

A-24-317

CONTRACT FOR THE COLLECTION, RECYCLING AND
DISPOSAL OF SOLID WASTE FOR THE REFUSE SERVICE
AREA F OF THE COUNTY OF SAN JOAQUIN

BETWEEN THE COUNTY OF SAN JOAQUIN

AND

TRACY DELTA SOLID WASTE MANAGEMENT, INC.

DATE: October 8, 2024

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EXHIBITS

- A. Single Family Services
 - A.1 Three-Container System
 - A.2 Supplemental Single-Family Programs
- B. Processing, Transfer, and Disposal Services and Facility Standards
- C. Liquidated Damages
- D. Record Keeping and Reporting
- E. Refuse Service Area Map
- F. Rates for Rate Period One
- G. Acceptable Materials Lists

39 and fulfill other requirements; and, County has chosen to delegate some of its
40 responsibilities to the Contractor, acting as the County's designee, through this
41 Agreement; and,

42 WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2) and
43 County Code Section 5-2100, the Board of Supervisors of the County has determined
44 that the public health, safety, and well-being require that an Exclusive Franchise
45 Agreement for Discarded Materials Management for Single-Family Customers in Refuse
46 Service Area F (Agreement) be awarded to a qualified company for the Collection and
47 subsequent Transfer, Transportation, Recycling, Processing, and/or Disposal of
48 Discarded Materials; and,

49 WHEREAS, Contractor desires to engage in the business of Collecting Discarded
50 Materials in the County; and,

51 WHEREAS, the County wishes to utilize the Contractor's services to offer Discarded
52 Materials Collection services to Single-Family Generators in Refuse Service Area F of the
53 County; and,

54 WHEREAS, the County and an Affiliate of Contractor, Tracy Material Recovery & Solid
55 Waste Transfer, Inc. ("TMRSWT") have previously entered into that certain "Three Party
56 Agreement A-14-250" among the County, TMRSWT and the City of Tracy, dated August
57 9, 2014, which provides for the use of TMRSWT's Facility for the processing and transfer
58 of solid waste collected within the City of Tracy and Area F of San Joaquin County, and,

59 WHEREAS, the City of Tracy and TMRSWT have entered into a "Service Agreement"
60 dated December 21, 2016 for operation of the TMRSWT Facility and, *inter alia*, the setting
61 and adjustment of fees charged by TMRSWT for use of the Facility and in the event of
62 conflict with the Three Party Agreement, the Service Agreement shall control.

63 NOW, THEREFORE, in consideration of the promises above stated and the terms,
64 conditions, covenants, and agreements contained herein, the Parties do hereby agree as
65 follows:

66 **ARTICLE 1: DEFINITIONS**

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

70 **AB 341**

71 "AB 341" means the Assembly Bill approved by the Governor of the State of California on
72 October 5, 2011, which amended Sections 41730, 41731, 41734, 41735, 41736, 41800,
73 42926, 44004, and 50001 of, and added Sections 40004, 41734.5, and 41780.01 and
74 Chapter 12.8 (commencing with Section 42649) to Part 3 of Division 30 of, and added

75 and repealed Section 41780.02 of, the Public Resources Code, relating to Solid Waste,
76 as amended, supplemented, superseded and replaced from time to time.

77 **AB 876**

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

81 **AB 901**

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

87 **AB 939**

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

91 **AB 1594**

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

96 **AB 1826**

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

101 **Affiliate**

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

116 318(a), ownership interest of less than ten percent (10%) shall be disregarded and
117 percentage interests shall be determined on the basis of the percentage of voting interest
118 or value which the ownership interest represents, whichever is greater. Affiliate includes
119 Subsidiaries.

120 **Agreement**

121 "Agreement" means this Exclusive Franchise Agreement for Solid Waste management
122 between the County and Contractor for the Collection and subsequent Transfer,
123 Transportation, Processing, and/or Disposal, of Single-Family Solid Waste, including all
124 exhibits and attachments, and any amendments thereto.

125 **Alternative Daily Cover (ADC)**

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

127 **Alternative Facility**

128 "Alternative Facility" means any Facility approved by County for use pursuant to Section
129 6.1 or Exhibit B.

130 **Alternative Intermediate Cover (AIC)**

131 "Alternative Intermediate Cover" or "AIC" has the same meaning as in 27 CCR Section
132 20700.

133 **Applicable Law**

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

141 **Approved Facilities**

142 "Approved Facility(ies)" means any one of or any combination of the facilities listed in
143 Exhibit B.

144 **Approved Disposal Facility**

145 "Approved Disposal Facility" means the Disposal Facility(ies) identified and further
146 defined in Exhibit B.

147 **Approved Organic Waste Processing Facility**

148 "Approved Organic Waste Processing Facility" means the Organic Waste Processing
149 Facility(ies) identified and further defined in Exhibit B.

150 **Approved Source Separated Recyclable Materials Processing Facility**

151 "Approved Source Separated Recyclable Materials Processing Facility" means the
152 Recyclable Materials Processing Facility(ies) identified and further defined in Exhibit B.

153 **Approved Transfer Facility**

154 "Approved Transfer Facility" means the Transfer Facility(ies) identified and further defined
155 in Exhibit B.

156 **Base Services**

157 "Base Services" means the SB 1383 compliant Solid Waste Collection Service Level
158 subscribed to by a Single-Family dwelling. Base Services does not include extra services
159 such as additional Containers, extra pick-ups and others, nor violation fees,
160 contamination fees, overfull can fees, etc.

161

162 **Back-Haul**

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

166 **Bin**

167 "Bin" means a metal or plastic Container with hinged lid(s) and wheels with a Container
168 capacity of one and one half (1 1/2) to two (2) cubic yards, including Bins with compactors
169 attached to increase the capacity of the Bin. Bins are also known as dumpsters.

170 **Blue Container**

171 "Blue Container" has the same meaning as in 14 CCR Section 18982.2(a)(5) and shall
172 be used for the purpose of storage and Collection of Source Separated Recyclable
173 Materials.

174 **Board**

175 "Board" means the Board of Supervisors of the County.

176 **Bulky Items**

177 "Bulky Items" means discarded furniture (including chairs, sofas, mattresses, carpet, and
178 other similar items); appliances (including refrigerators, ranges, washers, dryers, water
179 heaters, dishwashers, plumbing, small household appliances, and other similar items,
180 commonly known as "white goods"); wood wastes (including wood waste, tree trunks, and
181 large branches if no more than four (4) inches in diameter, four (4) feet in length, and fifty
182 (50) pounds in weight per bundle, scrap wood, in the aggregate not exceeding one (1)
183 cubic yard per Collection unless Contractor allows heavier or larger-sized items); clothing;
184 and tires. Any Bulky Items containing chlorofluorocarbon (CFC) refrigerants shall be
185 handled in accordance with Applicable Law. Bulky Items do not include car bodies or
186 C&D, or any other items that cannot be handled by two (2) Persons.

187 **Business Day(s)**

188 "Business Days" mean days during which the County offices are open to do business with
189 the public.

190 **California Code of Regulations (CCR)**

191 "California Code of Regulations" or "CCR" means the State of California Code of
192 Regulations. CCR references in this Agreement are preceded with a number that refers

193 to the relevant Title of the CCR (e.g., "14 CCR, Division 7, Chapter 12" refers to Title 14,
194 Division 7, Chapter 12 of the California Code of Regulations.

195 **CalRecycle**

196 "CalRecycle" means California's Department of Resources Recycling and Recovery,
197 which is the Department designated with responsibility for developing, implementing, and
198 enforcing SB 1383 Regulations on jurisdictions and other regulated entities.

199 **Cart**

200 "Cart" means a plastic Container with a hinged lid and wheels serviced by automated or
201 semi-automated Collection vehicles and with a Container capacity of no less than thirty-
202 five (35) gallons and no greater than ninety-five (95) gallons.

203 **Change in Law**

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

207 a. The enactment, adoption, promulgation, issuance, modification, or written
208 change in administrative or judicial interpretation of any Applicable Law on
209 or after the Effective Date; or,

210 b. The order or judgment of any governmental body, on or after the Effective
211 Date, to the extent such order or judgment is not the result of willful or
212 negligent action, error or omission or lack of reasonable diligence of County
213 or of the Contractor, whichever is asserting the occurrence of a Change in
214 Law; provided, however, that the contesting in good faith or the failure in
215 good faith to contest any such order or judgment shall not constitute or be
216 construed as such a willful or negligent action, error or omission or lack of
217 reasonable diligence.

218 **Collect/Collection**

219 "Collect" or "Collection" means the act of taking physical possession of Discarded
220 Materials at Single-Family Premises within the County and from County facilities, and
221 Transporting the Discarded Materials to an Approved Facility for Processing, Transfer, or
222 Disposal.

223 **Collector Route**

224 "Collector Route" means the designated itinerary or sequence of stops for each segment
225 of the County's Refuse Service Area, or as otherwise defined in 14 CCR Section
226 18982(a)(31.5).

227 **Commencement Date**

228 "Commencement Date" means the date specified in Section 3.3 when Collection,
229 Transportation, Processing, and other services required by this Agreement shall be
230 provided.

231 **Commercial Business (Commercial)**

232 "Commercial Business" or "Commercial" means a firm, partnership, proprietorship, joint-
233 stock company, corporation, or association, whether for-profit or nonprofit, strip mall,
234 industrial facility, Multi-Family Premises, or as otherwise defined in 14 CCR Section
235 18982(a)(6).

236 **Community Composting**

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

242 **Compostable Plastics**

243 "Compostable Plastics" or "Compostable Plastic" means plastic materials that meet the
244 ASTM D6400 standard for compostability, or as otherwise described in 14 CCR Section
245 18984.1(a)(1)(A) or 18984.2(a)(1)(C).

246 **Compost**

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

252 **Contractor**

253 "Contractor" means the Party (other than the County) that executed this Exclusive
254 Franchise Agreement and its Affiliates, DBAs, and Subcontractors that perform services
255 on Contractor's behalf.

256 **Construction and Demolition Debris (C&D)**

257 "Construction and Demolition Debris" means the nonhazardous waste building material,
258 Inerts, soil, packaging, Yard Trimmings, rubble, and other used or Discarded Materials
259 resulting from construction or demolition.

260 **Container(s)**

261 "Container(s)" means a receptacle for temporary storage of Discarded Materials.
262 Containers may include Bins or Carts, to the extent such Containers are permitted by the
263 County for use for Collection services provided under the Agreement.

264 **Contamination Processing Fee**

265 "Contamination Processing Fee" means an amount charged by Contractor to a Customer,
266 to recover its costs for separating Gray or Black Container Waste or Source Separated
267 Recyclables placed in Organic Waste Containers, or for arranging special, unscheduled
268 Collections of the Organic Waste Container following contamination.

269 **County**
270 "County" means County of San Joaquin, a political subdivision of the State of California,
271 and all the unincorporated area within the boundaries of the County as presently existing,
272 or as such unincorporated area may be modified during the Term of this Agreement.

273 **County Contract Manager**
274 County Contract Manager means the Director or their designee.

275 **Customer(s)**
276 "Customer" means the Person who receives the Contractor's Collection services and to
277 whom the Contractor submits its billing invoice to and collects payment from for Collection
278 services provided to a Premise. The Customer may be either the occupant, owner, or
279 property manager of the Premises, as allowed under the County Code.

280 **DBA**
281 "DBA" means a fictitious name, assumed name, or trade name that is different from
282 Contractor's legal name, which Contractor uses for "doing business as" to provide
283 Collection services.

284 **Director**
285 "Director" means the Director of the Department of Public Works of the County or a duly
286 authorized representative.

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

300 **Disposal**
301 "Disposal" or "Dispose" means the final disposition of any Solid Waste Collected by the
302 Contractor or Residue from Contractor's Processing activities at a permitted Landfill or
303 other permitted Solid Waste Facility.

304 **Diversion**
305 "Diversion (or any variation thereof including "Divert")" means activities which reduce or
306 eliminate Discarded Materials from Disposal, including, but not limited to, source
307 reduction, Reuse, salvage, Recycling, and composting.

308 **Edible Food**

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

315 **Effective Date**

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

318 **Environmental Laws**

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

332 **Excluded Waste**

333 "Excluded Waste" means Hazardous Substance, Hazardous Waste, Infectious Waste,
334 Designated Waste, volatile, corrosive, Medical Waste, infectious, regulated radioactive
335 waste, and toxic substances or material that Approved Facility operator(s) reasonably
336 believe(s) would, as a result of or upon acceptance, Transfer, Processing, or Disposal,
337 be a violation of local, State, or Federal law, regulation, or ordinance, including: land use
338 restrictions or conditions, waste that cannot be Disposed of in Class III Landfills or
339 accepted at the Facility by permit conditions, waste that in Contractor's reasonable
340 opinion would present a significant risk to human health or the environment, cause a
341 nuisance or otherwise create or expose Contractor or County to potential liability; but not
342 including de minimis volumes or concentrations of waste of a type and amount normally
343 found in Single-Family Solid Waste after implementation of programs for the safe
344 Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in
345 compliance with Sections 41500 and 41802 of the California Public Resources Code.
346 Excluded Waste does not include used motor oil and filters, household batteries,
347 Universal Wastes, and/or latex paint when such materials are defined as allowable
348 materials for Collection through this Agreement and the Generator or Customer has
349 properly placed the materials for Collection pursuant to instructions provided by County
350 or Contractor as set forth in this Agreement.

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

355 **"Facility Capacity Guarantor"**
356 "Facility Capacity Guarantor" means the Party, as designated by Approved Facility in
357 Exhibit B, Table B-1, which guarantees sufficient capacity over the Term of Agreement to
358 accept Discarded Materials at the applicable Approved Facility.
359

360 **Food Scraps**
361 "Food Scraps" means all food such as, but not limited to, fruits, vegetables, meat, poultry,
362 seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells. Food Scraps
363 excludes fats, oils, and grease when such materials are Source Separated from other
364 Food Scraps.

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

369 **Food Waste**
370 "Food Waste" means Source Separated Food Scraps, and Food-Soiled Paper. Food
371 Waste is a subset of SSGCOW. Edible Food separated for Food Recovery shall not be
372 considered Food Waste.

373 **Franchise Fee**
374 "Franchise Fee" means the fee paid by Contractor to the County as described in Section
375 9.1.
376

377 **Generator**
378 "Generator" means any Person whose act first causes Discarded Materials to become
379 subject to regulation under federal, State, or local regulations.

380 **Gray Container**
381 "Gray Container" has the same meaning as in 14 CCR Section 18982(a)(28) and shall be
382 used for the purpose of storage and Collection of Gray Container Waste

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

389 **Green Container**

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

392 **Gross Receipts**

393 "Gross Receipts" shall mean total cash receipts collected from Customers by the
394 Contractor for the provision of services pursuant to this Agreement, without any
395 deductions. Gross Receipts do not include revenues from the sale of Discarded Materials.

396 **Hazardous Substance**

397 "Hazardous Substance" shall mean any of the following: (a) any substance defined,
398 regulated or listed (directly or by reference) as "hazardous substances", "hazardous
399 materials", "hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly
400 identified as hazardous to human health or the environment, in or pursuant to (i) the
401 Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42
402 USC Section 9601, et seq.; (ii) the Hazardous Materials Transportation Act, 49 USC
403 Section 5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC Section
404 6901, et seq.; (iv) the Clean Water Act, 33 USC Section 1251, et seq.; (v) California Health
405 and Safety Code Sections 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air
406 Act, 42 USC Section 7401, et seq.; and (vii) California Water Code Section 13050; (b)
407 any amendments, rules, or regulations promulgated thereunder to such enumerated
408 statutes or acts currently existing or hereinafter enacted; and (c) any other hazardous or
409 toxic substance, material, chemical, waste, or pollutant identified as hazardous or toxic or
410 regulated under any other applicable federal, State, and local environmental laws
411 currently existing or hereinafter enacted, including without limitation, friable asbestos,
412 polychlorinated biphenyl ("PCBs"), petroleum, natural gas and synthetic fuel products,
413 and by-products.

414 **Hazardous Waste**

415 "Hazardous Waste" or "Hazardous Wastes" means any waste which meets the definitions
416 set forth in 22 CCR Section 66261.3, et seq. and is required to be managed; or as
417 otherwise defined in 14 CCR Section 17402(a)(7). Hazardous Waste includes hazardous
418 wood waste, which means wood that falls within the definition of "treated wood" or "treated
419 wood waste" in 22 CCR Section 67386.4, or as otherwise defined in 14 CCR Section
420 18982(a)(30.5).

421 **Incompatible Materials**

422 "Incompatible Material" or "Incompatibles" mean(s) human-made inert material, including,
423 but not limited to, glass, metal, plastic, and also includes organic waste for which the
424 receiving end-user, facility, operation, property, or activity is not designed, permitted, or
425 authorized to perform Organic Waste recovery activities as defined in 14 CCR Section
426 18983.1(b), or as otherwise defined by 14 CCR Section 17402(a)(7.5).

427 **Inerts**

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

429 **Landfill**
430 "Landfill" means a "Solid Waste Landfill" defined by Public Resources Code Section
431 40195.1.

432 **Liquidated Damages**
433 "Liquidated Damages" means the amounts due by Contractor for failure to meet specific
434 quantifiable standards of performance as described in Section 12.7 and Exhibit C.

435 **Mandatory Service Area(s)**
436 "Mandatory Service Area(s)" means any geographical area designated by Board order
437 where residential refuse Collection services must be provided by the franchised collector
438 to all Single-Family dwellings within the area. Single-Family Generators in a Mandatory
439 Service Area must subscribe to the Collection service offered by the franchised collector
440 in that area; no self-haul option identified under SB 1383 is available to these Generators.
441

442 **Medical Waste**
443 "Medical Waste" means any Solid Waste that is generated or has been used in the
444 diagnosis, treatment, or immunization of human beings or animals, or research pertaining
445 thereto, and shall include, but not be limited to, biomedical, biohazardous and medical
446 waste, or other Solid Waste resulting from medical activities or services as defined by
447 County Code Section 5-2101 or any State or federal law or regulation, all as currently
448 enacted or subsequently amended.

449 **Mixed Waste**
450 "Mixed Waste" means Mixed Waste Organic Collection Stream and Solid Waste Collected
451 in a Container that is required by 14 CCR Sections 18984.1, 18984.2, or 18984.3 to be
452 Transported to a High Diversion Organic Waste Processing Facility.

453 **Multi-Family or Multi-Family Dwelling Unit**
454 "Multi-Family" means of, from, or pertaining to residential Premises with five (5) or more
455 dwelling units.

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

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

465 **Organic Waste**
466 "Organic Waste" means Solid Wastes containing material originated from living
467 organisms and their metabolic waste products including, but not limited to, food, Yard
468 Trimmings, organic textiles and carpets, lumber, wood, Paper Products, Printing and

469 Writing Paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14
470 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section
471 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

472 **Paper Products**

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

476 **Parent Company**

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

480 **Party or Parties**

481 "Party" or "Parties" refers to the County and Contractor, individually or together.

482 **Person**

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

488 **Premises**

489 "Premises" means a tract of land with or without habitable buildings or appurtenant
490 structures.

491 **Printing and Writing Papers**

492 "Printing and Writing Papers" include, but are not limited to, copy, xerographic,
493 watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes,
494 manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated
495 writing papers, posters, index cards, calendars, brochures, reports, magazines, and
496 publications; or as otherwise defined in 14 CCR Section 18982(a)(54).

497 **Process, Processed, or Processing**

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

503 **Prohibited Container Contaminants**

504 "Prohibited Container Contaminants" means the following: (i) Discarded Materials placed
505 in the Blue Container that are not identified as acceptable Source Separated Recyclable
506 Materials for the County's Blue Container; (ii) Discarded Materials placed in the Green
507 Container that are not identified as acceptable SSGCOW for the County's Green
508 Container; (iii) Discarded Materials placed in the Gray Container that are acceptable

509 Source Separated Recyclable Materials and/or SSGCOW to be placed in County's Green
510 Container and/or Blue Container; and (iv) Excluded Waste placed in any Container.

511 **Property Owner**

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

514 **Public Resources Code (PRC)**

515 "Public Resources Code" or "PRC" means the California Public Resources Code.

516 **Putrescible Waste**

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

521 **Rate**

522 "Rate" means the maximum amount, expressed as a dollar unit, approved by the County
523 that the Contractor may bill a Customer for providing specified services under this
524 Agreement. A Rate has been established for each individual Service Level and the initial
525 Rates for Rate Period One are presented in Exhibit F. The Rates approved by County are
526 the maximum Rate that Contractor may charge a Customer for a particular Service Level.

527 **Rate Period**

528 "Rate Period" means a twelve (12) month period, commencing January 1 and concluding
529 December 31.

530 **Recycle/Recycling**

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

538 **Refuse Service Area**

539 "Refuse Service Area" means refuse service area F as defined by the County Department
540 of Public Works, and as shown in Exhibit E.

541
542 **Renewable Natural Gas (RNG)**

543 "Renewable Natural Gas" or "RNG" means gas derived from Organic Waste that has been
544 diverted from a Landfill and Processed at an in-vessel digestion facility that is permitted
545 or otherwise authorized by 14 CCR to recover Organic Waste, or as otherwise defined in
546 14 CCR Section 18982(a)(62).

547 **Residual (or Residue)**

548 "Residual" or "Residue" means the Solid Waste destined for Disposal, further
549 transfer/processing as defined in 14 CCR Section 17402(a)(30) or 14 CCR Section
550 17402(a)(31), or transformation which remains after Processing has taken place and is
551 calculated in percent as the weight of Residual divided by the total incoming weight of
552 materials.

553 **Reusable Items**

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

558 **Reuse**

559 "Reuse" or any variation thereof, means the use, in the same, or similar, form as it was
560 produced, of a material which might otherwise be discarded, or as otherwise defined in
561 14 CCR Section 17402.5(b)(2).

562 **Roll-Off Box**

563 "Roll-Off Box" means an open- or closed-top metal Container, roll-top Container, or closed
564 compactor Container serviced by a roll-off truck and with a Container capacity of 10 to 50
565 cubic yards. Roll-off boxes are also known as drop boxes or debris boxes.

566 **Salvageable Material (or Salvaged Material)**

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

571 **SB 1383**

572 "SB 1383" means Senate Bill 1383 of 2016 approved by the Governor on September 19,
573 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and
574 Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of
575 Division 30 of the Public Resources Code, establishing methane emissions reduction
576 targets in a statewide effort to reduce emissions of short-lived climate pollutants as
577 amended, supplemented, superseded, and replaced from time to time.

578 **SB 1383 Regulations**

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

583 **Self-Hauler (or Self-Haul)**

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

587

588 **Service Level**

589 "Service Level" refers to the number and size of a Customer's Container(s) and the
590 frequency of Collection service, as well as ancillary services such as lock/unlock service,
591 Container push/pull service, etc.

592 **Single-Family or Single-Family Dwelling Unit**

593 "Single-Family" means any residential Premises with fewer than five (5) units. References
594 to "Single-Family Dwelling Unit" refer to an individual residential unit of the Single-Family
595 Premises.

596 **Solid Waste**

597 "Solid waste" means all putrescible and nonputrescible solid, semisolid and liquid
598 wastes, including but not limited to Organic Waste, garbage, trash, refuse, paper,
599 rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned
600 vehicles and parts thereof, discarded home and industrial appliances, dewatered,
601 treated or chemically fixed sewage sludge (biosolids), which is not hazardous waste,
602 manure, vegetable or animal solid and semisolid wastes, and other discarded solid and
603 semisolid wastes, with the exception that solid waste does not include any of the
604 following wastes:

605

606 (1) Hazardous waste, as defined in PRC Section 40141.

607 (2) Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8
608 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety
609 Code).

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

615 **Source Separated**

616 "Source Separated" means materials, including commingled Recyclable materials, that
617 have been separated or kept separate from the Solid Waste stream, at the point of
618 generation, for the purpose of additional sorting or Processing those materials for
619 Recycling or Reuse in order to return them to the economic mainstream in the form of
620 raw material for new, reused, or reconstituted products which meet the quality standards
621 necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section
622 17402.5(b)(4). For the purposes of the Agreement, Source Separated shall include
623 separation of materials by the Generator, Property Owner, Property Owner's employee,
624 property manager, or property manager's employee into different Containers for the
625 purpose of Collection such that Source Separated materials are separated from Gray
626 Container Waste and other Solid Waste for the purposes of Collection and Processing.

627 **Source Separated Blue Container Organic Waste (SSBCOW)**
628 "Source Separated Blue Container Organic Waste" or "SSBCOW" means Source
629 Separated Organic Waste that can be placed in a Blue Container that is limited to the
630 Collection of those Organic Wastes and Non-Organic Recyclables as defined in 14 CCR
631 Section 18982(a)(43); or as otherwise defined by 14 CCR Section 17402(a)(26.7). The
632 accepted types of SSBCOW and process for modifying the accepted types of SSBCOW
633 are specified in Article 5.

634
635 **Source Separated Green Container Organic Waste (SSGCOW)**
636 "Source Separated Green Container Organic Waste" or "SSGCOW" means Source
637 Separated Organic Waste that can be placed in a Green Container that is specifically
638 intended for the separate Collection of Organic Waste by the Generator, excluding
639 SSBCOW, carpets, Non-Compostable Paper, and textiles. The accepted types of
640 SSGCOW and process for modifying the accepted types of SSGCOW are specified in
641 Article 5. SSGCOW is a subset of Organic Waste.

642 **Source Separated Recyclable Materials**
643 "Source Separated Recyclable Materials" means Source Separated Non-Organic
644 Recyclables and SSBCOW. The accepted types of Source Separated Recyclable
645 Materials and process for modifying the accepted types of Source Separated Recyclable
646 Materials are specified in Article 5.

647 **State**
648 "State" means the State of California.

649 **Subcontractor**
650 "Subcontractor" means any Person, firm, or entity hired by Contractor to carry out any of
651 Contractor's duties under this Agreement.

652 **Subsidiary**
653 "Subsidiary" means an Affiliate with fifty percent (50%) or more of its ownership controlled
654 by Contractor.

655 **Term**
656 "Term" means the duration of this Agreement, including extension periods if granted, as
657 provided for in Section 3.3.

658 **Ton**
659 "Ton" or "Tonnage" or "Tons" means a unit of weight equal to 2,000 pounds (907.18474
660 kg).

661 **Transfer**
662 "Transfer" means the act of transferring Discarded Materials Collected by Contractor from
663 Contractor's Collection vehicles into larger vehicles at a Transfer Facility for Transport to
664 other Facilities for Processing or Disposing of such materials. Transfer allows for removal
665 of materials excluded or prohibited from handling at the Transfer Facility (e.g., removal of
666 Hazardous Waste).

667 **Transportation or Transport**
668 "Transportation" or "Transport" means the act of conveying Collected materials from one
669 location to another.

670 **Universal Waste (or U-Waste)**
671 "Universal Waste" or "U-Waste" means all wastes defined by 22 CCR Subsections
672 66273.1 through 66273.9. These include, but are not limited to, batteries, fluorescent light
673 bulbs, mercury switches, and electronic waste.

674 **Work Days**
675 "Work Days" or "Working Days" means days on which the Contractor is required to
676 provide regularly scheduled Collection services under this Agreement.

677 **Yard Trimmings**
678 "Yard Trimmings" means types of SSGCOW resulting from normal yard and landscaping
679 installation, maintenance, or removal that the Generators Source Separate and set out in
680 Green Containers for Collection for the purpose of Processing by the Contractor. The
681 accepted types of Yard Trimmings and process for modifying the accepted types of Yard
682 Trimmings are specified in Article 5. Yard Trimmings are a subset of SSGCOW.

683 **ARTICLE 2: REPRESENTATIONS AND**
684 **WARRANTIES OF CONTRACTOR**

685 **2.1 CORPORATE STATUS**

686 Contractor is an enterprise duly organized, validly existing, and in good standing under
687 the laws of the State of California. It is qualified to transact business in the State of
688 California and has the corporate power to own its properties and to carry on its business
689 as required by this Agreement.

690 **2.2 CORPORATE AUTHORIZATION**

691 Contractor has the authority to enter into and perform its obligations under this
692 Agreement. The board of directors of Contractor (or the owner/shareholders if necessary)
693 have taken all actions required by law, its articles of incorporation, and its bylaws or
694 otherwise to authorize the execution of this Agreement. The Persons signing this
695 Agreement on behalf of the Contractor have the authority to do so.

696 **ARTICLE 3: TERMS OF AGREEMENT**

697 **3.1 GRANT AND ACCEPTANCE OF AGREEMENT**

698 County hereby grants to Contractor an exclusive right to engage in the business of
699 Collecting, and subsequently Transporting, Transferring, Processing, and/or Disposing
700 Discarded Materials (as appropriate for the material type pursuant to Exhibit B) from

701 Single-Family Generators in Mandatory Service Areas and non-Mandatory Service Areas
702 within County Refuse Service Area F (subject to the provisions of Sections 3.2 and 6.5),
703 and to use the public streets and rights-of-way for such purpose subject to the limitations
704 within this Agreement.

705 **3.2 LIMITATIONS OF SCOPE**

706 The granting of this Agreement shall not preclude the categories of Discarded Materials
707 listed below from being Collected, Transferred, Transported, Processed, and/or Disposed
708 by others; provided, that nothing in this Agreement is intended to or shall be construed to
709 excuse any Person from obtaining any required authorization, permit, or approval from
710 the County or other government agency with oversight responsibility:

711 A. Discarded Materials from Commercial and Multi-Family Premises. A Person that
712 Collects, Transfers, Transports, Processes and/or Disposes of Discarded Materials
713 generated in or on a Commercial or Multi-Family Premises within the Refuse Service
714 Area.

