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Road Commissioner
County Engineer, RCE 42001
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FUNCTIONS

Administration & Business Services
Airports
Engineering
Land Improvement
Roads and Bridges
Solid Waste & Landfills
Water Agency

COUNTY OF MENDOCINO
DEPARTMENT OF TRANSPORTATION
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ADDENDUM NO. 2
REQUEST FOR PROPOSALS NO. DOT 210004

County of Mendocino
Department of Transportation

TO: All Respondents

FROM: Amber Fisette, Deputy Director of Transportation

CLOSING DATE: March 12, 2021 at 2:00 p.m. (UNCHANGED)

REF NO: RFP No. DOT 21004 – Residential and Commercial Garbage, Recyclable Material and Organic Waste Collection – Franchise Area No. 2

DATE: Thursday, February 11, 2021

New **Attachment B** Draft Franchise Agreement added.

1. Add Draft Franchise Agreement with the attached.

Please note: The terms and conditions of the draft franchise agreement are still under review and are subject to change prior to the finalization of the agreement.

END OF ADDENDUM NO. 2

DRAFT
EXCLUSIVE
FRANCHISE AGREEMENT FOR
SOLID WASTE REFUSE COLLECTION AREA NO. TWO
FOR SINGLE-FAMILY, MULTI-FAMILY, AND COMMERCIAL
GENERATORS

BETWEEN THE

County of Mendocino

AND

CONTRACTOR NAME

DATE OF AGREEMENT

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DRAFT

**EXCLUSIVE FRANCHISE AGREEMENT FOR SOLID WASTE REFUSE
COLLECTION AREA NO. TWO**

BETWEEN

COUNTY OF MENDOCINO

AND

CONTRACTOR NAME

This Agreement for Solid Waste Refuse Collection Area No. Two Between the County of Mendocino and _____. (the "Agreement") is made and entered into as of the last date of execution (the "Effective Date") between the County of Mendocino (hereinafter, "County") and _____ (hereinafter, "Contractor"), a STATE corporation, each of whom shall separately be a "Party" and collectively be the "Parties."

RECITALS

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

WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2), the Board of Supervisors of the County has determined that the public health, safety, and well-being require that an exclusive franchise be awarded to a qualified enterprise for the Collection and recovery of Solid Waste, Organic Waste, and Recyclable Materials from certain residential, industrial, and commercial areas in the County; and

WHEREAS, County and Contractor are mindful of the provisions of local, state, and federal laws governing the safe Collection, Transport, and Disposal of Solid Waste, Organic Waste, and Recyclable Materials, including, but not limited to AB 341, AB 876, AB 901, AB 939, AB 1594, AB 1826, SB 1383, the Resource Conservation and Recovery Act ("RCRA") and the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"); and

WHEREAS, County has not, and by this Agreement does not, instruct Contractor on its Collection Methods, nor supervise the Collection of waste; and

WHEREAS, Contractor has represented and warranted to the County that it has the experience, responsibility, and qualifications to arrange with residents, commercial, industrial, institutional, and other entities in the Franchise Area for the collection and safe transport to Approved or Designated Facilities for Solid Waste, Organic Waste, and

Recyclable Materials, the Board of Supervisors of the County determines and finds that the public interest, health, safety, and well-being would be best served in Contractor were to make arrangements with residents and other entities to perform these services; and

WHEREAS, the Board of Supervisors of the County declares its intention of maintaining reasonable rates for the collection and transportation of Solid Waste, Organics Waste, and Recyclable Materials within the area covered by this grant of franchise; and

WHEREAS, the County wishes to contract with Contractor for Solid Waste, Organic Wastes, and Recyclable Materials collection and processing services; and

WHEREAS, the County and Contractor wish to enter into this Agreement on the terms and conditions stated herein; and

NOW, THEREFORE, the Parties agree to the terms and conditions set forth herein.

ARTICLE 1: GRANT AND ACCEPTANCE OF EXCLUSIVE RESIDENTIAL AND COMMERCIAL FRANCHISE

- 1.1** County grants to Contractor, for the term of and in accordance with this Agreement (including all extensions or renewals), and exclusive privilege, duty and right to make and enter into independent agreements with residents of single family units, residents and/or owners of multifamily units, and Persons in charge of commercial, industrial, institutional and other entities in the Franchise Area for the collection, transportation and disposal of Solid Waste, Organic Waste, and Recyclable Materials, generated or accumulated within the Franchise Area, with the exception of sewage sludge and seepage, which has been placed in a Contractor-provided Container, in the areas covered by this Agreement, as its boundaries are now constituted or may be hereafter be amended.
- 1.2** Contractor agrees to be bound by and comply with all the requirements of this Agreement.
- 1.3** In the event of and to the extent that any of the following (Items A to C below) require or are amended to require that either party take certain action or desist from taking certain action that affects the promises, covenants and/or performance of the parties hereunder, then this Agreement shall be amended to provide for the satisfaction of such requirements. Further should such amendments to this Agreement results in the Contractor having to incur additional expenses in performing its obligations hereunder, or if certain cost cutting measures are implemented that

justify lower rates, then Contractor or County may seek rate adjusts therefore in accordance the procedures under Article 9 below.

- A.** The County Code, the California Public Resources Code, other applicable state and federal laws, rules and regulations promulgated thereunder;
- B.** The County of Mendocino County-wide Integrated Waste Management Plan and the County's Source Reduction and Recycling Elements and Household Hazardous Waste elements; and
- C.** Any and all amendments to said laws, plans, and regulations.

ARTICLE 2: DEFINITIONS

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

2.1 AB 341

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

2.2 AB 876

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

2.3 AB 901

"AB 901" means Assembly Bill approved by the Governor of the State of California on October 10, 2015, which amended Section 41821.5 of, amended, renumbered and added Section 41821.6 of, and added Sections 41821.7 and 41821.8 to, the Public Resources Code, relating to Solid Waste, as amended, supplemented, superseded, and replaced from time to time.

2.4 AB 939

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

2.5 AB 1594

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

2.6 AB 1826

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

2.7 Affiliate

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

2.8 Agreement

“Agreement” means this Exclusive Franchise Agreement between the County and Contractor, including all exhibits and attachments, and any amendments thereto.

2.9 Alternative Daily Cover (ADC)

“Alternative Daily Cover” or “ADC” has the same meaning as in 27 CCR Section 20690.

2.10 Alternative Facility

“Alternative Facility” means any Facility approved by County for use pursuant to Section 5 or Exhibit D.

2.11 Alternative Intermediate Cover (AIC)

“Alternative Intermediate Cover” or “AIC” has the same meaning as in 27 CCR Section 20700.

2.12 Applicable Law

“Applicable Law” means all federal, State, County, and local laws, regulations, rules, orders, judgments, decrees, permits, approvals, or other requirement of any governmental agency having County over the Collection, Transportation, Processing, and Disposal of Discarded Materials that are in force on the Effective Date and as may be enacted, issued, or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383 and corresponding regulations.

2.13 Approved C&D Processing Facility

“Approved C&D Processing Facility” means the FACILITY NAME at FACILITY ADDRESS, which is owned and operated by OWNER NAME, that is a C&D Processing Facility and was Contractor selected and County approved.

2.14 Approved Disposal Facility

“Approved Disposal Facility” means the FACILITY NAME at FACILITY ADDRESS, which is owned and operated by OWNER NAME, that is a Disposal facility and was Contractor selected and County approved.

2.15 Approved Facilities

“Approved Facility(ies)” means any one of or any combination of the: Approved C&D Processing Facility; Approved Disposal Facility, Approved Organic Waste Processing Facility; and Approved Recyclable Materials Processing Facility, each of which are defined in this Article and listed in Exhibit D.

2.16 Approved Organic Waste Processing Facility

“Approved Organic Waste Processing Facility” means the FACILITY NAME at FACILITY ADDRESS which is owned and operated by OWNER NAME that is an Organic Waste Processing Facility and was Contractor selected and County approved.

2.17 Approved Recyclable Materials Processing Facility

“Approved Recyclable Materials Processing Facility” means the FACILITY NAME at FACILITY ADDRESS, which is owned and operated by OWNER NAME that is a Source Separated Recyclable Materials Processing Facility and was Contractor selected and County approved.

2.18 Back-Haul

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

2.19 Bin

“Bin” shall mean a container designed for mechanical emptying with a close-fitting cover and of a design approved by the Department with capacity of approximately one (1) to six (6) cubic yards.

2.20 Blue Container

“Blue Container” has the same meaning as in 14 CCR Section 18982.2(a)(5) and shall be used for the purpose of storage and Collection of Source Separated Recyclable Materials or SSBCOW.

2.21 Board

“Board” means the Board of Supervisors of Mendocino County.

2.22 Bulky Waste

“Bulky Waste” means and includes, but not by way of limitation, discarded white goods (i.e., major household appliances), furniture, tires, carpets, mattresses, and similar large items, which cannot be placed in a covered Container.

2.23 Business Day(s)

“Business Days” mean days during which the County offices are open to do business with the public.

2.24 C&D

“C&D” means Construction and Demolition Debris.

2.25 C&D Collection Site

“C&D Collection Site” means properties where construction and demolition work is performed as evidenced by County issuance of a land clearing, building, or demolition permit, or from a non-permitted municipal project or as otherwise stated per County Ordinance #4301.

2.26 California Code of Regulations (CCR)

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

2.27 CalRecycle

“CalRecycle” means California's Department of Resources Recycling and Recovery, which is the Department designated with responsibility for developing, implementing, and enforcing SB 1383 Regulations on Counties and other regulated entities.

2.28 Cart

“Cart” means a plastic Container with a hinged lid and wheels serviced by automated or semi-automated Collection vehicles and with a Container capacity of 20, 35, 65, or 95 gallons (or similar volumes).

2.29 Collect/Collection

“Collect” or “Collection” means the act of taking physical possession of Discarded Materials at Single-Family, Multi-Family, or Commercial Premises within the County and from County facilities and transporting the Discarded Materials to an Approved or Designated Facility for Processing, Transfer, or Disposal.

2.30 Commercial Business (Commercial)

“Commercial Business” or “Commercial” means a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, or industrial facility, or as otherwise defined in 14 CCR Section 18982(a)(6), with the exception that Multi-Family is excluded from the definition of Commercial Business for the purposes of this Agreement.

2.31 Commercial Edible Food Generators

“Commercial Edible Food Generators” includes Tier One Commercial Edible Food Generators and Tier Two Commercial Edible Food Generators, or as otherwise defined in 14 CCR Section 18982(a)(7). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators, or as otherwise specified by 14 CCR Section 18982(a)(7).

2.32 Community Composting

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

2.33 Compostable Plastics

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

2.34 Compost

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

2.35 Construction and Demolition Debris

“Construction and Demolition Debris” means: (1) Discarded materials generally considered to be not water soluble and nonhazardous in nature, including but not limited to steel, glass, brick, concrete, asphalt material, pipe, gypsum, wallboard, and lumber from the construction or destruction of a structure as part of a construction or demolition project or from the renovation of a structure and/or landscaping, and including rocks, soils, tree remains, trees, and other vegetative matter that normally results from land clearing, landscaping and development operations for construction project; (2) Clean cardboard, paper, plastic, wood, and metal scraps from any construction and/or landscape project; (3) Non-construction and demolition debris wood scraps; (4) Insignificant amounts of other non-hazardous wastes that are generated at the construction or demolition projects provided such amounts are consistent with best management practices of the industry; (5) Mixing of construction and demolition debris with other types of Solid Waste will cause it to be classified as other than construction and demolition debris.

2.36 Contractor

“Contractor” means the Party (other than the County) that executed this Exclusive Franchise Agreement and its Affiliates, DBAs, and Subcontractors that perform services on Contractor’s behalf.

2.37 Container(s)

“Container(s)” means a receptacle for temporary storage of Discarded Materials. Containers may include Bins, Carts, Roll-Off Boxes, compactors, or other storage instruments to the extent such Containers are permitted by the County for use for Collection services provided under the Agreement.

2.38 County

“County” means the County of Mendocino, State of California.

2.39 Customer(s)

“Customer” means the Person who receives the Contractor’s Collection services and to whom the Contractor submits its billing invoice to and collects payment from for Collection services provided to a Premise. The Customer may be either the occupant, owner, or property manager of the Premises, as allowed under the County Code.

2.40 DBA

“DBA” means a fictitious name, assumed name, or trade name that is different from Contractor’s legal name, which Contractor uses for “doing business as” to provide Collection services.

2.41 Debris Box

“Debris Box” means an open-top Container with a capacity of ten (10) to fifty (50) cubic yards that is serviced by a roll-off Collection vehicle.

2.42 Department

“Department” means the Department of Transportation, County of Mendocino, at the office designated by the County of Mendocino to administer this Franchise Agreement or a duly authorized representative.

2.43 Designated Disposal Facility

“Designated Disposal Facility” means the Willits Solid Waste Transfer Station located at 350 Franklin Avenue, Willits, CA, which is owned and operated by Solid Waste of Willits, for all Solid Waste collected within the Coastal Rate Zone, as defined in Section 9.2.2 of this Agreement.

2.44 Director

“Director” has the same meaning as Department.

2.45 Discarded Materials

“Discarded Materials” are a form of Solid Waste and shall be regulated as such. For purposes of this Agreement, material is deemed to have been discarded, without regard to whether it is destined for Recycling or Disposal, and whether or not it has been separated from other Solid Wastes, in all cases where a fee or other compensation, in any form or amount, is directly or indirectly solicited from, or, levied, charged, or otherwise imposed on, or paid by, the Generator or Customer in exchange for handling services. As used herein, handling services include, without limitation, the Collection, removal, Transportation, delivery, and Processing and/or Disposal of the material. Discarded Materials do not include Edible Food that is recovered for human consumption and is not discarded. For the purposes of this Agreement, Discarded Materials include Source Separated Recyclable Materials, SSBCOW, SSGCOW, Food Waste, Gray Container Waste, and C&D once the materials have been placed in Containers for Collection.

2.46 Disposal

“Disposal” or “Dispose” means the final disposition of any Solid Waste Collected by the Contractor at a permitted Landfill or other permitted Solid Waste Facility.

2.47 Diversion

“Diversion (or any variation thereof including “Divert”)” means activities which reduce or eliminate Discarded Materials from Disposal, including, but not limited to, source reduction, Reuse, salvage, Recycling, and composting.

2.48 Edible Food

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

2.49 Effective Date

“Effective Date” means the date on which the Agreement becomes binding upon the Parties, which is the date when the latter of the Parties has executed this Agreement.

2.50 Environmental Laws

“Environmental Laws” means all Federal and State statutes and County ordinances concerning public health, safety, and the environment including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC Section 9601, et seq.; the Resource Conservation and Recovery Act, 42 USC Section 6901, et seq.; the Federal Clean Water Act, 33 USC Section 1251, et seq.; the Toxic Substance Control Act, 15 USC Section 2601, et seq.; the Occupational Safety and Health Act, 29 USC Section 651, et seq.; the California Hazardous Waste Control Act, California Health and Safety Code Section 25100, et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code Section 25300, et seq.; the Porter-Cologne Water Quality Control Act, California Water Code Section 13000, et seq.; the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5, et seq.; all as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

2.51 Excluded Waste

“Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, Medical Waste, infectious, regulated radioactive waste, and toxic substances or material that Facility operator(s) reasonably believe(s) would, as a result of or upon acceptance, Transfer, Processing, or Disposal, be a violation of local, State, or Federal law, regulation, or ordinance, including: land use restrictions or conditions, waste that cannot be Disposed of in Class III Landfills or accepted at the Facility by permit conditions, waste that in Contractor’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or County to potential liability; but not including de minimis

volumes or concentrations of waste of a type and amount normally found in Single-Family or Multi-Family Solid Waste after implementation of programs for the safe Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

2.52 Facility(ies)

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

2.53 Food Recovery

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

2.54 Food Recovery Organization

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

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

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

2.55 Food Recovery Service

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

2.56 Food Scraps

“Food Scraps” means all food such as, but not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells.

2.57 Food-Soiled Paper

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

2.58 Food Waste

“Food Waste” means Source Separated Food Scraps, Food-Soiled Paper, and Compostable Plastics. Food Waste is a subset of SSGCOW. Edible Food separated for Food Recovery shall not be considered Food Waste.

2.59 Franchise Area

“Franchise Area” means the unincorporated portions of the County within the Solid Waste Refuse Collection Area No. Two (2) designated on the map entitled “Mendocino County Solid Waste Refuse Collection Areas” (included as Exhibit F) including all amendments and changes thereto.

2.60 Franchise Fee

“Franchise Fee” means the fee or assessment imposed by the County on Contractor solely because of its status as party to this Agreement, and which, inter alia, is intended to compensate County for its expenses in administering this Agreement and other Solid Waste-related activities.

2.61 Generator

“Generator” means any Person as defined by the Public Resources Code, whose act or process produces Solid Waste, Organic Waste, or Recyclable Materials as defined in the Public Resources Code, or whose act first causes Solid Waste to become subject to regulation.

2.62 Gray Container

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

2.63 Gray Container Waste

“Gray Container Waste” means Solid Waste that is collected in a Gray Container that is part of a three-Container Organic Waste Collection service that prohibits the placement of Organic Waste in the Gray Container as specified in 14 CCR Sections 18984.1(a) and (b) or as otherwise defined in 14 CCR Section 17402(a)(6.5). For the purposes of this Agreement, Gray Container Waste includes carpet and textiles.

2.64 Green Container

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

2.65 Green Waste

“Green Waste” means those discarded materials that will decompose and/or putrefy, including but not limited to green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of yard waste. Green Waste to be placed in a Container for Collection shall not exceed six inches in diameter and four feet in length. Tree stumps and logs are not to be considered “Green Waste” unless they are reduced to a chipped form; they shall be considered Bulky Waste. Biodegradable plant material, which is mixed with other kinds of Solid Waste, shall not be considered “Green Waste”. Green Waste is a subset of SSGCOW.

2.66 Gross Revenues

“Gross Revenues” means any and all revenue or compensation in any form derived directly or indirectly by Contractor, its affiliates, subsidiaries, parents or any other Person or entity in which Contractor has a financial interest, in collecting, transporting, arranging, handling, and Processing Solid Wastes, Organic Waste, and Recyclable Materials, generated in the Franchise Area pursuant to this Agreement

2.67 Hauler Route

“Hauler Route” means the designated itinerary or sequence of stops for each segment of the County’s Collection service area.

2.68 Hazardous Substance

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

2.69 Hazardous Waste

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

2.70 Holidays

"Holidays" are defined as New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas Day.

2.71 Incompatible Materials

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

2.72 Independent Government Agencies

"Independent Government Agencies" means any Federal, State, or local government agencies, including but not limited to special districts, school districts, Indian reservations, California Department of Parks and Recreation, California State Department of Corrections, United States Forest Service, Bureau of Land Management, United States Corp of Engineers, which due to provisions of California State Law do not have to comply or recognize the Contractor as the County's exclusively franchised Solid Waste Collector.

2.73 Industrial Solid Waste

"Industrial Solid Waste" means Solid Waste in an amount exceeding an average of five hundred pounds (500 lbs.) per operating day produced by any Person principally engaged in the business of Processing or manufacturing agricultural, animal, or other products or materials whose principal outlet for such products is wholesale rather than retail, and by any Person engaged in the business of building construction and demolition. Industrial Solid Waste excludes Non-Discarded Recyclable Materials.

2.74 Inerts

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

2.75 Landfill

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

2.76 Large Event

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

2.77 Large Venue

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

2.78 Liquidated Damages

“Liquidated Damages” means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 11.8 and Exhibit G.

2.79 Low-Population Areas

“Low-Population Areas” means the certain regions of the County that have a valid low population waiver, granted by CalRecycle, in accordance with the criteria and process specified in 14 CCR Section 18984.12(a), and as specified in Section 5.7.

2.80 Medical Waste

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

2.81 Mulch

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

- Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land application specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).
- Was produced at one or more of the following types of Facilities:
- A compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under 14 CCR, Division 7, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10);
- A Transfer/Processing Facility or Transfer/Processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7; or,
- A Solid Waste Landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

2.82 Multi-Family or Multi-Family Dwelling Unit

“Multi-Family” means of, from, or pertaining to residential Premises with two (2) or more dwelling units. Multi-Family Premises do not include hotels, motels, or other transient occupancy facilities, which are considered Commercial Businesses. References to “Multi-Family Dwelling Unit” refer to an individual residential unit of the Multi-Family Premises.

2.83 Non-Compostable Paper

“Non-Compostable Paper” includes, but is not limited to, paper that is coated in a plastic material that will not breakdown in the composting process, or as otherwise defined in 14 CCR Section 18982(a)(41).

2.84 Non-Discarded Recyclable Materials

“Non-Discarded Recyclable Materials” means any Recyclable Materials as defined herein, that the Generator retains, sells, or donates.

2.85 Non-Organic Recyclables

“Non-Organic Recyclables” means non-putrescible and non-hazardous recyclable wastes including, but not limited to, bottles, cans, metals, plastics, and glass, or as otherwise defined in 14 CCR Section 18982(a)(43). Non-Organic Recyclables are a subset of Source Separated Recyclable Materials.

2.86 Occupant

“Occupant” means the Person in possession or control of the Premises, including but not limited to Persons such as tenant, lessee, licensee, manager, custodian, or caretaker.

2.87 Organic Waste

“Organic Waste” means Solid Wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, yard trimmings, organic textiles and carpets, lumber, wood, Paper Products, Printing and Writing Paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

2.88 Paper Products

“Paper Products” include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling; or as otherwise defined in 14 CCR Section 18982(a)(51).

2.89 Parent Company

“Parent Company” means a company that has a controlling interest in another company, enabling the Parent Company to control management and operations of the Affiliate or Subsidiary company.

2.90 Party or Parties

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

2.91 Person

“Person” has the same meaning as in Public Resources Code Section 40170, which states, as of the Effective Date of this Agreement, that a Person includes an individual, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever.

2.92 Premises

“Premises” means a parcel of real property to the center of any alley adjacent thereto, located in Franchise Area, upon which is situated any dwelling house or other place of human habitation, including each unit of a multiple dwelling building, or of a mobile home park; or upon which is conducted any business, occupation, or activity which results in the production or accumulation of Solid Waste.

2.93 Printing and Writing Papers

“Printing and Writing Papers” include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated

writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications; or as otherwise defined in 14 CCR Section 18982(a)(54).

2.94 Process, Processed, or Processing

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

2.95 Prohibited Container Contaminants

“Prohibited Container Contaminants” means the following: (i) Discarded Materials placed in the Blue Container that are not identified as acceptable Source Separated Recyclable Materials for the County’s Blue Container; (ii) Discarded Materials placed in the Green Container that are not identified as acceptable SSGCOW for the County’s Green Container; (iii) Discarded Materials placed in the Gray Container that are acceptable Source Separated Recyclable Materials and/or SSGCOW to be placed in County’s Green Container and/or Blue Container ; and (iv) Excluded Waste placed in any Container.

2.96 Property Owner

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

2.97 Public Resources Code (PRC)

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

2.98 Putrescible Waste

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

2.99 Rate

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

2.100 Rate Period

“Rate Period” means a twelve (12) month period, commencing January 1 and concluding December 31 for which rates are calculated, with the exception that Rate Period One shall commence July 1, 2021 and conclude December 31, 2021.

2.101 Rate Zone

“Rate Zone” means specific zones within the Franchise Area where specific residential, commercial, and industrial rates shall be charges by the Contractor. Rate Zones are defined in Section 9.2.2.

2.102 Recyclable Material(s)

“Recyclable Material(s)” includes materials which are reused or processed into a form suitable for reuse through reprocessing or remanufacture, consistent with the requirements of the Public Resources Code. No materials shall be considered Recyclable Materials unless such material is separated from Solid Waste and Organic Waste. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; paper milk cartons; glass containers of any color (including brown, clear, green and blue bottles and jars; aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); small pieces of scrap metal weighing less than 10 pounds and fitting into the Blue Container; steel, tin or bi-metal cans; plastic containers (no. 1 to 7); and aseptic beverages boxes.

2.103 Recycle/Recycling

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

2.104 Remnant Organic Material

“Remnant Organic Material” means the Organic Waste that is Collected in a Gray Container that is part of the Gray Container Collection stream, or as otherwise defined in 14 CCR 17402(a)(23.5).

2.105 Renewable Natural Gas (RNG)

“Renewable Natural Gas” or “RNG” means gas derived from Organic Waste that has been diverted from a Landfill and Processed at an in-vessel digestion facility that is permitted

or otherwise authorized by 14 CCR to recover Organic Waste, or as otherwise defined in 14 CCR Section 18982(a)(62).

2.106 Residual (or Residue)

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

2.107 Responsible Party

“Responsible Party” means: 1) Any individual or any corporation, partnership, or business association or an officer, director, or management employee of a corporation, partnership, or business association that has the authority to make discretionary decisions with respect to the operations of financial management of the Contractor; or, 2) Any corporation, sole-proprietorship, partnership, or business association, or officer, director, or management employee of such entity, that holds at least five percent (5%) equity or debt interest in the Contractor. If any holder of such debt or equity is not a natural person, the term “responsible party” includes only the debtor, equity holding Person and officers, directors, and management employees of the debt or equity holder who are empowered to make discretionary decisions with respect to the operation of financial management of the Contractor.

2.108 Reusable Items

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

2.109 Reuse

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

2.110 Roll-Off Box

“Roll-Off Box” has the same meaning as “Debris Box”.

2.111 Salvageable Material (or Salvaged Material)

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

2.112 SB 1383

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

2.113 SB 1383 Regulations

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

2.114 Self-Hauler (or Self-Haul)

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

2.115 Service Level

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

2.116 Single-Family or Single-Family Dwelling (SFD)

“Single-Family” or “Single-Family Dwelling” or “SFD” means any residential Premises with less than two (2) units.

2.117 Solid Waste

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

- Hazardous waste, as defined in PRC Section 40141.
- Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code).

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

2.118 Solid Waste Ordinance

“Solid Waste Ordinance” means Title 9A of the Mendocino County Code, as currently adopted by the Mendocino County Board of Supervisors and future amendments to Title 9A as adopted by the Board of Supervisors.

2.119 Source Separated

“Source Separated” means materials, including commingled Recyclable materials, that have been separated or kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or Processing those materials for Recycling or Reuse in order to return them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section 17402.5(b)(4). For the purposes of the Agreement, Source Separated shall include separation of materials by the Generator, Property Owner, Property Owner’s employee, property manager, or property manager’s employee into different Containers for the purpose of Collection such that Source Separated materials are separated from Gray Container Waste and other Solid Waste for the purposes of Collection and Processing.

2.120 Source Separated Blue Container Organic Waste (SSBCOW)

“Source Separated Blue Container Organic Waste” or “SSBCOW” means Source Separated Organic Waste that can be placed in a Blue Container that is limited to the Collection of those Organic Wastes and Non-Organic Recyclables as defined in 14 CCR Section 18982(a)(43); or as otherwise defined by 14 CCR Section 17402(a)(26.7).

2.121 Source Separated Green Container Organic Waste (SSGCOW)

“Source Separated Green Container Organic Waste” or “SSGCOW” means Source Separated Organic Waste that can be placed in a Green Container that is specifically intended for the separate Collection of Organic Waste by the Generator, excluding SSBCOW, carpets, Non-Compostable Paper, and textiles.

2.122 Source Separated Recyclable Materials

“Source Separated Recyclable Materials” means Source Separated Non-Organic Recyclables and SSBCOW.

2.123 State

“State” means the State of California.

2.124 Subcontractor

“Subcontractor” means any Person, firm, or entity hired by Contractor to carry out any of Contractor’s duties under this Agreement.

2.125 Subsidiary

“Subsidiary” means an Affiliate with 50 percent (50%) or more of its ownership controlled by Contractor.

