or any waste which has been classified as a Special Waste pursuant to Section 66261.122 of Title 22 of the California Code of Regulations, or which has been granted a variance for the purpose of storage, transportation, treatment, or Disposal by the Department of Health Services pursuant to Section 66261.126 of Title 22 of the California Code of Regulations. Special Waste also includes any Solid Waste which, because of its source of generation, physical, chemical or biological characteristics

or unique Disposal practices, is specifically conditioned in a Solid Waste Facilities' permit for handling and/or Disposal.

#### **1.107 Temporary Service**

"Temporary Service" means Solid Waste Collection services provided on a project basis, such as Construction and Demolition projects, and occasional clean-up projects, using a Roll-Off Box or Bin.

#### **1.108 Term**

"Term" means the Term of this Agreement, including any agreed upon extension periods, as provided for in Section 3.6.

#### **1.109 Universal Waste**

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

#### **1.110 Waste Evaluation**

"Waste Evaluation" means a procedure in which representative samples of Solid Waste are taken from vehicle loads and sorted at a permitted Facility to determine the degree to which the material is contaminated.

#### **1.111 White Goods**

"White Goods" mean those particular items included as Bulky Items that are generally referred to as household appliances, including, but not limited to, stoves, water heaters, air conditioners, heat pumps, refrigerators, ranges and similar items. White Goods are not Electronic Waste.

#### **1.112 Work Day**

"Work Day" means any day, Monday through Saturday, which is not a Holiday as set forth in Section 7.3 of this Agreement.



## **2 Representation and Warranties of Franchisee**

Franchisee hereby covenants, represents, and warrants the following in order to induce County to enter into this Agreement, all of which shall be true as of the Effective Date of this Agreement and remain so throughout the Term of this Agreement, except as may be excused in writing by County. The information supplied by Franchisee in all submittals made in connection with negotiation and execution of this Agreement, including all materials in its proposal to the County, and all representations and warranties made by Franchisee throughout this Agreement are true, accurate, correct and complete in all material respects on and as of the Effective Date of this Agreement.

### **2.1 Corporate Status**

The Franchisee represents and warrants that it is duly organized, validly existing and in good standing under the laws of the State of California. It is duly licensed and qualified to transact business in the State of California, has and will maintain a County of Riverside business license in good standing, and has the power to provide services as required by this Agreement.

### **2.2 Corporate Authorization**

The Franchisee has the full legal right, power, and authority to enter into and perform its obligations under this Agreement. The officers, officials, directors or partners/joint venturers of the Franchisee (or the shareholders, if applicable) have taken all actions required by Applicable Laws to authorize the execution of this Agreement. The Persons signing this Agreement on behalf of the Franchisee have been authorized by Franchisee to do so, and this Agreement has been duly executed and delivered by Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable against Franchisee in accordance with its terms. Franchisee shall authorize one employee as a single point of contact for issues arising under this Agreement as described in Section 13.12. County may accept that this employee's actions are taken on behalf of and with the full approval of the Franchisee.

### **2.3 Agreement Will Not Cause Breach**

Franchisee represents that there is no action, suit or other proceeding before any court, arbitral tribunal, or governmental entity pending or to the knowledge of Franchisee against Franchisee or affecting Franchisee as of the Effective Date of this Agreement, which may result in an unfavorable decision, ruling or finding which would adversely affect the validity or enforceability of this Agreement or any such Agreement entered into by Franchisee, or which could adversely affect the ability of Franchisee to perform its obligations under this Agreement or which would have a material adverse effect on the financial condition of Franchisee.

Neither the execution of this Agreement nor the delivery by Franchisee of services nor the performance by Franchisee of its obligations in this Agreement: (1) conflicts with, violates or results in a breach of any Applicable Law; (2) conflicts with, violates or results in a breach of any term or condition of any judgment, decree, agreement (including, without limitation, the certificate of incorporation of Franchisee) or instrument to which Franchisee is a party or by which the Franchisee or any of its properties or assets are bound, or constitutes a default under any such judgment, decree, agreement or instrument; or (3) will result in the creation or imposition of any encumbrance of any nature whatsoever upon any of the properties or assets of Franchisee.

#### **2.4 Independent Investigation**

Franchisee has made an independent investigation of the conditions and circumstances surrounding this Agreement and the work to be performed, and is satisfied that those conditions and circumstances will not impair its ability to perform the work and provide the Solid Waste Collection Services required by this Agreement. Franchisee has no knowledge of any Applicable Law, administrative regulation, or order, in effect as of the date of this Agreement that would prohibit the performance by Franchisee of any of the services or obligations contemplated under this Agreement.

#### **2.5 Sufficient Financial Resources**

Franchisee has sufficient financial resources to perform all aspects of its obligations hereunder.

#### **2.6 Expertise and Ability**

Franchisee has the expert, professional, and technical capability to perform all obligations under this Agreement. Franchisee has adequate personnel, equipment, facilities, and other resources needed to perform its obligations under this Agreement.

#### **2.7 Non-Collusion Affidavit**

Franchisee has not entered into any agreement with any other franchisee or prospective franchisee or with any other Person, firm, or corporation that violates Applicable Law, and shall execute a Non-Collusion Affidavit in the form specified in Exhibit 3 – Non-Collusion Affidavit.

#### **2.8 Representations and Warranties of the County.**

Prior to commencement of any services hereunder, the County hereby makes the following representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 1) The parties executing this Agreement on behalf of the County are duly authorized to do so. This Agreement constitutes the legal, valid and binding Agreement of the County and is enforceable against the County in accordance with its terms.

2) To the best of the County's knowledge, there is no action, suit, or proceeding against the County before any court or governmental entity wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of this Agreement.

### **3 Terms of Agreement**

#### **3.1 Acceptance of Franchise**

Franchisee agrees to be bound by and comply with all requirements of Riverside County Code of Ordinances as amended from time to time (in a manner not inconsistent with this Agreement), and this Agreement.

If future amendments or additions to the Riverside County Code of Ordinances or Applicable Law require Franchisee to provide any additional or modified services which were not originally agreed to as of the date of execution of this Agreement, Franchisee shall be entitled to a reasonable adjustment in its rates and/or Franchisee Compensation hereunder subject to the process set forth in Section 10 of this Agreement.

#### **3.2 Grant of Exclusive Franchise**

Subject to the limitations set forth below, County hereby grants to Franchisee the exclusive right, privilege and franchise to Collect, Transport, Process, Recycle, Compost, retain and dispose of all Solid Waste produced, generated and/or accumulated within the portion of the unincorporated area specified in Exhibit 2. In consideration of the right, privilege, and franchise granted by this Agreement, Franchisee hereby agrees (1) to provide the services set forth in this Agreement within the portion of the unincorporated area of the County of Riverside specified in Exhibit 2; and (2) to not collect from any other portions of the unincorporated County covered by other exclusive franchise agreements.

#### **3.3 Limitation to Scope of Exclusive Agreement**

The Exclusive Franchise, right and privilege to provide Solid Waste Collection Services at all Premises within County granted to Franchisee by this Agreement specifically excludes the following services.

1. The sale or donation of Source Separated Recyclable Material by the Generator or Customer to any Person other than Franchisee; provided, however, to the extent permitted by law, if the Generator or Customer is required to pay monetary or nonmonetary consideration of any kind, or provides a credit resulting in a net payment to that Person for the Collection, Transportation, Transfer, or Processing of Recyclable Material, then it shall not be considered a sale or donation and is, therefore, subject to the Exclusive Franchise granted to Franchisee hereunder.
2. Self-Hauled materials, including Refuse, Recyclable Materials or Organic Waste, which is removed from any Premises by the Generator, and which is Transported personally by such Generator (or by his or her full-time employees) to a Processing Facility or Disposal Facility in a manner consistent with all Applicable Laws and regulations.

3. Recyclable Materials, Organic Waste, or Bulky Items that are Source Separated at any Premises by the Generator and donated to youth, civic or charitable organizations.
4. Recyclables delivered to a Recycling center or drop-off station by the Generator for Recycling under the California Beverage Container Recycling Litter Reduction Act, Pub. Res. Code Section 14500, et seq.
5. Bulky Items removed from a Single-Family Premises by a property cleanup or maintenance company as an incidental part of the total cleanup or maintenance service offered by a company rather than as a hauling service.
6. Green Waste removed from a Premise by a gardening, landscaping, or tree trimming contractor, utilizing its own equipment, as an incidental part of a total service offered by that contractor rather than as a hauling service.
7. The Collection, Transfer, Transport, Recycling, and Processing of animal byproducts, fats, oils, or grease to be rendered and used as tallow.
8. The Collection, Transfer, Transport, Recycling, Processing, and Disposal of byproducts of sewage treatment, including sludge, sludge ash, grit and screenings.
9. The Collection, Transfer, Transport, Recycling, Processing, and Disposal of Excluded Waste and radioactive waste, regardless of its source.
10. Construction and Demolition Debris that is removed by a duly licensed construction or demolition contractor (e.g., with a state contractor license type C-21) or as part of a total service offered by said licensed contractor where the licensed contractor utilizes its own loaders and dump trucks.
11. The Collection, Transfer, Transport, Recycling, Processing, and Disposal of Solid Waste by County through County officers or employees in the normal course of their County employment.
12. Solid Waste Collection Services for state agencies and tribal nations, which may have facilities in County.
13. Edible Food which is Collected from a Customer by other Person(s), such as a Food Recovery Organization or Food Recovery Service, for the purposes of Food Recovery; or which is Self-Hauled by the Customer to another Person(s), such as a Person from a Food Recovery Organization, for the purposes of Food Recovery, regardless of whether the Customer donates, sells, or pays a fee to the other Person(s) to Collect or receive the Edible Food.
14. Food Scraps that are Source Separated by the Customer and used by the Customer or distributed to other Person(s) for lawful use as animal feed as set forth in Chapter 6 of Food and Agricultural Code (FAC), commencing with Section 14901

et. seq. and Title 3, Division 4, Chapter 2, Subchapter 2, Article 1 of the Code of California Regulations commencing with Section 2675 and meeting all of the requirements of Public Resources Code Section 40059.4(b)(1-5).

15. Organic Materials Composted or otherwise legally managed at the Premises where it is generated (e.g., backyard Composting, or on-site anaerobic digestion) or at a Community Composting site.

16. Any new services outside the scope of this Agreement that the Franchisee is unable to feasibly provide. In such case, and after the County has provided Franchisee with an opportunity to provide such services, the County shall have the right to solicit those services from other Persons, at its sole discretion.

The Exclusive Franchise, right and privilege to provide Solid Waste Collection Services within the County granted to Franchisee by this Agreement shall be interpreted to be consistent with all Applicable Laws and the scope of this Agreement shall be limited by all applicable current laws and regulations. In the event that future interpretations of current law or future enactments limit the ability of County to lawfully grant Franchisee the exclusivity specifically set forth in this Agreement, the scope of this Agreement shall be limited to those services and materials which may be lawfully provided hereunder, and that County shall not be responsible for any lost profits or other damages claimed by Franchisee resulting from any change in law which may affect this Agreement.

### **3.4 Areas Covered by Existing Franchise**

Territory ceded to the County that is covered by an existing Solid Waste permit, license, agreement or franchise granted by another public entity may continue to be served by the existing grantee for the balance of the term of its permit, license, Agreement or franchise, if continuation rights exist under Public Resources Code Section 49520 *et seq.*, subject to the provisions of the Riverside County Code of Ordinances, the Public Resources Code and the provisions of this Agreement. If Franchisee already services the area ceded, it shall extend the County's service levels to the newly ceded area upon the effective date of the secession. If the area is served by another Solid Waste handler, the County shall serve notice upon that hauler to discontinue service under terms prescribed by the Public Resources Code Section 49520.

### **3.5 Franchise Area**

The Franchise Area granted by this Franchise Agreement is the portion of unincorporated Riverside County shown in the map in Exhibit 1 and defined in the legal description in Exhibit 2.

### **3.6 Term**

The Term of this Agreement shall begin October 1, 2024 and terminate September 30, 2034. At least 18 months prior to the end of the Term of this Agreement, the parties shall

have the option to extend this Agreement for an additional 5-year period upon mutual agreement. This provision shall not affect the County's right to terminate this Agreement as provided in Section 12.

### **3.7 Conditions to Effectiveness of Agreement**

The satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by County in writing, is a condition precedent to the effectiveness of this Agreement, and a condition of Franchisee's continued right to the benefits conveyed in this Agreement:

1. Accuracy of Representation - All representations and warranties made by Franchisee and set forth in this Agreement shall be accurate, true, and correct on and as of the Effective Date of this Agreement and shall remain true throughout its Term, including any extension, unless waived by the County.
2. Absence of Litigation - There shall be no litigation or administrative proceedings pending in any court or venue challenging the award of this Agreement to Franchisee or the execution of this Agreement or seeking to restrain or enjoin its performance.
3. Furnishing of Insurance, bond, and letter of credit – Franchisee shall have furnished, and shall maintain in good standing throughout the Term and any extension, the evidence of insurance, and the letter of credit or performance bond required by this Agreement. Upon the satisfactory completion of these conditions, County shall notify Franchisee in writing that all conditions are satisfied.

### **3.8 Enforcement of Exclusive Rights**

County will enforce the exclusivity of the Franchise granted in this Agreement, and will use its reasonable judgment in determining whether enforcement is necessary and the type of steps that should be taken. In addition, County shall in its sole discretion adopt such ordinances or other regulations as it deems to be necessary or desirable to protect the exclusive rights granted in this Agreement. Franchisee shall reimburse County for its reasonable attorney's fees and costs, and extraordinary administrative costs (including staff time), or other reasonable expenses incurred in connection with County's actions to either enforce, or assist Franchisee in the enforcement (at the request of Franchisee), of the exclusivity in this Agreement.

## **4 General Agreements**

### **4.1 Responsibility for Materials**

Once Refuse, Recyclable Materials, and Organic Waste are placed in the Franchisee's Containers and at the Collection location, the responsibility for their proper handling shall transfer directly from the Customer to Franchisee, except for Excluded Waste. Once Recyclable Materials, Organic Materials, and/or Refuse are deposited by Franchisee at the appropriate approved Facility, such materials shall become the responsibility of the Owner or operator of the Facility except for Excluded Waste. Franchisee shall remain responsible for Excluded Waste that has been inadvertently collected by the Franchisee if it cannot identify the Generator, and Franchisee shall assume all responsibility for its proper Disposal. County agrees to cooperate with Franchisee's efforts with the recovery of costs when the generator of Excluded Waste can be identified. County's cooperation may include correspondence, authorization to proceed with cost recovery and assessment of delinquent costs as a lien on the property tax bill.

### **4.2 Subcontracting**

The Franchisee shall not engage any companies or subcontractors for Collection, Transfer, Processing, Recycling or Disposal of Solid Waste without the prior written consent of the Department, which shall not be unreasonably withheld or delayed. Transport from the transfer station to Processing or Disposal Facilities is excluded from this paragraph.

### **4.3 County-Directed Change in Scope**

County may direct Franchisee to perform additional services (including new Diversion programs and additional public education activities), eliminate programs, or modify the manner in which it performs existing services. Changes in the minimum Diversion requirement set forth in this Agreement, direction of waste to a Disposal Facility other than that originally selected by the County, direction of Recyclable Materials or Organic Waste to a Processing Facility other than that selected by Franchisee, pilot programs and innovative services, which may entail new Collection methods, targeted routing, different kinds of services, different types of Collection vehicles, and/or new requirements for Customers are included among the kinds of changes which County may direct. Subject to the process set forth in Section 10.8 of this Agreement, Franchisee shall be entitled to an adjustment in the Franchisee Compensation for providing such additional or modified services but not for the preparation of its proposal to perform such services.

### **4.4 Additional Programs.**

If the County finds that additional programs are necessary to meet any required Diversion goals, the County may require proposals for additional Diversion programs to meet the Diversion requirements. If the County and Franchisee cannot reach agreement regarding programs and/or rate adjustments in order to meet required Diversion goals, the County



and/or Franchisee shall resolve the dispute in accordance with Section 12.9. Subject to the process set forth in Section 10.8 of this Agreement, Franchisee shall be entitled to an adjustment in the Franchisee Compensation for providing such additional or modified services.

#### **4.5 Marketing and Sale of Recyclable Materials**

The Franchisee shall be responsible for marketing and sale of all Recyclable Materials Collected pursuant to this Agreement. Franchisee shall retain proceeds from sales of Recyclable Materials.

#### **4.6 Customers Subject to CalRecycle Jurisdiction Waiver**

For those Customers in the Franchisee's Service Area that are subject to a Low Population Waiver granted by CalRecycle pursuant to 14 CCR Section 18984.12(a), Franchisee shall not be obligated to provide Residential Recyclables Collection and/or Organics Collection Service or perform other requirements in this Agreement pursuant to the provisions of SB 1383 and its implementing regulations, as referenced in the Low Population Waiver Application in Exhibit 4 – Jurisdiction Waiver.

#### **4.7 Expiration of CalRecycle Jurisdiction Waivers**

Low Population Waivers are currently set to expire on January 2, 2027. If the Low Population Waivers are not renewed, parties shall meet and confer, at least 180 days prior to the end of the waiver, regarding the provision of Residential Recyclables Collection and/or Organics Collection Service, performance of other such requirements, and any associated adjustment to Customer rates. County shall notify Franchisee within thirty (30) days in the event that any application by County for an extension of the waiver is denied.

#### **4.8 Provision of SB 1383 Services Despite CalRecycle Jurisdiction Waivers**

Notwithstanding any CalRecycle jurisdiction waiver or previous service practice, if the County determines the Franchisee must provide Residential Recyclables Collection and/or Organics Collection Service and perform other such requirements, the County will notify Franchisee of this determination. In such event, the parties shall meet and confer, at least 180 days prior to the date the County determines that the Franchisee shall initiate such services, regarding the provision of Residential Recyclables Collection and/or Organics Collection Service, the performance of other such requirements, and any associated adjustment to Customer rates.

#### **4.9 AB 341 and AB 1826 Compliance**

In the event the County determines that Commercial Customers are required to comply with the mandatory Recycling and Organics Recycling requirements of AB 341 and AB 1826, the parties shall meet and confer, at least 180 days prior to the date the County

determines that the Franchisee shall initiate such services, regarding the provision of Recyclables Collection Service and/or Organics Collection Service, the performance of other such requirements, and any associated adjustment to Customer rates.

## **5 Scope of Services**

### **5.1 Overall Performance Obligation**

Franchisee shall provide the Collection and transportation of Solid Waste within the Franchise Area in accordance with the terms of this Agreement. The scope of services to be performed by Franchisee pursuant to this Agreement shall include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform all requirements of the Agreement. The scope of services to be performed by Franchisee pursuant to this Agreement shall be accomplished in a manner so that Customers are provided reliable, courteous, and high-quality services described in this Agreement at all times. The enumeration of, and specification of requirements for, particular aspects of service quality shall not relieve Franchisee of the duty of accomplishing all other aspects of service.

#### **5.1.1 Name Under Which Franchisee Does Business**

Franchisee shall do business in the County under its own legal name, or under the dba name in effect at the beginning of this Agreement. If Franchisee, or any of its Affiliates, desires to operate under a new fictitious business name, it shall obtain the Department's prior written approval, which shall not be unreasonably withheld.

#### **5.1.2 Ownership of Solid Waste**

Once Refuse is picked up from Residential, Commercial or Multi-Family Premises by Franchisee from Containers, and once Recyclable Materials and Organic Waste are set out for Collection, ownership shall transfer to Franchisee.

Subject to Franchisee's obligation to Divert from Landfills as much Recyclable Material and Organic Waste as possible, Franchisee is hereby granted the right to retain, Recycle, Compost, dispose of and otherwise use such Refuse, Organic Waste and Recyclables, or any part thereof, in any lawful fashion or for any lawful purpose desired by Franchisee.

#### **5.1.3 Service Start-up and Changes - Compliance**

Franchisee shall deliver Containers and start service within five (5) Work Days of Customer request. Franchisee shall ensure that all Customers that start service, and all Customers that change their Service Level, are advised of Customer's responsibility to comply with Applicable Law including the requirements of SB 1383. If Franchisee determines a Customer to be non-compliant after a Service Level change or opening of the account, and Customer refuses to subscribe to compliance service, Franchisee shall advise Customer in writing within thirty (30) days of the requirements of Applicable Law with copy to County. County shall be responsible for enforcing each Customer's compliance with Applicable Law.

## **5.2 Residential Premises Collection System**

### **5.2.1 General Conditions and Frequency of Service**

Franchisee shall provide curbside Collection service at least once per week, and more frequently if required to handle the waste stream of the Premises. Franchisee shall Collect the Gray/Black Container Waste, Organic Waste and Recyclable Materials that have been placed, kept, or accumulated in Containers at Single-Family (and Multi-Family Premises with curbside access and use Carts) and placed at curbside prior to Franchisee's normal weekly Collection time on scheduled pickup days. All Solid Waste must be placed within Containers provided by Franchisee with lids completely closed. Containers must be placed at curbside without obstructions to allow for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.

### **5.2.2 Three-Cart and Two-Cart Collection Service**

Franchisee shall provide a three-Cart (approximately 96-gallon) Collection Service for the separate Collection of Source Separated Recyclable Materials, Organic, and Gray/Black Container Waste, using Containers that comply with the requirements of SB 1383 Regulations at the rates set forth in Exhibit 5 – Customer Rates. Franchisee shall ensure that every Single-Family Premises Customer that subscribes for Single-Family Premises Collection service subscribes for Collection service for all three Containers. Franchisee shall not knowingly Collect Containers that include Prohibited Container Contaminants. Franchisee shall make smaller Containers available to Customers that request a smaller size. If a Customer requests additional Containers, Franchisee shall charge for the delivery of such additional Containers and the monthly fee for such Containers as set forth in Exhibit 5.

Franchisee shall provide a three-Cart Collection Service for the separate Collection of:

1. Gray/Black Container Waste in a Gray/Black Cart;
2. Recyclable Materials in a Blue Cart;
3. Organic Waste in a Green Cart.

The Parties agree that the types of Recyclable Materials that are permitted to be placed in each Container may be added to or removed from the three-Cart Collection Service from time to time only upon written agreement of the parties.

If the Customer is exempt from Organics Collection service based on an exemption granted to the County, Franchisee shall provide a two-Cart Collection Service at the two-Cart Collection rates set forth in Exhibit 5.

For Customers that receive Refuse-only service, Franchisee shall charge the rates set forth in Exhibit 5.

### **5.2.3 Gray/Black Container Waste Collection (Gray/Black Container)**

Franchisee shall provide Gray/Black Containers to Customers for Collection of Gray/Black Container Waste, and shall provide Gray/Black Container Waste Collection service. Franchisee shall Transport the Gray/Black Container Waste to a Disposal Facility. Franchisee may allow carpets, Non-Compostable Paper, and textiles to be placed in the Gray/Black Containers. Prohibited Container Contaminants shall not knowingly be Collected in the Gray/Black Containers.

### **5.2.4 Source Separated Recyclable Materials Collection (Blue Container)**

Franchisee shall provide Blue Containers to Customers for Collection of Source Separated Recyclable Materials and shall provide Source Separated Recyclable Materials Collection service. Franchisee shall Transport the Source Separated Recyclable Materials to a Facility that recovers the materials designated for Collection in the Blue Containers, in accordance with SB 1383 Regulations. The types of Recyclable Materials accepted by Franchisee must be capable of being Recycled by the Franchisee's Facilities and have established markets.

Source Separated Recyclable Materials that are acceptable for Collection in the Source Separated Recyclable Materials Collection program are as follows: (i) Non-Organic Recyclables such as: aluminum, glass bottles and jars, rigid plastics (marked # 1 through # 7), and tin and bi-metal cans; and (ii) Source Separated Blue Container Organic Waste such as: paper products and printing and writing papers.

Franchisee may change the types of accepted materials based upon Processing requirements and market conditions by providing prior written notice to County and to Customers. Franchisee's change in the types of accepted materials shall be subject to County approval, which shall not be unreasonably withheld. Franchisee shall update Container labels as necessary.

### **5.2.5 Source Separated Organic Waste Collection (Green Container)**

Franchisee shall provide Green Containers to Customers for Collection of Organic Waste and shall provide Organic Waste Collection service. Franchisee shall Transport the Organic Waste to a Facility in accordance with SB 1383 Regulations.

Organic Waste acceptable for Collection is as follows: Food Scraps, Food-Soiled Paper, and yard trimmings (which include green trimmings, grass, weeds, flowers, leaves, prunings, branches, dead plants, brush, tree trimmings, and other types of Organic Waste resulting from yard and landscaping maintenance or removal), and untreated wood and dry lumber, provided all Organic Waste fits inside the Green Container with the lid closed and does not exceed 150 pounds. Carpets, Non-Compostable Paper, textiles, and Prohibited Container Contaminants shall not be Collected in the Green Containers. Residential Customers, upon request, will be provided one kitchen pail for collection of

Food Waste prior to placement in the Organic Container. Any additional pails shall be provided at a charge as set forth in Exhibit 5.

Franchisee may Collect compliant Compostable Plastics, as defined, in the Green Containers for Processing. At least three (3) months prior to the commencement of the Collection of Compostable Plastics in the Organic Waste Collection program, Franchisee shall provide written notification to the Department that the Processing Facility can Process and recover these Compostable Plastics in accordance with SB 1383 Regulations. If the Facility can Process and recover Compostable Plastics, and Franchisee elects to Collect Compostable Plastics in the Green Container, then Franchisee shall provide the Department with annual written notification that the Facility has and will continue to have the capabilities to Process and recover the Compostable Plastics. If the Facility cannot Process and recover Compostable Plastics, then Franchisee will not Collect Compostable Plastics in the Green Container.

Franchisee may require Customers and Generators to place Food Waste in plastic bags or other paper wrappings and put the bagged or wrapped Food Waste in the Green Container. Franchisee shall provide written notification to the Department that allowing the use of bags does not inhibit the ability of the County to comply with SB 1383 Regulations, and that the Facility can Process and remove plastic bags when it recovers Organic Waste. Franchisee shall provide annual written notification to the Department that the Facility has and will continue to have the capabilities to Process and remove plastic bags when it recovers Organic Waste.

Franchisee may change the types of accepted materials based upon Processing requirements and market conditions by providing prior written notice to County and to Customers. Franchisee's change in the types of accepted materials shall be subject to County approval, which shall not be unreasonably withheld. Franchisee shall update Container labels as necessary.

#### **5.2.6 Hard-To-Serve Customers**

Franchisee shall provide the Solid Waste Collection service described above to Single-Family Hard-to-Serve Customers at the rates set forth in Exhibit 5.

#### **Review of Hard-to-Serve Areas**

Areas designated to be "Hard-to-Serve" shall be reviewed by the Franchisee and Department every thirty-six (36) months, or more frequently as requested by the Department, to verify that those areas remain "Hard-to-Serve."

Franchisee shall designate which areas are Hard-to-Serve using their current experience of the property or area. Such designation shall be subject to the approval of the County.

Franchisee shall keep a list of all Customers that meet the qualifications in the definition of "Hard-to-Serve."

Every three years, or upon request of the Department, the Franchisee shall submit an application with a list of all properties it deems "Hard-to-Serve." Franchisee's application shall:

- i. Identify the address of each property;
- ii. Describe the services provided to each property;
- iii. Note the reason each property should be designated as 'Hard-to-Serve' based on the above conditions;
- iv. Identify the proposed additional Hard-to-Serve rate or additional fee requested for each property; and,
- v. Describe what condition, if any, would result in the removal of the 'Hard-to-Serve' designation.

The Department shall review the application and render a written decision regarding the designations and the authorized additional compensations within thirty (30) days of its submittal. If necessary, the Department will meet with the Franchisee to discuss areas that the Department has in question with regard to their Hard-to-Serve designations.

Upon approval of the Director, the Department shall authorize Franchisee to charge the Hard-to-Serve rates for each Hard-to-Serve property. The Hard-to-Serve status given to each property shall expire three years from the Department's approval of the status. If the Franchisee finds that an area no longer meets any of the criteria qualifying an area as Hard-to-Serve, the Department shall be notified with a written description as to why the area should be removed from the County's list of Hard-to-Serve areas. The Franchisee shall record this change of status in the list of Hard-to-Serve properties. The Franchisee shall provide a list of all Hard-to-Serve Customers to the Department, which will remain on file with the Department during the Term of the Agreement.

#### **5.2.7 Cart Overage**

All Carts used by Residential Premises shall be filled no more than level full and with the lids fully closed. Carts that are not fully closed shall be considered overfilled. Extra Collection for Refuse, Recyclable Materials and Organic Waste that does not fit into Carts shall be provided up to five (5) times per calendar year per Single-Family Premises and for two weeks from December 26 to January 9 of each calendar year. Cart overages must be fully contained in a single heavy-duty plastic bag not larger than 32-gallons and 50-pounds in weight, and set adjacent to the Cart, limit one (1) bag per overage Collection. Overage must be placed in bags and placed at the curb next to the Solid Waste Containers and must be marked "Refuse," "Recycling," or "Organic Waste," as appropriate for the

contents of the bag, to alert the driver. After five (5) pickups of Cart overages per Customer per year, Franchisee may charge the Customer the overage fee in Exhibit 5.

