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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #8

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1 AGREEMENT BETWEEN THE COUNTY OF RIVERSIDE
2 AND CR&R INCORPORATED
3 FOR THE COLLECTION AND TRANSPORTATION
4 OF SOLID WASTE AND OTHER SPECIFIED SERVICES
5

6 This Franchise Agreement ("Franchise Agreement") is entered into this 20th day of June, 1997
7 and amended on May 5th, 2016, by and between the County of Riverside ("County") and CR&R
8 Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials,
9 Organic Waste, and construction debris and other specified services.
10

11 **RECITALS**
12

13 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
14 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and
15 well-being requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
16 management services for residential, commercial, and industrial customers in the County of Riverside;
17 and
18

19 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste
20 Management Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside
21 must have the ability to direct the flow of Solid Waste within the unincorporated County for the purposes
22 of processing, recovery and disposal; and
23

24 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
25 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
26

27 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
28

29 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
30

31 A. Representations and Warranties of Franchisee.
32

33 Franchisee hereby makes the following representations and warranties for the benefit of the County
34 as of the date of this Agreement.
35

- 36 1) Franchisee is duly organized and validly existing as a corporation in good standing under
37 the laws of the State of California.
38
- 39 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
40 Agreement, and has duly authorized the execution and delivery of this Agreement.
41
- 42 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
43 Franchisee to do so, and this Agreement has been duly executed and delivered by
44 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee
45 enforceable against Franchisee in accordance with its terms.
46
- 47 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
48 court or governmental entity against Franchisee or affecting Franchisee, wherein an
49 unfavorable decision, ruling or finding would adversely affect the validity or

1 enforceability of this Agreement, or which would have a material adverse effect on the
2 financial condition of Franchisee.

- 3
- 4 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
5 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
6 parent company's financial circumstances since the date of the most recent financial
7 statements submitted to the Environmental Health Department ("Department"). Prior to
8 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
9 most recent annual financial statements. The Department may at its discretion specify the
10 contents and form of such statements. The Director may inspect the financial records of
11 the Franchisee at any reasonable time for any reasonable purpose relevant to the
12 performance of this contract.
- 13
- 14 6) Franchisee has the expert, professional, and technical capability to perform all of its
15 obligations under this Agreement.
- 16
- 17 7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee
18 has provided the performance bond or letter of credit certificates of insurance, and the
19 annual financial statements, as provided in Exhibit C.
- 20

21 **B. Representations and Warranties of the County.**

22

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

25

- 26 1) The parties executing this Agreement on behalf of the County are duly authorized to do
27 so. This Agreement constitutes the legal, valid and binding Agreement of the County and
28 is enforceable against the County in accordance with its terms.
- 29
- 30 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
31 County before any court or governmental entity wherein an unfavorable decision, ruling
32 or finding would adversely affect the validity or enforceability of this Agreement.
- 33

34 **SECTION 2. DEFINITIONS**

35

36 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I,
37 Chapter 2 of the California Public Resources Code, the definitions in the Public Resources Code, as
38 presently defined and as they may be amended in the future shall apply unless the term is otherwise
39 defined in this Agreement. In the event of conflict between the definition of a term as found in the
40 California Public Resources Code or in County ordinances and this Agreement, the definition in this
41 Agreement shall supersede the definition found in the Public Resources Code or in County ordinances.

42

43 A. Agreement, means this Agreement between the County and Franchisee for the Collection and
44 transportation of Solid Waste and other specified services, including all exhibits, and any future
45 amendments.

46

47 B. Basic Level of Service shall mean the provision by the franchisee, and use by residential
48 customers, of Community Drop off centers and collection centers as herein defined as the primary method
49 for residential waste collection within the franchise.

1
2 C. Bins. shall mean those containers provided by Franchisee for optional residential, commercial,
3 industrial, construction, and multi-residential and “Basic level of Service” uses. Bins are of two types: (i)
4 Bins (generally 1 to 6 cubic yards in size) which are picked up by refuse trucks by means of front loading
5 apparatus; and (ii) Rolloff Bins (generally 10 to 40 cubic yards in size) which are picked up by trucks
6 using rear loading winches onto rails.
7

8 D. Board. shall mean the Riverside County Board of Supervisors.
9

10 E. Bulky Waste. shall mean large, heavy or otherwise difficult to handle items, including, but not
11 limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large concrete
12 and asphalt chunks, tree stumps, or other waste materials with weights or volumes greater than those
13 allowed for containers.
14

15 F. Collection. means Collection of Solid Waste, recyclable material, or other material specified in
16 this Agreement and its transportation to an appropriate Solid Waste Facility.
17

18 G. Collection Center. means permitted intermediate waste handling facilities where Solid Wastes
19 are deposited by residents and collected for transportation to a disposal site, Solid Waste processing
20 facility or other facilities.
21

22 H. Commercial Units. shall mean all commercial, industrial, institutional, agricultural or other
23 facilities, except residential and Multi-Residential Units. Agricultural units which require less than 1 ½
24 cubic yards disposal capacity per week shall not be deemed commercial units.
25

26 I. Community Drop-Off Centers. shall refer to sites located within and adjacent to the residential
27 communities within which the franchisee has located bins for express use by the residents within those
28 communities.
29

30 J. Compost. means a stable humus-like product that results from the biological decomposition of
31 organic materials occurring under controlled conditions.
32

33 K. Compost Facility. means a Solid Waste Facility that processes Organic Waste, Wood Waste or
34 other organic materials to produce Compost or mulch.
35

36 L. Comprehensive Collection Areas. shall mean specific portions or areas of the County
37 designated by an Ordinance or Resolution of the Board of Supervisors in which specified residential,
38 multi-residential, and/or commercial units are required to subscribe to refuse collection service.
39

40 M. County. means the County of Riverside, State of California.
41

42 N. Department. means the Riverside County Department of Environmental Health.
43

44 O. Director. shall mean the Director of the Riverside County Department of Environmental
45 Health or his or her designee.
46

47 P. District. means the Riverside County Waste Resources Management District.
48

1 Q. Effective Date. means the date on which this Agreement becomes effective, which shall be the
2 date it is executed by the Board of Supervisors.
3

4 R. Exclusive Franchise. means the rights granted to the Franchisee under the terms and conditions
5 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
6 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in
7 Exhibit B.
8

9 S. Extremely Hazardous Waste. shall mean any Hazardous Waste or mixture of Hazardous
10 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
11 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.
12

13 T. Franchise Area. means the geographic territory defined in Exhibit B.
14

15 U. Franchise Documents. shall mean the Agreement (as herein defined), the separately executed
16 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit
17 required under this Agreement.
18

19 V. Generator. means the owner or occupant of premises, including residences or businesses,
20 which initially produces Solid Waste, Recyclable Materials, or Organic Waste.
21

22 W. Green Waste. means organic waste generated from any landscaping including grass clippings,
23 leaves, prunings, tree trimmings, weeds, branches, and brush.
24

25 X. Gross Receipts. means all monies received by Franchisee for providing franchise services
26 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
27 on containers, pass through costs collected on behalf of the County, and collections received on
28 delinquent accounts. Gross Receipts does not include uncollectible accounts, landfill disposal
29 components, transportation components and pass through costs collected on behalf of State or other
30 governmental agencies.
31

32 Y. Hard-to-Service. may refer to any of the following:

- 33 1) Rural, sparsely populated areas,
- 34 2) Hilly or mountainous terrain,
- 35 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
- 36 4) Large, uninhabited areas between pockets of customers,
- 37 5) Unusually heavy waste due to large properties, livestock, etc.
38

39 Z. Hazardous Waste. shall mean any waste material or mixture of wastes which is defined or
40 otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an
41 irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such
42 a waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife,
43 during, or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic",
44 "corrosive", "flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in
45 the California Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.
46

47 AA. Integrated Waste Management Act (IWMA). shall mean the California Integrated Waste
48 Management Act of 1989 (AB 939), including all subsequent amendments.
49

1 BB. Materials Recovery Facility. means a facility intended primarily for recovery and processing
2 of Recyclable Materials that are source-separated, or a facility intended to recover Recyclable Materials
3 from Solid Waste. Such a facility may also function as a Transfer Station.
4

5 CC. Multi-Residential Units. shall mean permanent buildings containing five or more Residential
6 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
7 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
8

9 DD. Organic Waste. means food waste, green waste, landscape and pruning waste, nonhazardous
10 wood waste, and food-soiled paper waste that is mixed in with food waste.
11

12 EE. Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate
13 within all, or a portion of, the unincorporated County.
14

15 FF. Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,
16 trust, association, or corporation whether for profit or non-profit.
17

18 GG. Recyclable Materials. means material which has been segregated from other Solid Waste
19 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
20 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include
21 mixed Recyclables consisting of two or more of the above-referenced material types separated from non-
22 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
23 than five (5) percent Solid Waste by weight.
24

25 HH. Residential Unit. shall mean an occupied dwelling within the unincorporated area of the
26 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
27 either water or domestic light and power services are being supplied thereto. This definition shall apply
28 also to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is
29 considered to be two (2) attached Residential Units.
30

31 II. Small Quantity generator shall mean a Commercial unit that generates no more than 2 cubic
32 yards of waste per week.
33

34 JJ. Solid Waste. means all putrescible and non-putrescible solid, semisolid and liquid wastes,
35 including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction
36 wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid
37 wastes, and other discarded solid and semisolid wastes.
38

39 Solid Waste does not include any of the following wastes:

- 40 ○ Hazardous waste, as defined in Public Resources Code Section 40141.
- 41 ○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8
42 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety
43 Code).
- 44 ○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14
45 (commencing with Section 117600) of Division 104 of the Health and Safety Code).
46 Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in
47 Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall
48 be regulated pursuant to this division.
49

1 KK. Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by
2 all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,
3 Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material
4 recovery, composting, waste-to-energy, or landfill facilities.

