

# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City



## MEETING NOTICE & AGENDA

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**DATE:** March 19, 2026

**TIME:** 4:30 p.m.

**PLACE:** Yuba County Board of Supervisors Chambers  
Yuba County Government Center  
915 Eighth Street  
Marysville, CA 95901

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### I. Call to Order & Roll Call

Bains, Buttacavoli (Vice-Chairman), House, Shaw (Chairman), Teter, and Woten

### II. Public Business from the Floor

You are welcome and encouraged to participate in this meeting. Public comment is taken on action items appearing on the Board Business, Consent Calendar, Reports, or Other Business Items on the Agenda when they are called. Public comment on any other items within the scope of the Authority's jurisdiction, including items not listed on the Agenda will be considered at this time. Public comment is limited to three minutes per speaker. Repetitive comments may be limited, and large groups are encouraged to select representatives to express the opinions of the group. No action may be taken on items that do not appear on the posted agenda.

### III. Consent Calendar

All matters listed under the Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff, or public request specific items to be discussed or removed from the Consent Calendar for individual action.

- A. Approval of minutes from February 19, 2025 (Attachment)
- B. Disbursement List for February 2026 (Attachment)

#### IV. Other Business Items

**A. Support Letters for State Legislation Related to Vape Device Management and Disposal (AB 762 & AB 2667) (Attachment)**

RECOMMENDATION(S):

1. Adopt Resolution 1-26, a resolution of the Board of Directors of the Regional Waste Management Authority supporting Assembly Bill 762 And Assembly Bill 2667 related to vape device management, disposal, and public safety.
2. Authorize the Executive Director to submit letters of support on behalf of the Regional Waste Management Authority; and
3. Authorize \$2,500 contributions to both the California Product Stewardship Council (CPSC) and the National Stewardship Action Council (NSAC) to support statewide advocacy efforts related to product stewardship and safe management of battery-embedded products.

**B. Authorization To Apply For CalRecycle Waste Tire Cleanup Grant (TCU-21)**

RECOMMENDATION:

1. Adopt Resolution 2-26, a resolution of the Board of Directors of the Regional Waste Management Authority authorizing the submittal of an application to CalRecycle for the local government waste tire cleanup grant program (TCU21 CYCLE, FY 2026–27)

**C. Results of Negotiations with Recology Yuba-Sutter, Amendment No. 2 of Member Agencies' Collection Service Agreements**

RECOMMENDATIONS:

1. Receive draft Amendment No. 2 to the Yuba County Collection Service Agreement (CSA) with Recology Yuba-Sutter (Recology), and review with the intent of entering into identical CSA amendments with all RWMA Member Agencies.
2. Adopt Resolution 3-26, a resolution of the RWMA Board supporting proposed Amendment No. 2 to the Collection Service Agreements of the Member Agencies.

#### V. Adjournment

**THE NEXT REGULAR MEETING IS SCHEDULED FOR 4:30P.M. ON THURSDAY, APRIL 16, 2026 IN YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS.**

**REGIONAL WASTE MANAGEMENT AUTHORITY  
MEETING MINUTES  
February 19, 2026**

**I. Call to Order & Roll Call**

The meeting was called to order by Chairman Shaw on February 19, 2026 at 4:31 p.m.

Present: Shaw (Chairman), Buttacavoli (Vice-Chairman), House, Teter, Woten, and Bains

Absent: None

**II. Public Business from the Floor**

No public comment.

**III. Consent Calendar**

Director Bains made a motion to approve the Consent Calendar. Director Woten seconded the motion, and it was carried unanimously.

**IV. Other Business**

A. Organizational and Salary Assessment (Attachment)

**RECOMMENDATIONS:**

- 1. Approve the reclassification of one Management Analyst II position to a Program Manager position, effective March 1, 2026;**
- 2. Approve the Program Manager job description; and**
- 3. Adopt the updated Salary Schedule (Option A), effective January 1, 2026.**

Chairman Shaw asked for clarification on the difference between the Management Analyst II position and the proposed Program Manager position. Baxter explained that some responsibilities would include financial responsibilities, creating staff reports, and leading the TAC meetings.

Executive Director Baxter explained that the Program Manager position would provide an intermediate management level within the organization, assist with operational continuity, and support succession planning. The Program Manager salary Step A is equivalent to the current Management Analyst II Step E.

Director House asked how many Management Analysts are currently at the RWMA. Baxter explained that there are 3 current analysts on staff.

Director House made a motion to create the Program Manager position. Director Woten seconded the motion. The motion carried unanimously.

4. Director Buttacavoli stated that the 23% increase under Option A was high and indicated he would prefer a more conservative approach, suggesting consideration of CPI-based adjustments over two years.

Director House noted that the Authority is fee-based and not a tax based organization and emphasized the need to remain fiscally conservative.

Director Shaw stated he would like additional review of the benefits package and suggested returning in the summer for further discussion.

Director Bains made a motion to adopt updated Salary Schedule (Option B), effective retroactively to January 1, 2026. Director Shaw seconded the motion, and it was carried unanimously.

Director House made a motion to adopt Salary Schedule (Option C), effective March 1, 2026 for the Program Manager position. Director Buttacavoli seconded the motion. Director Shaw voted no. The motion carried.

B. Authorization To Utilize R3 Consulting Group On-call Services for Audit Preparation and Supplemental Accounting Support

**RECOMMENDATION:**

1. **Increase the Task 5 on-call services limit under the First Amendment to the Agreement with R3 Consulting Group, Inc., from \$10,000 per month to \$14,000 per month through the end of the current fiscal year; and**
2. **Direct staff to utilize the on-call services as needed to support audit preparation and accounting stabilization, surcharge support and review, Recology contract amendment support, negotiation and City Council presentation support, and related financial/administrative tasks.**

Director House asked how much the Authority would be required to pay per month and whether invoices had been received. Staff clarified that the amount would be up to \$14,000 per month as needed through fiscal year-end and would remain within existing budget appropriations.

Director House made a motion to approve the increase of the Task 5 on-call services limit to \$14,000 per month through the end of the current fiscal year. Director Buttacavoli seconded the motion, and it was carried unanimously.

**V. Adjournment**

The meeting of February 19, 2026 was adjourned at 5:21 p.m.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR 4:30 P.M. ON THURSDAY, MARCH 19, 2026,  
IN YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS.**

# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City

## Agenda Item III. – B

### Disbursements List February 2026

#### Regional Waste Management Authority

Check No.	Amount	Vendor	Purpose
1211	\$40.00	Rich, Fuidge, Bordsen & Galyean, Inc	Attorney Services Invoice 5326
1212	\$8,518.79	County of Sutter Human Resources	RWMA Benefits MAR 2026
1213	\$94,224.23	Recology Yuba Sutter	NOV & DEC 2025 HHW
1214	\$100.00	Angela Teter	Board Meeting 01/2026
1215	\$100.00	Bob Woten	Board Meeting 01/2026
1216	\$100.00	Bruce Buttacavoli	Board Meeting 01/2026
1217	\$100.00	David Shaw	Board Meeting 01/2026
1218	\$100.00	Karm Bains	Board Meeting 01/2026
1219	\$27,400.00	R3 Consulting Group	Services provided JAN 2026
1220	\$1,708.19	Tower Media Studios	Office Rent MAR 2026 + Utilities
1221	\$550.00	Alliant Networking Services	IT Services MAR 2026
1222	\$40,091.25	Yuba County CDSA	LEA 10/25-12/25
1223	\$1,461.80	Shannon Aldrich	CMCA Training Reimbursement
1224	\$145,971.00	Zero FoodPrint	Compost Procurement Services 06/25-12/25 Hauling Costs 12/25 & 01/26 Events
1225	\$10,358.78	Recology Yuba Sutter	
EFT	\$116.00	Gusto	Payroll Service Fee FEB 2026
EFT	\$300.00	Mission Square	Employee Benefits FEB 2026
EFT	\$115.00	QuickBooks Online	Subscriptions FEB 2026
EFT	\$108.94	Ring Central	Subscriptions FEB 2026
EFT	\$92.93	Adobe	Subscriptions FEB 2025
EFT	\$65.65	Microsoft	Subscriptions FEB 2025
EFT	\$89.02	Cheesesteak Shop	Team Lunch
EFT	\$22.19	Bluehost	domain
EFT	\$21,722.93	Gusto	Payroll JAN 2026
<b>Total Disbursements</b>			
\$353,456.70			
<b>LIAF TRANSFERS</b>			
\$0.00			

# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City



## Agenda Item IV. – A STAFF REPORT

### SUPPORT LETTERS FOR STATE LEGISLATION RELATED TO VAPE DEVICE MANAGEMENT AND DISPOSAL (AB 762 AND AB 2667)

#### BACKGROUND

Lithium-ion batteries have long posed safety concerns within the solid waste stream because they can ignite when damaged or crushed during collection and processing. These incidents have become increasingly common nationwide, resulting in fires in solid waste collection vehicles, transfer stations, and recycling facilities.

In recent years, disposable E-vape devices have emerged as a growing contributor to this issue. These products contain embedded lithium-ion batteries along with electronic components and liquid cartridges, which together create additional safety and disposal challenges. As the popularity of disposable vape devices has increased, waste management programs across the country are reporting higher numbers of vape devices appearing in the waste stream.

California has recently taken steps to address broader public health concerns related to vape products through Assembly Bill 3218 and Senate Bill 1230, which took effect January 1, 2025. These laws finalized the statewide ban on flavored tobacco and vape products and established an “Unflavored Tobacco List” maintained by the California Attorney General, while also strengthening restrictions on online sales. While these laws address product marketing and sales, additional legislation is now being proposed to address the growing waste management and disposal challenges associated with vape devices

Beyond concerns related to consumer disposal, vape devices are increasingly being confiscated in schools throughout California. School administrators are often left without clear disposal pathways for managing these materials safely. The Regional Waste Management Authority (RWMA) has also been contacted by schools within the region that have accumulated large quantities of confiscated devices and are seeking guidance on how to properly dispose of them. At present, there is no widely established or consistent pathway for managing these materials, creating uncertainty for schools and local agencies attempting to handle them safely.

Two pieces of state legislation have recently been introduced that address different aspects of this growing issue: Assembly Bill 762 and Assembly Bill 2667.

#### DISCUSSION

##### **Assembly Bill 762 (Irwin & Wilson): Disposable Vape Battery Safety**

Assembly Bill 762 focuses on the safety risks associated with disposable vape devices that contain embedded lithium-ion batteries. These devices frequently enter the solid waste stream where batteries can be crushed during normal collection or processing activities, increasing the risk of fires in trucks and facilities. The bill would prohibit a person from selling, distributing, or offering for sale a new or refurbished disposable, battery-embedded vapor inhalation device in

this state. The National Stewardship Action Council and California Product Stewardship Council (CPSC) are requesting local government support for the bill.

### **Assembly Bill 2667 (Hadwick): Regulatory and Disposal Pathways**

Assembly Bill 2667 addresses several additional regulatory and safety concerns related to vape devices. The bill would prohibit the sale of vape devices disguised as everyday items that may appeal to minors, direct the Department of Toxic Substances Control (DTSC) to evaluate improved disposal options for vape devices confiscated by schools, and clarify that household hazardous waste (HHW) facilities may disassemble vape devices to separate batteries, electronics, and cartridges following consultation with local safety authorities. The Rural County Representatives of California (RCRC) has requested support from local agencies for this legislation.

### **What is the need to Support both Bills?**

While the two bills address different aspects of the ongoing E-vape issue, they are generally considered complementary efforts. AB 762 focuses primarily on reducing safety risks associated with disposable devices entering the waste stream, while AB 2667 focuses on improving the regulatory framework for managing vape products and providing clearer disposal pathways.

Supporting both bills aligns with the Authority's mission to protect public health, support safe waste management practices, and assist member jurisdictions in addressing emerging challenges within the waste stream.

Local governments are increasingly experiencing the impacts of vape device disposal, including battery fire risks and uncertainty surrounding the management of confiscated devices from schools. Supporting these legislative efforts allows the Authority to communicate to state policymakers that rural jurisdictions are experiencing these challenges and need clearer guidance and safer product design to protect local waste and recycling infrastructure.

### **FISCAL IMPACT**

Supporting state legislation does not create any direct fiscal impact to the Authority. Adoption of a support position would authorize the Executive Director to submit letters of support on behalf of the Authority but would not obligate the Authority to implement any new programs or expenditures.

Staff is also recommending that the Board consider authorizing \$2,500 contributions to both the California Product Stewardship Council (CPSC) and the National Stewardship Action Council (NSAC) in support of their efforts to advocate for improved product stewardship policies and safer management of battery-embedded products for the RWMA and member jurisdictions.

If approved, these contributions could be funded either through a mid-year budget amendment, utilizing the regulatory surcharge revenues received in FY 2025-26, or incorporated into the FY 2026-27 RWMA budget during the upcoming budget development process.

## **RECOMMENDATION**

Staff recommends that the Board:

1. Adopt Resolution 1-26, a resolution of the Board of Directors of the Regional Waste Management Authority supporting Assembly Bill 762 And Assembly Bill 2667 related to vape device management, disposal, and public safety.
2. Authorize the Executive Director to submit letters of support on behalf of the Regional Waste Management Authority; and
3. Authorize \$2,500 contributions to both the California Product Stewardship Council (CPSC) and the National Stewardship Action Council (NSAC) to support statewide advocacy efforts related to product stewardship and safe management of battery-embedded products.

## **ATTACHMENTS**

1. Resolution 1-26, a resolution of the Board of Directors of the Regional Waste Management Authority supporting Assembly Bill 762 And Assembly Bill 2667 related to vape device management, disposal, and public safety
2. Letter of Support for Assembly Bill 762
3. Letter of Support for Assembly Bill 2667

**RESOLUTION NO. 1-26**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE REGIONAL WASTE MANAGEMENT AUTHORITY  
SUPPORTING ASSEMBLY BILL 762 AND ASSEMBLY BILL 2667  
RELATED TO VAPE DEVICE MANAGEMENT, DISPOSAL, AND PUBLIC SAFETY**

**WHEREAS**, disposable vape devices and vapor inhalation products have become an increasing challenge for local governments and waste management systems due to their embedded lithium-ion batteries, electronic components, and residual liquids; and

**WHEREAS**, these devices pose fire risks and safety hazards when improperly disposed in the solid waste and recycling stream, particularly when batteries are crushed during collection or processing; and

**WHEREAS**, schools throughout California, including within Yuba and Sutter County, are reporting increased numbers of vape devices confiscated from students, and are facing uncertainty regarding appropriate disposal pathways for these materials; and

**WHEREAS**, Assembly Bill 762 seeks to reduce safety risks within the solid waste and recycling system associated with disposable vape devices containing embedded lithium-ion batteries and encourage the transition toward reusable vape products; and

**WHEREAS**, the National Stewardship Action Council and California Product Stewardship Council (CPSC) are requesting local government support for Assembly Bill 762; and

**WHEREAS**, Assembly Bill 2667 seeks to address several issues related to vape products, including prohibiting the sale of disguised vape devices designed to resemble everyday items or appeal to minors, evaluating improved disposal options for vape devices confiscated by schools, and authorizing household hazardous waste collection facilities to safely disassemble vape devices in consultation with appropriate regulatory and safety authorities; and

**WHEREAS**, the Rural County Representatives of California (RCRC) has requested support from local agencies for Assembly Bill 2667; and

**WHEREAS**, although introduced separately, Assembly Bill 762 and Assembly Bill 2667 address complementary aspects of vape device safety, waste management, and disposal and together provide a more comprehensive approach to addressing the growing impacts of vape waste on local solid waste systems; and

**WHEREAS**, the Regional Waste Management Authority is committed to supporting policies that protect public health, improve waste management practices, and assist member jurisdictions in addressing emerging environmental and operational challenges.