715 B. Materials Removed as Incidental Part of Services. A Person that removes and
716 transports Discarded Materials from a Premises as an incidental and a minor part of
717 the services being performed, provided that the removed materials were generated by
718 the services the Person provided.

719 C. Agricultural Materials from Agricultural Operations. A Person from an agricultural
720 operation that removes agricultural materials from an agricultural Premises and
721 transports the material to another agricultural operation for a purpose other than
722 Disposal.

723 D. Self-Hauled Materials. A Person that removes, Transports, Processes and/or
724 Disposes of Discarded Materials generated in or on their own Premises with their own
725 vehicle.

726 E. Materials Generated by Public Schools and State. A Person that removes Discarded
727 Materials generated by State, County, and Federal facilities located in the County

728 provided that the Generator has arranged services with other Persons or has arranged
729 services with the Contractor through a separate agreement.

730 F. Beverage Containers. A Person that removes and Transports containers delivered for
731 Recycling under the California Beverage Container Recycling Litter Reduction Act,
732 California Public Resources Code, Section 14500, et seq.

733 G. Excluded Waste. A Person that removes and Transports Excluded Waste regardless
734 of its source.

735 H. Sewage Treatment By-Products. A Person that removes and Transports by-products
736 of sewage treatment, including sludge, sludge ash, grit, and screenings.

737 I. Edible Food. A Person, such as a Person from a food recovery organization or food
738 recovery service that removes and Transports Edible Food for the purpose of
739 distributing Edible Food for human consumption, or Edible Food Removed that is Self-
740 Hauled to a food recovery organization or food recovery service for the purpose of
741 Food Recovery.

742 J. Donated Materials. A Person that removes and Transports any items that are donated
743 by the Generator to youth, civic, or other charitable organizations may be transported
744 by other Persons.

745 Contractor acknowledges and agrees that the County may permit other Persons besides
746 the Contractor to Collect any and all types of materials excluded from the scope of this
747 Agreement, as set forth above, without seeking or obtaining approval of Contractor. If
748 Contractor can produce evidence that other Persons are servicing Collection Containers
749 or are Collecting and Transporting Discarded Materials in a manner that is not consistent
750 with this Agreement or the County Code, it shall report the location, the name and phone
751 number of the Person or company to the County Contract Manager along with
752 Contractor's evidence. In such case, County may notify the Customer, Generator and
753 Person providing service of Contractor's rights under this Agreement and the County's
754 Code Enforcement office will determine the appropriate enforcement mechanism.

755
756 This grant to Contractor shall be interpreted to be consistent with State and federal laws
757 and regulations, subject to the limitations within this Agreement, now and during the Term
758 of the Agreement. The scope of this Agreement shall be limited by current and future
759 State and federal laws and regulations with regard to handling of Discarded Materials,
760 enactment of new laws or regulations or new court decisions which may limit the ability
761 of County to lawfully regulate the scope of services as specifically set forth herein.
762 Contractor agrees that the scope of the Agreement shall be limited to those services
763 which may be lawfully provided.

764 **3.3 EFFECTIVE DATE, TERM, AND EXTENSION OF THIS**
765 **AGREEMENT**

766 The Term of this Agreement shall commence January 1, 2025 (Commencement Date)
767 and continue in full force for a period of seven (7) years, through and including December
768 31, 2031, unless the Agreement terminated in pursuant to Article 12.

769 **3.4 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

770 The obligation of County to permit this Agreement to become effective and to perform its
771 undertakings provided for in this Agreement is subject to the satisfaction of each and all
772 of the conditions set out in A through D below, each of which may only be waived in whole
773 or in part upon the written approval of the Director.
774

775 A. **Accuracy of Representations.** The representations and warranties made by
776 Collector in Article 2 of this Agreement are true and correct on and as of the Effective
777 Date of this Agreement.

778 B. **Absence of Litigation.** There is no litigation pending on the Effective Date of this
779 Agreement in any court challenging the award or execution of this Agreement or
780 seeking to restrain or enjoin its performance.

781 C. **Furnishing of Insurance.** Collector has furnished evidence of the insurance required
782 by Article 11 of this Agreement.

783 D. **Effectiveness of Board of Supervisor's Action.** The Board has authorized the
784 Director, or another County officer, to execute this Agreement prior to the Effective
785 Date of this Agreement.

786 **ARTICLE 4: GENERAL AGREEMENTS**

787 **4.1 COUNTY DESIGNATION OF FACILITIES**

788 A. **Approved Disposal Facility.** The Contractor, without constraint and as a free-market
789 business decision in accepting this Agreement, agrees to use the Approved Disposal
790 Facility(ies) for the purposes of Disposal of all Gray Container Waste Collected by the
791 Contractor under the terms of this Agreement. Such decision by Contractor in no way
792 constitutes a restraint of trade notwithstanding any Change in Law regarding flow
793 control limitations or any definition thereof.

794 Contractor shall comply with additional requirements related to use of the Approved
795 Disposal Facility pursuant to Section 6.1.

796 B. **Other Approved Facilities.** Contractor agrees that the Director may, direct
797 Contractor to deliver any or all Source Separated Recyclable Materials, SSGCOW,
798 Gray Container Waste, and/or any other materials Collected under this Agreement
799 within the County to any type of facility, as County may designate. If such a change

800 results in an inconsistency with Exhibit B, the change shall be considered a County-
801 directed change in scope and handled in accordance with provisions in Section 4.4.
802 The Residue remaining after Processing or recovery of Source Separated Recyclable
803 Materials and/or SSGCOW shall be subject to the Director's authority to direct
804 materials. County shall reserve the right to direct such Residue in any agreement with
805 the operator of any Transfer Facility or Processing Facility where Contractor delivers
806 Source Separated Recyclable Materials, SSGCOW, and/or Gray Container Waste if
807 such direction is consistent with the Three-Party Agreement. Notwithstanding the
808 provisions of Section 4.4, Contractor agrees to Transport Discarded Materials to the
809 facility(ies) designated by the Director, commencing no later than thirty (30) days from
810 receipt of notice from the Director.

811 **4.2 RESPONSIBILITY FOR MATERIALS**

812 Once Discarded Materials are placed in Containers for Collection at the Collection
813 location, the responsibility for their proper handling shall transfer directly from the
814 Generator to Contractor, with the exception of Excluded Waste if the Contractor can
815 identify the Generator pursuant to Section 7.7. Once Discarded Materials are deposited
816 by Contractor at the appropriate Approved Facility, such materials shall become the
817 responsibility of the facility owner or operator with the exception of Excluded Waste
818 pursuant to Section 7.7.

819 Responsibility for Excluded Waste that has been inadvertently Collected by the
820 Contractor shall remain with the Contractor if it cannot identify the Generator, and
821 Contractor shall assume all responsibility for its proper Disposal.

822 **4.3 SUBCONTRACTING**

823 Contractor shall not engage any Subcontractors for Collection, Transfer, Transportation,
824 or Processing of Discarded Materials without the prior written consent of the County
825 Contract Manager. If the Contractor plans to engage other Affiliate or related party entities
826 in the provision of services, Contractor shall obtain written approval from County Contract
827 Manager thirty (30) days prior to its plans to use party. Contractor shall submit written
828 request to the County seeking approval of other Affiliate or related party entities. Such
829 request shall include a description of its plans, name and qualifications of party, and an
830 explanation of any potential impacts related to the quality, timeliness, or cost of providing
831 services under this Agreement.

832 **4.4 COUNTY-DIRECTED CHANGE IN SCOPE**

833 County may meet and confer with Contractor to establish the scope of any additional
834 services or modification to existing services (which may include use of alternative
835 Processing or Disposal Facilities) to be provided under this Agreement. In such case,
836 Contractor shall present, within ninety (90) calendar days of County's request, a written
837 proposal to provide such modified or additional services.

838 County shall review the Contractor's proposal for the change in scope of services. County
839 and Contractor may meet and confer to negotiate Contractor's proposed revisions and

840 costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-
841 upon changes in scope.

842 When such modifications are proposed to this Agreement, County and Contractor will
843 negotiate in good faith, a reasonable and appropriate compensation adjustment for any
844 increase or decrease in the services or other obligations required of Contractor due to
845 any modification in the Agreement under this Article. County and Contractor will not
846 unreasonably withhold agreement to such compensation adjustment. Should agreement
847 between County and Contractor on a compensation adjustment not be reached within six
848 (6) months of the change request, or other period as agreed upon by both parties, County
849 shall have the right to seek services under the same modified conditions elsewhere.

850 ARTICLE 5: COLLECTION SERVICES

851 **5.1 GENERAL**

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

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

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

867 **B. Requirements for Parent Company and Affiliates.** Upon approval by County,
868 Contractor, its Parent Company, and Affiliates operating under the terms of this
869 Agreement are allowed, at their option, to use each entity's name to comply with
870 Collection vehicle and Container labeling requirements and may use each entity's
871 name on any education and outreach materials.

872 **C. Ownership of Discarded Materials.** By operation of this Agreement, ownership and
873 the right to possession of all Discarded Materials shall be transferred to Contractor
874 from the Person discarding the materials (Customer and/or Generator) once such
875 materials are placed in Containers and properly placed for Collection. If Prohibited
876 Container Contaminants are found in Containers set out for Collection, the materials
877 shall be considered not properly placed for Collection, and Contractor shall have the
878 right to reject Collection of the contaminated Containers pursuant to Section 6.2, and

879 the ownership of materials shall remain with the Person discarding the materials
880 (Customer and/or Generator). Except as required in the County's sole discretion for
881 law enforcement purposes, at no time shall the County obtain any right of ownership
882 or possession of Discarded Materials placed for collection and nothing in this
883 Agreement shall be construed as giving rise to any inference that County has such
884 rights. Refer to Section 6.1 for transfer of ownership of Discarded Materials from
885 Contractor to Facility operator(s) of Approved Facilities.

886 **5.2 THREE-CONTAINER SYSTEM**

887 A. **General.** No later than ninety (90) days from the Effective Date, Contractor shall
888 provide a three-Container Collection program for the separate Collection of Source
889 Separated Recyclable Materials, SSGCOW, and Gray Container Waste as specified
890 in this Section, using Containers that comply with the requirements of Section 7.5.

891 B. **Source Separated Recyclable Materials Collection.** Contractor shall provide Blue
892 Containers to Customers for Collection of Source Separated Recyclable Materials and
893 shall provide Source Separated Recyclable Materials Collection service, as described
894 in Exhibit A of this Agreement. Contractor shall Transport the Source Separated
895 Recyclable Materials to (i) the Approved Source Separated Recyclable Materials
896 Processing Facility, or (ii) the Approved Transfer Facility for Transfer and Transport to
897 the Approved Source Separated Recyclable Materials Processing Facility, as
898 specified in Section 6.1.

899 Source Separated Recyclable Materials that are to be accepted for Collection in the
900 Source Separated Recyclable Materials Collection program are defined in Exhibit G.
901 The Parties agree that the list of accepted types of Source Separated Recyclable
902 Materials may be added to or removed from this list from time to time by mutual
903 consent provided that in all cases SSBCOW is included for Collection. Contractor shall
904 not add or remove materials to or from this list without written approval from the County
905 Contract Manager, and such approval shall not be unreasonably withheld. Prohibited
906 Container Contaminants shall not be Collected in the Blue Containers. The Containers
907 shall comply with the requirements of Section 7.5.

908 C. **SSGCOW Collection.**

909 1. Contractor shall provide Green Containers to Customers for SSGCOW
910 Collection, and shall provide SSGCOW Collection service, as described in
911 Exhibit A of this Agreement. Contractor shall Transport the SSGCOW to (i) the
912 Approved Organic Waste Processing Facility, or (ii) the Approved Transfer
913 Facility for Transfer and Transport to an Approved Organic Waste Processing
914 Facility, as specified in Section 6.1.

915 SSGCOW that are to be accepted for Collection in the SSGCOW Collection
916 program are defined in Exhibit G. The Parties agree that types of SSGCOW may
917 be added to or removed from this list from time to time by mutual consent.
918 Contractor shall not add or remove materials to or from this list without written
919 approval from the County Contract Manager, and such approval shall not be

920 unreasonably withheld. Carpets, Non-Compostable Paper, textiles, and
921 Prohibited Container Contaminants shall not be Collected in the Green
922 Containers. The Containers shall comply with the requirements of Section 7.5.

923 **D. Gray Container Waste Collection**

924 Contractor shall provide Gray Containers to Customers for Collection of Gray
925 Container Waste, and shall provide Gray Container Waste Collection service, as
926 described in Exhibit A of this Agreement. Contractor shall Transport the Gray
927 Container Waste to the Approved Disposal Facility, as specified in Section 6.1.
928 Contractor may allow carpets and textiles to be placed in the Gray Containers.
929 Prohibited Container Contaminants shall not be Collected in the Gray
930 Containers. The Containers shall comply with the requirements of Section 7.5.

931 **5.3 ANNUAL CLEAN-UP DAY SERVICE**

932 Contractor shall offer a scheduled annual neighborhood clean-up day for Collection of up
933 to a maximum limit of ten (10) thirty-two (32) gallon bag/bundle/containers, and other
934 materials for Single-Family Customers as described in Exhibit A. Pursuant to Exhibit A,
935 Contractor shall Transport all Materials Collected under this Agreement to the appropriate
936 facility.

937 **5.4 OTHER RESIDENTIAL COLLECTION SERVICES**

938 Contractor shall provide other Collection services to Single-Family Customers in the
939 manner specified in Exhibit A.

940 **ARTICLE 6: OTHER SERVICES**

941 **6.1 TRANSFER, PROCESSING, AND DISPOSAL**

942 **A. Approved Processing Facilities.** Contractor shall Transport all Source Separated
943 Recyclable Materials and SSGCOW to the Approved Facility(ies) specified in Exhibit
944 B and shall Transfer, and Process such materials in accordance with this Section and
945 Exhibit B. The Approved Facilities shall comply with the following requirements.
946 Notwithstanding the provisions of this Agreement for use of the TMRSWT Facility, the
947 provisions of the Three-Party Agreement and the Service Agreement shall govern in
948 the event of conflict with, or omission in this Agreement.

949 1. **Approved Source Separated Recyclable Materials Processing Facility (Blue**
950 **Containers).** The Approved Recyclables Processing Facility shall be a Facility
951 or operation that Processes Source Separated Recyclable Materials to recover
952 materials designated for Collection in the Blue Container.

953 2. **Approved Organic Waste Processing Facility (Green Containers).** The
954 Approved Organic Waste Processing Facility shall be a Facility that Processes
955 SSGCOW to recover Source Separated Organic Waste.

- 956 3. **Guaranteed Capacity and Facility Standards.** The Facility Capacity Guarantor
957 of each Approved Facility (as identified in Exhibit B) shall guarantee Processing
958 capacity at the respective Approved Facility(ies) to receive all Discarded
959 Materials Collected by the Contractor throughout the Term of the Agreement, as
960 specified by material type in Exhibit B, and shall comply with Facility standards
961 specified in Exhibit B.
- 962 4. **Other Facility Provisions.** Exhibit B describes other Facility provisions
963 including, but not limited to, use of Alternative Facilities, contamination
964 monitoring of Discarded Materials received at the Approved Facilities,
965 emergency conditions, and more.
- 966 5. **Transportation and Facility Costs.** Contractor shall pay all costs for the
967 Transport, Transfer, and Processing of Discarded Materials Collected in
968 accordance with this Agreement. Contractor's compensation for such services is
969 included in the Rates charged to Customers.
- 970 6. **Subcontractor.** If the Contractor does not own or operate one or more of the
971 Approved Facilities for which they are the designated Facility Capacity
972 Guarantor, Contractor shall enter into a subcontract agreement with the owner
973 or operator of such Approved Facility(ies) and the requirements of Section 6.1
974 and Exhibit B shall pertain to the Subcontractor. In addition, Subcontractor
975 requirements or obligations related to indemnification (Section 11.1) and
976 insurance requirements (Section 11.2) shall apply, as well as any other
977 Subcontractor requirements or obligations stated in other sections of this
978 Agreement. Notwithstanding the provisions of this subsection B, for use of the
979 Tracy Material Recovery and Solid Waste Transfer, Inc Facility, no such
980 subcontract shall be required and instead the provisions of the Three-Party
981 Agreement and Service Agreement shall govern.
- 982 B. **Approved Disposal Facility.** Contractor shall Transport all Gray Container Waste
983 Collected in accordance with this Agreement to the Approved Disposal Facility(ies) as
984 specified in Exhibit B. Once Collected materials are deposited by Contractor at the
985 Approved Disposal Facility(ies), ownership of such materials shall transfer from the
986 Contractor to the County or other Facility operator. The Contractor is not responsible
987 for providing Transfer, Processing, or Disposal services unless otherwise provided in
988 Section 6.1 and Exhibit B.
- 989 C. **Transportation to Non-Approved Facilities Prohibited.** Contractor shall not
990 Transport Discarded Materials to any Facility other than the Approved Facility
991 designated for each material type in Table B-1 of Exhibit B. If Contractor Transports
992 Discarded Materials to a Facility other than the Approved Facility(ies) as specified in
993 Exhibit B, or an Alternative Facility, without prior County approval, Contractor's failure

994 to comply may result in assessment of Liquidated Damages pursuant to Section 12.7
995 and Exhibit C.

996 **D. Use of Alternative Facilities.** County may designate an Alternative Facility for
997 Contractor's use for a temporary or ongoing period of time. In the event that such a
998 change results in an inconsistency with Exhibit B, it shall be considered a County-
999 directed change in scope and handled in accordance with the provisions of Sections
1000 4.1 and 4.4.

1001 **E. Disposal of Residue.** Contractor shall direct actual or calculated County Residue
1002 tonnages to the Approved Disposal Facility(ies). This requirement may be fulfilled
1003 through delivery of actual County Residue tonnage, calculated offset tons, or financial
1004 offsets paid to the County based upon the actual Residue tons at the current gate rate
1005 at the Approved Disposal Facility.

1006 **F. Payment of Facility Tipping Fees.** Contractor shall pay all tipping fees, Residue
1007 surcharges, contamination Processing fees, and other costs charged by Facility
1008 operator(s) of Approved Facility(ies) for acceptance and Disposal of Gray Container
1009 Waste Collected in accordance with this Agreement. Contractor shall comply with the
1010 Disposal fee prepayment provisions of Section 9.3.

1011 **G. Cooperation with Facility Operator.**

1012 1. **Communications.** Within seven (7) days, if requested by County, the Contractor
1013 shall meet with the County and Facility operator(s) of Approved Facility(ies) to
1014 discuss issues related to the interaction of operations between Contractor and
1015 Facility operator.

1016 2. **E-Mail Communications.** The Contractor's general manager shall have e-mail
1017 capabilities to enable the Facility operator and the Contractor's general manager
1018 to communicate via e-mail. Contractor's general manager shall respond to the
1019 Facility operator's email correspondence within two (2) Business Days.

1020 3. **Coordination of Hours.** Contractor shall plan its Collector Routes to be
1021 compatible with the Approved Facility receiving hours, and shall deliver Collected
1022 materials to the Approved Facility(ies) during such receiving hours.

1023 4. **Compliance with Facility Rules.** Contractor shall cooperate with Facility
1024 operator and comply with Facility operator's requirements including: (i) how and
1025 where to unload Collection vehicles; (ii) respecting operations and construction
1026 of new facilities; and, (iii) the Facility operator's Excluded Waste screening and
1027 exclusion program. Contractor shall also comply with the waste evaluations and
1028 contamination assessment procedures and schedule provided by the Facility
1029 operator.

1030 **H. Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) Days prior to the
1031 Commencement Date, Contractor shall coordinate with the Facility operator(s) to
1032 ensure that all Collection vehicles used by Contractor to Transport Discarded

1033 Materials to Approved Facilities are weighed to determine unloaded (“tare”) weights.
1034 Contractor shall work with Facility operator(s) to electronically record the tare weight,
1035 identify vehicle as Contractor’s, and provide a distinct vehicle identification number for
1036 each vehicle. Contractor shall provide County with a report listing the vehicle tare
1037 weight information upon request. Contractor shall promptly coordinate with Facility
1038 operator to weigh additional or replacement Collection vehicles prior to Contractor
1039 placing them into service. Contractor shall check tare weights at least annually, or
1040 within fourteen (14) days of a County request, and shall re-tare vehicles immediately
1041 after any significant vehicle changes or maintenance service. County will cooperate
1042 with any reasonable request by Contractor for re-taring at Approved Facilities for
1043 which County is the Facility Capacity Guarantor.

1044 I. **Records and Investigations.** Contractor shall maintain accurate records of the
1045 quantities of Discard Materials Transported to and Accepted at the Approved
1046 Facility(ies) and shall cooperate with County and any regulatory authority in any audits
1047 or investigations of such quantities.

1048 **6.2 CONTAMINATION MONITORING**

1049 **6.2.1 Contamination Monitoring Procedures**

1050 A. **General.** This Section presents inspection method(s) for Prohibited Container
1051 Contaminants to be used by the Contractor in conducting contamination monitoring
1052 required by Section 6.2. Upon request from the Contractor, County may approve use
1053 of other CalRecycle-approved methods of contamination monitoring.

1054 **B. Container Inspection Methods.**

1055 1. Physical Container Inspections followed for front loader and rear loader collection
1056 vehicles: When Contractor’s Collector Route personnel dismounts from
1057 Collection vehicles to empty a Container, such personnel shall lift the Container
1058 lid and observe the contents. Upon finding Prohibited Container Contaminants in
1059 a Container, Contractor shall follow the contamination noticing procedures and
1060 contaminated Container handling protocols set forth in Section 6.2.1.C.

1061 2. Visual Inspections via On-Board Monitoring System followed for automated side
1062 loader collection vehicles: For Collection vehicles with automated Collection
1063 service, the Collection vehicle hopper shall be equipped with a video camera and
1064 monitoring system. The Contractor’s Collector Route personnel shall observe,
1065 via the hopper video camera and monitoring system, the contents of the
1066 Containers as the materials are emptied into the vehicle. Upon finding Prohibited
1067 Container Contaminants in a Container, Contractor shall follow the contamination
1068 noticing procedures and contaminated Container handling protocols set forth in
1069 Section 6.2.1.C.

1070 The next day on which that Customer is to receive service, the Contractor’s
1071 Collector Route personnel shall dismount the Collection vehicle, lift the lid of the
1072 Container, and visually inspect the contents of the Container. If the Contractor’s

1073 Collector Route personnel determines that the Container again contains
1074 Prohibited Container Contaminants, Contractor shall follow the contamination
1075 noticing procedures and contaminated Container handling protocols set forth in
1076 Section 6.2.1.C.

1077 **C. Actions upon Identification of Prohibited Container Contaminants.**

1078 1. **Record Keeping.** The driver or other Contractor representative shall record each
1079 event of identification of Prohibited Container Contaminants in a written log, in
1080 the on-board computer system, or other County-approved record keeping
1081 system, including date, time, Customer's address, type of Container (Blue,
1082 Green, or Gray Container); and maintain photographic evidence, if required.
1083 Contractor shall submit this record to the Contractor's Customer service
1084 department, and Contractor's Customer service department shall update the
1085 Customer's account record to note the event, if the documentation if the on-board
1086 computer system did not automatically update the Customer's account record.

1087 2. **Identification of Excluded Waste.** If Contractor's personnel observe Excluded
1088 Waste in an uncollected Container, the Contractor's personnel shall issue a non-
1089 Collection notice for this Container in accordance with Section 6.2.1.C.5 and
1090 shall not Collect the Discarded Materials that contain Excluded Waste.
1091 Contractor's personnel shall record that observation in accordance with Section
1092 6.2.1.C.1 and immediately inform their route supervisor. Contractor shall follow
1093 protocols specified in Sections 6.2.1.C.5 and 6.2.1.C.6. The route supervisor
1094 shall investigate and initiate applicable action within one (1) Business Day or
1095 sooner if the Hazardous Waste may cause immediate danger.

1096 3. **Courtesy Pick-Up Notices.** Upon identification of Prohibited Container
1097 Contaminants in a Customer's Container, Contractor shall provide the Customer
1098 a courtesy pick-up notice. The courtesy pick-up notification shall: (i) inform the
1099 Customer of the observed presence of Prohibited Container Contaminants; (ii)
1100 include the date and time the Prohibited Container Contaminants were observed;
1101 (iii) include information on the Customer's requirement to properly separate
1102 materials into the appropriate Containers, and the accepted and prohibited
1103 materials for Collection in the Blue Container, Green Container, and/or Gray
1104 Container; (iv) inform the Customer of the courtesy pick-up of the contaminated
1105 materials on this occasion with information that further instances (See guidance
1106 in subsection C.4 below) may subject the Customer to contamination Processing
1107 fees or the issuance of a non-Collection notice; and, (v) shall include
1108 photographic evidence. Contractor shall leave the courtesy pick-up notice
1109 attached to or adhered to the Generators' contaminated Containers or by other
1110 communication within fourteen (14) days after determining that a violation has
1111 occurred.

1112 Contractor shall Collect the contaminated Source Separated Recyclable
1113 Materials or SSGCOW and Transport the material to the appropriate Approved
1114 Facility for Processing; or, Contractor may Collect the contaminated materials

1115 with Gray Container Waste and Transport the contaminated materials to the
1116 appropriate Approved Facility for Disposal or Processing.

1117 4. **Notice of Contamination Processing Fees.** If the Contractor observes
1118 Prohibited Container Contaminants in a Generator's Container on more than
1119 three (3) consecutive occasions and properly issues courtesy pick-up notices on
1120 each of those occasions, or otherwise observes Prohibited Container
1121 Contaminants in a Generator's Container on six (6) total occasions in any twelve
1122 (12) month period, the Contractor may impose a contamination Processing fee
1123 of 25% of service level provided (which will be adjusted annually pursuant to
1124 Article 10). Contractor shall notify the County in its monthly report of Customers
1125 for which contamination Processing fees were charged. Contractor shall leave a
1126 contamination Processing fee notice attached to or adhered to the Generators'
1127 contaminated Containers or by other communication within fourteen (14) days
1128 after determining that a violation has occurred. The contamination Processing
1129 fee notice shall describe the specific material(s) of issue, explain how to correct
1130 future set outs, and indicate that the Customer will be charged a contamination
1131 Processing fee on its next bill. The format of the contamination Processing fee
1132 notice shall be approved by the County Contract Manager.

1133 Contractor shall Collect the contaminated Source Separated Recyclable
1134 Materials or SSGCOW and Transport the material to the appropriate Approved
1135 Facility for Processing.

1136 5. **Non-Collection Notices.** Upon identification of Prohibited Container
1137 Contaminants in a Container in excess of standards agreed upon by the Parties
1138 or Excluded Waste, Contractor shall provide a non-Collection notice to the
1139 Generator. The non-Collection notice shall, at a minimum: (i) inform the
1140 Customer of the reason(s) for non-Collection; (ii) include the date and time the
1141 notice was left or issued; (iii) describe the premium charge to Customer for
1142 Contractor to return and Collect the Container after Customer removes the
1143 Contamination; and, (iv) provide a warning statement that a contamination
1144 Processing fee may be assessed if Prohibited Container Contaminants are
1145 observed on more than three (3) consecutive occasions. The non-Collection
1146 notice shall include photographic evidence of the violation(s).

1147 The Contractor's notice of non-Collection may be left attached to or adhered to
1148 the Generator's Container, or at the Premises' door or gate at the time the
1149 violation occurs, or subject to County's approval, may be delivered by mail, e-
1150 mail, text message, or other electronic message.

1151 Contractor shall submit a sample of its non-Collection notice to the County
1152 Contract Manager for approval prior to implementing use of it with Customers.

1153 6. **Communications with Customer.** Whenever a Container at the Premises of a
1154 Customer is not Collected, Contractor shall contact the Customer on the
1155 scheduled Collection day or within twenty-four (24) hours of the scheduled

1156 Collection day by telephone, email, text message, or other verbal or electronic
1157 message to explain why the Container was not Collected. Whenever a Container
1158 is not Collected because of Prohibited Container Contaminants, a Customer
1159 service representative shall contact the Customer to discuss, and encourage the
1160 Customer to adopt proper Discarded Materials preparation and separation
1161 procedures.

1162 7. **Contractor Return for Collection.** Upon request from Customer, Contractor
1163 shall Collect Containers that received non-Collection notices within one (1)
1164 Working Day of Customer's request if the request is made at least two (2)
1165 Working Days prior to the regularly scheduled Collection Day. Contractor shall
1166 bill Customer for the extra Collection service event ("extra pick-up") at the
1167 applicable County-approved Rates only if Contractor notifies Customer of the
1168 premium Rate for this service at the time the request is made by Customer.

1169 8. **Chronic Contamination of Materials.** In the event that, in the Contractor's
1170 discretion, a Generator repeatedly and frequently places Prohibited Container
1171 Contaminants in any Container, or otherwise abuses the services described in
1172 this Agreement, Contractor shall notify the County. If such Generator is located
1173 within a Mandatory Service Area, the County reserves the right to require the
1174 Generator to subscribe to an increased Service Level. If the Generator is located
1175 outside of a Mandatory Service Area, County may authorize the Contractor to
1176 stop service to that Generator. Contractor may, in Contractor's discretion, require
1177 payment of one billing cycle's service in advance of providing service to any
1178 Customer whose service has been previously discontinued due to chronic
1179 contamination. Contractor shall not require Service Level changes or stop
1180 service to any Generator in accordance with this Section without the prior written
1181 approval of the County.