2.126 Term

“Term” means the duration of this Agreement, including extension periods if granted, as provided for in Section 3.1

2.127 Tier One Commercial Edible Food Generators

“Tier One Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- Supermarket.
- Grocery Store with a total facility size equal to or greater than 10,000 square feet.
- Food Service Provider.
- Food Distributor.
- Wholesale Food Vendor.

If the definition in 14 CCR Section 18982(a)(73) of Tier One Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(73) shall apply to this Agreement.

2.128 Tier Two Commercial Edible Food Generators

“Tier Two Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
- Hotel with an on-site food facility and 200 or more rooms.
- Health facility with an on-site food facility and 100 or more beds.
- Large Venue.
- Large Event.
- A State agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
- A local education agency with an on-site food facility.

If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(74) shall apply to this Agreement.

2.129 Ton

“Ton” or “Tonnage” or “Tons” means a unit of weight equal to 2,000 pounds (907.18474 kg).

2.130 Transfer

“Transfer” means the act of transferring Discarded Materials Collected by Contractor from Contractor’s Collection vehicles into larger vehicles at a Transfer Facility for Transport to other Facilities for Processing or Disposing of such materials. Transfer allows for removal of materials excluded or prohibited from handling at the Transfer Facility (e.g., removal of Hazardous Waste).

2.131 Transportation or Transport

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

2.132 Universal Waste (or U-Waste)

“Universal Waste” or “U-Waste” means all wastes defined by 22 CCR Subsections 66273.1 through 66273.9. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and electronic waste.

2.133 Work Days

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

ARTICLE 3: TERMS OF AGREEMENT

3.1 TERM OF AGREEMENT

3.1.1 Effective Date and Commencement Date.

The Effective Date of this Agreement shall be the date the latter of the two Parties signs the Agreement.

The Commencement Date shall be July 1, 2021 and shall be the date on which Contractor initiates provision of Collection, Transportation, and Processing services required by this Agreement.

Between the Effective Date and the Commencement Date, Contractor shall perform all activities necessary to prepare itself to start Collection, Transportation, and Processing services required by this Agreement on the Commencement Date.

3.1.2 Term.

The Term of this Agreement shall continue in full force from 12:01 a.m. on July 1, 2021 (Commencement Date), to midnight December 31, 2029 unless the Agreement is extended by County pursuant to Section 3.1.3 or terminated in accordance with Article 11.

3.1.3 Option to Extend Term.

County shall, at the County's sole discretion, have the option to extend this Agreement for a term up to ten (10) years. If the County extends the Agreement, it shall give written notice to Contractor 180 days prior to the extended expiration date of this Agreement. The County's written notice shall specify the number of years by which it elects to extend the Term of this Agreement and the revised expiration date of the Agreement.

3.1.4 County's Rights upon Expiration or Revocation.

At the expiration or revocation of this Agreement, the County may proceed with a competitive bidding or request for proposal process or exercise any other option available under Applicable Law.

3.2 LIMITATIONS TO SCOPE

The materials listed below in this Section may be Collected and Transported by other Persons. Such Persons shall do so in accordance with the County Code.

3.2.1 Industrial Recyclable Materials.

Recyclable Materials from a Generator of Industrial Solid Waste that are not disposed of and are recycled including, but not limited to, wood chips from the forest products industry used as boiler fuel, and agricultural waste used to produce compost. If Solid Waste residue in Recyclable Materials exceeds five percent (5%) by volume it shall be considered Solid Waste and not Industrial Recyclable Material and shall be collected by the Contractor;

3.1.2 Non-Discarded Recyclable Materials.

Provided the transporter is paid no direct or in-kind fee for the service and compensates the Generator for the Recyclable Materials;

3.1.3 Materials Hauled by Owner, occupant, or a Cooperative of Persons or its Contractor.

Solid Waste, Organic Waste, and/or Recyclable Materials that are removed from any Premises by the Owner, Occupant, or a Cooperative of persons and are transported, without compensation, to a Disposal Site or Processing Site by (i) the Owner, Occupant, or cooperative of persons of such Premises, (ii) by full-time employee(s) of Owner, Occupant, or cooperative of persons that uses the Owner's, Occupant's or cooperative of persons' equipment to Transport materials; or (iii) by a contractor whose removal of the Solid Waste and/or Recyclable Materials, and/or Demolition and Construction Debris

incidental to the service being performed and such contractor removes materials as no additional or separate fee using contractor's own equipment and labor.

3.1.4 Containers Recycled.

Containers delivered for recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500, California Public Resources Code et. seq. as may be amended from time to time;

3.1.5 Animal, Grease Waste, and Used Cooking Oil.

Animal waste and remains from slaughterhouse or butcher shops, grease waste, or used cooking oil.

3.1.6 Sewage Treatment By-Product.

By-products of sewage treatment including sludge, sludge ash, grit, and screenings;

3.1.7 Hazardous Wastes.

Household Hazardous Waste, Hazardous Waste, and Designated Waste regardless of its source.

3.1.8 State and Federal Wastes.

Materials generated by state and federal agencies, special districts, school districts, State parks, State correction facilities, and Indian reservations.

3.1.9 Edible Food.

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

3.1.10 On-Site or Community Composting.

Organic Waste that is composted or otherwise legally managed at the site where it is generated or at a Community Composting site.

3.1.11 Other Materials.

Lead-acid batteries, waste oil, tires, and scrap metal not covered as Discarded Recyclable Materials.

3.3 SUBCONTRACTING

Contractor shall not engage any Sub-contractors for Collection, Transportation, Processing, or Disposal of Solid Waste, Organic Waste, or Recyclable Materials services without prior written consent of the County.

3.4 COMPLIANCE WITH LAWS AND REGULATIONS

Contractor warrants that it will comply with all applicable laws in effect during the term of this Agreement, including implementing regulations, as they may, from time to time, be amended, specifically including, but not limited to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the California Public Resources Code Section 40000 et. seq., and all other applicable laws of the State of California, the County of Mendocino, ordinances of the County, the County's Source Reduction and Recycling Element, the County's Household Hazardous Waste Element, the County of Mendocino's County-wide Integrated Waste Management Plan, the requirements of Local Enforcement Agencies and other agencies with jurisdiction relating to the services provided by Contractor under this agreement. In the event of conflict between regulations or statutes, Contractor shall comply with the regulation or statute containing the most stringent applicable standards. Contractor shall comply with all final and binding judgments entered against Contractor regarding its services performed under this agreement.

3.5 FRANCHISE AREA DEFINED

This Agreement allows the Contractor to Collect, Transport, and Process Solid Waste, Organic Waste, and Recyclable Materials generated within the Franchise Area defined and shown on certain map entitled "Mendocino County Solid Waste Refuse Collection Areas" and included as Exhibit F, including all amendments and changes thereto. The Franchise Area may be modified upon renegotiation and mutual consent of both parties should the Board find such modification necessary for the efficient administration of this Agreement and in the public interest. In the event of such a modification, the Contractor shall be given a ninety (90) day written notice thereof before the modification shall become effective. The zones are designated as follows:

1. **Coastal Rate Zone:** The Coastal Rate Zone shall be the Franchise Area west of an imaginary line running due North - South through milepost marker 23.52 on Orr Springs Road (County Route No. 223), which location is approximately shown in Exhibit F.
2. **Inland Rate Zone:** The Inland Rate Zone shall be the Franchise Area east of an imaginary line running due North - South through milepost marker 23.52 on Orr Springs Road (County Route No. 223), which location is approximately shown in Exhibit F.
3. **Industrial Rate Zones:** The rates for industrial Solid Waste service shall be determined by the street address of the location serviced and charged according to the Industrial Rate Table in Exhibit B. Ukiah as specified in the aforementioned table shall be the Greater Ukiah Area including Redwood

Valley. Fort Bragg as specified in the aforementioned table shall be the Fort Bragg Commercial Rate Zone as set forth in the above section. If a location does not conform to aforementioned table, then charges for Industrial Solid Waste removal services shall conform with Section below.

3.6 FRANCHISE AREA LIMITS

No Persons shall be granted a right to collect refuse in Contractor's Franchise Area unless approved by the Board of Supervisors due to an emergency, a lack of service by the Contractor, or as allowed according to this Agreement herein.

ARTICLE 4: COLLECTION SERVICES

4.1 GENERAL

The nature of the Solid Waste, Organic Waste, and Recyclable Material services Contractor shall offer and provide to Customers residing or doing business in the Solid Waste Franchise Area No. 2 has been determined by the Board of Supervisors.

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

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

Contractor shall not knowingly Collect Blue, Green, or Gray Containers that include Prohibited Container Contaminants.

4.2 OWNERSHIP OF DISCARDED MATERIALS

By operation of this Agreement, ownership and the right of possession of all Discarded Materials shall be transferred to Contractor from the Person discarding the materials (Customer and/or Generator) once such materials are placed in Contractor-provided Containers and properly placed for Collection.

If Prohibited Container Contaminants are found in Containers set out for Collection, the materials shall be considered not properly placed for Collection, and Contractor shall have

the right to reject Collection of the contaminated Containers pursuant to Section 5.2, and the ownership of materials shall remain with the Person discarding the materials (Customer and/or Generator). In the event said Generator or producer of the Solid Waste is unknown, the Solid Waste shall become the property of the Owner of the parcel upon which said Solid Waste has been deposited.

Upon being legally deposited in a Disposal site approved by the Department or transferred to an Approved Facility not owned by the Contractor, all Solid Waste, Organic Waste, and Recyclable Materials shall forthwith become the property of the permitted operator of the facility.

Except as required in the County's sole discretion for law enforcement purposes, at no time shall the County obtain any right of ownership or possession of Discarded Materials placed for collection and nothing in this Agreement shall be construed as giving rise to any inference that County has such rights.

4.3 THREE-CONTAINER SYSTEM

4.3.1 General.

No later than January 1, 2022, Contractor shall provide a three-Container Collection program for the separate collection of Source Separated Recyclable Materials, SSGCOW, and Gray Container Waste as specified in this Section, using Containers that comply with the requirements of Section 6.9.

4.3.2 Source Separated Recyclable Materials Collection (Blue Container).

Contractor shall provide Blue Containers to Customers for Collection of Source Separated Recyclable Materials Collection Service, as described in Exhibits A, B, and C of this Agreement. Contractor shall Transport the Source Separated Recyclables Materials to the Approved Recycling Facility, as specified in Section 5.1.

Source Separated Recyclable Materials that are to be accepted for Collection shall include, but not be limited to the following: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper eggs cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes, chipboard; corrugated cardboard; paper milk cartons; glass containers of any color (including brown, clear, green, and blue glass bottles and jars); aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); small pieces of scrap metal weighing 10 pounds and fitting into the Blue Container; steel, tin or bi-metal cans; plastic containers (no. 1 to 7); and aseptic boxes. Prohibited Container Contaminants shall not be Collected in the Blue Containers. The Containers shall comply with the requirements of Section 6.9.

4.3.3 SSGCOW Collection (Green Container).

Contractor shall provide Green Containers to Customers for Collection of Green Waste and shall provide Green Waste Collection Service as described in Exhibits A, B, and C of this Agreement. Contractor shall transport the Green Waste to the Approved Facility as specified in Section 5.1.

Green Waste that is to be accepted for Collection in the SSGCOW Collection program include the following: green trimmings, grass, weeds, flowers, leaves, prunings, branches, dead plants, brush, tree trimmings, and dead trees. The parties agree that accepted types of Green Waste may be added or removed from the list from time to time by mutual consent or at the sole discretion of the County. Prohibited Container Contaminants shall not be Collected in the Green Containers. The Containers shall comply with the requirements of Section 6.9.

No later than January 1, 2022, Contractor shall implement a Food Waste Collection program that allows Generators to intentionally commingle Food Waste and Green Waste in the Green Containers. Contractor shall provide SSGCOW Collection service as described in Exhibits A, B, and C of this Agreement and Transport the SSGCOW to the Approved Facility as specified in Section 5.1.

4.3.4 Gray Container Waste (Gray Container).

Contractor shall provide Gray Containers to Customers for Collection of Gray Container Waste, and shall provide Gray Container Waste Collection service, as described in Exhibits A, B, and C of this Agreement. Contractor shall Transport the Gray Container Waste to the Approved Facility as specified in Section 5.1. Contractor may allow carpets and textiles to be placed in the Gray Containers. Prohibited Container Contaminants shall not be collected in the Gray Containers. The Containers shall comply with the requirements of Section 6.9.

4.4 PUBLIC LITTER AND RECYCLING CONTAINER SERVICES

Contractor shall provide service to an agreed-upon number of public litter and recycling containers in the unincorporated communities of Mendocino and Hopland. For the unincorporated community of Mendocino, Collection service shall be twice-per-week, except from May 1st to September 30th when the Collection service shall be three-times-per-week. For the unincorporated community of Hopland, Collection service shall be once per week, except from May 1st to September 30th when the Collection service shall be twice per week.

Contractor will provide service to a total of 12 agreed-to locations in Hopland and a total of 24 agreed-to locations in Mendocino. The existing receptacle locations in Mendocino which make-up a portion of the 24 total Mendocino locations will continue to be services. All new locations in Mendocino and Hopland will be mutually agreed upon by the Parties. The recycling receptables will receive mixed glass, aluminum, and plastic beverage

containers. The Contractor will be responsible for servicing and cleaning up spilled refuse or recyclable materials due to overflow or upset. The Contractor shall perform an annual cleaning of these public litter and recycling containers. The County will be responsible for procurement and installation of receptable housings and the Contractor will provide liner replacements as needed. The Contractor will exercise diligence and fully cooperate with the County in the implementation of this program in the aforementioned communities. The County reserves the right to demand a greater amount of servicing as needed to address community concerns. The County and Contractor will negotiate the additional fee for the additional container servicing.

4.5 DEBRIS BOX COLLECTION

Contractor shall provide Debris Box collection services at Customer's request for the collection of C&D and other Bulky Waste on an as needed basis. Debris Box Solid Waste shall be transported to the Approved or Designated Disposal Facility or Approved C&D Processing Facility that provides the lowest total cost to the Customer. Customers shall pay the Roll-off Pull Rates as specified in Exhibit B in addition to the actual disposal charge based on the weight of the Debris Box Solid Waste.

The collection frequency of Debris Boxes will be for a period of up to fourteen (14) calendar days. Contractor has the right to collect the Debris Box after fourteen (14) days, and if the Debris Box is not ready for collection upon arrival, Contractor may charge the approved Trip Charge, and inactivity fee as set forth in Exhibit B. If, prior to the pickup, the Customer requests an extension to the collection period of the initial fourteen (14) days, the Contractor may charge the inactivity fee set forth in Exhibit B.

4.6 BULKY ITEMS AND REUSABLE MATERIALS COLLECTION

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

ARTICLE 5: OTHER SERVICES

5.1 TRANSFER, PROCESSING, AND DISPOSAL

5.1.1 Approved Facilities

Contractor shall Transport all Discarded Materials to the Designated or Approved Facility(ies) specified in Exhibit D and shall Transfer, Process, and Dispose of Discarded Materials in accordance with this Section and Exhibit D. The Designated or Approved Facilities shall comply with the following requirements.

- A. **Designated Disposal Facility (Grey Containers in Coastal Rate Zone).** Contractor shall utilize the Designated Disposal Facility for the Disposal of Greg Container Waste in the Coastal Rate Zone.
- B. **Approved Disposal Facility (Greg Containers in the Inland Rate Zone).** Contractor's Approved Disposal Facility shall be a facility that is permitted and approved to accept Solid Waste for Disposal.
- C. **Approved Source Separated Recyclable Materials Processing Facility (Blue Containers).** Contractor's Approved Recyclables Processing Facility shall be a Facility or operation that Processes Single-Family, Multi-Family, and Commercial Source Separated Recyclable Materials to recover materials designated for Collection in the Blue Container.
- D. **Approved Organic Waste Processing Facility (Green Containers).** Contractor's Approved Organic Waste Processing Facility shall be a Facility that Processes Single-Family, Multi-Family, and Commercial SSGCOW to recover Source Separated Organic Waste.
- E. **Approved C&D Processing Facility.** Contractor's Approved C&D Processing Facility shall be a facility that Processes C&D Materials to recover materials that can either be recycled or composted.

5.1.2 Allowable Organic Waste Facilities

If Contractor is interested in transporting Discarded Materials to a type of Facility that is not described above, Contractor shall obtain written approval from the County Contract Manager and such Facilities or activities shall constitute a reduction in Landfill Disposal pursuant to 14 CCR Section 18983.1(b). If Contractor is interested in using a Facility, operation, or activity not listed above and not specifically identified in 14 CCR Section 18983.1(b), Contractor shall be responsible for securing the necessary approvals from CalRecycle, pursuant to 14 CCR Section 18983.2, that the Facility's process or technology constitutes a reduction in Landfill Disposal prior to the County's final approval of such Facility or activity.

5.1.3 Guaranteed Capacity and Facility Standards

Contractor shall guarantee Transfer, Processing, and Disposal capacity at the Approved Facility(ies) to receive all Discarded Materials Collected by the Contractor throughout the Term of the Agreement and shall comply with Facility standards specified in Exhibit D.

5.1.4 Other Facility Provisions

Exhibit D describes other Facility provisions including, but not limited to, use of Alternative Facilities, contamination monitoring of Discarded Materials received at the Approved Facilities, emergency conditions, and more.

5.1.5 Transportation and Facility Costs

Contractor shall pay all costs for the Transport, Transfer, Processing, and/or Disposal of Discarded Materials Collected in accordance with this Agreement. Contractor's compensation for such services is included in the Rates charged to Customers.

5.1.6 Transportation to Non-Approved Facilities Prohibited

If Contractor Transports Discarded Materials to a Facility other than the Approved Facility(ies) or an Alternative Facility without prior County approval, Contractor's failure to comply may result in assessment of Liquidated Damages pursuant to Section 11.8 and Exhibit G.

5.2 CONTAMINATION MONITORING

5.3.1 General

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

5.2.1 Contamination Monitoring Procedures

- A. **General.** This Section presents inspection methods for Prohibited Container Contaminants to be used by the Contractor in conducting contamination monitoring required by Sections 5.2.2 and 5.2.3.
- B. **Container Inspection Methods.**
 - 1. **Option 1: Physical Container Inspections.** When Contractor's Hauler Route personnel dismounts from Collection vehicles to empty a Container, such personnel shall lift the Container lid and observe the contents. Upon finding Prohibited Container Contaminants in a Container, Contractor shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 5.2.1.C
 - 2. **Option 2: Visual Inspections via On-Board Monitoring System.** For Collection vehicles with automated Collection service, the Collection vehicle hopper shall be equipped with a video camera and monitoring system. The Contractor's Hauler Route personnel shall observe, via the hopper video camera and monitoring system, the contents of the Containers as the materials are emptied into the vehicle. Upon finding Prohibited Container

Contaminants in a Container, Contractor shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 5.2.1.C.

The next day on which that Customer is to receive service, the Contractor's Hauler Route personnel shall dismount the Collection vehicle, lift the lid of the Container, and visually inspect the contents of the Container. If the Contractor's Hauler Route personnel determines that the Container again contains Prohibited Container Contaminants, Contractor shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 5.2.1.C.

3. Option 3: Visual Inspection via Remote Monitoring.

- a. Contractor shall install camera equipment in Containers and use a cloud-based software that will enable Contractor, County, and/or other applicable enforcement personnel to monitor and examine the contents of Single-Family, Multi-Family, and/or Commercial Containers using digital photographic images obtained from the cameras installed in the Containers. The digital images shall be maintained and accessible for examination through the Contractor's cloud-based software platform. Contractor will perform regular and frequent remote monitoring of each Container, automatically, manually, or in combination using the remote monitoring system.
- b. The Container monitoring system will capture digital pictures multiple times each week of the contents of the Container to document and visualize various layers of material in the Container. Capturing multiple digital pictures is necessary to detect Prohibited Container Contaminants throughout the Container. Contractor shall capture no less than one (1) digital picture per Container per week.

C. Actions Upon Identification of Prohibited Container Contaminants.

1. **Record Keeping.** The driver or other Contractor representative shall record each event of identification of Prohibited Container Contaminants in a written log or in the on-board computer system including date, time, Customer's address, type of Container (Blue, Green, or Gray Container); and maintain photographic evidence, if captured. Contractor shall submit this record to the Contractor's Customer service department, and Contractor's Customer service department shall update the Customer's account record to note the event, if the documentation if the on-board

computer system did not automatically update the Customer's account record.

2. **Identification of Excluded Waste.** If Contractor's personnel observe Excluded Waste in an uncollected Container, the Contractor's personnel shall issue a non-Collection notice for this Container in accordance with Section 6.2.1.C.5 and shall not Collect the Discarded Materials that contain Excluded Waste. Contractor's personnel shall record that observation in accordance with Section 6.2.1.C.1 and immediately inform their route supervisor. Contractor shall follow protocols specified in Sections 6.2.1.C.5 and 6.2.1.C.6. The route supervisor shall investigate and initiate applicable action within one (1) Business Day or sooner if the Hazardous Waste may cause immediate danger.
3. **Courtesy Pick-Up Notices.** Upon identification of Prohibited Container Contaminants in a Customer's Container, Contractor shall provide the Customer a courtesy pick-up notice. The courtesy pick-up notification shall:
(i) inform the Customer of the observed presence of Prohibited Container Contaminants; (ii) include the date and time the Prohibited Container Contaminants were observed; (iii) include information on the Customer's requirement to properly separate materials into the appropriate Containers, and the accepted and prohibited materials for Collection in the Blue Container, Green Container, and/or Gray Container; (iv) inform the Customer of the courtesy pick-up of the contaminated materials on this occasion with information that following three (3) instances Contractor may assess contamination Processing fees or issue a non-Collection notice; and, (v) may or shall include photographic evidence. Contractor shall leave the courtesy pick-up notice attached to or adhered to the Generators' contaminated Containers; at the Premises' door or gate; or, subject to County's approval, may deliver the notice by mail, e-mail, text message, or other electronic message.

Contractor shall Collect the contaminated Source Separated Recyclable Materials or SSGCOW and Transport the material to the appropriate Approved Facility for Processing; or, Contractor may Collect the contaminated materials with Gray Container Waste and Transport the contaminated materials to the appropriate Approved or Designated Facility for Disposal/ Processing.

4. **Notice of Assessment of Contamination Processing Fees.** If the Contractor observes Prohibited Container Contaminants in a Generator's Container on more than three (3) consecutive occasions and issued

courtesy pick-up notices on each of those occasions, the Contractor may impose a contamination Processing fee of \$____ (which will be adjusted annually pursuant to Section 10). Contractor shall notify the County in its monthly report of Customers for which contamination Processing fees were assessed. Contractor shall leave a contamination Processing fee notice attached to or adhered to the Generators' contaminated Containers; at the Premises' door or gate; or, subject to County's approval, may deliver the notice by mail, e-mail, text message, or other electronic message. The contamination Processing fee notice shall describe the specific material(s) of issue, explain how to correct future set outs, and indicate that the Customer will be charged a contamination Processing fee on its next bill. The format of the contamination Processing fee notice shall be approved by the County Contract Manager.

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

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

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

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

6. **Communications with Customer.** Whenever a Container at the Premises of a Commercial or a Multi-Family Customer is not Collected, Contractor

shall contact the Customer on the scheduled Collection day or within eight (8) hours of the scheduled Collection day by telephone, email, text message, or other verbal or electronic message to explain why the Container was not Collected. Whenever a Container is not Collected because of Prohibited Container Contaminants, a Customer service representative shall contact the Customer to discuss and encourage the Customer to adopt proper Discarded Materials preparation and separation procedures.

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

5.2.2 Contamination Monitoring – Hauler Route Review Option Methodology and Frequency

Commencing on or before January 1, 2022, the Contractor shall, at its sole expense, conduct Hauler Route reviews for Prohibited Container Contaminants in Collection Containers in a manner that is deemed safe by the Contractor; is approved by the County; and, is conducted in a manner that results in all Hauler Routes being reviewed annually.

The Contractor shall conduct Hauler Route reviews that include inspection of the contents of Customers' Collection Containers for Prohibited Container Contaminants in a manner such that a minimum of 10 percent (10%) of Containers on each and every Hauler Route are inspected annually. The Containers shall be randomly selected.

Contractor shall develop a Hauler Route review methodology to accomplish the above Container inspection requirements and such methodology shall comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall submit its proposed Hauler Route review methodology for the coming year to the County no later than January 15 of each year describing its proposed methodology for the calendar year and schedule for performance of each Hauler Route's annual review. County and/or CalRecycle will review and approve the proposed methodology. Contractor may commence with the proposed methodology upon approval.

If the County and/or CalRecycle notifies the Contractor that the methodology is inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor shall, at its sole expense, revise the methodology and, after obtaining County or CalRecycle

approval, conduct additional Hauler Route reviews, increased Container inspections, or implement other changes using the revised procedure. If the Contractor's proposed methodology meets the requirements of 14 CCR Section 18984.5(b), but has been deemed inadequate by the County, the Contractor shall, at the expense of the County, revise the methodology and implement the necessary changes using the revised procedure.

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

A. Noticing of Generators with Contamination, Non-Collection, and Disposal of Materials.

Upon finding Prohibited Container Contaminants in a Container, Contractor shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Sections 5.2.1.C.

B. Monthly Reporting Requirements.

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

5.2.3 Contamination Monitoring – Waste Evaluation Option

A. General.

Contractor shall, at its sole expense, conduct waste evaluations that comply with the requirements of this Section and meet the requirements of 14 CCR Section 18984.5(c). The County maintains the right to observe, or hire a third party to observe, the waste evaluations. Contractor shall, no later than January 15 of each calendar year, provide the County with a proposed waste evaluation methodology and a schedule of waste evaluations for the calendar year for review and approval by County. The County's Contract Manager may request, and Contractor shall accept modifications to the schedule to permit observation by the County. In addition, Contractor shall provide an email notice to the County's Contract Manager no less than ten (10) Working Days prior to each scheduled waste evaluation that includes the specific time(s), which shall be within the County's normal business hours, and location(s) for the waste evaluation.

B. Sampling Method, Study Protocols.

The Contractor shall conduct waste evaluations for Prohibited Container Contaminants by sampling the contents of Containers on Hauler Routes in the following manner:

1. The Contractor shall conduct waste evaluations at least twice per year and the studies shall occur in two distinct seasons of the year.
2. The Contractor's waste evaluations shall include samples of Source Separated Recyclable Materials, SSGCOW, and Gray Container Waste.
3. The waste evaluations shall include samples from each Container type served by the Contractor and shall include samples taken from different areas in the County that are representative of the County's waste stream.
4. The waste evaluations shall include at least the following minimum number of samples from all the Hauler Routes included in the studies:
 - a. For Hauler Routes with less than 1,500 Generators, the study shall include a minimum of 25 samples;
 - b. For Hauler Routes with 1,500-3,999 Generators, the study shall include a minimum of 30 samples;
 - c. For Hauler Routes with 4,000-6,999 Generators, the study shall include a minimum of 35 samples; and,
 - d. For Hauler Routes with 7,000 or more Generators, the study shall include a minimum of 40 samples.
5. The Contractor shall Transport all of the material Collected for sampling to a sorting area at an Approved or Designated Facility, where the presence of Prohibited Container Contaminants for each Container type shall be measured to determine the ratio of Prohibited Container Contaminants present in each material stream by weight. To determine the ratio of Prohibited Container Contaminants, the Contractor shall use the following protocol:
 - a. The Contractor shall take one sample of at least a 200 pounds from the material Collected from each material stream for sampling. For example, Contractor shall take a 200-pound sample taken from the combined contents of the SSGCOW Container samples.