#### **5.2.8 Bin Collection Service – Single-Family Premises**

Franchisee may provide Customers at Single Family Dwellings that request with Bins in place of Refuse Carts, provided the use of Bins at the property in question complies with any and all applicable policies, rules and/or regulations of County (including any such regulations as may be adapted from time to time applicable to screening and storage). If a homeowner's association governing a gated community advises Franchisee that it wishes to utilize Bins rather than Carts for its entire community's Solid Waste Handling Services, Franchisee shall provide Solid Waste Handling Services to all Customers in such community through the use of Bins. Franchisee shall not be required to provide Refuse Carts to Customers receiving service utilizing Bins. Franchisee shall provide Single Family Residential Bin Service at the Commercial rates in accordance with Exhibit 5. Single Family Dwellings electing to utilize Bin Collection in lieu of Carts will be required to also have Recycling and Organic Waste Collection services at Commercial rates in Exhibit 5.

Franchisee may require mobile home parks, planned unit developments and apartment complexes of more than five (5) units to utilize Bin service at commercial rates set forth in Exhibit 5. Requirement for these Customers to use Bin Service shall be subject to County approval, which shall not be unreasonably withheld. Service to these Customers shall be based on the Customer's service history.

#### **5.2.9 Backyard/ Side Yard/ Walk-In Service**

Upon Customer request, Franchisee shall provide Single-Family Premises Customers with Backyard/Side Yard/Walk-In Service at the rate in Exhibit 5. Franchisee shall provide disabled Single-Family Premises Customers with Backyard/Side Yard/Walk-In Service at no additional charge other than the rate for the three-Cart Collection Service set forth in Exhibit 5. To qualify as a disabled Customer, Customers must provide Franchisee with written confirmation from a medical professional that the Customer is unable to wheel Carts to and from the curb. Written confirmation from the medical professional must indicate the length of the disability. The provision of Backyard/Side Yard/Walk-In Service may be limited to the time period of the Customer's disability. If a Person who is not disabled resides with the disabled Customer, the Customer will not qualify for free Backyard/Side Yard/Walk-In Service. Franchisee may require annual confirmation that the Customer's disability continues and that there is no Person who is not disabled residing at the Premises.

#### **5.2.10 Holiday Trees Collection and Recycling**

Franchisee shall, free of charge, pick up all Holiday trees placed out for curbside Collection by Residential Customers during the first two (2) weeks following Christmas Day.



Franchisee shall accept all Holiday trees from Residential Customers delivered to its Transfer Station (if applicable) following the above two (2) week period, at no extra charge. Pickups shall occur on the Customer's regular Collection day. Trees must be natural and undecorated (free of tree stands, tinsel, ornaments, and flocking), and less than six (6) feet tall (or if taller, cut into segments of less than six (6) feet) and whenever possible, placed inside green Cart.

#### **5.2.11 Single-Family Bulky Items and E-Waste Collection**

Each Single-Family Customer shall be entitled to receive up to four (4) on-call Bulky Item Collections per year with a maximum of four (4) items at each Collection occurrence. The total amount of annual allowable items per household shall be sixteen (16) Bulky Items per calendar year. Additional requests for Bulky Item service in excess of these amounts shall be subject to the Bulky Item rates set forth in Exhibit 5.

Customers must provide verbal or written request of a pickup a minimum of two (2) Work Days prior to their regular service day. Bulky Items shall be placed within two (2) feet of the curb or another location as agreed to by the Franchisee and the Customer. By providing this service, Franchisee, and County intend to allow residents to safely discard large household items such as furniture, White Goods, or other large household items that do not fit in their regular weekly trash Containers. Included as Bulky Items are automobile tires, where up to four (4) passenger car tires are considered to be one (1) Bulky Item, and Electronic Waste.

#### **5.2.12 Household Battery and Cellphone Collection**

Franchisee shall Collect household batteries and discarded cellphones at no cost if placed in a sealed clear plastic bag on top of the Blue Cart set-out for weekly Collection. Household batteries and discarded cellphones placed inside the Blue Cart shall be Prohibited Container Contaminants. As an alternative, Franchisee shall accept household batteries and discarded cellphones at a drop-off location approved by the County.

#### **5.2.13 Contamination Fee for Single-Family Premises**

If the Franchisee observes a Contamination Occurrence at a Single-Family Premises three or more times during a six-month period and follows procedural and noticing requirements set forth in Sections 6.2.3 and 6.2.4, for each of the Contamination Occurrences, Franchisee may charge a Contamination Fee to that Single-Family Customer as set forth in this Section.

The Franchisee may impose the Contamination Fee shown in Exhibit 5 for Residential Customers. The Contamination Fee will be adjusted annually pursuant to Section 10.4. Franchisee shall notify the Department in its quarterly report of Customers for which Contamination Fees were assessed.

If a Customer places Prohibited Container Contaminants in any or all Carts on the same day, that would constitute one Contamination Occurrence.

Prior to charging a Contamination Fee, Franchisee must provide notice to the Customer as described in Section 6.2.4.

#### **5.2.14 Residential Used Oil and Oil Filter Collection Program**

Franchisee shall Collect, at no additional charge, Residential used motor oil and used motor oil filters placed for Collection by Customers at Single Family Dwellings, in accordance with the following requirements:

- a. Customer must call to schedule pick-up seven (7) Work Days in advance.
- b. Maximum one (1) gallon per Customer.
- c. Clean used motor oil must be in a see-through container.
- d. Motor oil cannot be contaminated.
- e. Container must be securely sealed.
- f. Franchisee takes custody of Residential used oil once Collected.

Franchisee may impose additional requirements for this program to be followed by Customers, provided any such requirements shall be subject to Department approval, which shall not be unreasonably withheld. Franchisee shall Collect used motor oil from Single-Family Residential Customers in accordance with Public Resources Code Section 48691.

#### **5.2.15 Sharps Recycle Program**

Franchisee shall provide a mail-in program for the Collection of used needles and sharps. Residential Customers shall be entitled to an annual maximum of four (4), one-quart mail-in sharps disposal containers, with prepaid postage. Franchisee shall deliver sharps disposal containers to Customers upon request. Customers must request sharps disposal containers at least two (2) days prior to their next Collection day. Residents shall be responsible for mailing sharps disposal containers to a proper sharps Recycling facility or organization. Franchisee shall ensure that the Sharps Collection program complies with all Applicable Laws and regulations. Additional sharps containers will be charged at the rates set forth in Exhibit 5.

### **5.3 Commercial and Multi-Family Premises Collection- General**

Franchisee shall provide Collection Service to Commercial and Multi-Family Premises for Refuse, Recyclable Materials and Organic Waste at the rates set forth in Exhibit 5. Not less often than once per week, Franchisee shall Collect and remove all Refuse, Recyclables, and Organic Waste that is placed in Carts and Bins from Multi-Family Premises and

Commercial Premises. Customers may lease from Franchisee compaction equipment that may be attached to Bins.

Franchisee shall replace empty Containers in their original location on the Premises with gates or enclosure doors closed after Collection is completed. A Bin shall be considered properly located for Collection if it is reasonably accessible by Franchisee's front-loading Collection vehicles. A Cart shall be considered properly located for Collection if it is reasonably accessible by Franchisee's automated side-loading Collection vehicles. If a Customer and Franchisee cannot agree upon the designated Collection location, the Department shall make the final determination, provided that Franchisee shall be able to safely access any such location using a front-loading or an automated side-loading Collection vehicle, or Scout Services provided by Franchisee in accordance with Section 5.3.5, as applicable.

#### **5.3.1 Refuse Collection – Gray/Black Container Solid Waste**

Franchisee shall provide all Customers at Commercial and Multi-Family Premises with at least one Bin for Collection of mixed Refuse, and shall Collect all Refuse placed therein for Collection not less than once per week, at rates that do not exceed the maximum rates set forth in Exhibit 5. Franchisee shall provide additional Containers to Customers and additional Collections upon request at rates set forth in Exhibit 5.

#### **5.3.2 Commercial Carts**

Franchisee shall offer Refuse Carts Collection to Commercial Customers, up to a maximum of four (4) Carts before Customer is required to use Bins. Franchisee shall charge the Customer based upon the size and number of Refuse Carts and number of weekly pickups, in accordance with the rate schedule set forth in Exhibit 5 for Commercial service.

#### **5.3.3 Recyclable Materials Collection – Bins or Carts**

Commercial Customers that receive Refuse Carts shall also be entitled to receive a Recycling Cart. Commercial Customers utilizing Refuse Bins or Roll-Off Boxes shall choose between either Recyclable Material Carts or Bins. Recyclable Materials may be placed for Collection in the Recyclable Material Carts or Bins. Franchisee shall charge the Customer based upon the size and number of Recyclable Materials Bins or Carts and number of weekly pickups, in accordance with the rate schedule set forth in Exhibit 5 for Commercial service. Franchisee shall provide Recycling Collection Service to all Commercial and Multi-Family Customers at least once per week.

##### **5.3.3.1 Commercial SB 1383 Recyclable Waste Diversion Program**

Franchisee shall annually contact all Customers at Commercial Premises and advise them of the availability of the above Recycling programs and the Recycling requirements under SB 1383. For any Commercial Customer that is not engaged in a Recycling program,

Franchisee shall provide additional contact via phone, email, mail or site visit and advise them of the requirements of SB 1383. Franchisee shall provide quarterly reports to County documenting its efforts, including the name, address, and phone number of each Customer contacted, as well as the dates of contact and the results of the contact (i.e., if the contact resulted in the implementation of a Recycling program.) Franchisee shall evaluate and recommend the most cost-effective levels of Solid Waste services for each Commercial Customer and implement Recycling programs for that Customer's Recyclable Material.

In addition, Franchisee shall provide a source-separation Recycling program (the "Commercial Customer Recycling Program") to all Customers at Commercial Premises that meets the standards required under SB 1383. Franchisee shall assist the County in identifying Commercial Customers that are not in compliance with the Recycling requirements set forth in SB 1383. Franchisee shall provide periodic contact to such Commercial Premises to offer and promote Recycling services as required, attempt to resolve any logistical impediments to providing these services, and notify and request assistance from the County for potential follow up action where there is a repeated refusal to implement Recyclable Collection Services. County agrees to provide reasonable assistance to Franchisee. This assistance may include: adding the County's name to materials that describe SB 1383 requirements for Customers, considering ordinances which may assist with gaining compliance with SB 1383 requirements, and participating in meetings with Customers that repeatedly refuse to implement Franchisee's Commercial Customer Recycling Program. Franchisee shall produce, update, and provide public information specifically outlining its Commercial Customer Recycling Program.

#### **5.3.4 Organic Waste Collection**

Unless a waiver has been granted to a Customer pursuant to Section 6.7 of this Agreement, Franchisee shall provide Organic Waste Collection Service to all Commercial and Multi-Family Customers at least once per week. Franchisee shall offer and provide all Customers approximately sixty-four (64) gallon Green Containers upon the Customer's request, in sufficient quantities to meet their Organic Waste Recycling needs. Franchisee shall charge the Customer based upon the size and number of Containers, and the number of weekly pickups, in accordance with the rate schedule in Exhibit 5.

##### **5.3.4.1 Commercial SB 1383 Organic Waste Diversion Program**

Franchisee will develop and provide an Organic Waste Recycling program that at minimum meets the applicable standards required under SB 1383. Franchisee will provide dedicated personnel to Franchisee's area who will monitor and assist in the SB 1383 program implementation and ongoing compliance monitoring.

Franchisee shall be responsible for identifying Customers required to participate in the Organic Waste Recycle program. Franchisee may be required to modify its program from time to time (subject to rate adjustments provided in Sections 4.3 and 10.8 of this Agreement). Franchisee shall produce, update, and provide public information outlining its Organic Waste Recycle program.

Franchisee shall offer Manure Collection Service to Customers upon request at rates shown in Exhibit 5.

#### **5.3.5 Scout Service**

Franchisee shall provide Scout Service to Customers whose Bin storage location is not safe or reasonably accessible by the Franchisee's Collection vehicle. Franchisee shall charge Customers for Scout Service based upon the Customer's number of Bins, and number of weekly pickups, in accordance with the rate schedule set forth in Exhibit 5.

#### **5.3.6 Commercial and Multi-Family Premises Container Contamination Fee**

If the Franchisee observes a Contamination Occurrence at a Commercial or Multi-Family Premises two (2) or more times during a six-month period and follows procedural and noticing requirements set forth in Sections 6.2.3 and 6.2.4, for each of the Contamination Occurrences, Franchisee may charge a Contamination Fee as set forth in this Section.

The Franchisee may impose a Contamination Fee to Commercial and Multi-Family Customers pursuant to Exhibit 5. The Contamination Fee will be adjusted annually pursuant to Section 10.4. Franchisee shall in its quarterly report provide the Department a list of Customers who were assessed Contamination Fees.

Prior to charging a Contamination Fee, Franchisee must notify the Customer using a courtesy pickup notice as described in Section 6.2.4.

#### **5.3.7 Commercial and Multi-Family Premises Container Overage Fee**

All Containers used by Commercial Premises shall be filled no more than level full and with the lids fully closed. Containers that are not fully closed shall be considered overfilled. Bagged overages set out for separate Collection are not permitted.

If Solid Waste, Recyclable Material or Organic Waste is placed in a Container such that it exceeds the capacity of the Container, or if Franchisee cleans up spilled waste from an overflowing Container, or if such waste is placed around the Container, two (2) or more times during a six-month period, Franchisee may charge the Commercial Premises or Multi-Family Premises Customer an overage fee in accordance with the rate schedule set forth in Exhibit 5, provided Franchisee has tagged the Container and provided written and electronic warnings to the Customer in accordance with this Section.

Prior to charging the overage fee, Franchisee must tag the Container and provide written notice to the Customer via mailed written notice or electronic means, including e-mail or

text message. The written notice shall include: 1) the date on which the Container was overflowing, 2) educational information regarding the Customer's obligation to properly fill Containers and, 3) the consequences of further overflowing Containers. The written and electronic notice may include photographic evidence of the overflowing Container.

Franchisee may waive the overage fee if Customer agrees to increase service. For Customers that overfill their Containers and are charged an overage fee (and are duly notified), Franchisee shall meet and confer with Customer regarding their Service Level. Upon mutual consent with Customer, Franchisee may deliver the next larger-sized Container to the Customer or increase service frequency and adjust the Customer's rate(s) accordingly.

#### **5.3.8 On-call Bulky Items Collection – Commercial (Non-Multi-Family)**

Franchisee shall provide on-call pick-ups of Bulky Items for Commercial Premises upon request by the Customer for the Commercial Bulky Item Collection Fee at the rates set forth in Exhibit 5. The Customer will be required to contact Franchisee and arrange for Bulky Item Collection at least three (3) Work Days in advance of the Customer's regular service day. Exceptions to the Bulky Items that may be Collected are described in Section 1.11.

#### **5.3.9 On-call Bulky Items Collection – Multi-Family**

Multi-Family Premises shall be entitled to two (2) on-call Bulky Item pickups per calendar year per Multi-Family unit, with a maximum of four (4) items per pickup at no charge. For any pickups that exceed the annual maximum, Franchisee may charge the Customer the Multi-Family Bulky Item Collection Fee. For purposes of this Section, the Customer shall mean the property manager or property owner. For pickups that exceed the maximum four (4) items, Franchisee may charge the Customer the Each Additional Item fee in Exhibit 5.

Franchisee shall provide on-call pick-ups of Bulky Items for Multi-Family Premises upon request by the Customer. The Customer will be required to contact Franchisee for Bulky Item Collection at least four (4) Work Days in advance of the Customer's regular service day. Franchisee shall be responsible to coordinate with the Customer regarding the appropriate Collection location.

Franchisee shall bill the Customer for this service and include a description of the service and the date the service was provided. Franchisee shall be responsible for coordinating the service ordering and billing process with property managers such that property managers will be able to charge their tenants for the service. Franchisee shall be responsible for informing both tenants and property managers that this service is available.

### **5.3.10 Temporary Services**

Upon request by Customer, Franchisee shall offer temporary Bin service and Roll-Off Box services for the Collection of Refuse, Recycling or C&D Waste from new construction, modifications, renovations or maintenance to buildings at the rates in Exhibit 5. Franchisee shall provide on-call Collection of Roll-Off Solid Waste Collection Services within three (3) Work Days of a request or on a regularly scheduled basis, as determined by Customer. These services must be provided in accordance with local ordinances and state law. If the Bin or Roll-Off Box will be located within the County right-of-way, it shall be the responsibility of the Customer to obtain an encroachment permit from the County.

### **5.4 Roll-Off Collection Service**

Upon request by Customer, Franchisee shall provide Roll-Off Collection Service to Residential and Commercial Premises, and for the Collection of Construction & Demolition Debris at the rate(s) set forth in Exhibit 5. Franchisee shall Collect Solid Waste from all Customers with Roll-Off Collection Service using Franchisee-furnished Roll-Off Boxes or Roll-Off Compactors. Franchisee shall provide the size and number of Roll-Off Boxes requested by Customer upon Customer request.

Franchisee is not obligated to furnish Roll-Off Compactors. Franchisee may sell or lease Roll-Off Compactors to Customers. Any sale or lease of Roll-Off Compactors to Customers is outside the scope of this Agreement.

The Collection Service provided to Customers with Roll-Off Compactors shall be at the rates set forth in Exhibit 5. A Roll-Off Box or Roll-Off Compactor shall be considered properly located for Collection if it is reasonably accessible by Franchisee's Roll-Off Collection vehicles. If a Customer and Franchisee cannot agree upon the designated Collection location, the Department shall make the final determination provided that Franchisee's Roll-Off Collection vehicles shall be able to access the Collection location.

#### **5.4.1 C&D Collection Service**

Franchisee shall Collect C&D materials from all Customers that subscribe to its C&D Collection services and Transport the C&D waste to (i) the Approved C&D Processing Facility, or (ii) the Approved Transfer Facility for Transfer and Transport to an Approved C&D Processing Facility, as specified in Section 6.1. Franchisee shall charge Customers for C&D Collection services in accordance with Exhibit 5.

### **5.5 County Services**

#### **5.5.1 Abandoned Items Collection**

Franchisee shall Collect and dispose of any and all Abandoned Items on the Roadway (for the purposes of this Section, Roadway includes public rights of way including alleys within twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of

unpaved roadways) within three (3) Work Days of notification by the County. Franchisee may receive daily electronic copies of reports of illegal dumping reported by citizens to the Department, Department of Transportation, or the DWR. For remote areas approved by the Director, removal of Abandoned Items shall occur within five (5) Work Days. The Franchisee may request that specified roads, determined by the Franchisee to be inaccessible for waste removal, be considered by the Director for revised waste removal requirements. Illegally disposed materials along Roadways within one mile of Disposal sites within Riverside County are exempt from the retrieval requirements set forth herein. If requested by the Department, the Franchisee shall turn in a report of illegal dumping of trash (in quantities exceeding one (1) equivalent medium size trash bag) and Bulky Items (such as tires, couches, and appliances) noticed within or along the Roadway in the Franchise Area.

Abandoned vehicles and objects or appliances larger than conventional household furniture or appliances as well as Excluded Waste, medical, and other wastes requiring special handling are exempt from the retrieval requirements set forth, provided, however, that these exempted items noted within the Roadway shall be immediately reported to the Director.

At times, the County may Collect Abandoned Items from the right-of-way or on public property that pose a hazard and deposit them in Roll-Off Boxes provided by the Franchisee at a location designated by the County provided such Abandoned Items do not include Excluded Waste. Franchisee shall Collect said Abandoned Items within three (3) Work Days following notification by the County. Franchisee agrees to work with the County's Code Enforcement personnel to identify chronic illegal dump sites (sites where Franchisee has had to respond more than three times within a six-month period) to mitigate and eliminate waste dumped at these sites.

#### **5.5.2 Community Cleanups**

On an annual basis, Franchisee shall provide Collection services at the established community cleanup events identified in Exhibit 6 – Community Cleanups. County shall coordinate with Franchisee to establish the dates of these community cleanup events before January 1 of each year. Each community cleanup event shall occur on a Saturday between the hours of 8:00 a.m. and 12:00 p.m. at a location selected by the County and shall be limited to Residential Customers within the Franchise Area. The County shall exclude Commercial Customers or junk haulers from the Community Cleanups. Required equipment and Collection shall be provided by Franchisee at no cost to County. Franchisee shall maintain a sufficient quantity of equipment to Collect material from such community cleanup events. Franchisee shall provide Collection of Refuse, Green Waste, and Recyclable Materials, White Goods, and Bulky Items at the community cleanup events. Collection at community cleanup events does not include Collection of



Construction and Demolition Debris or Excluded Waste. The County shall be responsible for the Disposal cost of the Refuse Collected during these community cleanup events. County shall provide staff for these events to direct, manage and oversee the special cleanup events. Once the dates of the clean-ups are determined, Franchisee shall notify Residential Customers via email or mail of the dates and locations of the cleanup events and shall post event information on its website, subject to County approval pursuant to Section 6.3.7. Community cleanup events shall be reviewed bi-annually with County to assess if community events need to be relocated to a different community within the Franchise Area.

In the event that the Franchisee is able to demonstrate an effective Community Cleanup voucher program in other jurisdictions, the parties shall meet and confer in good faith to discuss implementing a similar program in the Franchise Area.

#### **5.5.3 Compost/Mulch Give-aways**

The Franchisee shall offer a program in which residents in the Franchise Area may obtain free Compost/Mulch. Franchisee shall conduct a Compost/Mulch giveaway event during each community cleanup event at no additional charge to the County or Customers, including any reimbursement to the Franchisee described in Section 6.5.2. The County shall exclude Commercial Customers or Commercial Businesses from the Compost giveaways. Franchisee may give away Compost/Mulch in bags or in bulk. County residents shall be entitled to receive a maximum of eight (8) bags of Compost/Mulch. County residents will be allowed to reasonably fill up their containers on a first-come, first served basis. Franchisee shall provide two (2) 40 yd Roll-Off Boxes of Compost/Mulch material per event, delivered to a location designated by the County for each event, which shall be allocated and credited toward Franchisee's commercially reasonable efforts to assist the County in achieving its annual recovered Organic Waste product procurement target as set forth in Section 6.5.2. Prior to the event, County shall advise Franchisee of the location within the Franchise Area to which any undistributed Compost or Mulch is to be delivered.

#### **5.5.4 Document Shredding Events**

Franchisee shall hold document shredding events for Residential Customers in conjunction with the community cleanup events, at no additional cost to the County or Customers. With Department's prior approval, which shall not be unreasonably withheld, Franchisee may conduct the document shredding events in conjunction with that of a neighboring jurisdiction within Riverside County provided that residents and businesses are notified of the date and location in advance of the event. Residents may bring up to two (2) "banker boxes" of documents to the designated location for shredding. Franchisee may require reasonable evidence that Customers delivering documents for shredding are Residents in

the Franchise Area. All shredded materials must be delivered to an appropriate Recycling Facility, and shall not be delivered to a Landfill.

#### **5.5.5 Special Waste**

Franchisee may, but is not required to, provide Collection, Transportation and Disposal services for Special Waste, which is outside the scope of this Agreement. Franchisee may provide such services if contracted to do so by Customers under separate written agreements between Franchisee and the Customer generating such wastes.

## **6 Other Services**

### **6.1 Transportation, Disposal and Processing Service**

Franchisee shall Transport all Solid Waste that is Collected in the County to a fully permitted transfer Facility, Materials Recovery Facility, or Disposal Facility that is lawfully permitted to accept and recover Solid Waste. The direction of the flow of materials Collected by the Franchisee under this Agreement is governed by the separately executed Exclusive Waste Delivery Agreement between the Franchisee (defined as "Collector" therein) and the County.

Franchisee shall notify the Department in writing each year (in conjunction with its rate adjustment request described in Section 10.4) to identify the Disposal Facilities to which the Franchisee will Transport all Solid Waste.

The Disposal Facility, Materials Recovery Facility, and Organics Processing Facility, as of the Effective Date, are shown in Exhibit 7 – Solid Waste Facilities, which may be updated annually.

Franchisee shall ensure that, at a minimum, all materials shall be weighed upon delivery to a Processing Facility or Composting Facility, and all weight and related delivery information recorded. Franchisee shall make arrangements with the Facility to allow the County to review, during such Facility's normal operating hours, any recordings or video of Facility traffic and activities. For those Facilities it operates, Franchisee shall ensure that all scales are regularly maintained, accurate, and in compliance with Applicable Laws.

Franchisee shall Dispose of any and all residue from the Processing of Recyclable Materials and any residual materials in accordance with Applicable Law.

### **6.2 Contamination Minimization and Monitoring**

Franchisee shall conduct its Collection operations in a manner that minimizes Container Contamination. Franchisee shall not knowingly Collect from Blue, Green, or Gray/Black Containers that include Prohibited Container Contaminants. If Contaminants are found in a Container, the Customer shall be assessed a Contamination Fee in accordance with Sections 5.2.13 & 5.3.6. The driver or other Franchisee representative shall record each event of identification of Prohibited Container Contaminants in a written log or in the on-board computer system including date, time, Customer's address, type of Container (Blue, Green, or Gray/Black Container). The Franchisee shall implement a contamination monitoring program to minimize Prohibited Container Contaminants in a manner that complies with Section 18984.5 of Title 14 of the California Code of Regulations. The Franchisee may conduct its contamination monitoring requirements through either Route Reviews or Waste Evaluations, or a combination of the two methods.

### **6.2.1 Route Reviews**

If the Franchisee elects to conduct Route Reviews, Franchisee shall conduct a Route Review at least once per year. Franchisee shall conduct Hauler Route Reviews for Prohibited Container Contaminants in Collection Containers in a manner that is deemed safe by the Franchisee; is reasonably approved by the County; is conducted in a manner that results in all Hauler Routes being reviewed annually, and is consistent and in accordance with SB 1383 Regulations. Containers may be randomly selected along the Hauler Route. Franchisee may conduct such Route Reviews of Hauler Routes utilizing a remote monitored camera system or another effective method. Any Contamination Occurrence observed during the Route Review shall count toward the contamination noticing procedures and shall be subject to a Contamination Fee as set forth in Sections 5.2.13 and 5.3.6. This Section does not require that every Container on a Hauler Route be sampled annually.

### **6.2.2 Waste Evaluations**

For routes on which Franchisee performs Waste Evaluations, Waste Evaluations shall be conducted at least twice per year in two distinct seasons of the year in a manner that complies with the requirements of 14 CCR Section 18984.5(c) from vehicle loads of Source Separated Blue Container Waste and from Source Separated Green Container Organics Waste, and of Gray/Black Container Waste. Waste Evaluations shall include samples of each material type, and samples from different areas of the County that are representative of the County's waste stream. The Waste Evaluations shall include at least the minimum number of samples required in Section 18984.5 (C)(1)(e) of Title 14 of the California Code of Regulations.

The Franchisee shall determine the ratio of Prohibited Container Contaminants in the sample by dividing the total weight of Prohibited Container Contaminants by the total weight of the sample. If the sampled weight of Prohibited Container Contaminants in the Waste Evaluations exceeds twenty-five percent (25%) of the measured sample for any Container type, the Franchisee shall perform one of the following:

- Within fifteen (15) Work Days of the Waste Evaluation, notify all Customers on the sampled routes of their requirement to properly separate materials into the appropriate Containers. The Franchisee may provide this information by placing a notice (approved by the Department) on the Customer's Container, gate, or door, and/or by mail, e-mail, or electronic message to the Customer.
- Perform a targeted Route Review of Containers on the routes sampled for Waste Evaluations to determine the sources of contamination and notify those Customers of their obligation to properly separate materials through the procedure in Section 6.2.1. The Franchisee may provide this information to these Customers by placing a notice on

the Customer's Container gate, or door, and/or by mail, e-mail, or electronic message to the applicable Customers.

### **6.2.3 Procedures for Contamination Occurrences**

Upon finding Prohibited Container Contaminants in a Container, Franchisee shall follow the applicable contamination procedures set forth below and noticing requirements set forth in Section 6.2.4:

#### **6.2.3.1 Single-Family Residential Customers**

First and Second Occurrence. For the first and second Contamination Occurrence within a six-month time period, Franchisee shall Collect and Dispose of the contaminated Container's contents and shall deliver notice to the Customer.

Third and Subsequent Occurrences. For the third and subsequent Contamination Occurrence within a six-month time period, Franchisee shall Collect the contaminated Container and may charge the Single-Family Premises Customer a Contamination Fee in accordance with the rate schedule as set forth in Exhibit 5.