1182 D. **Disposal of Contaminated Materials.** If the Contractor observes Prohibited
1183 Container Contaminants in a Generator's Container(s), Contractor may Dispose of the
1184 Container's contents, provided Contractor complies with the noticing requirements in
1185 Section 6.2.1.C.5 above.

1186 6.2.2 Contamination Monitoring

1187 A. Collector Route Review Contamination Monitoring by Contractor

1188 1. Methodology and Frequency

1189 Contractor shall, at its sole expense, conduct Collector Route reviews for
1190 Prohibited Container Contaminants in Collection Containers in a manner that is
1191 deemed safe by the Contractor; is approved by the County; and, is conducted in
1192 a manner that results in all Collector Routes being reviewed annually or more
1193 frequently.

1194 Contractor shall develop a Collector Route review methodology to accomplish
1195 the above Container inspection requirements and such methodology shall

1196 comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall
1197 submit its proposed Collector Route review methodology for the coming year to
1198 the County no later than January 15 of each year describing its proposed
1199 methodology for the calendar year and schedule for performance of each
1200 Collector Route's annual review. County will review and approve the proposed
1201 methodology. Contractor may commence with the proposed methodology upon
1202 approval.

1203 If the County and/or CalRecycle notifies the Contractor that the methodology is
1204 inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor
1205 shall, at its sole expense, revise the methodology and, after obtaining County or
1206 CalRecycle approval, conduct additional Collector Route reviews, increased
1207 Container inspections, or implement other changes using the revised procedure.
1208 If the Contractor's proposed methodology meets the requirements of 14 CCR
1209 Section 18984.5(b), but has been deemed inadequate by the County, the
1210 Contractor shall, at the expense of the County, revise the methodology and
1211 implement the necessary changes using the revised procedure.

1212 The County's Contract Manager may request, and Contractor shall accept,
1213 modifications to the schedule to permit observation of the Collector Route
1214 reviews by the County. In addition, Contractor shall provide an email notice to
1215 the County's Contract Manager no less than ten (10) Working Days prior to each
1216 scheduled Collector Route review that includes the specific time(s), which shall
1217 be within the County's normal business hours, and location(s).

1218 **2. Noticing of Generators with Contamination, Non-Collection, and Disposal**
1219 **of Materials.**

1220 Upon finding Prohibited Container Contaminants in a Container, Contractor shall
1221 follow the contamination noticing procedures and contaminated Container
1222 handling protocols set forth in Sections 6.2.1.C.

1223 **3. Reporting Requirements.**

1224 Contractor shall maintain records and report to the County on contamination
1225 monitoring activities and actions taken, in accordance with Exhibit D.

1226 **6.3 EDUCATION AND OUTREACH**

1227 **A. General.** In order to promote public education, Contractor shall create all public
1228 education materials and conduct education programs and activities described in this
1229 Section at its expense.

1230 **B. Program Objectives.** Contractor's public education and outreach strategy shall focus
1231 on improving Generators' understanding of the benefits of and opportunities for source
1232 reduction, Reuse, and Landfill Disposal reduction. In general, Contractor-provided
1233 public education and outreach, which shall include all content required by this Section
1234 6.3, should: (i) inform Generators about the services that are provided under this

1235 Agreement with specific focus on describing the methods and benefits of source
1236 reduction, Reuse, and reduction of Solid Waste Disposal; (ii) instruct Generators on
1237 the proper method for placing materials in Containers for Collection and setting
1238 Containers out for Collection with specific focus on minimizing contamination of
1239 Source Separated Recyclable Materials and SSGCOW; (iii) clearly define Excluded
1240 Waste and educate Generators about the hazards of such materials and their
1241 opportunities for proper handling; (iv) discourage Generators from buying products if
1242 the product and its packaging are not readily reusable, recyclable, or compostable; (v)
1243 encourage the use of Compost; and, (vi) encourage Generators to purchase
1244 products/packaging made with Recycled-content materials. The cumulative intended
1245 effect of these efforts is to reduce each Generator's reliance on Contractor-provided
1246 Gray Container Waste service and, ultimately, Disposal, and Contractor agrees to
1247 support and not undermine or interfere with such efforts

1248 **C. Contractor Cooperation and/or Support for County Educational Efforts.**
1249 Contractor acknowledges that they are part of a multi-party effort to operate and
1250 educate the public about the integrated waste management system. Contractor shall
1251 cooperate and coordinate with the County Contract Manager on public education
1252 activities to minimize duplicative, inconsistent, or inappropriately timed education
1253 campaigns.

1254 Contractor shall obtain approval from the County Contract Manager on all Contractor-
1255 provided public education materials including, but not limited to: print, radio, television,
1256 or internet media before publication, distribution, and/or release. County shall have
1257 the right to request that Contractor include County identification and contact
1258 information on public education materials and approval of such requests shall not be
1259 unreasonably withheld. The County reserves the right to direct the Contractor to
1260 modify the education and outreach program at any time.

1261 **D. Annual Education Plan.** Annually, Contractor shall develop and submit an annual
1262 public education plan to promote the programs performed by Contractor under this
1263 Agreement. The annual public education plan shall present the education activities for
1264 the upcoming calendar year and shall be submitted with the Contractor's annual report
1265 in accordance with Exhibit D. Each public education plan shall specify the target
1266 audience for services provided, include upcoming promotions for ongoing and known
1267 special events, identify program objectives, individual tasks, public education
1268 materials to be developed or updated, opportunities for expanded partnerships, and a
1269 timeline for implementation. The County Contract Manager shall be permitted to
1270 provide input on each annual public education plan, and the plan shall not be finalized
1271 or implemented without approval of the County Contract Manager. Each plan's
1272 implementation success shall be measured according to the deadlines identified and
1273 products developed. Contractor shall meet with the County Contract Manager to
1274 present and discuss the plan. County Contract Manager shall be allowed up to thirty
1275 (30) days after receipt to review and request modifications. The County Contract
1276 Manager may request, and Contractor shall not unreasonably deny, modifications to
1277 be completed prior to approving the plan. Contractor shall have up to fifteen (15)
1278 Business Days to revise the plan in response to any requested changes by the County

1279 Contract Manager. Any further delays may result in Liquidated Damages for failure to
1280 perform education and outreach activities as identified in Exhibit C. Each Business
1281 Day that the plan is late shall count as a single event/activity.

1282 **E. Education Requirements during Program Implementation/Roll-Out.**

1283 During the first six (6) months following the Effective Date of this Agreement,
1284 Contractor shall conduct an education campaign focused on informing Customers of
1285 the Collection programs described in Section 5.2, highlighting changes from prior
1286 Collection service programs. At a minimum, Contractor shall perform the activities
1287 listed below and shall perform these services in a manner that complies with
1288 requirements of this Section 6.3 and 14 CCR, Division 7, Chapter 12, Article 4.

1289 1. Prepare and distribute an initial mailer to all Customers explaining the changes
1290 from the existing Collection programs to new programs, Collector Route
1291 changes, dates of program implementation, Recycling and Landfill Disposal
1292 reduction programs available, special services available, holiday Collection
1293 schedules, proper handling and disposal of Household Hazardous Waste,
1294 Contractor's contact information, and any additional education and outreach
1295 information specified in 14 CCR, Division 7, Chapter 12, Article 4. The initial
1296 mailer shall be printed and mailed or hand delivered to Customers, and shall also
1297 be made available in an electronic format through the Contractor's website.
1298 Contractor may provide a Customer with an electronic version of the initial mailer,
1299 rather than a printed version, if specifically requested by the Customer.

1300 2. Prepare a "how-to" flyer describing how to prepare Source Separated Recyclable
1301 Materials, SSGCOW, and Gray Container Waste for Collection and describe the
1302 acceptable materials that can be included in the Blue and Green Containers, as
1303 well as non-allowable materials. The flyer should emphasize any new types of
1304 Source Separated Recyclable Materials to be included in Blue Containers and
1305 the new SSGCOW Collection program. The flyers shall be printed and distributed
1306 to each Customer, as well as made available in an electronic format through the
1307 Contractor's website. Contractor may provide a Customer with an electronic
1308 version of the flyer rather than a printed version, if specifically requested by the
1309 Customer.

1310 3. Prepare and distribute public service announcements (PSA) for local
1311 newspapers and/or other targeted media.

1312 4. All education material designed and/or distributed by the Contractor shall be
1313 submitted to the County Contract Manager for approval prior to distribution or
1314 posting on the Contractor's website.

1315 **F. Annual and/or Ongoing Education Requirements.**

1316 1. **Specific Annual Educational Activities**

- 1317 a. Annual Notice of Requirements. Not less than once per year during each
1318 Rate Year, Contractor shall prepare and distribute to each Customer a
1319 mailer that includes information specified in 14 CCR Section 18985.1(a).
1320 Such mailer shall be distributed by Contractor to all Single-Family
1321 Generators. Contractor shall also make this notice available in an
1322 electronic format through the Contractor's website.
- 1323 b. Billing Inserts. Upon County request, and no more than twice per year,
1324 Contractor agrees to insert and distribute brochures, newsletters, or other
1325 information developed by the County as inserts in Contractor's Customer
1326 invoices at no additional charge to the County. Upon County request,
1327 Contractor shall be responsible for printing the bill inserts. For Customers
1328 receiving electronic bills, Contractor agrees to distribute brochures,
1329 newsletters, or other information developed by the County as attachments
1330 to Customer invoices at no additional charge to the County. Contractor
1331 shall provide electronic bill inserts (or separate email attachments) to
1332 Customers who are billed electronically, and paper bill inserts to
1333 Customers who receive paper bills. Electronic bill inserts/attachments must
1334 be readily available for the Customer to view upon receipt of the invoice
1335 (attachments shall not be provided as links). Upon County request for such
1336 inserts, Contractor shall comply with such request during its next billing
1337 cycle for the targeted Customer group. Contractor shall perform this
1338 service with no additional requirement for compensation. If the County shall
1339 wish to do more than two inserts/distribution per year, it may require the
1340 Contractor to do so but Contractor shall be entitled to reimbursement from
1341 the County in such event.
- 1342 c. Minimum Website Requirements. Contractor shall develop and maintain a
1343 website (with a unique URL specific to the County) that is specifically
1344 dedicated to the County to provide Generators with detailed service
1345 information. The website or webpage shall be accessible by the public, and
1346 shall include all education and outreach materials being provided, without
1347 requirement for login. Contractor shall update the website regularly so that
1348 information provided is current.
- 1349 d. Instructional Service Guide. Contractor shall prepare a service guide that
1350 describes available services, including how to place Containers for
1351 Collection, which materials should be placed in each Container and
1352 prohibited materials, and provides Collection holidays and a Customer
1353 service phone number. The service guide shall be printed and delivered
1354 with each set of Containers distributed to a Generator and shall be
1355 delivered annually to all Generators. Upon County request, Contractor
1356 shall, at its sole expense, revise, re-print, and redistribute service guides
1357 once every three (3) years or at least ninety (90) days prior to a change in
1358 the accepted or prohibited materials for any program. Contractor shall
1359 make the service guide available in an electronic format through the
1360 Contractor's website. Contractor may provide an electronic version of the

1361 instructional service guide rather than a printed version, if requested by the
1362 Customer.

1363 e. Provision of Educational Materials to Non-Compliant Entities. Contractor
1364 shall provide educational materials to non-compliant generators under this
1365 Agreement.

1366 **G. Minimum Content Requirements.** Contractor shall include the following education
1367 and outreach content to Customers by incorporation of this content into the public
1368 education materials described in Section 6.3.F.

1369 1. Information on the Generator's requirements to properly separate Source
1370 Separated Recyclable Materials, SSGCOW, and Gray Container Waste and
1371 place such materials in appropriate Containers pursuant to this Agreement, SB
1372 1383 Regulations, and all other Applicable Law.

1373 2. Information on methods for the prevention of Source Separated Recyclable
1374 Materials and SSGCOW generation; managing SSGCOW on Generator's
1375 Premises through composting or other Landfill Disposal reduction activities
1376 allowed under 14 CCR Sections 18983.1 and 18983.2; sending SSGCOW to
1377 Community Composting operations; and any other local requirements regarding
1378 Discarded Materials.

1379 3. Information regarding the methane reduction benefits of reducing the Disposal of
1380 SSGCOW, and the method(s) that the Contractor uses to recover SSGCOW.

1381 4. Information regarding how to recover Source Separated Recyclable Materials,
1382 SSBCOW, and SSGCOW.

1383 5. Information related to the public health and safety and environmental impacts
1384 associated with the Disposal of SSGCOW and SSBCOW.

1385 6. Information regarding Self-Hauling requirements for Generators located outside
1386 of Mandatory Service Areas.

1387 7. Any other federal, State, or local requirements to properly separate Discarded
1388 Materials or other necessary actions by Generators, including applicable
1389 requirements of the County Code, SB 1383 and corresponding regulations.

1390 **H. Material Distribution Methods**

1391 Contractor shall use the following methods to provide education information to
1392 Customers. All materials are to be approved by the County prior to distribution.

1393 1. **Printed materials.** Contractor shall provide printed education materials as
1394 described in Sections 6.3.E and 6.3.F. The Contractor shall be responsible for
1395 the design, printing, and distribution of these materials. All Contractor-printed
1396 public education materials shall, at a minimum, use recycled paper and/or be

1397 made of recycled material. The Contractor will use 100% post-consumer paper
1398 if available, if not the maximum post-consumer content available, and procure
1399 printed materials from local businesses whenever possible.

1400 2. **Electronic materials and website content.** Contractor shall provide electronic
1401 and website content for education and outreach materials, which may include,
1402 but are not limited to: digital graphics, digital versions of print materials, social
1403 media posts, and blog posts. The Contractor shall be responsible for the design,
1404 posting, and electronic distribution of these materials.

1405 I. **Non-English Language Requirements**

1406 The Contractor shall make all public education and outreach materials required by this
1407 Section available in English and Spanish.

1408 Upon County request, Contractor shall provide materials in additional languages
1409 beyond those specified in this Section in response to shifting demographics within the
1410 County; updates to State requirements or Applicable Law; or, any other reason
1411 deemed appropriate by the County and the Contractor shall be entitled to
1412 reimbursement for the costs associated therewith.

1413 J. **Record Keeping and Reporting Requirements**

1414 Contractor shall comply with the public education and outreach record keeping and
1415 reporting requirements of Exhibit D.

1416 K. **Personnel**

1417 A representative of the Contractor who is knowledgeable of County Service Area F,
1418 services provided under this Agreement, and Rates shall be available from 8:00 a.m.
1419 to 5:00 p.m. Monday through Friday to communicate with the public by telephone.
1420 Contractor shall maintain a local telephone number which it shall publicize. Annually,
1421 and upon hiring of new staff, the Contractor is required to conduct thorough training
1422 of all Customer service representatives who may respond to Generator calls regarding
1423 Contractor's Collection services and SB 1383 Regulatory requirements. Customer
1424 service representatives shall accurately communicate program requirements and the
1425 accepted and prohibited materials for each material stream for each Customer type.
1426 New Customer service representatives shall not be assigned to the County prior to
1427 completing SB 1383 Regulations training. The County reserves the right to require
1428 changes to the call routing process and the training and qualifications for Customer
1429 service representatives assigned to the County if a pattern of inaccurate information
1430 provision is observed.

1431 Annually, and upon hiring of new staff, Contractor shall conduct thorough training of
1432 all Collector Route personnel that come into contact with Generators on the Collection
1433 program requirements and the accepted and prohibited materials for each material
1434 stream for each Customer type.

1435 **6.4 BILLING**

1436 **A. General Billing Requirements**

1437 1. **Contractor Responsible.** Contractor shall bill all Customers and be responsible
1438 for collecting payment from Customers. Billing shall be performed on the basis
1439 of services rendered and this Agreement shall create no obligation on the part of
1440 any Person on the sole basis of the Ownership of property. Individual contracts
1441 between Contractor and a Customer for services provided under this Agreement
1442 shall be prohibited unless otherwise approved in writing by the County Contract
1443 Manager on a case-by-case basis. Notwithstanding the foregoing, the Franchise
1444 Fee and the Management Fee shall be based only on Gross Receipts actually
1445 collected by the Contactor and shall not reflect any delinquent accounts, bad
1446 debts or other uncollected amounts.

1447 2. **Frequency.** Contractor shall bill all Single-Family Customers monthly in advance
1448 of services provided. Contractor shall bill Customers for any on-call and/or non-
1449 recurring services no more frequently than monthly and shall only bill for services
1450 provided during the previous billing period. Contractor shall remit invoices to
1451 Customers no earlier than the twentieth (5th) day of the month preceding the
1452 period for which service is being billed.

1453 3. **Bill Format.** Contractor shall bill Customers by standard mail, using standard
1454 (paper) invoices. Contractor shall permit Customers the ability to pay their bills
1455 through credit card and include the ability for Customer billings to be
1456 automatically charged on a recurring basis. Contractor shall prepare and mail
1457 bills and collect payments from Customers who decline to use such internet-
1458 based billing system. Contractor shall make arrangements to allow such
1459 Customers to pay bills by cash, check, money order, and credit card.

1460 4. **Bill Inserts.** Contractor shall include bill inserts in accordance with Section 6.3.

1461 5. **Records.** Contractor shall maintain copies of all billings and receipts, each in
1462 chronological order, for the Term of this Agreement, for inspection and
1463 verification by the County Contract Manager at any reasonable time, but in no
1464 case more than thirty (30) calendar days after receiving a request to do so.

1465 6. **Non-Payment and Bad Debt.**

1466 (a) **Mandatory Service Areas.** Contractor shall continue to provide Collection
1467 service to Single-Family Customers in Mandatory Service Areas in the
1468 event of nonpayment. Contractor shall notify the Director of all Customers
1469 in Mandatory Service Areas with payments for Base Services including
1470 Contamination Fees allowed to be imposed related to contaminated Base
1471 Services Containers but only as described and in strict accordance with
1472 Section 6.2.1.C.4 which are sixty (60) days or more past due. Once each
1473 calendar year during the Term of this Agreement, County shall reimburse
1474 Contractor, either by direct payment or by application of a credit against

1475 fees due County from Contractor pursuant to this Agreement, for the full
1476 amount of delinquent Base Services payments from Customers in
1477 Mandatory Service Areas. County shall have no obligation to reimburse
1478 Contractor for delinquent charges of any type outside of Base Services from
1479 Customers in Mandatory Service Areas. In the event such delinquent
1480 Customer pays Contractor after notification to County but before
1481 reimbursement by County, Contractor shall notify County of such payment,
1482 and County shall deduct from any reimbursement due the amount of such
1483 payment.

1484 (b) Non-Mandatory Service Areas. Contractor shall be responsible for
1485 collection of payment from Customers with past due accounts ("bad debt")
1486 outside of Mandatory Service Areas. Contractor may make reasonable
1487 efforts to obtain payment from such delinquent accounts through issuance
1488 of late payment notices, telephone requests for payments, and assistance
1489 from collection agencies. Contractor may deny services to any Customer
1490 who, after thirty (30) days from written demand therefore, has any amount
1491 due to Contractor for services rendered prior to such demand. Contractor
1492 may, in Contractor's discretion, require payment of one billing cycle's
1493 service in advance of providing service to new Customers or to any
1494 Customer whose service has been previously discontinued due to
1495 nonpayment.

1496 B. **Rates.** Contractor shall bill Customers and collect Customer payments at Rates not
1497 to exceed the County-approved maximum Rates.

1498 C. **Application of Contamination Surcharges.** In accordance with Section
1499 6.2.1.C.4, the Contractor shall assess contamination Processing fees on Customers with
1500 repeated occurrences of excess Prohibited Container Contaminants. Any contamination
1501 Processing fees to be assessed for a Customer shall be included and itemized on the
1502 Customer's invoice for the billing period in which the Contractor notified the Customer of
1503 the assessment of the contamination Processing fee.
1504

1505 D. **Universal Enrollment Process.** County requires that Single-Family Generators in
1506 Mandatory Service Areas are enrolled in Collection services pursuant to County Code
1507 Section 5-2404. Single-Family Generators located in Service Area F but outside of
1508 Mandatory Service Areas who do not obtain a Generator waiver pursuant to Section
1509 6.5 must also enroll in Collection services with Contractor as provided in this
1510 Agreement.

1511 Contractor shall assist the County in ensuring that the enrollment of Generators occurs
1512 in a timely and efficient manner. At least two (2) times per year, Contractor shall
1513 reconcile and confirm universal enrollment of Generators by comparing its Customer
1514 list to parcel information and calculating the percentage of total Generators enrolled
1515 in County's Collection program. As part of this analysis, Contractor shall provide the
1516 County with a summary of any discrepancies found between the Customer list and

1517 parcel information, including the names and addresses of all Generators that were
1518 found to be the subject of a discrepancy. In accordance with Exhibit D, Record
1519 Keeping and Reporting, Contractor shall maintain records and provide reports on the
1520 Generators' Service Level and list of non-enrolled Generators, and other information
1521 necessary for the County to verify the universal enrollment of Generators.

1522 **6.5 GENERATOR WAIVERS**

1523 County may grant waivers to Generators that impact the scope of Contractor's provision
1524 of service for those Customers (including, but not limited to Self-Haul waivers to
1525 Generators outside of Mandatory Service Areas). Waivers issued shall be subject to
1526 compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section
1527 18984.11, County Code Sections 5-2980 or 5-2984 or other requirements specified by
1528 the County.

1529 Upon Contractor request, no more than two (2) times per year, the County shall provide
1530 Contractor an updated listing of waivers approved by the County, including the
1531 Generators' names, mailing address, service address, and type of waiver.

1532 **6.6 INSPECTION AND ENFORCEMENT**

1533 **A. Annual Compliance Reviews**

1534 1. **General.** Contractor shall annually perform compliance reviews described in this
1535 Section, unless otherwise noted.

1536 2. **Annual Collector Route Review.** Contractor shall conduct annual Hauler Route
1537 reviews of Single-Family Generators for compliance with the County's Discarded
1538 Materials Collection program and Container contamination monitoring. These
1539 Collector Route reviews may be performed concurrently with the contamination
1540 monitoring Collector Route reviews, provided that Contractor documents a
1541 reasonable sampling of Generators for which compliance with the County's
1542 Discarded Materials Collection program during the Collector Route review was
1543 assessed.

1544 **B. Compliance Review Process**

1545 1. **Number of Reviews.** The Contractor shall conduct a sufficient number of
1546 Collector Route reviews and inspections of Generators to adequately determine
1547 the Generators' overall compliance with SB 1383 Regulations, and Sections 5-
1548 2985 and 5-2986 of the County Code. County reserves the right to require
1549 additional inspections, if the County determines that the amount of inspections
1550 conducted by the Contractor is insufficient. County may require the Contractor to
1551 prioritize inspections of entities that the County determines are more likely to be
1552 out of compliance.

1553 2. **Non-Compliant Entities.** Contractor shall provide educational materials in
1554 response to violations to the non-compliant Customers and Generators within

1555 ten (10) days of determination of non-compliance or immediately upon
1556 determination of non-compliance if such non-compliance is determined during an
1557 inspection or Collector Route review. Contractor shall document the non-
1558 compliant Customers and Generators and the date and type of education
1559 materials provided, and shall report such information to the County in accordance
1560 with Exhibit D. The County shall be responsible for subsequent enforcement
1561 action against the Generators.

1562 3. **Documentation of Inspection Actions.** The Contractor shall generate a written
1563 and/or electronic record and maintain documentation for each inspection,
1564 Collector Route review, and compliance review conducted, including the
1565 information described in Exhibit D.

1566 **6.7 SERVICE COMPLAINTS**

1567 A. **Documentation of Complaints.** The Contractor agrees to maintain a computer
1568 database log of all oral and written complaints received by Contractor from Customers
1569 or other Persons. Contractor shall be responsible for the prompt and courteous
1570 attention to, and prompt and reasonable resolution of, all Customer complaints.
1571 Contractor agrees to document and maintain for a period of at least twelve (12) months
1572 on a form or log all Complaints registered by Customers and Persons, in accordance
1573 with this Section and Exhibit D. For complaints received in which the Person alleges
1574 that an entity is in violation of SB 1383 Regulations, Contractor shall notify the County
1575 and proceed in accordance with Section 6.7.B.

1576 B. **Investigation of SB 1383 Regulatory Non-Compliance Complaints.** County shall
1577 notify Contractor of any complaints received for alleged SB 1383 violations by
1578 Generators within Contractor's service area. Within thirty (30) calendar days of
1579 receiving notice of a complaint, Contractor shall provide County with requested
1580 information related to the alleged violation, including but not limited to the following:
1581 the subscribed Service Level of the entity that may not be compliant with SB 1383
1582 Regulations; confirmation of whether the potentially non-compliant entity has been
1583 approved for a Generator waiver in accordance with Section 6.5; and, a
1584 recommendation to County on whether or not the entity is in violation of SB 1383
1585 Regulations. Upon request by County, Contractor shall also inspect the Premises of
1586 the entity identified by the complainant, and/or contact the entity to gather more
1587 information. Contractor is not required to investigate complaints against Food
1588 Recovery Organizations or Food Recovery Services. The County shall make a final
1589 determination of the allegations against the entity.

1590 **6.8 NON-DISCRIMINATION IN PROVISION OF SERVICE**

1591 Contractor shall not discriminate in the provision of service or the employment of Persons
1592 engaged in performance of this Agreement on account of race, religious creed, color,
1593 national origin, ancestry, physical handicap, medical condition, marital status, or sex of
1594 such Persons or as otherwise prohibited by law or regulation. Contractor's rates, fees, or
1595 charges for all services rendered pursuant to this Agreement shall be non-discriminatory
1596 and uniform for equal services rendered.

1597

ARTICLE 7: STANDARDS OF PERFORMANCE

1598 **7.1 GENERAL**

1599 Contractor shall at all times comply with Applicable Laws, hold all permits, licenses and/or
1600 other documents or approvals required for the lawful provision of service under this
1601 Agreement, and provide services in a manner that is safe to the public and the
1602 Contractor's employees. Except to the extent that a higher performance standard is
1603 specified in this Agreement, Contractor shall perform services in accordance with
1604 Discarded Materials management practices common to California.

1605 **7.2 OPERATING HOURS AND SCHEDULES**

1606 A. **Hours of Collection.** Unless otherwise authorized by the County Contract Manager,
1607 Contractor's days and hours for Collection operations shall only occur between the
1608 hours of 5:00 a.m. and 6:00 p.m., Monday through Friday or Saturdays when impacted
1609 by a holiday collection schedule.

1610 B. **Holiday Collection Schedule.** Contractor, at its sole discretion, may choose not to
1611 provide Collection services on a holiday. In such event, Contractor shall provide
1612 Collection services on the day following the holiday thereby adjusting subsequent
1613 work that week; however, Customer service days shall be returned to the normal
1614 schedule within one (1) week of the holiday. The Contractor shall provide Customers
1615 notice of holiday-related changes in Collection schedules at least two (2) weeks prior
1616 to the change.

1617 **7.3 COLLECTION STANDARDS**

1618 A. **Servicing Containers.** Contractor shall pick up and return each Container to the
1619 location where the Generator properly placed the Container for Collection. Contractor
1620 shall place the Containers upright with lids properly secured.

1621 Contractor, at the request of Customers, may provide special services including: (i)
1622 unlocking Containers; (ii) accessing Container enclosures with a key; or, (iii) pulling or
1623 pushing Containers to the Collection vehicle.

1624 B. **Litter Abatement.** Contractor shall use due care to prevent spills or leaks of material
1625 placed for Collection, fuel, and fluids while providing services under this Agreement.
1626 If any materials are spilled or leaked during Collection and Transportation, the

1627 Contractor shall clean up all spills or leaks before leaving the site of the spill, unless
1628 such spillage/leakage is the result of overloaded Containers.

1629 Contractor shall not transfer loads from one vehicle to another on any public street,
1630 unless it is necessary to do so because of mechanical failure, hot load (combustion of
1631 material in the truck), or accidental damage to a vehicle.

1632 Contractor shall cover all open Drop Boxes at the pickup location before Transporting
1633 materials to the Approved Facility.

1634 C. **Noise.** All Collection operations shall be conducted as quietly as possible and shall
1635 conform to applicable Federal, State, and County noise level regulations. The County
1636 may conduct random checks of noise emission levels to ensure such compliance.

1637 **7.4 COLLECTION VEHICLE REQUIREMENTS**

1638 A. **General Requirements.** All vehicles used by the Contractor in providing Discarded
1639 Materials services shall be registered with the California Department of Motor Vehicles
1640 and shall meet or exceed all legal standards including, but not limited to, 14 CCR
1641 Section 17341 et seq. Collector agrees to maintain all of its Collection vehicles in
1642 compliance with the provisions of Applicable Law and regulations, including but not
1643 limited to the California Vehicle Code and County Code. Collector's vehicle shall carry
1644 a shovel, broom, and fire extinguisher and shall be equipped with an audible automatic
1645 back up or other acceptable warning devices.

1646 B. **Vehicle Identification.** Contractor's name, local telephone number, and a unique
1647 vehicle identification number designed by Contractor for each vehicle shall be painted
1648 (in letters at least three (3) inches high) on each side of each vehicle.