- b. The 200-pound sample shall be randomly selected from different areas of the pile of Collected material for that material stream.
- c. For each 200-pound sample, the Contractor shall remove any Prohibited Container Contaminants and determine the weight of Prohibited Container Contaminants.
- d. The Contractor shall determine the ratio of Prohibited Container Contaminants in the sample by dividing the total weight of Prohibited Container Contaminants by the total weight of the sample.
- e. All weights shall be recorded in pounds.

C. **Contamination Response.** If the sampled weight of Prohibited Container Contaminants exceeds twenty-five percent (25%) of the measured sample for any material stream, the Contractor shall:

- 1. Notify the County within fifteen (15) Working Days of the waste evaluation.
- 2. Option 1: Within fifteen (15) Working Days of the waste evaluation, notify all Generators on the sampled Hauler Route of their requirement to properly separate materials into the appropriate Containers. The Contractor may provide this information by placing a written notice on the Generators' Containers or the gate or door of the Premises; and/or by mail, email, or electronic message to the Generators. The format of the warning notice shall be approved by the County.

OR

Option 2: Within fifteen (15) Working Days of the waste evaluation, perform a targeted Hauler Route review of Containers on the Hauler Route sampled for waste evaluations to determine the sources of contamination and notify those Generators of their obligation to properly separate materials. The Contractor may provide this information to these Generators by placing a written notice on the Generators' Containers or the gate or door of the Premises; and/or by mail, e-mail, or electronic message to the applicable Generators. The format of the warning notice shall be approved by the County.

D. Noticing of Generators with Contamination, Non-Collection, and Disposal of Materials.

Upon finding Prohibited Container Contaminants in a Container, Contractor shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 6.2.1.C, which include protocols for non-Collection and Disposal of contaminated materials.

5.3 EDUCATION AND OUTREACH

5.3.2 Program Objectives

Contractor's public education and outreach strategy shall focus on improving Generators' understanding of the benefits of and opportunities for source reduction, Reuse, and Landfill Disposal reduction. In general, Contractor-provided public education and outreach, which shall include all content required by this Section 6.3, should: (i) inform Generators about the services that are provided under this Agreement with specific focus on describing the methods and benefits of source reduction, Reuse, and reduction of Solid Waste Disposal; (ii) instruct Generators on the proper method for placing materials in Containers for Collection and setting Containers out for Collection with specific focus on minimizing contamination of Source Separated Recyclable Materials and SSGCOW; (iii) clearly define Excluded Waste and educate Generators about the hazards of such materials and their opportunities for proper handling; (iv) discourage Generators from buying products if the product and its packaging are not readily reusable, recyclable, or compostable; (v) inform Generators subject to Food Recovery requirements under SB 1383 Regulations of their obligation to recover Edible Food and actions they can take to prevent the creation of Food Waste; (vi) encourage the use of Compost; and, (vii) encourage Generators to purchase products/packaging made with Recycled-content materials. The cumulative intended effect of these efforts is to reduce each Generator's reliance on Contractor-provided Gray Container Waste service and, ultimately, Disposal, and Contractor agrees to support and not undermine or interfere with such efforts

5.3.3 Contractor Cooperation

Contractor acknowledges that they are part of a multi-party effort to operate and educate the public about the integrated waste management system. Contractor shall cooperate and coordinate with the County Contract Manager on public education activities to minimize duplicative, inconsistent, or inappropriately timed education campaigns.

Contractor shall obtain approval from the Contract Manager on all Contractor-provided public education materials including, but not limited to print, radio, television, or internet media before publication, distribution, and/or release. County shall have the right to request that Contractor include County identification and contact information on public education materials and approval of such requests shall not be unreasonably withheld.

The County reserves the right to direct the Contractor to modify the education and outreach program at any time.

5.3.4 Annual Education Plan

Annually, Contractor shall develop and submit an annual public education plan to promote the programs performed by Contractor under this Agreement. The annual public education plan shall present the education activities for the upcoming calendar year and shall be submitted with the Contractor's annual report in accordance with Exhibit H. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, identify program objectives, individual tasks, public education materials to be developed or updated, opportunities for expanded partnerships, a timeline for implementation, and an itemized description of how Contractor's annual public education budget (described in Section 6.3.E) will be spent. The County Contract Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the County Contract Manager. Each plan's implementation success shall be measured according to the deadlines identified and products developed. Contractor shall meet with the County Contract Manager to present and discuss the plan. County Contract Manager shall be allowed up to thirty (30) days after receipt to review and request modifications. The County Contract Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to fifteen (15) Business Days to revise the plan in response to any requested changes by the County Contract Manager. Any further delays may result in Liquidated Damages for failure to perform education and outreach activities as identified in Exhibit G. Each Business Day that the plan is late shall count as a single event/activity.

5.3.5 Annual Budget.

In addition to staffing expenses, Contractor shall spend, for the public education and outreach services described in this Section 6.3, no less than ten thousand (\$10,000) in Rate Period One. The Rate Period One budget shall be adjusted annually thereafter by the same percentage used to adjust Rates pursuant to Article 9. Annually, Contractor shall provide to the County Contract Manager, for review and approval, a detailed description of how such budget will be spent as part of the annual public education plan to be developed in accordance with Section 5.3.4. At the conclusion of each Rate Period, any unused funds shall be transferred to the County. Contractor shall be prohibited from expending such funds without the prior written approval of the County Contract Manager. Any expenditures not approved by the County in advance shall neither be counted in Contractor's annual public education and outreach budget, nor be recovered through Rates.

5.3.6 Education Requirements during Program Implementation/Roll-Out.

Beginning on the Effective Date of this Agreement and through Rate Period One, Contractor shall conduct an education campaign focused on informing Customers of the Collection program changes that will commence on July 1, 2021. At a minimum, Contractor shall perform the activities listed below and shall perform these services in a manner that complies with requirements of this Section 6.3 and 14 CCR, Division 7, Chapter 12, Article 4.

- A. Prepare and distribute an initial mailer to all Customers explaining the change from the existing hauler to the new Contractor (if applicable), changes from the existing Collection programs to new programs, Hauler Route changes, dates of program implementation, Recycling and Landfill Disposal reduction programs available, special services available, holiday Collection schedules, proper handling and disposal of Household Hazardous Waste, Contractor's contact information, and any additional education and outreach information specified in 14 CCR, Division 7, Chapter 12, Article 4. The initial mailer shall be printed and mailed or hand delivered to Customers and shall also be made available in an electronic format through the Contractor's website. Contractor may provide a Customer with an electronic version of the initial mailer, rather than a printed version, if specifically requested by the Customer.
- B. Prepare a "how-to" flyer describing how to prepare Source Separated Recyclable Materials, SSGCOW, and Gray Container Waste for Collection and describe the acceptable materials that can be included in the Blue and Green Containers, as well as non-allowable materials. The flyer should emphasize any new types of Source Separated Recyclable Materials to be included in Blue Containers and the new Food Waste Collection program. Prepare separate flyers for Single-Family, Multi-Family, and Commercial Customers addressing their unique service conditions. The flyers shall be printed and distributed to each Customer, as well as made available in an electronic format through the Contractor's website. The Contractor shall provide a sufficient number of flyers to each Multi-Family property manager for their distribution to each tenant unit. Contractor may provide a Customer with an electronic version of the flyer rather than a printed version, if specifically requested by the Customer.
- C. Prepare printed signage and posters describing Collection programs and distribute to Multi-Family property managers and Commercial Customers for on-site use.
- D. Prepare an instructional packet identifying key transition dates and verifying the Customer's specific current Service Level, which shall be printed and distributed to each Customer and made available in an electronic format on the

Contractor's website. Contractor may provide an electronic version of the instructional packet rather than a printed version, if requested by the Customer.

- E. Prepare and distribute public service announcements (PSA) for local newspapers.
- F. Meet with up to four (4) business associations (such as the Chamber of Commerce, Rotary Club, and other similar organizations) in separate venues to: educate Commercial Businesses on the Collection programs, State requirements (including SB 1383 and SB 1383 Regulatory requirements) for the Jurisdiction and Generators; answer questions; and, provide service and Rate information.
- G. All education material designed and/or distributed by the Contractor shall be submitted to the Jurisdiction Contract Manager for approval prior to distribution or posting on the Contractor's website.

5.3.7 Annual and/or Ongoing Education Requirements.

A. Specific Annual Educational Activities

1. Annual Notice of Requirements. Not less than once per year during each Rate Year, Contractor shall prepare and distribute to each Generator in the County a mailer that includes information specified in 14 CCR Section 18985.1(a). Such mailer shall be distributed by Contractor to all residential and commercial mailing addresses including individual Multi-Family Dwelling Units. Contractor shall also make this notice available in an electronic format through the Contractor's website.
2. Billing Inserts. Upon County request. Contractor agrees to insert and distribute brochures, newsletters, or other information developed by the County as inserts in Contractor's Customer invoices at no additional charge to the County. Upon County request, Contractor shall be responsible for printing the bill inserts. For Customers receiving electronic bills, Contractor agrees to distribute brochures, newsletters, or other information developed by the County as attachments to Customer invoices at no additional charge to the County. Contractor shall provide electronic bill inserts (or separate email attachments) to Customers who are billed electronically, and paper bill inserts to Customers who receive paper bills. Electronic bill inserts/attachments must be readily available for the Customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon County request for such inserts, Contractor shall comply with such request during its next billing cycle for the targeted Customer group. Contractor shall perform this service with no additional requirement for compensation.

3. Multi-Family and Commercial Customer Signage. Contractor shall provide all Multi-Family and Commercial Customers with Source Separated Recyclable Materials, SSGCOW, and Gray Container Waste program guidelines, including posters to be placed in Collection areas and enclosures and other community areas at each Premises or building where Discarded Materials are stored.
4. Minimum Website Requirements. Contractor shall develop and maintain a website (with a unique URL specific to the County) that is specifically dedicated to the County to provide Generators with detailed service information. The website or webpage shall be accessible by the public and shall include all education and outreach materials being provided, without requirement for login. Contractor shall update the website regularly so that information provided is current.
5. Instructional Service Guide. On or before January 1, 2022, Contractor shall prepare a service guide that describes available services, including how to place Containers for Collection, which materials should be placed in each Container and prohibited materials, and provides Collection holidays and a Customer service phone number. On or before January 1, 2022, the service guide shall be printed and delivered with each set of Containers distributed to a Generator and shall be delivered annually to all Generators. Contractor shall prepare different service guides for Single-Family, Multi-Family, Commercial Generators, and Commercial Edible Food Generators. Contractor shall, at its sole expense, revise, re-print, and redistribute service guides once every two (2) years or at least sixty (60) days prior to a change in the accepted or prohibited materials for any program. Contract shall make the service guide available in an electronic format through the Contractor's website. Contractor may provide an electronic version of the instructional service guide rather than a printed version, if requested by the Customer.
6. Annual Multi-Family Dwelling Unit Notices. Prior to the Commencement Date of this Agreement, Contractor shall obtain and track in its Customer information system(s) the number and addresses of dwelling units at each Multi-Family Premises serviced by Contractor. Contractor shall maintain this database by auditing the data at least once every two (2) years. At least annually, commencing no later than January 1, 2022, Contractor shall prepare and distribute notices to each Multi-Family Dwelling Unit at Multi-Family Premises serviced by Contractor. The annual notices shall be a minimum of one page which may include the front and back of a single printed sheet), and shall include information on regulations governing Discarded Materials, Hazardous Waste, and toxic waste; County and State

requirements to properly separate Discarded Materials (such as requirements of the County Code and of State statutes and corresponding regulations, including, but not limited to, AB 341, AB 1826, and SB 1383); instructions on properly separating materials; waste prevention; services available; and any other information required by the County or by State regulations (including SB 1383 Regulatory requirements for education, pursuant to 14 CCR, Division 7, Chapter 12, Article 4). As an alternative, Contractor may comply with these requirements through preparation and distribution of an annual newsletter distributed to each Multi-Family Dwelling Unit that provides the same information. Contractor shall make notices and newsletters available in an electronic format through the Contractor's website. Contractor may provide an electronic version of the notices rather than a printed version, if requested by the Customer.

7. Provision of Educational Materials to Non-Compliant Entities. Contractor shall provide educational materials to non-compliant entities under this Agreement, as further described in Section 6.9.
8. Education Materials for Property and Business Owners and Tenants. Contractor shall annually provide Property Owners and Commercial Business owners with public education materials for their distribution to all employees, contractors, tenants, and Customers of the properties and businesses. The Contractor's public education materials shall include, at a minimum, information about Organic Waste recovery requirements and proper sorting of Discarded Materials and shall reflect content requirements described in Section 6.3.H below. Contractor shall provide the following materials for this purpose: insert materials (such as, but not limited to, welcome packets, flyers, and signs). A Commercial Business or Multi-Family Property Owner may request these materials more frequently than the standard annual provision if needed to comply with the requirement of 14 CCR Section 18984.10 for Commercial Businesses and Multi-Family Property Owners to provide educational information to new tenants and employees before or within fourteen (14) days of occupation of the Premises. In this case, the Commercial Business or Multi-Family Property Owner may request delivery of materials by contacting the Contractor's customer service department not later than two (2) weeks in advance of the date that the materials are needed.
9. Education Requirements for Commercial Edible Food Generators
 - a. On or before February 1, 2022, the Contractor shall develop a list of Food Recovery Organizations and Food Recovery Services operating

within the County, maintain the list on the Contractor's County-specific website, share the list with the County if the County wants to post the list on additional County websites, and update the list annually. The list shall include, at a minimum, the following information about each Food Recovery Organization and each Food Recovery Service:

- i. Name and physical address;
 - ii. Contact information;
 - iii. Collection service area; and,
 - iv. An indication of types of Edible Food the Food Recovery Service or Food Recovery Organization can accept for Food Recovery.
- b. At least annually, the Contractor shall provide Commercial Edible Food Generators with the following information:
 - i. Information about the County's Edible Food Recovery program;
 - ii. Information about the Commercial Edible Food Generator requirements under 14 CCR, Division 7, Chapter 12, Article 10;
 - iii. Information about Food Recovery Organizations and Food Recovery Services operating within the County, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and,
 - iv. Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste.
- c. The Contractor may provide the information required by subsection ii above by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to Commercial Businesses.

5.3.8 Minimum Content Requirements.

Prior to February 1, 2022; and annually thereafter, the Contractor shall include the following education and outreach content to Customers by incorporation of this content into the public education materials described in Section 6.3.G.

- A. Collection system description: Information on the Generator's requirements to properly separate Source Separated Recyclable Materials, SSGCOW, and Gray Container Waste and place such materials in appropriate Containers pursuant to this Agreement, SB 1383 Regulations, and all other Applicable Law.

- B. Information on methods for the prevention of Source Separated Recyclable Materials and SSGCOW generation; managing SSGCOW on Generator's Premises through composting or other Landfill Disposal reduction activities allowed under 14 CCR Sections 18983.1 and 18983.2; sending SSGCOW to Community Composting operations; and any other local requirements regarding Discarded Materials.
- C. Information regarding the methane reduction benefits of reducing the Disposal of SSGCOW, and the method(s) that the Contractor uses to recover SSGCOW.
- D. Information regarding how to recover Source Separated Recyclable Materials, SSBCOW, and SSGCOW, and a list of haulers approved by the County.
- E. Information related to the public health and safety and environmental impacts associated with the Disposal of SSGCOW and SSBCOW.
- F. Information regarding programs for donation of Edible Food;
- G. For Commercial Customers, information about the County's Edible Food Recovery Collection program; Tier One Commercial Edible Food Generators and Tier Two Edible Food Generators requirements specified in 14 CCR, Division 7, Chapter 12, Article 10; Food Recovery Organizations and Food Recovery Services operating within the County, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and, information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste.
- H. Information regarding Self-Hauling requirements.
- I. Any other federal, State, or local requirements to properly separate Discarded Materials or other necessary actions by Generators, including applicable requirements of the County Code, AB 341, AB 1826, and SB 1383 and corresponding regulations.

5.3.9 Material Distribution Methods

Contractor shall use the following methods to provide education information to Customers.

- A. **Printed materials.** Contractor shall provide printed education. The Contractor shall be responsible for the design, printing, and distribution of these materials. All Contractor-printed public education materials shall, at a minimum, use recycled paper and/or be made of recycled material. The Contractor will use one hundred percent (100%) post-consumer paper and procure printed materials from local businesses.

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

5.3.10 Non-English Language Requirements

The Contractor shall make all public education and outreach materials required by this Section available in English and INSERT LANGUAGES.

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

5.3.11 Record Keeping and Reporting Requirements

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

5.4 FOOD RECOVERY PROGRAM SUPPORT

Contractor shall cooperate with and shall not impede, interfere, or attempt to impede or interfere with the implementation, expansion, or operation of Food Recovery efforts in the County.

5.5 BILLING

A. General Billing Requirements

1. **Contractor Responsible.** Contractor shall bill all Customers and be solely responsible for collecting payment from Customers. Billing shall be performed on the basis of services rendered and this Agreement shall create no obligation on the part of any Person on the sole basis of the Ownership of property. Individual contracts between Contractor and a Customer for services provided under this Agreement shall be prohibited unless otherwise approved in writing by the Jurisdiction Contract Manager on a case-by-case basis.
2. **Frequency.** Contractor shall bill all Single-Family Customers quarterly in advance of services provided. Contractor shall bill all Commercial and Multi-Family Customers for scheduled and regularly recurring services on a monthly basis in arrears of services provided. Contractor shall bill Customers for any on-call and/or non-recurring services no more frequently than monthly and shall only bill for services provided during the previous

billing period. Contractor shall remit invoices to Customers no earlier than the twentieth (20th) day of the month preceding the period for which service is being billed. Quarterly billing shall be on the calendar quarter (January-March, April-June, July-September, and October-December).

3. **Bill Format.** Contractor shall bill Customers electronically using paperless invoices; however, Contractor shall bill Customers who decline or are otherwise unable to provide email contact information by standard mail, using standard (paper) invoices. Contractor shall permit Customers the ability to pay their bills through an electronic check or credit card and include the ability for Customer billings to be automatically charged on a recurring basis. Contractor shall prepare and mail bills and collect payments from Customers who decline to use such internet-based billing system. Contractor shall make arrangements to allow such Customers to pay bills by cash, check, electronic check, money order, and credit card.
 4. **Bill Inserts.** Contractor shall include bill inserts in accordance with Section 5.3.
 5. **Records.** Contractor shall maintain copies of all billings and receipts, each in chronological order, for the Term of this Agreement, for inspection and verification by the Jurisdiction Contract Manager at any reasonable time, but in no case more than ten (10) calendar days after receiving a request to do so.
- B. **Rates and Waivers.** Contractor shall bill Customers and collect Customer payments at Rates not to exceed the Jurisdiction-approved maximum Rates. Note that maximum Rates are established for Multi-Family and Commercial Customers that have been granted de minimis, space constraint, Collection frequency, low population, disaster, and/or emergency waivers pursuant to Sections 5.7 and 5.7. Contractor shall ensure that accurate records are maintained for such waivers and Customers are billed properly.
- C. **Application of Contamination Surcharges.** In accordance with Section 5.2.1.C.4, the Contractor shall assess contamination Processing fees on Customers with repeated occurrences of excess Prohibited Container Contaminants. Any contamination Processing fees to be assessed for a Customer shall be included and itemized on the Customer's invoice for the

billing period in which the Contractor notified the Customer of the assessment of the contamination Processing fee.

5.6 GENERATOR WAIVER PROGRAM COORDINATION

5.6.1 Types of Generator Waivers

- (1) **General.** County may grant waivers described in this Section to Generators that impact the scope of Contractor's provision of service for those Customers. Waivers issued shall be subject to compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section 18984.11, or other requirements specified by the County.
- (2) **De Minimis Waivers.** The County may waive a Multi-Family's, Commercial Business', or its Property Owner's obligation to comply with some or all of the Source Separated Recyclable Materials and SSGCOW requirements set forth in this Agreement and SB 1383 Regulations if the Multi-Family, Commercial Business, or its Property Owner provides documentation or the County has evidence demonstrating one of the following de minimis conditions:
 - a) The Multi-Family's or Commercial Business' total Solid Waste Collection service is two (2) cubic yards or more per week, and SSGCOW or SSBCOW subject to Collection in a Blue Container or Green Container comprises less than twenty (20) gallons per week, per applicable Container, of the Multi-Family's or Commercial Business' total waste; or,
 - b) The Multi-Family's or Commercial Business' total Solid Waste Collection service is less than two (2) cubic yards per week, and SSGCOW or SSBCOW subject to Collection in a Blue Container or Green Container comprises less than ten (10) gallons per week, per applicable Container, of the Multi-Family's or Commercial Business' total waste.
- (3) **Physical Space Waivers.** The County may waive a Multi-Family's, Commercial Business', or its Property Owner's obligation to comply with some or all of the Source Separated Recyclable Materials or SSGCOW Collection service requirements set forth in this Agreement and SB 1383 Regulations if the Multi-Family, Commercial Business, or its Property Owner provides documentation, or the County has evidence from its staff, the Contractor, licensed architect, or licensed engineer demonstrating that the Premises lacks adequate space for Blue Containers and/or Green Containers.
- (4) **Collection Frequency Waivers.** A County may allow the Contractor to provide Collection of Blue Containers, Gray Containers, or both once every fourteen

(14) days, rather than once per week, for Customers that have been granted a Collection frequency waiver from the County.

5.6.2 Contractor Waiver Request on Behalf of Generator

Upon reasonable belief that a Generator may qualify for a de minimis, physical space, or Collection frequency waiver, the Contractor may submit a request to the County to grant a waiver to the Generator, provided that adequate evidence of the de minimis, physical space, or Collection frequency waiver requirements specified in 14 CCR Section 18984.11 is included with the request. County shall review and approve or deny the waiver request. Contractor's request for consideration of a waiver shall include the Generator's name and address, type of Commercial Business or number of Multi-Family units if Customer is a Multi-Family premises, reasons Generator may be eligible for the waiver, and evidence such as, but not limited to: Service Level data, photo documentation, weight records, and technical assistance assessment results.

5.6.3 Contractor Review of Generator Waiver Requests

Generators may submit requests for de minimis waivers, physical space waivers, and Collection frequency waivers to the Contractor. Contractor shall within ten (10) days review the Generator's waiver application and inspect the Generator's Premises to verify the accuracy of the application. Contractor shall provide documentation of the inspection, including the Contractor's recommendation to approve or deny the waiver request, and send this information to the County within thirty (30) days of receipt of the Generator's waiver application for the County's review and approval. The County ultimately retains the right to approve or deny any application, regardless of the Contractor's recommendation. Contractor shall report information regarding waivers reviewed on a monthly basis, in accordance with Exhibit H.

5.6.4 Contractor Change in Customers' Service Levels

When the County grants a waiver to a Generator, the County shall notify the Contractor within ten (10) days of the waiver approval with information on the Customer and any changes to the Service Level or Collection service requirements for the Customer. Contractor shall have thirty (30) days to modify the Customer's Service Level and billing statement, as needed.

5.6.5 Waiver Reverification

It shall be the responsibility of the Contractor to verify that the Generators with de minimis or physical space constraint waivers continue to meet the waiver requirements set forth in this Section. Contractor shall conduct such reverifications of waivers through inspection of each Generator's Premises and review of applicable records at least once every five (5) years for de minimis and physical space constraint waivers. Pursuant to Exhibit H, Contractor shall maintain a record of each waiver verification and provide a monthly report to the County documenting the waiver reverifications performed and recommendations to

the County on those waivers that Contractor concludes are no longer warranted. The County shall make a final determination of the waiver eligibility of Generators.

5.6.6 Contractor Recordkeeping of Generators Granted Waivers

Upon Contractor request, no more the one (1) time per year, the County shall provide Contractor an updated listing of waivers approved by the County, including the Generators' names, mailing address, service address, and type of waiver. Contractor shall maintain waiver-related records and report on waiver verifications pursuant to Exhibit H.

5.7 SERVICE WAIVER PROGRAM COORDINATION

5.7.1 Low Population Area Waivers

Certain census tracts of the County may qualify as Low-Population Areas. Some Collection service requirements may be waived for the Low-Population Areas. Low-population waivers are granted by CalRecycle and are only valid for a period of up to five (5) years. If, during the Term of this Agreement, the County is granted a waiver for Low-Population Areas, any resulting Collection service changes shall be addressed as a change in scope in accordance with Section 4.4.

5.7.2 Processing Facility Temporary Equipment or Operational Failure Waiver

- (1) **Notification to the County.** The Contractor, or their Subcontractor (such as a Facility operator), shall notify the County of any unforeseen operational restrictions that have been imposed upon an Approved Facility by a regulatory agency or any unforeseen equipment or operational failure that will temporarily prevent an Approved Facility from Processing and recovering Source Separated Recyclable Materials or SSGCOW. The Contractor or Subcontractor shall notify the County as soon as possible and no later than twenty-four (24) hours from the time of the incident. The notification shall include the following: (i) name of Approved Facility; (ii) the Recycling and Disposal Reporting System Number of the Approved Facility; (iii) date the Approved Facility became unable to Process Source Separated Recyclable Materials or SSGCOW; (iv) description of the operational restrictions that have been imposed upon the Approved Facility by a regulatory agency or unforeseen equipment failure or operational restriction that occurred; (v) the period of time the Contractor anticipates the temporary inability of the Approved Facility to Process Source Separated Recyclable Materials, or SSGCOW; (vi) Contractor's proposed action plan to deliver materials to an Alternative Facility for Processing (refer to Exhibit D) or Contractor's request for waiver to deliver Source Separated Recyclable Materials or SSGCOW to the Approved or Designated Disposal Facility.

- (2) **Use of Alternative Facility or Waiver for Disposal of Materials.** Upon notification by Contractor or Subcontractor of an Approved Facility's inability to Process materials, County shall evaluate the notification and determine if County shall require Contractor to use an Alternative Facility or allow the Contractor to Transport the Source Separated Recyclable Materials, SSGCOW, or Mixed Waste to the Approved or Designated Disposal Facility for Disposal on a temporary basis for a time period specified by the County. Upon County's decision, the County shall notify the Contractor of its requirement to use an Alternative Facility for Processing or to use the Approved Disposal Facility for Disposal, and the period of time that the County will allow the Source Separated Recyclable Materials and SSGCOW to be redirected to the Alternative Facility or Approved/Designated Disposal Facility. Pursuant to 14 CCR Section 18984.13, the approved Disposal period shall not exceed ninety (90) days from the date the Approved Facility's Processing restriction or failure commenced. In such case, the Contractor must receive permission from the County Contract Manager prior to depositing any Discarded Material in a Landfill.
- (3) **Record Keeping and Reporting.** Contractor shall maintain a record of any Facility incidents and report this information to the County in accordance with Exhibit H.

5.7.3 Disaster Waivers

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

5.7.4 Removal of Material from Homeless Encampments and Illegal Disposal Sites

The Contractor may, but is not required to, separate or recover Organic Waste that Contractor removes from homeless encampments and illegal disposal sites as part of an abatement activity to protect public health and safety. Contractor shall report the amount of Discarded Materials removed for Disposal from homeless encampments and illegal disposal sites, in accordance with Exhibit H.

5.7.5 Quarantined Waste

If approved by the County, the Contractor may Dispose of specific types of SSGCOW that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by the County or until County provides notice

that the quarantine has been removed and directs Contractor to Transport the SSGCOW to the Approved Facility(ies) for such material.