#### **6.2.3.2 Commercial and Multi-Family Premises Customers**

First Occurrence. For the first Contamination Occurrence within a six-month time period, Franchisee shall Collect and Dispose of the contaminated Container's contents and shall deliver notice to the Customer.

Second and Subsequent Occurrences. For the second and subsequent Contamination Occurrence within a six-month time period, Franchisee shall Collect the contaminated Container and shall charge the Customer a Contamination Fee in accordance with Exhibit 5.

### **6.2.4 Contamination Noticing**

When notifying Customer regarding contamination found in a Container, Franchisee shall leave a courtesy pick-up notice attached or adhered to the Generators' contaminated Containers; at the Premises' door or gate; or deliver the notice by mail, e-mail, text message, or other electronic message.

The courtesy pick-up notification shall:

- (i) inform the Customer of the observed presence of Prohibited Container Contaminants;
- (ii) include the date and time the Prohibited Container Contaminants were observed;
- (iii) include information on the Customer's obligation to properly separate materials into the appropriate Containers, and the accepted and prohibited materials for Collection in the Blue Container, Green Container, and/or Gray/Black Container;

(iv) inform the Customer of the courtesy pick-up of the contaminated materials on this occasion with information when additional instances of Prohibited Container Contaminants within a six-month time period will be accompanied by a Contamination Fee; and,

(v) include clear photographic documentation or other appropriate documentation of the Container's contamination.

#### **6.2.5 Contamination Monitoring and Reporting Requirements**

Franchisee shall maintain records and report to the County quarterly on contamination monitoring activities and actions taken in accordance with reporting requirements in Section 8.4. All contamination notices shall be approved by the route driver, route supervisor, or a local representative of Franchisee prior to being sent to the Customer.

### **6.3 Education and Outreach**

#### **6.3.1 General**

To promote public education, Franchisee shall create and distribute all public education materials and conduct education programs and activities described in this Section at no cost to the County or its ratepayers. Franchisee shall cooperate and coordinate with the County on public education activities and materials that are in accordance with the SB 1383 Regulations.

#### **6.3.2 Program Objectives**

Franchisee's public education and outreach strategy shall focus on improving Customers' understanding of the benefits of and opportunities for source reduction, reuse, and Landfill Disposal reduction, and furthering climate goals. Franchisee-provided public education and outreach, which shall include all content required by this Section, should:

1. Inform Customers about the services that are provided under this Agreement with specific focus on describing the methods and benefits of source reduction, reuse, and reduction of Refuse Disposal;
2. Instruct Customers on the proper method for placing materials in Containers for Collection and setting Containers out for Collection with specific focus on minimizing contamination of Recyclable Materials and Organic Waste;
3. Clearly define Excluded Waste and educate Customers about the hazards of such materials and their opportunities for proper handling and Disposal;
4. Discourage Customers from buying products if the product and its packaging are not readily reusable, Recyclable, or Compostable;

5. Inform Customers subject to Food Recovery requirements under SB 1383 Regulations of their obligation to recover Edible Food and actions they can take to prevent the creation of Food Waste;
6. Encourage the use and benefits of Compost;
7. Encourage Customers to purchase products/packaging made with Recycled-content materials;
8. Explain the process by which fines and penalties may be incurred for non-compliance; and,
9. Raise awareness and educate Customers on the availability and process for the Residential Bulky Item Pickup service, highlighting the importance of utilizing this service to prevent illegal dumping. This effort will include detailed information on how to schedule a pickup for Bulky Items and E-Waste including the types of items that can be Collected.

The cumulative intended effect of these efforts is to reduce each Customer's reliance on Franchisee-provided Gray/Black Container Waste Collection service and, ultimately, Disposal.

### **6.3.3 Franchisee Cooperation and Support for County Education Efforts**

Franchisee acknowledges that they are part of a multi-party effort including the County, the Franchisee, and CalRecycle, among others, to operate and educate the public about the integrated waste management system. Franchisee shall cooperate and coordinate with the County and these other parties on public education activities to minimize duplicative, inconsistent, or inappropriately timed education campaigns.

### **6.3.4 Minimum Content Requirements**

Franchisee shall include the following education and outreach content to Customers by incorporation of this content into the public education materials.

1. Information on the Generator's requirements to properly separate materials in appropriate Containers.
2. Information on methods for: waste prevention, Recycling Organic Waste on-site, sending Organic Waste to community Composting, and any other local requirements regarding Organic Waste.
3. Information regarding the methane reduction benefits of reducing the Landfill Disposal of Organic Waste, and the methods of Organic Waste recovery.
4. Information regarding how to recover Organic Waste.
5. Information related to the public health and safety and environmental impacts associated with the Landfill Disposal of Recyclable Materials and Organic Waste.

6. Information regarding programs for the donation of Edible Food.

7. Information regarding Self-Hauling requirements.

#### **6.3.5 Annual Education Plan**

Franchisee shall develop and submit to the Department an annual public education plan due annually by September 1<sup>st</sup> for activities to be conducted for the upcoming calendar year (the “Annual Education Plan”). The public education plan shall specify how Franchisee will accomplish the education and outreach program objectives of Section 6.3.

The Department shall be allowed up to sixty (60) calendar days after receipt of the Annual Education Plan to review and request modifications. In the event that the Department does not request modifications to the Annual Education Plan within the sixty (60) calendar day period, Franchisee’s Annual Education Plan shall be deemed approved by the Department. Franchisee shall make any changes to the Annual Education plan directed by the Department. Franchisee shall have up to fifteen (15) calendar days to revise the Annual Education plan in response to any changes directed by the Department.

Franchisee shall obtain advance approval from the Department for any education or outreach activities not included in the Annual Education Plan. The Department shall have the right to request that Franchisee include County identification and contact information on public education materials, and approval of such requests shall not be unreasonably withheld. The Department reserves the right to direct the Franchisee to modify the Annual Education Plan at any time.

#### **6.3.6 On-going Education Requirements**

- 1. Annual Commercial and Multi-Family Premises Service Guides** – Each year, prior to January 31<sup>st</sup>, in accordance with Franchisee’s Annual Education Plan submitted to the Department pursuant to Section 6.3.5, Franchisee shall prepare and distribute to each of the Commercial and Multi-Family Premises it services a service guide that describes available services, including information about how to place Containers for Collection, which materials should be placed in each Container, Prohibited Container Contaminants, Collection Holidays, and the Franchisee’s contact information. The service guide should also include information on Holiday tree Collection, and events such as Mulch give away, shred events, and Hazardous Household Waste Collection events. The service guide must also include the information specified in Section 6.3.4.
- 2. Annual Residential Service Guide** - Each year, prior to January 31<sup>st</sup>, in accordance with Franchisee’s Annual Education Plan submitted to the Department pursuant to Section 6.3.5, Franchisee shall provide to the Department service guides that the Franchisee shall include in the bills sent to Customers of Single-Family Premises. The service guides shall be tailored to Customers of Single-Family Premises and



shall include the information in Section 6.3.6(1) as well as the information specified in Section 6.3.4. If it is not feasible to include the Residential service guides in County invoices, Franchisee shall mail service guides to Residential Customers.

3. **Website** - Franchisee shall develop and maintain a website or webpage (with a unique URL specific to the County) that is specifically dedicated to the County to provide Customers with detailed service information, and information about State and local Recycling regulations. The website or webpage shall be accessible by the public and shall include all education and outreach materials provided pursuant to this Section 6.3.6. Franchisee shall update the website or webpage regularly so that information provided is current.
4. **Provision of Educational Materials to Non-Compliant Customers** - Franchisee shall provide educational materials to non-compliant Customers under this Agreement.
5. **List of Food Recovery Organizations** - Franchisee may assist the Department with the development and continual maintenance of a list of Food Recovery Organizations and Food Recovery Services operating within the County. The list shall include, at a minimum, the following information about each Food Recovery Organization and each Food Recovery Service:
  1. Name and physical address;
  2. Contact information;
  3. Collection service area;
  4. An indication of types of Edible Food the Food Recovery Service or Food Recovery Organization can accept for Food Recovery.

### **6.3.7 Materials Distribution Methods**

Franchisee shall use the following methods to provide education information to Customers. All materials are to be approved by the Department prior to distribution.

#### **6.3.7.1 Printed materials.**

The Franchisee shall be responsible for the design, printing, and distribution of these materials, subject to Department approval. All Franchisee-printed public education materials shall, at a minimum, use Recycled content paper and/or be made of Recycled material. The Franchisee shall use 100% post-consumer paper when commercially feasible and procure printed materials from local businesses.

#### **6.3.7.2 Electronic materials and website content.**

Franchisee shall provide to the Department its website content for education and outreach materials, which may include, but are not limited to: digital graphics, digital versions of print materials, social media posts, and blog posts. The Franchisee shall be responsible for the design, posting, and electronic distribution of these materials, and for

assuring compliances with any applicable copyright rules and for licensing the use of these materials to the County.

#### **6.3.8 Community Events**

At the direction of the County, the Franchisee shall participate in and promote Recycling and Organic Materials Collection and other Diversion techniques at community meetings, special events, and other local activities. Such participation would normally include, without cost to County, provision of educational information promoting the goals of the County's Solid Waste Diversion or Recycling, Organic Materials, and Edible Food Recovery programs, and provision of guest speakers at meetings.

#### **6.3.9 Outreach Representatives for SB 1383 Compliance**

The Franchisee shall provide outreach representative(s) dedicated to monitoring and assisting in SB 1383 program implementation and ongoing compliance monitoring for the Franchise Area. The duties of the outreach representative(s) shall be focused on public education, community outreach, Commercial and Multi-Family Premises site visits, and technical assistance. The outreach representative(s) shall offer education to Customers and employees at Multi-Family Premises and Commercial Premises employees on the importance of Recycling, Food Recovery, resource recovery, Landfill Disposal reduction, as well as all State, federal, and County mandates, including SB 1383 Regulations; and shall work with Customers to implement services, increase participation in Recyclable Materials and Organic Waste Collection programs, and reduce contamination. The outreach representative(s) shall be responsible for implementing the education plans and programs specified in this Section.

### **6.4 Technical Assistance Program**

#### **6.4.1 Site Visits and Waste Assessments**

Franchisee shall provide an ongoing program of Customer technical assistance during the Term of this Agreement. As part of this program, Franchisee shall provide technical assistance via a site visit to any Commercial or Multi-Family Premises upon request by Customer or County.

In addition, Franchisee shall provide to the County for approval an outreach and technical assistance plan detailing Franchisee's efforts to provide outreach and technical assistance. This plan may be reviewed and approved by County annually for any changes needed to meet SB 1383 compliance requirements. The outreach and technical assistance plan shall:

- identify the site visit schedule for sending a representative of Franchisee to visit Multi-Family Premises and Commercial Premises for the purpose of assessing how much Source Separated Recyclable Materials and Source Separated Organic Waste is being Disposed;

- assess the Source Separated Recyclable Materials and Source Separated Organic Waste Collection Service Levels needed to meet the requirements of SB 1383 Regulations;
- encourage all Customers to establish Source Separated Recyclable Materials and Source Separated Organic Waste Collection service; and
- notify Customers of opportunities to reduce costs by subscribing to Source Separated Recyclable Materials and Source Separated Organic Waste Collection service and reducing Gray/ Black Container Waste/ Collection service.

The outreach plan shall include all Customers identified as non-compliant pursuant to Section 6.8. Franchisee shall contact Commercial Premises and provide site visits according to the Department approved outreach and technical assistance plan.

The Franchisee representative shall determine whether these Customers are participating in the Source Separated Recyclable Materials and Source Separated Organic Materials Collection Service. If the Customer is not in compliance or not participating, the representative shall assist the Customers to select appropriate Containers and Container sizing, identify acceptable Solid Waste Collection Services as set forth in this Agreement, and attempt to resolve any logistical barriers to providing Source Separated Recyclable Materials and Source Separated Organic Waste Collection service. Franchisee in accordance with the outreach and technical assistance plan, shall provide ongoing, on-site training for management, employees, and on-site staff members that handle Solid Waste.

For each on-site waste assessment conducted pursuant to this Section, Franchisee shall document the items listed below. The Department reserves the right to receive Franchisee's documentation of additional information, and the Department and Franchisee shall agree upon the format for required information.

- a. Pictures of material in all Containers;
- b. Characteristics of the property, business, and Customer type;
- c. Written recommendations for the appropriate Service Level for each material type;
- d. Provision of outreach and education materials appropriate to the Customer type;
- e. Determination of signage placement;
- f. Determination of any on-going training needs;
- g. Determination of any access needs;
- h. Documentation of any Special Services needs (such as, but not limited to, seasonal Collection service, automated on-call Compactor, etc.); and,
- i. Documentation of records of communications with the Customer.

#### **6.4.2 Record Keeping and Reporting Requirements**

Franchisee shall maintain records of all technical assistance activities conducted and educational materials provided pursuant to Section 6.4 and submit quarterly reports to the Department in accordance with Section 8.4. Upon request, Franchisee shall provide Department with master list of all Commercial and Multi-Family Premises with information about the outreach conducted at each Premises.

### **6.5 Procurement of Products with Recycled and Organic Contents**

#### **6.5.1 Recycled-Content Paper.**

To the maximum extent commercially reasonable, the Franchisee shall procure paper products and printing and writing paper for invoices, billing statements and inserts, reports, and public education materials, consistent with the requirements of the Public Contract Code (PCC) Sections 22150 through 22154. Additionally, paper products and printing and writing paper procured by the Franchisee shall be eligible to be labeled with an unqualified Recyclable label, as defined in 16 Code of Federal Regulations (CFR) Section 260.12 (2013). Franchisee shall state on all materials prepared with post-consumer Recycled content the following: 'Printed on Recycled Paper.'

#### **6.5.2 Organic Waste Product Procurement**

Franchisee shall use reasonable efforts to assist the County in achieving its annual recovered Organic Waste product procurement target under 14 CCR Section 18993.1 and any other Applicable Law. The County will be ultimately responsible for meeting its procurement requirements related to SB 1383. Franchisee and County agree to use good faith efforts to determine the amount of SB 1383 compliant recovered Organic Waste products that the County can feasibly procure.

To the extent permissible under current SB 1383 regulations and to the extent that Franchisee provides an approved Organic Waste product which qualifies towards the County's procurement target for organic materials Collected under this Agreement, Franchisee shall serve as a Direct Service Provider pursuant to 14 CCR 18993.1 (e) (2) to allocate a proportionate share of such procurement credit to County at no additional cost to the County or Customers.

To the extent Franchisee and County agree that any portion of the recovered Organic Waste product is Mulch/Compost, Franchisee shall deliver Mulch/Compost, in the agreed upon amount, in bags, in Roll-Off Boxes, or via dump truck within thirty (30) calendar days of request to a location designated by the County. This shall include delivering Compost/Mulch to the County for its use.

County and Franchisee shall meet and confer to agree upon the cost of procuring that amount of recovered Organic Waste product. Upon determination of such agreed upon amount and cost, Franchisee shall procure such recovered Organic Waste products for

the County as set forth in this Section. County shall reimburse Franchisee for the procurement and delivery of such Compost/Mulch upon approval of a valid invoice from Franchisee, or via an extraordinary rate adjustment pursuant to Section 10.8.

Upon request, Franchisee shall provide the Department with lab results and specifications. All Mulch/Compost provided by Franchisee must meet or exceed State requirements for quality, including those standards regarding maturity, reduction of pathogens, elimination of weed seeds, and concentrations of physical contaminants such as glass, plastic, metal, and other Non-Organic Recyclables. All Mulch/Compost provided by Franchisee must be suitable for use in landscaping, parks, sports fields, and community gardens, and must be suitable for distribution to the general public.

#### **6.5.3 Renewable Natural Gas**

Franchisee shall use Renewable Natural Gas (RNG) at such time RNG is available and commercially feasible for use in Franchisee's Area. If Franchisee is required by County to use RNG, and the use of RNG is more costly, Franchisee shall have the right to request an extraordinary rate adjustment pursuant to Section 10.8. If requested by the Department and to the extent used by Franchisee, Franchisee shall provide the name, location, and contact information of each source from whom the Franchisee procured Renewable Natural Gas (RNG). If requested by the Department, Franchisee shall provide the total amount of RNG procured by the Franchisee for use in Franchisee vehicles in the County of Riverside, in diesel gallon equivalents (DGE), including copies of any receipts, invoices, or other similar documentation.

#### **6.5.4 Recordkeeping Requirements**

Franchisee shall maintain records that demonstrate ongoing compliance with the requirements of this Section 6.5, including, but not limited to, copies of receipts, invoices, or other proof of purchase that describe the products purchased, by volume and type for all products specified in this Section; and copies of certifications or other verifications required by this Agreement, and submit these records to the Department upon request.

### **6.6 Billings**

#### **6.6.1 Billing and Payment**

Franchisee is responsible for the billing and collection of payments for services provided by Franchisee under this Agreement as of the Effective Date.

##### **6.6.1.1 Production of Invoices from Franchisee.**

Franchisee shall produce an invoice for each Customer in a form reasonably approved by the Department, for services provided under this Agreement. Single-Family Cart Customers shall be billed no more than three (3) months in advance. Commercial and Multi-Family Bin Customers shall be invoiced monthly in advance. Permanent Roll-Off

Customers shall be billed monthly or semi-monthly in arrears. Payment of the invoice shall be due within thirty (30) days from the date of the invoice. Invoices may be submitted by mail or electronically, and payment methods may include check, credit card or ACH debit. The Department shall be allowed to include a one (1) page quarterly billing insert to provide public education regarding waste Disposal, Recycling, or other environmental issues. Print ready copy of such insert, which conforms to the Franchisees' billing, shall be delivered to the Franchisee within thirty (30) calendar days in advance of Franchisee's billing dates.

Franchisee may charge Temporary Bin Customers on a cash on delivery (COD) basis. Franchisee may charge temporary Roll-Off Customers on a cash on delivery basis (COD). Franchisee may require COD Customers to pay in advance the amount of the haul charge plus the equivalent of five (5) tons. Franchisee may bill the COD Customer for the actual incremental amount of tons that exceed five (5) tons, otherwise the COD advance payment shall be the complete charge for the service and Disposal.

#### **6.6.1.2 Partial Month Service.**

If, during a month, a new Customer is added or removed, Franchisee's billing for such Customer will be pro-rated based on the daily service rate (monthly rate for the applicable service(s) as set forth in Exhibit 5 divided by the number of actual days in the month). The daily service rate will then be multiplied by the number of actual days in the month that service was provided to the Customer.

The Franchisee shall not designate that portion of a Customer's bills attributable to the Franchise Fee as a separate item on Customers' bills.

In cases where Franchisee includes a Tip Fee or Processing rate on a Customer's bill, the amount of the fee shall be consistent with the rate schedule.

#### **6.6.1.3 Overpayment.**

Where it has been determined that a Customer has overpaid for service, for any reason, Franchisee must provide the Customer a credit against future invoices or a refund (as selected by the Customer) as part of the next-scheduled invoicing.

#### **6.6.2 Delinquent Accounts**

- A. Single-Family Premises. A Residential Customer who has not remitted required payment for Solid Waste Collection, Recycling and/or Disposal service within ninety (90) calendar days after the date of billing shall be notified by the Franchisee on forms that contain a statement that if payment is not received within fifteen (15) calendar days from the date of the notice, a 10% penalty and 1.5% monthly interest will begin to accrue. If the Franchisee is providing the statement, it shall inform the Department of the delinquency in an annual report. The Franchisee will deliver a report of all delinquencies not later than May 1 of each year with a

request that the Department place the delinquencies on the property tax roll. Pursuant to Section 25831 of the Government Code, the County shall collect delinquent fees or charges for Solid Waste Collection, Recycling and/or Disposal services on the property tax roll for the Residential Premises.

- B. Commercial Premises. The Franchisee may discontinue Commercial or Bin Collection Service for Customers who have not remitted required payments within thirty (30) days after the date of billing and have been notified on forms approved by the Department. Said forms shall contain a statement that services may be discontinued fifteen (15) days from the date of notice if payment is not made before that time. Upon payment of the delinquent, redelivery, or reinstatement fees, if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Franchisee shall provide the Department a monthly list of delinquent accounts, including service suspensions, pursuant to Section 8.4. Franchisee may not charge the Customer for service during any period in which service is suspended, except for demurrage charges or equipment rental charges for Containers remaining at Customer's Premises during such suspension. A deposit equal to the rate for one month's service based upon the Customer's three-month average billing history may be required of accounts which have been discontinued for non-payment prior to reinstatement of service at such accounts. Delinquent charges for Commercial Premises shall not be eligible for collection on the tax roll.
- C. Centrally-billed Residential Premises with Cart Service. Franchisee shall not discontinue service to centrally-billed Residential Premises with Cart service. If the central billing entity becomes delinquent, pursuant to Section 25831 of the Government Code, the County shall collect delinquent fees or charges for Solid Waste Collection, Recycling and/or Disposal services on the property tax roll for either the individual Residential Premises, or the parcel of the central billing entity. If the delinquent charges for the individual units are placed on the tax roll of each Residential Premises, the Franchisee shall notify the individual Residential Premises thirty (30) days in advance.

### **6.6.3 Refunds**

Franchisee shall promptly refund each Customer, on a pro rata basis, any advance service payments made by such Customer for service not provided when service is discontinued by written notification to Franchisee by the Customer.

#### **6.6.4 Bill Format**

Franchisee shall provide Customers with an option to receive invoices via paper invoices, or electronically using paperless invoices. In all invoices, Franchisee shall include information about the type of service, the number and size of Containers, and the frequency of service. For services provided, all applicable rates and charges shown in Exhibit 5 shall be itemized on the invoice. Invoices for on-call services (including Roll-Off) shall be itemized to include the service date, work order number, service description, and amount charged. Franchisee shall not itemize any amount for Franchise Fees or any other fees paid to local governments. The format of Customer invoices shall be subject to the Department's approval.

#### **6.6.5 Billing of Container Contamination Fees**

Any Contamination Fees charged to a Customer shall be included and itemized on the Customer's invoice for the billing period in which the Franchisee notified the Customer of the assessment of the Contamination Fee.

#### **6.6.6 Credit for Non-Collection**

Upon request by County or any Customer, Franchisee shall credit a Customer's (or several Customers' if applicable) account(s) in the event that the Customer's (or Customers') Solid Waste was not Collected according to this Agreement. The amount of the credit shall be that portion of the Customer's monthly rate related to Collection service and based on the number of pickups that were missed. The amount of the credit shall be reasonable, determined by Franchisee, and subject to approval by the County. The credit shall appear as soon as practicable on the Customer's next invoice after Franchisee is notified. Franchisee shall not be required to issue any such refunds by check.

### **6.7 Customer Waiver Program Coordination**

In accordance with SB 1383 Regulations, the County has the authority to grant to Commercial and Multi-Family Premises Customers waivers from the requirement to subscribe to Recyclable Materials and Organic Waste Collection service due to de minimis generation or physical space constraint. The County cannot delegate to a private entity (e.g., Franchisee) the authority to grant these waivers. However, Franchisee can advise the County in determining which Customers shall qualify for a waiver. The County shall maintain waiver-related records and report on waiver verifications. Waivers issued shall be subject to compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section 18984.11.

#### **6.7.1 Waiver Requests**

Upon reasonable belief that a Customer may qualify for a de minimis, physical space, or Collection frequency waiver, the Franchisee may submit a request to the Department to grant a waiver to the Customer on their behalf, provided that adequate evidence of the



waiver requirements specified in 14 CCR Section 18984.11 is included with the request. Franchisee's request for consideration of a waiver shall include the Customer's name and address, type of Commercial Premises, number of Dwelling Units if the waiver is for Multi-Family Premises, reasons Customer may be eligible for the waiver, and evidence such as, but not limited to: Service Level data, photo documentation, and technical assistance assessment results.

If a Generator submits a waiver request to the County, the Department shall review the Generator's waiver application, and in coordination with Franchisee, inspect the Generator's Premises to verify the accuracy of the application. County or Franchisee shall provide documentation of the inspection, including the Franchisee's recommendation to approve or deny the waiver request, to the Department within 15-days of receipt of the Generator's waiver application for the County's review and approval.

The Department retains the right to approve or deny any application, regardless of the Franchisee's recommendation. The Department shall notify the Franchisee within 15-days of approval of a Generator's waiver with information on the Customer and any changes to the Service Level or Collection service requirements for the Customer. Franchisee shall have 10-days to modify the Generator's Service Level and billing statement, as needed. Franchisee shall report information regarding waivers reviewed on a monthly basis.

#### **6.7.2 Waiver Reverification**

Franchisee shall assist the County in verifying that the Generators with de minimis and physical space constraints continue to meet the waiver requirements set forth in this Section 6.7. Franchisee shall conduct such reverifications of waivers through inspection of each Generator's Premises, to the extent access is authorized by the Generator, and review of applicable records at least once every five (5) years for de minimis and physical space constraint waivers. The Franchisee shall maintain a record of each waiver verification and provide a monthly report to the Department documenting the waiver reverifications performed and recommendations to the Department on those waivers that Franchisee concludes are no longer warranted. The Department shall make a final determination of the waiver eligibility of Generators.

#### **6.8 Inspections and Enforcement**

##### **A. Annual Compliance Reviews**

##### **1. General**

Franchisee shall perform annual Compliance Reviews as required by SB 1383 Regulations.

##### **2. Commercial Customer Compliance Reviews**

The Franchisee shall complete a Compliance Review of all Commercial and Multi-Family Premises that generate two (2) cubic yards or more per week of Solid Waste, including

Organic Waste, to determine their compliance with: (i) Customer requirements under the County's Solid Waste Collection program; and, (ii) if applicable for the Customer, Self-Hauling requirements pursuant to 14 CCR Section 18988.3. The Compliance Review may entail a 'desk audit' review of records to determine Customers' compliance with the above requirements and does not necessarily require on-site observation of service; however, the Department may require that the Franchisee perform an authorized on-site observation of service in addition to or in lieu of the desk review if needed to obtain the required information.

#### **B. Compliance Review Process**

1. **Number of Reviews.** The Franchisee shall annually conduct Compliance Reviews on all Customers with two (2) cubic yards or more of Solid Waste per week to adequately determine the Commercial Premises' overall compliance with 14 CCR Section 18984.9(a) and 14 CCR Section 18988.3. The Department reserves the right to require additional reviews if the Department reasonably determines in its sole discretion that the number of reviews conducted by the Franchisee is insufficient to comply with 14 CCR 18995.1(a)(1)(A). The Department may require Franchisee to prioritize Compliance Reviews of Premises that the Department determines are more likely to be out of compliance.
2. **Non-Compliant Commercial Customers.** During the Term of the Agreement, Franchisee shall provide educational materials to non-compliant Commercial Premises Customers. Franchisee shall provide these educational materials to the non-compliant Commercial Premises Customers within fourteen (14) days of determination of non-compliance or immediately upon determination of non-compliance if such non-compliance is determined during a Compliance Review. Franchisee shall document the non-compliant Commercial Premises and the date and type of education materials provided and shall report such information to the Department in accordance with Section 8.4. The Department shall be responsible for subsequent enforcement action against the Customers.
3. **Documentation of Inspection Actions.** The Franchisee shall generate a written and/or electronic record and maintain documentation for each Compliance Review conducted in the County's electronic recordkeeping system.

#### **6.9 Service Complaints**

##### **6.9.1 General.**

Franchisee shall contact Customer or resolve Customer's Complaints received within one (1) Work Day after notification. Complaints related to missed Collections shall be resolved according to the requirements described in Section 7.4. Complaints related to repair or

replacement of Containers shall be resolved in accordance with Section 7.8.2 and 7.8.5. All other Complaints shall be resolved by close of business of the second Work Day following the date on which such Complaint is received. The Franchisee shall provide a government liaison for resolution of Complaints pursuant to Section 7.9.6.

The Franchisee shall maintain a computer database log of all Complaints received by Franchisee. The Complaint log shall include, the date and time of the Complaint, the nature of the Complaint, the Person making the Complaint and their contact information, and when and what action was taken by the Franchisee to resolve the Complaint. Franchisee agrees to maintain for a period of at least five (5) years all Complaints registered by Customers and Persons, and provide Complaint records to the Department upon request.

#### **6.9.2 Office Hours**

Franchisee shall maintain and operate an office and customer service center within Riverside County whose office hours shall be, at a minimum, from 8 a.m. to 5 p.m. Mondays through Fridays, except Holidays, which are described in Section 7.3. A representative of Franchisee shall be available during office hours for communication with the public at Franchisee's service center. In the event that normal business cannot be conducted over the telephone, a representative of Franchisee shall agree to meet with the public at a location agreeable to Franchisee and the public. Normal office hour telephone numbers shall either be local or toll-free. Franchisee shall also maintain a local or toll-free after-hours telephone number for use during other than normal business hours. Franchisee shall have a representative or answering service (a voice mail system is acceptable) available at the after-hours telephone number during all hours other than normal office hours.