1649 C. **Cleaning and Maintenance:**

1650 1. **General.** Contractor shall maintain all of its properties, facilities, and equipment
1651 used in providing service under this Agreement in a safe, neat, clean, and operable
1652 condition at all times. Each truck shall be designed so that Discarded Materials,
1653 oil, or grease will not blow, fall, or leak out of the truck onto the street. All Discarded
1654 Materials shall be transported by means of vehicles equipped with leak -resistant
1655 bodies fitted with close fitting covers.

1656 2. **Cleaning.** Vehicles used in the Collection of Discarded Materials shall be washed
1657 on a regular basis so as to present a clean appearance and minimize odors.

1658 3. **Storage.** Contractor shall arrange to store all vehicles and other equipment in
1659 location(s) in accordance with County's applicable zoning regulations, if stored

1660 within the County. Collection vehicles when not in use must be parked in an off-
1661 street location, except in an emergency situation.

1662 4. Covers. Vehicles shall be equipped with a mechanical cover or tarp, that is
1663 adequate to cover and prevent Discarded Materials from blowing out of the vehicle.

1664 5. Operation. Vehicles shall be operated in compliance with the California Vehicle
1665 Code, 14 CCR, Division 7, Chapter 3, Article 5 and all applicable safety and local
1666 ordinances. Contractor shall not load vehicles in excess of the manufacturer's
1667 recommendations or limitations imposed by State or local weight restrictions on
1668 vehicles.

1669 6. Modifications. Upon approval of the Director, Collector may modify the equipment
1670 standards under any of the following conditions.

1671 (a) Collection Routes or areas which are extremely difficult to serve with
1672 standard Collection vehicle;

1673 (b) Unusual topography; and/or,

1674 (c) Difficult road/driveway access problems.

1675 7. **Vehicle Inspection.** All trucks used in the Collection and transportation of Discarded
1676 Materials may be inspected at such time and place as designated by the Director. The
1677 Director, or their designee, may schedule an annual inspection for randomly selected
1678 trucks operated by Collector. Upon request from the Director, Contractor shall provide
1679 copies of CHP BIT inspection reports for any vehicle used in performing services
1680 under this Agreement. The Director may revoke the use of any truck that fails to meet
1681 the requirements of this Agreement, and such truck shall not be used for the Collection
1682 or transportation of Discarded Materials until its default has been corrected to the
1683 satisfaction of the Director. Revocation of the right to use a particular truck shall not
1684 excuse Collector from performing any of its obligations under this Agreement.

1685 8. **Inventory.** Contractor shall annually furnish to the County a current vehicle inventory
1686 of Contractor's vehicles used to provide Collection services under this Agreement.

1687 **7.5 CONTAINER REQUIREMENTS**

1688 **A. Provision of Containers by Contractor and Color Standards**

1689 1. **General.** Contractor shall use the Contractor-provided Collection Containers
1690 that are currently located at Customers' Premises or provide Customers with
1691 Collection Containers from Contractor's current inventory.

1692 No later than ninety (90) days from the Commencement Date, Contractor shall
1693 provide all Customers with Collection Containers that comply with the Container
1694 color requirements specified in this Section or as otherwise specified in 14 CCR
1695 Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other Applicable

1696 Law. At least ninety (90) days in advance of Contractor Container purchases or
1697 repainting of metal Containers, Contractor shall present proposed colors to the
1698 County for review and approval. If an existing Container breaks or is otherwise
1699 rendered non-functional, the Contractor shall replace the non-functional
1700 Container with a Container that complies with the color requirements of this
1701 Section. Notwithstanding this Section, the Contractor is not required to replace
1702 functional Containers, including Containers purchased prior to the Effective Date,
1703 that do not comply with the color requirements of this Section prior to the end of
1704 the useful life of those Containers, or prior to January 1, 2036, whichever comes
1705 first.

1706 **2. Blue Containers (Source Separated Recyclable Materials)**

1707 Blue Containers must have a lid and body that is blue in color. Hardware such
1708 as hinges and wheels on the Blue Containers may be a different color.

1709 **3. Green Containers (SSGCOW)**

1710 Green Containers must have a lid and body that are green in color. Hardware
1711 such as hinges and wheels on the Green Containers may be a different color.

1712 **4. Gray Containers (Gray Container Waste)**

1713 Gray Containers must have a lid and body that are gray in color. Hardware such
1714 as hinges and wheels on the Gray Container may be a different color.

1715 **B. Labeling Requirements**

1716 **Imprinted or In-Mold Labels for New Containers or New Lids**

1717 On or before January 1, 2025, Contractor shall imprint new Container bodies or lids
1718 with text or graphic images that indicate the primary materials accepted and the
1719 primary materials prohibited in that Container. Labels shall clearly indicate items that
1720 are Prohibited Container Contaminants for each Container. Prior to ordering any
1721 Containers or lids with in-mold labels, Contractor shall submit a sample of its proposed
1722 label, proposed location(s) for placement of labels on each type of Container, and its
1723 labeling plan to the County Contract Manager for approval.

1724

1725 **C. Container Maintenance, Cleaning, Painting**

1726 Contractor shall be responsible for repairing or replacing Containers when Contractor
1727 determines the Container is no longer suitable for service; or when the County or
1728 Customer requests replacement of Customer's Container that does not properly
1729 function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be
1730 responsible for acquiring the replacement Containers. Contractor shall maintain a
1731 sufficient inventory of Containers to accommodate new Customer requests for service,

1732 requests for change in Service Levels (size, type, or number of Containers) from
1733 current Customers, and requests for replacement due to damage. All such Containers
1734 shall be provided within one (1) week of request.

1735
1736 Contractor shall repair or replace all damaged or broken Containers within a one (1)
1737 week period. If the repair or replacement cannot be completed within a week, the
1738 Customer shall be notified by Contractor and a larger Container shall be made
1739 available until the proper Container can be replaced.

1740
1741 Contractor shall steam clean and repaint all Containers as needed (other than Carts)
1742 so as to present a clean appearance.

1743
1744 Contractor shall remove graffiti from Containers within forty-eight (48) hours of
1745 identification by Contractor or notice by County or Customer if such graffiti includes
1746 any written or pictorial obscenities and otherwise within five (5) Business Days.

1747

1748 At the County's request, Contractor shall provide County with a list of Containers and
1749 the date each Container was painted and maintained.

1750 **D. Ownership of Containers at End of Term**

1751 Upon the date of this Agreement's expiration or earlier termination, the Carts shall
1752 remain the property of the Contractor. In such case, Contractor shall be responsible
1753 for outstanding depreciation and for removing all Containers, and Compactors in
1754 service from the Premises within sixty (60) Working Days of the expiration date or
1755 early termination date of this Agreement or within a different timeframe mutually
1756 agreed to by the Parties. Contractor shall arrange for reuse or Recycling of
1757 Containers, and Compactors removed from the County.

1758 **7.6 PERSONNEL**

1759 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to
1760 provide the services required by this Agreement in a safe and efficient manner.
1761 Contractor shall designate at least one (1) qualified employee as County's primary
1762 point of contact with Contractor who is principally responsible for Collection operations
1763 and resolution of service requests and complaints.

1764 Contractor shall use its best efforts to assure that all employees present a neat
1765 appearance and conduct themselves in a courteous manner. Contractor shall not
1766 permit its employees to accept, demand, or solicit, directly or indirectly, any additional
1767 compensation, or gratuity from members of the public.

1768 **B. Driver Qualifications.** All drivers must have in effect a valid license, of the
1769 appropriate class, issued by the California Department of Motor Vehicles. Contractor

1770 shall use the Class II California Department of Motor Vehicles employer "Pull Notice
1771 Program" to monitor its drivers for safety.

1772 C. **Safety Training.** Contractor shall provide suitable operational and safety training for
1773 all of its employees who operate Collection vehicles or equipment. Contractor shall
1774 train its employees involved in Collection to identify, and not to collect, Excluded
1775 Waste. Upon the County Contract Manager's request, Contractor shall provide a copy
1776 of its safety policy and safety training program, the name of its safety officer, and the
1777 frequency of its trainings.

1778 D. **Provision of Field Supervision.** Contractor shall designate one qualified employee
1779 as supervisor of field operations. The field supervisor will devote at least fifty percent
1780 (50%) of his or her time in the field checking on Collection operations, including
1781 responding to complaints.

1782 E. **Identification.** All representatives of the Contractor shall display and/or provide
1783 proper identification or documentation exhibiting their association with the Contractor
1784 while operating in the field.

1785 **7.7 HAZARDOUS WASTE INSPECTION AND HANDLING**

1786 A. **Inspection Program and Training.** Contractor shall develop a load inspection
1787 program that includes the following components: (i) personnel and training; (ii) load
1788 checking activities; (iii) management of wastes; and, (iv) record keeping and
1789 emergency procedures.

1790 Contractor's load checking personnel, including its Collection vehicle drivers, shall be
1791 trained in: (i) the effects of Hazardous Substances on human health and the
1792 environment; (ii) identification of prohibited materials; and, (iii) emergency notification
1793 and response procedures.

1794 B. **Response to Excluded Waste Identified During Collection.** If Contractor
1795 determines that material placed in any Container for Collection is Excluded Waste or
1796 presents a hazard to Contractor's employees, the Contractor shall follow the
1797 procedures described in Section 6.2.1.C.2. Under no circumstances shall Contractor's
1798 employees knowingly Collect Excluded Waste or remove unsafe or poorly
1799 containerized Excluded Waste from a Collection Container. If Excluded Waste is found
1800 in a Collection Container or Collection area that could possibly result in imminent
1801 danger to people or property, the Contractor shall immediately notify the Fire
1802 Department.

1803 C. **Response to Excluded Waste Identified at Disposal or Processing Facility.**
1804 Materials Collected by Contractor will be delivered to the Approved Facilities for
1805 purposes of Processing or Disposal. In the event that load checkers and/or equipment
1806 operators at such facility identify Excluded Waste in the loads delivered by Contractor,
1807 such personnel shall remove these materials for storage in approved, on-site,
1808 Excluded Waste storage Container(s). Contractor shall arrange for removal of the
1809 Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws

1810 and regulatory requirements. The Contractor may at its sole expense attempt to
1811 identify and recover the cost of Disposal from the Generator. If the Generator can be
1812 successfully identified, the cost of this effort, as well as the cost of Disposal shall be
1813 chargeable to the Generator.

1814 **ARTICLE 8: RECORD KEEPING AND REPORTING**

1815 Contractor shall maintain records and reports in accordance with Exhibit D and shall allow
1816 County to audit and inspect records as described in Exhibit D.

1817 **ARTICLE 9: JURISDICTION FEES AND PAYMENTS**

1818 **9.1 FRANCHISE FEE**

1819 In consideration of grant of franchise, Contractor shall pay a Franchise Fee to County
1820 each month. The amount of the Franchise Fee shall be equal to zero percent (0%) of
1821 Gross receipts for all services performed under this Agreement. This fee is an allowable
1822 cost recoverable through the Rates but is a fee paid solely by Contractor. Contractor and
1823 County agree the Franchise Fee is a negotiated amount that is reasonably related to the
1824 value of the rights granted to Contractor under this Agreement.

1825 **9.2 CONTRACT MANAGEMENT PAYMENT**

1826 The Contractor shall pay a Contract Management Payment to the County each quarter.
1827 The amount of the Contract Management Payment shall be equal to three percent (3%)
1828 of Gross Receipts for all services performed under this Agreement. County shall use the
1829 Contract Management Fee to offset expenses, including but not limited to, administration,
1830 Customer education, outreach and technical assistance, Regulatory compliance,
1831 monitoring, reporting, and Contractor compliance with the Agreement and applicable
1832 ordinance requirements. The County shall retain the sole right to set priorities for the use
1833 of this fee. This fee shall be considered an allowable cost recoverable through the rates
1834 and included in the Contractor's Compensation pursuant to Article 10.

1835 **9.3 APPROVED DISPOSAL FACILITY GATE FEE PREPAYMENT**

1836 Contractor shall post a noninterest earning cash advance deposit with County as an
1837 advance payment of gate fees at the Approved Disposal Facility to be paid by Contractor
1838 to County. Individual gate fee transactions will be deducted from the advance deposit.
1839 By the tenth of each month, County shall invoice Contractor for the amount of such
1840 deductions from the prior month. Contractor shall replenish the advance deposits by
1841 paying to County the amount of deductions as reported to Contractor by County. Such
1842 payment shall be made no later than the last Business Day of the month said invoice is
1843 received. If such payment is not paid as specified here, such payment shall be delinquent
1844 and a delinquency charge of five percent (5%) of the payment or payments due shall be

1845 imposed upon and added to such payment or payments for each month or part thereof
1846 during which such payment remains delinquent.

1847 The amount of said deposit is initially set at Five Hundred Seven Thousand Seven
1848 Hundred Six Dollars (\$507,706) for Account 6072 (Foothill Landfill), Zero Dollars (\$0.00)
1849 for Account 6078 (North County Landfill), and shall be reviewed semiannually by County
1850 and adjusted to an amount equal to the monthly average of the prior six-month gate
1851 fees. The amount of said deposit shall also be reviewed and adjusted accordingly at such
1852 time as Rates are adjusted in accordance with Article 10.

1853 In lieu of paying the advance deposit towards gate fees, Contractor may propose and
1854 utilize a different method of paying gate fees, providing such method is approved in writing
1855 by the Director prior to implementation. Such approval will be granted on a temporary
1856 basis and may be revoked at the discretion of the Director. If such approval is revoked,
1857 Contractor shall immediately pay the advance deposit as established in this Section 9.3

1858 Notwithstanding the provisions of this Article 9, no advance payment will be required for
1859 use of the TMRSWT Facility by the Contractor nor will TMRSWT be required to make any
1860 advance payments for use of the Foothill Sanitary Landfill. Payments to that Facility will
1861 be governed by the ThreeParty Agreement A-14-250 and Service Agreement.

1862 **9.4 COURT DETERMINATIONS REGARDING COUNTY FEES**

1863 In the event any County fee is determined by a court to be excessive, invalid or
1864 unenforceable, then: (i) Contractor shall not be obligated to remit the future portion of the
1865 County fee deemed excessive, invalid, or unenforceable to the County; (ii) to the extent
1866 the Customers are entitled to a reimbursement of any excessive, invalid or unenforceable
1867 County fees, and County is required to reimburse Contractor in the amount of the County
1868 fees previously remitted to County that have been deemed excessive, invalid or
1869 unenforceable, thereafter, Contractor shall directly reimburse all Customers entitled to
1870 reimbursement in the amount attributable to each Customer account. In no event shall
1871 Contractor retain any portion of the fees reimbursed by County; (iii) to the extent the
1872 Customers are entitled to a reimbursement of any excessive, invalid, or unenforceable
1873 County fees, and County is required by a court to directly reimburse Customers,
1874 Contractor shall assist County in identifying all Customers entitled to a reimbursement,
1875 quantifying the reimbursement amount attributable to each Customer account, and
1876 obtaining and providing to County any other information needed to satisfy the obligations
1877 imposed by a court; and (iv) County and Contractor will, within thirty (30) days following
1878 such court decision meet and confer to negotiate in good faith and using reasonable
1879 efforts to attempt to agree on modifications to the Agreement.

1880 **9.5 ADJUSTMENT TO FEES**

1881
1882 County may set other fees or adjust the fees established in this Article from time-to-time
1883 during the Term of this Agreement and such adjustments shall be included in the
1884 adjustment of Rates as described in Article 10 County will give the Contractor notice of

1885 any pending change to fees no less than ninety (90) days prior to the County's scheduled
1886 effective date for the change.

1887 Such fee adjustments shall be effective upon the inclusion of the adjustments in the
1888 Rates.

1889 The amounts of the Franchise Fee, and the Management Fee for subsequent Rate
1890 Periods shall be adjusted annually by the same Annual Percentage Change in the
1891 Construction Cost Index, calculated in accordance with the adjustment method described
1892 in Article 10, or shall be the amount specified by the County.

1893 **ARTICLE 10: COMPENSATION AND RATE**
1894 **REGULATION**

1895 **10.1 GENERAL**

1896 The Contractor's compensation for performance of all its obligations under this
1897 Agreement shall be Gross Receipts. Contractor's compensation provided for in this Article
1898 shall be the full, entire and complete compensation due to Contractor pursuant to this
1899 Agreement for all labor, equipment, materials and supplies, Processing and Disposal
1900 fees, fees due to County, taxes, insurance, bonds, overhead, operations, profit, and all
1901 other things necessary to perform all the services required by this Agreement in the
1902 manner and at the times prescribed. Nothing herein shall obligate County to provide any
1903 compensation to Contractor beyond Gross Receipts, with the exception of the bad debt
1904 assistance described in Section 6.4.

1905 If Contractor's actual costs, including fees due to County, are more than Gross Receipts,
1906 Contractor shall not be compensated for the difference in actual costs and actual Gross
1907 Receipts. If Contractor's actual costs are less than the actual Gross Receipts, Contractor
1908 shall retain the difference provided that Contractor has paid County fees pursuant to
1909 Article 9.

1910 Under this Agreement, Contractor shall have the right and obligation to charge and collect
1911 from Customers, Rates that are approved by the County for provision of services to
1912 Customers. The Rates for Rate Period One are presented in Exhibit F.

1913 The Contractor or its Subcontractor(s) that operates the Approved Facilities shall retain
1914 revenues received for the sale of Source Separated Recyclable Materials including
1915 California Redemption Value revenues, and SSGCOW. Such revenues have been
1916 considered in the establishment of Rates for services provided under this Agreement.
1917 Contractor or TMRSWT, as the case may be, are entitled to grant funds available through
1918 the Department of Resources Recycling and Recovery (CalRecycle) through its "Curbside
1919 Supplemental Payments" for registered Curbside Recycling programs.

1920 **10.2 RATES AND ANNUAL ADJUSTMENTS**

1921 A. **General.** The County shall be responsible for approving Rates as described in this
1922 Article. A Rate has been established for each individual Service Level and the initial
1923 Rates for Rate Period One are presented in Exhibit F. Contractor may, in its sole
1924 discretion, charge Customers any amount up to and including the Rate approved by
1925 the County, but in no case exceeding the Rate. Subject to the provisions of Section
1926 10.2.B, Contractor shall charge all Customers that have the same Service Level at the
1927 same Rate. The comparability of Service Levels and related Rates may be considered
1928 separately for Source Separated Recyclable Materials, SSGCOW, and Gray
1929 Container Waste services.

1930 Notwithstanding the schedule for annual Rate adjustments described in Article 10.2.D
1931 and subject to the terms herein, if at any time during the Term of the Agreement, the
1932 Contractor determines the need for a Rate that does not appear on the County-
1933 approved Rate schedule in Exhibit F, Contractor shall immediately notify the County
1934 and request establishment of such Rate. The County may initiate a Rate review should
1935 changes to the Franchise Fee or the Management Fee occur in accordance with
1936 Article 9.5. County shall adjust Rates accordingly based on Contractor submittal of
1937 cost information with sufficient documentation of the effect of the change.

1938 **B. Discounted Rate Categories**

1939 1. Contractor shall allow a senior citizen's discount for Single-Family Discarded
1940 Materials Collection for each Single-Family Premises where no inhabitants are
1941 younger than sixty-five (65) years of age. Such discount shall be equal to twenty
1942 percent (20%) of the rate equivalent to the first level of cart service. This rate shall
1943 apply to the level of the cart service provided.

1944 2. Contractor shall allow a low-income discount for Single-Family Discarded Materials
1945 Collection for Single-Family Generators demonstrating that they receive
1946 assistance under PG&E's California Alternate Rates for Energy ("CARE")
1947 ratepayer assistance program. Contractor shall determine who is eligible for this
1948 Rate. Such discount shall be equal to thirty percent (30%) of the rate equivalent to
1949 the first level of cart service. This rate shall apply to the level of the cart service
1950 provided.

1951 **C. Rates for Rate Period One.** Rates for Rate Period One, which are presented in
1952 Exhibit F, were determined by Contractor and County and were approved by County
1953 resolution on or before the execution of the Agreement. The Rates for Rate Period
1954 One shall be effective from the Commencement Date of this Agreement through
1955 December 31, 2025.

1956 **D. Rates for Subsequent Rate Periods.** On the first anniversary date of the
1957 Commencement Date of this Agreement, and on each anniversary date thereafter,
1958 Rates for services as established pursuant to this Article 10, shall be automatically
1959 adjusted upward or downward (but never to less than the initial Rates set forth in
1960 Exhibit F hereto), by the percentage change in the Construction Cost Index for the

1961 preceding twelve-month period ending September 30, as reported in the Engineering
1962 News-Record (ENR). This Construction Cost Index adjustment shall be applied to the
1963 current Rate less the Approved Disposal Facility gate fee adjustment. County shall
1964 notice Contractor when the Approved Disposal Facility gate fees are to be adjusted.
1965 In such event, Collection Rates shall be adjusted by multiplying the amount of the per
1966 ton gate fee increase by 0.12 and rounded to the nearest one cent, to arrive at the
1967 amount of the Collection Rate increase allowed per month per 35-gallon Container
1968 service, and proportionately for larger sized Containers.

1969 Unless otherwise agreed to by Contractor and County, a written notice of any Rate
1970 adjustments shall be mailed by Contractor to all Customers not later than two weeks
1971 prior to the date such changes become effective. The notice of such Rate adjustments
1972 shall be approved in advance of the mailing by the County.

1973 E. **Rate Structure.** Upon County request, the Parties shall meet and confer to change
1974 the relationship of individual Rates in comparison with other Rates. Any such changes
1975 would occur in conjunction with the annual Rate adjustment process described in
1976 Section 10.2.D or in conjunction with a Rate adjustment resulting from an
1977 extraordinary Rate adjustment in accordance with Section 10.3.

1978 **10.3 EXTRAORDINARY RATE ADJUSTMENTS**

1979 It is understood that the Contractor accepts the risk for changes in cost of providing
1980 services and the Service Levels requested by Customers and therefore the extraordinary
1981 adjustments to Rates shall be limited to a change in law or a County-directed change in
1982 scope. If a Change in Law or County-directed change in scope (pursuant to Section 4.4)
1983 occurs, the Contractor may petition County for an adjustment to the Rates in excess of
1984 the annual adjustment described in Section 10.2.

1985 Contractor shall prepare an application for the extraordinary Rate adjustment calculating
1986 the net financial effect on its operations (both increases and decreases of costs and
1987 revenues) resulting from the Change in Law or County-Directed Change in Scope (but
1988 not resulting from unrelated changes in costs and revenues), clearly identifying all
1989 assumptions related to such calculations and providing the underlying documentation
1990 supporting the assumptions. The application shall provide all information requested by
1991 Director specific to the nature of the request being made. Director shall evaluate the
1992 application for reasonableness. As part of that review, the Director may request access
1993 to the financial statements and accounting records required to be maintained by the
1994 Contractor (pursuant to Article 8) in order to determine the reasonableness of the
1995 Contractor's application. Should the Contractor not grant such access, then the County
1996 may rely on other information available to it as the basis for making reasonable
1997 assumptions regarding what those accounting and financial records would have shown
1998 and therefore the reasonableness of the Contractor's application. Contractor shall pay all
1999 reasonable costs incurred by the County, including the costs of outside accountants,
2000 attorneys, and/or consultants, in order to make a determination of the reasonableness of
2001 the requested Rate adjustment.

2002 In the event of such an application for extraordinary Rate adjustment, it is understood that
2003 the County or Contractor, as the case may be, shall have the burden of demonstrating
2004 the reasonableness of the requested adjustment.

2005 The Contractor may appeal the decision of the Director to the Board of Supervisors, which
2006 shall then make the final determination as to whether an adjustment to the Rates will be
2007 made, and if a Rate adjustment is permitted, the amount of the Rate adjustment. With
2008 respect to an extraordinary Rate adjustment requested by the County, the Board of
2009 Supervisors shall then make the final determination as to whether an adjustment to the
2010 Rates will be made, and if a Rate adjustment is permitted, the amount of the Rate
2011 adjustment.

2012 Notwithstanding the provisions of this Article 10, in the event of a change in Fees charged
2013 by the TMRSWT Facility, which are provided for in the Three-Party Agreement and
2014 Service Agreement, the Contractor shall be entitled to an Extraordinary Rate Adjustment
2015 in order to fully recover additional costs resulting therefrom.

2016 **ARTICLE 11: INDEMNITY, INSURANCE, AND**
2017 **PERFORMANCE BOND**

2018 **11.1 INDEMNIFICATION OF COUNTY**

2019 A. **General.** Contractor shall indemnify, defend with counsel acceptable to County, and
2020 hold harmless (to the full extent permitted by law) County and its officers, officials,
2021 employees, volunteers, and agents from and against any and all claims, liability, loss,
2022 injuries, damage, expense, and costs (including without limitation costs and fees of
2023 litigation, including attorneys' and expert witness fees) (collectively, "Damages") of
2024 every nature arising out of or in connection with Contractor's performance under this
2025 Agreement, or its failure to comply with any of its obligations contained in the
2026 Agreement, except to the extent such loss or damage was caused by the negligence
2027 or willful misconduct of County. The provisions of this Article 11 shall survive the
2028 termination or expiration of this Agreement.

2029 B. **Excluded Waste.** Contractor acknowledges that it is responsible for compliance
2030 during the entire Term of this Agreement with all Applicable Laws. Contractor shall not
2031 store, transport, use, or Dispose of any Excluded Waste except in strict compliance
2032 with all Applicable Laws. In the event that Contractor negligently or willfully mishandles
2033 Excluded Waste in the course of carrying out its activities under this Agreement,
2034 Contractor shall at its sole expense promptly take all investigatory and/or remedial
2035 action reasonably required for the remediation of such environmental contamination.
2036 Prior to undertaking any investigatory or remedial action, however, Contractor shall
2037 first obtain County's approval of any proposed investigatory or remedial action. Should
2038 Contractor fail at any time to promptly take such action, County may undertake such
2039 action at Contractor's sole cost and expense, and Contractor shall reimburse County
2040 for all such expenses within thirty (30) calendar days of being billed for those

2041 expenses. These obligations are in addition to any defense and indemnity obligations
2042 that Contractor may have under this Agreement.

2043 C. **Proposition 218.** Should there be a Change in Law or a new judicial interpretation of
2044 Applicable Law, including, but not limited to, Article XIII C and D of the California
2045 Constitution (Commonly Proposition 218), which impacts the Rates for the Collection
2046 services established in accordance with this Agreement, Contractor agrees to meet
2047 and confer with County to discuss the impact of such change on either Party's ability
2048 to perform under this Agreement.

2049 If, at any time, an adjustment to Rates determined to be appropriate by both County
2050 (which determination shall not be unreasonably withheld) and Contractor to
2051 compensate Contractor for increases in costs as described in this Agreement cannot
2052 be implemented for any reason, Contractor and County shall negotiate, in good faith,
2053 a reduction of services and/or County fees equal to the value of the Rate adjustment
2054 that cannot be implemented.

2055 Should a court of competent jurisdiction determine that the Contractor cannot charge
2056 and/or increase its Rates for charges related to governmental fees and charges,
2057 Contractor shall reduce the Rates it charges Customers a corresponding amount,
2058 providing said fees, Rates and/or charges disallowed by the court are not related to
2059 the cost of providing service hereunder and had been incorporated in the Rates
2060 charged by Contractor to its Customers.

2061 Nothing herein is intended to imply that California Constitution, Articles XIIC or XIID,
2062 apply to the Rates established for services provided under this Agreement; rather this
2063 Section is provided merely to allocate risk of an adverse judicial interpretation between
2064 the Parties.

2065 D. **CalRecycle Indemnification.** Contractor's duty to defend and indemnify herein
2066 includes payment of all fines and/or penalties imposed by CalRecycle, subject to the
2067 restrictions set forth in Public Resources Code Section 40059.1, if the requirements
2068 of AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations are not
2069 met by the Contractor with respect to the Discarded Materials Collected under this
2070 Agreement, and such failure is: (i) due to the failure of Contractor to meet its
2071 obligations under this Agreement, or, (ii) due to Contractor delays in providing
2072 information that prevents Contractor or County from submitting reports required by AB
2073 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations in a timely
2074 manner.

2075 **11.2 INSURANCE REQUIREMENTS**

2076 Without limiting Contractor's indemnification obligations to County, Contractor shall
2077 provide at its sole expense and maintain for the Term of this Agreement, or as may be
2078 further required herein, insurance against claims for injuries to Persons (including in this
2079 instance County) or damages to property which may arise from or in connection with the
2080 performance of the work hereunder and the results of the work by the Contractor, their
2081 agents, representatives, employees, contractors (including, without limitation, any

2082 Subcontractors), or independent operators that perform facility services. For the purposes
2083 of this Section, the term "Subcontractors" is to be broadly construed to mean any person,
2084 firm, or entity hired by Contractor to carry out any of Contractor's duties under this
2085 Agreement.

2086 **11.2.1 Minimum Scope of Insurance**

2087 Coverage shall be at least as broad as:

2088 A. Commercial General Liability, Occurrence form, Insurance Services Office form
2089 CG0001.

2090 B. Automobile Liability covering all owned, non -owned, hired auto, Insurance Services
2091 Office form CA0001. Policy shall contain pollution coverage endorsements MCS-90
2092 or CA 99 48 03 06 or equivalent.

2093 C. Workers' Compensation, as required by State of California and Employer's Liability
2094 Insurance.

2095 D. Contractor's Pollution Liability - Applies to operators of transfer stations, materials
2096 recovery facilities, composting facilities, other Processing facilities, and/or landfills.