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

5.8 INSPECTION AND ENFORCEMENT

5.8.1 Annual Compliance Reviews

- A. **General.** Contractor shall perform compliance reviews described in this Section commencing January 1, 2022, and at least annually thereafter, unless otherwise noted.
- B. **Commercial Generator Compliance Reviews.** The Contractor shall complete a compliance review of all Multi-Family and Commercial Customers that generate two (2) cubic yards or more per week of Solid Waste, including Organic Waste, to determine their compliance with: (i) Generator requirements under the County's Discarded Materials Collection program; and, (ii) if applicable for the Generator, Self-Hauling requirements pursuant to 14 CCR Section 18988.3, including whether a Multi-Family or Commercial Business is complying through Back-Hauling SSGCOW and/or Source Separated Recyclable Materials and/or SSBCOW. The compliance review shall mean a "desk" review of records to determine Customers' compliance with the above requirements and does not necessarily require on-site observation of service; however, the County may request that the Contractor perform an on-site observation of service in addition to or in lieu of the desk review if needed to obtain the required information.
- C. **Annual Hauler Route Review.** Beginning April 1, 2022 and annually thereafter, the Contractor shall conduct annual Hauler Route reviews of Commercial, Multi-Family, and Single-Family Generators for compliance with the County's Discarded Materials Collection program and Container contamination monitoring. These Hauler Route reviews may be performed concurrently with the contamination monitoring Hauler Route reviews, provided that Contractor documents a reasonable sampling of Generators for which compliance with the County's Discarded Materials Collection program during the Hauler Route review was assessed.
- D. **Generator Waiver Inspections.** In accordance with Section 5.7, Contractor shall verify Multi-Family and Commercial Generator de minimis and physical space constraint waivers, if applicable, at least once every five (5) years from

the date of issuance of the waiver and verify Collection frequency waivers at least once every five (5) years from the date of issuance of the waiver.

5.8.2 Compliance Review Process

- A. **Number of Reviews.** The Contractor shall conduct a sufficient number of compliance reviews, Hauler Route reviews, and inspections of Generators, to adequately determine the Generators' overall compliance with SB 1383 Regulations, AB 1826, and AB 341. The number of reviews shall be no less than once per year. County reserves the right to require additional inspections, if the County determines that the amount of inspections conducted by the Contractor is insufficient. County may require the Contractor to prioritize inspections of entities that the County determines are more likely to be out of compliance.
- B. **Non-Compliant Entities.** From January 1, 2022 through December 31, 2023, when compliance reviews are performed by Contractor, Contractor shall provide educational materials in response to violations. Contractor shall provide these educational materials to the non-compliant Customers and Generators within fourteen (14) days of determination of non-compliance or immediately upon determination of non-compliance if such non-compliance is determined during an inspection or Hauler Route review. Contractor shall document the non-compliant Customers and Generators and the date and type of education materials provided, and shall report such information to the County in accordance with Exhibit H. Beginning January 1, 2024, the Contractor shall, in addition to providing the education materials described in this subsection, document non-compliant Customers and Generators determined through Contractor's compliance reviews, and shall report all Customers and Generators with violations of SB 1383 Regulations to the County in accordance with Exhibit H. The County shall be responsible for subsequent enforcement action against the Generators.
- C. **Documentation of Inspection Actions.** The Contractor shall generate a written and/or electronic record and maintain documentation for each inspection, Hauler Route review, and compliance review conducted, including the information described in Exhibit H.

5.9 SERVICE COMPLAINTS

5.9.1 Documentation of Complaints.

- A. **General.** The Contractor agrees to maintain a computer database log of all oral and written complaints received by Contractor from Customers or other Persons. Contractor shall be responsible for the prompt and courteous

attention to, and prompt and reasonable resolution of, all Customer complaints. Contractor agrees to document and maintain for a period of at least five (5) years on a form or log all Complaints registered by Customers and Persons, in accordance with this Section and Exhibit H. Contractor shall record complaints received related to SB 1383 Regulatory non-compliance in its log in a manner further described in subsection A.2 below.

- B. **SB 1383 Regulatory Non-Compliance Complaints.** For complaints received in which the Person alleges that an entity is in violation of SB 1383 Regulations, Contractor shall document the information listed in Exhibit H. Contractor shall provide this information in a brief complaint report to the County for each SB 1383 Regulatory non-compliance complaint within fourteen (14) days of receipt of such complaint, and a monthly summary report of SB 1383 Regulatory non-compliance complaints in accordance with Exhibit H.

5.9.2 Investigation of SB 1383 Regulatory Non-Compliance Complaints.

- A. **Investigation.** Contractor shall commence an investigation, within ninety (90) days of receiving a complaint in the following circumstances: (i) upon Contractor receipt of a complaint that an entity may not be compliant with SB 1383 Regulations and if County determines that the allegations against the entity, if true, would constitute a violation of SB 1383 Regulations; and, (ii) upon County request to investigate a complaint received by County, in which County determines that the allegations against the entity, if true, would constitute a violation of SB 1383 Regulations. Contractor is required to investigate complaints against Customers and Generators, but not against Food Recovery Organizations, Food Recovery Services, and other entities regulated by SB 1383 Regulations.

Contractor shall investigate the complaint using one or more of the methods:

1. Reviewing the Service Level of the entity that may not be compliant with SB 1383 Regulations;
2. Reviewing the waiver list to determine if the entity has a valid de minimis, physical space constraint, or Collection frequency waiver;
3. Reviewing the Self-Haul registration list, if applicable, to determine if the entity has registered and reviewing the entity's reported Self-Haul information;
4. Determining if the entity is located in a Low-Population Area;
5. Inspecting Premises of the entity identified by the complainant, if warranted; or,
6. Contacting the entity to gather more information, if warranted.

- B. **Reporting.** Within fourteen (14) days of completing an investigation of an SB 1383 Regulatory non-compliance complaint, Contractor shall submit an investigation complaint report that documents the investigation performed and recommends to County on whether or not the entity investigated is in violation of SB 1383 Regulations based on the Contractor's investigation. The County shall make a final determination of the allegations against the entity.

5.10 CONTRACTOR'S RESPONSIBILITY IN LIEU OF DIRECTION BY COUNTY

Throughout the term of this Agreement, unless the County gives notice as provided for herein and subject to the terms of this Agreement, it shall be the Contractor's sole responsibility and duty to Dispose of the Solid Waste Collected and Process the Recyclable Materials and Green Waste Collected in a safe manner and in compliance with all federal, state, and local laws and regulations. Contractor agrees that it shall Dispose of all Solid Waste Collected and Process all Recyclable Materials and Green Waste Collected in the Franchise Area at a Solid Waste facility or Processing facility that is fully licensed and appropriately permitted and, to Contractor's knowledge, is not in material violation of any health, safety or Hazardous Materials laws, rules, regulations or orders.

5.11 INVALIDATION OF COUNTY FLOW CONTROL VOIDS FRANCHISE

Should a court of competent County rule any provision in this Franchise Agreement unlawful or unconstitutional, then the entire Franchise Agreement shall become null and void upon the election of the County. However, this Agreement shall not become null and void, and shall remain in full force and effect, as long as the Contractor continues to direct Solid Waste, Recyclable Materials, and Green Waste as instructed by the County and abides by all other terms of this section. County deems control of the waste stream a vital component of its waste Disposal program which inures to the general benefit and welfare of the public. This provision will preserve the County's ability to pursue any legal methods whereby flow control of waste stream can be achieved.

5.12 OTHER SPECIAL SERVICES

Contractor can provide other special services as related to this Agreement at their discretion provided said services and charges for such services are approved by the County.

5.13 EMERGENCY SERVICES

Contractor shall provide emergency services at the County's request in the event of major accidents, disruptions, or natural calamities. Emergency services may include, but are not limited to, assistance handling salvaged materials, Processing, Disposing of Solid Waste or Recyclable Materials following a major accident, disruption, or natural calamity. Contractor shall be capable of providing emergency services within 24 hours of notification by the County or as soon thereafter as is reasonably practical in light of the

circumstances. Emergency services, which exceed the Contractor's obligations, shall be compensated in accordance with Exhibit C. If Contractor cannot provide the requested emergency services, the County shall have the right to take possession of the Contractor's equipment for the purposes of providing emergency services.

5.14 FREE ENVIRONMENTAL SERVICES

The Contractor will provide the following free environmental services to the County throughout the term of the Contract consistent with the County's obligations in accordance with applicable regulations.

5.14.1 Curbside Holiday Tree Collection

The Contractor will provide curbside holiday tree collection from December 26 through the second Friday in January each year of the Agreement. Holiday trees will be managed by the Contractor at the Approved Organic Waste Processing Facility.

5.14.2 Free Paper Shredding Events

One (1) time per year, at no additional cost to County residents, the selected Vendor will conduct a free paper shredding event. At each event, all County residents will be permitted to deliver an unlimited amount of paper for shredding free of charge by Vendor. Vendor must arrange for all shredded paper generated by each event to be processed in such a manner so as to ensure the diversion of this material from landfilling.

5.15 CRV REDEMPTION CENTER

Contractor shall provide a certified California Redemption Value buy back center (CRV Center) located at the address:

The CRV Center shall be maintained and operated by the Contractor. The CRV Redemption Center shall be open to the public a minimum of thirty (30) hours per week between the hours of 8:00 am and 5:00 pm and shall be open at least five (5) days per week. Included in the minimum hours, the CRV Redemption Center shall be open at least seven (7) hours on either Saturday or Sunday between the hours of 8:00 am and 5:00 pm.

ARTICLE 6: STANDARDS OF PERFORMANCE

6.1 NAME AND OFFICE HOURS

Contractor shall not use a firm name containing the words "County" or "Mendocino" or other words implying County ownership. The Contractor shall establish and maintain a

Customer service office where service may be applied for and complaints made within the Franchise Area. Contractor's Customer service office shall be open to the public from 8:00 a.m. to 4:30 p.m. Monday through Friday. The office may be closed on Saturdays, Sundays, and Holidays. Such office shall be equipped with a listed telephone to which calls from Contractor's Customers may be placed without payment of a toll charge and shall have a responsible Person in charge or an answering machine in service during normal business hours.

6.2 OPERATING HOURS AND SCHEDULES

No Collections shall be made in residential areas prior to 5:00 a.m. or after 6:00 p.m. No Collections shall be made at schools, churches, hospitals, offices, or commercial establishments within 200 feet of said residential districts prior to 5:00 a.m. or after 9:00 p.m. Special arrangements may be made pursuant to the Solid Waste Ordinance for all categories of Collections provided by the Contractor. Notwithstanding the above, from May 1 through October 31 of every year, collection may begin in the Inland area at 4:30 a.m. and at 3:30 a.m. in the Coastal area.

If the day of Collection on any given route falls on a Holiday, Contractor shall provide Collection service for such route on the work day either before or following such Holiday and shall not provide Collection service on such Holiday, and all subsequent Collection days during that Holiday week shall be adjusted at the discretion of Contractor. Contractor shall be responsible for Customer notification of Holiday Collection arrangements.

6.3 SERVICE COMPLAINTS

Customer service complaints may be made directly to the Contractor by telephone or in writing. Contractor is responsible for rectifying the complaints and for maintaining a log of complaints received, date received, actions taken, and date of actions, as specified in Section 5.9.

6.4 OVERCHARGE

All charges or fees for service by a Contractor shall be approved by the Board, except a lower charge than approved by the Board may be negotiated (to provide for consideration of the weight of the material collected and/or the distance from the operations yard or transfer station) for Industrial Solid Waste Service as provided in Section 9.2.2.F. Any Customer contending they have been required to pay a charge not approved by the Board, or has in any manner been subject to an overcharge, may file a written complaint with the Department setting forth the facts of such alleged mis-charge, and the Department shall notify the Contractor of the complaint, shall investigate the matter of the complaint, and shall determine the appropriate charge.

6.5 COLLECTION STANDARDS

All Collection equipment shall be designed and operated such that no Solid Waste, Recyclable Material, or Organic Waste is allowed to blow or drop from vehicles during Transport. Adequacy of load covers or control measures shall be determined by the Department. All Collections shall be made as quietly as possible, and the use of any unnecessarily noisy trucks or equipment is declared unlawful.

6.6 COLLECTION VEHICLE AND EQUIPMENT STANDARDS

6.6.1 General

All Collections shall be made with a vehicle and equipment of design approved by the Department according to industry standards. Contractor shall maintain all of its properties, facilities, and equipment used in providing service under this Agreement in a safe, neat, clean, and operable condition at all time.

6.6.2 Cleaning

Collection vehicles shall be thoroughly washed and thoroughly steam cleaned as necessary, to present a clean appearance of the exterior and interior compartment of the vehicle.

6.6.3 Maintenance

Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly shall be taken out of service until they are repaired and operate properly. Contractor shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule or in accordance with California Highway Patrol standards, whichever are more stringent. All vehicles shall be painted in a uniform manner that does not create a resemblance between Contractor's vehicles and County utility vehicles. Contractor shall keep accurate records of all vehicle maintenance, recorded according to vehicle, date, and mileage, and shall make such records available to the County upon request to the extent necessary to perform the inspections described in Section 6.8.

6.6.4 Repairs

Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown, or any other cause so as to maintain all equipment in a safe and operable condition. Contractor shall maintain accurate records of repair, which shall include the date/mileage, nature of repair and the signature of a maintenance supervisor that the repair has been properly performed.

6.6.5 Shovel, Broom, and Fire Extinguisher

The Contractor shall equip each Collection vehicle with a shovel, broom, and fire extinguisher of a type approved by the Department.

6.7 COLLECTION VEHICLES – IDENTIFICATION

The Contractor shall have printed or stenciled in a prominent place on the exterior of each vehicle used in the Collection of Solid Waste and Recyclable Materials the following information in at least four-inch letters:

Truck# _____
Contractor (name) _____ (Telephone number) _____

6.8 COLLECTION VEHICLES AND EQUIPMENT INSPECTION

All vehicles and equipment of Contractor shall be inspected at Contractor's place of business or another location within the Franchise Area as designated by the Department on an annual basis. Vehicles and equipment shall conform to the requirements of the California Vehicle Code, this Agreement, and rules or regulations of the Board. Department shall give Contractor twenty-four (24) hours verbal notification of inspection.

6.9 CONTAINER REQUIREMENTS

6.9.1 Provision of Containers by Contractor and Color Standards

- A. **General.** Contractor shall use the Contractor-provided Collection Containers that are currently located at Customers' Premises or provide Customers with Collection Containers from Contractor's current inventory.

No later than January 1, 2022, Contractor shall provide all Customers with Collection Containers that comply with the Container color requirements specified in this Section or as otherwise specified in 14 CCR Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other Applicable Law. If an existing Container breaks or is otherwise rendered non-functional on or after January 1, 2022, the Contractor shall replace the non-functional Container with a Container that complies with the color requirements of this Section. Notwithstanding this Section, the Contractor is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of this Section prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first.

- B. **Blue Containers (Source Separated Recyclable Materials)**

Option 1: Blue Containers must have a lid that is blue in color. Hardware such as hinges and wheels on the Blue Containers may be a different color.

Option 2: Blue Containers must have a body that is blue in color, and a lid that is blue, gray, or black in color. Hardware such as hinges and wheels on the Blue Containers may be a different color.

Option 3: Blue Containers must have a lid and body that is blue in color. Hardware such as hinges and wheels on the Blue Containers may be a different color.

C. Green Containers (SSGCOW)

Option 1: Green Containers must have a lid that is green in color. Hardware such as hinges and wheels on the Green Containers may be a different color.

Option 2: Green Containers must have a body that is green in color, and a lid that is green, gray, or black in color. Hardware such as hinges and wheels on the Green Containers may be a different color.

Option 3: Green Containers must have a lid and body that are green in color. Hardware such as hinges and wheels on the Green Containers may be a different color.

D. Gray Containers (Gray Container Waste)

Option 1: Gray Containers must have a lid that is gray or black in color. Hardware such as hinges and wheels on the Gray Container may be a different color.

Option 2: Gray Containers must have a lid and body that are gray or black in color. Hardware such as hinges and wheels on the Gray Container may be a different color.

E. C&D Bins and Roll-Off Boxes. Bins and Roll-Off Boxes for Collection of C&D may be in any color, provided that the colors do not conflict with the Container color requirements of this Section and provided that the C&D Container colors are consistent for all C&D Containers. The C&D Container color shall be reviewed and approved by the County.

6.9.2 Labeling Requirements

Option 1: Labels on New Containers or New Lids

Commencing on or before January 1, 2022, Contractor shall place a label on each new Container body or lid that includes language or graphic images, or both, that indicate the primary materials accepted and the primary materials prohibited in that Container. Labels shall clearly indicate items that are Prohibited Container Contaminants for each Container. Prior to ordering labels for Containers, Contractor shall submit a copy of its proposed label, proposed location(s) for placement of labels on each type of Container, and its labeling plan to the County Contract Manager for approval.

Option 2: Imprinted or In-Mold Labels for New Containers or New Lids

On or before January 1, 2022, Contractor shall imprint new Container bodies or lids with text or graphic images that indicate the primary materials accepted and the primary materials prohibited in that Container. Labels shall clearly indicate items that are Prohibited Container Contaminants for each Container. Prior to ordering any Containers or lids with in-mold labels, Contractor shall submit a sample of its proposed label, proposed location(s) for placement of labels on each type of Container, and its labeling plan to the County Contract Manager for approval.

Option 3: Labels for Existing Containers

On or before January 1, 2022, Contractor shall place a label on the body or lid of each Container that has been provided to a Customer that includes language or graphic images, or both, that indicate the primary materials accepted and the primary materials prohibited in that Container. Labels shall clearly indicate items that are Prohibited Container Contaminants for each Container. Prior to ordering labels for Containers, Contractor shall submit a copy of its proposed label, proposed location(s) for placement of labels on each type of Container, and its labeling plan to the County Contract Manager for approval.

Option 4: Imprinted or In-Mold Labels for Existing Containers

On or before January 1, 2022, Contractor shall imprint the bodies or lids of Containers that have been provided to Customers with text or graphic images that indicate the primary materials accepted and the primary materials prohibited in that Container. Labels shall clearly indicate items that are Prohibited Container Contaminants for each Container. Prior to ordering any Containers or lids with in-mold labels, Contractor shall submit a sample of its proposed label, proposed location(s) for placement of labels on each type of Container, and its labeling plan to the County Contract Manager for approval.

6.9.3 Container Standards

Contractor shall provide all Carts, Bins, and Debris Boxes to all Customers as part of its services. Contractor-provided Containers shall be designed and constructed to be watertight and prevent the leakage of liquids. All Containers with a capacity of one cubic yard or more shall meet applicable federal, state, and local regulations for Bin safety and be covered with attached lids. Contractor shall obtain County's written approval of Cart colors before acquisition. The useful life of Carts, Bins, and Debris Boxes provided to Customers shall be equal to or longer than the Term of the Agreement. All Containers, except Carts, shall be painted the Contractor's standard color.

6.9.4 Wildlife Resistant Containers

Garbage must be in suitable containers with tight-fitting, secure lids to reduce litter and odors that attract wildlife.

6.9.5 Repair and Replacement of Containers; Inventory

Contractor shall repair and, if the repair must be performed off of the Premises, replace all Containers damaged by collection operations within a one-week period. If the repair or replacement cannot be completed within one week, the Contractor shall notify Customer and a Container of the same size or larger shall be made available until the proper Container can be replaced.

At no additional cost, Contractor shall replace Customer Carts that have been stolen or damaged once per year. Contractor shall allow Customer to exchange Containers for a Container of a different size at no additional cost once per year. Contractor shall charge Customers for additional Cart replacements at County-approved rates.

6.9.6 Container Maintenance, Cleaning, Painting

All Containers shall be maintained in a safe, serviceable, and functional condition. Contractor shall steam clean and repaint all Containers, except Carts, as necessary, to present a clean appearance. Customers using Carts shall be responsible for cleaning such Carts. If any Cart is impacted by graffiti, Contractor shall replace the cart within 48 hours. If any Containers, except Carts, are impacted by graffiti, Contractor shall either replace the Container with a Container which is free of graffiti or repaint the entire Container with the Contractor's standard color for such Container. Repainting of the Container shall restore the Container's aesthetic values to its condition before it sustained the graffiti damage.

6.9.7 County Ownership of Containers at End of Term

Upon expiration or early termination of this Agreement, (providing said earlier termination is for cause and not by mutual consent or by reason of County's failure to perform) all Containers (for permanent Customers) acquired by or leased by Contractor and put into service at Customer's Premises before the first (1st) anniversary of the Commencement Date shall, at no cost to the County, become property of the County. All Containers (for permanent Customers) purchased or leased and put into service at Customers' Premises on or after the first (1st) anniversary of the Commencement Date shall be available to the County, at the County's option, at their net book value. Contractor and County shall agree on the depreciation method and period of depreciation to be used for Containers (for permanent Customers) purchased or leased and put into service on or after the first (1st) anniversary of the Commencement Date and such agreement shall occur on or before the date new Containers are purchased or leased.

At its sole discretion, the County may elect not to exercise its rights with regards to this Section and, in such case, the Containers shall remain the property of the Contractor upon the expiration date of this Agreement or date of earlier termination of this Agreement. In such case, Contractor shall be responsible for removing all Containers in service from Premises and reusing or Recycling such Containers.

6.10 PERSONNEL

6.10.1 General

Contractor shall furnish such qualified drivers, mechanical, supervisory, Customer service, clerical and other personnel as may be necessary to provide the services required by this Agreement in a safe and efficient manner.

6.10.2 Approval of Management

Contractor recognizes the importance of establishing a successful relationship between its management and County staff. The County shall have the right to request the Contractor to replace its facility manager, if Liquidated Damages levied for events listed in Exhibit G, with the exception of damages levied for Collection reliability and Collection quality events items 1, 3, and 9 of Exhibit G, in any three month period exceed \$5,000 or if Liquidated Damages levied for Collection reliability and Collection quality events items 1, 3, and 9 of Exhibit G in any three month period exceed \$45,000. If replacement of the facility manager, is requested by the County, the Contractor shall provide an interim manager and have 90 calendar days to replace the manager and shall seek the County's approval of the replacement manager prior to hiring such person and such approval shall not be unreasonably withheld.

6.10.3 Provision of Field Supervision

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

6.10.4 Driver Qualifications

All drivers shall be trained and qualified in the operation of Collection vehicles, and must have in effect a valid license, of the appropriate class, issued by the California Department of Motor Vehicles. Contractor shall use the Class II California Department of Motor Vehicles employer "Pull Notice Program" to monitor its drivers for safety.

6.10.5 Customer Service Representative Training

Customer service representatives shall be trained on specific County service requirements, a minimum of once per quarter. A County information sheet shall be provided to each Customer service representative for easy reference of County requirements and general Customer needs. The information sheet, training agenda, and

associated documentation shall be forwarded to the County each quarter after the training.

6.10.6 Safety Training

Contractor shall provide suitable operational and safety training for all of its employees who operate Collection vehicles or equipment or who are otherwise directly involved in such Collection, Disposal, or Processing. Contractor shall train its employees involved in Collection to identify, and not to collect, Hazardous Waste or Infectious Waste. Upon the County's request, Contractor shall provide a copy of its safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.

6.10.7 No Gratuities

Contractor shall not permit its employees to demand or solicit, directly or indirectly, any additional compensation, or gratuity from members of the public for Collection services.

6.10.8 Employee Conduct and Courtesy

Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall regularly train its employees in Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection employees to perform the work as quietly as possible. If any employee is found not to be courteous or not to be performing services in the manner required by this Agreement, Contractor shall take all appropriate corrective measures. The County may require Contractor to reassign an employee, if the employee has conducted himself or herself inconsistently with the terms of this Agreement.

6.10.8 Uniforms

While performing services under this Agreement, all of the Contractor's employees performing field service shall be dressed in clean uniforms and shall wear County-approved badges that include the employee's name and/or employee number, and Contractor's name. No portion of this uniform may be removed while working.

6.11 DIVERSION STANDARD

The Contractor acknowledges the County seeks to achieve the State's seventy-five percent (75 percent) diversion goal. The Contractor will be responsible for diverting from Disposal a percentage of materials the Contractor collects from all services under this Agreement. The Contractor shall provide a Diversion rate calculation in their monthly Diversion Report as defined in Exhibit H.

ARTICLE 7: RECORD KEEPING AND REPORTING

Contractor shall maintain records and reports in accordance with Exhibit H and shall allow the County to audit and inspect records as described in the Exhibit H.

ARTICLE 8: COUNTY FEES

8.1 FRANCHISE FEE

8.1.1 FRANCHISE FEE – AMOUNT

In consideration of the exclusive rights provided herein, Contractor shall pay a Franchise Fee to the County calculated as twelve percent (12%) of the Gross Revenues collected for service. Contractor shall not make a claim nor be entitled to compensation for the overpayment of Franchise Fees due to the inclusion of other governmental agency's revenues in the Franchise Fee calculations and payments made before the Effective Date.

8.1.2 FRANCHISE FEE – QUARTERLY PAYMENTS AND REVENUE STATEMENTS

Contractor shall pay the Franchise Fee in quarterly payments due within thirty (30) days after the close of each calendar quarter. Along with the quarterly payment, Contractor shall include a quarterly revenue statement, certified by an officer of the Contractor that shows the basis for the calculation thereof.

8.1.3 FRANCHISE FEE – DEPOSIT

Franchise fees shall be paid to the Department which shall deposit them to the County General Fund and Landfill Closure Fund.

8.1.4 FRANCHISE FEE – DELINQUENCY PENALTY

Payments are delinquent if not received by the County within thirty (30) days as provided above. All fees are subject to a delinquency penalty of ten percent (10%), which attaches on the first day of delinquency, plus an additional ten percent (10%) for each additional month the payment remains delinquent. These penalties are in addition to the franchise termination provisions of Article 11.

8.1.5 REFUND OF FRANCHISE FEES

Once Franchise Fee payments are made to the County, Contractor may not ask for refund of all or part of Franchise Fees unless such request is based on a mathematical error in its calculation or an inadvertent overpayment.

8.2 PROPOSAL DEVELOPMENT FEE

The Contractor shall pay a one-time Proposal Development Fee of fifty thousand dollars (\$50,000). This fee is due within thirty (30) days after the Agreement is executed.

8.3 SB 1383 REGULATORY REIMBURSEMENT

The Contractor shall pay an SB 1383 Regulatory Reimbursement to Jurisdiction each month. The amount of the SB 1383 Regulatory Reimbursement shall be one thousand dollars (\$1,000) per month in Rate Period One. Jurisdiction shall use the SB 1383

Regulatory Reimbursement to offset expenses, including but not limited to, staffing costs related to County programs, pilot studies, education and outreach campaigns, technical assistance to Customers, reporting, compliance, enforcement, or other activities involved in compliance with SB 1383 Regulations. The Jurisdiction shall retain the sole right to set priorities for the use of its SB 1383 Regulatory Reimbursement. This fee shall be considered an allowable cost of business not subject to profit mark-up and included in the Contractor's Compensation pursuant to Article 9.

The amounts of the SB 1383 Regulatory Reimbursement for subsequent Rate Periods shall be adjusted annually by the same Annual Percentage Change in the CPI-U, calculated in accordance with the adjustment method described in Article 9, or shall be the amount specified by the Jurisdiction.

8.4 FOOD RECOVERY PROGRAM CONTRIBUTION

The Contractor shall provide an annual contribution to the Jurisdiction to support the Jurisdiction's Food Recovery program efforts. The amount of the contribution shall be twelve thousand dollars (\$12,000) per year in Rate Period One and shall be submitted to the County on a monthly basis in an amount equal to one thousand dollars (\$1,000). Jurisdiction shall use the Food Recovery contribution to offset expenses, including, but not limited to, staffing costs related to Jurisdiction Food Recovery programs, pilot studies, education and outreach campaigns, technical assistance to Generators, reporting, compliance, enforcement, or other activities involved in Food Recovery efforts to support compliance with SB 1383 Regulations. The Jurisdiction shall retain the sole right to set priorities for the use of the Contractor's Food Recovery program contribution.