5
6 LL. System Facility. means a Solid Waste Facility that is owned and/or operated by the District, or
7 with which the District has entered into an Agreement, and that for the purposes of this Agreement is
8 designated by the District through a separately executed Waste Delivery Agreement to be used by the
9 Franchisee for the processing, recovery and/or disposal of Solid Waste, Recyclable Materials or Organic
10 Waste.

11
12 MM. Term. means the Term of this Agreement, as provided for in Section 3.

13
14 NN. Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes
15 are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof
16 may undergo incidental processing, recycling or further handling before transportation to a disposal site,
17 Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer
18 station":

- 19
20 1) Locations where less than 15 cubic yards of combined container volume are provided to serve
21 as community or multi-residence receptacles for residential refuse.
22 2) Storage receptacles for waste from multi-residential buildings or for commercial Solid
23 Wastes.
24 3) A container used to store construction or demolition wastes at the place of generation.
25 4) Containers used to store salvaged materials.

26
27 OO. Waste Delivery Agreement. means the contract entered into by the District and the Franchisee
28 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
29 to specified System Facilities.

30
31 PP. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar
32 discarded processed wood materials, and large tree limbs.

33 34 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

35
36 A. Pursuant to Ordinance 657, and the IWMA, and subject to the terms and conditions of this
37 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
38 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in
39 Exhibit A of this Agreement within the portion of the unincorporated area of the County of Riverside
40 specified in Exhibit B of this Agreement for the Term set forth below and to use the County streets and
41 roads for such purposes.

42
43 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
44 hereby agrees to provide the services set forth in Exhibit A of this Agreement within the portion of the
45 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
46 forth below. Franchisee hereby waives any right it may have pursuant to Public Resources Code section
47 49520 or other laws to advance notice of the cancellation of such permit or other authorization for
48 territory described in Exhibit B of this Franchise.

1 Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to
2 its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement.
3 Nothing in this Agreement authorizes the Franchisee to take any action to breach any existing contract as
4 of the effective date of this Franchise.

5
6 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
7 the Exclusive Franchise, to the extent provided for in state and federal law.
8

9 C. This Agreement shall continue for a period of seven (7) years from the Effective Date. One year
10 after the Effective Date of this Agreement, and annually thereafter, the Term of this Agreement shall be
11 extended for an additional one year, unless no later than thirty (30) days prior thereto either the County or
12 the Franchisee gives written notice of non-renewal to the other party. Only one notice of non-renewal
13 shall be required hereunder. Notice of non-renewal need not be based on cause. The above provisions in
14 no way affect the County's right to terminate this Agreement following thirty (30) days notice for
15 nonperformance, as provided in Sections 9 and 10 hereof.
16

17 D. Franchisee will commence services under this Agreement on July 1st, 1997.
18

19 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
20 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
21 taken.
22

23 **SECTION 4. FRANCHISE AREA**

24

25 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
26 Riverside County defined in Exhibit B, "Franchise Area."
27

28 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

29

30 A. General.

31

32 Franchisee shall provide the Collection and transportation of Solid Waste within the Franchise Area
33 in accordance with the terms of this Agreement. The specific manner in which these services shall be
34 provided is specified in Exhibit A. The Franchisee shall also, upon written request of the Director,
35 provide optional services in the Franchise Area in accordance with the terms set forth in Exhibit A, and
36 the rates set forth in Exhibit E. Minimum levels of Solid Waste service to be provided under this
37 Agreement are defined below, however, no residential or commercial or business customer shall be
38 refused service, if that party is willing to pay for such service and is current in payment. Disputes arising
39 over the terms on which a particular customer may be serviced because of remoteness of location,
40 difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
41 provisions of Section 16 (B) (2) related to "service complaints."
42

43 B. Single Family Residential.

44

45 Basic Level of Service. Not less often than once per week, and more frequently as required to handle
46 the waste stream from residential units, Franchisee shall collect the Solid Waste (except Bulky Wastes,
47 Hazardous Wastes and other waste requiring special handling) which have been placed, kept, or
48 accumulated in containers at Collection Centers (Transfer Stations) or Community Drop-off Centers
49 within the Franchise Area. Franchisee may negotiate special pickup procedures, (outlined in Exhibit "A")

1 above and beyond the normal services described above, with customers for an additional fee in an amount
2 provided in Exhibit E.

3
4 C. Commercial, Industrial, and Multi-Residential.

5
6 Services are designated as mandatory for these customers under the conditions established under
7 Ordinance No 745 and Resolution No 97-107, and are subject to the enforcement conditions therein
8 included.

- 9
10 1) Multi-Residential Weekly Service. Not less often than once per week, and more
11 frequently if required to handle the waste stream of the premises where the Bins are
12 located, Franchisee shall collect the Solid Wastes (except Bulky Wastes, Hazardous
13 Wastes and other waste requiring special handling) which have been placed, kept or
14 accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
15
16 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
17 frequently if required to handle the waste stream of the premises where the Bins are
18 located, Franchisee shall collect the Solid Wastes (except Bulky Wastes, Hazardous
19 Wastes and other waste requiring special handling) which have been placed, kept or
20 accumulated for Collection in Solid Waste Bins at Commercial Units.
21
22 3) Small Quantity Generators. Upon approval of the franchisee, two or more small quantity
23 generators may share waste collection bins, subject to the criteria noted in "1" and "2"
24 above. Approval for shared bins by small quantity generators shall not be unduly
25 withheld by the franchisee. A determination of non-approval for such a request is subject
26 to review by the Director.
27
28 4) Commercial Can Service. In special case where there is not appropriate space on site or
29 with neighboring businesses for the placement of commercial bins, the franchisee may
30 allow Commercial can service to satisfy the requirement of refuse removal service. The
31 franchisee shall supply each business that subscribes to this service with up to three (3)
32 32 gallon sized roll-carts for storage of solid waste using the rates reflected in Exhibit E
33

34 D. Construction and Temporary Bin/Rolloff Services.

35
36 Franchisee shall provide construction and temporary bin/rolloff services outlined in Exhibit A using
37 rates reflected in Exhibit E.

38
39 E. Bulky Wastes Collection.

- 40
41 1) Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service
42 arranged at the request of the customer for large household appliances or furniture or
43 multiple smaller items not exceeding one and one-half cubic yards. Collection of heavy
44 waste materials such as dirt, rock, concrete, and asphalt are not included in this service.
45 Franchisee shall advertise the availability of the Bulky Wastes Collection service and
46 shall provide the Bulky Waste Collection service within fifteen (15) working days of
47 request by customer unless there is insufficient demand to warrant collection in which
48 case service shall be provided in no less than thirty (30) working days. Franchisee shall
49 bill the customer for Bulky Waste Collection at the rate established in Exhibit E.

Disposal rates at the system facilities shall be as stated in Section 5 of the Waste Delivery Agreement excepting special handling charges as required by the Riverside County Waste Resources Management District.

- 2) Collection of heavy waste materials such as dirt, rock, concrete, and asphalt shall be handled as per construction and demolition efforts as described in Exhibit A and charged as outlined in Exhibit E.

F. Collection and Equipment

Franchisee shall provide an adequate number of vehicles and equipment for the Collection, transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise Agreement. No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable Materials or Organic Waste, prior to inspection and approval by the Department. The equipment of Franchisee used under this Franchise Agreement shall in addition be subject to inspection by the Department on an annual basis.

- 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with the Department of Motor Vehicles of the State of California, shall be kept clean and in good repair, and shall be uniformly painted.
- 2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar days.
- 3) A local or toll free telephone number, and vehicle number shall be visibly displayed on all vehicles in letters and figures no less than three inches (3") high.

SECTION 6. OWNERSHIP OF SOLID WASTE

Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential, Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee. Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part thereof, shall become the property of the owner or operator of a System Facility once deposited there by Franchisee.

SECTION 7. DIRECTION OF COLLECTED MATERIALS

The direction of the flow of materials collected by the Franchisee under this Agreement is governed by the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein) and the District. The rates shown in Exhibit E are based on the facility(ies) designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND

A. Indemnification of County and District.

Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to defend, indemnify, and hold harmless, County and District and their officers, agents, and employees from

1 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or
2 injuries to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or
3 employees which arise from or are connected with or are caused or claimed to be caused by negligent acts
4 or omissions of Franchisee, and its officers, agents, or employees, in performing the work or services
5 herein, and all reasonable costs and expenses of investigating and defending against same; provided,
6 however, that Franchisee's duty to indemnify and hold harmless shall not include any claims or liability
7 arising from the negligence or misconduct of County or District or their agents, officers, or employees.
8

9 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
10 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
11 survive the term of the franchise.
12

13 B. Hazardous Substances Indemnification.
14

15 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
16 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
17 counsel approved by County, protect and hold harmless County and District and their respective
18 employees, agents, assigns, and any successor or successors to County's interest from and against all
19 claims, actual damages (including, but not limited to, special and consequential damages), natural
20 resources damage, injuries, costs, response remediation and removal costs, losses, demands, debts, liens,
21 liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties,
22 and expenses (including, but not limited to, attorneys' and expert witness fees and costs incurred in
23 connection with defending against any of the foregoing or in enforcing this indemnity) of any kind
24 whatsoever paid, incurred or suffered by, or asserted against, County or District or their respective
25 officers, employees, agents, or Franchisees arising from or attributable to any repair, cleanup or
26 detoxification, or preparation and implementation of any removal, remedial, response, closure or other
27 plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance
28 or Hazardous Wastes at any place where Franchisee stores or disposes of municipal Solid Waste or
29 construction debris pursuant to this Agreement. The foregoing indemnity is intended to operate as an
30 Agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation
31 and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health and Safety Code Section
32 25364, to insure, protect, hold harmless, and indemnify County from liability.
33