2097 **11.2.2 Minimum Limits of Insurance**

2098 Contractor shall maintain limits no less than:

2099 A. Commercial General Liability including Premises, Operations, Products and
2100 Completed Operations, Contractual Liability, and Independent Contractors Liability:
2101 \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The
2102 General Aggregate limit shall be \$4,000,000.

2103 B. Automobile Liability: \$2,000,000 each accident for bodily injury and property damage.

2104 C. Employer's Liability: \$1,000,000 each accident for bodily injury or disease. Coverage
2105 shall include waiver of subrogation endorsement in favor of County of San Joaquin.

2106 D. Contractor's Pollution Liability: \$2,000,000 per claim and aggregate limit of not less
2107 than \$4,000,000. The policy shall include limited contractual liability coverage. This
2108 coverage shall be maintained for a minimum of three (3) years following termination
2109 or completion of Contractor's work pursuant to the Agreement.

2110 E. If the Collector maintains broader coverage and/or higher limits than the minimums
2111 shown above, the County requires and shall be entitled to the broader coverage and/or
2112 higher limits maintained by the Contractor. As a requirement of this Agreement, any
2113 available insurance proceeds in excess of the specified minimum limits and coverage
2114 stated above, shall also be available to the County of San Joaquin. Nothing in this

2115 Article 11 shall require the Contractor to maintain broader coverage than is required
2116 by this Article.

2117 **11.2.3 Self-Insured Retentions**

2118 Any self-insured retention must be declared to and approved by the County Risk
2119 Management if over \$50,000. At the option of the County, either: the insurer shall reduce
2120 or eliminate such deductibles or self-insured retentions as respects the County, the
2121 members of the Board of Supervisors of the County and the officers, agents, employees,
2122 and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the
2123 County guaranteeing payment of losses and related investigations, claim administration,
2124 and defense expenses.

2125 **11.2.4 Other Insurance Provisions**

2126 Policies are to contain, or be endorsed to contain the following provisions:

2127 A. **Additional Insured Endorsement.** The County, the members of the Board of
2128 Supervisors of the County and the officers, agents, employees, and volunteers of the
2129 County, individually and collectively are to be covered as additional insureds on the
2130 General Liability policy with respect to liability arising out of work or operations
2131 performed by or on behalf of the Contractor including materials, parts, or equipment
2132 furnished in connection with such work or operations and automobiles owned, leased,
2133 hired, or borrowed by or on behalf of the Contractor. General Liability coverage can
2134 be provided in the form of an endorsement to the Contractor's insurance (current
2135 additional insured endorsement form number CG D2 46 04 19).

2136 B. **Primary Insurance Endorsement.** For any claims related to this Agreement, the
2137 Contractor's insurance coverage shall be primary insurance at least as broad as ISO
2138 CG 2001 04 13 as respects the County, the members of the Board of Supervisors of
2139 the County and the officers, agents, employees and volunteers of the County,
2140 individually and collectively. Any insurance or self-insurance maintained by the
2141 County, its Board members, officers, agents, employees, or volunteers shall be
2142 excess of the Contractor's insurance and shall not contribute with it.

2143 C. **Notice of Cancellation.** Notice of cancellation shall be in accordance with policy
2144 provisions.

2145 D. **Severability of Interest Clause.** Coverage applies separately to each insured, except
2146 with respect to the limits of liability, and that an act or omission by one of the named
2147 insureds shall not reduce or avoid coverage to the other named insureds.

2148 **11.2.5 General Provisions**

2149 A. **Qualifying Insurers.** All required policies of insurance shall be issued by companies
2150 which have been approved to do business in the State of California by the State
2151 Department of Insurance, and which hold a current policy holder's alphabetic and
2152 financial size category rating of not less than A-, VII according to the current Best's

2153 Key Rating guide, or a company of equal financial stability that is approved in writing
2154 by County Risk Management.

2155 B. **Evidence of Insurance.** Prior to commencement of this Agreement, but in no event
2156 later than the Effective Date of the Agreement, Contractor shall furnish the County
2157 with certificates of insurance and amendatory endorsements effecting coverage
2158 required by this clause. Contractor shall furnish certified copies of the actual required
2159 insurance policies within thirty (30) days after receipt of a request for the policies from
2160 the Director. Copies of renewal certificates of insurance and amendatory
2161 endorsements shall be furnished to County within thirty (30) days of the expiration of
2162 the term of any required policy. Contractor shall permit County at reasonable times to
2163 inspect all required policies of insurance.

2164 C. **Failure to Obtain or Maintain Insurance; County's Remedies.** Contractor's failure
2165 to provide insurance specified or failure to furnish certificates of insurance,
2166 amendatory endorsements and certified copies of policies, or failure to make premium
2167 payments required by such insurance, shall constitute a material breach of the
2168 Agreement, and County may, at its option, terminate the Agreement for cause in
2169 accordance with Article 12 for any such default by Contractor.

2170 D. **No Limitation of Obligations.** The foregoing insurance requirements as to the types
2171 and limits of insurance coverage to be maintained by Contractor, and any approval of
2172 said insurance by the County are not intended to and shall not in any manner limit or
2173 qualify the liabilities and obligations otherwise assumed by Contractor pursuant to the
2174 Agreement, including, but not limited to, the provisions concerning indemnification.

2175 E. **Review of Coverage.** County retains the right at any time to review the coverage,
2176 form and amount of insurance required herein and may require Contractor to obtain
2177 insurance reasonably sufficient in coverage, form, and amount to provide adequate
2178 protection against the kind and extent of risk which exists at the time a change in
2179 insurance is required.

2180 F. **Self-Insurance.** Contractor may, with the prior written consent of County Risk
2181 Management, fulfill some or all of the insurance requirements contained in this
2182 Agreement under a plan of self-insurance. Contractor shall only be permitted to utilize
2183 such self-insurance if in the opinion of County Risk Management, Contractor's (i) net
2184 worth, and (ii) reserves for payment of claims of liability against Contractor, are
2185 sufficient to adequately compensate for the lack of other insurance coverage required

2186 by this Agreement. Contractor's utilization of self-insurance shall not in any way limit
2187 liabilities assumed by Contractor under the Agreement.

2188 **G. Claims Made Coverage.** If coverage is written on a "claims made" basis, the
2189 Certificate of Insurance shall clearly so state. In addition to the coverage requirements
2190 specified above, such policy shall provide that:

2191 1. The policy retroactive date coincides with or precedes Contractor's
2192 commencement of work under the Agreement (including subsequent policies
2193 purchased as renewals or replacements).

2194 2. Contractor will make every effort to maintain similar insurance during the required
2195 extended period of coverage following expiration of the Agreement.

2196 3. If insurance is terminated for any reason, Contractor shall purchase an extended
2197 reporting provision of at least three (3) years to report claims arising in connection
2198 with the Agreement.

2199 4. The policy allows for reporting of circumstances or incidents that might give rise to
2200 future claims.

2201 **H. Subcontractor's Insurance.** For the purposes of this Section, the term
2202 "Subcontractor" is to be broadly construed to mean any person, firm, or entity hired by
2203 Contractor to carry out any of Contractor's duties under this Agreement. Contractor
2204 shall require and verify that all Subcontractors maintain insurance meeting all the
2205 requirements stated herein, and Contractor shall ensure that County is an additional
2206 insured on insurance required from Subcontractors. Such Additional Insured
2207 endorsement shall be attached to the certificate of insurance in order to be valid and
2208 on a form at least as broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026,
2209 CG 2033, or CG 2038; and CG 2037 forms if later revisions used. If any
2210 Subcontractor's coverage does not comply with the foregoing provisions, Contractor
2211 shall defend and indemnify the County from any damage, loss, cost or expense,
2212 including attorney's fees and court costs, incurred by County as a result of the failure
2213 to maintain required coverage.

2214 **I. Waiver of Subrogation.** Contractor and County release each other, and their
2215 respective authorized representatives, from any and all claims, actual damages,
2216 punitive damages, injuries, costs, response, remediation and removal costs, losses,
2217 demands, debts, liens, liabilities, causes of action, suits, legal or administrative
2218 proceedings, interest, fines, charges, penalties, and expenses (including but not
2219 limited to attorney's and expert witness fees and court costs) of any kind whatsoever,
2220 but only to the extent that the proceeds received from any policy of insurance carried
2221 by County or Contractor, other than any self-insurance, covers any such claim.
2222 Included in any policy or policies of insurance provided by Contractor hereunder shall
2223 be a standard waiver of rights of subrogation against County by the insurance
2224 company issuing said policy or policies.

2225

2226 **11.3 PERFORMANCE BOND**

2227 Within seven (7) calendar days of the Effective Date, Contractor shall file with the County
2228 a bond or irrevocable letter of credit, payable to the County, securing the Contractor's
2229 performance of its obligations under this Agreement and such bond shall be renewed
2230 annually if necessary so that the performance bond is maintained at all times during the
2231 Term. Three Hundred Twenty Thousand Dollars (\$320,000), which is an amount set to
2232 equal twenty-five percent (25%) of Contactor's proposed Rate Period One Gross
2233 Receipts. The bond shall be executed as surety by a corporation authorized to issue
2234 surety bonds in the State of California that has a rating of A or better in the most recent
2235 edition of Best's Key Rating Guide, and that has a record of service and financial condition
2236 satisfactory to the County.

2237 **ARTICLE 12: DEFAULT AND REMEDIES**

2238 **12.1 EVENTS OF DEFAULT**

2239 All provisions of the Agreement are considered material. Each of the following shall
2240 constitute an event of default unless excused by the provisions of Section 12.5 as
2241 provided and for the period described therein.

2242 A. **Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or
2243 deceit upon the County.

2244 B. **Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling
2245 to pay its debts, or upon listing of an order for relief in favor of Contractor in a
2246 bankruptcy proceeding.

2247 C. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full
2248 force and affect the Workers' Compensation, liability, or indemnification coverage
2249 as required by this Agreement.

2250 D. **Violations of Regulation.** Contractor violates any orders or filings of any
2251 regulatory body having authority over Contractor relative to this Agreement,
2252 provided that Contractor may contest any such orders or filings by appropriate
2253 proceedings conducted in good faith, in which case no breach or default of this
2254 Agreement shall be deemed to have occurred.

2255 E. **Violations of Applicable Law.** Contractor violates Applicable Law relative to
2256 this Agreement.

2257 F. **Failure to Perform Services.** Contractor ceases to provide Collection,
2258 Transportation, or Processing services as required under this Agreement for a
2259 period of two (2) consecutive calendar days or more, for any reason within the
2260 control of Contractor.

- 2261 G. **Failure to Pay or Report.** Contractor fails to make any payments to County
 2262 required under this Agreement including payment of County fees or Liquidated
 2263 Damages and/or refuses to provide County with required information, reports,
 2264 and/or records in a timely manner as provided for in the Agreement.
- 2265 H. **Acts or Omissions.** Any other act or omission by Contractor which violates the
 2266 terms, conditions, or requirements of this Agreement, AB 939, AB 341, AB 1826,
 2267 or SB 1383 as they may be amended from time to time, or any law, statute,
 2268 ordinance, order, directive, rule, or regulation issued there under and which is
 2269 not corrected or remedied within the time set in the written notice of the violation
 2270 or, if Contractor cannot reasonably correct or remedy the breach within the time
 2271 set forth in such notice, if Contractor should fail to commence to correct or
 2272 remedy such violation within the time set forth in such notice and diligently effect
 2273 such correction or remedy thereafter.
- 2274 I. **False, Misleading, or Inaccurate Statements.** Any representation or
 2275 disclosure made to the County by Contractor in connection with or as an
 2276 inducement to entering into this Agreement, or any future amendment to this
 2277 Agreement, which proves to be false or misleading in any material respect as of
 2278 the time such representation or disclosure is made, whether or not any such
 2279 representation or disclosure appears as part of this Agreement; and, any
 2280 Contractor-provided report containing a misstatement, misrepresentation, data
 2281 manipulation, or an omission of fact or content explicitly defined by the
 2282 Agreement, excepting non-numerical typographical and grammatical errors.
- 2283 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some
 2284 or all of Contractor's operating equipment, including without limits its equipment,
 2285 maintenance or office facilities, Approved Facility(ies), or any part thereof.
- 2286 K. **Suspension or Termination of Service.** There is any termination or
 2287 suspension of the transaction of business by Contractor related to this
 2288 Agreement, including without limit, due to labor unrest including strike, work
 2289 stoppage or slowdown, sick-out, picketing, or other concerted job action lasting
 2290 more than two (2) calendar days.
- 2291 L. **Criminal Activity.** Contractor, its officers, managers, or employees are found
 2292 guilty of criminal activity related directly or indirectly to performance of this
 2293 Agreement or any other agreement held with the County.
- 2294 M. **Assignment without Approval.** Contractor transfers or assigns this Agreement
 2295 without the expressed written approval of the County.
- 2296 N. **Failure to Provide Proposal or Implement Change in Service.** Contractor
 2297 fails to provide a proposal for new services or changes to services or fails to
 2298 implement a change in service as requested by the County as specified in
 2299 Section 4.4.

2300 O. **Failure to Perform Any Obligation.** Contractor fails to perform any obligation
2301 established under this Agreement

2302 County shall provide Contractor written notice of default within seven (7) calendar days
2303 of the occurrence of default or within seven (7) calendar days of the County's first
2304 knowledge of the Contractor's default, whichever occurs first.

2305 **12.2 DISPUTE RESOLUTION**

2306 In the event of dispute between the Director and the Contractor regarding the
2307 interpretation of or the performance of services under this Agreement which results in a
2308 material impact to the Contractor's revenue and/or cost of operations, the provisions of
2309 this Section shall apply. For the purposes of this Section, "material impact" is an amount
2310 equal to or greater than fifty thousand dollars (\$50,000) per year.

2311 A. **Meet and Confer.** In the event of disputes regarding the performance of any
2312 obligation under this Agreement which results in a material impact to the
2313 Contractor's revenue and/or cost of operations, the County and Contractor agree
2314 that they promptly will meet and confer to attempt to resolve the matter between
2315 themselves.

2316 B. **Mediation.** In the event that disputes which arise under this Agreement cannot
2317 be resolved satisfactorily between the Parties in accordance with Section 12.2.A,
2318 the County and Contractor agree that such disputes shall be submitted to
2319 mandatory, non-binding mediation by a mutually agreed upon independent third
2320 party.

2321 C. **Period of Time.** Insofar as allowed by Applicable Law, the period of time
2322 otherwise applicable for filing claims against the County under Applicable Law
2323 shall be tolled during the period of time for which meet and confer or mediation
2324 procedures are pending, in accordance with Sections 12.2.A and 12.2.B.

2325 D. **Litigation.** Litigation may be commenced only after all reasonable efforts to
2326 resolve the dispute(s) pursuant to Sections 12.2.A, 12.2.B, and 12.2.C have
2327 failed and any necessary claim(s) have been denied.

2328 In the event of a dispute between the Contractor and a Generator or Customer regarding
2329 any service or billing issue in which the Contractor and Generator or Customer are unable
2330 to reach agreement, final determination shall be made by Director of Public Works or their
2331 designee.

2332 **12.3 RIGHT TO TERMINATE UPON DEFAULT**

2333 Contractor shall be given ten (10) Business Days from written notification by County to
2334 cure any default which, in the Director's sole opinion, creates a potential public health and
2335 safety threat.

2336 Contractor shall be given ten (10) Business Days from written notification by County to
2337 cure any default arising under subsections C, E, F, I, J, and K in Section 12.1 provided,
2338 however, that the County shall not be obligated to provide Contractor with a notice and
2339 cure opportunity if the Contractor has committed the same or similar breach/default within
2340 a twenty-four (24) month period.

2341 Contractor shall be given thirty (30) calendar days from written notification by County to
2342 cure any other default (which is not required to be cured within ten (10) Business Days);
2343 however, that the County shall not be obligated to provide Contractor with a notice and
2344 cure opportunity if the Contractor has committed the same or similar breach/default within
2345 a twenty-four (24) month period.

2346 **12.4 COUNTY'S REMEDIES CUMULATIVE: SPECIFIC**
2347 **PERFORMANCE**

2348 In the event of Contractor's default, County maintains following remedies:

2349 A. **Waiver of Default.** County may waive any event of default or may waive
2350 Contractor's requirement to cure a default event if County determines that such
2351 waiver would be in the best interest of the County. County's waiver of an event
2352 of default is not a waiver of future events of default that may have the same or
2353 similar conditions.

2354 B. **Suspension of Contractor's Obligation.** County may suspend Contractor's
2355 performance of its obligations if Contractor fails to cure default in the time frame
2356 specified in Section 12.3 until such time the Contractor can provide assurance of
2357 performance in accordance with Section 12.6.

2358 C. **Liquidated Damages.** County may assess Liquidated Damages for
2359 Contractor's failure to meet specific performance standards pursuant to Section
2360 12.7 and Exhibit C.

2361 D. **Termination.** In the event that Contractor should default and subject to the right
2362 of the Contractor to cure, in the performance of any provisions of this contract,
2363 and the default is not cured for any default within in ten (10) calendar days if the
2364 default creates a potential public health and safety threat or arises under Section
2365 12.1.C, E, F, I, J, or K, or otherwise thirty (30) calendar days after receipt of
2366 written notice of default from the County, then the County may, at its option,
2367 terminate this Agreement and/or hold a hearing of the Board of Supervisors to
2368 determine whether this Agreement should be terminated. In the event County
2369 decides to terminate this Agreement, the County shall serve twenty (20) calendar
2370 days written notice of its intention to terminate upon Contractor. In the event
2371 County exercises its right to terminate this Agreement, the County may, at its
2372 option, upon such termination, either directly undertake performance of the
2373 services or arrange with other Persons to perform the services with or without a
2374 written agreement. This right of termination is in addition to any other rights of

2375 County upon a failure of Contractor to perform its obligations under this
2376 Agreement.

2377 Contractor shall not be entitled to any further Gross Receipts or other revenues
2378 from Collection operations authorized hereunder from and after the date of
2379 termination.

2380 E. **Other Available Remedies.** County's election of one (1) or more remedies
2381 described herein shall not limit the County from any and all other remedies at law
2382 and in equity including injunctive relief, etc.

2383 **12.5 EXCUSE FROM PERFORMANCE**

2384 The Parties shall be excused from performing their respective obligations hereunder and
2385 from any obligation to pay Liquidated Damages if they are prevented from so performing
2386 by reason of wildfires, floods, earthquakes, other acts of nature, war, terrorist activity, civil
2387 insurrection, riots, formally declared epidemics, and other similar catastrophic events
2388 which are beyond the control of and not the fault of the Party claiming excuse from
2389 performance hereunder. In the case of labor unrest or job action directed at a third party
2390 over whom Contractor has no control, the inability of Contractor to provide services in
2391 accordance with this Agreement due to the unwillingness or failure of the third party to:
2392 (i) provide reasonable assurance of the safety of Contractor's employees while providing
2393 such services; or, (ii) make reasonable accommodations with respect to Container
2394 placement and point of Delivery, time of Collection, or other operating circumstances to
2395 minimize any confrontation with pickets or the number of Persons necessary to make
2396 Collections shall, to that limited extent, excuse performance. The foregoing excuse shall
2397 be conditioned on Contractor's cooperation in performing Collection services at different
2398 times and in different locations. Further, in the event of labor unrest, including but not
2399 limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job
2400 action conducted by the Contractor's employees or directed at the Contractor, or a
2401 subsidiary, the Contractor shall not be excused from performance. In such case,
2402 Contractor shall continue to provide a reasonably satisfactory level of performance during
2403 the pendency thereof, but the Contractor shall not be required to adhere strictly to the
2404 specific requirements of this Agreement regarding routes, Collection times or similar
2405 matters; provided, however, that in no event shall more than seven (7) calendar days
2406 elapse between pickups for Customers.

2407 The Party claiming excuse from performance shall, within two (2) calendar days after
2408 such Party has notice of such cause, give the other Party notice of the facts constituting
2409 such cause and asserting its claim to excuse under this Section.

2410 If either Party validly exercises its rights under this Section, the Parties hereby waive any
2411 claim against each other for any damages sustained thereby.

2412 The partial or complete interruption or discontinuance of Contractor's services caused by
2413 one (1) or more of the events described in this Article shall not constitute a default by
2414 Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor
2415 is excused from performing its obligations hereunder for any of the causes listed in this

2416 Section for a period of thirty (30) calendar days or more, County shall nevertheless have
2417 the right, in its sole discretion, to terminate this Agreement for convenience by giving ten
2418 (10) Business Days' notice to Contractor, in which case the provisions of Section 12.3
2419 shall apply.

2420 **12.6 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2421 The Parties acknowledge that it is of the utmost importance to County and the health and
2422 safety of all those members of the public residing or doing business within County who
2423 will be adversely affected by interrupted waste management service, that there be no
2424 material interruption in services provided under this Agreement.

2425 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown,
2426 sick-out, picketing or other concerted job action; (ii) appears in the reasonable judgment
2427 of County to be unable to regularly pay its bills as they become due; or, (iii) is the subject
2428 of a civil or criminal judgment or order entered by a Federal, State, regional or local
2429 agency for violation of an Applicable Law, and County believes in good faith that
2430 Contractor's ability to perform under the Agreement has thereby been placed in
2431 substantial jeopardy, County may, at its sole option and in addition to all other remedies
2432 it may have, demand from Contractor reasonable assurances of timely and proper
2433 performance of this Agreement, in such form and substance as County believes in good
2434 faith is reasonably necessary in the circumstances to evidence continued ability to
2435 perform under the Agreement. If Contractor fails or refuses to provide satisfactory
2436 assurances of timely and proper performance in the form and by the date required by
2437 County, such failure or refusal shall be an event of default for purposes of Section 12.1.

2438 **12.7 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

2439 A. **General.** The Parties find that as of the time of the execution of this Agreement, it is
2440 impractical, if not impossible, to reasonably ascertain the extent of damages which
2441 shall be incurred by County as a result of a breach by Contractor of its obligations
2442 under this Agreement. The factors relating to the impracticability of ascertaining
2443 damages include, but are not limited to, the fact that: (i) substantial damage results to
2444 members of the public who are denied services or denied quality or reliable service;
2445 (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the
2446 benefits of the Agreement to individual members of the general public for whose
2447 benefit this Agreement exists, in subjective ways and in varying degrees of intensity
2448 which are incapable of measurement in precise monetary terms; (iii) that exclusive
2449 services might be available at substantially lower costs than alternative services and
2450 the monetary loss resulting from denial of services or denial of quality or reliable
2451 services is impossible to calculate in precise monetary terms; and, (iv) the termination
2452 of this Agreement for such breaches, and other remedies are, at best, a means of
2453 future correction and not remedies which make the public whole for past breaches.

2454 B. **Service Performance Standards; Liquidated Damages for Failure to Meet**
2455 **Standards.** The Parties further acknowledge that consistent, reliable Collection
2456 services are of utmost importance to County and that County has considered and
2457 relied on Contractor's representations as to its quality of service commitment in

2458 awarding the Agreement to it. The Parties recognize that some quantified standards
2459 of performance are necessary and appropriate to ensure consistent and reliable
2460 service and performance and to support County's compliance with various State
2461 statutes and corresponding regulations including, but not limited to, AB 939, AB 341,
2462 AB 1826, and SB 1383. The Parties further recognize that if Contractor fails to achieve
2463 the performance standards, or fails to submit required documents in a timely manner,
2464 County and its residents and businesses will suffer damages, and that it is, and will
2465 be, impractical and extremely difficult to ascertain and determine the exact amount of
2466 damages which County will suffer. Therefore, without prejudice to County's right to
2467 treat such non-performance as an event of default under this Section, the Parties
2468 agree that the Liquidated Damages amounts established in Exhibit C of this
2469 Agreement and the Liquidated Damage amounts therein represent a reasonable
2470 estimate of the amount of such damages considering all of the circumstances existing
2471 on the Effective Date of this Agreement, including the relationship of the sums to the
2472 range of harm to County that reasonably could be anticipated and the anticipation that
2473 proof of actual damages would be costly or impractical.

2474 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts
2475 set forth in the Liquidated Damages, Exhibit C.

2476 Before assessing Liquidated Damages, County shall give Contractor notice of its
2477 intention to do so. The notice will include a brief description of the incident(s) and non-
2478 performance. County may review (and make copies at its own expense) all information
2479 in the possession of Contractor relating to incident(s) and/or non-performance. County
2480 may, within five (5) Business Days after issuing the notice, request a meeting with
2481 Contractor. County may present evidence of non-performance in writing and through
2482 testimony of its employees and others relevant to the incident(s) and non-
2483 performance. County Contract Manager will provide Contractor with a written
2484 explanation of their determination on each incident(s) and non-performance prior to
2485 authorizing the assessment of Liquidated Damages under this Section 12.7. Within
2486 ten (10) Business Days of receipt of such notice of intention to assess Liquidated
2487 Damages, Contractor may request that no Liquidated Damages may be imposed on
2488 Contractor until Contractor has been given a reasonable opportunity to respond to
2489 allegations and to meet and confer with the Director. Any subsequent appeals by
2490 Contractor shall be addressed in accordance with Section 12.2.

2491 C. **Amount.** County may assess Liquidated Damages for each calendar day or event, as
2492 appropriate, that Contractor is determined to be liable in accordance with this
2493 Agreement in the amounts specified in Exhibit C, subject to annual adjustment
2494 described below.

2495 D. **Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by
2496 County within thirty (30) calendar days of the date the Liquidated Damages are
2497 assessed. If they are not paid within the thirty (30) calendar day period, County may

2498 proceed against the performance bond required by the Agreement, order the
2499 termination of the rights or "franchise" granted by this Agreement, or all of the above.

2500

2501

ARTICLE 13: OTHER AGREEMENTS OF THE PARTIES

2502

2503 13.1 RELATIONSHIP OF PARTIES

2504 The Parties intend that Contractor shall perform the services required by this Agreement
2505 as an independent contractor and not as an officer or employee of County nor as a partner
2506 of or joint venturer with County. No employee or agent of Contractor shall be or shall be
2507 deemed to be an employee or agent of the County. Except as expressly provided herein,
2508 Contractor shall have the exclusive control over the manner and means of conducting the
2509 Discarded Materials Collection services performed under this Agreement, and all Persons
2510 performing such services. Contractor shall be solely responsible for the acts and
2511 omissions of its officers, employees, Subcontractors, and independent operators
2512 performing facility services on its behalf, and agents and the same shall not obtain any
2513 rights to retirement benefits, workers' compensation benefits, or any other benefits which
2514 accrue to County employees by virtue of employment with the County.

2515 Contractor agrees that this Agreement is not made in the interest of, or on behalf of, any
2516 undisclosed Person, partnership, collector, association, organization, or corporation.
2517 Contractor has not directly or indirectly colluded, conspired, connived, or agreed with any
2518 Person, partnership, other collector, association, organization, or corporation to secure
2519 any advantage against the County.

2520 13.2 COMPLIANCE WITH LAW

2521 In providing the services required under this Agreement, Contractor shall at all times, at
2522 its sole cost, comply with all applicable laws of the United States, the State of California,
2523 County, and other State or government bodies which may have jurisdiction over any
2524 service provided in this Agreement and with all applicable regulations promulgated by any
2525 federal, State, regional, or local administration and regulatory agency, now in force and
2526 as they may be enacted, issued, or amended during the Term of this Agreement.

2527 13.3 GOVERNING LAW

2528 This Agreement shall be governed by, and construed and enforced in accordance with,
2529 the laws of the State of California and the United States of America.

2530 13.4 JURISDICTION

2531 Any lawsuits between the Parties arising out of this Agreement shall be brought and
2532 concluded in the courts of the State of California, which shall have exclusive jurisdiction
2533 over such lawsuits. With respect to venue, the Parties agree for purposes of both State

2534 and federal court action that this Agreement is made in and will be performed in the
2535 County of San Joaquin, State of California. Federal courts may have jurisdiction over
2536 certain lawsuits arising from this Agreement and these should be brought and concluded
2537 within the federal system.

2538 **13.5 ASSIGNMENT**

2539 Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under
2540 this Agreement to any other Person without the prior written consent of the other Party.
2541 Any such assignment made without the consent of the other Party shall be void and the
2542 attempted assignment shall constitute a material breach of this Agreement.

2543 For purposes of this Section, "assignment" shall include, but not be limited to: (i) a sale,
2544 exchange or other transfer of substantially all of Contractor's assets dedicated to service
2545 under this Agreement to a third party; (ii) if the Contractor is not an entity whose shares
2546 are available for purchase by the general public, a sale, exchange or other transfer of
2547 more than 50% of the ownership interests in the Contractor held by the owners or trusts
2548 controlled by them at the time of execution to other than the direct heirs or trust controlled
2549 by such heirs (iii) any reorganization, consolidation, merger, recapitalization, stock
2550 issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation
2551 or other transaction to which Contractor or any of its shareholders is a party which results
2552 in a change of ownership or control of thirty (30) percent or more of the value or voting
2553 rights in the stock of Contractor; and, (iv) any combination of the foregoing (whether or
2554 not in related, contemporaneous or sequential transactions) which has the effect of any
2555 such transfer or change of ownership and/or control of Contractor. For purposes of this
2556 Section, the term "proposed assignee" shall refer to the proposed transferee(s) or other
2557 successor(s) in interest pursuant to the assignment. Assignment may exclude a change
2558 in ownership of Contractor's assets or stocks which occurs for interfamilial planning
2559 purposes only and does not involve a change in the management of the Agreement or
2560 services performed hereunder. Reorganizations, mergers, consolidations, sales of equity
2561 or assets or similar transactions between or among entities owned by the same ultimate
2562 parent, including but not limited to Contractor and regardless of which entity is the
2563 survivor, do not constitute an assignment; however, Contractor shall provide County with
2564 thirty (30) days written notification of its plans and provide an explanation of any potential
2565 impacts related to the provision of services under this Agreement.