The amounts of the Food Recovery program contribution for subsequent Rate Periods shall be adjusted annually by the same Annual Percentage Change in the CPI-U, calculated in accordance with the adjustment method described in Article 9, or shall be the amount specified by the Jurisdiction.

ARTICLE 9: COMPENSATION AND RATE REGULATION

9.1 CONTRACTORS RATES

9.2.1 COUNTY'S POWERS

The Board of Supervisors and/or County Administrative Officer shall set and regulate all rates and charges assessed by Contractor for any and all services and activities it performs or engages in the Franchise Area, which are covered under this Agreement.

9.2.2 RATE REQUIREMENTS

- A. Contractor shall provide the services described in this Agreement and be compensated by its Customers at the rates specified in Exhibits A, B, and C.

- B. The rates specified in Exhibits A, B, and C shall be effective as of July 1, 2021.
- C. The rates specified in Exhibits A, B, and C may be modified in accordance with the Rate Adjustments as described in this Agreement.
- D. The rates in Exhibits A and B are divided into zones within the Franchise Area where specific residential, commercial, and industrial rates shall be charged by the Contractor. The zones are designated as follows:
 - 1. Coastal Rate Zone: The Coastal Rate Zone shall be the Franchise Area west of an imaginary line running due North - South through milepost marker 23.52 on Orr Springs Road (County Route No. 223), which location is approximately shown in Exhibit F.
 - 2. Inland Rate Zone: The Inland Rate Zone shall be the Franchise Area east of an imaginary line running due North - South through milepost marker 23.52 on Orr Springs Road (County Route No. 223), which location is approximately shown in Exhibit F.
 - 3. Industrial Rate Zones: The rates for industrial Solid Waste service shall be determined by the street address of the location serviced and charged according to the Industrial Rate Table in Exhibit B. Ukiah as specified in the aforementioned table shall be the Greater Ukiah Area including Redwood Valley. Fort Bragg as specified in the aforementioned table shall be the Fort Bragg Commercial Rate Zone as set forth in the above section. If a location does not conform to aforementioned table, then charges for Industrial Solid Waste removal services shall conform with Section below.
- E. All charges or fees for service by a Contractor shall be fixed and approved by the Board.
- F. Charges for Industrial Solid Waste removal service may be negotiated between the collector and the Customer. If the negotiated charges are less than the rates specified in Exhibits A and B, Contractor shall notify the Department in writing of each Customer that is offered and charged a lower rate. In no event shall the Contractor charge a rate in excess of those specified in Exhibit B without prior written approval by the County, except for weight overages as provided for in this section.
- G. Contractor may not charge residential and commercial Customers at rates other than those specified in Exhibits A and B except that the County may authorize a Customer to receive reduced service for a reduced charge and may approve an agreement between the Customer and the Contractor to provide

additional service for an additional charge. These authorized reduced or additional charges may be revised by the Board from time to time after a public hearing thereon and a determination by the Board that a change is in the public interest and is mutually agreed upon by both parties.

- H. All compensation paid to the Contractor shall be paid by its Customers and the County is in no way obligated to provide the Contractor any compensation for services described in this Agreement.
- I. Charges for Industrial Solid Waste Debris Box service in the Inland Rate Zone and the Anderson Valley Area include disposal fees based on the following conversion of cubic yards to tons:
 - 40 cubic yards = 6 tons
 - 30 cubic yards = 4.5 tons
 - 20 cubic yards = 3 tons
- J. Any overages greater than the above-assumed weights may be charged to the Customer at the approved Disposal fee. No Disposal fee markup is permitted. Charges for Industrial Solid Waste Debris Box service in the Coastal Rate Zone do not include the Disposal fee. The Disposal fee shall be added to the rate set forth in Exhibits A, B, and C.
- K. Contractor shall provide, in the Inland Rate Zone, a 20% discount from normal Solid Waste rates for debris boxes provided said boxes contain predominantly clean wood waste.
- L. Charges for special services, such as back yard collection, off County road service outside the Service Area, contaminated Recyclables or Green Waste, extra solid waste, replacement of lost or stolen carts, off-day collection, etc. shall be as specified in Exhibit B and as they may be modified in accordance with this Agreement.

9.2 RATE ADJUSTMENT PROCEDURES

9.2.1 PASS-THROUGH RATE ADJUSTMENT

- A. At any time that the Board either establishes a County surcharge on Contractor's Customers, increases an existing County surcharge on Contractor's Customers, increases the Franchise Fee rate, increases the Disposal charge at County-owned facilities, Contractor may apply to the County for a pass-through rate adjustment to offset the new or increased fees. In applying for a pass-through rate adjustment, the Contractor must:
 - 1. Submit a request for the increase, in writing, to the Department;

2. Specify the amount of the requested increase for each rate given in Exhibits A and B; and
3. Provide documentation that the specified rate increase calculation is reasonable and appropriate and does not include rate increases for any other reason than to recover direct cost of the additional pass-through expense.

Provided that the Department staff have received and considered the request and documentation described above, and have concluded that the requested rate adjustment calculation is reasonable and appropriate and is solely to recover the direct cost of the additional pass-through expense, the rates given in Exhibits A and B shall be amendment by the County Chief Executive Officer or their designated County employee.

- B. If a jurisdiction other than the County establishes or increases surcharges or fees that affect Contractor's expenses, the same procedures as described above apply.
- C. The timely application and request for a pass-through rate adjustment increase rests solely with the Contractor. There shall be no retroactive increase billing to Customers. The responsibility to implement timely pass-through rate adjustments rests solely with the Contractor in accordance with the procedures outlined in this Agreement. If for any reason the County fails to respond to a pass-through rate adjustment request in accordance with the procedures in this Agreement, then the Contractor shall implement such a pass-through rate adjustment unilaterally. However, Contractor shall be required to retroactively reduce Customers bills from the date of unilateral pass-through rate adjustment upon County approval to the end of the billing cycle in the next billing period to reflect any overages to Customers. **Under no circumstances will the Contract ever be permitted to retroactively bill Customers for pass-through rate adjustment increases not implemented in a timely manner for any reason.**
- D. At any time that the Board either eliminates a County surcharge on Contractor's Customers, decreases an existing County surcharge on Contractor's Customers, decreases the Franchise Fee rate, decreases the Disposal charge at the County-owned facilities, County may apply to the Contractor for a pass-through rate adjustment to offset the eliminated or decreased fees. In applying for a pass-through rate adjustment, the County must:
 1. Submit a request for the decrease in writing to the Contractor;

2. Specify the amount of the requested decrease for each rate given in Exhibits A, B, and C.
3. Provide documentation that the specified rate decrease is reasonable and appropriate and does not include rate decrease for any other reason than to recover the director cost of the decreased or eliminated pass-through expense.

Provided that the Contractor has received and considered the request and documentation described above, and have concluded that the requested rate adjustment is solely to recover the direct cost of the decreased or eliminated pass-through expense, the rates given in Exhibit A, B, and C shall be amended by the County Chief Executive Officer or his designated County employee.

- E. If a jurisdiction other than the County eliminates or decreases surcharges or fees that effect Contractor's expense, the same procedures as described in (D) above, apply.
- F. In the case of a jurisdiction other than the County eliminating or decreasing surcharge or fees that affect Contractor's expenses, Contractor shall be responsible for notifying the County in writing. If Contractor fails to notify the County of eliminated or decreased surcharges or fees per this section, then the County may apply for and request a retroactive pass through rate adjustment decrease; but never a retroactive increase for any reason.

9.2.2 COST-OF-LIVING, FUEL RATE, AND COMMODITY PRICE ADJUSTMENTS

Every full year of the Agreement effective January 1, beginning on January 1, 2023, the Contractor may apply for a rate adjustment to offset adjustments in the cost of providing services (Cost-of-Living), fuel, recycling market pricing, and organics market pricing. The Contractor shall submit the rate adjustment request no later than November 15 for rates effective the following January 1. The Contractor shall notify the county of the adjustments to take place and shall provide the County with its computations and documentation.

For calculation of adjustments, the rates would be divided into three components- fuel, pass-through and all other. The rate adjustment calculation shall be calculated as follows:

Rate Adjustment (%) = COLA + COFA + PTR A + RCVA + OCVA, whereby

COFA is the cost-of-fuel adjustment

COLA is the cost-of-labor adjustment

PTR A is the pass-through rate adjustment

RCVA is the recycling commodity value adjustment
OCVA is the organics commodity value adjustment

The cost-of-fuel adjustment (COFA) component is calculated from the fuel component multiplied by one hundred percent (100%) of the change in the average monthly value over the last twelve (12) months, compared to the average monthly value for the preceding twelve (12) month period, of the most recently published California index for #2 diesel fuel, compiled and published by the U.S. Energy Information Administration or its successor. The fuel component is derived from the most recent Annual Financial Report and is calculated as the total fuel costs divided by the total operating expenses.

The cost-of-living adjustment (COLA) component is calculated from all other component multiplied by ninety percent (90%) of the change in the value of the most recently published All Urban Consumers Index (CPI-U), all items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982-1984 = 100, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor and its value twelve months before. The all other component is derived from the most recent Annual Financial Report and is calculated as the (total operating expenses less disposal costs and fuel costs) divided by total operating expenses.

The pass-through rate adjustment (PTRA) is calculated as the increase or decrease in surcharges, fees, or disposal tipping fees from the County, other jurisdictions, and Approved Disposal Facilities (as a percentage) multiplied by their relative cost component based on the Annual Financial Report and tonnage reports.

The recycling commodity value adjustment (RCVA) is calculated (to be determined).

The organics commodity value adjustment (OCFA) is calculated (to be determined).

9.2.3 LARGER RATE INCREASES

No sooner than one year after this Agreement becomes effective, and no more frequently than annually thereafter, Contractor may apply for a rate adjustment in excess of the cost-of-living limitation described in Section 9.2.2., above. In applying for such a rate increase the Contractor must:

- (1) Notify the Department, in writing, of Contractor's intent to seek a rate increase in excess of the cost-of-living limitation;
- (2) Obtain and submit to the Department an independent financial audit report of Contractor's operations. The County shall select or approve the auditor to perform the audit. The cost of the audit shall be paid by the Contractor. The audit must, at a minimum, determine the profitability of Contractor's operations specific to services provided under this Agreement.

Using information provided in the financial audit, as well as records required to be maintained by Guarantee under Article 7 of this Agreement, the County shall perform a rate setting study to determine appropriate rates based on projected profitability of the Contractor. The appropriate profit margin, and the means of determining profitability, shall be included as part of the rate setting study. The rate setting study shall be conducted by the County, or by a qualified contractor selected by the County. The cost of the rate study shall be paid by the Contractor.

County shall then hold at least one public meeting, at a convenient time and place within the Contractor's Franchise Area, to solicit public comment on the proposed rate increases, as determined by the rate setting study. This public meeting shall be duly noticed and shall be held no less than 14 days before the Board considers adoption of the rate increases.

Provided that the County has received the required information, as described in (1) and (2), above, has completed the rate setting study, and has held at least one public meeting and considered public input, the Board may adopt the new rates by amending Exhibits A, B and C.

9.2.4 RATE DECREASES

The County may request a rate decrease provided that a decrease of at least twice the current annual CPI has occurred in a specific cost category. Such a rate decrease will require a full disclosure audit and formal rate structuring. In requesting such a rate decrease, the County must:

- (1) Notify the Contractor, in writing, of County's intent to seek a rate decrease.
- (2) Demonstrate the decrease in the CPI as required above.
- (3) Obtain a financial audit of Contractor's operations. The Contractor shall comply with a full disclosure audit. The County shall select the auditor to perform the audit. The cost of the audit shall be paid by the County. The audit must, at a minimum, determine the profitability of Contractor's operations specific to services provided under this Agreement.

Using information provided in the financial audit, as well as records required to be maintained by Contractor as outlined in this Agreement, the County shall perform a rate setting study to determine appropriate rates based on projected profitability of the Contractor. The appropriate profit margin, and the means of determining profitability, shall be included as part of the rate setting study. The rate setting study shall be conducted by the County, or by a qualified contractor selected by the County. The cost of the rate study shall be paid by the County.

County shall then hold at least one public meeting, at a convenient time and place within the Contractor's Franchise Area, to solicit public comment on the proposed rate decrease, as determined by the rate setting study. This public meeting shall be duly noticed and shall be held no less than 14 days before the Board considers adoption of the rate decrease.

Provided that the County has received the required information, as described in (1) and (2) above, has completed the rate setting study, and has held at least one public meeting and considered public input, the Board may adopt the new rates by amending Exhibits A, B, and C.

ARTICLE 10: INDEMNITY, INSURANCE, AND PERFORMANCE BOND

10.1 INDEMNIFICATION

10.1.1 Indemnification of County

- A. Contractor shall defend the County with counsel reasonably acceptable to the County and indemnify the County from and against any and all liabilities, costs, claims and damages which are caused by Contractor's negligence or failure to comply with applicable laws and regulations, including but not limited to liabilities, costs, claims and damages.
- B. Contractor agrees that it shall protect and defend the County with counsel reasonably acceptable to County, indemnify and hold harmless County, its officers, employees and agents from and against any and all losses, liabilities, fines, penalties, claims, damages, liabilities or judgments (including attorney's fees), arising out of or resulting in any way from Contractor's performance of this Agreement, unless such claim is due to the sole negligence or willful acts of the County, its officers, employees, agents or contractors, or from County's grant of this Agreement to Contractor.
- C. In addition, Contractor shall defend the County with counsel reasonably acceptable to the County, indemnify and hold the County harmless from any and all litigation and claims, damages and liabilities arising therefrom, brought to enforce or to challenge this Agreement and/or Contractor's exclusive rights granted thereunder with respect to the services provided hereunder; provided, however, that Contractor's obligations hereunder extend only to actions brought against or by Persons not parties to this Agreement.
- D. Providing County complies with all applicable laws concerning the setting of rates under this Agreement as such laws are reasonably interpreted to apply

to County, Contractor shall defend the County with counsel reasonably acceptable to the County, indemnify and hold the County harmless from any and all litigation and claims, damages and liabilities arising from the County's setting of rates for service under this Agreement or in connection with the application of California Constitution, Article XIII C and Article XIII D to the imposition, payment or collection of rates and fees directly related to services provided by Contractor under this Agreement. Notwithstanding the above, this indemnity shall not extend to any rates that are not associated with the charges by the Company for providing service under this Agreement, including but not limited to Franchise and governmental fees and charges.

Providing County has complied with all applicable laws, the County shall not be in default of this Agreement, if it is determined by a court of competent jurisdiction that it lacks the authority to set rates and/or increase rates for charges related to providing service pursuant to this Agreement. If the County is unable to set rates as provided for herein, the County agrees that Contractor shall be allowed to set said rates and all other provisions of this Agreement shall remain in full force and effect. Should a court of competent jurisdiction determine that the County lacks authority to set and/or increase rates for charges related to Franchise and governmental fees and charges then Contractor shall reduce the rates it charges customers a corresponding amount, providing said fees, rates and/or charges disallowed by the court are not related to the cost of providing service hereunder and had already been incorporated in the rates charged by Contractor to its customers.

Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the setting of rates for the services provided under this Agreement; rather this section is provided merely to allocate risk of loss as between the parties.

10.1.2 Indemnification of Contractor

- A. Except as provided by Section 10.1.3, the County shall defend, with counsel reasonably acceptable to Contractor, indemnify and hold Contractor harmless from any and all fines, penalties and assessments levied against or threatened to be levied against the County and/or Contractor for the County's failure to meet the requirements of AB 939, its amendments or any successor legislation and/or all rules and regulations promulgated thereunder if said failure is due solely to the negligence or misconduct of the County, including but not limited to the County's failure to adopt Source Reduction and Recycling Elements mandated under AB 939.
- B. In the event that the County directs the Contractor to Dispose of or Transport Solid Waste, Recyclable Materials, and/or Green Waste to a specific facility,

the Contractor shall not be held liable for damages at that facility, unless the damages are caused by the willful or negligent acts of the Contractor.

10.1.3 AB 949 Indemnification

AB 939 Indemnification. Contractor shall defend with counsel reasonably acceptable to the County, indemnify and hold the County harmless from any and all fines, penalties and assessments levied against or threatened to be levied against the County for the County's failure to meet the requirements of AB 939, with respect to the Waste Stream under Contractor's control, its amendments or any successor legislation and/or all rules and regulations promulgated thereunder if said failure results from Contractor's failure to comply with this Agreement and/or Contractor's failure to comply with said laws, rules or regulations, including but not limited to failing to timely supply to the County the reports and information required by the County in order to comply with AB 939.

10.2 INSURANCE REQUIREMENTS

Insurance policies are to be secured by the Contractor and remain in full force and effect at all times to provide protection against liability for damages which may be imposed for the negligence of the Contractor or that Persons employees or agents, including, but not limited to, general liability and automobile liability insurance. Contractor shall also provide liability coverage under California Workers' Compensation laws. The amounts of insurance required are to be established herein. Said amounts shall not be construed to limit the Contractor's liability.

The insurance requirements provided herein may be modified or waived in writing by the Board of Supervisors, provided the Board of Supervisors determines that such waiver or modification does not unreasonably increase the risk of exposure to the County, including the fact that the parent of Contractor may be self-insured up to a certain acceptable amount.

- (1) Workers' Compensation Insurance. Contractor shall obtain and maintain in full force and effect throughout the entire term of this Agreement full Workers' Compensation Insurance in accord with the provisions and requirements of the Labor Code of the State of California. Endorsements that implement the required coverage shall be filed and maintained with the Department throughout the term of this Agreement.
- (2) Comprehensive General Liability. Contractor shall obtain and maintain in full force and effect throughout the entire term of this Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of TWO MILLION DOLLARS (\$2,000,000.00) aggregate and ONE MILLION DOLLARS (\$1,000,000.00) per occurrence for bodily injury and property damage, with any self-insured retention not exceeding TWO HUNDRED THOUSAND (\$200,000.00)

per occurrence. Said insurance shall protect Contractor and County from any claim for damages for bodily injury, including accidental death, as well as from any claim for property damage which may arise from operations performed pursuant to this Agreement, whether such operations be by Contractor itself, or by its agents, employees and/or Sub Contractors. Copies of the policies or endorsements evidencing the above- required insurance coverage shall be filed with the Department. Endorsements are required to be made a part of all of the following insurance policies required by this Section:

- a. "The County, its employees, agents, and officers, are hereby added as insureds as respects liability arising out of activities performed by or on behalf of Contractor."
 - b. "This policy shall be considered primary insurance as respects any other valid collectible insurance the County may possess including any self-insured retention the County may have, and any other insurance the County does possess shall be considered excess insurance and shall not contribute with it."
 - c. "This policy shall act for each insured, as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company."
 - d. "Thirty (30) days prior written notice by certified mail, return receipt requested, shall be given to the County in the event of suspension , cancellation, reduction in coverage or in limits or non-renewal of this policy for whatever reason. Such notice shall be sent to the Department."
- (3) Vehicle Liability. Contractor shall obtain and maintain in full force and effect throughout the entire term of this Agreement a vehicle liability policy with a minimum limit of ONE MILLION DOLLARS (\$1,000,000.00) per occurrence for bodily injury and ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) per occurrence for property damage. Said insurance shall protect Contractor and County from any claim for damages for bodily injury , including accidental death, as well as from any claim for property damage which may arise from operation of owned and non-owned vehicles. Copies of the policies or endorsements evidencing the above-required insurance coverage shall be filed with the Department.

The limits of such insurance coverage, and companies, shall be subject to review and approval by the County every year and may be increased at that time and match the coverage provided by the County' s own liability insurance policy. The County shall be included as a named insured on each of the policies, or policy endorsements.

10.3 PERFORMANCE BOND

A performance bond or letter of credit is required from the Contractor within thirty (30) calendar days from the date the County Board of Supervisors approves the Franchise Agreement. The performance bond shall be in an amount of One Million Five Hundred Thousand Dollars (U.S. \$1,500,000) or twenty-five percent (25 percent) of the contract value, whichever is greater. The County may waive this bond based on vendor prior performance.

The performance bond shall be executed by a surety company licensed to do business in the State of California; having a rating of, or equivalent to "A: VII" by A.M. Best & Company, approved by the County; and included on the list of admitted surety companies approved by the Treasurer of the State of California.

After July 1, 2024, and annually thereafter, Vendor may request in writing that the County allow the performance bond to be reduced to fifteen percent (15 percent) of the Vendor's prior annual Gross Revenues. The County shall, at the sole option of the County, respond to the request in writing within forty-five (45) days of receipt of the written request. Nothing in the Franchise Agreement shall require that the County approve the request of the Vendor nor shall the County have any obligation to provide Vendor with its reasoning for approving or denying the request.

The performance bond is included in Exhibit I.

ARTICLE 11: DEFAULT AND REMEDIES

11.1 EVENTS OF DEFAULT

Each of the following shall constitute an event of default ("Event of Default") hereunder:

- (1) Contractor has demonstrated an inability to properly perform the franchised activity, failed to comply with one or more of the terms or conditions of this Agreement, or future amendment(s) to this Agreement, failed to comply with any material federal, state or local laws, ordinances, rules or regulations pertaining to the franchised activity, or when the franchised activity has become a nuisance or is detrimental to the public health, safety or welfare. If Contractor does not perform franchise services for a period in excess of 15 days, this Agreement may be terminated by the County. Contractor shall not be in default of this Agreement if Contractor commences such action required to cure the particular breach within 7 calendar days after such notice, and it continues such performance diligently until completed.
- (2) Any representation, warranty, or disclosure made to County by Contractor in connection with or as an inducement to entering into this Agreement or any future amendment to this Agreement, which proves to be false or misleading in any

material respect as of the time such representation or disclosure is made, whether or not any such representation, warranty, or disclosure appears as part of this Agreement;

- (3) There is a seizure or attachment (other than a pre-judgment attachment) of, or levy affecting possession on, the operating equipment of Contractor, including without limit its vehicles, maintenance or office facilities, or any part thereof of such proportion as to substantially impair Contractor's ability to perform under this Agreement and which cannot be released, bonded, or otherwise lifted within 48 hours excluding weekends and Holidays;
- (4) Contractor files a voluntary petition for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or shall consent to the appointment of or taking of possession by a receiver, liquidator, assignee (other than as a part of a transfer of equipment no longer useful to Contractor or necessary for this Agreement), trustee (other than as security for an obligation under a deed of trust), custodian, sequestrator (or similar official) of the Contractor for any part of Contractor's operating assets or any substantial part of Contractor's property, or shall make any general assignment for the benefit of Contractor's creditors, or shall fail generally to pay Contractor's debts as they become due or shall take any action in furtherance of any of the foregoing;
- (5) A court having County shall enter a decree or order for relief in respect of the Contractor, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or Contractor shall consent to or shall fail to oppose any such proceeding, or any such court shall enter a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Contractor or for any part of the Contractor's operating equipment or assets, or orders the winding up or liquidation of the affairs of Contractor;
- (6) If Contractor (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out, picketing or other concerted job action; (ii) appears in the reasonable judgment of County to be unable to regularly pay its bills as they become due; or (iii) is the subject of a civil or criminal judgment or order entered by a federal, state, regional or local agency for violation of an Applicable Law, and the County believes in good faith that Contractor's ability to perform under the Agreement has thereby been placed in substantial jeopardy, the County may, at its option and in addition to all other remedies it may have, demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and substance as the County believes in good faith is reasonably necessary in the circumstances to evidence continued ability to perform under the

Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by County, such failure or refusal shall be an event of default.

- (7) Failure to Comply with Other Requirements of SB 1383 Regulations. Contractor fails to comply with other requirements of the Agreement include public education, reporting, contamination monitoring, recordkeeping, or other obligations of this Agreement that delegate County's responsibility and/or authority under SB 1383 Regulations to Contractor.

11.2 RIGHT TO TERMINATE UPON DEFAULT

Upon an "Event of Default" by Contractor, the County may suspend, amend, or terminate this Agreement.

11.3 SUSPENSION OR REVOCATION – EQUIPMENT USE BY COUNTY

In the event of suspension or revocation of this Agreement, the County shall have the right forthwith to take possession of all trucks and other equipment of the Contractor for the purpose of Collecting and Disposing of the Solid Waste and performing all other duties, which the Contractor is obligated to perform. The County shall have the right to retain possession of such trucks and equipment until other suitable trucks and equipment can be purchased or otherwise acquired by the County for such purpose. The County shall pay the Contractor a reasonable rental for the use of such trucks and equipment.

11.4 FRANCHISE REVOCATION – EMERGENCY ACTIONS

Notwithstanding provisions of this Agreement to the contrary, the County may temporarily suspend this Agreement, without prior notice and a hearing, whenever an emergency exists which poses an immediate threat to the public health, safety, or welfare. In such a case, the County shall attempt to notify the Contractor at least twenty-four (24) hours prior to the proposed action. A hearing shall be held within seventy-two (72) hours of the action taken to suspend the franchise.

11.5 LABOR DISPUTE – COUNTY ASSUMPTION OF DUTIES – AUTHORIZED

In the event the refuse Collection of a Contractor is interrupted by a labor dispute and scheduled Collections are discontinued for more than seventy-two (72) hours, the County shall have the right to forthwith take temporary possession of all facilities and equipment of the Contractor for the purpose of continuing the service which the Contractor has agreed to provide in order to preserve and protect the public health and safety. The County shall have the right to retain possession of such facilities and equipment and to render the required service, until the Contractor can demonstrate to the satisfaction of the County that required services can be resumed by the Contractor; provided, however, that such temporary assumption of the Contractor's obligations under this Agreement shall not be continued by the County for more than one hundred twenty (120) days from the

date such operations were undertaken. Should the Contractor fail to demonstrate to the satisfaction of the County that required services can be resumed by the Contractor prior to the expiration of the aforementioned one hundred twenty (120) days, the rights and privileges granted to the Contractor may be forfeited and the franchise granted herein may be terminated .

Should the County exercise its right to take temporary possession of Contractor's facilities used in providing service under this Agreement , County shall recognize Contractor's obligations to provide service in accordance with other agreements and shall cooperate with Contractor in its efforts to provide such other service using the Contractors facilities in the County's temporary possession.

11.6 LABOR DISPUTE – COUNTY ASSUMPTION OF DUTIES – USE OF REVENUE

During any period in which the County has temporarily assumed the obligations of the Contractor under this Agreement, the County shall be entitled to the Gross Revenues attributable to operations during such period and shall pay therefrom only those costs and expenses, including a reasonable rental for use of trucks and equipment, applicable or allocable to the period. The excess, if any, of revenue over applicable or allocable costs and expenses during such period shall be deposited in the treasury to the County to the credit of the General Fund. Final adjustment and allocation of Gross Revenues, costs and expenses to the period during which the County temporarily assumed the obligations of the Contractor shall be determined by an audit, by a certified public accountant or licensed public accountant, and prepared in report form with that persons unqualified opinion annexed thereto.

11.7 LABOR DISPUTE – COUNTY ASSUMPTION OF DUTIES – EMPLOYEES

Employees of the Contractor may be employed (providing employee consents) by the County during any period in which the County temporarily assumes the obligations of the Contractor under this Agreement; provided, however, that the rate of compensation to be paid the employees, or any other employees, shall be the rate or rates in effect at the time the Contractor's service was interrupted by the labor dispute, and the terms and conditions of employment shall be the same as provided by the Contractor.

11.8 LIQUIDATED DAMAGES

11.8.1 General

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

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

11.8.2 Service Performance Standards; Liquidated Damages for Failure to Meet Standards

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

Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in the Schedule of Liquidated Damages, Exhibit G.

County may determine the occurrence of events giving rise to Liquidated Damages through the observation of its own employees or representative or investigation of complaints by Customers, Owners, and Generators.