#### **6.9.3 SB 1383 Regulatory Non-Compliance Complaints.**

For complaints received in which the Person alleges that a Customer is in violation of SB 1383 Regulations, Franchisee shall document the information. Franchisee agrees to maintain a computer database log of all applicable oral and written complaints received by Franchisee from Customers or other Persons, and maintain the log of complaints for at least twenty-four (24) months. The Franchisee shall provide, upon request, the Department with a brief report for each SB 1383 Regulatory non-compliance complaint within ten (10) working/calendar days of receipt of such complaint, and a quarterly summary report of SB 1383 Regulatory non-compliance complaints.

#### **6.9.4 Investigation of SB 1383 Regulatory Non-Compliance Complaints.**

Franchisee shall commence an investigation within thirty (30) days of receiving a Complaint. The Franchisee shall investigate a complaint that a Customer may not be compliant with SB 1383 Regulations, after receiving the non-compliance complaint

directly or through the Department's request to investigate a non-compliance complaint. If the Department determines that the non-compliance complaint merits further action, Franchisee is required to investigate non-compliance complaints against Customers but not against Food Recovery Organizations or Food Recovery Services.

Franchisee shall investigate the non-compliance complaint using one or more of the following methods:

1. Reviewing the Service Level of the Customer that may not be compliant with SB 1383 Regulations;
2. Reviewing the waiver list to determine if the Customer has a valid de minimis, physical space constraint, or Collection frequency waiver;
3. Reviewing the Self-Haul registration list to determine if the Customer has registered and reviewing the Customer's reported Self-Haul information;
4. Subject to Customer's consent, inspecting Premises of the Customer, if warranted; and/or,
5. Contacting the Customer to gather more information, if warranted.

Within ten (10) Work Days of completing an investigation of an SB 1383 Regulatory non-compliance complaint, Franchisee shall submit an investigation report that documents the investigation performed and recommends to the Department whether or not the Customer is in compliance with SB 1383 Regulations. The Director shall make a final determination of the allegations in the complaint against the Customer.

#### **6.9.5 Resolution Disputed Customer Complaints**

1. The Franchisee shall provide Customers with a summary of the Complaint resolution procedure in this Section at the time Customers apply for service or on their website.
2. A Customer dissatisfied with Franchisee's decision regarding a Complaint may ask the Department to review the Complaint. To obtain this review, the Customer must request Department review within thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of submitting the Complaint to the Franchisee, if the Franchisee has failed to respond to the Complaint. The County may extend the time to request its review for good cause.
3. Before reviewing the Complaint, the Director shall refer it to the Franchisee. If the Franchisee fails to cure the Complaint within ten (10) days, the Director shall review the Customer's Complaint and determine if further action is warranted. The Director may request written statements from the Franchisee and Customer, and/or oral presentation.
4. The Director shall determine if the Customer's Complaint is justified, and if so, what remedy, if any, shall be imposed. The remedy under this Section shall be

limited to: (1) a rebate of Customer charges related to the period of breach of any of the Terms of this Agreement, or (2) any actual damages not subsequently cured by Franchisee.

5. The decision of the Director shall be final on any matter under \$2,500. In the event of a decision on a matter awarding \$2,500 or more, Franchisee may seek review pursuant to Section 12.9.

## **6.10 Emergency Services**

### **6.10.1 Preparedness**

Upon request, Franchisee shall provide its management expertise and contribute to County's emergency preparedness planning efforts at no additional charge to County.

### **6.10.2 Assistance with Disaster Recovery**

In the event of any natural or man-caused emergency or Disaster, Franchisee shall Collect and dispose of Solid Waste resulting from the emergency or Disaster. Franchisee shall help County and Customers recover from the Disaster in a prompt and cost-effective manner. Franchisee shall provide the Collection equipment and personnel normally assigned to the County for the number of Work Days that that equipment and personnel typically work in the County.

### **6.10.3 Additional Costs; Reimbursement for Disaster Recovery Services**

If the emergency or Disaster requires the Franchisee to rent additional equipment, employ additional personnel, or work existing personnel overtime to Collect additional Solid Waste resulting from the event, Franchisee shall receive additional compensation, above its normal compensation in this Agreement, to reimburse Franchisee for its additional costs. The Franchisee's additional costs shall be based on the incremental amount of labor and equipment used by Franchisee to Collect Solid Waste resulting from the event. For its additional labor and equipment, the Department shall reimburse Franchisee based on the emergency service rates shown in Exhibit 8 – Emergency Service Rates. The rates in Exhibit 8 shall be adjusted each year on July 1st based on the same CPI-only rate adjustment percent increase calculated pursuant to Section 10.4. Prior to incurring any such additional costs, Franchisee shall obtain the Department's written authorization to incur such costs.

### **6.10.4 County-wide Effort to Manage Disaster Debris**

If the County decides to oversee a coordinated effort to manage the Collection and Recycling of Disaster-related Solid Waste on a County-wide basis, Franchisee shall provide County with its management expertise, including a full-time Recycling coordinator with the background, knowledge and capability to assist in such an effort. Franchisee shall provide this individual at no additional cost to County or its Customers.

#### **6.10.5 Record Keeping and Reimbursement**

Franchisee shall assist the County and Customers in obtaining any applicable Disaster reimbursement and/or insurance claims by providing accurate records regarding the cost of services it provides during the aftermath of the Disaster, and the amount of Solid Waste resulting from the Disaster.

## **7 Standard of Performance**

### **7.1 General**

Franchisee shall always comply with Applicable Law and regulations and provide services in a manner that is safe to the public and the Franchisee's employees.

### **7.2 Hours of Service**

To preserve peace and quiet, Solid Waste shall not be Collected between the hours of 7:00 p.m. to 6:00 a.m. for Commercial accounts more than one hundred fifty (150) feet from Residential areas, and from 7:00 p.m. to 7:00 a.m. in Residential areas. Site and route-specific exemptions may be made to this limitation by the Director. The Franchisee shall adjust the early morning start point of Collection routes to address and minimize service Complaints when warranted and as practicable.

The Franchisee shall be prepared to review its operations plan outlining the Collection routes, intervals of Collection and Collection times for all materials Collected under this Agreement with the Department once annually upon thirty (30) calendar days written notice requesting said review. More frequent reviews may be required if operations are not satisfactory based on documented observations or Complaints. If the plan is determined to be inadequate by the Department, the Franchisee shall revise its plan incorporating any changes into a revised plan and review said revised plan with the Department within thirty (30) calendar days.

### **7.3 Collection Holidays**

If the regularly scheduled Collection day falls on a Holiday observed by the Landfill or other Disposal Facility, Franchisee shall observe the Holiday and postpone Collection Service for such route until the next Work Day. In such cases, Saturdays of those weeks shall be considered a Work Day.

For example, a Wednesday Holiday would delay Wednesday, Thursday, and Friday Collection each to the following Work Day. Friday Collection would be permitted on Saturday.

Franchisee shall give advance notice to all Customers affected by delay in their regular service due to a Holiday reschedule. Single-Family Premises Collection shall only take place Monday through Friday, except when Saturday Collection is necessary due to a Holiday or unexpected route delays.

### **7.4 Missed Pick-ups**

When notified of a missed pick-up, the Franchisee shall Collect the Refuse, Recyclable Materials, and Organics Waste the same Work Day, if notified by 12:00 noon, otherwise Franchisee shall Collect the Refuse, Recyclable Materials, and Organics Waste by 5:00 P.M. of the following Work Day following the date of the notification. These missed pick-

up times do not apply if the Franchisee can provide documentation that Containers were not placed for Collection in a timely manner (evidence may include a report by the driver, provided at time of normal Collection, indicating no Container had been placed out for Collection) or Collection was not possible due to an obstruction. In the case of obstructed Containers, Franchisee shall arrange to have the dispatcher call the Customer to try to have the obstruction removed and the Solid Waste to be Collected later in the same day. If Franchisee demonstrates to the satisfaction of the Director, a pattern of ongoing late "set-outs" of Containers or wrongful Customer notifications by any Customer, missed pick-ups resulting from late set-outs by that Customer shall not be counted as missed pick-ups in evaluating Franchisee's performance. Franchisee shall tag all Containers that are not Collected. The tag shall include the date, time of attempted Collection, and the reason for non-Collection. A summary of missed pickups shall be submitted to the Department quarterly as described in Section 8.4.4.

### **7.5 Manner of Collection**

The Franchisee shall Collect Solid Waste with as little disturbance as possible and shall leave any receptacle at approximately the same point it was Collected. The Franchisee shall exercise due care and diligence in the Collection process and endeavor to prevent spilling, scattering or dropping materials. However, in the event that material is spilled, scattered or dropped, the Franchisee shall immediately cleanup the material upon discovering or receiving notice of such spill, place it in the Container and then empty the Container. Franchisee shall use its best effort to replace the Container to the nearest point of Collection.

### **7.6 Commingling of Refuse, Recyclables and or Organics**

Franchisee shall not commingle in a Collection vehicle Refuse, Recyclable Materials, or Organic Waste with each other when Collected by Franchisee unless otherwise specifically authorized by the Department. Franchisee shall not be deemed to have violated this Section where such materials were commingled prior to Collection by Franchisee or where the Container contains Prohibited Container Contaminants.

### **7.7 Collection Equipment Requirements**

#### **7.7.1 General**

Franchisee shall provide vehicles that are sufficient in number and capacity to efficiently perform the work required by this Agreement. Franchisee shall always maintain reserve Collection equipment which can be put into service within two (2) hours of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by Franchisee to perform its regular Collection services. Franchisee shall provide vehicles and equipment that can safely navigate all County roads, streets and alleys, both public and private. All vehicles used by Franchisee shall be registered with the



Department of Motor Vehicles of the State of California. Franchisee shall equip vehicles to prevent Solid Waste from being blown or otherwise escape from the vehicle. Franchisee shall promptly clean any spillage or Solid Waste that leaks or otherwise escapes its vehicles. No vehicle shall be utilized if it is leaking fluids. Franchisee shall clean up any leaks or spills from its vehicles. Franchisee shall equip all Collection vehicles with absorbent for such cleanups. No fluids shall be washed into storm drains at any time.

#### **7.7.2 Appearance**

Franchisee shall uniformly paint each vehicle and perform all necessary body work as frequently as necessary to maintain a positive public image. Franchisee shall mark both sides of each vehicle with the Franchisee's name, local or toll-free telephone number, and a vehicle number in letters not less than six (6) inches in height. Franchisee shall maintain each vehicle in a clean and sanitary condition both inside and out.

#### **7.7.3 Maintenance**

Franchisee shall perform all scheduled maintenance functions upon Collection vehicles in accordance with the manufacturer's specifications and schedule. Franchisee 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 and operable condition. Franchisee shall keep accurate records of all Collection vehicles maintenance and repair, recorded according to date and mileage, including signed verifications that repairs and maintenance have been properly performed, and shall make such records available to the Department upon request.

#### **7.7.4 Emissions**

Franchisee's Collection vehicles shall comply with all rules and regulations of the South Coast Air Quality Management District (SCAQMD) and any other air-quality regulatory body that may have jurisdictional authority during the Term of this Agreement.

The County and Franchisee agree that Franchisee's obligations and/or scope of services under this Agreement exclude any existing 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, including without limitation Sections 2015 et seq. of Title 13 of the California Code of Regulations. Should future interpretation, implementation and enforcement of such existing Applicable Law apply to any of Franchisee's vehicles used in the provision of services under this Agreement during the Term, then the County and Franchisee 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 Franchisee shall be entitled to a rate adjustment in accordance with Section 10.8 for such change in Franchisee's obligations and/or scope of services under this Agreement.

#### **7.7.5 Noise**

Franchisee's vehicles using compaction mechanisms during the stationary compaction process shall not exceed a noise level of seventy-five (75) decibels (dB) twenty-five (25) feet from the Collection vehicle measured at an elevation of five (5) feet above ground level. Franchisee shall submit to the Department, upon request, a certificate of vehicle noise level testing, by an independent testing entity, for any Collection vehicle which County or Franchisee has received more than one Complaint regarding excessive noise in a twelve-month period.

#### **7.7.6 Safety**

Franchisee shall equip each vehicle with appropriate safety equipment, including any new safety related technologies that become standard in the waste industry during the Term of this Agreement. Collection vehicles shall be well marked and highly visible. At a minimum, compaction Collection vehicles shall have a back-up warning alarm, and a video camera back-up system, or its equivalent.

#### **7.7.7 Vehicles Used for Bulky Items**

Vehicles used for Collection of Bulky Items shall not use compactor mechanisms or mechanical handling equipment that may damage reusable goods or release Freon or other gases from pressurized appliances. Franchisee may use vehicles with mechanical packing mechanisms if used for the purpose of Collecting Bulky Items that are not deemed Recyclable or reusable.

#### **7.7.8 Inspection of Vehicles**

Franchisee shall inspect each Collection vehicle daily to ensure that all equipment is operating properly. Collection vehicles that are not operating properly shall be removed from service until repaired and operating properly. Franchisee shall regularly inspect each Collection vehicle to ensure it meets the requirements of the California Vehicle Code and the California Highway Patrol. Upon the Department's request, Franchisee shall provide copies of its Basic Inspection of Terminals ('BIT') inspection reports to the Department. Franchisee shall make all inspection records related to its vehicles available to the Department upon request by the Director. Upon fifteen (15) days' notice, the Department may cause or require any Collection vehicle used in performance of this Agreement to be inspected and tested and in such manner as may be appropriate to determine that the vehicle is being maintained in compliance with the provisions of this Agreement. Upon request, Franchisee shall furnish the Department a written inventory of all equipment, including Collection vehicles, used in providing service pursuant to this Agreement. This inventory shall list all equipment by manufacturer, ID number, date of acquisition, type, and capacity. Any Collection vehicles that the Director deems inappropriate for use in

County for any reason (including its appearance) shall be removed from service in County, until such time as the Director reasonably determines that the issue regarding said Collection vehicle is corrected.

#### **7.7.9 Minimization and Reporting of Spills; Litter Abatement**

The Franchisee shall use due care to prevent Solid Waste or fluids from leaking, being spilled and/or scattered during the Collection or Transportation process. If any Refuse, Recyclables, Organic Waste, or fluids leak or are spilled during Collection, the Franchisee shall promptly clean up all such materials. A broom and shovel shall be carried on each Collection vehicle for this purpose. Franchisee shall notify the Department within ninety (90) minutes of spill of any material with the potential to reach the storm drains, including all liquids. The Franchisee shall not transfer Solid Waste from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, accidental damage to a vehicle, an emergency or a pre-approved method of Solid Waste transfer between vehicles, without prior written approval by the Department.

During the Collection or Transportation Process, the Franchisee shall clean up litter in the immediate vicinity of any Refuse, Recyclables or Organic Waste storage or Collection area regardless of whether the Franchisee has caused the litter. The Franchisee shall identify and report to the Department instances of repeated spillage not caused by Franchisee directly and the Customer responsible for such spillage. The Department will attempt to rectify such situations with the Customer if the Franchisee has already attempted to do so without success.

#### **7.8 Containers**

Franchisee shall provide all Customers with Collection Containers that comply with the Container color requirements specified in 14 CCR Section 18984.7 of the SB 1383 regulations. Notwithstanding this Section, the Franchisee is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of this Section prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first. All new Containers described in this Section must also comply with the labeling requirements in SB 1383, with labels that include language, graphic images, or both, that indicate the primary materials accepted and may include the primary materials prohibited in those Containers.

##### **7.8.1 Carts**

Franchisee shall provide Carts to Customers with Cart Collection Service during the Term of this Agreement. Carts and Cart lids must meet color, size, uniformity, and quality requirements of this Agreement. Franchisee shall provide and maintain Carts and Cart lids with consistent colors and in good condition. Franchisee shall maintain all Carts in good repair. Carts shall be marked or labeled to include the Franchisee's name and phone

number, and information about what materials should and should not be placed in each type of Cart. Cart markings and labels shall be subject to Department approval.

#### **7.8.2 Cart Replacement**

Any Cart damaged by the Franchisee shall be replaced by the Franchisee, at the Franchisee's expense. The Franchisee shall be responsible for graffiti removal, repair and maintenance of Franchisee owned Carts, and said Carts will be repaired or exchanged within seven (7) Work Days of notification of damage or graffiti. Franchisee shall proactively inspect Carts for damage and graffiti during their regular servicing. If a Cart is lost, stolen or damaged beyond repair through no fault of the Franchisee, the Franchisee shall deliver a replacement Cart to Customer by the next regularly scheduled Collection day provided that the Customer notifies the Franchisee up to three (3) Work Days in advance of the next Collection day. Each Cart Customer shall be entitled to the replacement of one (1) lost, destroyed, or stolen Refuse Cart, one (1) lost, destroyed, or stolen Recycling Cart, and one (1) lost, destroyed, or stolen Organic Waste Cart during the Term of this Agreement at no cost. For replacements of more than one (1) lost, destroyed, or stolen Cart of each type/color during the Term through no fault of Franchisee, Franchisee may charge Customer the Cart replacement fee as set forth in Exhibit 5.

#### **7.8.3 Ownership of Containers**

Franchisee shall own all Containers provided under this Agreement. In the event this Agreement is not extended or renewed, Franchisee shall remove all Containers in service from the County within thirty (30) days after termination of this Agreement unless otherwise agreed upon by the parties in writing.

#### **7.8.4 Bins**

Franchisee shall provide Bins to Customers with Bin Collection Service during the Term of this Agreement. The size and quantity of Bins shall be determined by mutual agreement between the Customer and Franchisee and shall be subject to Department approval. The Franchisee shall maintain Bins in a clean condition and free from Putrescible Waste residue that causes a nuisance, odors or vector harborage. Bins shall be constructed of heavy metal, plastic, or other durable material and designed to limit leaking. Bins shall be well painted and maintained in good repair. Franchisee shall mark each Bin with the name of Franchisee and phone number in letters not less than three (3) inches high. Bins shall be labeled to include instructions on what materials should and should not be placed in the Bin. All Bins shall be painted a uniform color to comply with the Container color requirements of 14 CCR Section 18984.7.

#### **7.8.5 Bin Exchange**

Upon Customer request, or if required to maintain the Bins in a clean condition, Franchisee shall provide one (1) free Bin cleaning or exchange once per calendar year at

no additional charge. Franchisee may charge the Customer a fee for subsequent Bin exchange in a calendar year in accordance with the rate set forth in Exhibit 5. Franchisee shall remove graffiti from any Bin or replace such Bin within seven (7) Work Days of request by Customer. Franchisee shall proactively inspect Containers for damage and graffiti during the regular servicing of Customer Containers.

#### **7.8.6 Locking Bins**

Franchisee shall provide locking Bins upon Customer request. Franchisee may charge Customer a monthly charge for locking Bins in accordance with the approved rate schedule set forth in Exhibit 5.

#### **7.8.7 Roll-Off Boxes**

Franchisee shall provide Roll-Off Boxes to Customers with Roll-Off Collection Service sufficient to meet Customer demand throughout the Term of this Agreement. Franchisee shall keep all Roll-Off Boxes clean, well-painted, free from graffiti, and in good repair. Franchisee shall display the name and phone number of Franchisee in letters not less than three (3) inches high on Roll-Off Boxes. Colors and labelling of the Roll-Off Boxes shall be subject to advance approval by the Department.

#### **7.8.8 Roll-Off Compactors**

Maintenance of Customer-owned Roll-Off Compactors shall be the responsibility of the Customer, and not the Franchisee. Franchisee may sell, or lease Roll-Off Compactors to Customers. Any such sale or lease shall be outside the scope of this Agreement. Any proceeds to Franchisee from the sale or lease of Roll-Off Compactors are not included in Gross Receipts.

### **7.9 Personnel**

Franchisee shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical, and efficient manner. All drivers shall be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles. Franchisee also agrees to establish and enforce an educational program that will train the Franchisee's employees in the identification of Hazardous Waste. Franchisee's employees shall not knowingly place such Hazardous Waste in the Collection vehicles, nor knowingly dispose of such Hazardous Waste at the Processing Facility or Disposal Facility. Franchisee shall provide suitable operational, health, and safety training for all its employees who use or operate equipment or who are otherwise directly involved in Collection or other related operations.

For Franchisee's personnel that need access to secured County facilities, the Department shall provide any needed keys, access codes and/or badges. For Franchisee personnel

that leave Franchisee's employment, Franchisee shall return access badges to the Department within forty-eight (48) hours.

#### **7.9.1 Conduct**

Franchisee's employees shall conduct themselves in a competent, thorough, and courteous manner. Upon direction by the Department, Franchisee shall transfer out of the County any employee who materially violates any provision in this Agreement, or who is negligent, careless, or discourteous in the performance of their duties. Franchisee's field operations personnel shall wear a clean uniform with the Franchisee's name. Franchisee's employees shall not in any way represent themselves as employees of County.

#### **7.9.2 Fees and Gratuities**

Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to request, solicit, demand or accept, either directly or indirectly, any compensation or gratuity for services required under this Agreement.

#### **7.9.3 Right of Entry**

To the extent that the County can grant such a right, Franchisee shall have the right, until receipt of written notice revoking permission is delivered to Franchisee, to enter or drive on any private street, court, place, easement or other private property for the purpose of providing temporary Bin/Roll-Off services and Collecting or transporting Solid Waste pursuant to this Agreement.

#### **7.9.4 Drug and Alcohol Testing**

Franchisee shall prescreen all applicants seeking employment that would result in the applicant, if hired, driving Franchisee's vehicles within County. The prescreening shall include drug and alcohol testing by a certified independent testing laboratory. Franchisee shall reject any applicant for employment within County who tests positively for any prohibited substance. In addition, Franchisee shall conduct unannounced random drug and alcohol testing of all employees performing driving duties within County pursuant to the regulations administered by the Federal Motor Carrier Safety Administration (49 CFR, Part 40). The random testing shall be conducted by a certified independent testing laboratory. Any employee who tests positive for prohibited substances or alcohol shall be immediately and permanently removed from any assignment to perform duties under this Agreement.

#### **7.9.5 Service Supervisor**

Franchisee has designated a service supervisor to oversee the Collection service within the County. At least thirty (30) calendar days prior to replacing the designated supervisor Franchisee shall notify the Department in writing of the name and qualifications of the

new service supervisor. Franchisee shall ensure that such replacement is an individual with like qualifications and experience. The service supervisor shall be available to the County by mobile phone at all times that Franchisee is providing Collection Services. In the event the supervisor is unavailable due to illness or vacation, Franchisee shall designate an acceptable substitute who shall be available and who has the authority to act in the same capacity as the supervisor, the service supervisor shall provide the Department with an emergency phone number where the supervisor can be reached outside of normal business hours.

#### **7.9.6 Government Liaison**

Franchisee shall designate in writing a field supervisor (i.e., route manager) as a "government liaison" who shall be responsible for working with the Department to resolve customer service-related Complaints and strategize with the Department on an on-going basis regarding more efficient Collection practices. The Department shall have the right to approve the Franchisee's choice for a liaison, which approval shall not be unreasonably withheld.

#### **7.9.7 Non-discrimination**

Franchisee shall not discriminate against any Person based on such Person's race, sex, color, national origin, religion, creed, marital status, age, disability, or sexual orientation. Franchisee shall comply with all applicable local, State, and federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.

#### **7.9.8 Lockouts**

Franchisee shall not institute a lockout of any or all of its employees unless Franchisee has previously provided an alternate plan of continuing the level of services required under this Agreement during the entire possible period of such a lockout with ample fully trained substitutes for all such locked-out employees, and the Department has approved such alternate plan in writing prior to such lockout being instituted by Franchisee.

#### **7.10 Hazardous Waste Inspection and Handling**

Franchisee has the right and obligation to inspect Solid Waste put out for Collection and to reject Solid Waste observed to be contaminated with Household Hazardous Waste or Hazardous Waste. In the event Franchisee observes any Household Hazardous Waste or Hazardous Waste, Franchisee shall reject the material, tag the Container, notify the Customer of the non-Collection (including instructions to the Customer for the proper method to discard of Hazardous Waste), and record the event in the Customer's profile in Franchisee's billing system. In addition to other required notifications, if Franchisee observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on any County property,

including storm drains, streets or other public rights of way, Franchisee shall take a digital photo of the material and Container, and immediately notify the Department.

#### **7.11 Refusal to Collect**

When Solid Waste is not Collected from any Customer, Franchisee shall notify its Customer in writing, at the time Collection is not made, using a 'tag' or otherwise (including electronic means, such as e-mail or text message), of the reasons why the Collection was not made.

#### **7.12 Load Weight**

Franchisee shall not load its Collection vehicles such that the vehicle's gross weight (the total weight of the load and the vehicle) exceeds the manufacturer's gross vehicle weight rating (GVWR) or exceeds any other weight limits imposed by State or local laws or regulations.

##### **7.12.1 Pavement Damage**

Franchisee shall be responsible for any extraordinary damage to driving surfaces, whether or not paved, resulting from the weight of vehicles providing Collection services when it can be demonstrated that such damage is caused by vehicles exceeding the legal maximum weight limits of the State of California or the negligent operation of vehicles by Franchisee's employees. Any investigation of extraordinary damage to pavement shall take into account the use by other parties. Pavement damage occurring when Franchisee's operations are not found to be unlawful or negligent shall be deemed normal wear and tear.

##### **7.12.2 Property Damage**

Franchisee shall, at Franchisee's expense, repair or replace any physical damage caused by the negligent actions or omissions of employees, officers, or agents of the Franchisee to private or public property. Property shall be promptly repaired or replaced by the Franchisee upon completion of a proper investigation which proves that the Franchisee was at fault of said damage.

#### **7.13 Route Maps and Changes**

Upon request by Department, Franchisee shall provide the Department with maps of Franchisee's routes in a format acceptable to the Department. Franchisee shall submit to the Department, in a format acceptable to the Department, maps of any proposed Hauler Route changes at least thirty (30) Work Days prior to the proposed date of implementation. Franchisee shall not implement any Hauler Route changes without the prior review of the Department.



#### **7.14 Change in Collection Schedule**

The Franchisee shall notify the Department thirty (30) calendar days prior to, and Single-Family Premises not later than fifteen (15) calendar days prior to, any change in Collection operations which results in a change in the day on which Single-Family Premises Solid Waste Collection occurs. The Franchisee shall not permit any Customer to go more than seven (7) calendar days without service in connection with a Collection schedule change. The Department's approval of any change in the Collection schedule is required prior to such change, and such approval will not be withheld unreasonably.

#### **7.15 Diversion Requirements**

Should the County not meet any State requirements under AB 939 or SB 1383 for the waste stream covered under this Agreement, and if the County reasonably determines that the Franchisee has not maximized Diversion from the services and programs contemplated under this Agreement, the Franchisee agrees to undertake its commercially reasonable efforts to implement programs and provide equipment necessary in order for the County to comply with Applicable Law.

Franchisee hereby agrees to assist the County to meet or exceed, on an annual basis, the minimum Diversion requirements by undertaking the following actions:

1. Except for Container Contamination, Organic Waste collected from homeless encampments, or material subject to quarantine by the California Department of Food & Agriculture, Collect and deliver all Organic Waste to an approved Organics Waste Processing Facility for Processing and Diversion.
2. Except for Container Contamination, Collect and deliver all Recyclable Materials to an approved Processing Facility, or other certified Recycling Facility, for Processing and Diversion.
3. Collect and deliver all Refuse to an approved Disposal Facility.
4. Collect and deliver all Construction and Demolition Debris to an approved Facility (or other certified C&D Facility that complies with Applicable Law) for Processing and Diversion.
5. Only Container Contamination, residue, or material in Gray/Black Containers will be delivered to Landfill or Engineered Municipal Solid Waste (EMSW) Facility for Disposal.
6. All other material must go to the applicable approved Facility for Processing and Diversion.
7. Franchisee must take all commercially reasonable and lawful actions to maximize Diversion of materials from Landfills.

8. Franchisee shall develop and provide sufficient accurate information and data as necessary for the County annually to provide reporting with respect to the Diversion Requirement to CalRecycle.
9. Franchisee shall implement public education and outreach programs as required under this Agreement.

If CalRecycle determines that County has failed to meet the minimum Diversion requirements, and the County reasonably determines that such failure is attributable to the waste stream Collected under this Agreement, Franchisee must prepare, at Franchisee's cost and expense, and timely submit a corrective action plan to County sufficient to demonstrate good faith efforts by Franchisee to comply with minimum Diversion requirements. The corrective action plan must be reasonably acceptable to the County. Franchisee must implement all measures identified in the corrective action plan at its sole cost and expense, unless the failure to meet Diversion requirements was due to a Change in Applicable Law or due to the negligent acts or omissions of the County or other County Franchisee.