2566 If Contractor requests County's consideration of and consent to an assignment, County
2567 may deny or approve such request in its sole discretion, the standard for County's consent
2568 to any assignment shall be whether the Contractor (or, if applicable, a new entity
2569 succeeding to the rights, duties and obligations of Contractor under this Agreement), after
2570 the assignment, has sufficient financial and operational capability to adequately and
2571 faithfully render the services called for in this Agreement for the remaining Term of the
2572 Agreement. In no event shall County's consent be unreasonably withheld, conditioned or
2573 delayed. Contractor shall undertake to pay County its reasonable expenses for attorneys'
2574 fees and investigation costs necessary to investigate the suitability of any proposed
2575 assignee, and to review and finalize any documentation required as a condition for
2576 approving any such assignment.

2577 **13.6 BINDING ON SUCCESSORS**

2578 The provisions of this Agreement shall inure to the benefit to and be binding on the
2579 successors and permitted assigns of the Parties.

2580 **13.7 PARTIES IN INTEREST**

2581 Nothing in this Agreement, whether expressed or implied, is intended to confer any rights
2582 on any Persons other than the Parties to it and their representatives, successors, and
2583 permitted assigns.

2584 **13.8 WAIVER**

2585 The waiver by either Party of any breach or violation of any provisions of this Agreement
2586 shall not be deemed to be a waiver of any breach or violation of any other provisions nor
2587 of any subsequent breach or violation of the same or any other provision.

2588 The subsequent acceptance by either Party of any monies which become due hereunder
2589 shall not be deemed to be a waiver of any preexisting or concurrent breach or violation
2590 by the other Party of any provision of this Agreement.

2591 **13.9 CONTRACTOR'S INVESTIGATION**

2592 Contractor has made an independent investigation (satisfactory to it) of the conditions
2593 and circumstances surrounding the Agreement and the work to be performed by it.

2594 **13.10 NOTICES**

2595 All notices, demands, requests, proposals, approvals, consents, and other
2596 communications which this Agreement requires, authorizes, or contemplates shall,
2597 except as otherwise specifically provided, be in writing and shall be effective when
2598 personally delivered to a representative of the Parties at the address below or deposited
2599 in the United States mail, first class postage prepaid, addressed as follows:

2600 If to County:

2601 County of San Joaquin - Department of Public Works

2602 Attention: Solid Waste Division

2603 Post Office Box 1810

2604 Stockton, CA 95201-3018

2605 If to Contractor:

2606 Michael Repetto, President

2607 Delta Disposal Service Company

2608 Post Office Box 274

2609 Tracy, California 95378-0274

2610 The address to which communications may be delivered may be changed from time to
2611 time by a notice given in accordance with this Section.

2612 **13.11 REPRESENTATIVE OF THE PARTIES**

2613 All actions to be taken by County related to this Agreement, shall be taken by the Director
2614 except as otherwise provided in this Agreement or below. Director may delegate, in
2615 writing, authority to other Department officials and may permit such officials, in turn, to
2616 delegate in writing some or all of such authority to subordinate officers. Contractor may
2617 rely upon actions taken by such delegates, if they are within the scope of the authority
2618 properly delegated to them.

2619 Contractor shall, by the Effective Date of this Agreement, designate in writing a
2620 responsible officer who shall serve as the representative of Contractor in all matters
2621 related to the Agreement and shall inform County in writing of such designation and of
2622 any limitations upon his/her authority to Contractor. County may rely upon action taken
2623 by such designated representative as action of Contractor unless they are outside the
2624 scope of authority delegated to him/her by Contractor as communicated to County.

2625 **13.12 DECLARED STATE OF EMERGENCY**

2626 In the event that an authorized official declares a "State of Emergency" within any
2627 geographical area of the County, as authorized in Chapter 7, Division 1, Title 2 of the
2628 California Government Code (California Emergency Services Act), the Robert T. Stafford
2629 Disaster Relief and Emergency Act (42 UCS 5121 et seq.), or other applicable State or
2630 Federal law, County will have the right to exercise all privileges and perform all services
2631 required under this Agreement, but will not be required to make prior notification to
2632 Contractor.

2633 **13.13 NOTICE**

2634 This Agreement does not affect the rights or obligations of the Parties under Section
2635 49520 of the Public Resources Code.

2636 **ARTICLE 14: MISCELLANEOUS AGREEMENTS**

2637 **14.1 PRIVACY**

2638 Contractor shall strictly observe and protect its Customers' privacy and trade secrets,
2639 including their rights to privacy under law. In addition, Contractor shall not:

2640 A. Reveal to anyone other than County any information identifying individual Customers
2641 or the composition or contents of a Customer's Discarded Materials without that
2642 Customer's permission, unless required by law; or,

2643 B. Market or distribute mailing lists with Customers' names and service and billing
2644 addresses.

2645 Contractor shall not assert that any privacy right accorded its Customers under law
2646 prohibit Contractor from participating in Discarded Materials characterization studies or
2647 material stream analyses, keeping records, making reports, or assisting County in
2648 meeting any requirements under law.

2649 **14.2 PUBLIC RECORDS ACT**

2650 The California Public Records Act ("CPRA") requires County to disclose "public records"
2651 in its actual or constructive possession unless a statutory exemption applies. This
2652 generally includes contracts and related documents. If County receives a CPRA request
2653 for records relating to the Agreement, County may, at its sole discretion, either determine
2654 its response to the request, without notifying Contractor or notify Contractor of the
2655 request. If County determines its response to the request without notifying Contractor,
2656 Contractor shall hold County harmless for such determination. If County notifies
2657 Contractor of the request, Contractor may request that County withhold or redact records
2658 responsive to the request by submitting to County a written request within five (5)
2659 business days after receipt of the County's notice. Contractor's request must identify
2660 specific records to be withheld or redacted and applicable exemptions. Upon timely
2661 receipt of Contractor's request, County will review the request and at its sole discretion
2662 withhold and/or redact the records identified by Contractor. Contractor shall hold County
2663 harmless for County's decision whether to withhold and/or redact pursuant to Contractor's
2664 written request. Contractor further agrees that its defense and indemnification obligations
2665 set forth in Section 11.1 of this Agreement extend to any claim against the County and/or
2666 its Board, officers, employees, agents, assigns, volunteers, and any successors or
2667 assigns arising out of County's withholding and/or redacting of records pursuant to
2668 Contractor's request. Nothing in this Section shall preclude Contractor from bringing a
2669 "reverse CPRA action" to prevent disclosure of records. Nothing in this Section shall
2670 prevent the County or its agents or any other governmental entity from accessing any
2671 records for the purpose of audits or program reviews if that access is legally permissible
2672 under the applicable local, State, or federal laws or regulations. Similarly, County or its
2673 agent or designee may take possession of the record(s) where legally authorized to do
2674 so.

2675 **14.3 ENTIRE AGREEMENT**

2676 This Agreement, including the Exhibits, represents the full and entire agreement between
2677 the Parties with respect to the matters covered herein.

2678 **14.4 SECTION HEADINGS**

2679 The article headings and section headings in the Agreement are for convenience or
2680 reference only and are not intended to be used in the construction of this Agreement, nor
2681 to alter or affect any of its provisions.

2682 **14.5 REFERENCES TO LAWS**

2683 All references in this Agreement to laws shall be understood to include such laws as they
2684 may be subsequently amended or recodified, unless otherwise specifically provided.

2685 **14.6 INTERPRETATION**

2686 This Agreement shall be interpreted and construed reasonably and neither for nor against
2687 either Party, regardless of the degree to which either Party participated in its drafting.
2688 Unless the context requires a different reading, the term "including" when use in this
2689 Agreement shall be read as a term of inclusion rather than exclusion.

2690 **14.7 AMENDMENT**

2691 This Agreement may not be modified or amended in any respect except by written
2692 agreement duly approved and signed by the Parties.

2693 **14.8 SEVERABILITY**

2694 If any nonmaterial provision of this Agreement is for any reason deemed to be invalid and
2695 unenforceable, the invalidity or unenforceability of such provision shall not affect any of
2696 the remaining provisions of this Agreement which shall be enforced as if such invalid or
2697 unenforceable provision had not been contained herein.

2698 **14.9 COUNTERPARTS**


2699 This Agreement may be executed in counterparts each of which shall be considered an
2700 original.

2701 **14.10 EXHIBITS**

2702 Each of the Exhibits identified is attached hereto and incorporated herein and made part
2703 hereof by this reference.
2704

2705 IN WITNESS WHEREOF, the parties have executed this Agreement as of
2706 October 8, 2024.

COUNTY OF SAN JOAQUIN,
a Political Subdivision of the
State of California


By 
MIGUEL A. VILLAPUDUA, Chairman,
Board of Supervisors County of San
Joaquin, State of California

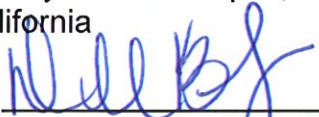
"COUNTY"

TRACY DELTA SOLID WASTE
MANAGEMENT, INC. a California
Corporation

By 
MICHAEL REPETTO
President


"COLLECTOR"

for 
ATTEST: RACHEL DeBORD
Clerk of the Board of Supervisors of the
County of San Joaquin, State of
California


By 
Deputy Clerk



APPROVED AS TO FORM:
COUNTY COUNSEL

By 
MATTHEW P. DACEY
Deputy County Counsel

RECOMMENDED FOR APPROVAL

By 
FRITZ BUCHMAN, C.E., T.E., CFM
Director of Public Works
San Joaquin County, California

2707

CONTRACT FOR THE COLLECTION, RECYCLING AND
DISPOSAL OF SOLID WASTE FOR THE REFUSE SERVICE
AREA F OF THE COUNTY OF SAN JOAQUIN

BETWEEN THE COUNTY OF SAN JOAQUIN

AND

TRACY DELTA SOLID WASTE MANAGEMENT, INC

EXHIBITS ONLY

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EXHIBITS

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 Parties agree that as the waste and recycling industry evolves over the Term of this Agreement, items in the Exhibits may be modified through mutual written agreements between Contractor and the Director, without invoking the provisions of Section 4.4 of the Agreement. To the extent that any such modifications result in a change in Contractor's cost of providing services, the provisions of Section 4.4 shall apply.

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1 **EXHIBIT A:**
2 **SINGLE-FAMILY COLLECTION SERVICES**

3 The following Exhibit A describes the programs which, in aggregate, represent the
4 Collection services to be performed under this Agreement by the Contractor. This Exhibit
5 A presents the programs to be provided to each Customer by the Contractor. Within each
6 program description are specific requirements for the:

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

18 Contractor shall provide the services for each program described in accordance with the
19 specific program requirements detailed in this Exhibit A, and Contractor shall promote
20 such programs using the public education and outreach methods described in Section
21 6.3 of the Agreement.

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36 **EXHIBIT A.1 – SINGLE-FAMILY**
37 **THREE-CONTAINER SYSTEM**

38 **1. Source Separated Recyclable Materials Collection**

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

44 **Containers:** Carts

45 **Container Sizes:** 95-gallon Blue Cart (or comparable size approved by the County)

46 Standard Container is a 95-gallon Cart,

47 Contractor shall provide Single-Family Customers with one (1) Blue
48 Container.

49 **Container Type:** Single compartment

50 **Service Frequency:** One (1) time per week on the same day as SSGCOW and
51 Gray Container Waste Collection services.

52 **Service Location:** Curbside

53 **Acceptable Materials:** Source Separated Recyclable Materials

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

56 **Additional Service:** All additional Containers provided at charge: Single-Family
57 Customers may request additional Blue Container(s) and the
58 Contractor shall charge the appropriate Rate approved by the
59 County per Container.

60 Excess Cardboard and Source Separated Recyclable Materials
61 Collection: Contractor shall allow Single-Family Customers may
62 schedule extra pickups for a reasonable fee with scheduling at least
63 one day in advance with customer service.

64 **Other Requirements:** Batteries: Contractor shall accept household batteries in the
65 Source Separated Recyclable Materials program, provided that
66 those batteries have been separately packaged in a sealed, clear

67 plastic bag placed on top of the Blue Container not to exceed one
68 gallon in size.

69 Contamination: Contractor may refuse to Collect a Blue Container
70 that contains Prohibited Container Contaminants if Contractor
71 complies with the contamination noticing process described in
72 Section 6.2.1.C.5 of the Agreement. For Customers with repeated
73 incidents of contamination, Contractor may assess a contamination
74 Processing fee in accordance with Section 6.2.1.C.4 of this
75 Agreement.

76 2. SSGCOW Collection

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

81 **Containers:** Carts.

82 **Container Sizes:** 95-gallon Green Cart (or comparable size approved by the County)

83 Standard Container is a 95-gallon Cart.

84 Contractor shall provide Single-Family Customers with one (1)
85 Green Container.

86 **Container Type:** Single compartment.

87 **Service Frequency:** One (1) time per week on the same day as Source Separated
88 Recyclable Materials and Gray Container Waste Collection service.

89 **Service Location:** Curbside

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

91 **Prohibited Materials:** Materials designated as acceptable Source Separated
92 Recyclable Materials, materials designated for the Gray Container,
93 Excluded Waste.

94 **Additional Service:**

95 Extra Containers: All additional Containers provided at charge:
96 Single-Family Customers may request additional Green Container(s)
97 and the Contractor shall charge the appropriate Rate approved by
98 the County per Container.

99 Overage program: Single-Family Customers may schedule extra
100 pickups for a reasonable fee with scheduling at least one day in
101 advance with customer service.

102 **Other Requirements:**

103 Size requirements: SSGCOW placed for Collection may not exceed
104 six (6) inches in diameter and three (3) feet in length and must fit in
105 the provided Cart. The weight cannot exceed two hundred (200)
106 pounds.

107 Plastic bags, compostable plastics and compostable plastic bags are
108 not allowed in the green containers for collection.:

109 Contamination: Contractor may refuse to Collect a Green Container
110 that contains Prohibited Container Contaminants if Contractor
111 complies with the contamination noticing process described in
112 Section 6.2.1.C.5 of the Agreement. For Customers with repeated
113 incidents of contamination, Contractor may assess a contamination
114 Processing fee in accordance with Section 6.2.1.C.4 of the
115 Agreement.

116 **3. Gray Container Waste Collection**

117 **Containers:** Carts

118 **Container Sizes:** 35, 65 and 95-gallon Gray Cart (or comparable sizes approved by
119 the County) as requested by Customer

120 Standard Container is a 65-gallon Cart, unless Customer requests
121 an alternative size.

122 Contractor shall provide Single-Family Customers with one (1) Gray
123 Container.

124 **Container Type:** Single compartment

125 **Service Frequency:** One (1) time per week on the same day as Source Separated
126 Recyclable Materials and SSGCOW collection service.

127 **Service Location:** Curbside

128 **Acceptable Materials:** Gray Container Waste

129 **Prohibited Materials:** Materials designated as acceptable Source Separated
130 Recyclable Materials, materials designated for acceptable
131 SSGCOW, Excluded Waste

132 **Additional Service:**

133 Extra Containers: Contractor shall provide additional Gray
134 Containers to Single-Family Customers upon request and shall
135 charge the appropriate Rate approved by the County.

136 Overage program: Single-Family Customers may schedule extra
137 pickups for a reasonable fee with scheduling at least one day in
138 advance with customer service.

139 **Other Requirements:** None

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EXHIBIT A.2 – SUPPLEMENTAL SINGLE-FAMILY PROGRAMS

143 **1. Annual Clean-up Day Service**

144 **Containers:** Maximum limit of ten (10) 32-gallon bag/bundles/containers

145 **Service Level:** Residential

146 **Service Frequency:** On residential customer collection day during clean up week

147 **Service Location:** Service address

148 **Acceptable Materials:** All types of residential solid waste, including tree trimmings,
149 woods, garden refuse, cardboard.

150 **Prohibited Materials:** Liquids, hazardous or toxic waste (paints, pesticides, waste
151 oil, etc.) unidentified or unlabeled containers, dirt, concrete,
152 asphalt, sofas, recliners, mattresses, construction or
153 commercial waste, tires, or vehicle parts. The following items
154 contain hazardous constituents and are regulated:
155 refrigerators, freezers, air-conditioners, water coolers, water
156 heaters, televisions, computers, computer monitors, printers,
157 radios, washers, dryers, ovens, stoves, dishwashers, VCRs,
158 DVD players, cell phones, telephones, answering machines,
159 stereos, batteries, fluorescent bulbs, mercury thermometers.

160 **Other Requirements:** No individual item shall exceed three (3) feet in length or fifty
161 (50) pounds and must not be longer, wider or higher than
162 three (3) feet. Tree limbs must be cut and bundled (tied
163 properly). Loose piles will not be picked up.

164 **2. [Reserved]**

165 **3. On-call Bulky Clean-up Service**

166 Extra garbage or bulky items can be taken for a reasonable fee with scheduling at least
167 one day in advance with customer service.

168 **4. No Charge Vouchers**

169 Once annually, Contractor shall distribute one (1) voucher to each Single-Family
170 Customer through customer billings at the beginning of each calendar year which allows
171 for one (1) no-charge drop off of one bulky item, such as: a mattress, furniture,
172 refrigerator, other large appliance, or electronics for Processing and/or Disposal at the
173 appropriate Approved Facility. Contractor shall pay the tipping fee at the Approved
174 Facility.

175 **5. [Reserved]**

176 **6. On-call Clean Up Service**

177 When requested by County, Contractor shall provide seven (7) hot spot clean ups, per
178 year of this contract term, in Area F at no charge to County. Such clean ups shall be of
179 the size and type which can be manually collected by no more than two employees, within
180 one half (1/2) hour, without the use of equipment.

181 **7. Christmas Tree Collection**

182 From December 26 through the first three regular scheduled collection days after New
183 Year's day, Contractor will Collect Christmas trees placed at the curb by Single-Family
184 Customers. Contractor shall provide this pick-up service at no additional charge to Single-
185 Family Customers on Customer's regular Collection Service Day. Contractor shall
186 Transport all Collected Christmas trees to the Approved Organic Waste Processing
187 Facility for Processing. If Christmas trees are placed at the curb for Collection after the
188 first three regular scheduled collection days after New year's day, Contractor shall charge
189 Single-Family Customers the County-Approved Rate for such service.

190 Contractor may require that Christmas trees be cut into sections no greater than six (6)
191 feet. Christmas trees that are flocked shall be Collected, but may be delivered to the
192 Approved Disposal Facility at the discretion of the Contractor. Christmas trees that
193 contain tinsel, lights, or other decorations, or are attached to a tree stand are not required
194 to be Collected; however, Contractor shall affix a non-Collection notice to the tree
195 informing the Customer of the reason(s) for non-Collection. Contractor shall charge
196 County-approved Rates to return and Collect a previously non-Collected Christmas tree
197 that has been corrected and set out again.

198 **8. [Reserved]**

199

200 **EXHIBIT B – PROCESSING, TRANSFER, AND**
201 **DISPOSAL SERVICES AND FACILITY STANDARDS**

202 County has approved Contractor to Transport Discarded Materials to the Approved
203 Facilities for Processing or Disposal in accordance with this Exhibit. The Approved
204 Facilities shall comply with the standards specified in this Exhibit. Pursuant to Section 6.1
205 of the Agreement, if neither Party owns or operates one or more of the Approved
206 Facilities, Contractor shall enter into a subcontract agreement with the owner or Facility
207 operator of such Approved Facility(ies) and the requirements of Section 6.1 of the
208 Agreement and this Exhibit shall pertain to the Subcontractor(s).

209 Note that Contractor, by definition in Article 1 of the Agreement, includes Affiliates, DBAs,
210 and Subcontractors. As a result, requirements of Section 6.1 of the Agreement and this
211 Exhibit shall pertain to Affiliate(s) and Subcontractors providing Facility-related services.

212 Notwithstanding the provisions of this Exhibit B, the use of the TMRSWT Facility shall be
213 governed by the Three Party Agreement and Service Agreement in the event of conflict
214 with the provisions hereof.

215 **B.1 General Requirements**

216 A. **Overview.** Contractor agrees to Transport Discarded Materials it Collects in the
217 County to the appropriate Approved Facility(ies) for Transfer, Processing, or Disposal,
218 as applicable for each type of Discarded Material. As of the Commencement Date of
219 this Agreement, the Approved Facilities are listed in Table B-1 on the following page
220 and in the definitions in Article 1 of this Agreement. Contractor will perform all Transfer,
221 and Processing services at Approved Facilities in accordance with Applicable Law,
222 standard industry practice, and specifications and other requirements of this
223 Agreement.

224 Notwithstanding the requirements of this Section B, the use of the TMRSWT Facility
225 shall be governed by the Three Party Agreement and Service Agreement.

226

227

Table B-1 Approved Facilities

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
Source Separated Recyclable Materials	Approved Source Separated Recyclable Materials Processing Facility: Tracy Material Recovery and Solid Waste Transfer, Inc. SWIS #39-AA-0024 Michael Repetto 30703 S. MacArthur Drive Tracy, California 95377-9170	Processing Facility	Contractor	Foothill Sanitary Landfill SWIS# 39-AA-0004 6484 North Waverly Linden, CA 95236 Actual Tons
Yard Trimmings (If Processed separately from other SSGCOW)	Approved Organic Waste Processing Facility or Yard Trimmings-specific Processing Facility: Tracy Material Recovery and Solid Waste Transfer, Inc. SWIS #39-AA-0024 Michael Repetto 30703 S. MacArthur Drive Tracy, California 95377-9170	Composting Facility	Contractor	Foothill Sanitary Landfill SWIS# 39-AA-0004 6484 North Waverly Linden, CA 95236 Actual Tons

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
Food Waste (If Processed Separately from other SSGCOW)	Approved Organic Waste Processing Facility or Food Waste-specific Processing Facility : Tracy Material Recovery and Solid Waste Transfer, Inc. SWIS #39-AA-0024 Michael Repetto 30703 S. MacArthur Drive Tracy, California 95377-9170	Composting Facility	Contractor	Foothill Sanitary Landfill SWIS# 39-AA-0004 6484 North Waverly Linden, CA 95236 Actual Tons
SSGCOW	Approved Organic Waste Processing Facility: Tracy Material Recovery and Solid Waste Transfer, Inc. SWIS #39-AA-0024 Michael Repetto 30703 S. MacArthur Drive Tracy, California 95377-9170	Composting Facility	Contractor	Foothill Sanitary Landfill SWIS# 39-AA-0004 6484 North Waverly Linden, CA 95236 Actual Tons

Material Type	Approved Transfer and/or Processing Facility	Description of Processing Methodology (Processing Facility, composting Facility, in-vessel digestion, etc.)	Processing Facility Capacity Guarantor (County or Contractor)	Residue Disposal Facility
Gray Container Waste	<p>Approved Transfer Facility: Tracy Material Recovery and Solid Waste Transfer, Inc. SWIS #39-AA-0024 Michael Repetto 30703 S. MacArthur Drive Tracy, California 95377-9170</p> <p>Approved Disposal Facility: Foothill Sanitary Landfill SWIS# 39-AA-0004 6484 North Waverly Linden, CA 95236</p>	Not Applicable	County (Approved Disposal Facility)	Not Applicable

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October 8, 2024

- B-5 -

County of San Joaquin
Tracy Delta S.W.M.
Franchise Agreement

236 B. **Facility Capacity Guarantee.** The Facility Capacity Guarantor of each Approved
237 Facility shall guarantee sufficient capacity over the Term of this Agreement to Transfer
238 (if applicable), Transport, and Process or Dispose Discarded Materials Collected
239 under this Agreement, pursuant to Table B-1, above. The Facility Capacity Guarantor
240 of each Approved Processing Facility shall cause the Approved Processing
241 Facility(ies) to recover or Process the Discarded Materials as appropriate; market the
242 Source Separated Recyclable Materials, and SSGCOW recovered from such
243 operations; and Dispose of Residue. Contractor shall provide the County, upon
244 request, with documentation demonstrating the availability of such Transfer (if
245 applicable), Transport, and Processing capacity for each Approved Facility for which
246 they are the Facility Capacity Guarantor as described below. For the avoidance of
247 doubt, the Contractor's obligations, as Facility Capacity Guarantor for the TMRSWT
248 facility, are conditioned upon the provisions of the Three Party Agreement and the
249 Service Agreement and in particular, without limitation, Section 11.5.1.i of the Service
250 Agreement providing for additional equipment and facility renovations and the right of
251 TMRSWT to recover the reasonable costs thereof. As of the Effective Date, the
252 County is the Facility Capacity Guarantor of the Approved Disposal Facility, and shall
253 cause the Approved Disposal Facility(ies) to Dispose of Gray Container Waste.

254 1. If Contractor or Affiliate is owner of Approved Facilities: County may request that
255 Contractor report aggregate Facility capacity committed to other entities through
256 Contractor's contracts. County, or its agent, will have the right to seek verification
257 of Contractor's reported aggregate capacity through inspection of pertinent
258 sections of Contractor's contracts with such entities to determine the duration of
259 Contractor's commitment to accept materials from such entities and the type and
260 volume of materials Contractor is obligated to accept through the contracts. In
261 addition, County, or its agent, will have the right to review Tonnage reports
262 documenting the past three (3) years of Tonnage accepted at the Approved
263 Facility(ies) by such entities. To the extent allowed by law, County, or its agent(s),
264 agree to maintain the confidentiality of the information reviewed related to the
265 individual contracts with other contracting entities and agree to review all related
266 material at the Contractor's office and will not retain any copies of reviewed
267 material. Contractor will fully cooperate with the County's request and provide
268 County and its agent(s) or access to Contractor's records.

269 2. If Contractor's Subcontractor is the owner and/or operator of Approved Facilities:
270 Upon County request, Contractor shall demonstrate that such capacity is
271 available and allocated to the County by provision of its agreement with the
272 Approved Facility(ies) owner(s)/operator(s) (Subcontractor(s)) documenting the
273 Subcontractor's guarantee to accept the Discarded Materials Contractor delivers
274 over the Term of this Agreement.

275 C. **Equipment and Supplies.** Contractor shall equip and operate the Approved Facilities
276 for which they are the Facility Capacity Guarantor in a manner to fulfill Contractor's
277 obligations under this Agreement, including achieving all applicable standards for
278 Landfill Disposal reduction, Recycling, recovery, Diversion, Residue amount and

279 content, and final product quality standards. Contractor is solely responsible for the
280 adequacy, safety, and suitability of the Approved Facilities for which they are the
281 Facility Capacity Guarantor. Contractor shall modify, enhance, and/or improve the
282 Approved Facilities for which they are the Facility Capacity Guarantor as needed to
283 fulfill service obligations under this Agreement, at no additional compensation from
284 the County or Rates charged to Customers.

285 Contractor shall provide all rolling stock, stationary equipment, material storage
286 Containers, spare parts, maintenance supplies, Transfer, Transport, and Processing
287 equipment, and other consumables as appropriate and necessary to operate the
288 Approved Facilities for which they are the Facility Capacity Guarantor, and provide all
289 services required by this Agreement. Contractor shall place the equipment in the
290 charge of competent equipment operators. Contractor shall repair and maintain all
291 equipment at its own cost and expense.

292 **D. Facility Permits.** Contractor or Facility operator shall keep all existing permits,
293 licenses and approvals necessary for use of the Approved Facility(ies) for which they
294 are the Facility Capacity Guarantor, in full regulatory compliance. Contractor, or
295 Facility operator, shall, upon request, provide copies of permits or other approvals
296 and/or notices of violation of permits to the County.

297 **E. Transfer Facility.** At Contractor's option, Contractor may rely on a Transfer Facility
298 and, in such case, shall Transport some or all Discarded Materials to an Approved
299 Transfer Facility. At the Transfer Facility, Discarded Materials shall be unloaded from
300 Collection vehicles and loaded into large-capacity vehicles and Transported to the
301 Approved Facility(ies) for Processing or Disposal, as applicable for each type of
302 Discarded Material, in a timely manner and in accordance with Applicable Law.

303 If Contractor delivers some or all Discarded Materials to a Transfer Facility, it shall
304 receive assurances from the Facility operator that the Facility operator will Transport
305 or arrange for Transport of the Discarded Materials to appropriate Approved
306 Facility(ies) for Processing or Disposal, as applicable for each type of Discarded
307 Material. In such case, Contractor shall receive written documentation from the Facility
308 operator(s) of the Facilities used for Processing and Disposal of Discarded Materials,
309 as applicable for each type of Discarded Material. Contractor shall pay all costs
310 associated with Transport, Transfer, and Processing of all Source Separated
311 Recyclable Materials and SSGCOW Collected in accordance with this Agreement,
312 including marketing of recovered materials and Disposal of all Residue.

313 Contractor shall comply with separate handling requirements in this Exhibit B, Section
314 B.2.B.

315 **F. County Approved Change in Facility(ies).** Contractor may change its selection of
316 one or more of the Approved Facility(ies) for which Contractor is the Facility Capacity
317 Guarantor following County Contract Manager's written approval, which may be
318 conditioned on various factors including, but not limited to: the performance of the
319 current versus proposed Facility, the permitting status of and LEA inspection records

320 related to the proposed Facility, the distance of the Facility from the County, and any
321 other factor that may reasonably degrade the value received by the County. If
322 Contractor elects to use a Facility(ies) that is(are) not listed on the then-current list of
323 Approved Facility(ies) in this Exhibit, it shall submit a written request for approval to
324 the County fourteen (14) days prior to the desired date to use the Facility and shall
325 obtain the County Contract Manager's written approval prior to use of the Facility.
326 Contractor's compensation and Rates shall not be adjusted for a Contractor-initiated
327 change in Facilities. County may require a change in any Approved Facility, and such
328 change shall be addressed in accordance with Section 4.4 of the Agreement. In the
329 event that any changes described in this Section B-1.F result in inconsistencies with
330 Table B-1, the Director may approve an updated Table B-1, which shall replace the
331 prior Table B-1.