**WHEREAS**, nonprofit organizations including the National Stewardship Action Council and the California Product Stewardship Council are actively representing local government interests in statewide policy discussions related to vape product safety, disposal, and extended producer responsibility, and modest financial contributions help support their continued advocacy and representation on issues affecting public health, safety, and solid waste management systems.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Regional Waste Management Authority hereby supports Assembly Bill 762 and Assembly Bill 2667; and

**BE IT FURTHER RESOLVED** that the Board authorizes the Executive Director to submit letters of support and participate in coalition efforts on behalf of the Regional Waste Management Authority related to these legislative efforts.

**BE IT FURTHER RESOLVED** that the Board of Directors authorizes the Executive Director to issue contributions of \$2,500 to each organization: the National Stewardship Action Council and the California Product Stewardship Council, to support ongoing non-profit advocacy and representation on issues related to product stewardship, vape device safety, and impacts to local solid waste systems.

**PASSED AND ADOPTED** at a regular meeting of the Governing Board of the Regional Waste Management Authority held on the 19th day of March, 2026.

\_\_\_\_\_  
**Chair, Board of Directors**  
Regional Waste Management Authority

Date \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
**Clerk to the Board**

Date \_\_\_\_\_

# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City

**RE:** Assembly Bill 762 – SUPPORT

Dear California Product Stewardship Council

On behalf of the Cities of Live Oak, Marysville, Wheatland, and Yuba City, the Counties of Yuba and Sutter, and the Regional Waste Management Authority (RWMA), we are pleased to express our support for Assembly Bill 762. This letter of support is provided pursuant to RWMA Governing Board **Resolution No. XXXXX**, which authorized the submission of this letter.

Assembly Bill 762 addresses growing safety concerns associated with disposable vape devices that contain embedded lithium-ion batteries. These products are increasingly appearing in the waste stream and present significant fire, environmental, and operational risks for local solid waste and recycling programs.

Disposable vapes contain batteries, electronic components, and chemical liquids that create management challenges when discarded. When these devices enter trash or recycling systems and are compacted in collection vehicles or facilities, the batteries can become damaged and ignite. Lithium battery fires are an increasing threat to collection vehicles, transfer stations, recycling facilities, and landfills across California.

Local governments and their franchised haulers are experiencing rising costs and safety risks as a result of these devices being improperly disposed of in the waste stream. Even a single battery fire can cause significant damage and pose a serious risk to workers and public infrastructure.

By addressing the design and management of disposable vape devices containing lithium-ion batteries, AB 762 will help reduce fire risks, improve safety for solid waste workers, and protect critical waste management infrastructure.

For these reasons, the Regional Waste Management Authority and its member jurisdictions are pleased to support AB 762.

Sincerely,

**Carrie Baxter**  
Executive Director  
Regional Waste Management Authority.  
423 4th St,  
Marysville, CA 95901  
(530) 634-6890



# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City

The Honorable Heather Hadwick  
Member, California State Assembly  
1021 O Street, Suite 5710  
Sacramento, CA 95814

**RE:** Assembly Bill 2667 – SUPPORT

Dear Assembly Member **Hadwick**,

On behalf of the Cities of Live Oak, Marysville, Wheatland, and Yuba City, the Counties of Yuba and Sutter, and the Regional Waste Management Authority (RWMA), we are pleased to express our support for Assembly Bill 2667. This letter of support is provided pursuant to RWMA Governing Board Resolution No. **XXXXX**, which authorized the submission of this letter.

Assembly Bill 2667 seeks to protect children, young adults, and the public by:

1. banning disguised vapes and vapes containing video display devices;
2. providing a clearer regulatory pathway for schools to properly dispose of vapes confiscated from students; and
3. improving the safe collection, management, and proper disposal of vapes by local household hazardous waste (HHW) collection facilities.

Vapes have become increasingly common in the waste stream and must be managed as hazardous waste because they contain residual chemicals, batteries, and electronic components. When improperly disposed of, these devices create significant public health, environmental, and safety risks. Local government household hazardous waste (HHW) collection programs exist to provide safe and convenient options for residents and small generators to properly dispose of hazardous materials such as vape devices.

## **Disguised Vapes and Video Game Vapes**

Vapes are increasingly designed and marketed to appeal to minors and young adults, often in ways that are deceptive or intended to increase the level of addiction. Some devices now contain integrated video games that increase interaction with the device and prolong use. Others are manufactured to be nearly indistinguishable from common school supplies such as highlighters and markers, or from everyday items such as key fobs, watches, and clothing.

Disguised vapes are harder for educators and school administrators to detect and also pose heightened safety risks within the solid waste system. These devices contain lithium-ion batteries that can ignite or explode when damaged or compacted, potentially causing fires in collection vehicles or at recycling and disposal facilities. When disguised to resemble everyday items, they are more likely to enter the waste stream undetected, increasing the risk of battery-related fires.

By banning the sale of disguised vapes and video game-enabled vape devices, AB 2667 will help protect children, promote school safety, and reduce the risk of fires within the waste management system.

## **Vapes Confiscated by Schools**

Schools frequently confiscate vape devices brought by students, with some educators reporting large quantities of devices stored on campus without clear disposal options. While households can dispose of these items through HHW collection programs, schools are not considered “households” under hazardous waste regulations and may generate quantities that exceed HHW program eligibility thresholds.

As a result, schools are often left with limited disposal options and potentially significant disposal costs due to hazardous waste transportation and management requirements.

AB 2667 addresses this issue by directing the Department of Toxic Substances Control (DTSC) to evaluate opportunities to improve the safety, clarity, and convenience of managing vapes confiscated by schools. Schools and local governments need practical and cost-effective guidance from the state to manage this growing waste stream responsibly.

## **HHW Collection Facility Management of Vapes**

Vape devices contain multiple hazardous components, including lithium batteries, electronic circuitry, and fluid cartridges. Each component may have different hazardous characteristics and disposal requirements. As a result, these devices can be extremely costly for HHW programs to manage, with disposal costs sometimes reaching \$350 per five-gallon container.

While the batteries and circuitry are recyclable and have commodity value, the liquid cartridges are often classified as acutely hazardous waste and significantly increase disposal costs. HHW programs could manage these materials more efficiently if authorized to safely disassemble devices so that each component can be handled through the most appropriate and cost-effective management pathway.

AB 2667 would allow HHW collection facilities to safely disassemble vape devices after consultation with local environmental health and fire agencies, provided personnel receive appropriate training and the activity does not result in the unauthorized release of hazardous materials. Importantly, the bill simply authorizes this option; it does not mandate it.

Providing HHW programs with this flexibility could reduce local government program costs while improving disposal options for residents and other generators.

For these reasons, the Regional Waste Management Authority and its member jurisdictions are pleased to support AB 2667.

Sincerely,

**Carrie Baxter**  
Executive Director  
Regional Waste Management Authority.  
423 4th St,  
Marysville, CA 95901  
(530) 634-6890

# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City



## **Agenda Item IV. – B STAFF REPORT**

### **AUTHORIZATION TO APPLY FOR CALRECYCLE WASTE TIRE CLEANUP GRANT (TCU21)**

#### **BACKGROUND**

The Department of Resources Recycling and Recovery (CalRecycle) administers the Local Government Waste Tire Cleanup Grant Program, which provides funding to local governments for the cleanup, abatement, and proper disposal of illegally dumped waste tires.

Eligible activities under this program include the collection, removal, transportation, recycling, and disposal of waste tires from illegal dumping locations, including roadside dumping areas and other unauthorized disposal sites.

RWMA currently administers a CalRecycle Tire Amnesty Grant, which funds community tire collection events. While that program provides an important service to residents, it does not address the growing issue of illegally dumped tire piles throughout the region.

#### **DISCUSSION**

Illegal tire dumping continues to occur in rural areas, along roadways, and on vacant properties within the RWMA service area. Community organizations and volunteer cleanup groups often encounter illegally dumped tires during local cleanup efforts.

Local nonprofit organizations and volunteer cleanup groups frequently conduct community cleanup events throughout the region. However, these groups cannot rely on the tire disposal coupons funded through the Tire Amnesty Grant, as the program is intended for tires generated by individual residents and is not eligible for use by organizations or organized cleanup efforts. As a result, nonprofit and volunteer groups must coordinate tire disposal independently, which can be challenging due to transportation limitations and disposal costs.

RWMA intends to apply for the Waste Tire Cleanup Grant as the Lead Agency on behalf of its member jurisdictions, including the Cities of Live Oak, Marysville, Wheatland, and Yuba City, and the Counties of Yuba and Sutter.

If awarded, the Waste Tire Cleanup Grant would allow RWMA to coordinate with Recology Yuba-Sutter and other partners to respond to illegal tire dumping locations identified throughout the region.

Grant funds would be used to support the collection, transportation, and proper disposal of illegally dumped tires identified through community cleanup efforts and illegal dumping locations.

This program would help RWMA support local community cleanup efforts, improve environmental conditions, and ensure that illegally dumped tires are managed safely and in compliance with state regulations.

## **FISCAL IMPACT**

There is no direct fiscal impact to the RWMA budget associated with applying for this grant. The Waste Tire Cleanup Grant provides state funding to cover eligible costs related to the cleanup, transportation, and disposal of illegally dumped waste tires. Grant awards may be up to \$100,000, depending on funding availability and application scoring.

Administration of the grant would require RWMA staff time to coordinate cleanup activities, oversee grant compliance, and prepare required documentation, reporting, and reimbursement requests. While these activities represent a modest use of staff resources, personnel costs directly associated with implementing and administering the program may be eligible for reimbursement through the grant, consistent with CalRecycle grant requirements.

If awarded, grant funds would be administered by RWMA in accordance with CalRecycle grant requirements.

## **NEXT STEPS**

If the Board adopts the Resolution authorizing the application:

1. RWMA staff will prepare and submit the grant application through CalRecycle's Grants Management System.
2. The application must be submitted by April 14, 2026.
3. If awarded, the grant term would run through October 31, 2028, allowing time to conduct cleanup projects throughout the region.

Staff will return to the Board with updates if the grant is awarded.

## **RECOMMENDATION**

Adopt a Resolution authorizing the Regional Waste Management Authority (RWMA) to apply for and administer the CalRecycle Local Government Waste Tire Cleanup Grant Program (TCU21) as the Lead Agency on behalf of its member jurisdictions.

**RESOLUTION NO. 2-26**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE REGIONAL WASTE MANAGEMENT AUTHORITY  
AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO CALRECYCLE FOR THE  
LOCAL GOVERNMENT WASTE TIRE CLEANUP GRANT PROGRAM  
(TCU21 CYCLE, FY 2026–27)**

**WHEREAS**, the California Public Resources Code authorizes the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs to support the reduction, recycling, and proper management of waste materials within the State of California; and

**WHEREAS**, in furtherance of this authority, CalRecycle administers the Local Government Waste Tire Cleanup Grant Program (TCU21 Cycle) to assist local governments in the cleanup, removal, transportation, recycling, and disposal of illegally dumped waste tires; and

**WHEREAS**, illegal dumping of waste tires presents environmental, public health, and safety concerns for local communities and requires coordinated cleanup efforts; and

**WHEREAS**, the Regional Waste Management Authority (RWMA) desires to apply for grant funding to support the cleanup of illegally dumped waste tires within the RWMA service area and to assist local cleanup efforts conducted throughout the region; and

**WHEREAS**, CalRecycle grant application procedures require a regional applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

**NOW, THEREFORE, BE IT RESOLVED** that the Regional Waste Management Authority authorizes the submittal of an application to CalRecycle for the Local Government Waste Tire Cleanup Grant Program (TCU21 Cycle, FY 2026–27) on behalf of itself and the participating jurisdictions identified as members of the Authority: Cities of Live Oak, Marysville, Wheatland, and Yuba City, and the Counties of Yuba and Sutter.

**BE IT FURTHER RESOLVED** that the Executive Director of the Regional Waste Management Authority, or his/her designee, is hereby authorized and empowered to execute on behalf of the Regional Waste Management Authority all grant-related documents, including but not limited to applications, agreements, amendments, and requests for payment necessary to secure grant funds and implement the approved grant project.

**BE IT FURTHER RESOLVED** that these authorizations shall remain in effect through December 31, 2030, unless rescinded or extended by the Regional Waste Management Authority Board.

**PASSED AND ADOPTED** at a regular meeting of the Governing Board of the Regional Waste Management Authority held on the 19th day of March, 2026.

\_\_\_\_\_  
**Chair, Board of Directors**  
Regional Waste Management Authority

Date \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
**Clerk to the Board**

Date \_\_\_\_\_

# REGIONAL WASTE MANAGEMENT AUTHORITY

Serving Sutter County, Yuba County, Live Oak, Marysville, Wheatland and Yuba City



## Agenda Item IV. – C STAFF REPORT

### RESULTS OF NEGOTIATIONS WITH RECOLOGY YUBA-SUTTER, AMENDMENT NO. 2 OF MEMBER AGENCIES' COLLECTION SERVICE AGREEMENTS

#### BACKGROUND

In and around September 2018, the Cities of Live Oak, Marysville, Wheatland, and Sutter and Yuba Counties (collectively, the "Participating Member Agencies") entered into agreements with Recology to provide exclusive solid waste, recycling, and organics collection services. The agreements established service standards, diversion requirements, franchise fees, rate adjustment procedures, and other operational provisions necessary to ensure compliance with State waste management laws. The agreement was originally structured with a ten-year term beginning October 1, 2018, and opportunities for extension periods.

In August 2019, the City of Yuba City entered into a CSA with Recology with substantially similar terms.

In June 2021, the Participating Member Agencies executed Amendment No. 1, which made several administrative and operational clarifications to the agreement. Amendment No. 1 did not materially alter the structure of the franchise agreement but provided updates intended to ensure consistency with the operations of the regional solid waste system.

On November 1, 2021, the RWMA's Fourth Amended and Restated Joint Powers Agreement was fully executed. The Fourth Amended Agreement shifted the scope of the RWMA from a planning and reporting entity to a regional program administrator with the ability to implement programs to comply with state organics laws, create regulatory frameworks, and adopt and amend all contracts, rate structures and franchise agreements for solid waste services (if delegated), among other things.

In 2022, the City of Yuba City adopted an amendment to its own CSA with Recology . That amendment included several provisions that differed from the agreements maintained by the other RWMA member jurisdictions, including diversion calculation methodology and the structure of recycling coordination services.

Following Yuba City's amendment, the Participating Member Agencies issued an acknowledgment of the modified provisions and agreed that similar language would be incorporated into their CSAs during the next amendment cycle in order to maintain regional alignment among the RWMA member jurisdictions.

The proposed Amendment No. 2 represents the next amendment cycle and incorporates these alignment provisions while also updating several sections of the CSAs to reflect operational realities, regulatory changes, and negotiated adjustments between the Member Agencies and Recology.