Nothing contained herein shall prohibit Franchisee from meeting its Diversion requirements by any alternative methods or procedures, provided it complies with AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383, and/or any other Applicable Law, as may be amended from time to time.

## **8 Record Keeping and Reporting**

### **8.1 Record Keeping**

Subject to Applicable Law related to privacy and data security, Franchisee shall maintain Customer contact data, customer service, accounting, statistical, operational, and other records related to its performance as shall be necessary to provide reporting required by this Agreement and Applicable Laws, and to demonstrate compliance with this Agreement and Applicable Laws (such as, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, and SB 1383 statutes and corresponding regulations). Franchisee shall maintain adequate records, and corresponding documentation, of information required by Section 8.4, such that the Franchisee is able to produce accurate quarterly and annual reports, and is able to provide records to verify such reports. Franchisee shall make these records available and provide to the Department any record or documentation necessary for the County to fulfill obligations under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, and SB 1383 statutes and corresponding regulations; and, other current or future federal, State, or local statutes and regulations, as amended. Upon request by the Department, the Franchisee shall provide access to Franchisee's records in a timely manner subject to Section 8.4.6 of this Agreement.

#### **8.1.1 Record Retention and Security**

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports. Franchisee's records shall be stored in one central location, physical or electronic, that can be readily accessed by the Franchisee. The County reserves the right to require the Franchisee to maintain the records required in this Agreement through the use of a County-selected web-based software platform, at Franchisee's expense, subject to Applicable Law regarding privacy and data security. Franchisee shall retain all records and data required to be maintained by this Agreement for the Term of this Agreement plus five (5) years after its expiration or earlier termination. Records and data shall be in chronological order and in organized form to facilitate review and interpretation. Franchisee 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 data and records shall be protected and backed-up. To the extent that Franchisee utilizes its computer systems to comply with record keeping and reporting requirements under this Agreement, Franchisee shall, on a quarterly 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 data required.

### **8.1.2 Billing Records**

The Franchisee shall maintain records of billings and receipts for a period of five (5) years after the date of service for inspection by the Department upon request at no cost at Franchisee's local office.

### **8.1.3 CERCLA Defense Records**

The County views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), State Hazardous Substance Law, and related litigation as a matter of great importance. For this reason, the County regards the ability to prove where Solid Waste Collected in the County was taken for Disposal, as well as where it was not taken, to be of utmost importance. The Franchisee shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the County was landfilled (and therefore establish where it was not landfilled) and provide a copy of the tonnage reports required in Section 8.4 to the Department for twenty-five (25) years after termination or expiration of this Agreement. The Franchisee agrees to notify the Department at least ninety (90) days before destroying such records. This provision shall survive the expiration or termination of this Agreement.

### **8.1.4 Compilation of Information for State Law Purposes**

Franchisee shall maintain accurate records of its operation related to its performance of its obligations under this Agreement, including, but not limited to, tonnages of discarded materials Franchisee Collected and quantities transported or transferred to each approved Facility, listed separately by material type, Customer type, and Facility where such materials were Disposed. Records shall be maintained in such form by methods that facilitate the use of data for the production of reports as needed. The Franchisee shall make these records related to its performance of its obligations under this Agreement available and provide to the Department any record or documentation necessary for the County to fulfill obligations under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, AB 1595, and SB 1383 statutes and corresponding regulations and other current or future local, Federal or State statutes and regulations that become applicable to this Agreement. In addition to these records, Franchisee shall also provide quarterly and annual reporting as outlined in Section 8.4 and required by State Law. The County reserves the right to request additional information to reasonably comply with applicable State Law subject to Franchisee's right to seek a rate adjustment in accordance with Section 10.8. Reports shall be provided in a format approved by the Department. Except as set forth in Section 13.3 and Applicable Law, data and information pertaining to services performed under this Agreement shall be the property of the Department.

## **8.2 Audit of Records**

The records and accounting records of Franchisee and County shall be subject to audit and inspection, for the primary purpose of reviewing billing operations, accounts receivable and customer service, by either party, its auditors or other agents, once every three (3) years during the Term. Such audit or inspection shall take place at a Department facility, if practicable, or at a Franchisee facility in Riverside County. The Franchisee shall reimburse the Department for half of the actual cost of such audit, up to a maximum of fifty thousand dollars (\$50,000.00) for the Franchisee's portion for each audit. In the event either party engages a qualified professional service provider to perform any such audit, the qualified professional service provider shall agree to a reasonable non-disclosure agreement with Franchisee to protect Franchisee's proprietary, confidential, and trade secret information and subject to California privacy rights to the extent permitted under Applicable Law. Any such non-disclosure agreement shall not preclude the qualified professional from providing workpapers or disclosing any such information to the Department. The Department agrees to protect any such confidential information from public disclosure. If such audit discloses an underpayment, the appropriate party shall promptly repay such underpayment, together with interest at the rate of twelve percent (12%) computed from the date of underpayment. If an audit discloses an overpayment by either party, the party receiving the overpayment shall promptly refund the overpayment without interest, or credit it without interest against sums owed by the other party.

## **8.3 Performance Audit**

### **8.3.1 Selection and Cost**

The Department may conduct performance reviews of Franchisee's performance. The performance reviews may be conducted by the Department or by a qualified firm under contract to the County. The Department shall be responsible for the selection of the firm but shall seek and accept comments and recommendations from Franchisee. Franchisee shall reimburse the Department for half of the actual cost of the performance review, up to a maximum of fifty thousand dollars (\$50,000.00) for the Franchisee's portion for each review. The Department shall not conduct performance reviews more often than once every three years during the Term. The qualified professional firm shall agree to a reasonable non-disclosure agreement with Franchisee to protect Franchisee's proprietary, confidential, and trade secret information and subject to California privacy rights to the extent permitted under Applicable Law. Any such non-disclosure agreement shall not preclude the qualified professional from providing workpapers or disclosing any such information to the Department.

### **8.3.2 Purpose**

The performance reviews shall be designed to meet the following objectives:

1. Verify that Customer billing rates have been properly calculated and they correspond to the level of service received by the Customer.
2. Verify that Franchise Fees, and other fees required under this Agreement have been properly calculated and paid to the Department.
3. Verify Franchisee's compliance with the reporting requirements and performance standards of this Agreement.
4. Verify the Diversion percentages reported by Franchisee.
5. Evaluate the Franchisee's vehicle and worker safety record.
6. Evaluate any other aspect of the Franchisee's performance required under the Agreement.

### **8.3.3 Franchisee's Cooperation**

Subject to any Applicable Law regarding privacy and data security, Franchisee shall make its Customer base and records available to the Department for audit for purposes relevant to performance reviews and rate adjustment requests under the Agreement. Franchisee shall cooperate fully with each performance review and provide all requested data, including operational data, financial data and other data related to Franchisee's performance of this Agreement requested by the Department within thirty (30) calendar days or other time agreed by the Franchisee and Department. Failure of Franchisee to cooperate or provide the requested documents in the required time shall be considered an event of default.

## **8.4 Reporting and Information Transfer**

### **8.4.1 Reports and Data – Purpose and Format**

Franchisee shall provide the Director the periodic reports regarding waste stream Collection, recovery and Disposal specified in this Section. Franchisee shall maintain records and data in forms that facilitate preparation of useful reports, and the efficient transfer of needed data. All reports and data shall be adequate to enable the County to:

- a) Meet reporting requirements to CalRecycle related to the Services provided by Franchisee under this Agreement, including but not limited to AB 939, AB 341, AB 1826, and SB 1383.
- b) Monitor the individual SB 1383 compliance of the Franchisee's Commercial and Multi-Family Customers.
- c) Determine and set rates and evaluate the efficiency of operations.
- d) Evaluate progress toward the County's waste Diversion goals.
- e) Evaluate customer service and Complaints.

The Franchisee may propose report formats that are responsive to the County's objectives. The Department shall have the right to approve or modify the format of each report. The Franchisee shall provide a statement signed by a representative certifying to the best of their knowledge, under penalty of perjury, the accuracy of each report indicating that the report is true and correct.

Franchisee agrees not to release or circulate in whole or part such materials, reports, records or data without prior written authorization of the County.

#### **8.4.2 Customer Data Transfer**

The Franchisee shall submit all reports by electronic means in a format compatible with the County's computers and software, or any reasonable format specified by the County's software company. The Department reserves the right to require Franchisee to periodically transfer Customer data via an Application Program Interface (API) to a County selected web-based software platform (similar to 'Minerva®' or 'Recyclist'), at Franchisee's expense.

#### **8.4.3 Reports – Schedule**

Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by October 31, 2024 and shall cover the period from the Effective Date of this Agreement through the end of each quarter. Franchisee shall submit annual reports required by this Agreement or Applicable Law no later than January 31 of each year. If requested by the Department, the Franchisee shall submit to the Department its Complaint summary, described in Section 6.9, within ten (10) Work Days of request.

#### **8.4.4 Reports - Quarterly**

Quarterly reports shall include, at a minimum, the following information:

##### **8.4.4.1 Collection Summary**

The Franchisee shall provide a report that lists the quantity in tons (or cubic yards if tonnage information is not available) of Solid Waste Collected by month and the number of accounts serviced monthly. The amount of material Collected by the Franchisee shall be sorted by type of material (Refuse, Recycling, Organics, Bulky Items, etc.) and type of Customer (Residential, Commercial, Roll-Off, etc.). The number of tons taken to each Facility each month and where the tons were Processed or Disposed shall also be included in this report. The Department may, at its discretion, also require reporting by volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density factors.

#### **8.4.4.2 Customer Type Summaries**

The Franchisee shall provide summary reports detailing the following information for each account type:

- a) Single-Family Premises Customers:
  - a. The number of Customers subscribed to each Cart size;
  - b. The number of Bulky Item Collections performed during the month; and
  - c. A list of delinquent accounts
- b) Commercial Customers:
  - a. Total number of Commercial Customers;
  - b. Number of each type of account subject to AB 341 and AB 1826;
  - c. Number of each type of account in compliance with AB 341 and AB 1826;
  - d. Number of accounts in compliance and not in compliance with SB 1383 via participation in Franchisee's recycling programs;
  - e. Number of Customers with waivers by type of waiver;
  - f. Number of Customers participating in an Edible Food Recovery program;
  - g. The total number of Containers disposed due to the observation of Prohibited Container Contaminants;
  - h. Number of Compliance Reviews (pursuant to Section 6.8) conducted during the month with a summary of the results;
  - i. The number of Customers that received a Notice of Violation; and
  - j. All observed Commercial and Multi-Family Premises overages, and all Customers charged an overage fee in the quarter.
- c) Roll-Off Customers:
  - a. The number of loads hauled by type of Customer (permanent, C&D), and by material type.

#### **8.4.4.3 Service Performance**

The Franchisee shall provide a report summarizing the entries made in the service log (See Section 6.9) including all praises, Complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report shall identify the total number of all written or oral Customer comments and shall provide the number of comments received in the following categories: praises, litter or property damage Complaints, Abandoned Items, misplacement of Containers, stolen Containers, personnel Complaints, missed pickups, and other.

#### **8.4.4.4 Container Contamination Monitoring**

The Franchisee shall provide a summary of Container Contamination monitoring activities including:

- a) Information on efforts to minimize Container Contamination.



- b) Results of Route Reviews (Section 6.2.1) and/ or Waste Evaluations (Section 6.2.2) performed during that month, if applicable;
- c) A list of all Customers issued warning notices for contamination; and,
- d) A list of all Customers assessed Contamination Fees, if applicable.

#### **8.4.4.5 Education and Outreach**

The Franchisee shall provide their quarterly status of their public education and outreach activities. The Franchisee shall submit copies of public education materials sent to Customers or provided electronically on their websites or social media outlets.

#### **8.4.4.6 Problems Encountered**

Franchisee shall provide a narrative summary of problems encountered (including Scavenging) during the quarter and actions taken with recommendations for the County, as appropriate.

#### **8.4.4.7 Statement of Gross Receipts**

A quarterly statement of Franchisee's Gross Receipts during the previous quarter.

#### **8.4.4.8 Other Information**

Any other information reasonably requested by the Department in accordance with Section 8.4.8.

For a comprehensive list of reports, refer to Exhibit 9 – Required Reports.

### **8.4.5 Reports - Annual**

Annual reports shall include, at minimum:

#### **8.4.5.1 Diversion Summary Reports**

A summary report that summarizes information in the quarterly reports and indicates the Diversion rate for each waste sector type, including C&D. The Diversion information provided shall include quantities of all materials Collected by Franchisee. The Franchisee shall calculate the total annual waste Diversion rate (the total tonnage (or cubic yards if tonnage information is not available) of Recycled Materials and Organic Waste Collected and Diverted from Landfills, divided by the total amount of Solid Waste Collected) and provide it in this report. The Franchisee shall note unusual changes in Disposal quantities and indicate potential reason(s) for these changes. The summary report shall include a discussion of any problems in program operation and how they were resolved.

#### **8.4.5.2 Hazardous Waste**

Copy of Hazardous Waste Diversion records showing types and quantities, if any, of Hazardous Waste that was inadvertently Collected, but Diverted from landfilling.

#### **8.4.5.3 Program Implementation**

A report that recaps key events and accomplishments in regards to implementation of Recycling and Organic Waste programs during the year and summarizes the problems or barriers to implementation of services for the year. The report shall address how the problems and barriers were overcome or the proposed resolutions and schedule for correcting the problem. Franchisee shall also provide a summary of information recorded in the Franchisee's Complaint log (See Section 6.9) in this report.

#### **8.4.5.4 Education and Outreach**

The Franchisee shall submit copies of public education materials sent to Customers or provided electronically on their websites or social media outlets, and provide a summary that includes photos of the Franchisee's education and outreach accomplishments during the year.

#### **8.4.5.5 Future Programs**

The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed but have not been planned for.

#### **8.4.5.6 Equipment and Route Inventory**

The Franchisee shall provide a complete inventory of Collection equipment and other major equipment. A summary of the number of routes by type of service shall also be included.

#### **8.4.5.7 BIT Report and BASIC Score**

Franchisee shall provide their most recent BASIC Score determined by the Federal Motor Carrier Safety Administration and any of Franchisee's terminal inspection reports resulting from the California Highway Patrol's Basic Inspection of Terminals (BIT) program for facilities used by Franchisee to maintain its fleet.

#### **8.4.5.8 Litigation Information**

The Franchisee shall notify the Department of the current status of any pending criminal or civil action against the Franchisee, or any subsidiary of Franchisee that provides services under the Agreement that will interfere with Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

#### **8.4.5.9 Procurement**

A summary of a reasonable estimate of Recycled-content paper and recovered Organic products procured by Franchisee pursuant to Sections 6.5.1 and 6.5.2 of this Agreement.

#### **8.4.5.10 Gross Receipts**

A summary of Franchisee's Gross Receipts collected from Customers, and all fees paid to the Department, during the previous calendar year.

#### **8.4.5.11 Other Information**

Any other information reasonably requested by the Department related to Franchisee's performance of this Agreement in accordance with Section 8.4.8.

#### **8.4.6 California Public Records Act**

The California Public Records Act ("CPRA") requires County, in response to a request, to disclose "public records" in its possession, unless exempt from disclosure by express provisions of law. The County shall determine whether any records or information are subject to disclosure pursuant to the CPRA.

If County receives a request for records relating to the Agreement, County has sole discretion in determining its response to the request.

When County notifies Franchisee of the records request, Franchisee may request that County withhold or redact records responsive to the request by submitting to County a written request within five (5) Work Days after receipt of the County's notice. Franchisee's request must identify specific records it is requesting withheld or redacted, and applicable exemptions.

If Franchisee considers certain records, reports, or information required to be provided to the County under this Agreement to be of a proprietary or confidential nature, Franchisee may submit a written request to the Department to withhold or redact in the event of a public records request. Franchisee's request must designate specific records it is requesting withheld or redacted, applicable exemptions, and the justification for such exemptions.

At such time as the Department receives a request for records, subpoena or other court order seeking disclosure of records that are marked or identified by Franchisee as proprietary or confidential, the Department shall notify Franchisee of the request, subpoena or order, and of the Department's obligation and intent to provide a response within ten (10) days. Franchisee shall within five (5) days either: (i) consent in writing to the disclosure of the records; or (ii) seek and obtain, at Franchisee's sole cost and expense, the order of a court of competent jurisdiction staying or enjoining the disclosure of the records. If Franchisee fails to either provide written consent to the disclosure of the records or fails to notify the Department of its filing for a court order, the Department may disclose the records without further compliance with the requirements of this Section.

#### **8.4.7 Reporting of Adverse Information**

Franchisee shall provide the Department copies of all reports or other material adversely affecting Franchisee's ability to perform this Agreement that may be submitted by

Franchisee to the Environmental Protection Agency, CalRecycle or any other federal or State agency. Copies shall be submitted to the Department simultaneously with Franchisee's filing of such matters with said agencies.

The Franchisee shall submit to the Department copies of all pleadings, applications, notifications, communications and documents of any kind, submitted by the Franchisee to, as well as copies of all decisions, correspondence, and actions by any federal, State and local courts, regulatory agencies and other government bodies relating specifically to Franchisee's performance of services pursuant to this Agreement. The Department will use best efforts to keep confidential and not disclose any confidential data exempt from public disclosure pursuant to Applicable Law.

Franchisee shall submit to the Department such other information or reports in such forms and at such times as the Department may reasonably request or require.

All reports and records required under this or any other section shall be furnished at the sole expense of the Franchisee.

#### **8.4.8 Additional Information**

Franchisee shall cooperate fully with County's reporting requirements by providing the Department with requested information concerning Diversion and Disposal rates and practices within a reasonable time of Franchisee's receipt of the Department's request, but in no event longer than fifteen (15) days after such receipt. Franchisee shall incorporate into the reports required by this Section any additional information requested by the Department, as long as such information is readily available. Franchisee shall incorporate into such reports any new reporting information required by Applicable Law. Franchisee shall promptly notify the Department of any contracts or informal arrangements, and the Terms thereof, between Franchisee and Affiliates related to providing services under this Agreement. In the event any additional information required by County is materially more costly to provide, Franchisee may request a rate adjustment pursuant to Section 8.4.8.

#### **8.4.9 Failure to Report**

The refusal, failure or neglect of the Franchisee to file any of the reports required by this Agreement or Applicable Law, or the inclusion of any materially false or misleading statement or representation made knowingly by the Franchisee in such report, shall be deemed a material breach of this Agreement and shall subject the Franchisee to all remedies, legal or equitable that are available to the County under this Agreement or otherwise.

#### **8.5 Annual Performance Report to Board of Supervisors**

Each year during the Term of this Agreement, at the same time as the annual rate adjustment process described in Section 10, Franchisee shall prepare and present a

written performance report to the Board of Supervisors. The purpose of this report will be to inform the Board about the Franchisee's performance during the previous year, and discuss any potential challenges or opportunities for the upcoming year. The annual performance report shall include, but not be limited to, information about the number of Customers serviced, tons Collected and Diverted, Complaints received and resolved, community cleanups, outreach activities, and any other information deemed relevant by the Department. The content and format of the annual performance report shall be subject to the reasonable approval of the Department. Franchisee shall include a brief written draft of its annual performance report in its rate application described in Section 10.5. Upon request by the Board of Supervisors, Franchisee shall orally present its annual performance report.

## **9 County Fees**

### **9.1 Franchise Fees and Penalties**

Franchisee shall pay a Franchise Fee of ten percent (10%) of the Gross Receipts received each quarter to County. Franchisee shall submit Franchise Fees to the Department within thirty (30) days after the close of each quarter during the Term of this Agreement. Franchisee shall submit a statement along with each Franchise Fee payment reporting the amount of Gross Receipts on which the Franchise Fee is based.

If the Agreement terminates before the close of a quarter, the Franchise Fee shall be due within thirty (30) days of the termination date.

A penalty of ten percent (10%) shall be due for fees not submitted within the thirty (30) day time period. The penalties will be documented and processed by the County's finance director and shall be due immediately upon notice.

In the event that County increases the percent or amount of Franchise Fees, it shall increase rates by a commensurate amount such that the increase in Franchise Fees shall not negatively impact Franchisee's compensation.

## **10 Compensation and Rate Adjustments**

### **10.1 General**

The Franchisee's Compensation provided for in this Section shall be the full, entire and complete compensation due to the Franchisee pursuant to this Agreement for all services, labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, Collection, Disposal, Transfer, profit and all other things necessary to perform all the services required and reasonably anticipated by this Agreement in the manner and at the times prescribed. The Franchisee's Compensation includes Recyclable Materials collected from Commercial and Industrial Units to the extent provided in state and federal law. The Franchisee shall perform the responsibilities and duties described in this Agreement in consideration of the right to receive compensation for services rendered at the rates shown in Exhibit 5, or as it may be adjusted pursuant to this Agreement.

### **10.2 Franchisee Rates**

Franchisee shall provide the services described in this Agreement for rates approved by the Riverside County Board of Supervisors described in Exhibit 5. These rates shall be on file with the Director. The rate schedule in Exhibit 5 shall take effect upon approval by the Board of Supervisors. Franchisee shall not receive any other fees or compensation for the services to be performed pursuant to this Agreement in excess of those provided in the rate schedule, as revised, amended, or adjusted in accordance with this Agreement, including, without limitation, Sections 10.4 and 10.8, nor assess a rate that has not been first approved by the Department unless and until such additional fees or compensation have been duly noticed and subjected to a public hearing or other process required by Applicable Law.

### **10.3 Hard-To-Serve Rates**

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Serve pursuant to Section 5.2.6. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Serve Rates to Customers on file with the Director as set forth in Exhibit 5, as may be adjusted annually in accordance with Section 10.4. Considerations used in designating Customers in Hard-to-Serve areas include but are not limited to those listed in the definition "Hard-to-Serve Customers" as noted in Section 1.64 of the Franchise Agreement.

### **10.4 Modification and Adjustment of Rates**

Commencing on July 1, 2025, and each July 1 thereafter during the Term, the Franchisee's rates initially set forth in Exhibit 5, or the rates then in effect, shall be adjusted pursuant to this Section. The Franchisee's Single-Family Residential, Multi-Family Residential, Commercial, and temporary Bin rates shall be adjusted based on a weighted rate

adjustment percentage (rate adjustment factor) calculated based on the annual change in certain rate adjustment indexes applied to the relative weight of certain rate components. The Franchisee's Miscellaneous fees, and Roll-Off haul charges shall be adjusted based only on the change in the CPI, calculated in accordance with Section 10.4.4. Roll-Off tip fees and/or Processing fees charged to Customers are based on the Franchisee's actual cost, including Franchise Fees.

An example of the rate adjustment method for Single-Family Residential, Multi-Family Residential, and Commercial rates is described below and shown in Exhibit 10 – Example Rate Adjustment Method. The rate adjustment method for Roll-Off rates and miscellaneous fees is described further below in Section 10.4.9.

#### **10.4.1 Rate Adjustment Indexes**

The rate adjustment indexes shall be:

- 1) The Consumer Price Index
- 2) The Disposal Tipping Fee
- 3) The Recycle Processing Fee
- 4) The Organics Processing Fee

#### **10.4.2 Weighting of Rate Components**

The initial weightings of the Rate Components shall be those shown below in Table 1.

**Table 1 – Initial Weighting**

Service Component	65.00%
Refuse Disposal Component	20.00%
Recycling Processing Component	7.00%
Organics Processing Component	8.00%
Total	100.0%

These weightings are intended to reflect the Franchisee's Disposal, Recycle Processing, and Organics Processing costs as a proportionate share of its total revenue derived from its performance under this Agreement. The initial weighting shall apply to the initial rate adjustment as of July 1, 2025. Prior to each subsequent adjustment of the rates, Franchisee shall re-calculate the weighted rate components each year as shown in Exhibit 10.

In the event that either party determines that the annually calculated weightings do not accurately reflect Franchisee's Disposal, Recycle Processing, or Organics Processing costs as a proportionate share of Franchisee's total revenue derived from this Agreement, the parties shall meet and confer, and revise the weightings by mutual agreement.



### **10.4.3 Rate Adjustment Factors**

The rate adjustment factors shall include:

- 1) the Service Rate Adjustment Factor described in Section 10.4.4
- 2) the Disposal Rate Adjustment Factor described in Section 10.4.5
- 3) the Recycle Processing Rate Adjustment Factor described in Section 10.4.6, and,
- 4) the Organics Processing Rate Adjustment Factor described in Section 10.4.7.

### **10.4.4 Service Rate Adjustment Factor**

The Service Rate Adjustment Factor shall be equal to one hundred percent (100%) of the percent change in the CPI for the most recent January to January period preceding the Adjustment Date. The beginning CPI value used in the calculation for the current year shall be equal to the ending CPI value used in the preceding year.

### **10.4.5 Disposal Rate Adjustment Factor**

The Disposal Rate Adjustment Factor shall be equal to the annual percentage change between the Current Refuse Disposal Fee and the Prior Refuse Disposal Fee. The Current Refuse Disposal Fee shall be equal to the documented monthly Disposal fee per ton charged by the Landfill Facility used by Franchisee as of the Adjustment Date. The beginning Refuse Disposal Fee value used in the calculation for the current year shall be equal to the ending Refuse Disposal Fee value used in the preceding year.

Should a portion or all of the Refuse be delivered to a Landfill Facility owned and operated by Franchisee, or an Affiliate (where the Disposal rate is not set by a governmental authority or third party), then the adjustment to the Refuse Disposal Factor for the volume delivered to such Landfill Facility shall be calculated using the same annual percentage change as the Service Rate Adjustment Factor calculation set forth in Section 10.4.4.

### **10.4.6 Recycle Processing Rate Adjustment Factor**

The Recycle Processing Rate Adjustment Factor shall be equal to the annual percentage change between the Current Recycling Processing Fee and the Prior Recycling Processing Fee. The Current Recycling Processing Fee shall be equal to the most recent documented monthly Processing fee per ton charged by the Materials Recovery Facility used by Franchisee. The beginning Recycling Processing Fee value used in the calculation for the current year shall be equal to the ending Recycling Processing Fee value used in the preceding year.

Should a portion or all of the Recyclable Materials be delivered to a Materials Recovery Facility owned and operated by Franchisee, or an Affiliate (where the Processing fee is not set by a governmental authority or third-party), then the adjustment to the Recycling Processing Factor for the volume delivered to such Materials Recovery Facility shall be

calculated using the same annual percentage change as the Service Component calculation set forth in Section 10.4.4.

#### **10.4.7 Organics Processing Rate Adjustment Factor**

The Organics Processing Rate Adjustment Factor shall be equal to the percentage change between the Current Organics Processing Fee and the Prior Organics Processing Fee. The Current Organics Processing Fee shall be equal to the most recent documented monthly Processing fee per ton charged by the Organics Processing Facility used by Franchisee. The beginning Organics Processing Fee value used in the calculation for the current year shall be equal to the ending Organics Processing Fee value used in the preceding year.

Should a portion or all of the Organics be delivered to an Organics Processing Facility owned and operated by Franchisee, or an Affiliate (where the Processing rate is not set by a governmental authority or third party), then the adjustment to the Organics Processing Factor for the volume delivered to such Organics Processing Facility shall be calculated using the same annual percentage change as the Service Component calculation set forth in Section 10.4.4.

#### **10.4.8 Rate Adjustment Calculation Procedures**

The procedures for calculating the annual rate adjustment for Single-Family Residential, Multi-Family Residential, and Commercial rates are shown in Exhibit 10, and shall consist of the following steps:

**Step One:** Calculate the annual percent change in each of the indexes in Section 10.4.1.

**Step Two:** Determine total weighted percentage change in rates based on the percent change in indexes and weight of each rate component.

**Step Three:** Apply total weighted percent change to the current rates to calculate the adjusted rates for the next fiscal year.

**Step Four:** Recalculate the weight of each of the rate components to be used in the following year's rate adjustment calculation.

#### **10.4.9 Adjustment of Roll-Off Haul charges and Miscellaneous Fees**

Roll-Off haul charges and miscellaneous fees shall be adjusted each July 1<sup>st</sup> based only on the annual percent change in the CPI as set forth in Section 10.4.4.

#### **10.4.10 Roll-Off per ton Tip Fees**

Roll-Off per ton tip fees and/or Processing fees charged to Customers on per ton basis shall be equal to the Franchisee's actual cost including an amount to reflect Franchise Fees paid to County.

#### **10.4.11 Rate Adjustment Cap**

Annual rate adjustments for Single-Family Residential, Multi-Family Residential, and Commercial rates calculated pursuant to this Section shall not exceed six percent (6%). If an annual rate adjustment calculation exceeds six percent (6%), the portion that exceeds six percent (6%) shall be carried over and added to the subsequent annual adjustment to the extent that subsequent adjustments remain below six percent (6%). If the calculated annual rate adjustment, including any carryover percentages, exceeds six percent (6%) for three or more consecutive years, parties shall meet and confer to agree upon a rate adjustment plan that minimizes and smooths the impact on Customers and fairly compensates Franchisee for any previously foregone rate adjustment percentages.