34 C. Worker's Compensation Insurance.
35

36 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
37 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
38 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
39 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
40 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
41 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
42 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
43 against the County and the District, its elected or appointed officials, employees, agents, or Franchisees
44 for losses which arise from work performed by the named insured for the County.
45

46 D. Public Liability Insurance.
47

48 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
49 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of

1 three million dollars (\$3,000,000.00) aggregate and one million five hundred thousand dollars
2 (\$1,500,000.00) per occurrence for bodily injury and property damage. Said insurance shall protect
3 Franchisee, the County, the District, and their elected or appointed officials, employees, and agents, from
4 any claim for damages for bodily injury, including accidental death, as well as from any claim for
5 property damage which may arise from operations performed pursuant to this Franchise Agreement,
6 whether such operations be by Franchisee itself, or by its agents and/or employees. Copies of the policies
7 or endorsements evidencing the above required insurance coverage shall be filed with the Director. All of
8 the following endorsements are required to be made a part of the insurance policies required by this
9 Section:

- 10
11 1) "This policy shall be considered primary insurance as respects any other valid and
12 collectible insurance the County may possess including any self-insured retention the
13 County may have, and any other insurance the County or District does possess shall be
14 considered excess insurance and shall not contribute with it."
15
- 16 2) "This insurance shall act for each insured, as though a separate policy had been written
17 for each. This, however, shall not act to increase the limit of liability of the insuring
18 company."
19
- 20 3) Franchisee shall cause its insurance carrier(s) to furnish County and District by direct
21 mail with certificate(s) of insurance showing that such insurance is in full force and
22 effect, and County and District are named as additional insureds with respect to this
23 Franchise and the obligations of Franchise hereunder. Further, said certificate(s) shall
24 contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall
25 be given to County and District prior to modification, cancellation or reduction in
26 coverage of such insurance. In the event of any such modification, cancellation or
27 reduction in coverage and on the effective date thereof, this Franchise shall terminate
28 forthwith, unless County and District receive prior to such effective date another
29 certificate from an insurance carrier that the insurance required herein is in full force and
30 effect.
31

32 The limits of such insurance coverage, and companies, shall be subject to review by the Director
33 every year and may be modified at that time by the County upon a demonstration of reasonable need. The
34 County and the District shall be named as additional insureds on all policies and endorsements.
35

36 E. Performance Bond or Letter of Credit.
37

38 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
39 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
40 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
41 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
42 acceptable by the County and shall be a corporate surety company authorized to do business in the State
43 of California.
44

45 F. Modification.
46

47 The insurance requirements provided herein may be modified or waived in writing by the Board upon
48 the request of Franchisee, provided the Board determines such modification or waiver is in the best

1 interest of County, in its reasonable judgment, considering all relevant factors, including financial
2 guarantees provided by the parent company of Franchisee.

3 4 **SECTION 9. DEFAULT AND REMEDIES**

5
6 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
7 breached its obligation or otherwise has not been in conformity with reasonable industry standards, the
8 provisions of this Agreement, the requirements of the California Integrated Waste Management Board,
9 including, but not limited to, requirements for source reduction and recycling (as to the waste stream
10 subject to this Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or
11 regulation, including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous
12 Wastes and other waste requiring special handling, the Director shall advise Franchisee in writing of such
13 deficiencies. The Director may, in such written instrument, set a reasonable time within which correction
14 of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall
15 be thirty (30) days from the mailing of such written notice. The Director shall review the Franchisee's
16 response and either notify the Franchisee of that decision, in writing, or refer the matter to the Board. A
17 decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails to file a
18 "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision. Within
19 ten working days of receipt of a Notice of Appeal, the Director shall either refer the appeal to the Board
20 for proceedings in accordance with Subsections 9B and 9C, below, or refer the matter to a hearing officer
21 as provided in Section 11, below. Where the County and the Franchisee have claims pending against each
22 other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.

23
24 B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other
25 Person requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the
26 hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall give the
27 Franchisee, or its representatives and any other interested Person, a reasonable opportunity to be heard.

28
29 C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution
30 whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the
31 Board determines that the performance of Franchisee is in breach of any material Term of this Agreement
32 or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is
33 deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may
34 terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during
35 the period of time prior to the Board's final determination as to whether such performance is deficient.

36
37 D. The right of termination is in addition to any other rights of County upon failure of Franchisee to
38 perform its obligations under this Agreement.

39
40 E. The County further reserves the right to terminate Franchisee's franchise, following public
41 hearing therefor, not sooner than 6 months following the date of said hearing at which a majority vote of
42 the board determines it is in the public interest to do so:

- 43
44 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
45
46 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
47 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
48

- 3) If the Franchisee fails to provide or maintain in full force and effect, the workers' compensation, liability, indemnification coverage, and performance bond as required by the Agreement.
- 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of the franchise shall be deemed to have occurred.
- 5) If the Franchisee ceases to provide Collection services as required under this Agreement overall or a substantial portion of its Franchise Area for a period of seven (7) days or more, for any reason within the control of the Franchisee.
- 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or refuses to provide County with required information, reports, and/or test results in a timely manner as provided in the Franchise Agreement.
- 7) For any other act or omission by the Franchisee which materially violates the terms, conditions, or requirements of this franchise, Ordinance 657, successor ordinance, other county ordinance, the IWMA, successor acts, or any 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.
- 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors of the Franchisee or any parent corporation or entity be found guilty of felonious conduct related to the performance of this Agreement, or of felonious conduct related to anti-trust activities, illegal transport or disposal of hazardous waste or materials, or violation of Racketeer - Influenced Corrupt Organizations (RICO) Statutes

F. Professional Conduct

- 1) 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 directly or indirectly associated with the solid waste management business, Franchisee or its successor-in-interest shall provide written notice thereof to the Director within 14 days of such indictment, complaint or allegation. Such notice 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. In addition to the foregoing, Franchisee or its successor-in-interest shall provide the Director with copies of any reports required to be prepared by Franchisee or its successor-in-interest pursuant to federal securities laws, including quarterly and annual reports.
- 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest, who has any responsibility for any aspect of the franchisee's operations under this contract, is convicted, indicted by a grand jury, or named as a defendant in a felony

1 complaint filed in the Superior Court or a complaint filed in Federal Court associated
2 with conduct of doing business for Franchisee or its successor-in- interest, this person
3 shall, upon request of the County be immediately removed from any assignment
4 whatsoever, directly associated with operations under this contract during the pendency
5 of trial and/or following conviction.
6

7 G. This Agreement is subject to all present and future laws, regulations and orders of Federal, State,
8 County, and City governments and any instrumentalities thereof. Should either of the parties hereto at
9 any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
10 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
11 such party shall notify the other party of such order or requirement and the law, regulation or order on
12 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement
13 or to renegotiate the terms of the Agreement within thirty (30) days after the Effective Date of such law,
14 regulation or order, then this Agreement shall terminate on the thirty-first day following the Effective
15 Date of such law, regulation or order. Nothing in this Agreement shall prohibit either party, at that party's
16 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
17 restrict either party's right to legally contest the validity of such law, regulation or order.
18

19 **SECTION 10. DISRUPTIONS IN SERVICE**

20

21 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
22 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
23 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
24 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by
25 County in providing the service. This clause shall not apply to failure to collect due to unsafe weather or
26 road conditions, provided, however, that the franchisee immediately notifies the Director of the areas
27 affected by such conditions with an estimate of when service will be resumed.
28

29 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
30 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
31 temporary possession of and operate any and all trucks or other equipment used by Franchisee for
32 Collection and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty
33 (120) days, as Franchisee satisfies County that it is ready, able, and willing to comply with all of the
34 Provisions of this Agreement. In this event Franchisee shall provide County with driver route listings and
35 necessary operational records. County shall be reimbursed by Franchisee for all costs of providing such
36 substitute service. In such events, Franchisee shall indemnify and hold harmless County from and against
37 any damage or liability to any third Person injured or damaged as a result of Franchisee's actions or
38 inactions excepting County's sole negligence in providing such substitute service. Employees of
39 Franchisee, including management employees, may be employed by County during any period in which
40 County temporarily assumes the obligations of Franchisee under this Agreement. However, the rates of
41 compensation paid to Franchisee's employees or any other employees, during such period shall not exceed
42 the rates in effect between Franchisee and its employees at the time Franchisee's service was interrupted.
43

44 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or
45 labor dispute or other force majeure event, this Agreement shall not terminate and shall continue to be
46 effective for the duration of such strike or labor dispute. In the event of such a strike or labor dispute,
47 Franchisee shall maintain an unobstructed entrance at its place of business which is not regularly used but
48 which will be primarily reserved for use by County access while County or its designated representative is
49 performing Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's

1 place of business, Franchisee shall receive no compensation for any time period in which it failed to
2 perform in accordance with the provisions of this Agreement.

3 4 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**

5
6 A. Should Franchisee contend that the County is in breach of this Franchise Agreement, it shall file a
7 request with the Director for an administrative hearing on the allegation.

8
9 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of
10 the franchise by the County, County and Franchisee shall mutually agree on a hearing officer within
11 twenty (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from
12 among retired California Superior Court judges or Appellate Court justices, none of whom are related to
13 the parties, and such retired judges or justices may be affiliated with private judicial service companies,
14 such as Judicial Arbitration and Mediation Services.

15
16 C. The hearing shall be conducted according to the provisions of California Government Code
17 Section 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to
18 whom a matter is referred shall have the authority to (i) order the County or the Franchisee to undertake
19 remedial action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess
20 damages and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement
21 including terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall
22 be reasonably related to the seriousness of the breach of the Agreement.

23
24 D. The party losing the hearing shall be liable for the hearing officer's fees.

25
26 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be
27 deemed a material breach of the Agreement, and may be grounds for termination of the Agreement.