## DISCUSSION

The key components of Amendment No. 2 are summarized below.

### Amendments to Certain Provisions of the Agreement

#### 1.17 Bulky Items

The amendment revises the definition of “Bulky Items” by removing the previous requirement that bulky item collections be no less than two (2) cubic yards per collection. The updated language allows the contractor to establish maximum weight and dimensional limits for bulky items without specifying a minimum size threshold. All other elements of the definition remain unchanged, including the requirement that bulky items originate from the customer’s service address, that the City/County retains authority to determine whether an item qualifies as a bulky item, and that exempt waste and construction and demolition debris are excluded from the definition.

#### 1.79 Participating Member Agencies

The amendment revises the definition of “Participating Member Agencies” by removing the previous exclusion of the City of Yuba City and restoring the definition to include all RWMA Member Agencies. Under the updated language, actions requiring approval or direction from Participating Member Agencies will now reflect agreement among all jurisdictions with substantially similar CSAs, ensuring regional alignment across the RWMA service area.

#### 3.2 Extension of Term

The amendment revises the term extension provision by replacing the previous optional five-year extension with a fixed ten-year extension. Under the prior language, Participating Member Agencies had the discretion to offer a five-year extension (2028 - 2033) to Recology, which Recology could accept or reject. The amended language removes this conditional process and instead directly extends the agreement term by ten years, establishing a new expiration date of September 30, 2038.

#### 3.3 Extension of Third Term

The amendment removes the provision to allow for the change made in section 3.2 above.

#### 5.6.B SFD Solid Waste Service Overages

The amendment clarifies procedures for managing overflow solid waste at single-family dwelling (SFD) service units. Customers may request advance collection of additional bagged waste for a fee not to exceed the Maximum Service Rate. When overflow occurs without prior notice, the contractor may collect the material and charge for the service, collect it without charge, or leave the material and request the customer properly containerize it. Repeated overflow conditions that create health or safety concerns may result in a review of the customer’s service level and adjustment of container size or collection service as necessary.

#### 5.6.C SFD Recycling Service Overages

The amendment clarifies how excess recyclable materials placed outside of the recycling cart may be handled. Flattened and bundled recyclable materials placed beside the recycling cart

may be collected, including corrugated cardboard that is reduced to a manageable size not exceeding three feet by three feet (3' x 3').

#### 5.6.D SFD Organic Materials Collection Service Overages

The amendment clarifies that organic materials that do not fit inside the organic materials cart may be collected if they are properly bundled and placed next to the organic materials cart.

#### 5.6.E.1 Contaminated Holiday Trees

The amendment clarifies that holiday trees containing flocking, tinsel, or decorations may not be accepted as organic material for collection.

#### 5.6.F.4 Free Dump Program

The amendment modifies the existing bulky item program by expanding on the current coupon-based Free Dump Program. Beginning on January 1, 2027, each single-family dwelling customer may receive up to four (4) coupons per year allowing delivery of one load of materials not exceeding five hundred (500) pounds to an approved transfer station. Coupons must be used within ninety (90) days of issuance or before December 31 of the calendar year. This program provides customers with flexibility to deliver materials directly to the transfer station in lieu of bulky item collection services. Free Dump Coupons are offered in exchange for curbside Bulky Item Collection on a one-to-one basis. Examples of use include:

- One (1) Dump Coupon with Three (3) Curbside Bulky Item Collections
- Two (2) Dump Coupons with two (2) Curbside Bulky Item Collections
- Three (3) Dump Coupons with One (1) Curbside Bulky Item Collection
- Four (4) Dump Coupons with Zero (0) Curbside Bulky Item Collections

#### 6.7 Minimum Diversion Requirements

The amendment updates the diversion performance targets and reporting structure within the agreement. The revised language establishes a schedule of minimum franchised diversion rates and clarifies the methodology for calculating diversion performance and corrective action requirements if diversion targets are not met.

#### 7.15 Recycling – Improper Procedure and 7.16 Organic Materials – Improper Procedure

The amendment revises the procedures for addressing contamination in recycling containers. Under the updated language, Recology will issue a notice tag when contamination is first observed. For subsequent occurrences within the same agreement year, Recology may assess a contamination charge in accordance with the Maximum Service Rate schedule.

#### 8.1.A Partial Month Service

The amendment more accurately calculates the billing methodology for partial month service when a service unit begins or ends service during a billing period. Billing will be prorated based on the number of days the container was present at the service location during that month, rather than the number of weeks in that month.

#### 8.12 Billing and Service Level Audit

The amendment revises a requirement for Recology to conduct periodic billing and service level audits. Beginning in the agreement year commencing October 1, 2026 and every year thereafter

within the contract term, Recology will conduct annual audits along with Route Reviews. Recology will review customer service levels and billing records to ensure customers are receiving the service level for which they are billed. Recology will submit a written report summarizing the audit findings for the prior agreement year on November 15 with the first report due on November 15, 2027.

#### 10.4.A Annual Adjustments and Exhibit B

The amendment updates the Consumer Price Index (CPI) from the All Urban Consumers, All Items index (CUURS49BSA0) to the *CPI for Water and Sewer and Trash Collection Services (CUSR0000SEHG)*, subject to the annual cap and carry-forward mechanism described in Exhibit B which increases the annual CPI adjustment cap from 3% to 5%, while maintaining a carry-forward mechanism for amounts exceeding the cap. The amendment also acknowledges an existing 3.057% deferred CPI carry-forward from previous rate years that will be applied in future adjustments.

#### **New Provisions Added to the Agreement**

##### 5.7.B.2 Multi-Family Recycling Overflow, 5.7.C.2 Multi-Family Organic Materials Overflow, 5.8.B.2 Commercial Recycling Overflow, and 5.8.C.2 Commercial Organic Materials Overflow

The amendment establishes procedures for handling recycling and organic materials overflow at multi-family dwelling and commercial service units. Similar to single-family overflow provisions, Recology may collect the excess material, charge for the additional service, or request that the customer properly containerize the materials. Repeated overflow issues may result in adjustments to service levels.

#### 5.14 SB 1383 Services

The amendment adds a new section to the agreement outlining services Recology will perform in support of the Member Agencies' compliance with SB 1383 regulations related to organic waste reduction.

This section formalizes several operational responsibilities within the regional solid waste system and establishes procedures for contamination monitoring, route reviews, compliance reviews, education and outreach, waiver coordination, and reporting. The amendment also requires the contractor to implement and support a three-container collection system (garbage, recycling, and organics) consistent with State regulations, including container color standards, labeling requirements, and a timeline requiring all containers used in service to comply with State color standards by January 1, 2036.

The amendment further requires the contractor to conduct annual route reviews to identify contamination within containers and perform compliance reviews for commercial and multi-family customers to ensure appropriate organic materials collection services are in place or that applicable waivers have been granted. In addition, the contractor will provide targeted education and outreach to customers regarding proper material separation, organic waste diversion requirements, and the environmental benefits of reducing landfill disposal of organic materials.

Finally, the section clarifies procedures for waiver coordination, including how service levels are adjusted when the RWMA or Member Agency approves de minimis or physical space waivers

for generators. It also establishes annual SB 1383 reporting requirements, including documentation of route reviews, compliance reviews, contamination notices, and outreach efforts. The amendment also identifies approved facilities where materials collected under the agreement must be delivered and confirms the contractor's responsibility to comply with applicable SB 1383 regulatory requirements related to material handling and reporting.

## **NEW DEFINITIONS.**

Amendment No. 2 adds several new definitions to Article I of the Agreement in order to align the contract language with operational practices and terminology used in the SB 1383 Regulations. These definitions provide clarity for terms used throughout the new compliance, contamination monitoring, and reporting provisions included in the amendment. Adding these definitions helps ensure consistent interpretation of the agreement and establishes clear standards for both the County and the Contractor when implementing SB 1383-related program requirements.

“[Hauler Route](#)” is added to describe the designated weekly service route performed by a collection vehicle providing regularly scheduled solid waste, recycling, or organic materials collection services. This definition is necessary because several new provisions within the amendment require route-based inspections and reporting, and the agreement must clearly define the service route structure used for those compliance activities.

“[Prohibited Container Contaminants](#),” which identifies materials that are not allowed in specific collection containers. This definition is necessary to support contamination monitoring, education, and enforcement activities required under SB 1383.

“[Route Review](#)” is added to describe the visual inspection process used to review containers along a hauler route to identify prohibited container contaminants. This definition supports the new contamination monitoring provisions included in the amendment and clarifies the inspection process used to evaluate container contents during collection operations.

“[SB 1383 Regulations](#),” is added to formally reference the State's Short-Lived Climate Pollutant organic waste reduction regulations adopted by the California Department of Resources Recycling and Recovery (CalRecycle) in 2020. Including this definition ensures that references to SB 1383 within the agreement are clearly defined and aligned with the applicable State regulatory framework governing organic waste reduction and diversion programs.

## **UPDATED EXHIBITS**

Exhibits B and F of the Agreement are amended and restated in their entirety as part of Amendment No. 2. The revised exhibits, attached to the amendment, will become effective on the amendment's effective date and replace the corresponding exhibits.

### [Exhibit B](#)

These changes were discussed above as part of the proposed amendment language for Section 10.4.A.

### [Exhibit F](#)

Update to the provisions governing collection services in Non-Program Areas of the service

territory. The revised exhibit aligns service descriptions and operational requirements for these areas with the updated agreement language included in Amendment No. 2, while maintaining the overall structure for how services are provided to customers located outside designated program service areas.

### **FISCAL IMPACT**

As a condition of the negotiations, Recology will reimburse consulting fees incurred by the RWMA in connection with preparation and negotiation of such amendments in the amount of Thirty-Six Thousand Dollars (\$36,000.00).

### **RECOMMENDATIONS**

1. Receive draft Amendment No. 2 to the Yuba County Collection Service Agreement (CSA) with Recology Yuba-Sutter (Recology), and review with the intent of entering into identical CSA amendments with all RWMA Member Agencies.
2. Adopt Resolution 3-26, a resolution of the RWMA Board supporting proposed Amendment No. 2 to the Collection Service Agreements of the Member Agencies.

### **ATTACHMENTS**

1. Resolution 3-26, a resolution of the RWMA Board supporting proposed Amendment No. 2 to the Collection Service Agreements of the Member Agencies
2. Draft Amendment No. 2 to the Yuba County Collection Service Agreement
3. Yuba County Collection Service Agreement and its amendments
4. Yuba County Alignment Letter (June 22, 2022)

## RESOLUTION NO. 3-26

### A RESOLUTION OF THE RWMA BOARD SUPPORTING PROPOSED AMENDMENT NO. 2 TO THE COLLECTION SERVICE AGREEMENTS OF MEMBER AGENCIES

**WHEREAS**, The Regional Waste Management Authority (RWMA) is a Joint Powers Authority formed by the Counties of Yuba and Sutter and the Cities of Marysville, Live Oak, Wheatland, and Yuba City to coordinate regional solid waste planning, programs, and services; and

**WHEREAS**, member jurisdictions of the RWMA have entered into substantially similar Collection Service Agreements (CSAs) with Recology Yuba-Sutter (Recology) for the provision of solid waste, recycling, and organic materials collection services within their respective service areas; and

**WHEREAS**, the original CSAs were executed beginning in 2018 between Recology and the Cities of Live Oak, Marysville, and Wheatland, and Sutter and Yuba Counties (collectively, the “Participating Member Agencies”) and established service standards, diversion requirements, franchise fee structures, and rate adjustment methodologies necessary to support regional solid waste management programs; and

**WHEREAS**, in August 2019, the City of Yuba City entered into a CSA with Recology with substantially similar terms as the Participating Member Agencies; and

**WHEREAS**, in June 2021, the Participating Member Agencies adopted Amendment No. 1 to their Collection Service Agreements to clarify administrative and operational provisions within the agreements; and

**WHEREAS**, on November 1, 2021, the RWMA’s Fourth Amended and Restated Joint Powers Agreement was fully executed. The Fourth Amended Agreement shifted the RWMA from a planning and reporting entity to a regional program administrator with the ability to implement programs to comply with state organics laws, create regulatory frameworks, and adopt and amend all contracts, rate structures and franchise agreements for solid waste services (if delegated), among other things.

**WHEREAS**, in 2022, the City of Yuba City adopted amendments to its Collection Service Agreement which created minor differences between the Yuba City agreement and those maintained by other RWMA member jurisdictions; and

**WHEREAS**, the Participating Member Agencies subsequently acknowledged those differences and indicated its intent to incorporate similar language during the next amendment cycle in order to maintain regional consistency among the RWMA Member Agencies agreements; and

**WHEREAS**, RWMA staff, Recology, and Member Agencies have now developed a proposed Amendment No. 2 to the CSAs, which includes operational updates, regulatory alignment related to SB 1383 implementation, clarification of service provisions, and updates to certain definitions, rate adjustment provisions, and service standards; and

**WHEREAS**, the proposed Amendment No. 2 also updates and restates certain exhibits of the agreements and includes provisions intended to ensure continued alignment among RWMA member jurisdictions participating in the regional collection system; and

**WHEREAS**, the RWMA Board desires to review the proposed amendments and provide direction and concurrence prior to the amendments being presented to the governing bodies of the individual member jurisdictions for their consideration and potential adoption.

**WHEREAS**,

**NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the Regional Waste Management Authority hereby declares and orders as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference.
2. The RWMA Board of Directors has reviewed the proposed Amendment No. 2 to the Collection Service Agreements with Recology Yuba-Sutter and supports the proposed amendments as presented.
3. The RWMA Board of Directors authorizes the Executive Director and RWMA staff to proceed with presenting the proposed Amendment No. 2, and associated materials, to the governing boards and councils of the RWMA Member Agencies for their review and consideration.
4. The RWMA Board of Directors encourages continued coordination among member jurisdictions to maintain regional consistency in collection service agreements and implementation of solid waste management programs.

**BE IT FURTHER RESOLVED**, that the effectiveness of this Amendment No. 2, and associated materials is expressly conditioned on:

1. All Member Agencies of the Regional Waste Management Authority entering into amendments of their respective Collection Service Agreements that are identical in all material respects to this Amendment
2. RWMA is delegated to serve as the contract administrator to adopt and amend all contracts, rate structures and franchise agreements for solid waste services, and
3. Recology Yuba-Sutter's reimbursement of the consulting fees incurred by the RWMA in connection with preparation and negotiation of such amendments, not to exceed the sum of thirty-six thousand dollars (\$36,000).

**PASSED AND ADOPTED** at a regular meeting of the Governing Board of the Regional Waste Management Authority held on the 19th day of March, 2026.

\_\_\_\_\_  
**Chair, Board of Directors**

Regional Waste Management Authority

Date \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
**Clerk to the Board**

Date \_\_\_\_\_

## AMENDMENT NO. 2 TO COLLECTION SERVICE AGREEMENT

This Amendment No. 2 to the Collection Service Agreement for solid waste collection, disposal, and recycling services (this "Amendment") is made this \_\_\_\_ day of \_\_\_\_ 2026 (the "Effective Date"), by and between the County of Yuba, California ("COUNTY") and Recology Yuba-Sutter ("CONTRACTOR").