#### **10.5 Annual Rate Adjustment Process.**

Each year prior to March 15th, Franchisee shall submit to the County a rate application, which shall include:

- The annual rate adjustment calculations;
- Documentation to support the change in CPI, Refuse Disposal Fee, Recycle Processing Fee and Organics Processing Fee;
- An updated rate schedule in a format reasonably acceptable to County; and,
- Any other information reasonably requested by County.

County shall review the proposed rate adjustment within thirty (30) days of receipt, and provide a written response to either approve or modify Franchisee's proposed new rates in accordance with this Agreement. If County does not agree with Franchisee's rate adjustment calculations, the parties shall promptly meet and confer to resolve any differences in the calculated rates.

Subject to the requirements of Proposition 218, the County shall not unreasonably deny an annual rate adjustment pursuant to Section 10.4. If granted, the annual rate adjustment shall be effective on July 1<sup>st</sup> of every year.

#### **10.6 Notice of Rate Increase and Prop 218**

Franchisee's rates are subject to Prop 218 and Government Code 53755 and 53756. Accordingly, the County may authorize automatic inflationary adjustments based on the method set forth in Section 10.4 every year except every fifth year. Every fifth year, the County is required to conduct a Prop 218 public hearing regardless of whether it is an inflationary adjustment or not.

In years in which the County is not required to conduct a Prop 218 public hearing, the Franchisee shall provide Customers written notice of the rate adjustment not less than

thirty (30) days before the effective date of the adjustment, which may be included in the Customer invoice prior to the rate adjustment. If requested by the Department, the Franchisee will provide a copy of the written notice for review.

In years in which the County is required to conduct a Prop 218 public hearing, the Franchisee shall cooperate with the County in preparing the Prop 218 45-day Notice including providing Customer lists in electronic format and any other needed information.

#### **10.7 Resolution of Disputes Regarding Compensation**

Any dispute regarding the Annual Fee Rate Adjustment, Franchisee's compensation, or extraordinary adjustments described in Section 10.8 shall be mediated in good faith by a mediator selected and acceptable to both parties. The costs of mediation shall be shared by the Parties. Extraordinary increases shall be governed by Section 10.8. The rates in effect at the time such dispute is submitted to the Board of Supervisors shall remain in effect pending resolution of such dispute.

#### **10.8 Extraordinary Adjustments**

The Director or Franchisee may initiate a special rate review and adjustment at times other than required in Section 10.4 should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to Customers. Such extraordinary changes may include, but are not limited to:

1. events or circumstances beyond the control of Franchisee or County,
2. changes in services required by the County or proposed by Franchisee and approved by the County,
3. unexpected changes in location of Processing and Disposal sites to which Franchisee transports Solid Waste including County direction for Franchisee to use a different Facility for more than thirty (30) days,
4. significant changes in the number of delinquent accounts in Comprehensive Collection Areas,
5. increases to the number of Customer accounts due to development or growth,
6. increases in costs to deliver Solid Waste which may include increases in tipping fees or charges, Disposal costs, Recycling costs and Processing costs at facilities utilized by Franchisee that are not otherwise accounted for in the rate setting methodology in Section 10.4,
7. fees, charges, surcharges, taxes, or additional costs imposed by or arising from changes in Applicable Law or actions by Federal, State or local regulatory agencies, which may include changes in Diversion requirements, labor costs, transportation costs, and costs resulting from force majeure events described in Section 12.5.

Franchisee must submit its request for a special review of rates, and all appropriate cost and operational information at least three (3) months prior to the proposed effective date

of any rate adjustment, if applicable. For any temporary extraordinary cost increases approved by the Department, Franchisee shall itemize the extraordinary cost as a temporary surcharge on the Customer's invoice and remove the itemized amount from the Customer's invoice after the temporary extraordinary costs cease to be incurred. For each request for an extraordinary compensation adjustment, Franchisee shall prepare a schedule documenting the extraordinary costs in a form acceptable to the Department with support for assumptions made by the Franchisee in preparing the schedule. The Department shall review the Franchisee's request and, in the Department's reasonable judgment and discretion, determine whether an adjustment to the compensation shall be made subject to the requirements of this Section. If denied, any dispute shall be determined in accordance with Section 10.7 and Section 12.9.

#### **10.8.1 Extraordinary Rate Request**

The Franchisee acknowledges that any extraordinary adjustment approved by the Department shall comply with Applicable Law. A requested extraordinary rate adjustment review may not be denied by the Department in the case of changed or additional services requested by the Department, any change in Disposal, Processing or Organic Waste facilities directed by the Department or required due to a Facility closure or temporary unavailability outside of Franchisee's control, changes in Applicable Law relating to Franchisee or its Collection services, and changes in state or local government fees, taxes, charges, or surcharges of any kind or nature applicable to the Services provided under this Agreement. Franchisee agrees to reimburse the County for its reasonable direct costs incurred in implementing an extraordinary rate adjustment request pursuant to Section 10.8, including costs associated with Proposition 218 notice and protest process, should the County determine the adjustment is subject to Proposition 218. County shall not be responsible or liable if the rate adjustments are not approved under this process.

#### **10.8.2 Extraordinary Decreases in Franchisee's Cost**

The Department may request a decrease in the Franchisee Compensation at reasonable times other than in Section 10.4, or in conjunction with an annually scheduled rate adjustment, to account for any significant savings in cost arising from extraordinary changes in the cost of providing service under this Agreement. For each request for an extraordinary decrease in the Franchisee Compensation resulting from reduced cost (either a rate reduction or offset to a regularly scheduled rate adjustment), the Department and Franchisee shall meet and confer regarding the impact of the savings on Customer rates. Any dispute about the decrease shall be determined in accordance with Section 10.7 and Section 12.9.

## **11 Indemnity, Insurance, Performance Bond**

### **11.1 Indemnification of County**

To the fullest extent permitted by Applicable Law, the Franchisee shall protect, defend with counsel reasonably acceptable to the County, indemnify and hold harmless the County and their officers, agents, and employees from and against any and all claims, demands, fines, loss or destruction of property, liabilities, damages, including environmental pollution, judgments, losses, costs, expenses, suits, actions, and causes of action of every kind and character, including, but not limited to, claims based on negligence or strict liability, and absolute liability resulting from the Franchisee's performance or non-performance of its obligations under this Agreement (each a "Claim"), except to the extent arising out of negligence or willful misconduct of the County, or their officers, agents, and employees. Further, the Franchisee hereby agrees to indemnify the County for all reasonable expenses incurred by or imposed upon the County in connection with any Claim. In the event Franchisee challenges the County's right to indemnity hereunder and the County prevails, the Franchisee further agrees to pay all reasonable expenses incurred by the County in establishing the right to indemnity under this Section.

This obligation shall not be limited by the amounts or coverage specified in the insurance policies and bond(s) supplied by Franchisee in conjunction with the Agreement. This indemnification obligation shall survive the term of the franchise. With respect to any indemnity granted by Franchisee to the County under this Agreement, Franchisee shall have full authority, in consultation with the County, to determine all action to be taken with respect to any such Claim for which the County seeks indemnification, except that Franchisee may consent to a settlement or compromise of, or the entry of any monetary judgment arising from, a Claim only with the prior written consent of County, not to be unreasonably withheld. Further, County shall provide the Franchisee with reasonable notice of any Claim. County will provide Franchisee with reasonable cooperation in connection with the defense of any such Claim.

### **11.2 Indemnification of Franchisee.**

The County shall indemnify, defend and hold the Franchisee, its Affiliates and their respective officers, directors, employees and shareholders harmless from and against any and all liabilities, losses, damages, claims, actions, causes, of action, costs and expenses (including reasonable attorney's fees) arising from or in any way related to the negligence or willful acts of the County, or their officers, agents, and employees.

### **11.3 Hazardous Substances Indemnification**

Franchisee shall indemnify, defend with counsel of the County's choosing, protect and hold harmless County, its officers, employees, agents, assigns and any successor or

successors to County's interest from and against all claims, actual damages (including but not limited to special and consequential damages), punitive damages, injuries, costs, 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, but not limited to attorney and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by or asserted against, County or its officers, employees, agents or grantees arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan concerning any Hazardous Substance or Hazardous Wastes at any place where Franchisee stores or disposes of municipal Solid Waste or Construction and Demolition Debris pursuant to this Agreement, to the extent caused by the negligence or willful misconduct of the Franchisee or its agents in the performance of Franchisee's obligations under this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e)(1) and Health and Safety Code Section 79660 (formerly Health and Safety Code Section 25365), to insure, protect, hold harmless and indemnify County from liability.

#### **11.4 Minimum Diversion Requirements**

The County and Franchisee shall use commercially reasonable efforts to establish programs sufficient to meet the County's obligations under Public Resources Code, Section 41780 and any other current or future California Statute that requires the County to Divert material from Landfills. In the event that the State of California alters the requirements of PRC 41780, the County may require the Franchisee to alter existing Recycling programs or to provide additional Recycling programs. The Franchisee shall be entitled to a rate adjustment for costs associated with any additional Recycling programs.

The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable enforcement of the provision of Riverside County Ordinance No. 745 and any other related County ordinances. The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of Franchisee. Nothing in this Agreement shall preclude the Franchisee from seeking its own legal remedy against any third party as a means of meeting its obligation under this Section.

Any noted deficiencies in the Diversion program set by the County and the Franchisee shall be addressed by the Director as set forth in Section 12 of this Agreement.

### **11.5 Compliance Indemnification**

Without limiting the generality of Franchisee's indemnity obligations pursuant to foregoing Section 11.1, the Franchisee's duty to defend and indemnify herein includes payments of all fines and/or penalties imposed by CalRecycle, subject to the restrictions set forth in Public Resource Code Section 40059.1, and except to the extent arising out of the negligence or willful misconduct of County, if the requirements of AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations are not met by the Franchisee with respect to the Franchisee's obligations under this Agreement, and such failure is: (i) due to the failure of Franchisee to meet its obligations under this Agreement; or, (ii) due to Franchisee delays in providing information that prevents County from submitting reports required by AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations in a timely manner. This provision of this Section shall survive the termination or expiration of this Agreement.

### **11.6 Negligence or Willful Misconduct of County**

Notwithstanding Sections 11.1 through 11.5, the Franchisee's obligation to indemnify, hold harmless and defend County, its officers and employees shall not extend to the extent of any loss, liability, penalty, pain, damage, action or suit arising or resulting from acts or omissions constituting willful misconduct or negligence on the part of the County, its officers or employees.

### **11.7 Indemnification by Subcontractors**

Franchisee shall require all subcontractors to enter into an Agreement containing the indemnification provisions set forth Sections 11.1 through 11.3 in their entirety in which the subcontractor fully indemnifies the County in accordance with this Agreement.

### **11.8 Insurance**

#### **11.8.1 General Requirements**

The Franchisee shall secure and maintain throughout the Term of this Agreement insurance acceptable to County against claims for injuries to Persons or damages to property which may arise from or in connection with the Franchisee's performance of work or services under this Agreement. The Franchisee's performance of work or services shall include performance by the Franchisee's employees, agents, representatives and subcontractors.

#### **11.8.2 Coverage and Limits**

Insurance coverage shall include the following policies and minimum coverage amounts:



#### **11.8.2.1 General Liability**

A broad form comprehensive general liability policy with a minimum combined single limit of six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for bodily injury, personal injury, and property damage which may arise from operations, performed pursuant to this Agreement. Franchisee may satisfy the limit requirements in this section with excess insurance. Said insurance shall protect Franchisee, the County, and their elected or appointed officials, employees, and agents, from any claim for damages for bodily injury, including accidental death, as well as from any claim for property damage which may arise from operations performed pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.

#### **11.8.2.2 Automobile Liability**

An auto liability policy with a minimum combined single limit of ten million dollars (\$10,000,000.00) per occurrence for bodily injury and property damage (include coverage for Hired and Non-owned vehicles) which may arise from operations, performed pursuant to this Agreement.

#### **11.8.2.3 Workers' Compensation and Employers' Liability**

A workers compensation policy with limits as required by the Labor Code of the State of California, and an employer's liability policy with a limit of three million dollars (\$3,000,000.00). The policy providing coverage shall be endorsed when feasible to provide that the insurance shall not be canceled except after thirty (30) days' prior written notice to County. Franchisee or its Agent shall provide prior written notice ten (10) days in the event of termination for non-payment. Additionally, Franchisee agrees that it will not suspend, void or reduce in coverage or limits each insurance policy required herein without thirty (30) days' written notice to the County. The policy shall also be amended to waive all rights of subrogation against the County its elected or appointed officials, employees, agents, or Franchisees for losses which arise from work performed by the named insured for the County.

#### **11.8.2.4 Hazardous Waste and Environmental Liability**

A Hazardous Waste and environmental liability policy (or an endorsement to its general liability policy) covering environmental pollution and contamination. Said coverage shall be in the amount of not less than three million dollars (\$3,000,000.00) per occurrence, and ten million dollars (\$10,000,000.00) in the aggregate for on-site, under-site, or off-site bodily injury and property damage and regulatory fines as a result of pollution conditions which may arise from operations performed pursuant to this Agreement. This policy shall cover liability arising from the release of waste materials and/or irritants, contaminants or pollutants. This policy shall stipulate this insurance is primary and no

other insurance carried by County will be called upon to contribute to the loss suffered by the Franchisee under this Agreement and waive subrogation against the County and other additional insureds. Franchisee may comply with this Section by including blanket additional insured endorsements in its insurance policies and providing proof of coverage with a copy of applicable policy language.

#### **11.8.3 Deductibles and Self-insured Retention**

Any deductibles or self-insured retention must be declared to, and approved by, County. County shall not unreasonably withhold approval of any deductible or self-insured retention amounts where the Franchisee can demonstrate a successful history of managing such deductibles or self-insured retention amounts.

#### **11.8.4 Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
  - a) Franchisee shall provide or cause its insurance carrier(s) or Agent to provide to County by direct mail certificate(s) of insurance showing that such insurance is in full force and effect, and the County, its elective and appointive boards, commissions, officers, employees, contractors, agents and volunteers are included as additional insureds on each of the policies and policy endorsements as respects: liability arising out of activities performed by or on behalf of the Franchisee; products and completed operations of the Franchisee; Premises owned, leased or used by the Franchisee; or vehicles owned, leased, hired or borrowed by the Franchisee. The coverage shall contain no special limitations on the scope of protection afforded to the County of Riverside, its elective and appointive boards, commissions, officials, employees, contractors, agents or volunteers. Franchisee may comply with this Section by including blanket additional insured endorsements in its insurance policies and providing proof of coverage with a copy of applicable policy language.
  - b) The insurance required by this Agreement shall be with insurer carriers that are rated by AM Best as A:VII or better, and admitted to write insurance by the State of California. The insurance required by this Agreement is in addition to, and not in lieu or limitation of, the indemnification provisions above in this Agreement.
  - c) This policy shall be considered primary insurance as respects any other valid and collectible insurance the County may possess including any self-insured retention the County may have, and any other insurance the County does possess shall be considered excess insurance and shall not contribute with it.

- d) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County, its officials, elective and appointive boards, commissions, employees, agents or volunteers.
  - e) This policy shall act for each insured, as though a separate policy had been written for each. This, however, shall not act to increase the limit of liability of the insuring company.
- 2. **Workers' Compensation and Employers Liability Coverage** - The insurer shall agree to waive all rights of subrogation against the County, its officials, elective or appointed officials, commissions, employees, agents and volunteers for losses arising from any work performed by the named insured for the County.
  - 3. **All Coverages** - Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party for whatever reason except after thirty (30) days' prior written notice has been given to County. Franchisee or its Agent shall provide prior written notice ten (10) days in the event of termination for non-payment to County. Additionally, Franchisee agrees that it will not suspend, void or reduce in coverage or limits each insurance policy required herein without thirty (30) days' prior written notice to the County. Such notice shall be sent to the Director, County Counsel and County Clerk. In the event of any such modification, cancellation or reduction in coverage and on the effective date thereof, this Franchise shall terminate forthwith, unless County receives prior to such effective date another certificate of insurance that the insurance required herein is in full force and effect.

#### **11.8.5 Subcontractors Required to Carry Insurance**

In the event any services required under this Agreement are provided by a subcontractor, Franchisee shall require any such subcontractor to provide insurance coverages in accordance with this insurance coverages required by this Agreement. The Franchisee shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.

#### **11.8.6 Rights of Subrogation**

All required insurance policies shall preclude any underwriter's rights of recovery or subrogation against County with the express intention of the parties being that the required insurance coverage protects both parties as the primary coverage for any and all losses covered by the above-described insurance. Franchisee shall ensure that any companies issuing insurance to cover the requirements contained in this Agreement agree that they shall have no recourse against County for payment or assessments in any form on any policy of insurance. The clauses 'Other Insurance Provisions' and 'Insured Duties in the Event of an occurrence, Claim or Suit' as it appears in any policy of insurance

in which County is named as an additional insured shall not apply to County. Franchisee may comply with this Section by including blanket additional insured endorsements in its insurance policies and providing proof of coverage with a copy of applicable policy language.

#### **11.8.7 Modification of Insurance Requirements**

The insurance requirements provided herein may be modified or waived in writing by the Board of Supervisors upon the request of Franchisee, provided the Board of Supervisors determines such modification or waiver is in the best interest of County, considering all relevant factors, including financial guarantees provided by the parent company of Franchisee.

#### **11.8.8 Evidence of Coverage; Insurance Repository**

Copies of the policies or endorsements evidencing the required insurance coverage shall be filed with the Director throughout the Term of this Agreement. From time to time thereafter, Franchisee shall provide substitute certificates or endorsements at least thirty (30) days or as soon as practicable prior to any changes in coverage or limits, or a change in the carrier. In addition, County shall have the right of inspection of all insurance policies required by this Agreement. The limits of such insurance coverage, and companies, shall be subject to review by the Director every year and may be modified at that time by the County upon a demonstration of reasonable need, and Franchisee shall be entitled to a rate adjustment as set forth in Section 10.8. The Franchisee shall notify County's Risk Manager and County Counsel before destroying copies of such policies, and the Franchisee shall provide copies or originals of such policies to County. This provision shall survive the expiration of the Term of this Agreement.

#### **11.9 Performance Bond or Letter of Credit**

Upon the Effective Date of this Agreement, Franchisee shall provide a performance bond or letter of credit bond (collectively 'performance bond') in a form reasonably acceptable to County as set forth below.

#### **11.10 Performance Bond**

The performance bond shall be executed by a surety bond that is reasonably acceptable to the County; an admitted surety licensed to do business in the State of California; with an 'A: VII' or better rating by AM Best or Standard and Poor's; and is included on the list of surety companies approved by the Treasurer of the United States. The Performance Bond shall be an amount equal to the average of three (3) months' expected annual Gross Receipts. A certificate from the surety showing that the bond premiums have been paid in full shall accompany the bond. The performance bond shall be on terms reasonably acceptable to the County Counsel. The performance bond shall serve as security for the

faithful performance by the Franchisee of all the provisions and obligations of this Agreement.

#### **11.11 Letter of Credit**

Franchisee may furnish a letter of credit in lieu of a performance bond subject to County approval. The letter of credit must be issued by an FDIC insured banking institution chartered to conduct business in the State of California, in the County's name, and be callable at the discretion of the County.

#### **11.12 Failure to Perform; Forfeiture of Performance Bond/Letter of Credit**

Upon Franchisee's failure to pay the County an amount due, or to perform any services under this Agreement, the performance bond or letter of credit may be drawn upon by the County, for purposes including, but not limited to:

1. Reimbursement of costs borne by the County to correct any violations of this Agreement not corrected by Franchisee, after County provides notice in accordance with 12.2.
2. To provide monetary remedies or to satisfy damages assessed against Franchisee due to a material breach of this Agreement; or
3. To satisfy an order of a court or a mediator.

The Franchisee shall deposit a replacement instrument sufficient to restore the performance bond or letter of credit to the original amount within thirty (30) days after notice from the County that any amount has been levied against the performance bond. Franchisee shall be relieved of the foregoing requirement to replenish the performance bond or letter of credit during the pendency of an appeal from the Department's decision to draw on the performance bond or letter of credit. In the event the Department draws on the performance bond or letter of credit, all of County's costs of collection and enforcement of the provisions relating to the performance bond or letter of credit, including reasonable attorneys' fees and costs, shall be paid by the Franchisee.

## **12 Default and Remedies; Administrative Remedies; Termination**

### **12.1 Events of Default**

Each of the following shall constitute an event of default, subject to Franchisee's opportunity to cure any such event of default under this Section.

- A. **Fraud or Deceit or Misrepresentation.** If the Franchisee engages in, or attempts to practice, any fraud or deceit upon the County or makes an intentional misrepresentation regarding material information to the County.
- B. **Insolvency or Bankruptcy.** If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, files a bankruptcy petition or takes steps to liquidate its assets.
- C. **Failure to Maintain Coverage.** If the Franchisee fails to provide or maintain in full force and effect the insurance coverage as required by this Agreement.
- D. **Violations of Regulation.** If the Franchisee violates any law or regulation or orders of any regulatory body having jurisdiction over the Franchisee or County relative to Franchisee's performance of this Agreement, provided that the Franchisee may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred until a final non-appealable decision issued by a court of competent jurisdiction adverse to the Franchisee is entered.
- E. **Failure to Perform.** If the Franchisee ceases to provide Collection services as required under this Agreement over all or a substantial portion of its Franchise Area for a period of seven (7) consecutive days or more, unless excused per Section 12.5 or Section 12.7.
- F. **Failure to Pay.** If the Franchisee fails to make any payments required under this Agreement and/or refuses to provide County with required information or reports in a timely manner as provided in the Franchise Agreement.
- G. **Acts or Omissions.** Any other act or omission by the Franchisee related to performance under this Agreement which violates the terms, conditions, or requirements of this Agreement, Ordinance No. 745, successor ordinance, other County ordinance, the California Integrated Waste Management Act of 1989, any Environmental Law or Applicable Law as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach within the time set forth in such notice, if the Franchisee should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.

- H. **False or Misleading Statements.** Any representation or disclosure made to the County by the Franchisee 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.
- I. **Attachment.** There is a seizure of, attachment of, or levy on, the operating equipment of the Franchisee, including without limitation, its equipment, maintenance or office facilities, or any part thereof, which make the Franchisee's performance under this Agreement impracticable.
- J. **Failure to Provide Assurance of Performance.** If the Franchisee fails to provide reasonable assurances of performance as required under Section 11.9.
- K. **Failure to Implement Collection Program.** If the Franchisee fails to implement a Collection program that complies with the requirements of this Agreement and Applicable Law.
- L. **Failure to Provide Processing Capacity.** If the Franchisee fails to provide adequate Processing capacity.
- M. **Failure to Comply with Other Requirements of SB 1383 Regulations.** If the Franchisee fails to comply with other requirements of the Agreement including public education, reporting, contamination monitoring, recordkeeping, or other obligations of this Agreement that delegate the County's responsibility and/or authority under SB 1383 Regulations.

If the Director determines that the Franchisee has deficiencies due to one or more of the events of default in this Section, subdivisions C through M, the Director shall provide a written notice of such deficiencies and may set a reasonable time within which correction of all such deficiencies is to be made. The County shall not be obligated to provide the Franchisee with a notice and cure opportunity if the Franchisee has committed the same or similar breach within the previous six-month period. County is not obligated to provide an opportunity to cure a default arising under subsections A or B. Unless otherwise specified, a reasonable time for correction shall be thirty (30) days from the mailing of such written notice.

The Director shall review the Franchisee's response and determine whether or not the deficiencies have been corrected. The Director shall make such determination within thirty (30) days of receipt of the Franchisee's response and notify the Franchisee of that decision in writing. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision, and shall not be subject to Section 12.9.

Within ten (10) Work Days of receipt of a timely Notice of Appeal, the Director shall refer the matter to the Board of Supervisors.

#### **12.2 Right to Terminate Upon Default**

If the Board of Supervisors determines by resolution that Franchisee is in material breach of this Agreement provided that (i) Franchisee has had a reasonable opportunity to cure any such default pursuant to Section 12.1; and (ii) such default is not excused pursuant to Sections 12.5 and 12.7 then the County reserves the right to terminate Franchisee's franchise, not later than nine (9) months following the date of the resolution.

The County's right to terminate this Agreement is not exclusive, and the County's termination of this Agreement shall not constitute an election of remedies. The right of termination is in addition to any and all other legal and equitable rights and remedies of the County. By virtue of the nature of this Agreement, the urgency of timely continuous and high-quality service, the time required to effect alternative service, and the rights granted by the County to the Franchisee, the remedy of damages for a breach hereof by the Franchisee is inadequate and the County shall be entitled to injunctive relief.

#### **12.3 Criminal Activity of Franchisee**

In the event that any official, employee, or contractor for Franchisee or its successor-in-interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any court in the United States, or is otherwise alleged to have participated in any criminal activity associated with the Solid Waste management business, Franchisee or its successor-in-interest shall provide written notice thereof to the Director within fourteen (14) days of such indictment, complaint or allegation which shall contain a description of the indictment, complaint or allegation, as well as a copy of such indictment or complaint or other matters of public record related thereto.

Should any of the Franchisee's officers, directors or managerial employees with oversight over this Agreement be found guilty or admit guilt of felonies involving business dishonesty, the Franchisee shall eliminate the ability of such employee, officer or contractor to manage, supervise or influence the decisions or actions of the Franchisee or any parent company of the Franchisee. If the Franchisee fails to comply with the foregoing obligation, the Franchisee may be considered in breach of this Agreement and subject to the County's remedies for default as set forth under this Agreement.

#### **12.4 Termination due to Change in Law**

This Agreement is subject to all present and future laws, regulations and orders of Federal, State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then such party shall notify



the other party of such order or requirement and the law, regulation or order on which such order or requirement is based. Unless the parties agree in writing to continue this Agreement, or to renegotiate the terms of the Agreement within sixty (60) days ("Negotiating Period") after said law, regulation or order becomes effective, then this Agreement shall terminate on the sixty-first day following the Negotiating Period, unless the parties agree otherwise. Nothing in this Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or restrict either party's right to legally contest the validity of such law, regulation or order.

#### **12.5 Force Majeure**

Franchisee shall not be in default under this Agreement in the event that the Collection, Transportation, Processing and/or Disposal services of Franchisee are temporarily interrupted or discontinued for any of the following reasons:

- A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires, earthquakes, tornados, or other catastrophic events;
- B. War, insurrection, riot, civil disturbances, terrorism, sabotage, or malicious acts;
- C. Infectious disease defined as an epidemic, pandemic, endemic, outbreak, or other event leading to the imposition of legal restrictions;
- D. Accident or other catastrophic event including fire or explosion;
- E. Strikes and labor disputes which last less than seven (7) Work Days;
- F. Acts of governmental authorities by emergency order, expropriation, or condemnation;
- G. Other catastrophic events that are beyond the reasonable control of the Franchisee. Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from other governmental agencies where such failure is due solely to the negligent acts or omissions of the Franchisee.

In the event a labor disturbance interrupts Collection for greater than seven (7) Work Days, Franchisee shall be required to provide Collection services in accordance with Section 12.7 (Labor Unrest) at no extra charge to Customers.

#### **12.6 Performance Bond in Lieu of County's Right to Perform**

In lieu of the County having the right to use Franchisee's vehicles and equipment during a period of interrupted service, Franchisee has agreed to furnish a performance bond with an amount equal to three (3) months of its annual Gross Receipts, as set forth in Section 11.10.

## **12.7 Labor Unrest**

Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by the Franchisee's employees or directed at the Franchisee may be considered an excuse from performance to the extent that the Franchisee meets the terms of this Agreement including this Section and Section 12.8 (Procedures in Event of Excused Performance).

Within ninety (90) days after the Effective Date, Franchisee shall prepare (at its own expense) and provide to the Department a Labor Unrest Contingency Plan describing how services will be provided during a period of labor unrest. The Labor Unrest Contingency Plan is subject to Department approval, which shall not be unreasonably withheld, and Franchisee shall amend the plan to meet Department requirements, including reasonably demonstrating how County's basic Collection and sanitary needs will be met to the Department's satisfaction. The Labor Unrest Contingency Plan shall address, at a minimum, the priority of Collection by Customer type (residents, hospitals, restaurants, nursing homes, etc.) and waste streams, additional Collection options to be provided (drop-off sites, etc.), source of additional personnel to be utilized and detailed communications procedures to be used. During the Term of this Agreement, Franchisee shall notify Director ninety (90) days prior to the expiration of any labor agreement. Thereafter, Franchisee shall keep the Department informed on a monthly basis of the status of Franchisee's labor agreement negotiations. In the event of Franchisee's failure to perform, or anticipated failure to perform, due to labor unrest, Franchisee shall:

- Meet the requirements agreed to in the Labor Unrest Contingency Plan.
- Meet requirements of Section 12.8 (Procedures in Event of Excused Performance).