28
29 F. Any party to the hearing may issue a request to compel reasonable document production from the
30 other party. Disputes concerning the scope of document production and enforcement of document
31 requests shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20)
32 days of that document request, then by disposition by order of the hearing officer. Any such document
33 request shall be subject to the proprietary rights and rights of privilege of the parties, and the hearing
34 officer shall adopt procedures to protect such rights.

35
36 G. Neither party may communicate separately with the hearing officer after the hearing officer has
37 been selected. All subsequent communications between a party and a hearing officer shall be
38 simultaneously delivered to the other party. This provision shall not apply to communications made to
39 schedule a hearing or request a continuance.

40
41 H. Until final judgment is entered from the hearing officer proceeding under the foregoing
42 provisions and the time for appeal or other post-judgment petition has expired, the imposition or
43 enforcement of any penalties or sanctions provided in the Agreement and related to the subject matter of
44 the hearing shall be stayed. The hearing officer may modify or cancel any proposed penalties or sanctions
45 upon a finding that the party subject thereto acted with substantial justification or if the interests of justice
46 so require.

47
48 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
49

1 **SECTION 12. FRANCHISE TRANSFERABILITY**
2

3 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
4 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
5 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
6 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
7 by operation of law, without the prior written consent of the County expressed by Resolution. Any
8 attempt by Franchisee to assign this franchise without the consent of County shall be void. The County
9 shall review such a request using such criteria as it deems necessary including, but not limited to, those
10 listed in Subsection C.

11
12 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
13 this Franchise Agreement. The County may impose new conditions of approval on a Franchise
14 Agreement transfer, including, but not limited to, conditions requiring acceptance of any reasonable
15 amendments to this Agreement.

16
17 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
18 meet the following requirements:

- 19
20 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
21 investigation costs necessary to investigate the suitability of any proposed transferee, and
22 to review and finalize any documentation required as a condition for approving any such
23 transfer.
24
25 2) The Franchisee shall furnish the County with audited financial statements of the proposed
26 transferee's operations for the immediately preceding three (3) operating years.
27
28 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
29 transferee has at least five (5) years of solid waste management experience of a scale
30 equal to or exceeding the scale of operations conducted by Franchisee under this
31 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
32 citations or other censure from any federal, state or local agency having jurisdiction over
33 its waste management operations due to any significant failure to comply with state,
34 federal or local waste management laws. Franchisee shall supply the County with a
35 complete list of such citations and censures; (iii) that the proposed transferee has at all
36 times conducted its operations in an environmentally safe and conscientious fashion; (iv)
37 that the proposed transferee conducts its solid waste management practices in accordance
38 with sound waste management practices in full compliance with all federal, state and
39 local laws regulating the Collection and disposal of waste; (v) of comparable financial
40 strength; (vi) of required insurance and bonds; and (vii) of other material as may be
41 requested by the County.
42

43 **SECTION 13. REPORTS**
44

45 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
46 recovery and disposal specified in Exhibit D of this Agreement.
47

1 B. Franchisee shall make its customer base and records available to the Department for audit at
2 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
3 Agreement.
4

5 **SECTION 14. COMPENSATION**

6

7 A. Franchisee Rates.

8

9 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
10 the rates set forth in the Exhibit E. Recyclable Materials collected from Commercial and Industrial Units
11 are included in this Exclusive Franchise to the extent provided in state and federal law. Exhibit E
12 specifies the maximum rate to be charged for such materials.
13

14 B. Payment by the County for Basic Service.

15

16 The County shall reimburse the Franchisee quarterly from the funds received for the “Basic Level of
17 Service” as described in Exhibit E. These funds shall be drawn from those parcel fees collected for that
18 express purpose as a result of Ordinance No. 769. A parcel report shall be submitted to the franchisee
19 with the County’s payment providing detail of the payment received by parcel.
20

21 C. Modification and Adjustment of Rates.

22

23 The rates set forth on Exhibit E shall remain in effect until adjusted by County following a public
24 hearing as provided in Exhibit F.
25

26 D. Notice of Rate Changes

27

28 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
29 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
30 from County regarding approved changes in landfill fees and CPI adjustments. The wording of the notice
31 shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form
32 prior to release. County shall provide Franchisee with written notice of changes in System Facility,
33 Franchise, or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated
34 rate changes.
35

36 E. Resolution of Disputes Regarding Rate Adjustments

37

38 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
39 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided
40 by the Director or his representative. If resolution can not be reached, the Director shall refer the matter
41 to the Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at
42 the time such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect
43 pending resolution of such dispute. The Effective Date of any dispute resolution, whether retroactive or
44 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as

1 appropriate. Any Franchisee operating in a Comprehensive Collection Area shall be subject to all
2 applicable provisions in the County's comprehensive collection ordinance.

3
4 F. Billing and Payment.
5

6 Franchisee may bill and receive payment as provided in Exhibit E. In cases where Franchisee
7 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
8 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
9 County shall be allowed to include a one (1) page insert for the purpose of public education regarding
10 waste disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms
11 to the Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in
12 advance of Franchisee's billing dates.

13
14 G. Delinquent Accounts.
15

16 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
17 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
18 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
19 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
20 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
21 Franchisee operating in a comprehensive collection area shall be subject to all applicable provisions in the
22 comprehensive collection ordinance.

23
24 H. Refunds.
25

26 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
27 such customer for service not provided when service is discontinued by written notification to Franchisee
28 by the customer.
29

30 **SECTION 15. FRANCHISE FEES**
31

32 A Franchise Fee of eight (8) percent of the Franchisee's Gross Receipts, less transportation fees as
33 described in the Schedule of Approved Rates (in Exhibit E) and landfill fees or Transfer Station Tipping
34 Fees, shall be payable by Franchisee to the Department thirty (30) days after the close of each quarter of
35 each year this Agreement remains in effect. The Franchise Fee shall not be required to be paid for
36 revenues generated by Residential Parcel Charges for waste collection as established by Ordinance No
37 769, the collection or sale of Recyclable Materials and Organic Waste collected by the Franchisee, or for
38 the provision of construction roll off services. A penalty of ten (10) percent shall be due for fees not
39 submitted within the thirty (30) day time period.
40

41 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
42 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
43 accordance with Exhibit F.
44

SECTION 16. OTHER REQUIREMENTS

A. Privacy

Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying individual customers or the composition or contents of a customer's waste stream shall not be revealed to any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the customer. This provision shall not be construed to preclude 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. In addition, Franchisee shall not market, sell, convey, or donate to any Person any list with the name or address of customers except that Franchisee may provide such lists to authorized employees and authorized 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.

B. Public Access to the Franchisee

- 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m. Monday through Friday. A representative of Franchisee shall be available during office hours for communication with the public at Franchisee's principal office. 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 hours telephone numbers shall either be a local or toll free call. 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 device or system available at said after-hours telephone number during all hours other than normal office hours.
- 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in Person, by close of business of the second business (waste Collection) day following the date on which such complaint is received. Service complaints may be investigated by the Director or a designee. Franchisee shall maintain records listing the date of customer complaints, the customer, describing the nature of the complaint or request, and when and what action was taken by the Franchisee to resolve the complaint. All such records shall be maintained and shall be available for inspection by County.
- 3) Government Liaison Person. The Franchisee shall designate a "government liaison Person" who shall be responsible for working with the Department to resolve customer complaints.

C. Resolution of Disputed Customer Complaints.

1 The Franchisee shall notify customers of this complaint arbitration procedure at the time customers
2 apply for or are provided service, and subsequently, annually. Procedures for resolution of disputed
3 claims shall be as follows:

- 4
- 5 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
6 County to review the complaint. To obtain this review, the customer may request County
7 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
8 within forty-five (45) days of submitting the complaint to the Franchisee, if the
9 Franchisee has failed to respond to the complaint. The County may extend the time to
10 request its review for good cause.
 - 11 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
12 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
13 customer's complaint and determine if further action is warranted. The Director may
14 request written statements from the Franchisee and customer, and/or oral presentations.
 - 15 3) The Director shall determine if the Customer's complaint is justified, and if so, what
16 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a
17 rebate of customer charges related to the period of breach of any of the terms of this
18 Franchise Agreement or a penalty of up to one hundred dollars (\$100.00) for any single
19 event in addition to any actual damages.
 - 20 4) The Director may delegate these duties to a designee. The decision of the Director or a
21 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the
22 event of a decision on a matter awarding five thousand dollars (\$5,000.00) or more,
23 Franchisee may seek review pursuant to Section 11 above.

24
25
26
27
28 **D. Hazardous Materials and Waste Handling and Disposal**

29
30 The Franchisee shall comply with the procedures detailed in Exhibit G of this Agreement.

31
32 **SECTION 17. FORCE MAJEURE**

33
34 Franchisee shall not be in default under this Franchise Agreement in the event that the services
35 provided by the Franchisee are temporarily interrupted or discontinued for any of the following reasons:
36 riots, wars, sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods,
37 earthquakes, landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic
38 events which are beyond the reasonable control of Franchisee. Other catastrophic events do not include
39 the financial inability of the Franchisee to perform or failure of the Franchisee to obtain any necessary
40 permits or licenses from other governmental agencies or the right to use the facilities of any public utility
41 where such failure is due solely to the acts or omissions of the Franchisee.