332 **G. Notification of Emergency Conditions.** Each Approved Facility shall notify the
333 County Contract Manager of any unforeseen operational restrictions that have been
334 imposed upon the Facility by a regulatory agency or any unforeseen equipment or
335 operational failure that will temporarily prevent the Facility from Processing the
336 Discarded Materials Collected under this Agreement.

337 **H. Approved Facility Unavailable/Use of Alternative Facility.** If Contractor is unable
338 to use an Approved Facility due to a sudden unforeseen closure of the Facility or other
339 emergency condition(s) described in this Exhibit B, Section B.1.G, Contractor may use
340 an Alternative Facility provided that the Contractor provides verbal and written notice
341 to the County Contract Manager and receives written approval from the County
342 Contract Manager at least twenty-four (24) hours prior to the use of an Alternative
343 Facility to the extent reasonably practical given the nature of the emergency or sudden
344 closure. The Contractor's written notice shall include a description of the reasons the
345 Approved Facility is not feasible and the period of time Contractor proposes to use the
346 Alternative Facility. As appropriate for the type of Discarded Materials to be delivered
347 to the Alternative Facility, the Alternative Facility shall meet the applicable Facility
348 standards in this Agreement and shall be sent to an allowable Facility, operation, or
349 "Organic Waste Recovery Activity" as defined in 14 CCR Section 18982(a)(49) and
350 not subsequently used in a manner deemed to constitute Landfill Disposal pursuant
351 to 14 CCR Section 18983.1(a). If Contractor is interested in using a Facility or activity
352 not covered by the preceding sentence, and not specifically identified in 14 CCR
353 Section 18983.1(b), the Contractor shall be responsible for securing the approvals
354 from CalRecycle pursuant to 14 CCR Section 18983.2 that the Facility's Process or
355 technology constitutes a reduction of Landfill Disposal pursuant to 14 CCR Section
356 18983.1(a) prior to the County's final approval of such Facility or activity.

357 In the event an Approved Facility becomes unavailable due to the negligence, illegal
358 activity, neglect, or willful misconduct of Contractor, Contractor shall bear all additional
359 costs for use of an Alternative Facility including increased Processing costs, Disposal
360 Costs, Transportation costs, Transfer costs, and all other costs. The Parties agree that
361 an Approved Facility shall only be deemed to be "unavailable" if one or more of the
362 following has occurred: (i) an uncontrollable circumstance as described in Section

363 12.5 of this Agreement has occurred; (ii) a Facility has lost one or more permits to
364 operate; (iii) a Facility has exhibited a pattern of violation through the receipt of
365 repeated notices of violation from one or more regulatory agencies. The Parties agree
366 that a Facility shall only be deemed to be "unavailable" if the lack of availability of the
367 Facility is not due to Contractor's negligence, illegal activity, neglect, or willful
368 misconduct.

369 If Contractor is not the owner of the new Approved Facility, Contractor shall enter into
370 a Subcontract agreement with the Facility operator of the Alternative Facility to require
371 compliance with the requirements of Section 6.1 of this Agreement and this Exhibit
372 unless County Contract Manager waives one or more requirements.

373 County acknowledges that the Contractor will use TMRSWT which shall be governed
374 by the terms of the Three Party and Service Agreements as provided above.
375 Therefore, the Contractor shall not be considered to have "subcontracted" its
376 obligations hereunder nor shall any Subcontract be required for such use.

377 I. **Discarded Materials Monitoring/Waste Evaluation Requirements.** Contractor
378 shall cause the TMRSWT to conduct material sampling, sorting, and waste
379 evaluations of various material streams as further described in - is Exhibit B, Section
380 B.6 to meet or exceed SB 1383 Regulatory requirements.

381 J. **Compliance with Applicable Law.** Contractor warrants throughout the Term that the
382 TMRSWT or any other Approved Facilities for which Contractor is the Facility Capacity
383 Guarantor are respectively authorized and permitted to accept Discarded Materials in
384 accordance with Applicable Law and are in full compliance with Applicable Law.

385 K. **Records and Investigations.** Contractor shall cause TMRSWT to maintain accurate
386 records of the quantities of Discarded Materials Transported to and Accepted at the
387 Approved Facility(ies) and shall cooperate with County and any regulatory authority in
388 any audits or investigations of such quantities.

389 L. **Inspection and Investigations.** An authorized County employee or agent shall be
390 allowed to enter each Facility during normal working hours in order to conduct
391 inspections and investigations in order to examine Facility operations; Processing
392 activities; contamination monitoring; material sampling and sorting activities, including
393 inspection of end-of-line materials after sorting; and records pertaining to the Facility
394 in order to assess compliance with this Agreement, to understand protocols and
395 results, and conduct investigations, if needed. Contractor shall permit County or its
396 agent to review or copy, or both, any paper, electronic, or other records required by
397 County.

398 **B.2 Processing Standards**

399 A. **Recovery Required.** Contractor agrees to Transport and deliver all Source Separated
400 Recyclable Materials and SSGCOW, Collected under this Agreement to an Approved
401 Facility for Processing as applicable for each material type. Contractor shall conduct

402 Processing activities for all Source Separated Recyclable Materials and SSGCOW to
403 recover Recyclable materials and Organic Waste to reduce Disposal. The Processing
404 shall be performed in a manner that minimizes Disposal to the greatest extent
405 practicable and complies with Applicable Law, including SB 1383 Regulations.

406 **B. Separate Handling Requirements.** Contractor shall keep Source Separated
407 Recyclable Materials and SSGCOW separate from each other and separate from
408 other material streams and shall Process the materials separately from each other.

409 **C. Residue Disposal.** Contractor shall direct all actual or calculated Residue tonnages
410 to the Approved Disposal Facility(ies). This requirement may be fulfilled through
411 delivery of actual Residue tonnage, calculated offset tons, or financial offsets paid to
412 the County based upon the actual Residue tons at the current gate rate at the
413 Approved Disposal Facility.

414 Upon request of the County, Contractor shall provide a certified statement from the
415 Facility operator documenting its Residue level. The Residue level shall be calculated
416 separately for each material type and for each Approved Facility used for Recycling
417 and Processing. The Residue level calculation method shall be reviewed and
418 approved by the County.

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

426 **E. SSGCOW Processing Standards**

427 1. Contractor shall arrange for Processing of all SSGCOW at a Facility that recovers
428 Source Separated Organic Waste and in a manner deemed not to constitute
429 Landfill Disposal pursuant to 14 CCR Section 18983.1(a) which states that
430 Landfill Disposal includes final deposition of Organic Waste at a Landfill or use
431 of Organic Waste as Alternative Daily Cover (ADC) or Alternative Intermediate
432 Cover (AIC).

433 2. Contractor shall arrange for SSGCOW Processing at an Approved Organic
434 Waste Processing Facility that meets one or more of the following criteria, and
435 such Facility or operation is capable of and permitted to accept and recover the
436 types of Organic Wastes included in the SSGCOW:

437 a. A "Compostable Material Handling Operation or Facility" as defined in 14
438 CCR Section 17852(a)(12); small composting facilities that are otherwise
439 excluded from that definition; or Community Composting as defined in 14
440 CCR Section 18982(a)(8). The compostable materials handling operation

441 or Facility shall, pursuant to 14 CCR Section 17867(a)(16), demonstrate
442 that the percentage of Organic Waste in the materials sent to Disposal is:

443 i. On and after January 1, 2022, less than 20 percent (20%); and,

444 ii. On and after January 1, 2024, less than 10 percent (10%).

445 b. An "In-vessel Digestion Operation or Facility" as defined in 14 CCR Section
446 17896.5. The in-vessel digestion facility or operation shall, pursuant to 14
447 CCR Section 17896.44.1, demonstrate that the percentage of Organic
448 Waste in the materials sent to Disposal is:

449 i. On and after January 1, 2022, less than 20 percent (20%); and,

450 ii. On and after January 1, 2024, less than 10 percent (10%).

451 c. A "Biomass Conversion Operation" as defined in Section 40106 of the
452 California Public Resources Code.

453 d. Soil amendment for erosion control, revegetation, slope stabilization, or
454 landscaping at a Landfill, that is defined as a reduction in Landfill Disposal
455 pursuant to 14 CCR Section 18983.1(b)(5).

456 e. Land application of compostable materials consistent with 14 CCR Section
457 17852(a)(24.5) and subject to the conditions in 14 CCR Section
458 18983.1(b)(6).

459 f. Lawful use as animal feed, as set forth in California Food and Agricultural
460 Code Section 14901 et seq. and Title 3, Division 4, Chapter 2, Subchapter
461 2 commencing with 14 CCR Article 1, Section 2675.

462 g. Other operations or facilities with processes that reduce short-lived climate
463 pollutants that are approved by the State in accordance with 14 CCR
464 Section 18983.2.

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

472 3. Preparation of Materials for Processing. The Contractor shall be responsible for
473 preparing materials for Processing at the Approved Organic Waste Processing
474 Facility, which shall include, but is not limited to, removal of visible physical
475 contaminants such as plastic, glass, metal, and chemicals prior to size reduction.

- 476 4. Limits on Incompatible Materials in Recovered Organic Waste
- 477 a. Limits. Except as described in this Exhibit B, Section B.2.F.4.c,
 478 Contractor's Processing Facility or operation shall only send offsite that
 479 Organic Waste recovered after Processing the SSGCOW that meets the
 480 following requirements or as otherwise specified in 14 CCR Section
 481 17409.5.8(a):
- 482 i. On and after January 1, 2022 with no more than 20 percent (20%) of
 483 Incompatible Material by weight; and,
- 484 ii. On and after January 1, 2024 with no more than 10 percent (10%) of
 485 Incompatible Material by weight.
- 486 b. Measurement. Contractor shall measure the actual levels of Incompatible
 487 Materials in accordance with procedures described in 14 CCR Section
 488 17409.5.8(b).
- 489 c. Exceptions. The limits in this Exhibit B, Section B.2.F.4.a shall not apply to
 490 the recovered Organic Waste sent offsite from the Processing Facility or
 491 operation, if the Contractor sends the recovered Organic Waste from the
 492 Processing Facility or operation to one or more of the following types of
 493 Facilities that will further Process the Organic Waste, or as otherwise
 494 specified in 14 CCR Section 17409.5.8(c):
- 495 i. A Processing Facility or operation that complies with this Exhibit B,
 496 Section B.2.F.5.a;
- 497 ii. A compostable materials handling facility or operation that, pursuant
 498 to 14 CCR Section 17867(a)(16), demonstrates that the percentage
 499 of Organic Waste in the materials sent to Disposal is:
- 500 (A) On and after January 1, 2022, less than 20 percent (20%);
 501 and,
- 502 (B) On and after January 1, 2024, less than 10 percent (10%).
- 503 iii. An in-vessel digestion Facility or operation that, pursuant to 14 CCR
 504 Section 17896.44.1, demonstrates that the percentage of Organic
 505 Waste in the materials sent to Disposal is:
- 506 (A) On and after January 1, 2022, less than 20 percent (20%);
 507 and,
- 508 (B) On and after January 1, 2024, less than 10 percent (10%).
- 509 iv. An activity that meets the definition of a recycling center as described
 510 in 14 CCR Section 17402.5(d).

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513 F. **Marketing.** Contractor shall be responsible for marketing materials recovered from
514 Discarded Materials Collected under this Agreement and Processed at Approved
515 Facilities for which Contractor is the Facility Capacity Guarantor.. Contractor's
516 marketing methods for materials shall be performed in a manner that supports
517 achievement of Disposal reductions and in such a manner that complies with State
518 statutes, including, but not limited to, AB 901, AB 939, SB 1016, AB 341, AB 1594,
519 AB 1826, and SB 1383, and corresponding regulations. Contractor shall retain
520 revenues resulting from the sale and marketing of said materials.

521 Upon request, Contractor shall provide proof to the County that all Source Separated
522 Recyclable Materials and SSGCOW Collected by Contractor were Processed and
523 recovered materials were marketed for recovery, salvage, or Reuse or as organics
524 products in such a manner that materials are not deemed Landfill Disposal pursuant
525 to 14 CCR Section 18983.1(a) and in a manner that materials are deemed Diversion
526 pursuant to AB 939. All Residue from the Recycling and Processing activities that is
527 not marketed shall be reported to the County as Residue and accounted for as
528 Disposal Tonnage at the Approved Disposal Facility. No Source Separated
529 Recyclable Materials or SSGCOW shall be Transported to a domestic or foreign
530 location if Landfill Disposal, as defined in 14 CCR Section 18983.1(a) of such material
531 is its intended use. If Contractor becomes aware that a broker or buyer has illegally
532 handled, Disposed of, or used material generated in the County that is not consistent
533 with Applicable Law, Contractor shall immediately inform the County and terminate its
534 contract or working relationship with such party. In such case, Contractor shall find an
535 alternative market for the material(s) recovered from the Source Separated
536 Recyclable Materials and/or SSGCOW that is compliant with Applicable Law.

537 The performance of commodity markets for materials recovered from Source
538 Separated Recyclable Materials shall not be considered a reason for deeming a
539 Facility "unavailable" in this Exhibit B, Section B.1.F, nor shall it be considered an
540 acceptable basis for the need to use an Alternative Facility, nor shall it serve as the
541 basis for any adjustment in Contractor's compensation under this Agreement, other
542 than as specifically contemplated in Article 10 of this Agreement.

543 G. **Disposal of Source Separated Recyclable Materials and SSGCOW Prohibited.**
544 With the exception of Processing Residue, Source Separated Recyclable Materials
545 and SSGCOW Collected under this Agreement may not be Disposed of in lieu of
546 Recycling, Processing, or marketing the material, without the expressed written
547 approval of the Director or their designee.

548 If for reasons beyond its reasonable control, Contractor believes that it cannot avoid
549 Disposal of the Source Separated Recyclable Materials or SSGCOW Collected in the
550 County, then it shall prepare a written request for County approval to Dispose of such
551 material. Such request shall contain the basis for Contractor's belief (including, but not

552 limited to, supporting documentation), describe the Contractor's efforts to arrange for
553 the Processing of such material, the period required for such Disposal, and any
554 additional information supporting the Contractor's request.

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

563 **B.3 Gray Container Waste Disposal Standards**

564 A. **Disposal of Gray Container Waste Collected.** Contractor shall Transport all Gray
565 Container Waste Collected under this Agreement to the Approved Disposal Facility.

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

570 C. **Disposal Services.** The Party named as Facility Capacity Guarantor for the Approved
571 Disposal Facility shall provide Disposal services at the Approved Disposal Facility.

572 **B.4 Weighing of Discarded Materials**

573 A. **Maintenance and Operation.** This Section B.4 of Exhibit B applies to motor vehicle
574 scales used at the Approved Facilities for which Contractor is the Facility Capacity
575 Guarantor. Approved Facilities shall be equipped with one or more State-certified
576 motor vehicle scales in accordance with Applicable Law. Upon request, Contractor
577 shall arrange for Facility operator to provide documentary evidence of such scale
578 certification within ten (10) days of County's request during the Term. Licensed weigh
579 master(s) shall operate those scales to weigh all inbound and outbound Collection
580 vehicles Transporting Discarded Materials and all Transfer vehicles Transporting
581 materials to another site. Contractor shall arrange for Facility operator to provide
582 County with access to weighing information at all times and copies thereof within three
583 (3) Business Days following the County's request. Exceptions to weighing
584 requirements are specified in this Exhibit B, Section B.4.G.

585 B. **Vehicle Tare Weights for Approved Facility(ies).** Within thirty (30) days prior to the
586 Commencement Date, Contractor shall coordinate with the Facility operator(s) to
587 ensure that all Collection vehicles used by Contractor to Transport Discarded
588 Materials to Approved Facilities are weighed to determine unloaded ("tare") weights.
589 Contractor shall work with Facility operator(s) to electronically record the tare weight,
590 identify vehicle as Contractor's, and provide a distinct vehicle identification number for
591 each vehicle. Contractor shall provide County with a report listing the vehicle tare

592 weight information upon request. Contractor shall promptly coordinate with Facility
593 operator to weigh additional or replacement Collection vehicles prior to Contractor
594 placing them into service. Contractor shall check tare weights at least annually, or
595 within fourteen (14) days of a County request, and shall re-tare vehicles immediately
596 after any major maintenance service that could impact the weight of the vehicle by
597 greater than five percent.

598 C. **Substitute Scales.** If any scale at an Approved Facility is inoperable, being tested, or
599 otherwise unavailable, Facility operator shall use reasonable business efforts to weigh
600 vehicles on the remaining operating scale(s). To the extent that all the scales are
601 inoperable, being tested, or otherwise unavailable, Facility operator shall substitute
602 portable scales until the permanent scales are replaced or repaired. Facility operator
603 shall arrange for any inoperable scale to be repaired as soon as possible.

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

608 During any period of time the scales are out of service, Facility operator shall continue
609 to record all information required by this Exhibit B, Section B.4, for each delivery of
610 Discarded Materials to the Approved Facilities and each load of material Transferred
611 to another Approved Facility(ies).

612 E. **Weighing Standards and Procedures.** At the Approved Facilities, Facility operator
613 shall weigh and record inbound weights of all vehicles delivering Discarded Materials
614 when the vehicles arrive at the Facility. In addition, Facility operator shall weigh and
615 record outbound weights of vehicles for which Facility operator does not maintain tare
616 weight information. Furthermore, Facility operator shall weigh and record outbound
617 weights of all Transfer vehicles Transporting Discarded Materials from a Transfer
618 Facility to another Approved Facility(ies) for Processing or Disposal.

619 F. **Records.** Facility operator shall maintain scale records and reports that provide
620 information including date of receipt, inbound time, inbound and outbound weights (or
621 tare weights) of vehicles, vehicle identification number, jurisdiction of origin of
622 materials delivered, type of material, company/hauler identification, and classification,
623 type, weight, and final destination of Discarded Material if the Discarded Materials are
624 Transferred to another Approved Facility(ies).

625 G. **Exceptions to Weighing Requirements.** If an Approved Facility does not have motor
626 vehicle scales to weigh Contractor's vehicles and Discarded Materials delivered to the
627 Facility, Contractor shall obtain a receipt for delivery of the Discarded Materials that
628 identifies the date and time of delivery, the type of material delivered, and the vehicle
629 number. Contractor or Facility operator shall estimate the Tonnage of material
630 delivered for each load based on the volumetric capacity of the vehicle and material

631 density factors (e.g., pounds per cubic yard) approved by or designated by the County
632 Contract Manager.

633 H. **Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded
634 on video cameras at the Approved Facilities, Contractor shall cause those videos to
635 be available for County review during the Approved Facilities' operating hours, upon
636 request of the County, and shall provide the name of the driver of any particular load
637 if available.

638 **B.5 Rejection of Excluded Waste**

639 A. **Inspection.** Contractor will use standard industry practices to detect and reject
640 Excluded Waste in a uniform and non-discriminatory manner and will not knowingly
641 accept Excluded Waste at the Approved Facility(ies) for which Contractor is the
642 Facility Capacity Guarantor. Contractor will comply with the inspection procedure
643 contained in its permit requirements. Contractor will promptly modify that procedure
644 to reflect any changes in permits or Applicable Law.

645 B. **Excluded Waste Handling and Costs.** Contractor will arrange for or provide
646 handling, Transportation, and delivery to a Recycling, incineration, or a Disposal
647 facility permitted in accordance with Applicable Law of all Excluded Waste detected
648 at the Approved Facility(ies) for which Contractor is the Facility Capacity Guarantor.
649 Contractor is solely responsible for making those arrangements or provisions and all
650 costs thereof. Nothing in this Agreement will excuse the Contractor from the
651 responsibility of handling Excluded Wastes that Contractor inadvertently accepts in a
652 lawful manner and of arranging for the disposition of that Excluded Waste in
653 accordance with Applicable Law. However, where Contractor can identify the
654 generator of such Excluded Waste, it may invoice such person or entity for all costs
655 incurred by Contractor.

656 **B.6 Discarded Materials Evaluations at Approved Facilities**

657 A. **General.** As provided in the Three Party Agreement, but only as provided therein,
658 Contractor shall cause TMRSWT to conduct the following "evaluations" at Approved
659 Facilities for which Contractor is the Facility Capacity Guarantor if required by
660 Applicable Law referenced below and shall cause TMRSWT to perform the obligations
661 of subsections B-D below.:

662 1. Gray Container Waste Evaluations. If applicable pursuant to 14 CCR Section
663 17409.5.7, Contractor shall conduct waste evaluations of Gray Container Waste
664 at Approved Processing Facilities that receive Gray Container Waste in
665 accordance with 14 CCR 17409.5.7.

666 2. Organic Waste Recovery Efficiency Evaluations. If applicable pursuant to 14
667 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8, Contractor shall conduct
668 waste evaluations at Approved Processing Facility(ies) in accordance with 14
669 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8.

670 3. Evaluation of Organic Waste in Residuals. If applicable pursuant to 14 CCR
671 Sections 17409.5.3, 17409.5.5, 17867, and/or 17896.44.1, Contractor shall
672 conduct compliance evaluations of Organic Waste to determine the level of
673 Organic Waste in materials sent for Disposal in accordance with 14 CCR
674 Sections 17409.5.3 (transfer/processor for Mixed Waste), 17409.5.5
675 (transfer/processor for SSGCOW/SSBCOW), 17867 (Compost operations and
676 facilities), and 17896.44.1 (In-vessel digestion operations and facilities).

677 B. **Record Keeping and Reporting.** For the evaluations described above, Contractor
678 shall maintain all records and submit reports to CalRecycle as described in 14 CCR
679 Division 7, Chapter 3, Article 6.3; 14 CCR Division 7, Chapter 3.1, Article 8; and 14
680 CCR Division 7, Chapter 3.2, Article 4; and, 14 CCR Sections 18815.5 and 18815.7,
681 as applicable. Contractor shall report this information to the County on a quarterly
682 basis in accordance with Exhibit D.

683 C. **Scheduling of Evaluations.** Contractor shall schedule evaluations during normal
684 working hours. Contractor shall provide County notice of its intent to conduct
685 evaluations at the Approved Facility(ies) at least five (5) Business Days in advance of
686 the evaluations.

687 D. **Observance of Study by County and/or CalRecycle.** Contractor acknowledges
688 that, upon request, a representative of the County, the LEA, and/or CalRecycle may
689 oversee its next scheduled quarterly sampling and evaluation of any of the evaluations
690 described in this Exhibit B, Section B.6.A, conducted at the Approved Facility(ies).

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EXHIBIT C – LIQUIDATED DAMAGES

693 County may assess Liquidated Damages pursuant to Section 12.7 of this Agreement if
 694 Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in
 695 accordance with the terms and conditions of the Agreement. Any such Liquidated
 696 provisions that are the responsibility of the TMRSWT Facility as described in Sections 10-
 697 12 and 15 below, or any provisions of this Exhibit that apply primarily to TMRSWT, shall
 698 be governed by the provisions of the Three Party Agreement and Service Agreement and
 699 will not be assessed against Contractor.

700 Notwithstanding the provisions of this Exhibit C, the use of the TMRSWT Facility shall be
 701 governed by the Three Party Agreement and Service Agreement in the event of conflict
 702 with the provisions hereof, the provisions of the Three Party Agreement, and/or Service
 703 Agreement shall control. That is, for the avoidance of doubt, without limitation, Liquidated
 704 Damage provisions on the Contractor that can be imposed for Contractor herein shall not
 705 be applicable for the same or substantially similar Liquidated Damages contained in the
 706 Three Party and/or Service Agreement and imposed on the TMRSWT Facility.

	Event of Non-Performance	Liquidated Damage
1	Failure to Correct Missed Collection. Failure to Correct Missed Collection. Each event where Contractor fails to Collect a Container from a Customer who properly placed said Container for Collection which is not Collected by the end of the Business Day following the receipt of the Customer complaint about the Missed Collection.	\$100 / occurrence
2	Failure to Implement three-Container System. For each occurrence of failing to provide Customers with the three-Container system required by and compliant with Exhibit A excluding Generators and Customers granted waivers pursuant to Section 6.5 of this Agreement.	\$50 / Generator or Customer / occurrence / Day until compliance achieved
3	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 7.5 of this Agreement.	\$50 / Container / occurrence
4	Failure to Perform Public Education and Outreach. For each failure to perform any individual education and outreach activity as required and in the timeframe specified by this Agreement.	\$500 / activity / occurrence

	Event of Non-Performance	Liquidated Damage
5	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.	\$500 / report / occurrence
6	Misleading/ Inaccurate Reporting. Each occurrence of Contractor providing misleading or otherwise inaccurate information or reporting to County under or in regard to this Agreement. Typographical, cell reference, mathematical, and/or logic errors shall not be considered legitimate excuses from this requirement, nor shall ignorance.	\$250 / occurrence
7	Failure to Correct Submittal of Inaccurate Data in a Timely Manner. Failure to correct submittal of inaccurate data within ten (10) days (or other such time period as may be agreed to in writing between County and Contractor) of notification by County.	\$100 / day
8	Use of Unauthorized Facilities. For each individual occurrence of delivering Discarded Materials to a Facility other than the appropriate Approved Facility for each Discarded Material type under this Agreement.	\$30 / ton / occurrence (in addition to any applicable lost Disposal tipping fees pursuant to Section 6.1)
9	Failure of Approved Facility(ies) to Meet Limits on Incompatible Materials (if Applicable). For each Ton of SSGCOW received at the Facility(ies) in a quarterly reporting period when Organic Waste recovered after Processing exceeds Incompatible Material thresholds defined in Exhibit B.	\$10 / ton in the quarterly reporting period when the failure occurred

	Event of Non-Performance	Liquidated Damage
10	Failure to Provide Adequate Capacity. Failure to provide adequate capacity to accept and Process Source Separated Recyclable Materials or SSGCOW.	\$1,000 /for each day Facility rejects otherwise acceptable material
11	Disposal of Material Targeted for Diversion. Each individual occurrence of Disposal rather than Processing of Source Separated Recyclable Materials or SSGCOW set out for Collection by the Customer.	\$100 / ton (in addition to any applicable lost Disposal tipping fees pursuant to Section 6.1)
12	Mixing Material Types During Collection. Each individual Container that is Collected by Contractor in a vehicle intended or designated for the purpose of Collecting a different material type (e.g. Source Separated Recyclable Materials Collected in Gray Container Waste vehicle).	\$100 / Container
13	Failure to Perform Contamination Monitoring Requirements. For each failure to conduct Hauler Route contamination monitoring in accordance with Section 6.2 of this Agreement.	\$500/ Hauler Route / occurrence
14	Failure to Conduct Compliance Tasks. For each failure to conduct any compliance review, Discarded Materials evaluations pursuant to Section B.6 of Exhibit B, and/or other inspection required by this Agreement.	\$500 / occurrence
15	Failure to Issue Contamination Notices. For each failure of Contractor Collection personnel to issue contamination notices and contaminating Processing fee notices and maintain documentation of issuance as required by Section 6.2 of this Agreement.	\$500 / Hauler Route / day
16	Failure to Conduct Follow-Up Inspections. For each failure to conduct a follow-up inspection as required by Section 6.7 of this Agreement.	\$50 / occurrence
17	Failure to Clean-Up Spillage. Each failure by Contractor to clean up: (1) any items or materials spilled during the Collection of a Container; or, (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location. This does not include instances where a Container was overloaded.	\$100 / occurrence

	Event of Non-Performance	Liquidated Damage
18	Damage to Property. Each event of damage to either public or private property as a result of Collection activity, including without limitation curbs, sidewalks, landscapes, Container enclosures and gates, signs, light fixtures, and overhead wires and cables.	\$500 / occurrence (in addition to repair costs)
19	Damage to Public Streets. Each event of damage to public streets within the County caused by Contractor, excluding damage caused by normal wear and tear.	\$100 / occurrence
20	Failure to Maintain Equipment. Each event of failure to maintain equipment, vehicles, and/or Containers in a clean, safe, and sanitary manner.	\$100 / occurrence
21	Uncovered Loads. Failure to properly cover materials in Collection vehicles.	\$100 / occurrence
22	Materials Emanating from Vehicle. Each occurrence of Collected materials emanating from Contractor's vehicles following Collection.	\$100 / occurrence
23	Inaccurate Billing. Each Complaint received where the Contractor billed a Customer in error. Inaccurate billing may include, but is not limited to: (i) either over- or under-charging of the Customer relative to the approved Rates for services, (ii) charging the Customer a Rate that is not the same as other Customers with the same Service Level; (iii) charging a Customer for an increased Service Level prior to providing the service; (iv) not charging a Customer for reduced Service Level within seven (7) of the date Customer requested the change regardless of whether or not Contractor delivers the appropriate Containers or modifies the Service Level within that timeframe.	\$100 / occurrence
24	Failure to Commence Service. Any failure by Contractor to deliver a Container and begin providing Collection to a Customer, at the Service Level requested by said Customer, within fourteen (14) calendar days of receiving such request. This may include a new Customer receiving new service or an	\$100 / occurrence

	Event of Non-Performance	Liquidated Damage
	existing Customer requesting a change in or addition to existing Service Levels.	
25	Failure to Exchange Container. Any failure by Contractor to exchange a Container within ten (10) Business Days of notification that a change in the size or number of Containers is required.	\$100 / Container / day
26	Failure to Replace Container. Any failure by Contractor to replace a damaged or defaced Container within the timeline required in Section 7.5.C	\$100 / Container / day
27	Failure to Replace Container or Remove Graffiti. Any failure by Contractor to replace or repair a damaged Container within fourteen (14) calendar days of receiving such a request from a Customer, or any failure by Contractor shall remove graffiti from Containers within forty-eight (48) hours of identification by Contractor or notice by County or Customer if such graffiti includes any written or pictorial obscenities and otherwise within five (5) Business Days.	\$100 / occurrence
28	Failure to Resolve Complaint. Any failure by Contractor to address a complaint within seven (7) calendar days of receiving such complaint.	\$100 / occurrence
29	Failure to Answer Phones. Any failure (beyond 100 per 1,000 calls received under this Agreement) by Contractor to answer a telephone call from a Customer during normal business hours. A call is not considered to be answered if the Customer does not speak with a live operator. A call is considered to be answered if the Customer hangs-up or abandons the call following a hold time of less than three (3) minutes.	\$100 / occurrence
30	Failure to Maintain Office Hours. Failure to maintain office hours as required by this Agreement.	\$100 / occurrence
31	Unauthorized Hours of Operation. Each occurrence of Contractor Collecting from Customers during unauthorized hours.	\$100 / occurrence

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**EXHIBIT D –
RECORD KEEPING AND REPORTING**

710 **D.1 General**

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

721 Notwithstanding the provisions of this Exhibit D, the reporting or information required to
722 be done in accordance with this Exhibit applicable to the use of the TMRSWT Facility
723 shall be governed by the Three Party Agreement and Service Agreement. In the event of
724 conflict with the provisions hereof and a report or required information otherwise required
725 by this Exhibit identical or substantially similar to one required herein in either the Three
726 Party Agreement, or Service Agreement submitted in accordance therewith shall satisfy
727 the Contractor's obligation or substantially similar obligation hereunder.