County may revoke its excuse from performance granted under Section 12.7 if Franchisee fails to meet all requirements under this Section, in which event, Franchisee shall not be excused from performance and Franchisee shall be obligated to continue to provide service without regards to any event specified in Section 12.5 or 12.7 and County may choose to use any other enforcement provisions under this Agreement, including Sections 12.1 and 12.3. If the County revokes its excuse from performance and Franchisee fails to perform for more than seven (7) days, then the County may deem the Franchisee to be in default pursuant to Section 12.1. During a period of labor unrest, Franchisee shall provide a reasonably satisfactory level of performance in accordance with the Labor Unrest Contingency Plan as determined by the Director, and shall not be required to adhere strictly to specific requirements of this Agreement regarding routes, Collection times, or similar matters, provided, however, that in no event shall more than seven (7) calendar days elapse between pickups of Solid Waste for Customers.

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

Franchisee shall have the right to request an excuse from performance for interruption or stoppage of its services under this Agreement. If Franchisee claims an excuse from performance under Section 12.7 (Labor Unrest) or Section 12.5 (Force Majeure), Franchisee shall give notice to the Department no later than five (5) calendar days after the claimed event. Said Force Majeure Notice shall describe in detail the claimed Force Majeure or labor unrest event, the services impacted by the event, the expected length of time that Franchisee expects to be prevented from performing, the steps which Franchisee intends to take to restore its ability to perform, and such other information as the Department may reasonably request. Throughout the service disruption, Franchisee shall:

- Provide the Department with a minimum of daily service updates.
- Notify Customers on a real-time basis as to alternative Collection procedures. At a minimum, the Franchisee shall update its website and shall provide ongoing updates to County for use on its website, and a 'reverse 911' contact method to reach all possible Customers. Should enhanced contact technologies become available, the Franchisee shall use such methods upon approval from County.

The interruption or discontinuance of the Franchisee's services caused by one or more of the events under Section 12.5 and Section 12.7 shall not constitute a default by the Franchisee. Notwithstanding the foregoing, if the Franchisee is excused from performing its obligations under this Agreement for any of the causes listed in Sections 12.5 or 12.7 for thirty (30) days or more, the County shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving thirty (30) days written notice.

## **12.9 Dispute Resolution**

If the Department refers a matter for dispute resolution under this Agreement, or if the Franchisee should allege a breach of this Agreement by the County, or if the Franchisee appeals a determination of the Director (other than a determination by the Director in Section 12.1), the parties shall first attempt in good faith to resolve any such dispute by negotiation and consultation between themselves. If a dispute is not resolved within twenty (20) days of initiating such negotiations, either party may initiate mediation by providing written notice.

County and Franchisee shall mutually agree on a qualified mediator. If the parties cannot agree on a qualified mediator, then Franchisee shall select the mediator from a list of three potential mediators who are retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties, prepared by the Director or his designee. The parties shall submit a joint, written request for mediation, setting forth the subject of the dispute and the relief requested. The parties shall cooperate with one

another in selecting a mediation service and shall cooperate with the mediation service and with one another in selecting a neutral mediator and in scheduling the mediation proceedings. The parties covenant that they will use commercially reasonable efforts in participating in the mediation.

The parties further agree that all offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts, and attorneys, and by the mediator and any employees of the mediation service, are confidential, privileged, and inadmissible for any purpose, including impeachment, in any litigation, arbitration, or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

Mediation shall commence within thirty (30) days of selection of the mediator unless the parties and the mediator agree otherwise. The parties agree to submit mediation briefs when required by the mediator. Any documents submitted hereunder shall be subject to applicable confidentiality, the proprietary rights and rights of privilege of the parties, and the mediator shall adopt procedures to protect such rights.

If the parties cannot resolve any dispute submitted for mediation under this Section for any reason, including, but not limited to, the failure of either party to agree to enter into mediation or agree to any settlement proposed by the mediator, within thirty (30) days after initiating mediation in accordance herewith, either party may file suit in a court of competent jurisdiction. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

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

#### **12.10 Liquidated Damages**

##### **12.10.1 General**

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

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

#### **12.10.2 Service Performance Standards; Liquidated Damages**

The parties further acknowledge that consistent, reliable Solid Waste Collection Service is of utmost importance to the County and that the County has considered and relied on the Franchisee's representations as to its quality-of-service commitment in entering into this Agreement. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further recognize that if the Franchisee fails to achieve the performance standards or fails to submit required documents in a timely manner, the County and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact damages which the County will suffer. Therefore, without prejudice to the County's right to treat such non-performance as an event of default under this Section, the parties agree that the Liquidated Damage amounts shown in Exhibit 11 – Liquidated Damages represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this Agreement, including the relationship of the sums to the range of harm to the County that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

The Department may determine the occurrence of events giving rise to Liquidated Damages through the observation of its own employees or representative or investigation of Customer Complaints. Prior to assessing Liquidated Damages, the Department shall give the Franchisee notice of its intention to do so by promptly notifying Franchisee of any events or circumstances that could result in the imposition of Liquidated Damages. The notice shall include a detailed description of the incident(s)/ nonperformance and shall provide for a thirty (30) day period to cure any such alleged deficiency. The Franchisee may review (and make copies at its own expense) all non-confidential information in the possession of the Department relating to incident(s)/nonperformance. The Franchisee may, within ten (10) days after receiving the notice, request a meeting with the Director. The Franchisee may present evidence in writing and through testimony

of its employees and others relevant to the incident(s)/non-performance. The Director or his or her designee shall provide the Franchisee with a written explanation of his or her determination on each incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages. The decision of the Director or his designee, acting reasonably and in good faith, shall be final, subject to Franchisee's right to pursue dispute resolution in Section 12.9.

#### **12.10.3 Timing of Payment**

The Franchisee shall pay any Liquidated Damages assessed by the Department in accordance with this Agreement within ten (10) days after they are assessed. If they are not paid within the ten (10) calendar day period, the Department may withhold the amount of Liquidated Damages due from the next monthly payment to Franchisee, draw against the performance bond or letter of credit required by the Agreement or terminate this Agreement pursuant to Section 12.2, or exercise any other right or remedy available to the Department under this Agreement or at law or in equity, or any combination of these remedies.

#### **12.11 Review of Service and Performance**

The Department may hold a public hearing on or about the three-year anniversary of the Effective Date of this Agreement at which time the Franchisee shall be present and shall participate, to review the services provided under this Agreement, source reduction, Processing and other Diversion services and overall performance. The purpose of the hearing is to provide for a discussion and review of technological, economic, and regulatory changes in Collection, source reduction, Recycling, Processing and Disposal to achieve a continuing, advanced Solid Waste Collection and Diversion services, source reduction and Recycling and Disposal system; and to ensure services are being provided with adequate quality, effectiveness and economy. Forty-five (45) days after receiving notice from the Department of a performance review hearing, the Franchisee shall, at a minimum, submit a report to the Department indicating the following:

1. Recommended changes and/or new services to improve the Department's ability to significantly exceed the goals of AB 939 and SB 1383 and to contain costs and minimize impacts on rates.
2. Any specific plans for provision of changed or new services by the Franchisee.

The reports required by this Agreement regarding Customer Complaints shall be used as one basis for review. The Franchisee may submit other relevant performance information and reports for consideration. The Department may request the Franchisee to submit specific information for the hearing. In addition, any comments or Complaints from Customers shall be considered during or before the hearing, either orally or in writing. Topics for discussion and review at the performance review hearing shall include, but shall not be limited to, services provided, route audit results, feasibility of providing new

services, application of new technologies, Customer Complaints, amendments to this Agreement, developments in the law, new initiatives for significantly exceeding the goals of AB 939 or SB 1383, regulatory constraints, and the Franchisee's performance. The Department and the Franchisee may each select additional topics for discussion at any performance review hearing. Not later than sixty (60) days after the conclusion of each performance review hearing, the Department may issue a report. As a result of the review, the Department may require the Franchisee to provide expanded or new services within a reasonable time and for reasonable rates and compensation and the Department may direct or take corrective actions for any performance inadequacies.

### **13 Other Agreement of the Parties**

#### **13.1 Independent Franchisee**

Franchisee is an independent contractor and not an officer, agent, servant or employee of the County. Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any. Nothing in this Agreement shall be construed as creating a partnership or joint venture between the County and Franchisee. Neither Franchisee nor its officers, employees, or agents shall obtain any rights to retirement or other benefits which accrue to County employees.

#### **13.2 Permits and License**

Franchisee shall obtain, at its own expense, all permits and licenses (including a County of Riverside business license) required by law or ordinance and maintain same in full force and effect throughout the Term of this Agreement. Franchisee shall provide proof of such permits, licenses or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses and approvals upon the request of the Director.

#### **13.3 License to Use Electronic and Written Materials**

Subject to the terms and conditions of this Agreement, Franchisee hereby grants to County a non-exclusive, non-transferable, non-sublicensable license to use reports, documents, brochures, public education materials, and other written, printed, electronic or photographic materials developed by County or Franchisee in connection with the services performed by Franchisee under this Agreement, whether developed directly or indirectly by County or Franchisee during the Term of this Agreement (collectively, the "Electronic and Written Materials").

This Section does not apply to ideas or concepts described in such materials, including, without limitation, Franchisee's Intellectual Property (as defined below), and does not apply to the format of such materials. County acknowledges and agrees that the license granted to it under this Agreement does not include the right to modify, edit, translate, include in collective works, or create derivative works of the Electronic and Written Materials in whole or in part, except as specifically permitted by Franchisee.

The license granted to County under this Section shall not apply to any intellectual property of Franchisee, including, without limitation, any confidential information, copyrighted material, proprietary information, trade secrets or trademark/service mark, including any and all such documents or reports containing such information ("Franchisee's Intellectual Property"), which shall remain the sole and exclusive property of Franchisee.



#### **13.4 Compliance with Law**

In providing the services required under this Agreement, the Franchisee shall at all times during the Term of this Agreement comply with all Applicable Laws and regulations of the United States, the State of California, and local agencies. The County shall comply with all applicable regulations promulgated by federal, State, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the Term.

#### **13.5 Law to Govern; Venue**

The laws of the State of California shall govern this Agreement without reference to its conflicts of laws principles. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Riverside. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

#### **13.6 Assignment**

Except as provided herein, 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 expressed by Resolution. 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 the Franchisee, 'assignment' shall include, but not be limited to (i) a sale, exchange or other transfer of substantially all of the Franchisee's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding common stock of the Franchisee to a third party provided said sale, exchange or transfer may result in a change of control of the Franchisee; (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 the Franchisee; (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 the Franchisee'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 the Franchisee.

The Franchisee acknowledges that this Agreement involves rendering a vital service to the County's residents and businesses, and that the County has selected the Franchisee to perform the services specified in this Agreement based on (1) the Franchisee's experience, skill and reputation for conducting its operations in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws,

regulations and best Solid Waste management practices, and (2) the Franchisee's financial resources to maintain the required equipment and to support its indemnity obligations to the County under this Agreement. The County has relied on each of these factors, among others, in choosing the Franchisee to perform the services to be rendered by the Franchisee under this Agreement. Notwithstanding the forgoing, the County shall not unreasonably withhold its consent to an assignment of the franchise granted by this Franchise Agreement.

1. If the Franchisee requests the Department's consideration of and consent to an assignment, the Department may deny or approve such request in its reasonable discretion. Except for assignments to an Affiliate of Franchisee, which are permitted under this Section without meeting the following requirements, no request by the Franchisee for consent to an assignment need be considered by the Department unless and until the Franchisee has met the following requirements:
  - a. Franchisee shall pay the Department its reasonable expenses for attorney's and/or consultant's fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment. An advance payment towards expenses may be requested by the Department prior to Department consideration of any assignment request and Franchisee shall be responsible to pay all costs incurred by County in considering a request for assignment, including those in excess of the aforesaid deposit amount, regardless of whether County consents to the assignment.
  - b. The proposed assignee shall furnish the Department with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years.
  - c. 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 Franchisee's operations. The proposed assignee must furnish the Department with satisfactory proof: (i) that the proposed assignee has at least five (5) years of Solid Waste management experience comparable to or exceeding the operations conducted by the Franchisee 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 Solid Waste management operations due to any significant failure to comply with State, federal or local Environmental Laws and that the assignee has provided the Department with a

complete list of such citations and censures; (iii) that the proposed assignee has at all times conducted its operations in compliance with Applicable Law; (iv) that the proposed transferee has at all times conducted its operations in an environmentally safe and conscientious fashion; (v) that the proposed assignee conducts its Solid Waste management practices in accordance with sound Solid Waste management practices in full compliance with all federal, State and local laws regulating the Collection and Disposal of Solid Waste; (vi) of comparable financial strength; (vii) of required insurance and bonds; and, (viii) of any other information reasonably required by the Department to ensure the proposed assignee can fulfill the terms of this Agreement. Under no circumstances shall the Department be obliged to consider any proposed assignment if the Franchisee is in default at any time during the period of consideration.

d. Franchisee has provided to the Department a fully executed assignment and assumption agreement executed by both the Franchisee and the assignee. The requirement in this subsection to provide a fully executed assignment and assumption agreement shall apply to all assignments, even assignments to an Affiliate of Franchisee.

### **13.7 Binding on Assigns**

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

### **13.8 Transition to the Next Franchisee**

If the transition of services to another contractor occurs as a result of expiration of the Term, default by the Franchisee and termination of this Agreement by County, or otherwise (other than breach by County), the Franchisee shall cooperate with the Department and subsequent contractor(s) to assist in an orderly transition which shall include, but not be limited to, the Franchisee providing detailed route lists, billing and Service Level information and other operating records needed to service all Premises covered by this Agreement. Nothing in this Agreement shall be deemed to require Franchisee to provide any Intellectual Property to another contractor or any information protected by Applicable Law, including, without limitation, the California Consumer Privacy Act of 2018 (Civ. Code, § 1798.100 *et. seq.*). The failure to cooperate with the Department following termination as required by this provision shall be conclusively presumed to be grounds for specific performance of this covenant and/or other equitable relief necessary to enforce this covenant. Franchisee shall provide the new service provider with all keys, security codes and remote controls used to access garages and Bin enclosures Franchisee received from Department or Customers. Franchisee shall be responsible for coordinating transfer immediately after Franchisee's final pickups, so as

not to disrupt service. Franchisee shall provide Department with detailed Level of Service information containing Customer service names and addresses at least ninety (90) days prior to the transition date or as otherwise agreed upon by the Franchisee and the new service provider and provide an updated list two (2) weeks before the transition and a final list of changes the day before the transition. Franchisee shall cooperate in good faith with the Department and new service provider in scheduling exchanges of Franchisee Containers with Containers provided by the new service provider so as to assure that Customers neither need to find storage for two (2) sets of Containers nor go without a Container for an inconvenient length of time.

#### **13.9 Parties in Interest**

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

#### **13.10 The Franchisee's Investigation**

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

#### **13.11 Notice**

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, nationally recognized overnight courier (with all fees prepaid), or United States certified or registered mail (postage prepaid, return receipt requested) addressed as follows:

To County:

County of Riverside  
Attn: Department of Environmental  
Health, Deputy Director EPO Division  
4065 County Circle Drive  
Riverside, CA 92503

To Franchisee:

CR&R Incorporated  
Attn: Senior Regional Vice President  
P.O. Box 1208  
Perris, CA 92572

Copy to:

County Counsel  
3960 Orange St., Ste 500  
Riverside, CA 92501

Copy to:

CR&R Incorporated  
Attn: Clifford Ronnenberg  
Chairman/CEO and  
David Ronnenberg, President  
11292 Western Ave  
Stanton, CA 90680

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed, three (3) business days from the date such notice is deposited in the United States mail.

**13.12 Representatives of the Parties**

The Board of Supervisors may delegate, in writing, authority to the Director, and/or to other County employees and may permit such employees, in turn, to delegate in writing some or all of such authority to subordinate employees. The Franchisee may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them. The Franchisee shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of the Franchisee in all matters related to the Agreement and shall inform the Department in writing of such designation and of any limitations upon his or her authority to bind the Franchisee. The County may rely upon action taken by such designated representative if they are within the scope of the authority properly delegated to the designated representative.

**13.13 Compliance with Municipal Code**

The Franchisee shall comply with those provisions of the Riverside County Ordinance No. 745, or any successor ordinances which are applicable, and with any and all amendments to such applicable provisions during the Term of this Agreement.

#### **13.14 Compliance with C&D Diversion Ordinance.**

Franchisee shall comply with the requirements of Riverside County Ordinance No. 457, as it may be amended from time to time, which incorporates the requirements of the California Green Building Standards Code, for Diversion of construction and demolition waste and shall assist Customers with compliance by Diverting construction and demolition materials to the maximum extent feasible and by providing receipts for all materials collected.

#### **13.15 Privacy**

Franchisee shall strictly observe and protect the rights of privacy of Customers. Information identifying individual Customers or the composition or contents or a Customer's Refuse or Recyclables shall not be revealed to any Person, governmental unit, private agency or company unless upon the authority of a court of law, by statute or upon valid authorization of the Customer. This provision shall not be construed to preclude Franchisee from preparing, participating in or assisting in the preparation of waste characterization studies or waste stream analyses, which may be required by the IWMA, and/ or County. Franchisee shall not market or distribute any lists with the names and addresses of Customers except to authorized employees and representatives of the County as necessary to comply with this Agreement. The rights accorded Customers pursuant to this Section shall be in addition to any other privacy right accorded Customers pursuant to federal or State law.

#### **13.16 Attorney's Fees**

In any action or proceeding to enforce or interpret any of the terms or conditions of this Agreement the prevailing party shall be entitled to an award to attorney's fees and expert witness fees in the amount reasonably incurred in the prosecution or defense of such action. The term "prevailing party" shall mean the party entitled to recover costs of suit, upon the conclusion of the matter, in accordance with the laws of the State of California.

## **14 Miscellaneous Agreements**

### **14.1 Entire Agreement**

This Agreement, including the exhibits and the separately executed Exclusive Waste Delivery Agreement, represents the full and entire Agreement between the parties with respect to the matters covered in this Agreement. No verbal agreement or conversation with any office, agent, or employee of the County, either before, during, or after the execution of this contract, shall affect or modify any of the terms or obligations in this Agreement contained nor entitle the Franchisee to any additional payment whatsoever under the terms of this contract.

### **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 References to Laws and Other Agreements**

All references in this Agreement to laws shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided. This Agreement supersedes any and all agreements heretofore entered into by the parties.

### **14.4 Interpretation**

This Agreement, including the exhibits attached hereto, shall not be interpreted nor construed against the drafting party.

### **14.5 Amendments**

This Agreement may not be modified or amended in any respect except by a writing signed by both parties. Commencing on the Effective Date, the Department and Franchisee shall meet and review this Agreement to discuss any needed or required amendments at least once every five (5) years, or more often as required by a significant change in law. Purported oral amendments shall be void and of no force or effect.

### **14.6 Prior Agreements and Amendment**

This Agreement is intended to carry out the County's obligations to comply with the provisions of AB 939 as it from time to time may be amended, and as implemented by regulations of CalRecycle, as they from time to time may be amended. In the event that AB 939 or other State or federal laws or regulations enacted after this Agreement has been enacted, prevent or preclude compliance with one or more provisions of this Agreement, such provisions of the Agreement shall be modified or suspended in accordance with Section 14.5 as may be necessary to comply with such State or federal laws or regulations.

#### **14.7 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 the validity and enforceability of any of the remaining provisions of this Agreement.

#### **14.8 Exclusive Waste Delivery Agreement's Enforceability**

The parties agree that the Exclusive Waste Delivery Agreement referenced in this Agreement is a material part of this Agreement, itself, and is not severable from it. Franchisee agrees not to challenge the validity or enforceability of the Exclusive Waste Delivery Agreement or any term or provision found in such agreement. If for any reason the Exclusive Waste Delivery Agreement or any part thereof is found to be void or unenforceable by a court of law, then, the parties shall meet and confer in good faith to determine whether, and to what extent, this Agreement may be amended. If the Parties do not agree upon an amendment, the County shall have the right to terminate this Agreement.

#### **14.9 Exhibits**

Each of the exhibits identified in this Agreement are attached to and incorporated in the Franchise Agreement by reference. In the event of differences or conflicts between the language of an exhibit and the language of the Franchise Agreement, the language of the exhibit shall prevail.

#### **14.10 Non-Waiver Provision**

With regard to the rights and remedies of this Agreement, no waiver by either party of any defaults or breaches by the other in performing this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a like or different character. The subsequent acceptance by either party of any moneys that become due under this Agreement 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.

#### **14.11 Compliance With Applicable Law**


Franchisee shall comply with Applicable Law in the provision of services and performance of obligations under this Agreement.



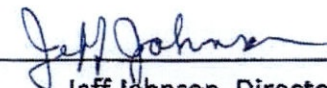
IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this First Amended and Restated Franchise Agreement for Franchise Area #7 for Solid Waste Collection Service.

COUNTY OF RIVERSIDE

DATED: 9/10/2024

BY:   
Chuck Washington, Chair  
Board of Supervisors

DATED: 6/26/24

BY:   
Jeff Johnson, Director  
Department of Environmental Health

ATTEST:

KIMBERLY RECTOR

CLERK OF THE BOARD


BY:   
Deputy

DATED: 9/10/2024

APPROVED AS TO FORM:

MINH C. TRAN

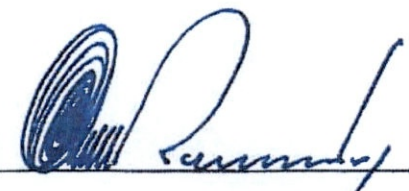
COUNTY COUNSEL

BY:   
LISA SANCHEZ, DEPUTY COUNTY COUNSEL


DATED: 6/27/2024

CR&R INCORPORATED

DATED: 6/25/24

BY: 

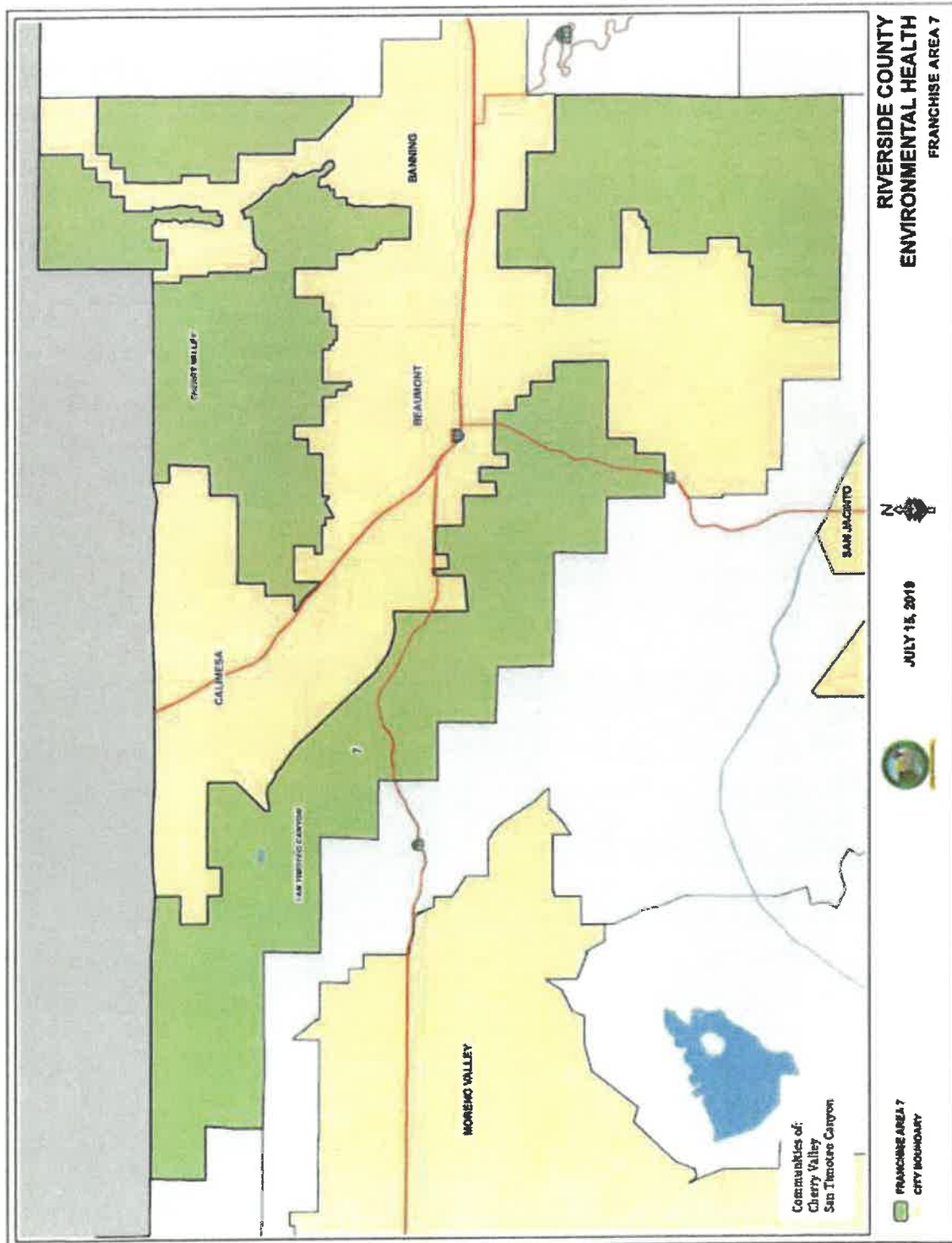
DATED: 6.25.24

BY: 

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Exhibit 1 – Map of Franchise Area 7



## **Exhibit 2 – Legal Description of Franchise Area 7**

- Beginning at a point on the Northerly Boundary of the County of Riverside, said point being the Northeast Corner of Section 4, T. 2 S., R. 1 E;
- Thence Southerly along the Easterly Line of Sections 4, 9, 16, 21, 28 and 33 of T. 2 S., R. 1 E to the Southeast Corner of said Section 33, said point being on the Southerly Line of said Township;
- Thence continuing Southerly along the Easterly Line of Sections 4, 9, 16, 21, 28 and 33 of T. 3 S., R. 1 E, to the Southeast Corner of said Section 33, said point being on the Southerly Line of said T. 3 S., R. 1 E;
- Thence continuing Southerly along the Easterly Line of Sections 4, and 9 of T. 4 S., R. 1 E, to the Southeast Corner of said Section 9; of T. 4 S., R. 1 E, said point also being the Northeast Corner of Section 16 of said Township;
- Thence Westerly along the Northerly line of Section 16, 17, and 18, T. 4 S., R. 1 E., to a Point Being the Northwest Corner of Section 18, Said Point Also Falling on the East Line of T. 4 S., R. 1 W;
- Thence Continuing Westerly, along the North Line of Section 13, T. 4 S., R. 1 W., to the Northwest Corner of Said Section;
- Thence Northerly, along the West Line of Section 12 of Said Township, to the Northwest Corner of Said Section;
- Thence Westerly, Along the North Line of Sections 11, 10 and 9 of Said Township to the Southwest Corner of Section 3 of T. 4 S., R. 1 W.;
- Thence Northerly, along the West Line of Said Section 3 to a Point Being the Northeast Corner of Said Section, Said Point Also Falling on the South Line of T. 3 S., R. 1 W.;
- Thence Continuing Northerly, along the West Line Of Section 34, T. 3 S., R. 1 W., to the Northwest Corner of Said Section 34;
- Thence Westerly, along the North Line of Section 33, to the Northwest Corner of Said Section;

- Thence Northerly, along the East Line of Section 29, to the Northeast Corner of Said Section;
- Thence Westerly, along the North Line of Said Section 29, to The Northwest Corner of Said Section;
- Thence Northerly, along the East Line of Section 19, to the Northeast Corner of Said Section;
- Thence Westerly, along the North Line of Said Section 19, to a Point Being the Northwest Corner of Said Section, Said Point Also Falling on the East Line of T. 3 S., R. 2 W.;
- Thence Continuing Westerly, along the North Line Of Section 24, T. 3 S., R. 2 W., to the Northwest Corner of Said Section;
- Thence Northerly, along the East Line of Section 14 of Said Township, to the Northeast Corner of Said Section;
- Thence Westerly, along the North Line of Said Section 14, to the Northwest Corner of Said Section;
- Thence Northerly, along the East Line of Section 10 of Said Township, to the Northeast Corner of Said Section;
- Thence Westerly, along the North Line of Said Section 10, to the Northwest Corner of Said Section;
- Thence Northerly, along the East Line of Section 4, to a Point Being the Northeast Corner of Said Section, Said Point Also Falling on the North Line of T. 3 S., R. 2 W.;
- Thence Westerly, along the North Line of Said Township, to the Southeast Corner of Section 32 T. 2 S.,
- R. 2 W.;
- Thence Northerly, Along the East Line of Section 32, T. 2 S., R. 2 W., to the Northeast Corner of Said Section;

- Thence Westerly, along the North Line of Section 32 and 31, to a Point Being the Northeast Corner of Section 31, Said Point Also Falling on the West Line of Said Township;
- Thence Northerly, along Said Township Line, Also Being the East Line of Section 25, T. 2 S., R. 3 W., to the Northeast Corner of Said Section;
- Thence Westerly, along the North Line of Sections 25, 26, and 27, To the Northwest corner of Section 27 of said Township;
- Thence Northerly, along The East Line Of Section 21 Of Said Township, to the Northeast Corner of Said Section;
- Thence Westerly, along the North Line of Said Section 21, To The Northwest Corner of Said Section;
- Thence Northerly, Along the West Line of Section 16, T. 2 S., R. 3 W., to a Point Being the Northwest Corner of Said Section, Said Point Also Falling on the Northerly Boundary of the County of Riverside;
- Thence Easterly, along Said County Boundary, Also Being the North Line of Sections 16, 15, 14, and 13, T. 2 S., R. 3 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling on the East Line of Said Township;
- Thence Continuing Easterly, along Said County Boundary, Also Being the North Line of Sections 18, 17, 16, 15, 14, and 13, T. 2 S., R. 2 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling on the East Line of Said Township;
- Thence Continuing Easterly, along Said County Boundary, Also Being the North Line of Sections 18, 17, 16, 15, 14, 13, T. 2. S, R. 1 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling on the East Line of Said Township;
- Thence Northerly, along Said County Boundary, Also Being the West Line of Sections 7 and 6, T. 2 S., R. 1 E., to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

- Thence Easterly, along Said County Boundary, Also Being the North Line of Said Township, along the North Line of Sections 6, 5 and 4 to a Point Being the Northeast Corner of Section 4, Said Point Also Being the Point of Beginning;
- The boundaries described herein specifically exclude any territory assigned by franchises to other haulers in areas 1, 3, 4, 5, 6, 8, 9, 10, 12, and 13.
- Also excludes are any areas within city boundaries.