42
43 **SECTION 18. OTHER PROVISIONS**

44
45 **A. Independent Contractor.**

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights
5 to retirement or other benefits which accrue to County employees.
6

7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee.
11

12 With respect to driving surfaces, Franchisee shall be responsible for damage, whether or not paved,
13 resulting from the weight of vehicles providing refuse collection services at the location of Bins and
14 containers on public or private property when it can be demonstrated that said damage is the result of
15 vehicles exceeding the legal maximum weight limits of the State of California or the negligent operation
16 of vehicles by Franchisee's employees.
17

18 C. Right of Entry.
19

20 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
21 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
22 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
23 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
24

25 D. Law to Govern.
26

27 The law of the State of California shall govern this Franchise Agreement.
28

29 E. Gratuities.
30

31 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
32 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
33 Franchise Agreement.
34

35 F. Compliance with Franchise Agreement.
36

37 Franchisee shall comply with those provisions of the Riverside County Ordinances 657 and 745, or
38 any successor ordinances, which are applicable, and with any and all amendments to such applicable
39 provisions during the Term of this Franchise Agreement.
40

41 G. Notices.
42

1 All notices required or permitted to be given under this franchise shall be in writing and shall be
2 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
3 receipt requested, and addressed as follows:

4
5 To County: County of Riverside
6 Attn: Department of Environmental Health
7 4065 County Circle Drive
8 Riverside, CA 92503
9

10 Copy to: County Counsel
11

12 To Franchisee: CR&R Incorporated
13 Attn: Senior Regional Vice President
14 P.O. Box 1208
15 Perris, CA 92572
16

17 Copy to: CR&R Incorporated
18 Attn: David Fahrion, President
19 P.O. Box 1208
20 Perris, CA 92572
21

22 or to such other address as either party may from time to time designate by notice to the other given in
23 accordance with this Section. Notice shall be deemed effective on the date personally served or, if
24 mailed, three (3) business days from the date such notice is deposited in the United States mail, or if by
25 fax, upon receipt of confirmation of delivery which confirmation may be transmitted by fax.
26

27 H. Exhibits Incorporated.
28

29 Exhibits A through I are attached to and incorporated in the Franchise Agreement by reference.
30

31 I. Nondiscrimination.
32

33 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
34 on the ground of race, sex, age, creed, color, religion or national origin.
35

36 J. Laws and Licenses.
37

38 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
39 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
40 to perform the services hereunder and maintain the same in full force and effect.
41

42 K. Waiver.
43

1 No waiver by either party of any one or more defaults or breaches by the other in the performance of
2 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
3 like or different character.
4

5 **SECTION 19. SEVERABILITY**

6

7 If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
8 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
9 enforceability of any of the remaining provisions of this Franchise Agreement.
10

11 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

12

13 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
14 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede
15 any and all other communications, representations, proposals, understandings or Agreements, either
16 written or oral, between the parties hereto with respect to such subject matter. This Agreement may not
17 be modified or amended, in whole or in part, except by writing signed by both parties hereto.
18

19 **SECTION 21. ORDINANCE NO 769: IMPACT TO RATES, SERVICES AND COMPENSATION**

20

21 If the County for any reason is unable to enforce and collect parcel fees associated with Riverside
22 County Ordinance No. 769 due to failure to approve, legal challenge, or revocation, all conditions and
23 exhibits related to compensation, rates and services shall be deemed void and subject to renegotiations.
24 The County shall negotiate in good faith with Franchisee.
25

26 **SECTION 22. CONSTRUCTION OF FRANCHISE**

27

28 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
29 attorneys, and no provision contained herein shall be construed against County solely because it prepared
30 this agreement in its executed forms.
31

32 **SECTION 23. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

33


34 In the event of a significant change to the ownership of the franchisee that impacts the activities in
35 this contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange
36 with another company, all service levels and rates of this contract shall at the discretion of the Board of
37 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

1 WITNESS the execution of this Agreement on the day and year written below.

2
3 Executed on May 5, 2016.

4
5
6 RIVERSIDE COUNTY

7
8 BY:



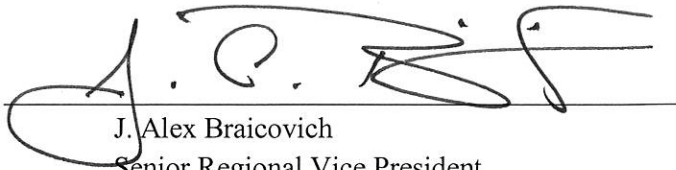
9 Steve Van Stockum

10 Riverside County

11 Department of Environmental Health

12
13 FRANCHISEE

14
15 BY:



16 J. Alex Braicovich

17 Senior Regional Vice President

18 CR&R Incorporated

CALIFORNIA ALL- PURPOSE ACKNOWLEDGMENT

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

} ss.

On May 5th, 2016
Date

before me, Cleyra Cordova- Notary Public,
Name and Title of Officer

personally appeared Jose Alejandro Braicovich,
Name of Signer



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Seal

[Signature]
Signature of Notary Public

CALIFORNIA ALL- PURPOSE ACKNOWLEDGMENT

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.

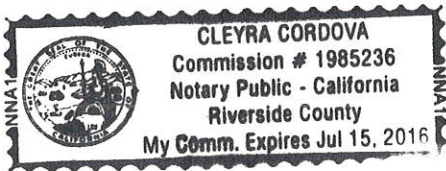
State of California

County of Riverside

} ss.

On May 5th, 2016 before me, Cleyra Cordova- Notary Public,
Date Name and Title of Officer

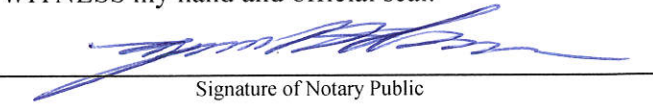
personally appeared Stephen Alan Van Stockum,
Name of Signer



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Seal


Signature of Notary Public

**RIVERSIDE COUNTY FRANCHISE COLLECTION AGREEMENT
FOR
FRANCHISE AREA 8
October 11, 2006
EXHIBIT "A"
PROVIDED SERVICES**

These services are also in detailed in Section 5 of the "Agreement between The County of Riverside and Waste Management of the Inland Empire").

The Franchisee shall provide Collection, Transportation and Disposal Services for the following services types:

1. Single Family Residential

Basic Level of Service- Each single family residential units (units of four (4) or less) and mobile home dwellings will be entitled to deposit locally generated household solid waste to bins located at the Idyllwild Collection Center, Pinyon Flats Collection Center and Anza Collection Center and possible future Community Drop off Centers.

Residential Winter Use Card (RWU) for Poppet Flats and Twin Pines- Eligible residents and property owners in Poppet Flats and Twin Pines may obtain a RWU card through the Riverside County Waste Management Department as per established guidelines. This card is effective for the months of November through April.

Optional Level of Service: Residential Units may receive commercial bin service in lieu of utilizing Collection Center. This optional service shall have a special residential rate for a 1.5 cubic yard size bin, or the regular commercial bin rates for other bin sizes as established in Exhibit "E". There will be no reduction in property assessment for this optional level of service.

Other Services Provided (And as may further be described in Section "5.A & B." of the Franchise Agreement):

A. Bulky Waste Collection: The Franchisee shall collect Bulky Waste generated at a Residential Unit on call from the resident and charge a fee as outline in Exhibit "E". The resident will also have the option for free disposal of locally generated household bulky waste items at the Idyllwild and Anza Collection Centers during regular hours of operation.

B. Pine Needle and Slash Collection: The Franchisee shall be responsible to load and haul all pine needles, slash and green waste that are piled at the Idyllwild and Anza Collection Centers on an as needed basis and deliver it to an appropriate facility for its reuse.

C. Ash Receptacle: The Franchisee shall provide a bin (s) or other appropriate receptacle at the Idyllwild, Pinyon Flats and Anza Collection Centers for resident's disposal of ash or cinders from fireplaces.

D. Collection Center Personnel: The Franchisee shall provide personnel at the Idyllwild, Pinyon Flats and Anza Collection Centers five (5) days a week, 52 weeks per year. Days to be Closed are Tuesdays, Wednesdays and Legal Holidays where a Riverside County Landfill is closed to receive waste. Provided, however, the Site shall remain open on Memorial Day, Labor Day and Independence Day (July 4th) when it falls on a Monday. The Gate hours for public use for the Anza and Idyllwild Collection Centers are between the hours of 8:00 a.m. and 4:30 p.m. The Gate hours for public use at the Pinyon Flats Collection Center shall be as follows: Sunday – Monday 9:00a.m. - 1:00 p.m.; Thursday 7:00 a.m. - 11:00 a.m.; Friday 1:30 p.m. - 5:30 p.m.; Saturday 8:00 a.m. - 4:00 p.m.

E. Construction Services: Waste generated from new residential construction, building additions, and major remodeling efforts shall be provided with an on-site bin or roll-off box and charged as outlined in Exhibit "E".

F. Recycling services: Recycling services shall be provided at the Idyllwild, Pinyon Flats and Anza Collection Centers. The types of materials to be recycled at each facility shall be determined by Waste Management of the Inland Empire.

2. Commercial, Multi- family and Industrial

The Franchisee shall place bins at each commercial property of the appropriate size, and emptied at a frequency necessary to accommodate complete removal of solid waste generated on the site.

Commercial businesses that generate very small quantities of waste shall be allowed to share a bin with neighboring commercial businesses as deemed appropriate by the franchisee. Bins shall be provided, serviced and charged as outlined in Exhibit "E". Other commercial services and fees are outlined in Exhibit "E" and include Restart fees, Overage fees, Extra Empty fees, Redeliver and Restart fees, Hard to Service fees and other fees as approved by the Riverside County Board of Supervisors.

In special cases where there is not appropriate space on-site or with neighboring businesses for the placement of a commercial bin, The Franchisee may allow "Commercial Can Service" to satisfy the requirement of refuse removal service. This service shall be collected weekly and charged as outlined in Exhibit "E". The Franchisee shall supply each business that subscribes to this service with a 32-gallon sized roll-cart for storage of solid waste. If requested by a customer, additional roll-out carts will be available up to a maximum of three (3) per business for an additional fee as outlined in Exhibit "E". Cart(s) shall be placed by each individual business customer at the curbside or other mutually agreed upon location on collection day.