Liquidated Damages will only be assessed after Contractor has been given the opportunity but failed to rectify the damages as described in this Agreement. County shall give Contractor notice of its intention to assess Liquidated Damages. The notice will include a brief description of the incident(s) and non-performance. The County may

review (and make copies at its own expense) all information in the possession of Contractor relating to incident(s) and non-performance. County may, within 10 calendar days after issuing the notice, request a meeting with Contractor. County may present evidence of non-performance in writing and through testimony of its employees and others relevant to the incident(s) and non-performance. County will provide Contractor with a written explanation of his or her determination on each incident(s) and non-performance prior to authorizing the assessment of Liquidated Damages. The decision of County shall be final, and Contractor shall not be subject to, or required to exhaust, any further administrative remedies.

11.8.3 Amount

County may assess Liquidated Damages for each calendar day or event, as appropriate, that Contractor is determined to be liable in accordance with this Agreement in the amounts specified in Exhibit G subject to annual adjustment described below. If the amount of Liquidated Damages for any three-month period exceeds the thresholds established in Section 6.10, the County shall have the right to request replacement of the Contractor's facility manager as described in Section 6.10.

The amount of Liquidated Damages specified in Exhibit G shall be adjusted annually on the first day of the Rate Period. The adjustment shall be rounded to the nearest cent. Liquidated Damage amounts shall be adjusted to reflect seventy-five percent (75%) of the changes in the All Urban Consumers Index (CPI-U), all items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982 - 1984 = 100, not seasonally adjusted, compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the method following:

Adjusted Liquidated Damage Amount = Then-current Liquidated Damage Amount x most current CPI-U/previous 12-month CPI-U

For example:

Current Liquidated Damage Amount= \$150.00 Most recently published index (May 2004) = 193.5

Index published twelve months prior to most recently published index (May 2003) = 191.0

Adjusted Liquidated Damage Amount= \$150.00 x (193.5/191.0) = \$151.96

If the CPI-U is discontinued or revised during the Term by the United States Department of Labor, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised.

11.8.3 Timing of Payment

Contractor shall pay any Liquidated Damages assessed by County within 10 calendar days of the date the Liquidated Damages are assessed. If they are not paid within the 10-day period, and providing Contractor has exhausted its right to administrative review in accordance with this Section, County may proceed against the performance bond required by the Agreement, request replacement of Contractor ' s general manager, order the termination of the exclusive Collection rights granted by this Agreement, or all of the above.

ARTICLE 12: OTHER AGREEMENTS OF THE PARTIES

12.1 RELATIONSHIP OF PARTIES

It is understood and agreed that nothing herein contained is intended or should be construed as in any way establishing a partnership relationship between the parties hereto, or as constituting the Contractor as the agent, representative, or employee of the County for any purpose whatsoever. The Contractor is to be and shall remain an independent contractor with respect to all services performed under this Agreement.

12.2 COMPLIANCE WITH COUNTY CODE

Contractor shall comply with those provisions of the County Code which are applicable, and with any and all amendments to such applicable provisions during the term of this Agreement.

12.3 GOVERNING LAW

The laws of the State of California and Code and Ordinances of the County shall govern the validity, construction, and effect of this Contract. The venue for any claims, litigation, or causes of action between parties shall be in the Superior Court of the State of California for Mendocino County.

12.4 BINDING OF SUCCESSORS

This Agreement shall inure to the benefit of and shall be binding upon the Contractor, the County, and their respective successors and assigns, subject, however, to the limitations contained in this Agreement.

12.5 REPRESENTATIONS

The parties signing this Agreement warrant that they have been authorized to do so by the Board. The Contractor shall provide to the County written authorization by the appropriate officer that the Contractor is authorized by the governing body of the corporation to enter into this contract and be bound by its terms and obligations. In addition, the County represents, warrants to Contractor and covenants and agrees as follows:

- (1) The County validly exists as a political subdivision under the laws of the State of California. The County has full power and authority to enter into this Contract and to fully perform all of its duties and obligations hereunder. The County's Board of Commissioners has duly authorized the execution and delivery of this Contract and the County's performance of all its duties and obligations contained herein, and this Contract constitutes a valid and legally binding obligation of the County, enforceable in accordance with its terms. Notwithstanding the foregoing, the County may take any further actions it deems necessary to approve, adopt, enter, and perform this Agreement.
- (2) The County is not aware of any additional consents of approvals required to enter or perform this Agreement by the County. Furthermore, the County is not aware of any statute, rule, regulation, ordinance, agreement, instrument, judgment, decree, or order to which the County is a party or by which the County or its assets is bound that conflicts with entering into or performance of this Agreement.
- (3) To the best of the County's knowledge and belief, there is no action, suit, judgment, consent order or investigation or proceeding pending or threatened, relating to this Agreement. The County will notify the Contractor promptly if any such action, suit, investigation or proceeding is instituted or threatened. The County will notify the Contractor promptly upon receipt of any complaint or notice of non-compliance with all applicable federal, state and local laws, rules, regulations, orders, ordinances, judgments, permits, licenses, approvals, and variances.

12.6 EMERGENCIES, DISASTERS – MAJOR SERVICE DISRUPTION

This section applies in the event of an emergency or disaster causes a major disruption to the Contractor's ability to maintain standard levels of service in the performance of its obligations under the Contract. Such events may include, but are not limited to, a severe storm, high wind, earthquake, flood, hazardous material release, transportation mishap, loss of any utility service, fire, terrorist activity or any combination of the above. In such an event:

- (1) The County shall notify the Contractor of the emergency or disaster, describing the relevant circumstances arising from the event, and request emergency and priority services from the Contractor.
- (2) Upon such notice from the County, the Contractor shall consult and work with the County to develop strategies and tactics to manage the emergency and provide services to restore the County to normal operating conditions as soon as reasonably possible. Certain disaster scenarios will be modeled and planned for in advance, to the extent possible. The Contractor shall exercise its best efforts in

providing the emergency and priority services as requested by the County in as timely a manner as possible.

- (3) The Contractor shall use commercially reasonable efforts to make the County's customers its first priority, and its efforts to provide County's customers with emergency and priority services shall, to the extent commercially reasonable, not be diminished as a result of the Contractor providing service to other customers.
- (4) If the Contractor is unable to respond in the time requested by the County, the Contractor shall respond as soon as practical. The Contractor shall immediately assist the County to the extent reasonable in providing services, which may include offering the County substitutions, provided that the Contractor obtains prior approval from the County for the substitutions.
- (5) The County shall compensate the Contractor for performing emergency and priority services under this section in a manner consistent with the compensation provisions of this Agreement, and any additional collections performed by Contractor shall be paid at the Special Collection Rate or as otherwise specified in the Contingency Plan.

The County and Contractor shall work in good faith to develop a mutually acceptable Contingency Plan addressing the above.

12.7 NOTICE PROCEDURES

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

A. If to County:

Mendocino County Department of Transportation
Solid Waste Division
340 Lake Mendocino Drive
Ukiah, CA 95482

B. If to Contractor:

Company Name
Address
Address

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

All notices required or given pursuant to this title shall be deemed properly served on the day it is personally delivered or three business days after deposited, postage prepaid, in the United States mail, addressed to the address provided to the Department.

12.8 APPEALS

Any Person who is dissatisfied with any decision or ruling of the County on or with the directives or decisions of the County, may appeal to the Board, which shall have the power to hear and determine such appeal. Said appeal shall be taken by filing with the Clerk of the Board a Notice of Appeal within ten (10) days after the date of such decision or ruling. The notice shall be signed by the appellant or his/her attorney and shall be sufficient if it states in substance that the appellant appeals from a specified decision or ruling. A Notice of Appeal shall be liberally construed in favor of its sufficiency. No later than thirty (30) days after receipt of said Notice of Appeal, the Board shall set the matter for public hearing and shall cause public notice of such public hearing to be published once in a newspaper of general circulation in the County at least ten (10) days before the date of said hearing stating the time and place of hearing, the decision or ruling appealed from and the name of the appellant or appellants. At said hearing, the appellant shall present a statement of the grounds for appeal and evidence in support of the appeal in such form as the Board may require. Appeals filed pursuant to this section shall be accompanied by a fee in the amount set by resolution of the Board.

12.9 FORUM SELECTION

Contractor and County stipulate and agree that any litigation relating to the enforcement or interpretation of this Agreement, arising out of Contractor's performance or relating in any way to the work shall be brought in California State Courts in Mendocino County.

12.10 COURT COSTS AND ATTORNEY FEES

In the event legal action is instituted by either party to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees and actual costs in connection with such action.

ARTICLE 13: MISCELLANEOUS AGREEMENTS

13.1 PRIVACY

Contractor shall use its best efforts to observe and protect the rights of privacy of Customers. Information identifying individual Customers, or the composition of a particular Customer's Solid Waste, Recyclable Materials, or Green Waste materials shall not be revealed to any Person, private agency or company, unless upon request of federal, state, or local law enforcement personnel, the authority of a court of law, a statute, or upon valid authorization of the Customer. This provision shall not be construed to preclude Contractor from preparing, participating in, or assisting in the preparation of waste characterization studies or Waste Stream analysis which may be reasonably

necessary to comply with AB 939 or any other reports requested by the County under the Agreement or required or requested by any governmental agency.

Contractor shall not market or distribute outside the normal course of its business, mailing lists with the names and addresses of Customers.

13.2 PUBLIC RECORDS ACT

The Contractor understands that any records (including but not limited to proposal submittals, the Agreement, and any other agreement materials) it submits to the County, or that are used by the County even if the Contractor possesses the records, are public records under California State law. Public records must be promptly disclosed upon request unless a statute exempts them from disclosure. The Contractor also understands that even if part of a record is exempt from disclosure, the rest of that record generally must be disclosed.

The contractor must separate and clearly mark as “proprietary” information all records related to this Contract or the performance of this Agreement that the Contractor believes are exempt from disclosure. The Contractor is to be familiar with potentially applicable public disclosure exemptions and the limits of those exemptions and will mark as “proprietary” only information that the Contractor believes legitimately fits within an exemption and will state the statutory exception upon which it is relying.

If the County notifies the Contractor of a public records request, and the Contractor believes records are exempt from disclosure, it is the Contractor’s responsibility to make its own determination and pursue a lawsuit to enjoin disclosure. The Contractor must obtain an injunction and serve it to the County before the close of business on the tenth (10th) business day after the County sent the notification to the Contractor. It is the Contractor’s discretionary decision whether to file the lawsuit.

If the Contractor does not timely obtain and serve an injunction, the Contractor is deemed to have authorized releasing the record.

Notwithstanding the above, the Contractor must not take any action that would affect (a) the County’s ability to use goods and services provided under this Agreement or (b) the Contractor’s obligations under this Agreement.

The Contractor will fully cooperate with the County in identifying and assembling records in case of any public disclosure request.

13.3 ENTIRE AGREEMENT

This Agreement, including the exhibits, represents the full and entire Agreement between the County and Contractor with respect to the matters covered herein.

13.4 FORCE MAJEURE

Neither party shall not be in default under this Agreement in the event, and for so long as, it is impossible or extremely impracticable for it to perform its obligations due to any of the following reasons: riots, wars, sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes, landslides, fires, and volcanic eruptions, strikes, lockouts and other labor disturbances or other catastrophic events which are beyond the reasonable control of Contractor. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by Contractor's employees or directed at Contractor is not an excuse from performance and Contractor shall be obligated to continue to Collect and Dispose of Solid Waste, notwithstanding the occurrence of any or all of such events; provided, however, that labor unrest or job action directed at a third party over whom Contractor has no control, shall excuse performance.

A party claiming excuse under this Section must (i) have taken reasonable precautions to avoid being affected by the cause, and (ii) notify the other party in writing within five (5) days after the occurrence of the event specifying the nature of the event, the expected length of time that the party expects to be prevented from performing, and the steps which the party intends to take to restore its ability to perform.

13.5 INDEPENDENT CONTRACTOR

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

13.6 ROADWAY DAMAGE

Contractor shall be responsible for any extraordinary damage (not including normal wear) caused by Contractor's negligence to County's driving surfaces, whether or not paved, resulting from the weight of vehicles providing Collection services at the location of Bins and Containers on public property. This Agreement does not purport to affect, in any way, Contractor's civil liability to any third parties.

13.7 PROPERTY DAMAGE

Any physical damage caused by the negligent or willful acts or omissions of employees, Contractors or Sub Contractors of the Contractor to private or public property shall be repaired or replaced by Contractor, at Contractor's sole expense.

13.8 INTERPRETATION

This Agreement shall be interpreted as a whole to carry out its purposes. This Agreement is an integrated document and contains all the promises of the parties; no earlier oral understandings modify its provisions.

In the event of conflict between contract documents and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered a part of this contract to afford the County the maximum benefits.

13.9 AMENDMENT

No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement.

13.10 SEVERABILITY

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Agreement or any part thereof is, for any reason, held to be illegal, such decision shall not affect the validity of the remaining portions of this Agreement or any part thereof.

13.11 INCORPORATION OF CONTRACTOR'S PROPOSAL

The Contractor's proposal, dated _____, submitted in response to the County's Request for Proposals, is fully incorporated by this reference, including but not limited to collection vehicles, containers, performance systems and approach, outreach and assistance staffing and approach, customer service approach and response, and other commitments made in the Contractor's proposal and all associated clarifications and supplemental proposal materials or attachments. In the case of conflict between the Contractor's proposal and this Agreement, the provisions of this Agreement shall prevail.

13.12 EXHIBITS

County of Mendocino

“CONTRACTOR”

Insert Name
Chair, Board of Supervisors

Signature Date

Print Name of Signatory

Date

Title of Signatory

**The Foregoing Agreement has been
reviewed and approval is
recommended:**

Signature Date

Insert Name Date
Director of Transportation

Print Name of Signatory

Title of Signatory

APPROVED AS TO FORM:

Insert Name Date
County Counsel

Jurisdiction Business License #

ATTEST:

Resolution
Approved by Board

Insert Name Date
Clerk of the Board

Exhibit A – Single-Family Services

A.1 Source Separated Recyclable Materials Collection (Blue Container Collection)

Contractor shall Collect Source Separated Recyclable Materials placed in Contractor-provided Blue Carts (or otherwise placed in accordance with this Section) one (1) time per week from Single-Family Customers, excluding Customers in Low-Population Areas, and shall Transport all Source Separated Recyclable Materials to the Approved Source Separated Recyclable Materials Processing Facility for Processing.

Containers:	Carts
Container Sizes:	96-gallon Blue Carts Contractor shall provide Single-Family Customers with one (1) Blue Container.
Container Type:	Single compartment
Service Frequency:	One (1) time per week on the same day as SSGCOW and Gray Container Waste Collection services.
Service Location:	Curbside
Acceptable Materials:	Source Separated Recyclable Materials
Prohibited Materials:	Materials designated for the Gray Container, materials designated as acceptable SSGCOW, Excluded Waste

A.2 SSGCOW Collection (Green Container Collection)

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

Containers:	Carts
Container Sizes:	64- and 96-gallon Green Carts Contractor shall provide Single-Family Customers with one (1) Green Container.
Container Type:	Single compartment
Service Frequency:	One (1) time per week on the same day as Source Separated Recyclable Materials and Gray Container Waste Collection service.

- Service Location:** Curbside
- Acceptable Materials:** SSGCOW (including Yard Trimmings and Food Waste)
- Prohibited Materials:** Materials designated as acceptable Source Separated Recyclable Materials, materials designated for the Gray Container, Excluded Waste
- Other Requirements:** Size requirements: SSGCOW placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit in the provided Cart.

A.3 Gray Container Waste Collection (Gray Container Collection)

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

- Containers:** Carts
- Container Sizes:** 20-, 32-, 64-, and 96-gallons Gray Carts (or comparable sizes approved by the County) as requested by Customer
- Standard Container is a 64-gallon Cart, unless Customer requests an alternative size.
- Contractor shall provide Single-Family Customers with one (1) Gray Container.
- Container Type:** Single compartment
- Service Frequency:** One (1) time per week on the same day as Source Separated Recyclable Materials and SSGCOW collection service or one (1) time every-other-week (EOW) on the same day as Source Separated Recyclable Materials and SSGCOW collection service.
- Service Location:** Curbside
- Acceptable Materials:** Gray Container Waste
- Prohibited Materials:** Materials designated as acceptable Source Separated Recyclable Materials, materials designated for acceptable SSGCOW, Excluded Waste

Other Requirements: None

A.4 On-Call Bulky Waste Collection service

Contractor shall collect Bulky Waste Collection from Single-Family Customers. This service shall be provided on an on-call basis. Single-Family Customers may dispose Bulky Waste curbside up to two (2) times per year in an amount no greater than three (3) cubic yards per collection. Bulky Waste Collection services shall be provided to Customers within five (5) business days of the request. Bulky Waste shall be transported and disposed at an Approved or Designated Facility.

A.5 Residential Rates

Exhibit B – Multi-Family and Commercial Services

B.1 Source Separated Recyclable Materials Collection (Blue Container Collection)

Contractor shall Collect Source Separated Recyclable Materials placed in Contractor-provided Blue Containers from Multi-Family and Commercial Customers, excluding Customers in Low-Population Areas, and shall Transport all Source Separated Recyclable Materials to the Approved Source Separated Recyclable Materials Processing Facility for Processing. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency. Source Separated Recyclable Materials Collection services shall be provided by Contractor to Multi-Family and Commercial Customers that enroll for Gray Container Collection service.

Containers: Carts

Container Sizes: 96-gallon Blue Carts
Contractor shall provide Multi-Family and Commercial Premises with Container(s) consistent with the Customer's Service Level.

Container Type: Single compartment

Service Frequency: Up to three (3) times per week but not less than one (1) time per week for each Customer. The Contractor shall provide the specific Collection frequency within this range as requested by Customer.

Service Location: Curbside or other Customer-selected service location (including but not limited to an on-site enclosure) at the Multi-Family or Commercial Premises; Contractor shall charge County-approved Rates if the service location is greater than ten (10) feet from the nearest point that a Collection vehicle can access from a paved surface.

Contractor shall provide on-Premises service at no additional charge for Multi-Family Customers with two (2) or more dwelling units.

Acceptable Materials: Source Separated Recyclable Materials

Prohibited Materials: Materials designated for the Gray Container, materials designated as acceptable SSGCOW, Excluded Waste

Other Requirements: New service: Contractor shall contact each and every Multi-Family and Commercial Customer in advance of the commencement of new Recyclable Material Collection Service to determine appropriate Container sizes and service frequency. New service shall be initiated for all Customers unless said Customers reside in Low-Population Areas or received de minimis waivers or physical space waivers.

Service Level Assessment: If Contractor observes a situation in which a Service Level adjustment may be warranted for a Customer's needs, compliance with SB 1383 Regulations, or to manage environmental impacts associated with Collection efficiency, Contractor may recommend a Service Level adjustment for the Customer to the County. The County will review the Customer's Service Level and engage with the Customer to make a final determination of appropriate Service Levels. If Service Level changes are warranted, Contractor shall adjust Service Levels within fourteen (14) days of request.

Container access: Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers, and shall charge County-approved Rates for such service. A push/pull of Containers up to ten (10) feet from the enclosure/Container location to the Collection vehicle and push/pull of the Container to its original location will be provided at no additional charge to the Customer.

Contamination: Contractor may refuse to Collect a Blue Container that contains Prohibited Container Contaminants if Contractor complies with the contamination noticing process described in Section 5.2 of this Agreement. For Customers with repeated incidents of contamination, Contractor may assess a contamination processing fee in accordance with Section 5.2 of this Agreement.

B.2 SSGCOW Collection (Green Container Collection)

Contractor shall Collect SSGCOW in Contractor-provided Green Containers not less than one (1) time per week from Multi-Family and Commercial Customers, excluding Customers in Low-Population Areas, and shall Transport all SSGCOW to the Approved Organic Waste Processing Facility for Processing. Contractor shall provide service at the

frequency requested by Customers, up to the maximum service frequency. SSGCOW Collection services shall be provided by Contractor to Multi-Family and Commercial Customers that enroll in Gray Container Collection service at no additional charge to Customer or at County-approved Rates.

Containers: Carts

Container Sizes: 64- and 96-gallon Green Carts
Contractor shall provide Multi-Family and Commercial Premises with Container(s) consistent with each Customer's Service Level.

Container Type: Single compartment

Service Frequency: Up to three (3) times per week but not less than one (1) time per week for each Customer. The Contractor shall provide the specific Collection frequency within this range as requested by Customer.

Service Location: Curbside or other Customer-selected service location at the Multi-Family or Commercial Premises; Contractor shall change an additional County-approved Rate if the service location is greater than ten (10) feet from the nearest point that a Collection vehicle can access from a paved surface.

Contractor shall provide on-Premises service at no additional charge for Multi-Family Customers with two (2) or more dwelling units.

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

Prohibited Materials: Materials designated as acceptable Source Separated Recyclable Materials, materials designated for the Gray Container, Excluded Waste

Other Requirements: New Service: Contractor shall contact each and every Multi-Family and Commercial Customer in advance of the commencement of new SSGCOW Collection Service to determine appropriate Container sizes and service frequency. New service shall be initiated for all Customers unless said Customers reside in Low-Population Areas or received de minimis waivers or physical space waivers.

Service Level Assessment: If Contractor observes a situation in which a Service Level adjustment may be warranted for a Customer's needs, compliance with SB 1383 Regulations, or to manage environmental impacts associated with Collection efficiency, Contractor may recommend a Service Level adjustment for the Customer to the County. The County will review the Customer's Service Level and engage with Customer to make a final determination of appropriate Service Levels. If Service Level changes are warranted, Contractor shall adjust Service Levels within fourteen (14) days of request.

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

Container access: Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and shall charge the County-approved Rates for such service. A push/pull of Containers up to ten (10) feet from the enclosure/Container location to the Collection vehicle and push/pull of the Container to its original location will be provided at no additional charge to the Customer.

Contamination: Contractor may refuse to Collect a Green Container that contains Prohibited Container Contaminants if Contractor complies with the contamination noticing process described in Section 5.2 of this Agreement. For Customers with repeated incidents of contamination, Contractor may assess a contamination processing fee in accordance with Section 5.2 of this Agreement.

B.3 Gray Container Waste Collection (Gray Container Collection)

Contractor shall Collect Gray Container Waste placed in Contractor-provided Gray Containers not less than one (1) time per week from Multi-Family and Commercial Customers and Transport all Gray Container Waste to the Approved Disposal Facility for Disposal. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency.

Containers: Carts, Bins, Drop Boxes, Compactors

Container Sizes: Sizes described in Container definitions

Contractor shall provide Multi-Family and Commercial Premises with Container(s) consistent with each Customer's Service Level.

Container Type: Single compartment

Service Frequency: Up to three (3) times per week but not less than one (1) time per week for each Customer. The Contractor shall provide the specific Collection frequency within this range as requested by Customer.

For Customers that receive Collection frequency waivers pursuant to Section 5.6 of the Agreement, Collection shall be provided one (1) time every two (2) weeks on the same day as SSGCOW and Source Separated Recyclable Materials Collection services.

Service Location: Curbside or other Customer-selected service location at the Multi-Family or Commercial Premises; Contractor shall charge additional County-approved Rates if the service location is greater than ten (10) feet from the nearest point that a Collection vehicle can access from a paved surface.

Contractor shall provide on-Premises service at no additional charge for Multi-Family Customers with two (2) or more dwelling units.

Acceptable Materials: Gray Container Waste

Prohibited Materials: Materials designated as acceptable Source Separated Recyclable Materials, materials designated as acceptable SSGCOW, Excluded Waste

Additional Service: Special pick-ups: Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, shall be provided by Contractor at a County-approved Rate.

Other Requirements: New service: Contractor shall contact each and every Multi-Family and Commercial Customer in advance of the commencement of new Collection Service to determine appropriate Container sizes and service frequency. New service shall be initiated for all Customers unless said Customers reside in Low-Population Areas.

Service Level Assessment: If Contractor observes a situation in which a Service Level adjustment may be warranted for a Customer's needs, compliance with SB 1383 Regulations, or to manage environmental impacts associated with Collection efficiency, Contractor may recommend a Service Level adjustment for the Customer to the County. The County will review the Customer's Service Level and engage with Customer to make a final determination of appropriate Service Levels. If Service Level changes are warranted, Contractor shall adjust Service Levels within fourteen (14) days of request.

Container access: Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers, and shall charge the County-approved Rates for such service. A push/pull of Containers up to ten (10) feet from the enclosure/Container location to the Collection vehicle and push/pull of the Container to its original location will be provided at no additional charge to the Customer.

B.4 On-Call Bulky Waste Collection service

Contractor shall collect Bulky Waste Collection from Multi-Family Customers. This service shall be provided on an on-call basis. Multi-Family Customers may dispose Bulky Waste curbside up to two (2) times per year in an amount no greater than 0.5 cubic yards per individual unit per collection. Bulky Waste Collection services shall be provided to Customers within five (5) business days of the request. Bulky Waste shall be transported and disposed at an Approved or Designated Facility.

B.5 Commercial and Industrial Rates

Exhibit C – Other Special Services

C.1 Emergency Services Rates

C.2 Free Paper Shredding Event Rate

C.3 CRV Redemption Center Rate

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Exhibit D – Processing, Transfer, and Disposal Services

Contractor has selected and arranged for Discarded Materials to be Transported to Approved Facilities for Transfer, Processing, and/or Disposal in accordance with this Exhibit. The Approved Facilities shall comply with the standards specified in this Exhibit. Pursuant to Section 5 of the Agreement, if the Contractor does not own or operate one or more of the Approved Facilities, Contractor shall enter into a subcontract agreement with the owner or Facility operator of such Approved Facility(ies) and the requirements of Section 6.1 of the Agreement and this Exhibit shall pertain to the Subcontractor(s).

Note that Contractor, by definition in Article 1 of the Agreement, includes Affiliates, DBAs, and Subcontractors. As a result, requirements of Section 5 of the Agreement and this Exhibit shall pertain to Affiliate(s) and Subcontractors providing Facility-related services.

D.1 General Requirements

- A. **Overview.** Contractor agrees to Transport Discarded Materials it Collects in the County to an appropriate Approved Facility(ies) for Transfer, Processing, or Disposal, as applicable for each type of Discarded Material. As of the Commencement Date of this Agreement, the Approved Facilities, which were selected by Contractor and reviewed and approved by the County, are listed in the table on the following page and in the definitions in Article 1 of this Agreement. Contractor will perform all Transfer, Processing, and Disposal services at Approved Facilities in accordance with Applicable Law, standard industry practice, and specifications and other requirements of this Agreement.
- B. **Facility Capacity Guarantee.** Contractor shall guarantee sufficient capacity over the Term of this Agreement to Transport, and Process all Source Separated Recyclable Materials, Yard Trimmings, Food Waste, SSGCOW, and C&D Collected under this Agreement and to Transport and Dispose all Gray Container Waste Collected under this Agreement. Contractor shall cause the Approved Facility(ies) to recover or Process the Discarded Materials as appropriate; market the Source Separated Recyclable Materials, SSGCOW, Yard Trimmings, Food Waste, and C&D recovered from such operations; and Dispose of Residue. Contractor shall cause Approved Facility(ies) for Disposal to Dispose of Gray Container Waste. Contractor shall provide the County, upon request, with documentation demonstrating the availability of such Transport, Processing, and Disposal capacity as described below.