### RECITALS

A. On September 11, 2018, the COUNTY approved a Collection Service Agreement (the "Agreement") with CONTRACTOR for solid waste collection, disposal, and recycling services within the corporate limits of COUNTY. The Agreement was effective October 1, 2018 and expires on September 30, 2028.

B. In June 2021, COUNTY and CONTRACTOR entered into Amendment No. 1 to Collection Service Agreement.

C. COUNTY and CONTRACTOR mutually desire to further amend the Agreement by executing this Amendment to extend the Term and reflect negotiated changes to certain provisions of the Agreement.

### NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

#### 1. AMENDMENT OF CERTAIN PROVISIONS OF THE AGREEMENT

COUNTY and CONTRACTOR agree that the following provisions of the Collection Service Agreement shall be amended to read in their entirety as follows:

**"1.17 "Bulky Items"** means discarded appliances, furniture, tires, carpets, mattresses, and similar large items that require special Collection due to their size or nature, but can be Collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the Customer and at the service address wherein the Bulky Items are Collected. The maximum weight and dimensions of Bulky Items shall be as directed by CONTRACTOR. In the event a question ever arises as to whether a specific item or category of items meets the definition of Bulky Items, the COUNTY shall be responsible to determine whether said definition shall apply. Bulky Items do not include items herein defined as Exempt Waste or Construction and Demolition Debris."

**"1.79 "Participating Member Agency(ies)"** means all Member Agencies. References herein to any approval, direction, action, etc. by the Participating Member Agencies means such approval, direction, action, etc. was agreed to by all Participating Member Agencies that entered into substantially similar agreements to this one (i.e., Yuba and Sutter Counties, and the Cities of Marysville, Live Oak, Wheatland and Yuba)."

#### **"3.2 Extension of Term**

The Term of this Agreement is hereby extended for a ten (10) year period following the

expiration of the original Term. For avoidance of doubt, the Term is hereby extended to September 30, 2038.”

“**3.3** INTENTIONALLY REMOVED.”

“**5.6.B SFD Solid Waste Service Overages.** CONTRACTOR shall Collect Solid Waste from SFD Service Units who have contacted the CONTRACTOR’s office in advance of the Collection Day and arranged for Collection of additional thirty-two (32) gallon bags of Solid Waste. CONTRACTOR shall be entitled to charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A.

In the case of overflows of SFD Solid Waste at SFD Service Units in which such SFD Service Unit has not contacted CONTRACTOR in advance, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Solid Waste Bin or Cart, size, In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.”

“**5.6.C SFD Recycling Service Overages.** CONTRACTOR shall Collect Recyclable Materials that will not fit inside the Recycling Cart but have been flattened and bundled and placed beside the Recyclable Materials Cart. CONTRACTOR shall also Collect corrugated cardboard that will not fit inside the Recycling Cart and has been reduced to a size not exceeding three feet by three feet (3’ x 3’) and placed beside the Cart for Collection.”

“**5.6.D SFD Organic Materials Collection Service Overages.** CONTRACTOR shall Collect Organic Materials that will not fit inside the Organic Materials Cart but have been bundled and placed beside the Organic Materials Cart.”

“**5.6.E.1 Contaminated Holiday Trees.** Holiday trees that are flocked or contain tinsel or other decorations may be delivered to the Approved Disposal Facility for a fee not to exceeding Maximum Service Rate for such service set forth in Exhibit A.”

“**5.6.F.4 Free Dump Program.** Beginning January 1, 2027 and annually thereafter during the Term of this Agreement, CONTRACTOR shall offer each SFD Customer, including without limitation those SFD Customers in Non-Program Areas, up to four (4) coupons to each deliver one (1) load, not to exceed 500 pounds, in a non-Commercial (no more than one (1) ton) vehicle or trailer of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, or C&D to the Approved Transfer Station in lieu of

receiving a free Bulky Item Collection Service. Only one coupon may be used by a customer per day. Each coupon will expire on the earlier of ninety (90) days after issuance and December 31.”

**“6.7 Minimum Diversion Requirements.** Contractor warrants that it is aware of and familiar with County’s waste stream, and that it has the ability, and shall provide and employ sufficient programs and services to ensure County will meet or exceed County’s Diversion requirements (including amounts of Solid Waste to be Diverted, time frames for Diversion, and any other requirements) as set forth in this Article and applicable law, and that Contractor will do so without imposing any costs or fees other than those set forth in Exhibit A. Contractor shall meet the following minimum annual Franchised Diversion Rate or use best efforts to achieve the CalRecycle Diversion Rate:

<b>Contract Year</b>	<b>Franchised Diversion Rate</b>	<b>CalRecycle Diversion Rate</b>
2026-2027	40%	55%
2027-2028	40%	55%
2028-2029	45%	60%
2029-2030	45%	60%
2030-2031 and After	50%	65%

- A. Franchised Diversion Rate Calculation. Contractor’s actual Franchised Diversion Rate for any given Calendar Year shall be calculated by dividing (i) the total tonnage of Solid Waste Collected by Contractor in County and either delivered to the Recyclable Materials Processing Facility or Organic Waste Processing Facility, or otherwise handled in a manner that counts as Diversion under applicable CalRecycle regulations; by (ii) the total tonnage of Solid Waste Collected by Contractor in County.
  
- B. Failure to Meet Franchised Diversion Rate. If Contractor fails to meet the minimum annual Franchised Diversion Rate in a given year because of Contractor’s failure to implement the requirements of its Diversion, then Contractor shall submit a written corrective action plan to the RWMA before March 15 of the year following the missed minimum Diversion requirement. Contractor’s corrective action plan shall specify all actions Contractor will take to ensure it will meet Franchised Diversion Rates in the future, and shall be subject to the review and approval by the Contract Administrator. Contractor’s failure to meet the minimum Franchised Diversion Rate shall not constitute a default under this Agreement so long as Contractor fully implements all elements of a County-approved corrective action plan. If Contractor fails to submit an adequate corrective action plan or to fully

implement a County approved corrective action plan, then Contractor shall be subject to Liquidated Damages as allowed under Article 12.

- C. CalRecycle Diversion Rate Calculation. The actual CalRecycle Diversion Rate for any given Calendar Year shall be expressed as a percentage calculated using Pounds Per Person Per Day, by subtracting County's annual Diversion Rate from 1.0, where the RWMA's annual Diversion Rate is equal to the quotient of the RWMA's actual Disposal Rate divided by twice the CalRecycle Target Disposal Rate for RWMA. Using the RWMA's 2024 data for example, where RWMA's actual Disposal Rate is 5.3 and the CalRecycle Target Disposal Rate is 6.9, RWMA's annual Diversion Rate would be equal to  $5.3 \div (2 \times 6.9)$  or 0.38. The actual CalRecycle Diversion Rate would then be equal to  $1.0 - 0.38$  or 0.62, which would be expressed as 62%.
- D. Failure to Meet CalRecycle Diversion Rate. If County fails to meet its CalRecycle Diversion requirement due to Contractor's failure to implement any Diversion, then Contractor shall submit a written corrective action plan to County before March 15 of the year following the missed minimum CalRecycle Diversion Rate. Contractor's corrective action plan must specify all actions Contractor will take to help County to meeting all Diversion requirements under applicable law in the future, and shall be subject to the review and approval by the Contract Administrator. If Contractor fails to submit an adequate corrective action plan or to fully implement a County-approved corrective action plan, then Contractor shall be subject to Liquidated Damages as allowed under Article 12.

#### **"7.15 Recycling – Improper Procedure**

Except as set forth below, the CONTRACTOR shall not be required to Collect Recyclable Materials if the Residential or Commercial Service Recipient does not segregate the Recyclable Materials from Solid Waste, Organic Materials, Bulky Items, Exempt Waste or C&D. The first (1st) time in any Agreement Year Recyclable Materials are contaminated through commingling with Solid Waste, Organic Materials, Bulky Items, Exempt Waste or C&D, the CONTRACTOR shall affix an "oops" tag on the Container, gate or door at the time the violation occurs shall collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the second (2<sup>nd</sup>) time in that Agreement Year or any subsequent time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Recyclable Materials, Contractor may charge the Customer a "Contamination Charge" as set forth in Exhibit A each time the Recyclable Materials are contaminated."

#### **"7.16 Organic Materials – Improper Procedure**

Except as set forth below, the CONTRACTOR shall not be required to Collect Organic Materials if the Residential or Commercial Service Recipient does not segregate the Organic Materials from Solid Waste, Recyclable Materials, Bulky Items, Exempt Waste

or C&D. The first (1st) time in any Agreement Year Organic Materials are contaminated through commingling with Solid Waste, Recyclable Materials, Bulky Items, Exempt Waste or C&D, the CONTRACTOR shall affix an “oops” tag on the Container, gate or door at the time the violation occurs and shall collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the second (2<sup>nd</sup>) time in that Agreement Year or any subsequent time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Organic Materials, Contractor may charge the Customer a “Contamination Charge” as set forth in Exhibit A each time the Organic Materials are contaminated.”

**“8.1.A Partial Month Service.** If, during a month, a Service Unit is added to or deleted from CONTRACTOR’s Service Area, the CONTRACTOR’s billing shall be pro-rated as follows: (i) the monthly rate for the service provided to the Service Unit divided by the number of days in such month, multiplied by (ii) the number of days the Cart(s) or Bins(s) were at the Service Unit.”

**“8.12 Billing and Service Level Audit.**

In addition to other auditing activities required by this Agreement, beginning in the Agreement Year commencing October 1, 2026 and every Agreement Year thereafter during the Term, CONTRACTOR shall perform a billing and service level audit of the Customers who were subject to a Route Review, as more fully detailed in Section 5.14.B.1 herein. CONTRACTOR shall submit a written report by November 15 of the year following the reporting year. The purpose of such audit shall be to ensure that such Customers are receiving the service for which the Customer is being billed. If the COUNTY requests, CONTRACTOR shall cooperate fully with the COUNTY to allow the COUNTY to verify the accuracy of CONTRACTOR’S billing and Service Level audit report.”

**“10.4.A Annual Adjustments.** For all Agreement Years, the base element of the Maximum Service Rates shown in Exhibit A shall be adjusted by the percentage change in the Consumer Price Index, All Urban Consumers: Water and Sewer and Trash Collection Services, Series ID: CUSR0000SEHG, published by the U.S. Department of Labor, Bureau of Labor Statistics (“CPI”), subject to the annual cap and the carry-forward mechanism described in Exhibit B. The CONTRACTOR shall submit the rate application required by Exhibit B electronically in a format approved by the COUNTY to the Contract Administrator on or before June 1 of each Agreement Year.”

2. NEW PROVISIONS OF THE AGREEMENT.

COUNTY and CONTRACTOR agree that the following provisions shall be added to the Collection Service Agreement to read in their entirety as follows:

**“5.7.B.2. MFD Recycling Overflow.** In the case of overflows of MFD Recyclable Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall

contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size, In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.”

**“5.7.C.2. MFD Organic Materials Overflow.** In the case of overflows of MFD Organic Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size, In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.”

**“5.8.B.2. Commercial Recycling Overflow.** In the case of overflows of Commercial Recyclable Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size, In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.”

**“5.8.C.2. Organic Materials Overflow.** In the case of overflows of Commercial Organic Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size, In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.”

#### **“5.14 SB 1383 Services.**

CONTRACTOR shall, solely to the extent expressly set forth in this Section 5.14 or elsewhere in this Agreement, perform the following services and/or obligations, which are related to COUNTY’S efforts to comply with SB 1383: contamination monitoring, cooperation with inspections and enforcement, cooperation with complaint investigation, assistance with Generator waiver issuance, Organic Materials product procurement for compost giveaways, service level migration recordkeeping and reporting, and provision of Recyclable Materials and Organic Materials Collection Services.

The following requirements are based on the use of a three-Container compliance approach in accordance with 14, CCR 18984.1.

**A. Container Requirements for Three-Container Collection Services.**

1. General Requirement. CONTRACTOR shall provide CONTRACTOR-provided carts with compliant carts as described in Sections 5.14A.2 and 5.14A.3 to all customers no later than January 1, 2036 unless this Agreement terminates prior to this date.
2. Container Colors. CONTRACTOR shall ensure that each Container that it newly purchases after the date of this Amendment, and provides to a customer serviced under the Agreement conforms to the following color scheme for containers or lid colors: Black/Grey Garbage Containers or lids for collection of Solid Waste, Blue Recycling Containers or lids for collection of Recyclable Materials, and Green Organics Materials Containers or lids for collection of Organic Materials. In addition, CONTRACTOR shall ensure that all Containers it uses to provide such services to customers serviced under the Agreement conform to such color scheme by January 1, 2036.
3. Container Labels. CONTRACTOR shall ensure that each Container that it newly purchases after the date of this Amendment and provides to a customer serviced under the Agreement shall be labeled or imprinted with language and/or graphics that clearly indicates the primary items accepted and the primary items that are Prohibited Container Contaminants for that Container type, as approved by County Administrator.

**B. Route Reviews.**

1. General Requirement. At least once annually, CONTRACTOR shall conduct a Route Review for each Hauler Route. The number of Containers to review per Hauler Route shall be calculated on the basis of the number of garbage accounts provided service by a specific Hauler Route for one week. For example, “Route A” collects garbage from 250 accounts, 4 days per week for a total of 1,000 accounts per week; include a minimum of 25 accounts for Route Review of “Route A”. For each Route Review of a Hauler Route, CONTRACTOR shall inspect at least the following minimum number of Containers, but may inspect more if CONTRACTOR deems necessary; and shall inspect all Containers placed for collection (including Recycling Containers, Organic Materials Containers, and Solid Waste Containers). Each inspection shall involve lifting the Container lid and observing the contents, but shall not require CONTRACTOR to disturb the contents or open any bags. CONTRACTOR may select the Containers to be inspected at random, or (if mutually agreed with the COUNTY) by any other method not prohibited under the SB 1383 Regulations. For the

avoidance of doubt, CONTRACTOR shall not be required to annually inspect every Container on a Hauler Route. CONTRACTOR shall include the results of each Route Review in its next regularly scheduled report to the COUNTY, as required by Section F below.

Route Size (# garbage accounts/ week)	Minimum Number of Containers
Less than 1,500	25
1,500-3,999	30
4,000-6,999	35
7,000 or more	40

2. Notice of Contamination. If CONTRACTOR observes Prohibited Container Contaminants in a Container during a Route Review comprising ten percent or more of observable container volume, CONTRACTOR shall notify the customer of the violation in writing. The written notice shall include information regarding the requirement to properly separate materials into the appropriate Containers. The notice may be left on the customer's Container, gate, or door at the time the violation is discovered, and/or be mailed, e-mailed, electronically messaged or delivered personally to the customer within 30 days. CONTRACTOR may dispose of the contents of any Container found to contain Prohibited Container Contaminants and may charge a contamination fee not to exceed \$25 or current COUNTY approved charge for same service. The notice shall be provided in English and Spanish.

**C. Compliance Reviews.**

1. General Requirement. At least once annually, CONTRACTOR shall review the records of its Commercial and MFD customers in the COUNTY that are subscribed for at least two (2) cubic yards per week of combined Solid Waste, Organic Materials and Recyclable Materials service, to determine whether such customers are subscribed for Organic Materials collection service or have an applicable waiver. CONTRACTOR shall include the results of each compliance review in its next regularly scheduled report to the COUNTY, as required by Section 10.
2. Site Visit Requirement. Based on CONTRACTOR's review of the list of customers requiring site visit compiled in accordance with Section D.1 above, CONTRACTOR shall conduct an annual site visit to each Commercial and MFD customer in the COUNTY that is determined to not be enrolled in 3-container Organic Materials collection service and not be eligible for a waiver based on the COUNTY's determination, to encourage those businesses to sign up for SB 1383 compliant Organic Materials service and provide educational material about the law's requirements.