Other Commercial Services: Slash and Green Waste generated from commercial properties and Businesses shall be allowed to deposit such at the Idyllwild and Anza Collection Centers in the area designated for Slash, Green Waste and Pine Needles.

3. Roll- Off Bin Service

The Franchisee shall provide when requested, roll-off boxes of the sizes listed in Exhibit "E", to any property in this franchise area where it is safe to do so. This service is typically temporary in nature, but may be considered optional. If a commercial property chooses this service with a minimum of once a week collection, in lieu of regular bin service, it shall be deemed in compliance with the comprehensive service of this Franchise Area.

4. Collection equipment

The Franchisee shall use standard front-end loading collection vehicles and standard roll-off trucks and/or trailers for transport to the Lamb Canyon Landfill, located between Beaumont and Hemet on Highway 79.

5. Community Drop Off Centers (DOC's)

These sites shall only be available for residentially generated solid waste. These sites will be used to supplement Collection Centers. These sites will be identified at a later date based upon public input, as well as considerations for safety, aesthetics and convenience. Recycling Services shall only be provided at the Collection centers.

6. Commercial Use of the Idyllwild and Anza Collection Centers

Commercial units (businesses) in the Idyllwild, Fern Valley, Mountain Center and Pine Cove, Anza or Aguanga areas may deliver solid waste to the Idyllwild or Anza Collection Center only by securing a pre-paid "punch card" (or similar pass) from the Franchisee after paying the appropriate fee as described in Exhibit E – Attachment 2. Commercial customers who secure a pre-paid punch card shall adhere to the following regulations:

- Waste is self-hauled to the Idyllwild or Anza Collection Center no less than once per week.
- Waste is transported to the Idyllwild or Anza Collection Center in a car or standard pick-up truck of no more than 1 ton capacity.
- The punch card is to be marked by an employee of the Franchisee each time waste is transported to the Idyllwild or Anza Collection Center.

The franchisee is authorized to deny a business access Idyllwild or Anza Collection Center if the above conditions are not met. The franchisee may deny renewal of the punch card for repeated violations.

The use of this option and compliance with the above conditions by a business shall be considered as "securing waste removal services" as required by Board Resolution 97-106 as authorized under Ordinance 745.

EXHIBIT B

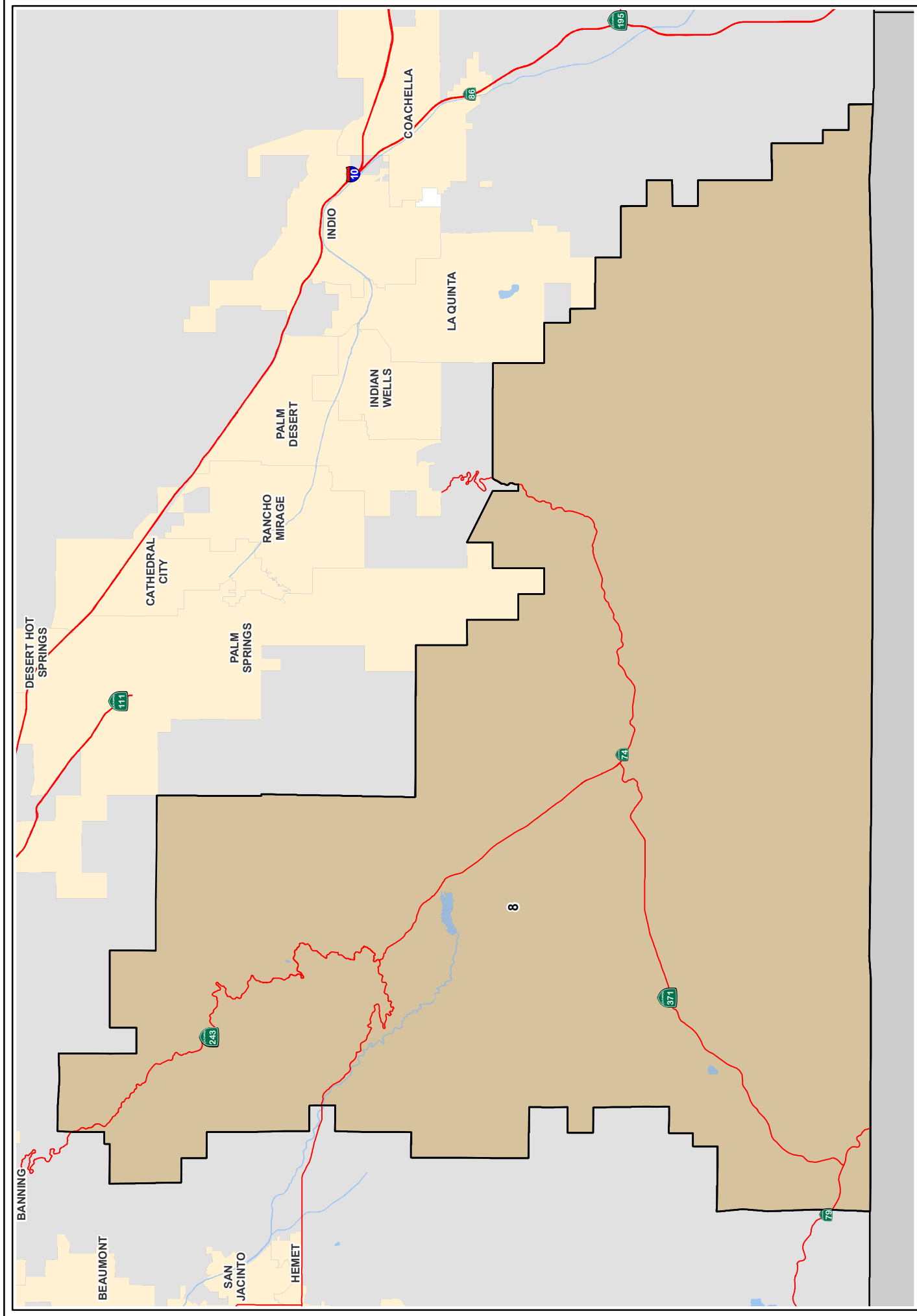
FRANCHISE AREA 8

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;



**RIVERSIDE COUNTY
ENVIRONMENTAL HEALTH
FRANCHISE AREA 8**



SEPTEMBER 8, 2016



FRANCHISE AREA - 8
CITY BOUNDARY

HAULER FRANCHISE AREA 8

Beginning at the Southwest Corner of Section 33, T. 8 S., R. 1 E., S.B.M., Said point also being on the Southerly Boundary of the County of Riverside.

Thence Northerly, along the West Line of Sections 33, 28, 21, 16, 9, and 4 to the Northwest Corner of Section 4, Said Corner Also Being on the North Line of T. 8. S., R. 1 E.;

Thence Easterly, along the North Line of Said Township, Said Line Also Being the North Line of Sections 4, 3,, and 2, to the Southerly Quarter Corner of Section 35, of T, 7 S., R, 1 E.;

Thence Northerly, along the Center Section Line of said Section 35, to the Northerly Quarter Corner thereof;

Thence Easterly along the Northerly line of said Section Line 35, to the Southwest Corner of Section 25, T. 7 S., R. 1 E.,

Thence Northerly along the Westerly Line of Said Section 25, to the Northwest Corner thereof;

Thence Easterly along the Northerly Line of Section 25, T. 7 S., R. 1 E., to the Northeast Corner thereof, Said Point Also Being on the Boundary of the San Bernardino National Forest;

Thence Northerly, along Said National Forest Boundary to the Southeast Corner of Section 1, of Said T. 7 S., R. 1 E.,

Thence Westerly along the Southerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Southwest Corner Thereof;

Thence Northerly along the Westerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Northwest Corner Thereof;

Thence Easterly along the Northerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Northeast Corner of Said Section 1, Said Point Also Being on the Boundary of the San Bernardino National Forest;

Thence Northerly, along Said National Forest Boundary to the East Quarter Corner of Section 25, T. 6 S., R. 1 E.;

Thence Westerly, along Said National Forest Boundary, Also Being the Center Section Line of Said Section 25 and 26, to the West Quarter Corner of Section 26 of Said Township;

Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Sections 26, 23, 14, 11, and 2 of Said Township, to a Point Being the Northwest Corner of Section 2, Said Point Also Being on the North Line of T. 6 S., R. 1 E.;

Thence Easterly, along Said National Forest Boundary, Also Being the North Line of Said Section 2, Also Being the North Line of T. 6 S., R. 1 E., to the Northeast Corner of Said Section;

Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Sections 36, 25, and 24, T. 5 S., R. 1 E., to the Northwest Corner of Section 24;

Thence Easterly, Leaving Said National Forest Boundary, along the North Line of Section 24 of Said Township, to a Point Being the Northeast Corner of Said Section, Said Point Also Falling on the West Line of T. 5 S., R. 2 E.;

Thence Continuing Easterly, along the North Line of Section 19 of Said Township, to the Northeast Corner of Said Section;

Thence Northerly along the East Line of Section 18, of Said Township, to the Northeast Corner of Said Section;

Thence Westerly, along the North Line of Said Section 18, to a Point Being the Northwest Corner of Said Section, Said Point Also Falling on the East Line of T. 5 S., R. 1 E.;

Thence Westerly, along the North Line of Section 13, of T. 5 S., R. 1 E., to the Northwest Corner thereof, Said Point Also Falling on the Boundary of the - San Bernardino National Forest;

Thence Northerly, along Said National Forest Boundary, Also Being the East Line of Sections 11 and 2, to a Point Being the Northeast Corner of Section 2, T. 5 S., R. 1 E., Said Point Also Falling on the North Line of Said Township;

Thence Continuing Northerly, along Said National Forest Boundary, Also Being the East Line of Sections 35 and 26, T. 4 S., R. 1 E., to the Northeast Corner of Section 26 of Said Township;