Approved or Designated Facilities

Material Type	Designated or Approved Facility (Processing and/or Disposal Facility)
Source Separated Recyclable Materials	Approved Source Separated Recyclable Materials Processing Facility:
SSGCOW	Approved Organic Waste Processing Facility:
Gray Container Waste	Designated Disposal Facility: <u>Coastal Rate Zone:</u> Willits Solid Waste Transfer Station, SWIS 23-AA-0038, Solid Waste of Willits, 350 Franklin Avenue, Willits, CA Approved Disposal Facility: <u>Inland Rate Zone:</u>
C&D	Approved C&D Processing Facility:

- Option 1, Contractor or Affiliate is owner of Approved Facilities: County may request that Contractor report aggregate Facility capacity committed to other entities through Contractor's contracts. County, or its agent, will have the right to seek verification of Contractor's reported aggregate capacity through inspection of pertinent sections of Contractor's contracts with such entities to determine the duration of Contractor's commitment to accept materials from such entities and the type and volume of materials Contractor is obligated to accept through the contracts. In addition, County, or its agent, will have the right to review Tonnage reports documenting the past three (3) years of Tonnage accepted at the Approved Facility(ies) by such entities. To the extent allowed by law, County, or its agent(s), agree to maintain the confidentiality of the information reviewed related to the individual contracts with other contracting entities and agree to review all related material at the Contractor's office and will not retain any copies of reviewed material. Contractor will fully cooperate with the County's request and provide County and its agent(s) or access to Contractor's records.
- Option 2, Contractor's Subcontractor is the owner and/or operator of Approved Facilities: Upon County request, Contractor shall demonstrate that such capacity

is available and allocated to the County by provision of its agreement with the Approved Facility(ies) owner(s)/operator(s) (Subcontractor(s)) documenting the Subcontractor's guarantee to accept the Discarded Materials Contractor delivers over the Term of this Agreement.

- C. **Equipment and Supplies.** Contractor shall equip and operate the Approved Facilities in a manner to fulfill Contractor's obligations under this Agreement, including achieving all applicable standards for Landfill Disposal reduction, Recycling, recovery, Diversion, Residue amount and content, and final product quality standards. Contractor is solely responsible for the adequacy, safety, and suitability of the Approved Facilities. Contractor shall modify, enhance, and/or improve the Approved Facilities as needed to fulfill service obligations under this Agreement, at no additional compensation from the County or Rates charged to Customers.

Contractor shall provide all rolling stock, stationary equipment, material storage Containers, spare parts, maintenance supplies, Transport, and Processing equipment, and other consumables as appropriate and necessary to operate the Approved Facilities and provide all services required by this Agreement. Contractor shall place the equipment in the charge of competent equipment operators. Contractor shall repair and maintain all equipment at its own cost and expense.

- D. **Facility Permits.** Contractor or Facility operator shall keep all existing permits and approvals necessary for use of the Approved Facility(ies), in full regulatory compliance. Contractor, or Facility operator, shall, upon request, provide copies of permits or other approvals and/or notices of violation of permits to the County.
- E. **Contractor-Initiated Change in Facility(ies).** Contractor may change its selection of one or more of the Approved Facility(ies) following County Contract Manager's written approval, which may be conditioned on various factors including, but not limited to: the performance of the current versus proposed Facility, the permitting status of and LEA inspection records related to the proposed Facility, the distance of the Facility from the County, and any other factor that may reasonably degrade the value received by the County. If Contractor elects to use a Facility(ies) that is(are) not listed on the then-current list of Approved Facility(ies) in this Exhibit, it shall submit a written request for approval to the County fourteen (14) days prior to the desired date to use the Facility and shall obtain the County's written approval prior to use of the Facility. Contractor's compensation and Rates shall not be adjusted for a Contractor-initiated change in Facilities.
- F. **Notification of Emergency Conditions.** Each Approved Facility shall notify the County of any unforeseen operational restrictions that have been imposed upon the Facility by a regulatory agency or any unforeseen equipment or operational failure that

will temporarily prevent the Facility from Processing the Discarded Materials Collected under this Agreement. Contractor shall notify the County in accordance with Section 5.7.2 of the Agreement.

- G. Approved Facility Unavailable/Use of Alternative Facility.** If Contractor is unable to use an Approved Facility due to a sudden unforeseen closure of the Facility or other emergency condition(s) described in this Exhibit, Contractor may use an Alternative Facility provided that the Contractor provides verbal and written notice to the County Contract Manager and receives written approval from the County Contract Manager at least twenty-four (24) hours prior to the use of an Alternative Facility to the extent reasonably practical given the nature of the emergency or sudden closure. The Contractor's written notice shall include a description of the reasons the Approved Facility is not feasible, and the period of time Contractor proposes to use the Alternative Facility. As appropriate for the type of Discarded Materials to be delivered to the Alternative Facility, the Alternative Facility shall meet the applicable Facility standards in this Agreement and shall be sent to: (i) an allowable Facility, operation, or "Organic Waste Recovery Activity" as defined in 14 CCR Section 18982(a)(49) and not subsequently used in a manner deemed to constitute Landfill Disposal pursuant to 14 CCR Section 18983.1(a); (ii) a Transfer Facility; or, (iii) a Disposal Facility. If Contractor is interested in using a Facility or activity not listed above and not specifically identified in 14 CCR Section 18983.1(b), the Contractor shall be responsible for securing the approvals from CalRecycle pursuant to 14 CCR Section 18983.2 that the Facility's Process or technology constitutes a reduction of Landfill Disposal pursuant to 14 CCR Section 18983.1(a) prior to the County's final approval of such Facility or activity.

If any Approved Facility specified in this Exhibit becomes unavailable for use by Contractor for Discarded Materials Collected in the County for a period of more than two (2) days, County may designate an Alternative Facility pursuant to Section 5.7.2 of this Agreement. The Parties agree that an Approved Facility shall only be deemed to be "unavailable" if one or more of the following has occurred: (i) a Force Majeure event as described in Article 13 of this Agreement has occurred; (ii) a Facility has lost one or more permits to operate; (iii) a Facility has exhibited a pattern of violation through the receipt of repeated notices of violation from one or more regulatory agencies. Further, the Parties agree that a Facility shall only be deemed to be "unavailable" if the lack of availability of the Facility is not due to Contractor's negligence, illegal activity, neglect, or willful misconduct. At County's request, Contractor shall research and propose Alternate Facility(ies) for the impacted Discarded Material(s), and shall submit a written analysis and recommendation to the County within seven (7) days concerning the cost for use of Alternative Facility(ies) and any logistical changes that would be required to utilize such Alternative

Facility(ies). County and Contractor will discuss the advantages and disadvantages of use of the potential Alternative Facility(ies) and County will designate the approved Alternative Facility(ies). The decision of the County shall be final. The change in Facility shall be treated as County-directed change in scope pursuant to Section 5.7.2 of this Agreement.

In the event an Approved Facility becomes unavailable due to the negligence, illegal activity, neglect, or willful misconduct of Contractor, Contractor shall bear all additional costs for use of an Alternative Facility including increased Processing costs, Disposal Costs, Transportation costs, Transfer costs, and all other costs.

The table listing Approved Facilities in this Exhibit shall be modified accordingly to reflect the new County-Approved Facility(ies).

If Contractor is not the owner of the new Approved Facility, Contractor shall enter into a Subcontract agreement with the Facility operator of the Alternative Facility to require compliance with the requirements of Section 5.7.2 of this Agreement and this Exhibit unless County Contract Manager waives one or more requirements.

- H. **Discarded Materials Monitoring/Waste Evaluation Requirements.** Contractor shall conduct material sampling, sorting, and waste evaluations of various material streams as further described in this Exhibit to meet or exceed SB 1383 Regulatory requirements.
- I. **Compliance with Applicable Law.** Contractor (including its Affiliates and Subcontractors) warrants throughout the Term that the Approved Facilities are respectively authorized and permitted to accept Discarded Materials in accordance with Applicable Law and are in full compliance with Applicable Law.
- J. **Records and Investigations.** Contractor shall maintain accurate records of the quantities of Discard Materials Transported to and Accepted at the Approved Facility(ies) and shall cooperate with County and any regulatory authority in any audits or investigations of such quantities.
- K. **Inspection and Investigations.** An authorized County employee or agent shall be allowed to enter each Facility during normal working hours in order to conduct inspections and investigations in order to examine Facility operations; Processing activities; contamination monitoring; material sampling and sorting activities, including inspection of end-of-line materials after sorting; and records pertaining to the Facility in order to assess compliance with this Agreement, to understand protocols and results, and conduct investigations, if needed. Contractor shall permit County or its agent to review or copy, or both, any paper, electronic, or other records required by County.

D.2 Processing Standards

A. **Recovery Required.** Contractor agrees to Transport and deliver all Source Separated Recyclable Materials, SSBCOW, and SSGCOW Collected under this Agreement to an Approved Facility for Processing as applicable for each material type. Contractor shall conduct Processing activities for all Source Separated Recyclable Materials, SSBCOW, and SSGCOW to recover Recyclable materials and Organic Waste to reduce Disposal. The Processing shall be performed in a manner that minimizes Disposal to the greatest extent practicable and complies with Applicable Law, including SB 1383 Regulations. Contractor may Dispose of Organic Waste from homeless encampments and illegal disposal sites and quarantined Organic Waste rather than Process such materials.

B. Separate Handling Requirements

1. Contractor shall keep Source Separated Recyclable Materials, SSBCOW, and SSGCOW separate from each other and separate from other any other material streams and shall Process the materials separately from each other.
2. Pursuant to 14 CCR Section 17409.5.6(a)(1), Remnant Organic Material separated from the Gray Container Waste for recovery can be combined with Organic Waste removed from the SSGCOW for recovery once the material from the SSGCOW has gone through the Organic Waste recovery measurement protocol described in 14 CCR Sections 17409.5.4 and 17409.5.5.
3. Pursuant to 14 CCR Section 17409.5.6(b), SSBCOW, SSGCOW, and Organic Waste removed from Mixed Waste for recovery shall be:
 - a. Stored away from other activity areas in specified, clearly identifiable areas as described in the Facility Plan or Transfer/Processing Report (which are defined in 14 CCR); and,
 - b. Removed from the Facility consistent with 14 CCR Section 17410.1 and either:
 - i. Transported only to another Facility or operation for additional Processing, composting, in-vessel digestion, or other recovery as specified in this Exhibit; or,
 - ii. Used in a manner approved by local, State, and federal agencies having appropriate jurisdiction.

C. **Residue Disposal.** Contractor shall be responsible for Disposal of Residue from Processing activities at its own expense and may select the Disposal Facility(ies) to be used for such purpose.

D. **Source Separated Recyclable Materials Processing Standards**

Contractor shall arrange for Processing of all Source Separated Recyclable Materials at a Facility that recovers materials designated for Collection in the Blue Container and in a manner deemed not to constitute Landfill Disposal pursuant to 14 CCR Section 18983.1(a), which states that Landfill Disposal includes final deposition of Organic Waste at a Landfill or use of Organic Waste as Alternative Daily Cover (ADC) or Alternative Intermediate Cover (AIC).

E. **SSGCOW Processing Standards**

1. Contractor shall arrange for Processing of all SSGCOW at a Facility that recovers Source Separated Organic Waste and in a manner deemed not to constitute Landfill Disposal pursuant to 14 CCR Section 18983.1(a) which states that Landfill Disposal includes final deposition of Organic Waste at a Landfill or use of Organic Waste as Alternative Daily Cover (ADC) or Alternative Intermediate Cover (AIC). Contractor's compliance with the ADC and AIC prohibition shall occur no later than July 1, 2021, in recognition of AB 1594, under which Yard Trimmings and green material used ADC shall not constitute diversion as of that date.
2. Contractor shall arrange for SSGCOW Processing at an Approved Organic Waste Processing Facility that meets one or more of the following criteria, and such Facility or operation is capable of and permitted to accept and recover the types of Organic Wastes included in the SSGCOW:
 - a. A "Compostable Material Handling Operation or Facility" as defined in 14 CCR Section 17852(a)(12); small composting facilities that are otherwise excluded from that definition; or Community Composting as defined in 14 CCR Section 18982(a)(8). The compostable materials handling operation or Facility shall, pursuant to 14 CCR Section 17867(a)(16), demonstrate that the percentage of Organic Waste in the materials sent to Disposal is:
 - i. On and after January 1, 2022, less than 20 percent (20%); and,
 - ii. On and after January 1, 2024, less than 10 percent (10%).
 - b. An "In-vessel Digestion Operation or Facility" as defined in 14 CCR Section 17896.5. The in-vessel digestion facility or operation shall, pursuant to 14

CCR Section 17896.44.1, demonstrate that the percentage of Organic Waste in the materials sent to Disposal is:

- i. On and after January 1, 2022, less than 20 percent (20%); and,
 - ii. On and after January 1, 2024, less than 10 percent (10%).
- c. A “Biomass Conversion Operation” as defined in Section 40106 of the California Public Resources Code.
 - d. Soil amendment for erosion control, revegetation, slope stabilization, or landscaping at a Landfill, that is defined as a reduction in Landfill Disposal pursuant to 14 CCR Section 18983.1(b)(5).
 - e. Land application of compostable materials consistent with 14 CCR Section 17852(a)(24.5) and subject to the conditions in 14 CCR Section 18983.1(b)(6).
 - f. Lawful use as animal feed, as set forth in California Food and Agricultural Code Section 14901 et seq. and Title 3, Division 4, Chapter 2, Subchapter 2 commencing with 14 CCR Article 1, Section 2675.
 - g. Other operations or facilities with processes that reduce short-lived climate pollutants that are approved by the State in accordance with 14 CCR Section 18983.2.

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

- 3. Preparation of Materials for Processing. The Contractor shall be responsible for preparing materials for Processing at the Approved Organic Waste Processing Facility, which shall include, but is not limited to, removal of visible physical contaminants such as plastic, glass, metal, and chemicals prior to size reduction.
- 4. “Overs” Management. The County may require that at no cost to the County, the Contractor conduct and provide County-specific Organic Waste Processing Residue and “overs” composition data to the County reflecting then-current conditions and using a sampling protocol acceptable to the County, in its

reasonable discretion. In the event that the composition of “overs” includes appreciable quantities (over 20%) of Organic Waste, as determined by Contractor’s waste evaluation or visual assessment by the County, the Contractor shall immediately inform the County Contract Manager and propose a strategy for reducing the “overs” level. At the Contractor’s expense, Contractor shall implement the “overs” management strategy within ten (10) working days of County approval. Such a strategy may include having the Approved Organic Waste Processing Facility re-grind large woody “overs” (after removal of contaminants) and reintroduce the ground “overs” into the composting process in order to increase the recovery of that material and reduce the Organic Waste contained in the materials sent to Disposal, or may include an alternative approach approved by the County.

5. Limits on Incompatible Materials in Recovered Organic Waste

- a. Limits. Except as described in this Exhibit, Contractor’s Transfer/Processing Facility or operation shall only send offsite that Organic Waste recovered after Processing the SSGCOW that meets the following requirements or as otherwise specified in 14 CCR Section 17409.5.8(a):
 - i. On and after January 1, 2022 with no more than 20 percent (20%) of Incompatible Material by weight; and,
 - ii. On and after January 1, 2024 with no more than 10 percent (10%) of Incompatible Material by weight.
- b. Measurement. Contractor shall measure the actual levels of Incompatible Materials in accordance with procedures described in 14 CCR Section 17409.5.8(b).
- c. Exceptions. The limits in this Exhibit shall not apply to the recovered Organic Waste sent offsite from the Transfer/Processing Facility or operation, if the Contractor sends the recovered Organic Waste from the Transfer/Processing Facility or operation to one or more of the following types of Facilities that will further Process the Organic Waste, or as otherwise specified in 14 CCR Section 17409.5.8(c):
 - i. A Transfer/Processing Facility or operation that complies with this Exhibit;
 - ii. A compostable materials handling facility or operation that,

pursuant to 14 CCR Section 17867(a)(16), demonstrates that the percentage of Organic Waste in the materials sent to Disposal is:

- (A) On and after January 1, 2022, less than 20 percent (20%); and,
 - (B) On and after January 1, 2024, less than 10 percent (10%).
- iii. An in-vessel digestion Facility or operation that, pursuant to 14 CCR Section 17896.44.1, demonstrates that the percentage of Organic Waste in the materials sent to Disposal is:
- (A) On and after January 1, 2022, less than 20 percent (20%); and,
 - (B) On and after January 1, 2024, less than 10 percent (10%).
- iv. An activity that meets the definition of a recycling center as described in 14 CCR Section 17402.5(d).

F. **Marketing.** Contractor operating the Approved Facility(ies), shall be responsible for marketing materials recovered from Discarded Materials Collected under this Agreement. Contractor's marketing methods for materials shall be performed in a manner that supports achievement of Disposal reductions and in such a manner that complies with State statutes, including, but not limited to, AB 901, AB 939, SB 1016, AB 341, AB 1594, AB 1826, and SB 1383, and corresponding regulations. Contractor shall retain revenues resulting from the sale and marketing of said materials with the exception of the curbside supplemental payments and County payments under the California Beverage Container Recycling and Litter Reduction Act, which shall be retained by the County.

Upon request, Contractor shall provide proof to the County that all Source Separated Recyclable Materials, and SSGCOW Collected by Contractor were Processed and recovered materials were marketed for recovery, salvage, or Reuse or as organics products in such a manner that materials are not deemed Landfill Disposal pursuant to pursuant to 14 CCR Section 18983.1(a) and in a manner that materials are deemed Diversion pursuant to AB 939. All Residue from the Recycling and Processing activities that is not marketed shall be reported to the County as Residue and accounted for as Disposal Tonnage at the Approved Disposal Facility. No Source Separated Recyclable Materials, and SSGCOW shall be Transported to a domestic or foreign location if Landfill Disposal, as defined in 14 CCR Section 18983.1(a) of such material is its intended use. If Contractor becomes aware that a broker or buyer

has illegally handled, Disposed of, or used material generated in the County that is not consistent with Applicable Law, Contractor shall immediately inform the County and terminate its contract or working relationship with such party. In such case, Contractor shall find an alternative market for the material(s) recovered from the Source Separated Recyclable Materials, and/or SSGCOW that is compliant with Applicable Law.

The performance of commodity markets for materials recovered from Source Separated Recyclable Materials shall not be considered a reason for deeming a Facility "unavailable" in this Exhibit, nor shall it be considered an acceptable basis for the need to use an Alternative Facility, nor shall it serve as the basis for any adjustment in Contractor's compensation under this Agreement, other than as specifically contemplated in Article 10 of this Agreement.

G. Disposal of Source Separated Recyclable Materials and SSGCOW Prohibited.

With the exception of Processing Residue, Source Separated Recyclable Materials, and SSGCOW Collected under this Agreement may not be Disposed of in lieu of Recycling, Processing, or marketing the material, without the expressed written approval of the County Contract Manager.

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

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

D.3 Gray Container Waste Disposal Standards

- A. Disposal of Gray Container Waste Collected.** Contractor shall Transport all Gray Container Waste Collected under this Agreement to an Approved Disposal Facility.

- B. **Disposal at Approved Facility.** Contractor shall not Dispose of Gray Container Waste or Residue by depositing it on any public or private land, in any river, stream, or other waterway, or in any sanitary sewer or storm drainage system or in any other manner which violates Applicable Laws.
- C. **Disposal Services.** Contractor shall provide Disposal services at the Approved Disposal Facility

D.4 Weighing of Discarded Materials

- A. **Maintenance and Operation.** This Section applies to motor vehicle scales used at the Approved Facilities. Approved Facilities shall be equipped with one or more State-certified motor vehicle scales in accordance with Applicable Law. Upon request, Contractor shall arrange for Facility operator to provide documentary evidence of such scale certification within ten (10) days of County's request during the Term. Licensed weigh master(s) shall operate those scales to weigh all inbound and outbound Collection vehicles Transporting Discarded Materials and all Transfer vehicles Transporting materials to another site. Contractor shall arrange for Facility operator to provide County with access to weighing information at all times and copies thereof within three (3) Business Days following the County's request.
- B. **Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) days prior to the Commencement Date, Contractor shall coordinate with the Facility operator(s) to ensure that all Collection vehicles used by Contractor to Transport Discarded Materials to Approved Facilities are weighed to determine unloaded ("tare") weights. Contractor shall work with Facility operator(s) to electronically record the tare weight, identify vehicle as Contractor's, and provide a distinct vehicle identification number for each vehicle. Contractor shall provide County with a report listing the vehicle tare weight information upon request. Contractor shall promptly coordinate with Facility operator to weigh additional or replacement Collection vehicles prior to Contractor placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) days of a County request and shall re-tare vehicles immediately after any major maintenance service that could impact the weight of the vehicle by more than fifty (50) pounds.
- C. **Substitute Scales.** If any scale at an Approved Facility is inoperable, being tested, or otherwise unavailable, Facility operator shall use reasonable business efforts to weigh vehicles on the remaining operating scale(s). To the extent that all the scales are inoperable, being tested, or otherwise unavailable, Facility operator shall substitute portable scales until the permanent scales are replaced or repaired. Facility operator shall arrange for any inoperable scale to be repaired as soon as possible.

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

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

- E. **Weighing Standards and Procedures.** At the Approved Facilities, Facility operator shall weigh and record inbound weights of all vehicles delivering Discarded Materials when the vehicles arrive at the Facility. In addition, Facility operator shall weigh and record outbound weights of vehicles for which Facility operator does not maintain tare weight information. Furthermore, Facility operator shall weigh and record outbound weights of all Transfer vehicles Transporting Discarded Materials from a Transfer Facility to another Approved Facility(ies) for Processing or Disposal.
- F. **Records.** Facility operator shall maintain scale records and reports that provide information including date of receipt, inbound time, inbound and outbound weights (or tare weights) of vehicles, vehicle identification number, jurisdiction of origin of materials delivered, type of material, company/hauler identification, and classification, type, weight, and final destination of Discarded Material if the Discarded Materials are Transferred to another Approved Facility(ies).
- G. **Exceptions to Weighing Requirements.** If an Approved Facility does not have motor vehicle scales to weigh Contractor's vehicles and Discarded Materials delivered to the Facility, Contractor shall obtain a receipt for delivery of the Discarded Materials that identifies the date and time of delivery, the type of material delivered, and the vehicle number. Contractor or Facility operator shall estimate the Tonnage of material delivered for each load based on the volumetric capacity of the vehicle and material density factors (e.g., pounds per cubic yard) approved by or designated by the County Contract Manager.
- H. **Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded on video cameras at the Approved Facilities, Contractor shall make those videos available for County review during the Approved Facilities' operating hours, upon request of the County, and shall provide the name of the driver of any particular load if available.

D.5 Rejection of Excluded Waste

- A. **Inspection.** Contractor will use standard industry practices to detect and reject Excluded Waste in a uniform and non-discriminatory manner and will not knowingly accept Excluded Waste at the Approved Facility(ies). Contractor will comply with the inspection procedure contained in its permit requirements. Contractor will promptly modify that procedure to reflect any changes in permits or Applicable Law.
- B. **Excluded Waste Handling and Costs.** Contractor will arrange for or provide handling, Transportation, and delivery to a Recycling, incineration, or a Disposal facility permitted in accordance with Applicable Law of all Excluded Waste detected at the Approved Facility(ies). Contractor is solely responsible for making those arrangements or provisions and all costs thereof. Nothing in this Agreement will excuse the Contractor from the responsibility of handling Excluded Wastes that Contractor inadvertently accepts in a lawful manner and of arranging for the disposition of that Excluded Waste in accordance with Applicable Law.

D.6 Discarded Materials Evaluations at Approved Facilities

- A. **General.** Contractor shall conduct the following “evaluations” at Approved Facilities if required by Applicable Law referenced below:
1. Gray Container Waste Evaluations.

If applicable pursuant to 14 CCR Section 17409.5.7, Contractor shall conduct waste evaluations of Gray Container Waste at the Approved Processing Facilities that receives Gray Container Waste in accordance with 14 CCR 17409.5.7.
 2. Organic Waste Recovery Efficiency Evaluations. If applicable pursuant to 14 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8, Contractor shall conduct waste evaluations at Approved Processing Facility(ies) in accordance with 14 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8.
 3. Evaluation of Organic Waste in Residuals. If applicable pursuant to 14 CCR Sections 17409.5.3, 17409.5.5, 17867, and/or 17896.44.1, Contractor shall conduct compliance evaluations of Organic Waste to determine the level of Organic Waste in materials sent for Disposal in accordance with 14 CCR Sections 17409.5.3 (transfer/processor for Mixed Waste), 17409.5.5 (transfer/processor for SSGCOW/SSBCOW), 17867 (Compost operations and facilities), and 17896.44.1 (In-vessel digestion operations and facilities).

- B. Record Keeping and Reporting.** For the evaluations described above, Contractor shall maintain all records and submit reports to CalRecycle as described in 14 CCR Division 7, Chapter 3, Article 6.3; 14 CCR Division 7, Chapter 3.1, Article 8; and 14 CCR Division 7, Chapter 3.2, Article 4; and, 14 CCR Sections 18815.5 and 18815.7, as applicable. Contractor shall report this information to the County on a monthly basis in accordance with Exhibit H.
- C. Scheduling of Evaluations.** Contractor shall schedule evaluations during normal working hours. Contractor shall provide County notice of its intent to conduct evaluations at the Approved Facility(ies) at least ten (10) days in advance of the evaluations.
- D. Observance of Study by County and/or CalRecycle.** Contractor acknowledges that, upon request, a representative of the County, the LEA, and/or CalRecycle may oversee its next scheduled quarterly sampling and evaluation of any of the evaluations conducted at the Approved Facility(ies).

Exhibit E – Public Education and Community Outreach Programs

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Exhibit F - Map of Collection Area

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Exhibit G – Schedule for Liquidated Damages

County may assess Liquidated Damages pursuant to this Agreement if Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in accordance with the terms and conditions of the Agreement with regards to the time frame for accomplishing each event and nature of the responsibility associated with the event unless otherwise stated in this Exhibit.