728 **D.2 Record Keeping**

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

735 Record keeping and reporting requirements specified in this Agreement shall not be
736 considered a comprehensive list of reporting requirements. In particular, this Exhibit
737 D is intended to highlight the general nature of records and reports and their minimum
738 content and is not meant to comprehensively define the scope and content of the
739 records and reports that Contractor is required to maintain and report by Applicable
740 Law or this Agreement. Upon written direction or approval of County, the records and
741 reports required by Contractor in accordance with this and other Articles of the
742 Agreement shall be adjusted in number, format, or frequency.

743 Contractor shall maintain adequate records, and corresponding documentation, of
744 information required by Sections D.3 and D.4 of this Exhibit, such that the Contractor
745 is able to produce accurate quarterly and annual reports, and is able to provide records

746 to verify such reports. Contractor will make these records available and provide to the
747 County any record or documentation necessary for the County to fulfill obligations
748 under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876,
749 AB 901, and SB 1383 statutes and corresponding regulations; and, other current or
750 future federal, State, or local statutes and regulations, as amended. Upon request by
751 the County, Contractor shall provide access to Contractor's requested records in a
752 timely manner, not to exceed ten (10) Business Days from the time of County's request
753 to Contractor.

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

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

772 **C. Maintenance of Financial and Operational Records.** The Contractor shall maintain
773 complete financial statements and accounting records for operations under this
774 Agreement. Contractor shall account for revenues received and expenses incurred as
775 a result of this Agreement separately from the accounting for other operations
776 performed by Contractor or its Affiliates. The Gross Receipts derived from the
777 Collection Services under this Agreement, whether such services are performed by
778 the Contractor, by an Affiliate, or by a Subcontractor, shall be recorded as revenues
779 in the accounts of the Contractor. Upon demand, the Contractor shall permit the
780 County Contract Manager to examine and audit the books of account of the Contractor
781 at any and all reasonable times for the purpose of verifying Contractor's performance
782 under this Agreement. Upon request, the Contractor shall allow the County Contract
783 Manager to examine the reports of Gross Receipts and the invoices pertaining to any
784 fee or charge approved by the County for Services provided under this Agreement.
785 Such request shall be made at reasonable times and with reasonable notice.

786 In the event that an extraordinary Rate adjustment pursuant to Section 10.3,
787 reasonably necessary records shall be subject to review in accordance with
788 appropriate professional standards, and inspection, for the primary purpose of

789 reviewing changes in costs to the Contractor attributable to the extraordinary Rate
790 adjustment request, at any reasonable time by an independent third party. The
791 selection of the independent third party as well as the scope of work for such review
792 shall be approved in advance by the County Contract Manager. The independent
793 reviewer shall provide any and all drafts of its review to the County and the Contractor.
794 The Party requesting the extraordinary Rate adjustment review shall bear the cost of
795 the review.

796 **D. CERCLA Defense Records.** County views its ability to defend itself against
797 Comprehensive Environmental Response, Compensation and Liability Act
798 (CERCLA), and related litigation as a matter of great importance. For this reason,
799 County regards its ability to prove where Collected Gray Container Waste is taken for
800 transfer or Disposal. Contractor shall maintain records which can establish where
801 Gray Container Waste Collected was Disposed. This provision shall survive the
802 expiration or earlier termination of this Agreement. Contractor shall maintain these
803 records for a minimum of ten (10) years beyond expiration or earlier termination of the
804 Agreement. Contractor shall provide these records to County (upon request or at the
805 end of the record retention period) in an organized and indexed manner rather than
806 destroying or Disposing of them.

807 **E. Compilation of Information for State Law Purposes.** Contractor shall maintain
808 accurate records for its operation, including, but not limited to, Discarded Materials
809 quantities Collected and quantities Transported to or Transferred to each Approved
810 Facility, listed separately by material type, Customer type, and Facility. Records shall
811 be maintained in such form by methods that facilitate the use of data for the production
812 of reports as needed. Contractor will make these records available and provide to the
813 County any record or documentation necessary for the County to fulfill obligations
814 under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876,
815 AB 901, AB 1595, and SB 1383 statutes and corresponding regulations; and, other
816 current or future local, federal or State statutes and regulations, as amended.

817 **D.3 Audits and Inspection by County**

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

830 **D.4 Reporting**

831 **D.4.1 General**

832 A. **General Purpose.** Reports are intended to compile recorded data into useful forms
833 of information that can be used by the County. All reports shall be adequate to meet
834 County's current and future reporting requirements to CalRecycle, including AB 939,
835 AB 341, AB 1826, and SB 1383 statutes and corresponding regulations, or any other
836 State or federal agency statutes and regulations throughout the Term of this
837 Agreement.

838 B. **Failure to Report.** Failure of Contractor to comply with the reporting requirements as
839 set forth in this Section may result in an assessment of Liquidated Damages in
840 accordance with the Liquidated Damages provision in Section 12.7 of this Agreement
841 and Exhibit C. Contractor's repeated failure to submit reports, and/or failure to submit
842 reports on time, may be deemed an event of default and may result in the termination
843 of the Agreement at the discretion of the Director, in accordance with Article 12 of this
844 Agreement.

845 C. **Report Format.** County shall provide to Contractor the format for each report
846 submittal not later than thirty (30) days prior to the first due date for each such report.
847 Unless otherwise notified by the County, Contractor shall use the County-provided
848 report format(s) for all future reporting periods.

849 D. **Submittal Process.** All reports shall be submitted to the County, Department of Public
850 Works, or as directed by the County Contract Manager. Reports shall be submitted
851 electronically via email or uploaded to a document sharing platform agreed upon by
852 the Parties. County reserves the right to require the Contractor to maintain records
853 and submit the reports required herein through use of a County acquired web-based
854 software platform.

855 Quarterly reports shall be submitted within forty-five (45) days after the end of the
856 reporting month; and annual reports shall be submitted within ninety (90) days after
857 the end of the reporting year.

858 **D.4.2 Quarterly Reports**

859 Quarterly reports shall be submitted by Contractor to County and shall include the
860 following information pertaining to the most recently-completed calendar quarter.
861 Information shall be reported by month, such that data is tracked and documented on a
862 monthly basis, but submitted to the County on a quarterly basis. In addition, each quarterly
863 report shall include a year-to-date summary page that includes the data submitted from
864 the quarterly report(s) submitted in the calendar year prior to the submittal of the current
865 quarterly report. Contractor shall report the information included in the following
866 subsections.

867 **A. Tonnage Report**

868 1. Contractor shall report the total quantities in Tons of Discarded Materials
869 Collected, Transferred, Processed, and Disposed by the Contractor, all of which
870 shall be based on actual certified scale weights for each load, if available, or
871 similarly accurate methodology pursuant to weighing protocols in Section B.4 of
872 Exhibit B. Tonnage shall be reported separately by:

873 a. Material type, which shall include, at a minimum, separate reporting of Source
874 Separated Recyclable Materials, SSGCOW, Gray Container Waste, and any
875 other type of Discarded Material separately Collected by Contractor (other
876 than bulky waste and used oil) (including, but not limited to: mixed
877 construction and demolition debris , dirt, rock, metals, cardboard, wood
878 waste, , etc.);

879 b. Approved Facility and Facility type.

880 2. Report Residue level and Tonnage for all Discarded Materials processed, listed
881 separately by material type Collected and Approved Facility(ies) used.

882 3. Documentation of all Discarded Materials exported out of State, as provided in 14
883 CCR Sections 18800 through 18813.

884 **B. Diversion Report**

885 Contractor shall report the Diversion level for each quarter and the cumulative year-
886 to-date Diversion Level, where Diversion level shall be calculated as follows:

887 **Monthly:**

888 Tons collected – Tons Diverted = Tons Disposed.

889 Tons Diverted ÷ Tons collected = Diversion percentage.

890

891

Year-to-date:

892 Total Tons collected – Tons Diverted = Tons Disposed.

893 Total Tons Diverted ÷ Total Tons collected = YTD Diversion percentage.

894

895 **C. Collection and Subscription Report**

896 1. Number of Containers at each Service Level by program, including:

897 a. A summary of the total gallons of Cart service, cubic yards of Bin service,
898 and pulls; and cubic yards or Tons of Roll-off Box and Compactor service
899 by Customer Type (as applicable).

900 b. Calculation of the average volume of service received per Single-Family
901 Dwelling Unit (separately identifying Dwelling Units in a multi-unit, Single-
902 Family Premises).

903 2. A summary of Customer subscription data, including the number of accounts; the
904 number of Customers subscribing to each Cart, Bin, and Roll-Off Service Level (as

905 applicable) listed separately for each type of Discarded Material; and the number
906 of Bulky Items Collections performed.

907 3. Documentation of the universal service enrollment process including a copy of the
908 Service Area-wide Generator enrollment level evaluation conducted pursuant to
909 Section 6.4.D of this Agreement.

910 4. Number of Bulky Item Collection events .

911 **D. Contamination Monitoring Report**

912 Hauler Route Reviews (Section 6.2)

913 The Contractor shall submit the following information regarding contamination
914 monitoring Hauler Route reviews conducted pursuant to Section 6.2 of this
915 Agreement:

916 1. The number of Hauler Route reviews conducted pursuant to Section 6.2 of this
917 Agreement;

918 2. Description of the Contractor's process for determining the level of
919 contamination;

920 3. Summary report of non-Collection notices, courtesy Collection notices, and/or
921 contamination processing fee assessment notices issued, which for each notice
922 shall include the date of issuance, Customer name, and service address.

923 4. A record of each inspection and contamination incident, which shall include, at a
924 minimum:

925 a. Name of the Customer

926 b. Address of the Customer

927 c. The date the contaminated Container was observed

928 d. The staff who conducted the inspection

929 e. The total number of violations found and a description of what action was
930 taken for each

931 f. Upon specific request, copies of all notices issued to Generators with
932 Prohibited Container Contaminants

933 g. Upon specific request, any photographic documentation or supporting
934 evidence.

935 5. Documentation of the total number of Containers Disposed of due to observation
936 of Prohibited Container Contaminants;

937 6. A list of all Customers assessed contamination Processing fees, pursuant to
938 Section 6.2 of this Agreement, including the Customer name, Customer address,
939 and reason for the assessment of the contamination Processing fee, and the total

940 number of instances contamination Processing fees were assessed in the month
941 and the total amount of fees collected in the month.

942 7. Any other information reasonably requested by the County or specified in
943 contamination monitoring provisions of this Agreement.

944 **E. SB 1383 Complaints Report**

945 Contractor shall maintain a record of all SB 1383 Regulatory non-compliance
946 complaints and responses pursuant to Section 6.7 of this Agreement and submit
947 the following information:

948 a. Total number of complaints received and total number of complaints
949 investigated

950 b. Copies of documentation recorded for each complaint received, which shall
951 at a minimum include the following information:

952 i. The complaint as received;

953 ii. The name and contact information of the complainant, if the
954 complaint is not submitted anonymously;

955 iii. A description of the alleged violation; including location(s) and all
956 other relevant facts known to the complainant;

957 iv. Any relevant photographic or documentary evidence submitted to
958 support the allegations in the complaint.

959 c. Copies of all complaint reports submitted to the County.

960 d. Copies of all investigation reports submitted to the County, which shall
961 include at a minimum:

962 i. The complaint as received;

963 ii. The date the Contractor investigated the complaint;

964 iii. Documentation of the findings of the investigation;

965 iv. Any photographic or other evidence collected during the
966 investigation; and,

967 v. Contractor's recommendation to the County on whether or not the
968 entity investigated is in violation of SB 1383 Regulations based
969 on the Contractor's investigation.

970 **F. Education Program Report**

971 The quarterly status of activities identified in the annual public education plan
972 described in Section 6.3 of this Agreement.

973

974 **G. Discarded Materials Evaluation Reports**

975 In accordance with Section B.6.B of Exhibit B, Contractor shall provide reports of
976 evaluations of Discarded Materials conducted at Approved Facilities.

977 **D.4.3 Annual Reports**

978 In addition to the quarterly reporting requirements in this Exhibit D, Section D.4.2, the
979 Contractor shall provide an Annual Report, covering the most recently-completed
980 calendar year, in accordance with the format and submittal requirements of this Exhibit.
981 The Annual Report shall include the information in the following subsections.

982 **A. Collection and Subscription Report**

- 983 1. A summary of all data provided in the Tonnage report section, including quarterly
984 and annual totals and averages.
- 985 2. The type(s) of Collection service(s) provided, a list of all Hauler Routes serviced,
986 and a record of the addresses served on each Hauler Route.
- 987 3. A summary of Customer subscription data, including the number of accounts; the
988 total number of Generators enrolled with Contractor for service, listed separately
989 by service level and Container type (Cart and Bin), separately for each type of
990 Discarded Material.
- 991 4. A detailed list of Customer information, including Gray Container Waste, Source
992 Separated Recyclable Materials, and SSGCOW Service Levels, and Customer
993 service addresses reflecting Customer Service Levels as of December 1 (for the
994 year in which the report is submitted)

995 **B. Processing Facility Report**

- 996 1. Temporary Equipment or Operations Failure: If the Contractor is granted a
997 processing facility temporary equipment or operational failure waiver the
998 Contractor shall include the following documents and information:
 - 999 a. The number of days the Processing Facility temporary equipment waiver
1000 or operation failure waiver was in effect;
 - 1001 b. Copies of any notifications sent to the County, and copies of County
1002 notices to;
 - 1003 c. Documentation setting forth the date of issuance of the waiver, the
1004 timeframe for the waiver; and,
 - 1005 d. A record of the tons of Organic Waste, Source Separated Recyclable
1006 Materials, SSGCOW, and/or Gray Container Waste redirected to an
1007 Alternative Facility or Disposed at an Approved Disposal Facility as a result
1008 of the waiver, recorded by Collection vehicle or transfer vehicle
1009 number/load, date, and weight.

1010 **C. Public Education and Outreach Report**

- 1011 1. A copy of all education and outreach materials provided to Generators, or
1012 otherwise used for education and outreach efforts in accordance with Section 6.3
1013 of the Agreement, including, but not limited to: flyers, brochures, newsletters,
1014 invoice messaging/billing inserts, and website and social media postings.
- 1015 2. A record of the date and to whom the information was disseminated or direct
1016 contact made, in the form of a list that includes: the Generator's name or account
1017 name, the type of education or outreach received; the distribution date, and the
1018 method of distribution.
- 1019 3. The number of Organic Waste Generators that received information and the type
1020 of education and outreach used.
- 1021 4. For any mass distribution through mailings or bill inserts, the Contractor shall
1022 maintain a record of the date, a copy of the information distributed, and the type
1023 and number of accounts that received the information.
- 1024 5. A copy of electronic media, including the dates posted of: social media posts, e-
1025 mail communications, or other electronic messages.
- 1026 6. A summary of the status of the annual education plan of the reporting year,
1027 including activities conducted and the quantitative and/or qualitative results of
1028 those activities.
- 1029 7. The annual public education plan required by Section 6.3 of the Agreement for the
1030 upcoming then-current calendar year. For example, Contractor submittal of a 2024
1031 annual report in February 2025 shall include Contractor submittal of the annual
1032 public education plan for calendar year 2025.

1033 **D. Compliance Monitoring and Enforcement Report**

- 1034 1. A summary of the total number of SB 1383 Regulatory non-compliance complaints
1035 that were received and investigated, in accordance with Section 6.7 of the
1036 Agreement and Exhibit D, Section D.4.2.D.
- 1037 2. The total number of Hauler Route reviews conducted pursuant to Section 6.6 of
1038 the Agreement.
- 1039 3. A copy of written and/or electronic records and documentation for all audits,
1040 studies, compliance reviews, and all other inspections conducted pursuant to
1041 Section 6.6 of the Agreement.
- 1042 4. The total number of Notices of Violation issued, categorized by type of Generator.
- 1043 5. The number of violations that were resolved, categorized by type of Generator.
- 1044 6. Copies of all Notices of Violation and educational materials issued to non-
1045 compliant Generators.

1046 **E. Vehicle and Equipment Inventory**

- 1047 1. A list of all vehicles used in performing services under this Agreement including
1048 the license plate number, VIN, make, model, model year, purchase date, engine
1049 overhaul/rebuild date (if applicable), and mileage at December 31.
- 1050 2. If applicable, the name, physical location, and contact information of each entity,
1051 operation, or facility from whom the RNG was procured.
- 1052 3. If applicable, the total amount of RNG procured by the Contractor for use in
1053 Contractor vehicles, in diesel gallon equivalents (DGE), including copies of any
1054 receipts, invoices, or other similar documentation evidencing procurement. In
1055 addition to the amount procured, Contractor shall include the total amount actually
1056 used in Contractor vehicles in the calendar year, if these values are different.

1057 **F. Customer Revenue and County Fee Payment Report**

1058 Provide a statement detailing Gross Receipts from all operations conducted or
1059 permitted pursuant to this Agreement and report of all County fees paid in accordance
1060 with Article 9 of this Agreement. Provide a list of Customers that are sixty (60) or more
1061 days past due and include the following information for each delinquent account:
1062 name; service address; contact information; number of days the account is delinquent.

1063 **D.4.4 Additional Reports**

1064 **A. Upon Incident Reporting.** County reserves the right to request additional reports or
1065 documents in the case of unforeseen events or additional requirements imposed upon
1066 the County. The Contractor shall provide the requested reports, documents, or
1067 information within ten (10) Business Days upon receipt of the request or such
1068 additional time as is reasonable under the circumstances.

1069 **B. AB 901 Reporting.** At County's option, County may require that Contractor provide
1070 the County copies of Contractor's AB 901 reports on a regular basis or within ten (10)
1071 Business Days of the request.

1072 **C. CALGreen Code Compliance.** Contractor shall maintain records of any information
1073 or documentation required to demonstrate compliance with the California Green
1074 Building Standards Code (CALGreen Code), as adopted by County Municipal Code
1075 Section 5-2954. County may request that this information be included in the monthly
1076 or annual report(s), as it pertains to the services provided under this Agreement.
1077 County shall notify the Contractor of this request within ten (10) Business Days prior
1078 to the submittal deadline of the monthly and/annual report where the information is to
1079 be included.

1080 **D. Facility Capacity Planning Information.** County may require Contractor to provide
1081 County with information of available Organic Waste Processing capacity for any
1082 Approved Processing Facilities, where available capacity may include identification of
1083 monthly Tons of additional Organic Waste such Approved Facilities have the ability to
1084 receive within permitted limits. Contractor shall respond to County within 60 days of
1085 County's request for information regarding available new or expanded capacity, and,

1086 at County's option, may be required to submit reports on a more regular basis (such
1087 as monthly, quarterly, or annually). If Contractor uses a Subcontractor to perform
1088 some or all of the Facility-related services required by this Agreement, Contractor shall
1089 secure any County-requested Facility capacity planning information from its
1090 Subcontractor(s). The annual Facility capacity planning report shall comply with the
1091 following:

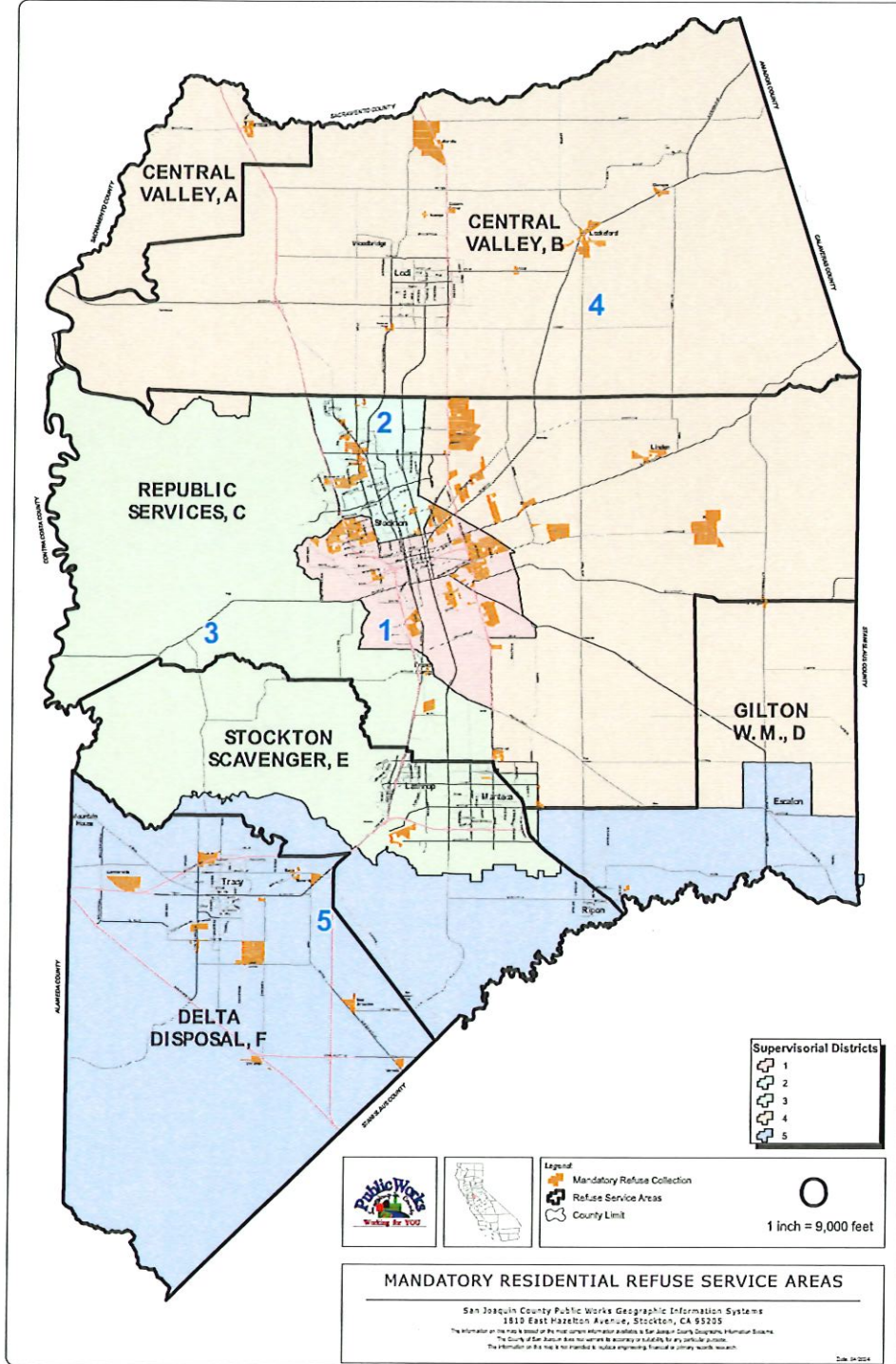
1092 1. Include reports of current throughput and permitted capacity and available
1093 capacity for SSBCOW and SSGCOW Processing for any Facility in the County
1094 that processes SSBCOW and/or SSGCOW. Existing capacity may include
1095 identification of monthly Tons of additional Source Separated Recyclable
1096 Materials, SSGCOW, SSBCOW, and/or Mixed Waste capacity such Facility has
1097 the ability to receive within permitted limits.

1098 2. Include description of potential new or expanded Processing capacity at those
1099 Facilities, operations, and activities for Processing of SSBCOW and/or Organic
1100 Materials, including information about throughput and permitted capacity
1101 necessary for planning purposes.

1102 3. Be submitted using a form or format approved by the County Contract Manager.

1103 F. **Customized Reports.** County reserves the right to request Contractor to prepare and
1104 provide customized reports from records Contractor is required to maintain.

EXHIBIT E – REFUSE SERVICE AREA MAP



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1109

EXHIBIT F – RATES FOR RATE PERIOD ONE

Area F - DELTA DISPOSAL (TRACY DELTA SOLID WASTE MANAGEMENT)		
Residential Refuse Collection Rate		
Rate Period 1 Effective January 1, 2025		
	Service Category	Rate
[1]	Curbside Collection - All Areas:	See note [1]
	Base Service - All Areas (includes selected Black/Gray, 95 Gal. Blue, and 95 Gal. Green Containers)	
	35 Gal.	\$48.97
	65 Gal. (Default Size)	\$59.98
	95 Gal.	\$69.47
	Additional Carts (Regular Waste)	
	35 Gal.	\$20.10
	65 Gal.	\$23.08
	95 Gal.	\$25.14
	Additional 95 Gal. Blue Cart	\$10.31
	Additional 95 Gal. Green Cart	\$18.56
[2]	Senior Citizens Discount - All Areas	
	35 Gal.	\$39.18
	65 Gal.	\$50.19
	95 Gal.	\$59.68
[3]	Low Volume Discount - Mandatory Areas Only	Discontinued[3]
[4]	Low Income Discount - Mandatory Areas Only	
	35 Gal.	\$34.28
	65 Gal.	\$45.29
	95 Gal.	\$54.78
[1]	When disposal site gate fees are adjusted by COUNTY, residential refuse collection rates shall be adjusted by multiplying the amount of the annual per ton gate fee increase by 0.12 and rounded to the nearest one cent, to arrive at the amount of the residential rate increase allowed per month per equivalent 35-gallon basic container service, and proportionately for larger sized containers.	
[2]	A Senior discount of 20% may be applied to the first service level.	
[3]	Low Volume discounts are discontinued as all refuse containers must meet SB 1383 state standards.	
[4]	A Low Income or of 30% may be applied to the first service level.	
	<u>Contamination Fee</u>	
	Repeated instances of prohibited materials placed in incorrect containers (as listed above) incur contamination fee of 25% of services rate.	
	35 Gal.	\$12.24
	65 Gal.	\$15.00
	95 Gal.	\$17.37
	<u>Additional Services for Mandatory Residential Customers</u>	
	One (1) no-charge annual curbside pick-up service per customer.	
	Bulky item services available for a reasonable fee.	
	One (1) no-charge dump voucher to Collector Owned transfer station.	
	Seven (7) hot spot cleanups requested by County.	
	Annual no-charge Christmas tree collection service.	

1110

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1112

**EXHIBIT G –
ACCEPTABLE MATERIALS LISTS**

1113 **REGULAR WASTE (Black/Grey Container)**

- 1114 • Regular non-hazardous household waste

1115 **SOURCE SEPARATED RECYCLABLE MATERIALS TO BE ACCEPTED FOR**
1116 **COLLECTION**

1117 PAPER AND CARDBOARD

- 1118 • Broken down cardboard, bundled not to exceed 4ft or 40lbs
1119 • Paper/envelopes
1120 • Brochures/junk mail
1121 • News/magazines

1122 METAL

- 1123 • Clean aluminum cans
1124 • Clean steel cans

1125 PLASTIC

- 1126 • Clean beverage bottles
1127 • Clean jugs, tubs & jars
1128 • Attached lids/caps
1129 • Structural plastic

1130 GLASS

- 1131 • Clean clear
1132 • Clean green
1133 • Clean brown

1134 **SOURCE SEPARATED GREEN CONTAINER ORGANIC WASTE TO BE ACCEPTED**
1135 **FOR COLLECTION**

1136 FOODS

- 1137 • Fruit
1138 • Herbs
1139 • Vegetables
1140 • Plate scrapings
1141 • Bones
1142 • Meat

1143 YARD AND GARDEN

- 1144 • Yard trimmings
1145 • Grass clippings
1146 • Leaves
1147 • Flowers
1148 • Weeds
1149 • Branches cut to 3ft