Thence Westerly, along Said National Forest Boundary, Also Being the North Line of Section 26, to the Northwest Corner of Said Section;

Thence Northerly, along Said National Forest Boundary, Also Being the West Line of

Section 23 of said T. 4 S., R. 1 E., To the Northwest Corner thereof;

Thence Westerly along the Northerly line of Section 22 of said T. 4 S., R. 1 E., to the Northwest Corner Thereof;

Thence Northerly along the Westerly Lines of Sections 15, 10 and 3 to the Northwest Corner of Section 3, of Said T. 4 S., R. 1 E. said point also being on the Township Boundary;

Thence Easterly along the Northerly line of Section 3 and 2, being also the Township boundary to the Southerly Quarter Corner of Section 35, of T. 3 S., R. 1. E.;

Thence Northerly along the Center Section Line to the Northwest Corner of the South Half of the Southeast Quarter of said Section 35;

Thence Easterly along the north line of the South Half of the Southeast Quarter of said Section, to the West Line of Section 36, of said T. 3 S., R. 1. E.;

Thence Northerly along the Westerly Lines of Sections 36 and 25 to the Northwest of said Section 25, ,T. 3 S., R. 1. E.;

Thence Easterly along the Northerly Line of Section 25 of said T. 3 S., R. 1. E., to the Easterly boundary of said Township;

Thence Continuing Easterly along the Northerly Lines of Sections 30 and 29 of T. 3 S., R. 2 E., to the Northeast corner of Said Section 29;

Thence Southerly along the Easterly Line of Said Sections 29 and 32, to the Southeast Corner of Said Section 32, Said point also being on the Northerly Boundary of T. 4 S., R. 2 E.;

Thence Continuing Southerly along the Westerly Line of Section 4, of Said T. 4 S., R. 2 E., to the Southwest Corner Thereof;

Thence Easterly along the Southerly Line of Section 4, to the Southwest Corner of Section 3, of Said T. 4 S., R. 2 E.;

Thence Northerly, along the West Line of Section 3 of Said Township, to the Northwest Corner of Section 3, Said Point Also Falling on the North Line of T. 4 S., R. 2 E.;

Thence Easterly, along Said Township Line, Also Being the North Line of Sections 3, 2, and 1 of Said Township, to a Point Being the Northeast Corner of Said Section 1, Said Point Also Being the Northeast Corner of T. 4 S., R. 2 E.;

Thence Southerly, along the Line common to T. 4 S., R. 2 E. and T. 4 S., R. 3 E., to the Northwest Corner of Section 18, of T. 4 S., R. 3 E.;

Thence Easterly, along the Northerly Lines of Sections 18, 17, 16, 15, 14, and 13 of Said T. 4 S., R. 3 E., to the Easterly Boundary of said Township ;Said Point Also Being the on the Boundary of the San Bernardino National Forest;

Thence Southerly, along Said National Forest Boundary Line, Also Being the East Line of T. 4 S. , R. 3 E., to the Southeast Corner of Said Township;

Thence Continuing Southerly, along Said National Forest Boundary, Also Being the West Line of T. 5 S., R. 4 E., to the Southwest Corner of Said Township;

Thence Easterly, along Said National Forest Boundary, Also Being the North Line of T. 6 S. , R. 4 E. ,to the Northeast corner of said T. 6 S. , R. 4 E.;

Thence Southerly, along Said National Forest Boundary, Also Being the Palm Springs City Limits Boundary, to the Southwest Corner of Section 7, T. 6 S., R. 5 E.;

Thence Easterly, along Said National Forest Boundary, Also Being the Palm Springs City Limits Boundary, to the Southeast Corner of Section 7 of Said Township;

Thence Southerly, along the Westerly Lines of Sections 17 and 20 of T. 6 S., R. 5 E., to the Southwest Corner of Section 20 of Said Township;

Thence Easterly, along the Southerly Line of Section 20, To the Southeast Corner Thereof, said point also being the Northwest Corner of Section 28, of T. 6 S., R. 5 E.;

Thence Southerly, along the Westerly Line of Said Section 28 to the Southwest Corner Thereof;

Thence Easterly, along the Southerly Line of Section 28, to the Southeast Corner of Said Section 28, of T. 6 S., R. 5 E.;

Thence Northerly along the Westerly Lines of Sections 27 and 22 of said Township, to the Southwest Corner of Section 15 of said,. T. 6 S., R. 5 E.;

Thence Easterly along the Southerly line Section 15, to the Southeast Corner Thereof;

Thence Northerly along the Easterly Line of Section 15 to the Northeast Corner of Said Section, said point also being the Northwest Corner of Section 14 of Said T. 6 S., R. 5 E.;

Thence in a general Southeasterly direction, in a straight line, to the Northeast Corner of Section 24 of T. 6 S., R. 5 E.;

Thence Southerly along the Easterly Line of Section 24, said Line also Being the Westerly Line of T. 6 S., R. 6 E., to the Northwest Corner of Section 30, of said T. 6 S., R. 6 E.;

Thence Easterly, along the North Line of Section 30, T. 6 S., R. 6 E., to the Point of Intersection with the Easterly Right of Way Line of State Highway 74, Also Known as Pines to Palms Highway;

Thence Northerly, along the Easterly Right of Way of Said State Highway 74 Through its Various Courses to the Point of Intersection with the North Line of Section 19, T. 6 S., R. 6 E.;

Thence Easterly, along the North Line of Sections 19, 20, 21, 22, and 23 to a Point Being the Northeast Corner of Section 23 of Said Township, Said Point Also Falling on the La Quinta City Limits Boundary;

Thence Southerly, along the Westerly Lines of Sections 24 and 25, to the Southwest corner of Section 25 of said Township;

Thence Easterly, along the South Line of Section 25, of T. 6 S., R., 6 E., to the Westerly line of T. 6 S., R. 7 E.;

Thence Southerly along the Westerly line of said T. 6 S., R. 7 E., to the Southwest Corner of said Township;

Thence Easterly along the Southerly Line of Said T. 6 S., R. 7 E., said line also being the Northerly line of Section 6 of T. 7 S., R. 7 E., to the Northeast Corner of Section 6, of T. 7 S., R. 7 E.;

Thence Southerly, along the East Line of Section 6 to the Southeast Corner of Said Section;

Thence Easterly, along the North Line of Sections 8 and 9 to the Northeast Corner of Section 9;

Thence Southerly, along the East Line of Section 9 and 16, T. 7 S., R. 7 E., To the Southeast Corner of Said Section 16;

Thence Easterly, along the North Line of Sections 22 and 23 of Said Township, to the Northeast Corner of Said Section 23;

Thence Southerly, along the East Line of Sections 23, 26 and 35, to the Southeast Corner of Section 35, Said Point Also Falling on the North Line of T. 8 S., R. 7 E.;

Thence Easterly, along the North Line of Section 1, Said Line Also Being the North Line

of T. 8 S., R. 7 E. , to the Northeast Corner of Section 1, Said Point Also Being the Northeast Corner of Said Township;

Thence Southerly, along the East Line of Sections 1, 12 and 13, Said Line Also Being the Westerly Line of T. 8 S., R. 8 E. To the Northwest Corner of Section 18, of said T. 8 S., R. 8 E.;

Thence Easterly, along the North Line of Section 18 of Said Township, to the Northeast Corner of Said Section;

Thence Southerly, Along the East Line of Sections 18 and 19, T. 8 S., R. 8 E., to the Southeast Corner Of Section 19, said point also being the Northwest Corner of Section 29, T. 8 S., R. 8 E.;

Thence Easterly, along the North Line of Section 29 to the Northeast Corner Thereof;

Thence Southerly, along the East Line of Sections 29 and 32, to the Southeast Corner of Section 32, Said Point Also Falling on the South Line of T. 8 S., R. 8 E., Said Line Also Being the Southerly Boundary of the County of Riverside;

Thence Westerly, along Said Southerly County Boundary, through all its various courses to the Southeast Corner of Section 33 of T. 8 S., R. 1 E., being also the Point of Beginning.

Any parcel not included entirely within the above described boundary, shall be considered inside, if a dwelling unit is within the boundary.

EXHIBIT C

CERTIFICATES

This Exhibit is for the exclusive franchise held WASTE MANAGEMENT OF INLAND VALLEY, A DIVISION OF WASTE MANAGEMENT COLLECTION AND RECYCLING INC., A CALIFORNIA CORPORATION in Franchise Area 8. Attached, as specified in the Agreement, are the Franchisee's: 1) certificates of insurance; 2) copy of performance bond or letter of credit, and; 3) copy of financial statements.

Note: Since negotiated franchises are only being offered to existing permitted haulers who have complied with existing County standards, the attachment of these Certificates will not be required with the initial Franchise proposal, but will be required prior to execution of the Franchise by the County Board of Supervisors.

Haulers should anticipate having the referenced documents available for review by staff approximately two weeks after submission of the proposal.

EXHIBIT D

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit; however, the Department and the District reserve the right to request additional information as necessary to meet their needs, including but not limited to the AB 939 reporting requirements. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and recyclables collected at Community Drop-off Centers.

Commercial/Industrial - Solid waste, recyclables and green waste from commercial and industrial sources.

Construction/Temporary Bin Rolloff - All solid waste or other materials placed in debris boxes.

Pine Needles and Slash - all Pine Needles and Slash collected at the Idyllwild Brush Collection Center.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit all completed ticket transactions to the District as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the District within five (5) business days of the landfill transactions (the day of transaction being the first (1st) business day). If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the District and placed on Franchisee's monthly billing, for each day's delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion

1 of each quarter. The first report is due by October 30, 1997 and shall cover the period from the
2 effective date of this Agreement through the end of each quarter.