COLLECTION RELIABILITY

	Event of Non-Performance	Liquidated Damage
1	Maintain Collection Services. For each failure over five (5) during any rate period to Collect from all Customers on a route on the scheduled day (unless non-collection was warranted pursuant to this Agreement).	\$25/Container
2	Start New Customer. For each failure over five (5) during Rate Period to commence service to a new Customer within seven (7) calendar days after order received and account number established.	\$150/event
3	Missed Pick-Ups. For each failure over fifteen (15) during Rate Period to Collect Solid waste or Recyclable Materials which has been properly set out for Collection by a Customer on a scheduled Collection day.	\$150/event
4	Consecutive Missed Pick-ups. For each failure to Collect Solid Waste, Organic Waste, or Recyclable Materials which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pick-ups.	\$150/event

COLLECTION QUALITY

	Event of Non-Performance	Liquidated Damage
5	Leaks, Litter, or Spills. For each occurrence over five (5) during the Rate Period of unreasonable leaks, litter, or spills of Solid Waste, Organic Waste, or Recyclable Materials near Container or on public streets and failure to pick up or clean up such material immediately.	\$300/event
6	Improper Container Placement. For each occurrence over twelve (12) during the Rate Period of failure to replace Containers in original position, upright, with lids attached to or on Carts or Bins.	\$150/event
7	Care of Private Property. For each failure over twenty-four (24) during the Rate Period of not closing a Customer's gate, crossing planted areas, or damaging private property (including private vehicles)	\$300/event

	Event of Non-Performance	Liquidated Damage
8	Repair of Private Property. For each occurrence over five (5) during the Rate Period of failure to repair damage to property within thirty (30) days of the date the damage was reported.	\$250/event
9	Unauthorized Collection or Sweeping Hours. For each occurrence over five (5) during the Rate Period of Collecting Solid Waste, Organic Waste, and Recyclable Materials during unauthorized hours.	\$300/event
10	Excessive Noise. For each occurrence over twelve (12) during the Rate Period of excessive noise.	\$300/event
11	Non-Collection Tags. For each failure over twelve (12) during the Rate Period of not tagging Containers which have not been Collected explaining the reason for non-Collection.	\$150/event
12	Cleaning Collection Vehicles. For each occurrence over five (5) during the Rate Period of failure to clean Collection vehicles at least one time per week.	\$150/event
13	Discourteous Behavior. For each occurrence of discourteous behavior by Collection vehicle personnel, Customer service personnel, or other employees of the Contractor	\$500/event
14	Injuries to Others. For each incident of personal injury to a Person requiring medical treatment or hospitalization, where the negligence of the Contractor or its personnel was a contributing factor to the injury.	\$5,000/incident

CUSTOMER SERVICE RESPONSIVENESS

	Event of Non-Performance	Liquidated Damage
15	Call Responsiveness. For each failure to answer the telephone during business hours specified in the Agreement or failure for answering machine to record call during non-business hours specified in the Agreement.	\$300/event
16	30-Second Call Hold Time. Failure to answer 90 percent of calls received during office hours within thirty (30) seconds.	\$1,000/quarter
17	3-Minute Call Hold Time. Failure to answer 100 percent of calls received during office hours within three (3) minutes.	\$1,000/quarter
18	After-Hours Call Returns. Failure to return 100 percent of calls received on Grantee's answering machine before noon of the following business day.	\$1,000/quarter
19	Compliant Level. Failure to maintain Compliant level below 0.005% where the percent is calculated equal to the number of complaints divided by the total service opportunities (the total residential stops and commercial lifts performed in the reporting period).	\$1,000/quarter

	Event of Non-Performance	Liquidated Damage
20	Respond to Compliant or Service Request. For each failure to inform Customer, within one business day of receipt of the compliant or service request of the action Contractor will take to remedy a complaint or to respond to a service request.	\$300/event
21	Resolve Complaint or Service Request. For each failure to resolve or remedy a complaint or service request within five business days of receipt of complaint or service request with the exception of missed pick-ups which are addressed below.	\$300/event
22	Collection of Missed Pick-Ups. For each failure to Collect missed Containers within twenty-five (25) hours of receipt of the complaint.	\$300/event

REPORTING

	Event of Non-Performance	Liquidated Damage
23	Monthly Reports. Failure to submit monthly report in the timeframe specified in this Agreement.	\$100/day report is overdue
24	Annual Reports. Failure to submit annual reports in the timeframe specified in this Agreement.	\$300/day report is overdue
25	Report Hazardous Waste. For each failure to notify the appropriate authorities of known reportable quantities or Hazardous Waste within one business day.	\$500/event
26	Failure to Submit Reports or Allow Access to Records. For each failure to submit any individual report or provide access to records in compliance with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports shall be considered a failure to submit until such time as all information in the report has been provided in a complete and accurate form. In the event County determines an errant or incomplete report more than ten (10) Business Days after submittal by Contractor, Contractor shall be given ten (10) Business Days to complete and correct and any pending Liquidated Damages shall be tolled during that period.	\$100/event

PUBLIC EDUCATION

	Event of Non-Performance	Liquidated Damage
27	Failure to prepare and distribute to resident's door hanger, flyer, or mailer to Customers regarding their specific Collection day and observed Holidays	\$150/day for each day until mailer is sent

	Event of Non-Performance	Liquidated Damage
28	Failure to conduct community presentations targeted at residents	\$150/event
29	Failure to prepare and mail quarterly newsletter to all residents by the end of each quarter	\$150/day for each day until mailer is sent
30	Failure to develop outreach program for individual Commercial sectors	\$150/day
31	Failure to prepare and during Rate Period update a recycling resource guide	\$150/day

SB 1383 COMPLIANCE

	Event of Non-Performance	Liquidated Damage
32	Failure to Perform Contamination Monitoring Requirements. Option 1: For each failure to conduct Hauler Route contamination monitoring in accordance with Section 5.2 of this Agreement. Option 2: For each failure to conduct waste evaluations in accordance with Section 5.2 of this Agreement.	\$500/event
33	Failure to Comply with Container Labeling and Colors. For each occurrence of Contractor's failure to comply with Container labeling and color requirements pursuant to Section 6.9 of this Agreement.	\$100/container
34	Failure to Conduct Compliance Tasks. For each failure to conduct any compliance review, Discarded Materials evaluations pursuant to Section D.6 of Exhibit D, and/or other inspection required by this Agreement.	\$100/event
35	Failure to Issue Contamination Notices. For each failure of Contractor Collection personnel to issue contamination notices and contamination Processing fee notices and maintain documentation of issuance as required by Section 5.2 of this Agreement.	\$100/event

OTHER

	Event of Non-Performance	Liquidated Damage
36	Disposal of Organic Waste or Recyclables. For each ton of Organic Waste or Recyclable Materials Disposed of without written approval of the County.	\$250/ton
37	Use of Unauthorized Facilities. For each ton of Solid Waste, Organic Waste, or Recyclable Materials Disposed or Processed at a facility not approved for use under the provisions of this Agreement.	\$250/ton

	Event of Non-Performance	Liquidated Damage
38	Failure of Other Obligations. Failure to perform any of the obligations set forth in this Agreement not specifically stated above and not corrected or proceeding in good faith to correct within twenty-four (24) hours upon twenty-four (24) hour notification by County.	\$150/for each obligation per day until obligation is performed.

Exhibit H – Record Keeping and Reporting

H.1 General

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

Information from Contractor's records and reports can be used to, among other things:

- Determine and set Rates and evaluate the financial efficacy of operations;
- Evaluate past and expected progress toward achieving the Contractor's Diversion goals and objectives;
- Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under Applicable Law;
- Determine needs for adjustment to programs;
- Evaluate Customer service and Complaints; and,
- Determine Customer compliance with AB 341, AB 1826, and SB 1383 statutes and corresponding regulations; and, any subsequent State-mandated Landfill Disposal reduction, Recycling, recovery, or Diversion statutes, regulations, or other requirements.

H.2 Record Keeping

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

Record keeping and reporting requirements specified in this Agreement shall not be considered a comprehensive list of reporting requirements. In particular, this Exhibit

It is intended to highlight the general nature of records and reports and their minimum content and is not meant to comprehensively define the scope and content of the records and reports that Contractor is required to maintain and report by Applicable Law or this Agreement. Upon written direction or approval of County, the records and reports required by Contractor in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency.

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

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

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

- C. Maintenance of Financial and Operational Records.** Contractor shall maintain accurate and complete accounting records containing the underlying financial and

operating data related to and showing the basis for computation of all costs associated with providing services. The accounting records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied.

- D. **CERCLA Defense Records.** County views its ability to defend itself against Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, the County regards its ability to prove where Solid Waste collected are taken for transfer or disposal, as well as where they are not taken, to be matters of concern. Contractor shall maintain, retain and preserve records which can establish where Solid Waste collected were disposed (and therefore establish where they were not). This provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain these records for a minimum of ten (10) years beyond expiration or earlier termination of the Agreement. Contractor shall provide these records to County (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or disposing of them.
- E. **Compilation of Information for State Law Purposes.** Contractor shall maintain accurate records for its operation, including, but not limited to, Discarded Materials quantities Collected and quantities Transported to or Transferred to each Approved/Designated Facility, listed separately by material type, Customer type, and Facility. Records shall be maintained in such form by methods that facilitate the use of data for the production of reports as needed. Contractor will make these records available and provide to the County any record or documentation necessary for the County to fulfill obligations under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, AB 1595, and SB 1383 statutes and corresponding regulations; and, other current or future local, federal or State statutes and regulations, as amended.

H.3 Audits and Inspection by County

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

confidentiality of the Contractor's Customer list and other proprietary information, to the extent allowed by law.

H.4 Reporting

H.4.1 General

- A. **General Purpose.** Reports are intended to compile recorded data into useful forms of information that can be used by the County. All reports shall be adequate to meet County's current and future reporting requirements to CalRecycle, including AB 939, AB 341, AB 1826, and SB 1383 statutes and corresponding regulations, or any other State or federal agency statutes and regulations throughout the Term of this Agreement.
- B. **Failure to Report.** Failure of Contractor to comply with the reporting requirements as set forth in this Section may result in an assessment of Liquidated Damages in accordance with the Liquidated Damages provision in Section 11.8 of this Agreement and Exhibit G. Contractor's repeated failure to submit reports, and/or failure to submit reports on time, may be deemed an event of default and may result in the termination of the Agreement at the discretion of the County Contract Manager, in accordance with Article 11 of this Agreement.
- C. **Submittal Process.** All reports shall be submitted to the Deputy Director of Transportation – Solid Waste. Reports shall be submitted electronically via email or uploaded to a document sharing platform agreed upon by the Parties. County reserves the right to require the Contractor to maintain records and submit the reports required herein through use of a County-selected web-based software platform, at the Contractor's expense.

Monthly reports shall be submitted within fifteen (15) days after the end of the reporting month; and annual reports shall be submitted within forty-five (45) days after the end of the reporting year.

H.4.2 Monthly Reports

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

A. Tonnage Report

1. Contractor shall report the total quantities in Tons of Discarded Materials Collected, Transferred, Processed, and Disposed by the Contractor, all of which shall be based on actual certified scale weights for each load, if available, or similarly accurate methodology pursuant to weighing protocols in Section D.4 of Exhibit D. Tonnage shall be reported separately by:
 - a. Material type, which shall include, at a minimum, separate reporting of Source Separated Recyclable Materials, SSGCOW, Gray Container Waste, and any other type of Discarded Material separately Collected by Contractor (including, but not limited to: Bulky Items, used oil, mixed C&D, dirt, rock, metals, cardboard, wood waste, Reusable Items, Salvageable Materials, etc.);
 - b. Customer/sector type; and,
 - c. Approved Facility and Facility type.
2. Report Residue level and Tonnage for all Discarded Materials processed, listed separately by material type Collected and Approved Facility(ies) used.
3. Source Separated Recyclable Materials Tonnage Marketed, by commodity, and including average commodity value for each, and Processing Residue Tonnage Disposed, listed separately by material type Collected and Approved Facility(ies) used.
4. Documentation of all Discarded Materials exported out of State, as provided in 14 CCR Sections 18800 through 18813.
5. Tonnage Collected by month separately for each Approved C&D Project Site and other data as it relates to the C&D services described in Exhibit D.

B. Diversion Report

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

Diversion Rate = (tons of Solid Waste that are diverted from Disposal through reduction, reduce, recycling and composting through Contractor's services to the County)/(tons of Solid Waste that are collected and managed by the Contractor's services to the County)

C. Collection and Subscription Report

1. Number of Containers at each Service Level by Customer Type and program, including:
 - a. A summary of the total gallons of Cart service, cubic yards of Bin service, and pulls; and cubic yards or Tons of Drop Box and Compactor service by Customer Type.
 - b. Calculation of the average volume of service received per: Single-Family Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; and, Commercial Customer.
2. A summary of Customer subscription data, including the number of accounts; the number of Customers subscribing to each Cart, Bin, and Roll-Off Service Level listed separately for Single-Family, Multi-Family, and Commercial and separately for each type of Discarded Material; and the number of Bulky Items Collections performed.
3. List of all Commercial and Multi-Family Customers with a Gray Container Waste Service Level of two (2) cubic yards of service capacity per week or more. Such list shall include each such Customer's service address and Gray Container Waste, Source Separated Recyclable Materials, and SSGCOW Service Levels.
6. The total number of de minimis waivers, physical space constraint waivers, and Collection frequency waivers granted in the month, including the Generator name and address for each waiver.
7. The number of waiver reverifications performed by the Contractor pursuant to Section 5.6 of this Agreement in the month, if any, including a copy of documentation for each reverification inspection, which shall include, at a minimum: the Generator's name, address, and Generator type; the type of waiver being verified; any photographic or other evidence collected during the inspection; and the resulting recommended conclusion by the Contractor regarding the validity of the waiver. The Contractor shall provide a summary of recommendations to the County of all waivers which the Contractor concludes to no longer be warranted.
8. Number of Bulky Item/Reusable Materials Collection events by Customer Type.

D. Contamination Monitoring Report

Option 1: Hauler Route Reviews

The Contractor shall submit the following information regarding contamination monitoring Hauler Route reviews conducted pursuant to Section 5.2 of this Agreement:

1. The number of Hauler Route reviews conducted pursuant to Section 5.2 of this Agreement;
2. Description of the Contractor's process for determining the level of contamination;
3. Summary report of non-Collection notices, courtesy Collection notices, and/or contamination processing fee assessment notices issued, which for each notice shall include the date of issuance, Customer name, and service address.
4. A record of each inspection and contamination incident, which shall include, at a minimum:
 - a. Name of the Customer
 - b. Address of the Customer
 - c. The date the contaminated Container was observed
 - d. The staff who conducted the inspection
 - e. The total number of violations found, and a description of what action was taken for each
 - f. Copies of all notices issued to Generators with Prohibited Container Contaminants
 - g. Any photographic documentation or supporting evidence.
5. Documentation of the total number of Containers Disposed of due to observation of Prohibited Container Contaminants;
6. A list of all Customers assessed contamination Processing fees, pursuant to Section 6.2 of this Agreement, reported separately by Single-Family, Multi-Family, and Commercial Customers and including the Customer name, Customer address, and reason for the assessment of the contamination Processing fee, and the total number of instances contamination Processing fees were assessed in the month and the total amount of fees collected in the month.
7. Any other information reasonably requested by the County or specified in contamination monitoring provisions of this Agreement.

Option 2: Waste Evaluations

The Contractor shall submit the following information regarding waste evaluations conducted pursuant to Section 5.2 of this Agreement:

1. A description of the Contractor's process for conducting waste evaluations.

2. Documentation of the results of the waste evaluation studies, including information on and the number of targeted Hauler Route reviews conducted as a result of the waste evaluations. The documentation shall at a minimum include: dates of the studies; the location of the Facility where the study was performed; Hauler Routes from which samples were collected, and number of Generators on those Hauler Routes; the source sector (Customer type) of the material (Single-Family, Multi-Family, or Commercial); number of samples collected; total sample size (in pounds); weight of Prohibited Container Contaminants (in pounds); ratio of Prohibited Container Contaminants to total sample size; and, any photographic documentation taken or other physical evidence gathered during the process
3. Copies of all notices issued to Generators with Prohibited Container Contaminants.
4. Documentation of the number of loads or Containers where the contents were Disposed due to observation of Prohibited Container Contaminants, including the total weight of material disposed, and proof of consent from the County to dispose of such material if given in a form other than this Agreement.
5. Any other information reasonably requested by the County or specified in contamination monitoring provisions of this Agreement.

E. Customer Service Report

1. Number of Customer calls listed separately by complaints and inquiries (where inquiries include requests for service information, Rate information, etc.). For Complaints, list the number of calls separately by category (e.g., missed pickups, scheduled cleanups, billing concerns, damage claims). These complaints and inquiries shall be documented and reported separately from SB 1383 Regulatory non-compliance complaints or other regulatory non-compliance complaints.
2. Number of missed or incomplete Collections reported in total, and per one thousand (1,000) Service Opportunities in the County, presented in a graph format, which compares total missed Collections in the County during the current report period to total missed Collections in the County in past reporting periods.
3. Number of new service requests for each Customer type and requested service(s).
4. Contractor shall maintain a record of all SB 1383 Regulatory non-compliance complaints and responses pursuant to Section 5.9 of this Agreement and submit the following information:
 - a. Total number of complaints received, and total number of complaints investigated
 - b. Copies of documentation recorded for each complaint received, which shall at a minimum include the following information:

- i. The complaint as received;
 - ii. The name and contact information of the complainant, if the complaint is not submitted anonymously;
 - ii. The identity of the alleged violator, if known;
 - iii. A description of the alleged violation; including location(s) and all other relevant facts known to the complainant;
 - iv. Any relevant photographic or documentary evidence submitted to support the allegations in the complaint; and,
 - v. The identity of any witnesses, if known.
- c. Copies of all complaint reports submitted to the County, pursuant to Section 5.9 of this Agreement.
- d. Copies of all investigation reports submitted to the County pursuant to Section 5.9 of this Agreement, which shall include at a minimum:
 - i. The complaint as received;
 - ii. The date the Contractor investigated the complaint;
 - iii. Documentation of the findings of the investigation;
 - iv. Any photographic or other evidence collected during the investigation; and,
 - v. Contractor's recommendation to the County on whether or not the entity investigated is in violation of SB 1383 Regulations based on the Contractor's investigation.

F. Generator Waivers

Contractor shall provide a report that documents each Generator waiver request reviewed by Contractor, which are required by Section 5.6. Identify in the report the Generator name and service address, the type of waiver requested, the status of the waiver (accepted, denied, pending), and other information reasonably requested by the County.

G. Education Program Report

The monthly status of activities identified in the annual public education plan described in Section 5.3 of this Agreement.

H. Discarded Materials Evaluation Reports

In accordance with this Exhibit, Contractor shall provide reports of evaluations of Discarded Materials conducted at Approved Facilities.

H.4.3 Annual Reports

In addition to the monthly reporting requirements in this Exhibit, the Contractor shall provide an Annual Report, covering the most recently completed calendar year, in accordance with the format and submittal requirements of this Exhibit. The Annual Report shall include the information in the following subsections.

A. Annual Financial Report

Contractor shall maintain accounting records specific to the Franchise Area, separate from activities in other counties and separate from activities in the incorporated cities within Mendocino County.

Contractor shall, at its own expense, be required to annually provide the Department with a copy of compiled or reviewed financial statement, or an independent financial audit report. An independent financial audit report shall be provided on a biennial basis, beginning the first full fiscal year for which the Contractor maintained Franchise specific record keeping. The financial statement or audit report shall be prepared by a certified public accountant. The accountant shall be entirely independent of the Contractor, shall have no financial interest whatsoever in the business of the Contractor, and shall be approved by the County Auditor-Controller.

The annual financial statement or audit report must include, but is not limited to the following:

1. Contractor shall file a statement of ownership and shall verify the same as being true and correct under the penalty of perjury. The statement must be in such form as may be prescribed therefore by the Department.
2. Income Statement for the Franchise Area within the Count of Mendocino. The Income Statement should disclose revenue by line of business and expenses by line of business and detail expense descriptions.

In addition, the Contractor shall make available to the County, or its designee, upon request:

1. Supporting documentation to determine the reasonableness of revenues (e.g., average number of monthly residential, industrial, and commercial Customers and average monthly rates for each type of Customer service).
2. Supporting documentation (invoices and descriptive schedules) for major expense line items including but not limited to depreciation, salaries, repair and maintenance, equipment rental, and Disposal expense.
3. Supporting documentation for all transactions with affiliated companies.
4. Any other information specifically related to the Agreement, which is reasonably required by Mendocino County staff for review of rate adjustment requests.

B. Collection and Subscription Report

1. A summary of all data provided in the Tonnage report and Diversion report sections, including quarterly and annual totals and averages.
2. The type(s) of Collection service(s) provided, a list of all Hauler Routes serviced, and a record of the addresses served on each Hauler Route.
3. A summary of Customer subscription data, including the number of accounts; the total number of Generators enrolled with Contractor for service, listed separately by service level and Container type (Cart, Bin, and Roll-Off service), separately by Single-Family, Multi-Family, and Commercial Customers, and separately for each type of Discarded Material; and the number of Bulky Items Collections performed.
4. A detailed list of Single-Family, Multi-Family, and Commercial Customer information, including Gray Container Waste, Source Separated Recyclable Materials, and SSGCOW Service Levels, Customer type, and Customer service addresses reflecting Customer Service Levels as of December 1 (for the year in which the report is submitted)

C. Processing Facility Report

1. Temporary Equipment or Operations Failure: If the Contractor is granted a processing facility temporary equipment or operational failure waiver, in accordance with Section 5.7 of the Agreement, the Contractor shall include the following documents and information:
 - a. The number of days the Processing Facility temporary equipment waiver or operation failure waiver was in effect;
 - b. Copies of any notifications sent to the County pursuant to Section 5.7 of the Agreement, and copies of County notices to Contractor pursuant to

Section 5.7 of the Agreement;

- c. Documentation setting forth the date of issuance of the waiver, the timeframe for the waiver; and,
 - d. A record of the tons of Organic Waste, Source Separated Recyclable Materials, SSGCOW, Mixed Waste, and/or Gray Container Waste redirected to an Alternative Facility or Disposed at an Approved Disposal Facility as a result of the waiver, recorded by Collection vehicle or transfer vehicle number/load, date, and weight.
2. Homeless Encampments and Illegal Disposal Sites: The total Tonnage amount of Discarded Materials, listed separately by Discarded Material type, removed from homeless encampments and illegal disposal sites as part of an abatement activity, listing each Collection event separately by date, location, and Tonnage Collected, pursuant to Section 5.7 of the Agreement.
3. Quarantined Organic Waste: A record of all compliance agreements for quarantined Organic Waste that are Disposed of, including the name of Generator, date issued, location of final disposition, and the amount of quarantined Organic Waste that was required to be Disposed at a Landfill, pursuant to Section 5.7 of the Agreement.

D. Public Education and Outreach Report

- 1. A copy of all education and outreach materials provided to Generators, or otherwise used for education and outreach efforts in accordance with Section 5.3 of the Agreement, including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
- 2. A record of the date and to whom the information was disseminated or direct contact made, in the form of a list that includes: the Generator's name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
- 3. For any mass distribution through mailings or bill inserts, the Contractor shall maintain a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.
- 4. A copy of electronic media, including the dates posted of social media posts, e-mail communications, or other electronic messages.
- 5. A summary of the status of the annual education plan of the reporting year, including activities conducted and the quantitative and/or qualitative results of those activities.

7. The annual public education plan required by Section 5.3 of the Agreement for the upcoming then-current calendar year. For example, Contractor submittal of a 2021 annual report in February 2022 shall include Contractor submittal of the annual public education plan for calendar year 2022.
8. Contractor shall maintain a record of all technical assistance efforts conducted, including:
 - a. The name and address of the Customer/Generator receiving technical assistance, and account number, if applicable.
 - b. The date of any technical assistance conducted and the type of technical assistance, including, but not limited to waste assessments, compliance assessments, direct outreach, workshops, meetings, events, and follow-up communications.
 - c. A copy of any written or electronic educational materials distributed during the technical assistance process.
9. A copy of all special event reports submitted to the County.

E. Compliance Monitoring and Enforcement Report

1. A summary of the total number of SB 1383 Regulatory non-compliance complaints that were received and investigated, and the number of Notices of Violation issued based on investigation of those complaints.
2. The total number of Hauler Route reviews conducted.
3. The number of inspections conducted by type for Commercial Edible Food Generators, and Commercial Businesses.
4. A copy of written or electronic records and documentation for all audits, studies, compliance reviews, and all other inspections conducted.
5. The number of Commercial Businesses that were included in a compliance review performed by the Contractor, and the number of violations found and corrected through compliance reviews; including a list with each Generator's name or account name, address, and Generator type.
6. The total number of Notices of Violation issued, categorized by type of Generator.
7. The number of violations that were resolved, categorized by type of Generator.
8. Copies of all Notices of Violation and educational materials issued to non-compliant Generators.

F. Food Recovery Program Support

1. The total number of Generators classified as Tier One and Tier Two Commercial Edible Food Generators located within the County.
2. The number of Food Recovery Services and Food Recovery Organizations located and operating within the County that contract or have written agreements with Commercial Edible Food Generators for Food Recovery.
3. The number of Generators participating in the Edible Food recovery program.
4. If Contractor supports the County's Edible Food Recovery capacity planning or compliance reviews: The results of the quarterly or other frequency examinations of Hauler Routes to identify Commercial Edible Food Generators with food recovery and donation opportunities. The findings shall include the number of Commercial Edible Food Generator Customers participating in a food recovery program, the number of Commercial Edible Food Generator Customers not participating in a Food Recovery program, and the reasons for participation or non-participation if gathered during the review.

G. Vehicle and Equipment Inventory

1. A list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage at December 31.
2. If applicable, the name, physical location, and contact information of each entity, operation, or facility from whom the RNG was procured.
3. If applicable, the total amount of RNG procured by the Contractor for use in Contractor vehicles, in diesel gallon equivalents (DGE), including copies of any receipts, invoices, or other similar documentation evidencing procurement. In addition to the amount procured, Contractor shall include the total amount actually used in Contractor vehicles in the calendar year, if these values are different.

H. Customer Revenue and County Fee Payment Report

Provide a statement detailing gross receipts from all operations conducted or permitted pursuant to this Agreement and report of all County fees paid in accordance with Article 9 of this Agreement. Provide a list of Customers that are forty five (45) or more days past due and include the following information for each delinquent account: name; service address; contact information; number of days the account is delinquent; and method(s) the Contractor has used to attempt collection of the bad debt, including date of such attempt(s).

I. Annual Disclosure Statement

The Contractor shall file a disclosure statement which contains the following information:

1. A listing of all Subcontractors to this Agreement (including the name, address, and social security or tax identification number of the Subcontractor.
2. A listing of all felony convictions or pleas of nolo contendere of the Contractor or Subcontractor by final judgement in any state or federal courts within the preceding three (3) years.
3. A listing of any instances in which a permit or contract held by the Contractor or Subcontractor was terminated by a final judgement in any state or federal court within the preceding three (3) years.
4. A listing of all final adjudications finding the Contractor or Subcontractor in contempt of any state or federal court order enforcing any state and federal law within the preceding three (3) years.
5. A listing of all final convictions or please of nolo contendere of the Contractor or Subcontractor, under state or local law governing safety or operations, compliance with environmental and other franchise requirements in the County, whether misdemeanors or infractions.

H.4.4 Additional Reports

- A. **Upon Incident Reporting.** County reserves the right to request additional reports or documents in the case of unforeseen events or additional requirements imposed upon the County. The Contractor shall provide the requested reports, documents, or information within ten (10) Business Days upon receipt of the request or within a timeframe determined by the County Contract Manager, which shall not to exceed ten (10) days.
- B. **AB 901 Reporting.** At County's option, County may require that Contractor provide the County copies of Contractor's AB 901 reports on a regular basis (such as monthly, quarterly, or annually) or within ten (10) Business Days of the request.
- C. **CALGreen Code Compliance.** Contractor shall maintain records of any information or documentation required to demonstrate compliance with the California Green Building Standards Code (CALGreen Code). County may request that this information be included in the monthly or annual report(s), as it pertains to the services provided under this Agreement. County shall notify the Contractor of this request within ten (10)

Business Days prior to the submittal deadline of the monthly and/or annual report where the information is to be included.

- D. Facility Capacity Planning Information.** County may require Contractor to provide County with information of available Organic Waste Processing capacity for any Approved Processing Facilities, where available capacity may include identification of monthly Tons of additional Organic Waste such Approved Facilities have the ability to receive within permitted limits. Contractor shall respond to County within 60 days of County's request for information regarding available new or expanded capacity, and, at County's option, may be required to submit reports on a more regular basis. If Contractor uses a Subcontractor to perform some or all of the Facility-related services required by this Agreement, Contractor shall secure any County-requested Facility capacity planning information from its Subcontractor(s). The annual Facility capacity planning report shall comply with the following:
1. Include reports of current throughput and permitted capacity and available capacity for SSBCOW and SSGCOW Processing for any Facility in the County that processes SSBCOW and/or SSGCOW. Existing capacity may include identification of monthly Tons of additional Source Separated Recyclable Materials, SSGCOW, SSBCOW, and/or Gray Container Waste capacity such Facility has the ability to receive within permitted limits.
 2. Include description of potential new or expanded Processing capacity at those Facilities, operations, and activities for Processing of SSBCOW and/or Organic Materials, including information about throughput and permitted capacity necessary for planning purposes.
 3. Be submitted using a form or format approved by the County Contract Manager.
- E. Customized Reports.** County reserves the right to request Contractor to prepare and provide customized reports from records Contractor is required to maintain.

Exhibit I – Performance Bond

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