**D. Education & Outreach.**

1. Beginning [\_\_\_\_, 202\_], and annually thereafter, CONTRACTOR shall provide the following to all its customers under the Agreement:
  - Information on the customer's requirements to properly separate materials in appropriate containers.
  - Information on methods for: the prevention of Organic Materials

generation, recycling Organic Materials on-site, sending Organic Materials to community composting, and any other local requirements regarding Organic Materials.

- Information regarding the methane reduction benefits of reducing the landfill disposal of Organic Materials, and the methods of Organic Materials recovery contemplated by the Agreement.
  - Information regarding how to recover Organic Materials.
  - Information related to the public health and safety and environmental impacts associated with the landfill disposal of Organic Materials.
2. The above information will be provided, at a minimum, through print and/or electronic media, and may also be provided through workshops, meetings and/or on-site visits.
  3. CONTRACTOR shall provide an educational webpage which includes downloadable copies of all the materials described in Section E.1 above, as well as an educational brochure to be provided by the COUNTY for edible food recovery outreach.
  4. Educational materials provided pursuant to the above shall be translated into Spanish.
  5. CONTRACTOR shall provide educational materials to customers discovered to be out of compliance with the SB 1383 Regulations requirements (e.g., insufficient interior containers, etc.) and report a list of such customers as well as actions taken to the COUNTY on a periodic basis as required by the COUNTY.

**E. Waivers.**

1. General. COUNTY may grant de minimis and/or physical space waivers to Customers or Generators that limit the type of Collection services CONTRACTOR needs to provide those Customers. The waivers shall exempt the Customer or Generator from the requirement to subscribe to Contractor's Collection services for Recyclable Materials or Organic Waste Collection service.
2. Service Level Updates. When the COUNTY grants a waiver to a Customer, or the Customer's waiver status changes after a reverification determination, the County shall notify the CONTRACTOR within seven (7) Business Days following the waiver approval or status change with information on the Customer and any changes to service level or Collection service requirements for the Customer. CONTRACTOR shall have seven (7) Business Days after such notification to contact the Customer to confirm modifications to the Customer's service level, Customer account data, and billing statement, as needed, and shall have seven (7) Business Days after contact with the Customer to implement changes to the Customer's service level, Customer account data, and billing statement, as needed.
3. Waiver Reverification. COUNTY intends to be responsible for reverification of waivers at a minimum of once every five (5) years. Upon request of COUNTY, CONTRACTOR shall support COUNTY in this reverification process by providing requested Customer information.

**F. SB1383 Reporting.** CONTRACTOR shall provide the following information to the COUNTY annually by November 15 of the year following the reporting year:

1. For information provided by CONTRACTOR pursuant to Section F above:

- Copies of all such information (including flyers, brochures, newsletters, invoice messaging, website and social media postings, emails, and other electronic messages).
  - The date the information was disseminated or the direct contact made. For website and social media postings, this shall be the date posted.
  - To whom the information was disseminated or the direct contact made. For mass distributions such as mailings or bill inserts, CONTRACTOR may provide the type and number of accounts receiving the information, rather than listing each recipient individually.
2. For Route Reviews and Compliance Reviews:
- The date the review was conducted.
  - The name and title of each person conducting the review.
  - A list of the account names and addresses covered by the review.
  - For Route Reviews, (i) a description of each Hauler Route reviewed, including CONTRACTOR's route number and a description of the Hauler Route area, and (ii) the results of such review (i.e. the addresses where any Prohibited Container Contaminants were found), and any photographs taken.
  - For Compliance Reviews, the results of such review (i.e. CONTRACTOR's findings as to whether the customers reviewed are subscribed for Organic Materials collection service, have an applicable waiver, or neither), and any relevant evidence supporting such findings (e.g. account records).
  - Copies of any educational materials issued pursuant to such reviews.
3. Documentation relating to observed Prohibited Container Contaminants, whether observed during Route Reviews or otherwise:
- Copies of the form of each notice issued to customers for Prohibited Container Contaminants, as well as, for each such form, a list of the customers to which such notice was issued, the date of issuance, the customer's name and service address, and the reason for issuance (if the form is used for multiple reasons).
  - The number of times notices were issued to customers for Prohibited Container Contaminants.
  - The number of Containers where the contents were disposed due to observation of Prohibited Container Contaminants.
4. A description of CONTRACTOR's process for determining the level of Container contamination under the Agreement.
5. Reports to the COUNTY on customers discovered to be out of compliance with the SB 1383 Regulations, including a list of the customers, the type of violation, actions taken to educate those customers, and contact information for those customers. Such reports shall be provided periodically as required by the COUNTY.
- G. **Section 18988.1 and 18988.2 Compliance.** CONTRACTOR is responsible for delivery of all Solid Waste to properly permitted disposal facilities, transfer stations, Recyclable Materials processing facilities, Organic Materials processing facilities, and Construction & Demolition Debris processing facilities as listed:

### Solid Waste

- Recology Ostrom Road Landfill
  - Address: 5900 Ostrom Rd Wheatland, CA
  - RDRS: RD10514
  - Facility Type: Landfill
- Recology Yuba-Sutter IW Recovery Facility
  - Address: 3001 N. Levee Rd Marysville, CA
  - RDRS: RD10338
  - Facility Type: Transfer Station

### Mixed Recycling

- Recology Yuba-Sutter IW Recovery Facility
  - Address: 3001 N. Levee Rd Marysville, CA
  - RDRS: RD10338
  - Facility Type: Processing Facility
- Cal Waste Recovery Systems
  - Address: 175 Enterprise Ct Ste A Galt, CA
  - RDRS: RD13392
  - Facility Type: Processing Facility
    - *\*\*Backup facility in case of long-term mechanical breakdown of Recology facility\*\**

### Organics

- Recology Ostrom Organics
  - Address: 5900 Ostrom Rd Wheatland, CA
  - RDRS: RD10514
  - Facility Type: Recycler/Composter

### Construction and Demolition Recycling

- Sierra Waste Recycling and Transfer Station
  - Address: 8260 Berry Ave Sacramento, CA
  - RDRS: RD11170
  - Facility Type: Processing Facility
- Old Durham Wood Inc.
  - Address: 1156 Oroville Chico Hwy Durham, CA
  - RDRS: RD10759
  - Facility Type: Recycler/Composter
    - *\*\*Clean Wood Only*
    - *\*\*Not actively a facility of ours, request this be added to the list*

The list may be amended from time to time by CONTRACTOR, subject to COUNTY approval of the amended list. CONTRACTOR shall comply with its obligations under this Agreement and the obligations that by operation of law are imposed upon it directly pursuant to Chapter 12 of the SB 1383 Regulations.

### 3. NEW DEFINITIONS.

COUNTY and CONTRACTOR agree that the following definitions shall be added to Article I of the Agreement to read as follows:

**“Hauler Route”** means the designated weekly itinerary or sequence of stops scheduled to be performed by one collection vehicle providing regularly scheduled Solid Waste, Recyclable Material or Organic Material collection services (not on-call or Bulky Item/Abandoned Waste), excluding compactor collection services, within the RWMA Service Area.

**“Prohibited Container Contaminants”** means any of the following:

1. Non-Organic Materials placed in the Organic Materials Container, including but not limited to textiles and carpets, manure, biosolids, digestate, sludges, non-compostable paper, Construction & Demolition Debris, and Hazardous Waste;
2. Organic Materials placed in the Solid Waste Container that is specifically identified under the Agreement for collection in the Organic Materials Container or Recyclables Container;
3. Organic Materials placed in the Recyclables Container that is specifically identified under the Agreement for collection in the Organic Materials Container. Paper products and printing and writing paper may be considered acceptable and not considered Prohibited Container Contaminants if they are placed in the Recyclables Container.

**“Route Review”** means a visual inspection of Containers along a Hauler Route for the purpose of identifying Prohibited Container Contaminants, which may include mechanical inspection methods such as use of cameras.

**“SB 1383 Regulations”** means the Short-lived Climate Pollutants (SLCP): Organic Waste Reductions regulations adopted by the California Department of Resources Recycling and Recovery (“CalRecycle”) in 2020.

4. UPDATED EXHIBITS.

Exhibit B and Exhibit F are hereby amended and restated in their entirety as attached hereto, effective as of Effective Date.

5. CONDITIONS FOR EFFECTIVENESS OF THIS AMENDMENT

The effectiveness of this Amendment is expressly conditioned on (i) all the other Participating Member Agencies of the Regional Waste Management Authority entering into amendments of their respective Collection Service Agreements that are identical in all material respects to this Amendment (ii) RWMA is delegated to serve as the contract administrator to adopt and amend all contracts, rate structures and franchise agreements for solid waste services, and (iii) CONTRACTOR’S reimbursement of the consulting fees incurred by the Regional Waste Management Authority in connection with preparation and negotiation of such amendments, not to exceed the sum of thirty-six thousand dollars (\$36,000).

Except as modified by this Amendment, the Agreement shall remain in full force and effect. In the event of any conflict between this Amendment and the Agreement, this Amendment shall govern. Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

**COUNTY OF YUBA**

**RECOLOGY YUBA-SUTTER**

By: \_\_\_\_\_  
[Name], Yuba County Board of Supervisors

By: \_\_\_\_\_  
Salvatore M. Coniglio, CEO

**COUNTY COUNSEL**

By: \_\_\_\_\_  
[Name], County Counsel Yuba County

DRAFT

**Exhibit B:  
Maximum Service Rate Adjustments**

**1. Annual Rate Adjustment Process**

- a) Elements of Maximum Service Rates. Each Maximum Service Rate shall consist of some combination of the following elements: a base service rate element, a Franchise Fee element, an RWMA surcharge fee element, a Ponderosa Transfer Station fee element, and such other elements as may be added by the COUNTY during the Term of this Agreement to reflect new fees or charges imposed by COUNTY.
- b) Adjustments to Base Service Rate Element. Beginning on October 1, 2026, and annually thereafter, CONTRACTOR shall, subject to compliance with subsection d) below, receive an annual adjustment in the base service rate element of all Maximum Service Rates set forth in Exhibit A to this Agreement. The annual adjustment will be based on changes in the Consumer Price Index, All Urban Consumers: Water and Sewer and Trash Collection Services, Series ID: CUSR0000SEHG, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI") published bi-monthly beginning in February of each year.
  - i) The annual adjustment to the base service rate element shall be in a percentage amount equal to the percentage change in the annual average of the CPI between the 12-month period ending on April 30 of the calendar year in which the annual adjustment is to occur, and the preceding 12-month period. For purposes of this calculation, the annual average shall be the average of the six bimonthly indices (June, August, October, December, February and April). For example, the first annual CPI adjustment (to take effect on October 1, 2026) will be based on the percentage change between the annual average of CPI for the twelve (12) months ending April 30, 2025 and the annual average of CPI for the twelve (12) months ending April 30, 2026. In the preceding example the percentage change in the annual averages would be calculated as follows [(2026 annual average/2025 annual average)-1].
  - ii) CONTRACTOR and COUNTY understand and agree that there is a carryover of deferred CPI increases from previous rate years equal to 3.057% (the "Current Cap Carry Forward"). The Current Cap Carry Forward, or a portion thereof, shall be added to subsequent annual adjustments until the Current Cap Carry Forward equals zero.
  - iii) In any year that the percentage change in CPI calculated as provided in subsection i) above, plus the Current Cap Carry Forward or any percentage change carried forward from the previous year pursuant to this subsection ii), is more than five percent (5%), the current year's CPI adjustment to the base service rate element shall be five percent (5%), and the percentage above five percent (5%) shall be carried forward to the following year and added to the CPI percentage that would otherwise apply in that year. The process shall be repeated for successive annual adjustments under this Agreement until all carry-forward amounts have been applied or the Agreement terminates.
  - iv) In any year that the calculation of the percentage change in CPI plus any carry-forward amounts not yet applied results in a negative number, the Maximum Service Rates will remain unchanged and the negative number shall be carried forward to the next annual adjustment.
- c) Adjustment to the Fee Elements of the Maximum Service Rates. The other fee elements of the Maximum Service Rates shall be adjusted as follows:
  - i) Franchise Fee Element. The Franchise Fee element shall be calculated by dividing the base service rate element of each Maximum Service Rate by one (1) minus the Franchise Fee percentage (for example  $1.00 - .10 = 0.90$ ); subtracting the base service rate element; and rounding the resulting figure to two (2) decimal places.
  - ii) RWMA Surcharge Fee Element. The RWMA surcharge fee element is set initially by the COUNTY and may be modified annually by notice to the CONTRACTOR thirty (30) days prior to June.

- iii) Ponderosa Transfer Station Fee Element. The Ponderosa Transfer Station fee element is set and adjusted as set forth in Section 3 of Exhibit G of this Agreement.
- d) Submission of Application. On or before June 1, 2026 and each succeeding Agreement Year during the Term of this Agreement, CONTRACTOR shall submit an application to COUNTY for such adjustment. The application shall contain CONTRACTOR's calculation (in accordance with this Exhibit) of the annual adjustment and a revised Maximum Service Rate sheet reflecting the annual adjustment.
- e) Failure to Submit. If CONTRACTOR fails to submit the application by the June 1st deadline, it is agreed that CONTRACTOR shall be deemed to have waived the annual adjustment for that year and such waived annual adjustment shall not be added to a future rate application. CONTRACTOR's failure to provide the application shall not preclude COUNTY from applying the annual adjustment, if that application would result in a negative adjustment. Notwithstanding the foregoing, if CONTRACTOR's failure to submit the application is the result of extraordinary or unusual circumstances as demonstrated by CONTRACTOR to the satisfaction of the Contract Administrator, COUNTY, at its sole discretion, may consider the request for the annual adjustment. In the event the annual adjustment is waived as set forth herein, COUNTY retains the right to adjust any or all of then other fee elements of the Maximum Service Rates.
- f) Rounding. Annual adjustments to Maximum Service Rates shall be made only in units of one cent (\$0.01). Fractions of less than one cent (\$0.01) shall be rounded to two (2) decimal places by rounding the third decimal. The annual adjustment shall be rounded to four (4) decimal places for the adjustment calculations by rounding the fifth decimal. In each of the above cases, rounding shall be down if the decimal to be rounded, as set forth above, is five (5) or less and up if the decimal to be rounded, as set forth above, is six (6) or more.
- g) Review by Contract Administrator. The Contract Administrator shall review the calculations in CONTRACTOR's application and shall promptly notify CONTRACTOR of any errors, but in any event before July 1<sup>st</sup>. In the absence of such notice, the annual adjustment calculation and Maximum Service Rate adjustments set forth in CONTRACTOR's application shall be deemed approved and shall take effect on the next October 1<sup>st</sup>. If any errors have occurred and are noticed to CONTRACTOR by July 1, CONTRACTOR shall have the opportunity to submit a corrected application. In such event, the Contract Administrator shall promptly review the corrected application and notify CONTRACTOR either that the application is correct, or that there are additional errors that need correction, in which case the correction procedure shall be repeated. The annual adjustment calculation and adjustments to the Maximum Service Rates set forth in CONTRACTOR's application (as so corrected) shall then become effective on the next October 1<sup>st</sup>.