3
4 The quarterly reports shall include the information collected and summarized on a monthly basis.
5 Specifically, Franchisee shall provide the following quarterly reports:

- 6 1. Collection information
- 7 2. Service performance
- 8 3. Program implementation

9 10 11 **Collection Information**

12
13 The Franchisee shall provide a quarterly report that lists the quantity of solid waste collected by
14 month and the number of accounts serviced monthly. The quantities of solid waste, recyclables
15 and green waste collected shall be reported in terms of tonnage (or cubic yards if tonnage
16 information is not available). The Department may, at its discretion, also require reporting by
17 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or
18 cubic yard information such as density factors.

19 20 **Service Performance**

21
22 The Franchisee shall provide a report summarizing the entries made in the service log including
23 all praises, complaints, and notifications of missed pickups, and the Franchisee responses thereto.

24 The summary report shall identify the total number of all written or oral Customer comments
25 and shall provide the number of comments received in the following categories: praises, litter or
26 property damage complaints, misplacement of containers, stolen containers, personnel
27 complaints, missed pickups, and other.

28 29 **Program Implementation**

30
31 The Franchisee shall submit a report summarizing the problems or barriers to implementation of
32 services for the quarter. The report shall address how the problems and barriers were overcome
33 or the proposed resolutions and schedule for correcting the problem.

34 35 36 **4. ANNUAL REPORTS**

37
38 The Franchisee shall submit annual reports to the Department no later than January 31 of each
39 year. The Franchisee will be responsible for providing the following reports:

- 40 1. Summary reports
- 41 2. Equipment inventory
- 42 3. Future programs

4. Litigation information

Summary Reports

The Franchisee shall provide a summary of information contained in the quarterly reports. The summary reports shall clearly indicate the diversion rate for each waste sector type. The diversion information provided shall include quantities of materials collected, and if processed by non-system facilities, the quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy experiences, and any problems in program operation and how they were resolved.

Equipment Inventory

The Franchisee shall provide a complete inventory of collection equipment and other major equipment. The inventory list shall indicate the age of the equipment.

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.

Litigation Information

The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation against the parent company and all subsidiaries of parent company that may have an effect on the Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

EXHIBIT E**RATES****COMMERCIAL AND INDUSTRIAL RECYCLING RATES**

Franchisee is permitted to charge for commercial and industrial bin and roll-off recycling services at maximum rates not to exceed the rate established for collection of equitable amounts of Solid Waste, as set forth in the Schedule of Approved Rates, less the tipping fee component of the established rate, and the franchise fee. This maximum rate will be defined annually as specified in Exhibit F. In addition, the Department reserves the right to revise the maximum rate for commercial recycling at any level deemed reasonably appropriate by the Department for purposes of complying with IWMA diversion goals throughout the term of this Agreement.

PROCEDURES FOR BILLING AND COLLECTION

The procedures for billing and collection of rates for services provided under the terms of this Agreement are provided as Attachment 1 to this Exhibit.

OPTIONAL SERVICES

Rates for optional Green Waste Collection service shall be the rate specified in this Exhibit as adjusted by the rate adjustment methodology (Exhibit F) to the date this service is authorized by the Board of Supervisors.

Director may designate an alternate Green Waste disposal/processing location if such alternate location provides a rate reduction to the customer. Franchisee will be compensated for any additional transportation costs not included in rates on this exhibit.

HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates in this Exhibit. Considerations to be used in designating Hard-to-Service areas include, but are not limited to those listed in definition V:

1 **EXHIBIT F**

2 **RATE ADJUSTMENT MECHANISM**

3
4
5
6 **All Rate adjustments must receive approval by the Board of Supervisors following public hearings.**

7
8 **1. ANNUAL RATE ADJUSTMENT**

9
10 The Schedule of Approved Rates provided in **Exhibit E** shall be adjusted annually following public
11 hearings and according to the following methodology. The rate shall be adjusted annually each July 1st
12 with the first such adjustment occurring July 1, 1996. Said adjustment shall be no greater than the change
13 in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles/Anaheim/Riverside
14 Metropolitan Area, (1982 - 84 = 100) as published by the United States Department of Labor, Bureau of
15 Labor Statistics. Said change shall be measured for the twelve (12) month period January through
16 December. The first adjustment shall be effective July 1, 1998, based upon changes in the consumer Price
17 Index formula for the period February, 1997 to February, 1998. In calculating the rate changes, the change
18 in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but
19 not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, and other local, state, and
20 federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7)
21 consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round
22 trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments
23 made in this latter instance will only impact the rate for a one year period in order to recover any additional
24 costs incurred by Franchisee during the previous year.

25
26 For services associated with Residential Parcel Fees associated with Riverside County Ordinance No. 769,
27 adjustments to the parcel fee charges will be submitted as per the processes required under that Ordinance
28 using the above criteria. All other rate adjustments shall be governed by the terms and processes described
29 in this exhibit.

30
31 Pass through items shall be adjusted based upon the actual expenses or costs related to that item: revisions
32 to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts
33 as determined through the disposal tonnage tracking requirements.

34
35 **2. PERIODIC RATE ADJUSTMENT MECHANISM**

36
37 The Department reserves the right to review the Franchisee's rates every three years from the effective date
38 of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in
39 comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that
40 the Department makes such a determination the Franchisee's rates may be adjusted to any level at or above
41 the average rates in the comparable jurisdictions.

42
43 **3. EXTRAORDINARY RATE REVIEW**

44
45 A. The Director or Franchisee may initiate a special rate review by the Department should an
46 extraordinary event or circumstance arise which has a significant impact on the economic operation
47 of the Franchisee or the rates charged to customer as follows:

- 48
49 1. Revenue or waste volumes do not meet the projections upon which the franchise rates were
50 negotiated, including Franchise Area waste volume, exclusive of Pine needles and recyclables,
51 in volume significantly greater or less than 15250 tons per year or Pine Needles in volume

- 1 significantly greater or less than 2380 tons per year.
2
- 3 2. An event or circumstance (including changes in law) occurs which is beyond the control of
4 Franchisee or County.
5
- 6 3. Changes to operations mandated by the County or proposed by Franchisee and approved by
7 the County.
8
- 9 4. Any change in disposal/Green Waste tip fees.
10
- 11 5. The District directs Franchisee to use a different System Facility for more than thirty (30) days
12 that involves a change in round trip time or distance.
13
- 14 6. The County modifies the franchise fee.
15
- 16 7. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
17
- 18 8. Significant increases in the number of customer accounts due to development or growth.
19
- 20 9. Other circumstances at the discretion of the Director or the Board of Supervisors.
21
- 22 B. Should Franchisee request a special rate review only those costs related to the circumstance(s)
23 which warrant consideration of a special rate review, as specified above, will be reviewed and
24 considered.
25
- 26 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
27 operational information at least three months prior to the proposed effective date of any rate
28 adjustment.

EXHIBIT G

HAZARDOUS WASTE AND MATERIALS SCREENING

I. SURVEILLANCE

Franchisee will screen all loads of Solid Waste, Recyclables, and Green Waste, using mirrors on the vehicles and direct means of inspection where appropriate, at the point of collection to eliminate, where practicable, the transport of hazardous wastes. Hazardous wastes found at the point of collection will not be collected and the generator and the Department of Environmental Health will be notified of the incident.

Hazardous waste shall be transported in accordance with the regulations of the Department of California Highway Patrol (Title 13, CCR), the regulations of the federal Department of Transportation (DOT)(Title 49, Code of Federal Regulations), the regulations of the U.S. Environmental Protection Agency (Title 40, Code of Federal Regulations), the regulations of the California Occupational Health and Safety Administration (Title 8, CCR), and the regulations of the California Department of Toxic Substances Control (Title 22, CCR). This section shall not be construed to exempt the Franchisee from any other applicable law, or from any other regulation unless expressly stated.

All records, plans and/or other documents kept on file by the Franchisee to meet the above mentioned requirements will be made available to the County upon request.

II. HAZARDOUS WASTE RESPONSE

In the event that any hazardous or suspected hazardous waste is commingled with the solid waste stream, the Franchisee shall take immediate and appropriate action to contain and isolate the load and contact the County Hazardous Materials Management Division of Environmental Health. Ongoing training programs will consist of monthly safety meetings for all drivers, mechanics, and other support personnel, including the recognition of hazardous materials and hazardous situations that may require assistance from, or notification to, County Hazardous Materials personnel.

Procedures for Handling Hazardous Waste

The procedure for handling hazardous materials will be as follows:

Notification of suspected hazardous waste in the waste stream will be communicated from the driver to the dispatch center.

1 Dispatch will notify the field supervisor to determine appropriate response.

2 Dispatch will notify the Department's Hazardous Materials Division at (909)358-
3 5055, and shall request that they inspect any materials suspected of containing
4 hazardous waste. A determination will be made by the Hazardous Materials
5 personnel whether the Hazardous Materials Emergency Response Team should be
6 called in to assist in handling the waste.

7
8 Coordinating instructions will be issued by personnel from the Department's
9 Hazardous Materials Management Division based on their findings and
10 recommended actions.

11
12 Dependent on the determination of Hazardous Materials personnel, the suspected
13 hazardous materials may require segregation and containerizing to prepare for
14 manifesting and transport.

15
16 For situations that require specialized equipment or involve extremely large
17 amounts of material, a permitted hazardous materials transport company may be
18 contacted to assist in the cleanup. Management shall be available during any
19 incidents requiring cleanup to authorize the expenditure of funds.

20
21 The appropriate enforcement actions will be coordinated with the Hazardous
22 Materials Management Division to determine if the generator can be identified.

23
24 The specific procedures to be followed, if suspected or known hazardous waste is believed to be
25 in waste already picked up, shall include those steps specified in the attached Guidance
26 Document entitled Hazardous Waste Screening and Response as developed by the County of
27 Riverside, Department of Environmental Health, Hazardous Materials Management Division
28 (HMMD).