**Exhibit 3**  
**NON-COLLUSION AFFIDAVIT**

Franchisee represents and warrants that:

Franchisee is fully informed respecting the preparation and contents of this Agreement and of all pertinent circumstances;

Franchisee has not employed or retained any company or persons, other than bona fide employees working solely for Franchisee, to solicit this Agreement, nor employed or retained any company or person to secure this Agreement through collusion, conspiracy, connivance, improper influence or unlawful agreement, and that it has not paid or agreed to pay any company or subconsultant any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

Franchisee, nor any of its officers, partners, owners, agents, representatives, employees has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other firm or person to submit a collusive or sham proposal in connection with this Agreement; or has in any manner, directly or indirectly, sought by agreement or collusion, or communications, or conference with any other firm, or person, to fix the prices or terms in the Agreement, or to fix any overhead, profit, or cost element of the prices in the Agreement or the prices of any other person or firm, or to secure through any collusion conspiracy, connivance, or unlawful agreement any advantage against the County of Riverside, its residents, or businesses, or any person interested in this Agreement;

The price and terms of items in the Agreement are fair and proper and are not tainted by collusion, conspiracy, connivance, or unlawful agreement on the part of the Franchisee or any other of its agents, representatives, owners, employees, parties in interest.

The undersigned hereby represents that he or she has full power to execute, and does execute, this affidavit on behalf of the Franchisee.

By 

Subscribed and sworn to before me this 4 day of April, 2024.



Notary Public (Signature)

My Commission Expires September 02, 2025

# JURAT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

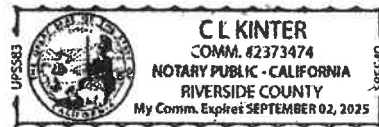
State of California

County of Riverside

Subscribed and sworn to (or affirmed) before me on this 4 day of April,  
2024 by Jose Alejandro Braiconich

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

[Signature]  
Signature (Seal)



## OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

Additional information

## INSTRUCTIONS

*The wording of all Jurats completed in California after January 1, 2015 must be in the form as set forth within this Jurat. There are no exceptions. If a Jurat to be completed does not follow this form, the notary must correct the verbiage by using a jurat stamp containing the correct wording or attaching a separate jurat form such as this one which does contain the proper wording. In addition, the notary must require an oath or affirmation from the document signer regarding the truthfulness of the contents of the document. The document must be signed AFTER the oath or affirmation. If the document was previously signed, it must be re-signed in front of the notary public during the jurat process.*

- State and county information must be the state and county where the document signer(s) personally appeared before the notary public.
- Date of notarization must be the date the signer(s) personally appeared which must also be the same date the jurat process is completed.
- Print the name(s) of the document signer(s) who personally appear at the time of notarization.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different jurat form.
  - ❖ Additional information is not required but could help to ensure this jurat is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
- Securely attach this document to the signed document with a staple.



## Exhibit 4 – Jurisdiction Waiver

### Low Population Waiver Application for Unincorporated Portions of Counties (Special Districts Providing Solid Waste Collection Services)

CalRecycle is providing this form as a convenience to assist unincorporated portions of counties (or special districts providing solid waste collection services that are located in unincorporated counties) providing solid waste collection services in applying for low population waiver under 14 CCR 18984.12(a). Use of this form is optional and not a regulatory requirement.

Unincorporated counties (or special districts providing solid waste collection services that are located in unincorporated counties) may apply to CalRecycle for a waiver for some or all of the generators within the unincorporated county from some or all of the requirements of Article 3 (14 CCR 18984 through 18984.13).

To qualify for a low population waiver, the following must apply:

- The identified census tracts have a population density of less than 75 people per square mile within the jurisdiction and are located in unincorporated portions of the county.

CalRecycle-approved waivers are valid for a period of up to five years. A jurisdiction may apply to renew a waiver at any time up to 180 days prior to the expiration of an existing approved waiver. An approved waiver does not waive a jurisdiction from its obligation to comply with the other requirements of the SB 1383 regulations including, but not limited to, promoting and providing information to generators about waste prevention, community composting, managing organic waste on-site, and other means of recovering organic waste.

Please clearly print or type your responses. Attach additional pages as necessary.

Jurisdiction Name: <b>Riverside Co.</b>	County: <b>Riverside</b>
Person Completing the Application:	
First Name: <b>Ryan</b>	Last Name: <b>Ross</b>
Title: <b>Planning Division Manager</b>	
Mailing Address: <b>14310 Frederick St.</b>	
City: <b>Moreno Valley</b>	
Zip Code: <b>92553</b>	
E-mail Address: <b>rmross@rivco.org</b>	
Phone Number: <b>951 486-3280</b>	

1. List all of the census tracts that are included in this waiver request.  
 CT 432.93, CT 438.13, CT 444.03, CT 444.04, CT 444.05, CT 444.06, CT 444.07, CT 445.20, CT 445.21, CT 445.24, CT 448.07, CT 451.24, CT 456.12, CT 459, CT 464.01, CT 469, CT 470, CT 9401, CT 9405

2. How many generators are included in this waiver request?  
 (This total includes all generators, such as residential, commercial, industrial, etc.)

Population - 48,195
Comm/Multi - 492
Total - 48,687

3. What duration are you requesting? (Requests cannot be longer than 5 years)		<input type="checkbox"/> 1 year	<input type="checkbox"/> 2 years	<input type="checkbox"/> 3 years	<input type="checkbox"/> 4 years	<input checked="" type="checkbox"/> 5 years
4. What requirements of Article 3 in 14 CCR Section 18984 are you requesting be waived? (Select all that are applicable to this request.)						
<input checked="" type="checkbox"/> 14 CCR 18984 Combined Organic Waste Collection Services	<input checked="" type="checkbox"/> 14 CCR 18984.1 Three-Container Organic Waste Collection Services	<input checked="" type="checkbox"/> 14 CCR 18984.2 Two-Container Organic Waste Collection Services				
<input checked="" type="checkbox"/> 14 CCR 18984.3 Unsegregated Single Container Collection Services	<input checked="" type="checkbox"/> 14 CCR 18984.4 Recordkeeping Requirements for Compliance with Organic Waste Collection Services	<input checked="" type="checkbox"/> 14 CCR 18984.5 Container Contamination Minimization				
<input checked="" type="checkbox"/> 14 CCR 18984.6 Recordkeeping Requirements for Container Contamination Minimization	<input checked="" type="checkbox"/> 14 CCR 18984.7 Container Color Requirements	<input checked="" type="checkbox"/> 14 CCR 18984.8 Container Labeling Requirements				
<input checked="" type="checkbox"/> 14 CCR 18984.9 Organic Waste Generator Requirements	<input checked="" type="checkbox"/> 14 CCR 18984.10 Commercial Business Owner Responsibilities	This box is blank				

I hereby certify under penalty of perjury that the information provided herein is true and correct to the best of my knowledge.

Ryan Ross Digitally signed by Ryan Ross  
Date: 2021.12.30 14:30:54 -08'00'

Signature

Ryan Ross

Printed Name

Planning Division Manager

Title

1-3-2022

Date

## Exhibit 5 – Customer Rates

### CR&R - Area 7

#### Ex. 5.1 Single-family

Single-family Collection Services	Monthly Rate
Three Cart Collection Service - 3 ea. 96 gallon carts (refuse, recycling, organics) (2)	35.49
Two Cart Collection Service - 2 ea. 96 gallon carts (refuse, recycling) (1) (2)	31.47
Hard to Serve - Three Cart Collection Service - 3 ea. 96 gallon carts (refuse, recycling, organics) (2)	40.34
Hard to Serve - Two Cart Collection Service - 2 ea. 96 gallon carts (refuse, recycling) (1) (2)	36.32
<u>Additional Carts:</u>	
Refuse	12.42
Recycling	4.00
Organics	12.42
<u>Back Yard/Side Yard/Walk-in Service</u>	
Carts are fewer than 45 feet from curb or roadside	26.62
Each additional 15 feet from curb or roadside	19.96
<u>Bulky Item Collection:</u>	
For each pickup in excess of the maximum number of no-charge pickups	40.00
For each item in excess of the maximum number of items per pickup	10.00
Bins at single-family premises charged same bins at commercial premises	

Single-family Miscellaneous Fees	Amount
Account Set-up Fee (per account set up)	\$25.00
Account Reinstatement Fee (per account reinstatement)	25.00
Residential Contamination Fee (per occurrence, in excess of allotted number of occurrences)	15.00
Residential Overage Fee (per occurrence, in excess of allotted number of occurrences)	15.00
Cart Replacement Fee for lost, stolen, or destroyed carts (per cart)	75.00
Cart Exchange/Redelivery Fee (per exchange/ redelivery, regardless of number of carts)	25.00
Plastic Sharps Disposal Container (in excess of annual allotted amount)	40.00
Food Scrap Pail (per unit, after 1st free)	\$10.00

Single-family Administrative Fees	Amount
Late Fee (per month for each month over 30 days overdue) (3)	1.50%
Delinquent Account Tax Roll Processing Fee	\$ 50.00
Returned Check, Failed Electronic Payment (per occurrence)	\$ 35.00

(1) Customer is located in low-population census tract and not required to subscribe to organics collection service until January 2027.

(2) Senior citizens receive a 10% discount on cart service and receive a 65 gallon trash cart upon request if they are 65 and older and provide proof that they are the head of household at the address.

(3) First charged on 61st unpaid day past invoice date.

**CR&R - Area 7**

**Ex. 5.2 Comm-MFR Refuse**

**All rates are monthly unless otherwise noted.**

Service Description	Pickups Per Week						Extra Pickup (per pickup)
	1	2	3	4	5	6	
<b>Commercial Cart</b>							
96 Gallon	\$50.00	\$100.00	\$150.00	\$200.00	\$250.00	\$300.00	\$20.00
<b>Commercial Bin</b>							
2 Yard	140.42	280.84	421.27	561.69	702.11	842.53	56.17
3 Yard	\$183.17	\$366.32	\$549.48	\$732.64	\$915.80	\$1,098.95	\$73.27

**Compactors are 2x Regular Refuse Bin Charges.**

**CR&R - Area 7**

**Ex. 5.3 Comm-MFR Recycling**

**All rates are monthly unless otherwise noted.**

Service Description	Pickups Per Week						Extra Pickup (per pickup)
	1	2	3	4	5	6	
<b>Recycle Cart</b>							
96 Gallon	\$43.00	\$86.00	\$129.00	\$172.00	\$215.00	\$258.00	\$17.20
<b>Recycle Bin</b>							
2 Yard	98.30	196.59	294.89	393.18	491.48	589.77	39.32
3 Yard	128.22	256.42	384.63	512.85	641.06	769.27	51.29
4 Yard	162.40	324.80	487.20	649.60	812.00	974.41	64.96

CR&R - Area 7

Ex. 5.4 Comm-MFR Organics

All rates are monthly unless otherwise noted.

Service Description	Pickups Per Week						Extra Pickup (per pickup)
	1	2	3	4	5	6	
<b>Mixed Organic Waste</b>							
64 Gallon	70.00	140.00	210.00	280.00	350.00	420.00	
Additional 64 Gallon	70.00	140.00	210.00	280.00	350.00	420.00	
2 Yard	225.00	450.00	675.00	900.00	1125.00	1350.00	90.00
<b>Manure</b>							
2 Yard	191.25	382.50	573.75	765.00	956.25	1147.50	76.50
3 Yard	\$247.50	\$495.00	\$742.50	\$990.00	\$1,237.50	\$1,485.00	\$99.00

CR&R - Area 7

Ex. 5.5 Misc. Comm-MFR Fees

Commercial Miscellaneous Fees	Amount
<u>Commercial Bulky Item Collection</u>	
For each pickup (includes one item)	\$50.00
For each additional item in the same pickup	15.00
<u>Multi-family Bulky Item Collection</u>	
For each pickup in excess of the maximum number of no-charge pickups	40.00
For each item in excess of the maximum number of items per pickup	10.00
Commercial/MFR Account Set Up (per set up, includes delivery)	40.00
Commercial/MFR Account Reinstatement Fee (per account reinstatement)	40.00
Commercial/MFR Bin Contamination Fee (per occurrence, in excess of allotted number)	50.00
Commercial/MFR Bin Overage (per occurrence, in excess of annual allotted number)	50.00
Commercial/MFR Cart Contamination Fee (per occurrence, in excess of allotted number)	15.00
Commercial/MFR Cart Overage (per occurrence, in excess of annual allotted number)	15.00
Bin Replacement Fee (for lost, stolen, or destroyed bins (per bin))	1100.00
Cart Replacement Fee (for lost, stolen, or destroyed carts (per cart))	75.00
Bin Exchange (in excess of 1 per year) (per bin)	75.00
Bin Relocation (per event)	75.00
<u>Locking Containers</u>	
Hauler Lock (includes Set Up) (per bin per month)	20.00
Replacement Lock (per lock)	20.00
Replacement Key (per key)	20.00
<u>Pull-Out Service (per request, per bin)</u>	
0-25 ft.	no charge
26-50 ft.	20.00
51-75 ft.	35.00
76-100 ft.	50.00
Scout Service (per bin, per weekly pickup)	\$60.00

CR&R - Area 7

Ex. .6 Temp Bins

Temporary & Construction Bins	Amount
<b>Temporary Bin (Disposed) (1)</b>	
3 Yard Temp Bin - One Week; one pickup	\$145.02
3 Yard Temp Bin One month - four weekly pickups	398.81
3 Yard Temp Bin - Extra Pickup	108.77
4 Yard Temp Bin - One Week; one pickup	181.28
4 Yard Temp Bin One month - four weekly pickups	498.51
4 Yard Temp Bin - Extra Pickup	\$135.96

Temporary Bin Services	Amount
Demurrage (each day over 7 for weekly service, each day over 30 for monthly service)	\$ 4.00
Container Relocation (per event)	\$ 75.00

(1) Rates include delivery charge.

Temporary bin customers may be charged on a COD basis.



**CR&R - Area 7**
**Ex. 5.7 Roll-Offs & Compactors**

<b>Roll-Offs &amp; Compactors per load (1)</b>	<b>Amount</b>
<b>Open-Top Roll-Off Boxes</b>	
10-19 Yard Roll-Off	\$397.31
20-29 Yard Roll-Off	397.31
30-39 Yard Roll-Off	397.31
40+ Yard Roll-Off	397.31
<b>Compactors</b>	
Compactor (30-40 Yard) Haul Charge	496.00
<b>C&amp;D Roll-Off Boxes</b>	
10-19 Yard Roll-Off	397.31
20-29 Yard Roll-Off	397.31
30-39 Yard Roll-Off	397.31
40+ Yard Roll-Off	397.31
<b>C&amp;D Compactors</b>	
Compactor (30-40 Yard) Haul Charge	\$496.00

<b>Schedule of Tip Fees/ Processing Rates</b>	
<b>Solid Waste Material</b>	<b>Amount</b>
Disposed waste	at cost
Recycling	at cost
Green waste	at cost
Food waste & mixed organic waste	at cost
Mixed construction & demo waste	at cost

<b>Roll-Off Miscellaneous Fees</b>	<b>Amount</b>
Delivery (per event)	\$150.00
Roll-Off Account Set-up Fee (per account set up)	\$25.00
Roll-Off Redelivery (per event)	125.00
Trip Charge/ False Run (per event)	125.00
Relocation (per event)	125.00
Roll-Off Rental (per day)	7.00
Roll-Off Demurrage -Each Day Over 7	7.00
Roll-Off Contamination Fee (per occurrence, in excess of allotted number)	40.00
Overloaded Roll-Off (per occurrence, in excess of annual allotted number)	50.00
Roll-Off Stand-By Time (per every 15 minutes after 1st 15 minutes)	50.00
Container Steam Cleaning (per container)	300.00
Unscheduled Roll-Off Bin Dumps (per event)	75.20
Unscheduled Compactor Dumps (per event)	\$126.31

(1) Haul rate, add applicable disposal from tip fees for total.

Temporary rolloff customers may be charged on a COD basis for a flat rate equal to the haul charge plus a minimum of 5 tons.

### **Exhibit 6 – Community Cleanups**

Community cleanup events as required by the Agreement will be held annually for Residential Premises in each of the communities listed below, and scheduled to occur on a Saturday, between the hours of 8:00 a.m. and 12:00 p.m. Locations and dates for each event shall be determined by County and Franchisee before January 1 for the upcoming calendar year. Franchisee shall mail notices to community residents before each cleanup event.

County will review the list of communities bi-annually to assess for any need to relocate events to a different community within the Franchise Service Area.

<b>FRANCHISE AGREEMENT AREA</b>	<b>COMMUNITIES</b>	<b>NUMBER OF CLEANUPS PER YEAR</b>
7	San Timoteo Canyon	1

Franchisee shall provide Collection of Refuse, Green Waste, and Recyclable Materials, White Goods, and Bulky Items at the community cleanup events in accordance with Section 5.5. Collection at community cleanup events does not include Collection of Construction and Demolition Debris or Excluded Waste.

**Exhibit 7 – Solid Waste Facilities**

<b>Facility Name Address and SWIS #</b>	<b>Materials Delivered</b>	<b>Affiliated with Franchisee (Yes/No)</b>	<b>Direct Haul Tip Fee per Ton (for non- affiliated facilities)</b>	<b>Transfer Tip Fee per Ton (for non- affiliated facilities)</b>
El Sobrante Landfill 10910 Dawson Canyon Road Corona, CA 91719  SWIS #: 33-AA-0217	Refuse	NO	\$49.75/ton	\$42.55/ton
Badlands Sanitary Landfill 31125 Ironwood Avenue Moreno Valley, CA 92555  SWIS #: 33-AA-0006	Refuse	NO	\$49.75/ton	\$42.55/ton
Blythe Sanitary Landfill 1000 Midland Road Blythe, CA 92225  SWIS #: 33-AA-0017	Refuse	NO	\$49.75/ton	\$42.55/ton
Desert Center Sanitary Landfill 17-991 Kaiser Road Desert Center, CA 92239  SWIS #: 33-AA-0016	Refuse	NO	\$49.75/ton	\$42.55/ton
Lamb Canyon Sanitary Landfill 16411 Lamb Canyon Road Beaumont, CA 92223  SWIS #: 33-AA-0007	Refuse	NO	\$49.75/ton	\$42.55/ton

<b>Facility Name Address and SWIS #</b>	<b>Materials Delivered</b>	<b>Affiliated with Franchisee (Yes/No)</b>	<b>Direct Haul Tip Fee per Ton (for non- affiliated facilities)</b>	<b>Transfer Tip Fee per Ton (for non- affiliated facilities)</b>
Western Way Recycling Inc. 6175 Natwar Lane, Perris, CA 92571  SWIS #: unknown	Recyclables	NO	\$48/ton	
Men Cal Recycling (Potential Industries) 941 E4th Street Santa Ana, CA 92701  SWIS #: unknown Certification #: PR0175	Recyclables	NO	\$48/ton	
Perris Transfer Station 1706 Goetz Road Perris, CA 92570  SWIS #: 33-AA-0239	Organic Waste	YES	\$139/ton	

### Exhibit 8 – Emergency Service Rates

Labor Position or Equipment Type	Hourly Rate
Helper/Labor	\$65.00
Driver	\$65.00
Supervisor	\$85.00
Automated Side-loader	\$155.00
Front-loader	\$155.00
Roll-off	\$125.00

## **Exhibit 9 – Required Reports**

In accordance with Section 8.4.1, Franchisee shall provide the following reports by their respective deadlines:

The following monthly report shall be due by the end of each month:

- Waiver Verification

In accordance with Section 8.4.4, the following quarterly reports shall be due no later than one month following the completion of each quarter:

- Collection Summary
- Customer Type Summaries
- Service Performance
- Container Contamination Monitoring
- Education and Outreach
- Problems Encountered

In accordance with Section 8.4.5, the following annual reports shall be due no later than January 31 of each year:

- Diversion Summary Reports
- Hazardous Waste
- Program Implementation
- Education and Outreach
- Future Programs
- Equipment and Route Inventory
- BIT Report and BASIC Score
- Litigation Information
- Procurement
- Gross Receipts

## Exhibit 10 – Example Rate Adjustment Method

### Annual Rate Adjustment Methodology Example

#### Step One: Calculate annual change in price indexes

Row	Index	A	B	C
		Old Index Value	New Index Value	Percent Change In Index (Column B-Column A)/Column A)
1	Consumer Price Index	522.33	549.33	5.17%
2	Disposal Tip Fee (a)	\$46.35	\$50.00	7.87%
3	Recycle Processing Fee (a)	522.33	549.33	5.17%
4	Organics Processing Fee (a)	522.33	549.33	5.17%

#### Step Two: Determine total weighted percentage change in rates based on change in indexes and weight of rate components

Row	Rate Component	D	E	F
		Weight of Rate Component (Components as a % of Total; from Column N of previous year's calculation)	Rate Adjustment Factors (Percent Change in Index; from Column C above)	Total Weighted Percentage Change in Rates (Column D multiplied by Column E)
1	Service	65.00%	5.17%	3.36%
2	Disposal	20.00%	7.87%	1.57%
3	Recycle	7.00%	5.17%	0.36%
4	Organics	8.00%	5.17%	0.41%
Total		100.00%		5.70%

#### Step Three: Apply total weighted percent change to current rates to calculate adjusted rates

Row	Service Rate Description	G	H	I
		Current Rate	Total Weighted Percentage Change in Rates (from total of Column F above)	Adjusted Rate (current rate in Column G multiplied by 1 plus percent in Column H)
1	Residential Basic	\$36.00	5.70%	\$38.05
2	Additional Container	\$13.00	5.70%	\$13.74
3	Commercial-MFR	\$190.00	5.70%	\$200.83
4	Recycling	\$132.00	5.70%	\$139.52

#### Step Four: Recalculate the weight of rate components for next year's annual rate adjustment

Row	Rate Component	J	K	L	M	N
		Current Cost Component (from Column D)	Percent Change in Each Index Applied to Each Component (Column E)	Increase In Cost Components (Column J x Column K)	Cost Component Increased (Column J + Column L)	Cost Component in Column M Reweighted to Equal 100% (used in Column C of subsequent year's annual adjustment)
1	Service	65.00%	5.17%	3.36%	68.36%	64.67%
2	Disposal	20.00%	7.87%	1.57%	21.57%	20.41%
3	Recycle	7.00%	5.17%	0.36%	7.36%	6.96%
4	Organics	8.00%	5.17%	0.41%	8.41%	7.96%
Total		100.00%		5.70%	105.70%	100.00%

(a) If facility is owned or operated by Franchisee, use CPI in lieu of tipping or processing fee.

### Exhibit 11 – Liquidated Damages

Occurrence	Description	Liquidated Damage Amount
Failure to Collect Missed Collections	Failure to Collect a missed Collection as described in Section 7.4.	\$100 per occurrence
Starting Service for New Customers	Failure to deliver Containers and start SB 1383 compliance service for a new Customer within the time described in Section 5.1.3.	\$100 per occurrence
Timely Exchange of Carts	Failure to exchange Carts within the time described in Section 7.8.2.	\$50 per occurrence
Timely Exchange of Bins	Failure to exchange Bins within the time described in Section 7.8.5.	\$50 per occurrence
Notice of Changes to Collection Schedule	Failure to notify the Department prior to changes to Collection schedule as described in Section 7.14.	\$250 per occurrence
Office Hours	Failure to maintain office hours as described in Section 6.9.2 without prior notice to the Department.	\$100 per day



<b>Occurrence</b>	<b>Description</b>	<b>Liquidated Damage Amount</b>
Collection Hours	Collecting Refuse, Recyclables or Organic Waste outside of hours as described in Section 7.2.	\$50 per vehicle
Complaints-Responding to Complaints	Failure to initially respond to a Customer Complaint within the time as described in Section 6.9.1.	\$50 per occurrence
Complaints-Resolving/Processing Complaints	Failure to resolve Customer Complaints or process Complaint records to the Department as described in Sections 6.9.1 and 6.9.5.	\$100 per occurrence
Commingling Material Types	Failure to prevent commingling of Recyclable and Organic Waste with Solid Waste in same Collection vehicle as described in Section 7.6.	\$200 per occurrence
Container Contamination Procedures	Failure to conduct Route Reviews as described in Section 6.2.1.	\$100 per occurrence
Damaged Containers	Failure to repair or replace damaged Containers as described in Sections 7.8.2 and 7.8.5.	\$50 per occurrence

<b>Occurrence</b>	<b>Description</b>	<b>Liquidated Damage Amount</b>
Clean Equipment	Failure to maintain equipment in a clean and sanitary manner as described in Section 7.7.	\$100 per occurrence
Litter	Failure to clean up spillage or litter caused by Franchisee pursuant to Section 7.7.	In any calendar year: For a first occurrence, the amount shall be \$50 per occurrence. For a second occurrence, the amount shall be \$100 per occurrence. For a third or subsequent occurrence, the amount shall be \$200 per occurrence.
Noise Limits	For each occurrence of excessive noise as described in Section 7.7.5.	\$100 per occurrence
Discourteous Behavior	For each proven occurrence of an employee who does not practice courteous behavior as described in Section 7.9.1.	\$100 per occurrence

<b>Occurrence</b>	<b>Description</b>	<b>Liquidated Damage Amount</b>
Property Damage-Customer or County Property	Failure to repair damage to customer or County property caused by Franchisee's personnel as described in Section 7.12.1 and 7.12.2.	\$250 per occurrence
Employee Uniforms	Failure to have Franchisee personnel in Franchisee provided uniforms as described in Section 7.9.1.	\$50 per employee per day
Franchisee Identification on Vehicles	Failure to display Franchisee's name and customer service phone number and vehicle number on Collection vehicles as described in Section 7.7.2.	\$100 per vehicle
Vehicle Operator License	Failure to have vehicle operator properly licensed as described in Section 7.9.	\$100 per occurrence
Overweight Vehicles	Failure to keep vehicle weight within legal limits as described in Section 7.12.	\$150 per load
Compliance Reviews	Failure to conduct required compliance reviews as described in Section 6.8.	\$100 per occurrence

Occurrence	Description	Liquidated Damage Amount
Education & Outreach-Activities and Materials	Failure by Franchisee to develop, produce, and distribute a public outreach document or perform a community outreach activity in the form and manner approved by the Department as described in Section 6.3.	\$50 per document or activity
Quarterly Reporting Requirements	Failure to provide quarterly reports to the Department by the due dates as described in Section 8.4.4.	\$100 per report per day.
Annual Reporting Requirements	Failure to provide annual reports to the Department by the due dates as described in Section 8.4.5.	\$100 per report per day.