**Exhibit F:  
NON-PROGRAM AREAS**

Updated map to be included..

DRAFT

**COLLECTION SERVICE AGREEMENT**

Executed Between the

County of Yuba

and

Recology Yuba-Sutter

**This 11<sup>th</sup> day of September, 2018**

**Changes by Amendment in this document are shown as follows:**

1. Amendment No. 1 Effective June 2021 (**blue font** and ~~strikeout~~)
2. Proposed Amendment No. 2 as of March 2026 (tracked changes)

## TABLE OF CONTENTS

<b>Article 1: Definitions .....</b>	<b>3</b>
<b>Article 2: Representations and Warranties .....</b>	<b>15</b>
2.1    CONTRACTOR's Corporate Status.....	15
2.2    CONTRACTOR's Corporate Authorization .....	15
2.3    Agreement Will Not Cause Breach .....	15
2.4    No Litigation.....	15
2.5    No Adverse Judicial Decisions .....	15
2.6    No Legal Prohibition.....	16
2.7    CONTRACTOR's Ability to Perform.....	16
2.8    CONTRACTOR's Investigation.....	16
2.9    Statements and Information in CONTRACTOR's Proposal .....	16
<b>Article 3: Term of Agreement.....</b>	<b>17</b>
3.1    Initial Term .....	17
3.2    Extension of Initial Term.....	17
3.3    Extension of Second Term.....	17
3.4    Extension of Third Term .....	17
3.5    Other Provisions .....	18
3.6    Conditions to Effectiveness of Agreement.....	18
<b>Article 4: Grant and Acceptance of Exclusive Agreement.....</b>	<b>20</b>
4.1    Grant and Acceptance of Exclusive Agreement.....	20
4.2    Limitations to the Scope of Exclusive Agreement.....	20
4.3    Excluded Services .....	21
4.4    Exclusivity.....	21
4.5    Applicable Law.....	21
4.6    Obligations of Parties .....	21
<b>Article 5: Scope of Collection Services .....</b>	<b>23</b>
5.1    Summary Scope of Services .....	23
5.2    Use of Approved Facilities .....	24
5.3    Subcontracting.....	24
5.4    Responsibility for Materials.....	24
5.5    COUNTY-Directed Changes to Scope.....	24
5.6    Single-Family Dwelling Collection Services .....	25
5.7    Multi-Family Dwelling Collection Services.....	27
5.8    Commercial Collection Services .....	30
5.9    COUNTY Collection Services.....	32
5.10    Drop Box Collection Services .....	34
5.11    Other Services .....	35
5.12    Ponderosa Transfer Station .....	38
5.13    Re-designation on Non-Program Areas.....	38

**Article 6: Processing, Disposal, and Diversion Requirements** Collection Service Agreement **39**

- 6.1 Rights of Ownership..... 39
- 6.2 Transportation of Discarded Materials..... 39
- 6.3 Transfer of Discarded Materials ..... 39
- 6.4 Disposal..... 0
- 6.5 Recyclable Materials Processing Services..... 40
- 6.6 Organic Materials Processing Services..... **42**
- 6.7 Minimum Diversion Requirements ..... 42
- 6.8 Failure to Meet Minimum Diversion Requirements..... 43

**Article 7: Requirements For Operations, Equipment, and Personnel ..... 44**

- 7.1 General ..... 44
- 7.2 CONTRACTOR's Office ..... 44
- 7.3 Service Standards..... 44
- 7.4 Collection Routes, Operating Hours, and Schedules..... 44
- 7.5 Collection Standards..... 45
- 7.6 Ownership of Materials ..... 45
- 7.7 Exempt Waste..... 46
- 7.8 Regulations and Record Keeping..... 46
- 7.9 Vehicle Requirements ..... 46
- 7.10 Container Requirements ..... 48
- 7.11 Labor and Equipment ..... 51
- 7.12 Holiday Service..... 51
- 7.13 Disposal and Processing ..... 51
- 7.14 Solid Waste - Improper Procedure ..... 52
- 7.15 Recycling - Improper Procedure..... 53
- 7.16 Organic Materials - Improper Procedure..... 53
- 7.17 Commingling of Materials ..... 54
- 7.18 Personnel..... 54
- 7.19 Hazardous Waste Inspection and Handling..... 55

**Article 8: Billing, Customer Service, Record Keeping, and Reporting..... 56**

- 8.1 Billing and Collection..... 56
- 8.2 Delinquent Service Accounts..... 56
- 8.3 Low-Income Senior Citizen Maximum Service Rates..... 56
- 8.4 Non-Disclosure..... 57
- 8.5 No Marketing..... 57
- 8.6 Customer Service Staffing and Hours..... 57
- 8.7 CONTRACTOR's Customer Service ..... 57
- 8.8 Record Keeping ..... 59
- 8.9 Reporting Requirements ..... 59
- 8.10 AB 341 and AB 1826 Compliance ..... 61
- 8.11 Right to Audit ..... 61
- 8.12 Billing and Service Level Audit..... 61
- 8.13 Performance and Compliance Reviews ..... 61

**Article 9: Franchise Fees and Other Fees.....63** Collection Service Agreement

9.1 RWMA Surcharge Fee.....63

9.2 Franchise Fee.....63

9.3 COUNTY Community Partnership Fee.....64

9.4 Sole Source Negotiation Reimbursement Fee.....65

9.5 Other Fees.....65

**Article 10: Contractor Compensation and Maximum Service Rates..... 66**

10.1 CONTRACTOR Compensation.....66

10.2 COUNTY Approved/CONTRACTOR Set Maximum Service Rates .....66

10.3 Initial Service Rates .....66

10.4 Annual Rate Adjustments.....66

10.5 Extraordinary Rate Adjustments .....66

10.6 Submittal of Request.....67

10.7 COUNTY Review .....69

10.8 Host Fees Imposed by RWMA Member Agencies.....69

10.9 Rate Adjustment for Direction to New Facilities .....69

**Article 11: Indemnification, Insurance, and Performance Bond ..... 70**

11.1 .Indemnification of the COUNTY .....70

11.2 Evaluation of Liability .....71

11.3 Hazardous Substances Indemnification.....71

11.4 Separate Counsel .....72

11.5 Consideration.....73

11.6 Obligation.....73

11.7 Subcontractors.....73

11.8 Exception.....73

11.9 Damage by CONTRACTOR.....73

11.10 Survival.....73

11.11 Insurance .....73

11.12 Performance Bond.....77

**Article 12: Default and Remedies..... 78**

12.1 Events of Default.....78

12.2 Right to Terminate Upon Event of Default.....79

12.3 COUNTY's Remedies in the Event of Default.....80

12.4 Possession of Records and Equipment Upon Termination.....80

12.5 COUNTY's Remedies Cumulative; Specific Performance.....81

12.6 Performance Standards and Liquidated Damages .....81

12.7 Excuse from Performance.....85

12.8 Right to Demand Assurances of Performance .....86

12.9 Dispute Resolution .....87

**Article 13: Other Agreements of The Parties..... 88**

13.1 Legal Representation .....88

13.2 Financial Interest.....88

13.3 CONTRACTOR Not Officer, Employee or Agent...Collection Service Agreement 88

13.4 CONTRACTOR's Use of Subcontractor ..... 89

13.5 Compliance with Law ..... 89

13.6 Governing Law ..... 89

13.7 Litigation..... 89

13.8 Jurisdiction ..... 89

13.9 Binding on Successors ..... 90

13.10 Assignment. .... 90

13.11 No Third-Party Beneficiaries..... 91

13.12 Waiver ..... 92

13.13 Transition to Next Contractor..... 92

13.14 CONTRACTOR's Records ..... 92

13.15 Notice Procedures..... 93

13.16 Certain Defenses ..... 93

**Article 14: Miscellaneous Agreements ..... 94**

14.1 Entirety of Agreement ..... 94

14.2 Severability..... 94

14.3 Right to Require Performance ..... 94

14.4 Non-Discrimination ..... 94

14.5 All Prior Agreements Superseded ..... 94

14.6 Headings..... 94

14.7 Exhibits ..... 94

14.8 References to Laws ..... 95

14.9 Start Date ..... 95

14.10 COUNTY's Option to Incorporate Additional or Modified Provisions ..... 95

14.11 Amendments..... 95

14.12 Counterparts ..... 96

## EXHIBITS

- A. Maximum Service Rates
- B. Maximum Service Rate Adjustments
- C. Public Education Plan
- D. COUNTY Services
- E. Approved Subcontractors
- F. Non-Program Areas
- G. Ponderosa Landfill Closure and Transfer Station Services
- H. Ponderosa Transfer Station User Fees

This Agreement made and entered into this 11<sup>th</sup> day of September, 2018, by and between the COUNTY of Yuba, State of California, hereinafter referred to as "COUNTY" and Recology Yuba-Sutter, a California corporation, hereinafter referred to as "CONTRACTOR."

## RECITALS

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

**WHEREAS;** the State of California has found and declared that the amount of Solid Waste generated in California, coupled with diminishing landfill space and potential adverse environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program. The State has, through enactment of the Act and subsequent related legislation including, but not limited to AB 341, AB 1594, AB 1826, and SB 1383, directed the responsible State agency and all local agencies to promote Diversion and to maximize the use of feasible Solid Waste reduction, reuse, Recycling, and Composting options in order to reduce the amount of Solid Waste that must be Disposed; and,

**WHEREAS;** CONTRACTOR is a private enterprise involved in the solid waste industry, experienced in, and capable of providing the COUNTY with Solid Waste handling services including but not necessarily limited to Source Reduction, Recycling and Composting activities in conjunction with the Collection, transfer, Processing and Disposal of Solid Waste; and,

**WHEREAS;** pursuant to California Public Resources Code Section 40059(a) as may be amended from time to time, the COUNTY has determined that the public health, safety, and well-being require an exclusive agreement to provide Collection Services and other services related to meeting the State's Diversion goals and other requirements of AB 939, without competitive bidding except for Collection of materials excluded in the COUNTY Ordinance Code; and,

**WHEREAS;** the COUNTY further declares its intent to approve and maintain the Maximum Service Rates for the Collection, transportation, Processing, Recycling, Composting, and/or Disposal of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, Construction and Demolition Debris and Sludge; and,

**WHEREAS,** the COUNTY and CONTRACTOR declare they have engaged in bona fide negotiations and have reached an agreement regarding the Franchise Fee CONTRACTOR shall pay COUNTY for the exclusive Franchise granted by COUNTY to CONTRACTOR; and,

**WHEREAS;** the COUNTY desires, having determined that CONTRACTOR, by demonstrated experience, reputation and capacity is qualified to provide for both the Collection of Recyclable Materials, Organic Materials, and Solid Waste within the corporate limits of the unincorporated area of the COUNTY and the transportation of such material to appropriate places of Processing, Recycling, Composting, and/or Disposal, that CONTRACTOR be engaged to perform such services on the basis set forth in this Agreement; and,

**WHEREAS;** the Parties hereto desire to enter into a wholly exclusive agreement for the provision of Collection Services except for those limitations specified in this Agreement; and,

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

**WHEREAS,** the COUNTY believes this agreement represents a high degree of service and value to the residents, businesses, and the COUNTY, and will help the COUNTY achieve the waste, recycling and organics diversion mandates, goals and objectives of the State in support of AB939, AB 341, AB 1594, AB 1826 and SB 1383; and,

**WHEREAS;** this Agreement has been developed by and is satisfactory to the COUNTY and the CONTRACTOR.

Now, therefore, in consideration of the mutual covenants, conditions and consideration contained herein, the COUNTY and CONTRACTOR hereby agree as hereinafter set forth:

## ARTICLE 1: DEFINITIONS

For the purpose of this Collection Service Agreement, hereinafter referred to as "Agreement," the following words and phrases shall have the following meanings respectively ascribed to them by this Article and shall be capitalized throughout this Agreement: If a word or phrase is not defined in this Agreement, the definition of such word or phrase as contained in the COUNTY Ordinance Code shall control. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Use of the masculine gender shall include the feminine gender.

**1.1 "AB 341"** means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011 [Chesbro, AB 341]), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced from time to time.

**1.2 "AB 1594"** means the 2014 act to amend Sections 40507 and 41781.3 of the Public Resources Code, relating to solid waste (Chapter 719, Statutes of 2014 [Williams, AB 1594], also commonly referred to as "AB 1594", as amended, supplemented, superseded, and replaced from time to time.

**1.3 "AB 1826"** means the Organic Waste Recycling Act of 2014 {Chapter 727, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

**1.4 "Act"** means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

**1.5 "Affiliate"** means a Person which is related to CONTRACTOR by virtue of direct or indirect controlling interest or common management. An Affiliate includes a Person in which CONTRACTOR owns a direct or indirect controlling interest, a Person which has a direct or indirect controlling interest in CONTRACTOR and/or a Person which is also controlled or managed by any Person or individual which has a direct or indirect controlling interest in CONTRACTOR.

**1.6 "Agreement"** means this Agreement between the COUNTY and CONTRACTOR, including all exhibits, and any future amendments hereto.

**1.7 "Agreement Year"** means each twelve (12) month period from October 1 to September 30, beginning October 1, 2018.

**1.8 "Alternative Daily Cover or ADC"** means materials, including, but not limited to, Green Waste, Sludge and wood waste from C&D placed on the surface of the active face of the refuse fill area at the end of each operating Day to control vectors, fires, odor, blowing litter and scavenging, as defined in Section 20164 of Title 14 of the California Code of Regulations. ADC includes all approved waste-derived and non-waste-derived material types as defined in Section 20690b.

**1.9 "Annual Average"** means the sum of the published index values of a specific index for a given 12-month period divided by twelve (12) (in the case of indices published monthly), six (6) (in the case of indices published bi-monthly), or four (4) (in the case of indices published quarterly).

**1.10 "Applicable Law"** means all federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, transportation, Processing or Disposal of Discarded Materials that are currently in force and as may be enacted, issued or amended during the Term of this Agreement.

**1.11 "Approved Disposal Facility"** means the Ostrom Road Landfill located at 5900 Ostrom Road, Wheatland, CA, or such place or places specifically designated by the CONTRACTOR and approved by the Participating Member Agencies, or specifically designated by the Participating Member Agencies, for the Disposal or Processing, as appropriate, of Solid Waste and other materials Collected under the terms of this Agreement.

**1.12 "Approved Facility(ies)"** means any one of or any combination of the: Approved Disposal Facility; Approved Organic Materials Processing Facility; Approved Materials Recovery Facility; and/or Approved Transfer Station.

**1.13 "Approved Organic Materials Processing Facility"** means the Feather River Organics facility located at 3001 North Levee Road, Marysville, CA, or 5900 Ostrom Road, Wheatland, CA, or any other facility selected by the CONTRACTOR and approved by the Participating Member Agencies, or specifically designated by the Participating Member Agencies, which is designed, operated and legally permitted for the purpose of receiving and Processing Organic Materials.

**1.14 "Approved Materials Recovery Facility or Approved MRF"** means the Recology Yuba-Sutter Materials Recovery Facility (MRF) located at 3001 North Levee Road, Marysville, CA, or any other facility selected by the CONTRACTOR and approved by the Participating Member Agencies, or specifically designated by the Participating Member Agencies, designed, operated, and legally permitted for the purpose of receiving, sorting, Processing, storing, or preparing Recyclable Materials and cardboard, scrap metal, wood, asphalt, concrete, and other inert materials for sale.

**1.15 "Approved Transfer Station"** means the Recology Yuba-Sutter Transfer Station located at 3001 North Levee Road, Marysville, CA, or any other facility selected by the CONTRACTOR and approved by the Participating Member Agencies, or specifically designated by the Participating Member Agencies, designed, operated, and legally permitted for the purpose of receiving and transferring Solid Waste and/or Construction and Demolition Debris. The Ponderosa Landfill Transfer Station in Yuba County is also designated by COUNTY as a transfer station for the receipt of self-hauled materials.

**1.16 "Bin"** means a metal or plastic container, with a capacity of one (1) cubic yard up to, and including, eight (8) cubic yards, designed or intended to be mechanically dumped into a loader packer type truck that is approved for such purpose by the COUNTY. Bins may also include Compactors that are owned by the Multi-Family Dwelling (MFD) or Commercial Service Customer wherein the MFD or Commercial Collection Service occurs.

**1.17** ~~"Bulky Item(s)"~~ means discarded appliances, furniture, tires, carpets, mattresses, and similar large items that require special Collection due to their size or nature, but can be Collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the Customer and at the service address wherein the Bulky Items are Collected. The maximum weight and dimensions of Bulky Items shall be as directed by CONTRACTOR. In the event a question ever arises as to whether a specific item or category of items meets the definition of Bulky Items, the COUNTY shall be responsible to determine whether said definition shall apply. Bulky Items do not include

items herein defined as Exempt Waste or Construction and Demolition Debris. ~~means discarded appliances, furniture, tires, carpets, mattresses, and similar large items that require special Collection due to their size or nature, but can be Collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the Customer and at the service address wherein the Bulky Items are Collected. The maximum weight and dimensions of Bulky Items shall be as directed by CONTRACTOR but shall not be less than two (2) cubic yards per Collection. In the event a question ever arises as to~~

~~whether a specific item or category of items meets the definition of Bulky Items, the COUNTY shall be responsible to determine whether said definition shall apply. Bulky Items do not include items herein defined as Exempt Waste or Construction and Demolition Debris.~~

1.17

**1.18 "Bulky Item Collection Service"** means the periodic on-call Collection of Bulky Items by the CONTRACTOR in the Program Areas of the Service Area and the delivery of those Bulky Items to the Approved Facility.

**1.19 "Business Days"** mean Days during which the COUNTY's offices are open to do business with the public.

**1.20 "CalRecycle"** means the California Department of Resources Recycling and Recovery or its successor.

**1.21 "Cart"** means a heavy plastic receptacle with a rated capacity of at least thirty-two (32) gallons and not more than ninety-six (96) gallons, having a hinged, tight-fitting lid and wheels, that is approved by the Contract Administrator for use by Service Recipients for Collection Services under this Agreement.

**1.22 "Change in Law"** means any of the following events or conditions:

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

Change in Law does not include provisions related to the Recology Yuba-Sutter Landfill in Marysville or any of the Approved Facilities.

**1.23 "COUNTY Clean-up Service"** means the Collection of Solid Waste, Recyclable Materials, U-Waste, Organic Materials, and Bulky Items by the CONTRACTOR resulting from written or verbal requests from the COUNTY for temporary clean-up programs at a centralized Collection site. Such service shall include the provision of Bins or Drop Boxes by the CONTRACTOR and the transport and delivery of the Collected materials to the appropriate Approved Facility(ies).

**1.24 "COUNTY Container Service"** means the Collection of Solid Waste and Recyclable Materials from public litter containers distributed and maintained by the COUNTY or the Yuba-Sutter Transit Authority and the transport and delivery of the Collected materials to the appropriate Approved Facility(ies).

**1.25 "COUNTY Self-Haul Service"** means the transport of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items and C&D self-hauled by COUNTY employees in COUNTY vehicles to the Approved Transfer Station, Approved Materials Recovery Facility, Approved Organic Materials Processing Facility, or Approved Disposal Facility.

**1.26 "COUNTY Service Unit"** means those COUNTY properties or COUNTY locations which the Contract Administrator requests that CONTRACTOR provide services as provided in this Agreement.

**1.27 "COUNTY Waste"** means Solid Waste, Recyclable Materials, Organic Materials, and Bulky Items generated at a COUNTY Service Unit. COUNTY Waste must be generated by and at the COUNTY Service Unit wherein the COUNTY Waste is Collected and does not include items defined herein as Exempt Waste.

**1.28 "Collect or Collection (or any variation thereof)"** means the CONTRACTOR taking physical possession of, and removing Discarded Materials, whether by manual, semi-automated or automated means, and transporting such materials to the appropriate Approved Facility, pursuant to this Agreement.

**1.29 "Collection Services"** means those services provided to COUNTY Service Units, Commercial Service Units, MFD Service units, and SFD Service units as set forth in Article 5 of this Agreement.

**1.30 "Commercial Service Work Day"** means any Day Monday through Sunday.

**1.31 "Commencement Date"** means the date specified in Section 3.1 when the CONTRACTOR is to begin providing Collection and related services required by this Agreement.

**1.32 "Commercial or Commercial Service Unit"** means all retail, professional, office, wholesale and industrial facilities, organizations, agencies other than COUNTY agencies, and other commercial enterprises offering goods or services to the public excluding businesses conducted at any Residential Property.

**1.33 "Commercial Waste"** means Solid Waste, Recyclable Materials, Organic Materials, and Bulky Items generated at a Commercial Service Unit. Commercial Waste must be generated by and at the Commercial Service Unit wherein the Commercial Waste is Collected and does not include items defined herein as Exempt Waste.

**1.34 "Compactor"** means a mechanical apparatus that compresses materials together within the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two (2) to eight (8) cubic yard Bin Compactors serviced by front-end loader Collection vehicles and ten (10) to fifty (50) cubic yard Drop Box Compactors serviced by roll-off Collection vehicles.

**1.35 "Compost"** means the resulting material from Composting.

**1.36 "Composting"** means the controlled or uncontrolled biological decomposition of organic constituents such that the resulting material meets the maximum acceptable metal concentration limits specified in Section 17868.2 and pathogen reduction requirements specified in Section 17868.3 of Title 14, California Code of Regulations Chapter 3.1.

**1.37 "Construction and Demolition Debris (C&D)"** means materials resulting from construction, renovation, remodeling, repair, or demolition operations relating to or resulting from a building, structure, pavement or other improvement, including concrete, brick, bituminous concrete, rubble, wood and masonry, composition roofing and roofing paper, steel, and other metals such as copper. "Construction and Demolition Debris" or "C&D" also includes rocks, soils, tree remains, and other Green Waste which

results from land clearing or land development operations in preparation for construction. "Construction and Demolition Debris" or "C&D" do not include Exempt Waste.

**1.38 "Container"** means Bins, Carts, Compactors, and Drop Boxes.

**1.39 "Contamination (or any variation thereof)"** means the inclusion in a Container of Exempt Waste of any amount; or materials other than Organic Materials in an Organic Materials Container, or materials other than Recyclable Materials in a Recyclable Materials Container, which render more than ten percent (10%) of the contents of the Container materially unsuitable for the intended type of Diversion.

**1.40 "CONTRACTOR"** means Recology Yuba-Sutter, a California corporation.

**1.41 "Contract Administrator"** means that Person, or their designee, designated by the COUNTY to administer and monitor the provisions of this Agreement.

**1.42 "CONTRACTOR's Proposal"** means those portions of the proposal submitted to the COUNTY by CONTRACTOR on February 16, 2018 for provision of Collection Services and certain supplemental written materials, which are included as Exhibit C to this Agreement and are incorporated by reference.

**1.43 "COUNTY"** means the COUNTY of Yuba, California.

**1.44 "Covered Electronic Waste (CEW)"** means discarded electronic devices that the California Department of Toxic Substances Control (DTSC) has determined to be a covered electronic device, as specified by Section 42463(f) of the California Public Resources Code. CEWs include cathode ray tube (CRT) devices (including televisions and computer monitors); LCD desktop monitors; laptop computers with LCD displays; LCD televisions; plasma televisions; portable DVD players with LCD screens; and other electronic devices as may be added by the DTSC from time to time.

**1.45 "Customer"** means the Person whom the CONTRACTOR submits its billing invoice to and collects payment from for Collection Services provided to a Premises. The Customer is not necessarily the owner of the Premises and may be the Person who occupies the Premises, the owner of the Premises or the company that manages the Premises.

**1.46 "Day"** means calendar day unless otherwise specified in this Agreement.

**1.47 "Drop Box"** means Containers with a typical capacity of eight (8) to forty (40) cubic yards that are serviced by a roll-off Collection vehicle.

**1.48 "Discarded Materials"** means Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D placed by a Generator in a Container and/or at a location for the purposes of Collection by CONTRACTOR, excluding Exempt Waste.

**1.49 "Disposal or Dispose (or any variation thereof)"** means the ultimate disposition of Solid Waste or Residue.

**1.50 "Diversion (or any variation thereof)"** means activities which reduce or eliminate the amount of Solid Waste to be Disposed including, but not limited to, reuse, Recycling, and Composting.

**1.51 "Dwelling Unit"** means any individual living unit in a Single-Family Dwelling or Multi-Family Dwelling structure or building intended for, or capable of being utilized for, Residential living other than a hotel or motel.

**1.52 "Effective Date"** means the date on which this Agreement becomes effective pursuant to Section 3.6.

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

**1.54 "Exempt Waste"** means Hazardous Substances, Hazardous Waste, Infectious Waste, Sludge, volatile, corrosive, biomedical, infectious, and toxic substances or material, waste that CONTRACTOR reasonably believes would, as a result of or upon Disposal, be a violation of local, State or federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in CONTRACTOR's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose CONTRACTOR or COUNTY to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Solid Waste in compliance with Sections 41500 and 41802 of the California Public Resources Code.

**1.55 "Fixed Body Vehicle"** means any wheeled vehicle that does not rely on a Drop Box Container or other detachable container to Collect, contain, and transport material. Dump trucks shall be considered Fixed Body Vehicles.

**1.56 "Food Waste"** means Solid Waste that will decompose and/or putrefy including: (i) all kitchen and table food scraps; (ii) animal, fruit, grain, dairy, fish, or vegetable waste that is generated during or results from the storage, preparation, cooking, or handling of food stuffs; (iii) non-recyclable paper or discarded paper that is contaminated with food scraps and is ink-free; and, (iv) houseplant trimmings and other compostable organic waste common to the occupancy of Residential Dwelling Units. Food Waste must have been Source Separated, and generated by and at the Service Unit where it is Collected. Food Waste does not include Exempt Waste. Food Waste is a subset of Organic Materials.

**1.57 "Franchise"** means the special rights and privileges granted by the COUNTY to CONTRACTOR under this Agreement to operate as an exclusive enterprise for Collection Services in the Service Area and to use the public rights of way for such purpose.

**1.58 "Franchise Fee"** means the fee established through an arm's length negotiation by and between the COUNTY and CONTRACTOR, which, among other things, is intended to offset the COUNTY's expenses in administering this Agreement, to fund other waste management activities, for CONTRACTOR'S use of public property and rights-of-way granted by this Agreement, and to compensate the COUNTY for damages to its infrastructure resulting from CONTRACTOR's exercise of its rights under the exclusive Franchise. "Franchise Fee" does not include any fee within the meaning of Public Resources Code Section 41901 or within the scope of Government Code Section 66016.

**1.59 "Garbage"** means all putrescible waste which generally includes, but is not limited to, kitchen and table Food Waste, animal, vegetative, food, or any other waste that is attendant with, or results from the storage, preparation, cooking, or handling of food materials generated at a Service Unit. Garbage must be generated by and at the Service Unit wherein the Garbage is Collected. Garbage does not include those items defined herein as Exempt Waste.

**1.60 "Generator"** means any Person whose act or process produces Discarded Materials as defined in the Public Resources Code, or whose act first causes any of these items to become subject to regulation.

**1.61 "Green Waste"** means any vegetative matter resulting from normal yard and landscaping maintenance that is not more than three (3) feet in its longest dimension or six (6) inches in diameter which has been Source Separated by the Customer and set out for Organic Materials Collection and which except for such Source Separation and set out would have been Processed or Disposed of as Solid Waste. Green Waste includes plant debris, such as palm, yucca and cactus, ivy, grass clippings, leaves, pruning, weeds, branches, brush, holiday trees (without stands, flocking or ornamentation), and other forms of vegetative waste and must be generated by and at the Service Unit wherein the Green Waste is Collected. Green Waste does not include items herein defined as Exempt Waste. Green Waste is a subset of Organic Materials.

**1.62 "Gross Billings"** means total amount invoiced to Customers by the CONTRACTOR for the provision of services pursuant to this Agreement, without any deductions. Gross Billings do not include revenues from the sale of Recyclable Materials or from related CRV payments.

**1.621.63 "Hauler Route"** means the designated weekly itinerary or sequence of stops scheduled to be performed by one collection vehicle providing regularly scheduled Solid Waste, Recyclable Material or Organic Material collection services (not on-call or Bulky Item/Abandoned Waste), excluding compactor collection services, within the RWMA Service Area.

**1.631.64 "Hazardous Substance"** means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances" or hazardous material, Hazardous Waste, toxic waste, pollutant, or toxic substances or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Law, 49 USC §5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules, or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste, or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products and by-products.

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

**4-651.66 "Holidays"** shall mean the observed holiday for Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and New Year's Day.

**4-661.67 "Home-Generated Sharps"** means hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications derived from a Residential Property.

**4-671.68 "Household Batteries"** mean disposable or rechargeable dry cells such as those referred to as A, AA, AAA, B, C, D, 9-volt, button type or those from laptop computers or cell phones, and commonly used as power sources for consumer electronics devices, including but not limited to zinc oxide, nickel metal hydride, alkaline, mercury, silver oxide, lithium, lithium ion, and carbon zinc, but excluding automotive lead acid batteries.

**4-681.69 "Household Hazardous Waste (HHW)"** means Hazardous Waste generated at an SFD or MFD Residential Premises within the COUNTY. HHW includes, but is not limited to: paint, stain, varnish, thinner, adhesives, automobile products such as old fuel, batteries, Household Batteries, fluorescent bulbs and tubes, cleaners and sprays, and pesticides, fertilizers, and other garden products.

**4-691.70 "Infectious Waste"** means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities, and other similar establishments that are identified in Health and Safety Code Section 25117.5 as may be amended from time to time.

**4-701.71 "Liquidated Damages"** means the amounts due by CONTRACTOR for failure to meet specific quantifiable standards of performance as described in Section 12.6.

**4-741.72 "Maximum Service Rates"** means those rates and fees that are approved by the COUNTY for the provision of Collection Services and are contained in Exhibit A. Maximum Service Rates may be adjusted during the Term of this Agreement in the manner set forth herein.

**4-721.73 "Member Agency(ies)"** means the COUNTY and any other City or County in the Regional Waste Management Authority (RWMA), a joint powers authority.

**4-731.74 "MFD Waste"** means Solid Waste, Organic Materials, Recyclable Materials, and Bulky Items generated at an MFD Service Unit. MFD Waste must be generated by and at the MFD Service Unit wherein the MFD Waste is Collected and does not include items defined herein as Exempt Waste.

**4-741.75 "Multi-Family, Multi-Family Dwelling (MFD), or "Multi-Family Service Unit"** means any Residential Premises, other than a Single-Family Premises, with five (5) or more Dwelling Units used for Residential purposes (regardless of whether residence therein is temporary or permanent) that receive centralized Collection Service for all units on the Premises which are billed to one (1) Customer at one (1) address. Customers residing in townhomes, mobile homes, condominiums, or other structures with five

(5) or more Dwelling Units who elect to receive individual service and are billed separately shall not be considered Multi-Family unless and until that Customer elects to receive combined service and/or billing.

**4-751.76 "Non-Collection Notice"** means a form, as approved in advance by COUNTY, used to notify Service Recipient(s) of the reason for the non-Collection of materials set out by the Service Recipient for Collection by CONTRACTOR pursuant to this Agreement.

~~4.76~~**1.77** **"Non-Program Areas"** means those areas within the Service Area as set forth in Exhibit F "Non-Program Areas" which is attached to and included herein and as may be amended as set forth in Section 5.13 of this Agreement.

~~4.77~~**1.78** **"Organic Materials"** means Green Waste and, to the extent any of the following materials are accepted into the appropriate COUNTY Collection program by amendment of this Agreement, or are required to be added to the appropriate COUNTY Collection program as a result of a Change in Law, Food Waste, food-soiled paper products and/or those materials designated from time to time in COUNTY or State legislation for Collection and Recycling under this Agreement. Notwithstanding the preceding sentence, if COUNTY requests that CONTRACTOR provide for the inclusion of Food Waste as part of mandatory SFD Organic Materials Collection Services, with Collection in the same Container as Green Waste, then upon implementation of that request, "Organic Materials" shall automatically and without amendment of this Agreement be deemed to refer to commingled Green Waste and Food Waste with respect to SFDs. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Solid Waste and Recyclable Material.

~~4.78~~**1.79** **"Party or Parties"** means the COUNTY and CONTRACTOR, individually or together.

~~4.79~~**1.80** **"Participating Member Agency(ies)"** means all Member Agencies. References herein to any approval, direction, action, etc. by the Participating Member Agencies means such approval, direction, action, etc. was agreed to by all Participating Member Agencies that entered into substantially similar agreements to this one (i.e., Yuba and Sutter Counties, and the Cities of Marysville, Live Oak, Wheatland and Yuba). ~~means all Member Agencies with the exception of Yuba City. References herein to any approval, direction, action, etc. by the Participating Member Agencies means that such approval, direction, action, etc. was agreed to by all Participating Member Agencies that entered into substantially similar agreements to this one (i.e., Yuba and Sutter Counties, and the Cities of Marysville, Live Oak, and Wheatland).~~

~~4.80~~**1.81** **"Person(s)"** means any individual, firm, association, organization, partnership, corporation, trust, joint venture, or public entity.

~~4.84~~**1.82** **"Premises"** means any land or building in the Service Area where Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, or C&D are generated or accumulated.

~~4.82~~**1.83** **"Processing"** means to sort, separate, prepare, treat, bale or otherwise package, Compost, cure, or to take other steps necessary to re-use materials at the Approved Facilities, or to remanufacture, reconstitute, and or create new products from Discarded Materials. Processing includes reuse, Recycling and Composting.

~~4.83~~**1.84** **"Program Areas"** means all portions of the Service Area not designated on Exhibit F as Non-Program Areas and as may be amended as set forth in Section 5.13 of this Agreement.

1.85 "Prohibited Container Contaminants" means any of the following:

1. Non-Organic Materials placed in the Organic Materials Container, including but not limited to textiles and carpets, manure, biosolids, digestate, sludges, non-compostable paper, Construction & Demolition Debris, and Hazardous Waste;
2. Organic Materials placed in the Solid Waste Container that is specifically identified under the Agreement for collection in the Organic Materials Container or Recyclables Container;
3. Organic Materials placed in the Recyclables Container that is specifically identified under the Agreement for collection in the Organic Materials Container. Paper products and printing and writing

[paper may be considered acceptable and not considered Prohibited Container Contaminants if they are placed in the Recyclables Container.](#)

~~1.84~~1.86 **"Recyclable Materials"** means those materials which are capable of being Recycled and which have been Source Separated by the Customer and which except for such Source Separation would otherwise be Processed or Disposed of as Solid Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Solid Waste, Organic Materials, or C&D. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; glass containers, all colors; aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); scrap metal weighing less than ten (10) pounds (without cords or chains and fitting into the Container); steel, tin or bi-metal cans; plastic containers, (numbers 1 to 7) and in addition those materials added or removed by the CONTRACTOR from time to time, subject to COUNTY approval, which shall not to be unreasonably withheld. Recyclable Materials exclude Exempt Waste.

~~1.85~~1.87 **"Recycle or Recycling"** means the process of sorting, cleansing, treating and reconstituting materials that would otherwise be Disposed of in a landfill, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.

~~1.86~~1.88 **"Regional Waste Management Authority (RWMA)"** means a joint powers authority formed for the purpose of providing reliable, economical, integrated, and environmentally sound waste management services to all of the residents of the region including the unincorporated areas of Sutter and Yuba Counties and the areas embraced within the corporate limits of Live Oak, Marysville, Wheatland, and Yuba City as may be amended, or the successor agency in the event the current agency is replaced.

~~1.87~~1.89 **"Residential or Residential Property"** means on, of or pertaining to a Single-Family Premises or Multi-Family Premises, irrespective of whether such Premises are rental units or owner-occupied, or whether Commercial activities are conducted thereon or therefrom, provided that such Commercial activities are permitted under applicable zoning regulations and do not consist of the primary use of the property.

~~1.88~~1.90 **"Residential Service Work Day"** means any Day Monday through Friday.

1.91 **"Route Review"** means a visual inspection of Containers along a Hauler Route for the purpose of identifying Prohibited Container Contaminants, which may include mechanical inspection methods such as use of cameras.

~~1.89~~1.92 **"RWMA Contract Administrator"** means the Person designated by the RWMA to administer and monitor certain provisions of this Agreement.

~~1.90~~1.93 **"RWMA Service Area"** means the combined legal corporate limits of all Participating Member Agencies of the RWMA.

~~1.91~~1.94 **"Residue"** means those materials which, after Processing, are Disposed rather than Recycled or Composted due to either the lack of markets for materials or the inability of the Approved Facility to capture and recover the materials.

~~1.92~~1.95 **"Reusable Materials"** means items that are capable of being used again after minimal Processing. Reusable Materials may be Collected Source Separated or recovered through an Approved Facility.

**4.931.96** **"SB 1383"** means the Short-Lived Climate Pollutants Act of 2016 (an act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 [commencing with Section 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions), also commonly referred to as "SB 1383," as amended, supplemented, superseded, and replaced from time to time.

**4.941.97** **"SB 1383 Regulations"** means the [Short-lived Climate Pollutants \(SLCP\): Organic Waste Reductions regulations adopted by the California Department of Resources Recycling and Recovery \("CalRecycle"\) in 2020.](#)

**4.951.98** **"Service Area"** means that area within the corporate limits of the COUNTY of Yuba, California.

**4.961.99** **"Service Level"** refers to the volume of a Customer's Container and the frequency of Collection Service.

**4.971.100** **"Service Rates"** means the amount, expressed as a dollar unit, that CONTRACTOR charges a Customer for providing Collection Services under this Agreement. The CONTRACTOR may, in its sole discretion, charge any amount up to and including the Maximum Service Rate approved by the COUNTY.

**4.981.101** **"Service Recipient"** means an individual, agency, organization, or company receiving Collection Services pursuant to this Agreement.

**4.991.102** **"Service Unit"** means all SFD Service Units, MFD Service Units, COUNTY Service Units, or Commercial Service Units.

**4.1001.103** **"SFD Waste"** means Solid Waste, Recyclable Materials, Organic Material, and Bulky Items generated at an SFD Service Unit. SFD Waste must be generated by and at the SFD Service Unit wherein the SFD Waste is Collected and does not include items defined herein as Exempt Waste.

**4.1041.104** **"Single-Family, Single-Family Dwelling (SFD), or Single-Family Service Unit"** means, notwithstanding any contrary definition in the COUNTY Ordinance Code, any detached or attached house or residence of any number of Dwelling Units where each Dwelling Unit is designed or used for occupancy by one (1) family, provided that Collection Service can feasibly be provided to each Dwelling Unit as an independent unit, and the owner or occupant of such independent Dwelling Unit is billed directly for the Collection Service.

**4.1021.105** **"Sludge"** means the accumulated solids, Residues, and precipitates generated as a result of waste treatment or processing, including wastewater treatment, water supply treatment, or operation of an air pollution control facility, and mixed liquids and solids pumped from septic tanks, grease traps, privies, or similar disposal appurtenances or any other such waste having similar characteristics or effects.

**4.1031.106** **"Solid Waste"** means all putrescible and non-putrescible solid, semisolid, and liquid wastes including Garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, discarded home and industrial appliances, Sludge which is not Hazardous Waste, and other discarded solid and semi-solid wastes as defined in California Public Resources Code Section 40191, as that section may be amended from time to time, but does not include materials that have been Source Separated, abandoned vehicles and parts thereof, or Exempt Waste. Solid Waste may include Recyclable Materials, Compostable Materials and Construction and Demolition Debris if such materials are not Source Separated from Solid Waste at the site of generation or Collected for Recycling, Composting, Processing, and marketing.



~~4.404~~**1.107** **"Source Reduction"** means any action which causes a net reduction in the generation of Solid Waste. It includes, but is not limited to, reducing the use of non-Recyclable Materials, replacing single use materials and products with Reusable Materials and products, reducing packaging, reducing the amount of Organic Materials generated, and increasing the efficiency of the use of paper, cardboard, glass, metal, plastic, and other materials.

~~4.405~~**1.108** **"Source Separated or Source Separation"** means the segregation from Solid Waste, by the Generator, of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

~~4.406~~**1.109** **"Special Event Collection Service"** means the Collection of Solid Waste and Recyclable Materials as appropriate at COUNTY-sponsored special events.

~~4.407~~**1.110** **"State"** means the State of California.

~~4.408~~**1.111** **"Subcontractor"** means a Person who has entered into a contract, express or implied, with the CONTRACTOR for the performance of an act that is necessary for the CONTRACTOR's fulfillment of its obligations for providing service under this Agreement. Vendors providing materials, supplies, or professional services to CONTRACTOR shall not be considered Subcontractors.

~~4.409~~**1.112** **"Term"** means the period of this Agreement, including extension periods if granted, as provided for in Article 3.

~~4.410~~**1.113** **"Universal Waste or U-Waste"** means all wastes defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations or successor regulations. These include, but are not limited to, Household Batteries, fluorescent light bulbs, mercury switches, and E-Waste.

~~4.411~~**1.114** **"White Goods"** means discarded refrigerators, ranges, water heaters, freezers, and other similar household appliances.

## ARTICLE 2: REPRESENTATIONS AND WARRANTIES

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

### 2.1 CONTRACTOR's Corporate Status

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

### 2.2 CONTRACTOR's Corporate Authorization

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

### 2.3 Agreement Will Not Cause Breach

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

### 2.4 No Litigation

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

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

### 2.5 No Adverse Judicial Decisions

To the best of each Party's knowledge after reasonable investigation, there is no judicial decision that would prohibit this Agreement or subject this Agreement to Legal Challenge (as defined in Section 3.6.F).

## **2.6 No Legal Prohibition**

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

## **2.7 CONTRACTOR's Ability to Perform**

CONTRACTOR possesses the business, professional, and technical expertise to perform all services, obligations, and duties as described in and required by this Agreement including all Exhibits thereto. CONTRACTOR possesses the ability to secure equipment, facility, and employee resources required to perform its obligations under this Agreement. By virtue of its long term service to the COUNTY, CONTRACTOR has intimate knowledge of the Service Area and Customers to accurately estimate the cost of services and revenues from billings as described in this Agreement. By virtue of its corporate relationships, CONTRACTOR has an intimate knowledge of existing legislation and regulatory requirements and the resources required to perform those services in the Service Area.

## **2.8 CONTRACTOR's Investigation**

CONTRACTOR has made an independent investigation and analysis, the results of which are satisfactory to CONTRACTOR, of the conditions and circumstances surrounding the Agreement, its content and preparation, and the work to be performed by CONTRACTOR under the Agreement. The Agreement accurately and fairly represents the intentions of CONTRACTOR and CONTRACTOR enters into this Agreement on the basis of that independent investigation and analysis.

## **2.9 Statements and Information in CONTRACTOR's Proposal**

The CONTRACTOR's Proposal and supplementary information submitted by CONTRACTOR for the work to be performed by CONTRACTOR under the Agreement do not contain any untrue statement of a material fact, nor does it omit any material facts relevant to the ability of CONTRACTOR to perform the work under the Agreement.

## ARTICLE 3: TERM OF AGREEMENT

### 3.1 Initial Term

The Term of this Agreement shall be for a ten (10) year period beginning October 1, 2018 and terminating on September 30, 2028.

### 3.2 Extension of Initial Term

3.2 The term of this Agreement is hereby extended for a ten (10) year period following the expiration of the original Term. For avoidance of doubt, the Term is hereby extended to September 30, 2038.

~~On or before July 1, 2026, the Participating Member Agencies may approve an offer to the CONTRACTOR in writing for a five (5) year extension of this Agreement for the period October 1, 2028 through September 30, 2033. Provision of such offer shall be at the sole discretion of the Participating Member Agencies. CONTRACTOR shall provide written notice to the Participating Member Agencies as to whether CONTRACTOR accepts or rejects the extension offer within twenty (20) Residential Service Work Days of the date of the offer. If CONTRACTOR fails to provide such notice to the Participating Member Agencies within said twenty (20) Residential Service Work Days, the extension offer shall be deemed withdrawn and COUNTY shall have no obligation to extend the Term of this Agreement beyond September 30, 2028. If the Term of this Agreement is extended, the CONTRACTOR Compensation and Maximum Service Rate provisions of Article 10 shall not be subject to negotiation. However, Maximum Service Rates shall be adjusted annually throughout the extended Term as provided in Article 10.~~

### 3.3 Extension of Second Term

~~On or before July 1, 2031, the Participating Member Agencies may approve an offer to the CONTRACTOR in writing for a five (5) year extension of this Agreement for the period October 1, 2033 through September 30, 2038. Provision of such offer shall be at the sole discretion of the Participating Member Agencies. CONTRACTOR shall provide written notice to the Participating Member Agencies as to whether CONTRACTOR accepts or rejects the extension offer within twenty (20) Residential Service Work Days of the date of the offer. If CONTRACTOR fails to provide such notice to the Participating Member Agencies within said twenty (20) Residential Service Work Days, the extension offer shall be deemed withdrawn and COUNTY shall have no obligation to extend the Term of this Agreement beyond September 30, 2033. If the Term of this Agreement is extended, the CONTRACTOR Compensation and Maximum Service Rate provisions of Article 10 shall not be subject to negotiation. However, Maximum Service Rates shall be adjusted annually throughout the extended Term as provided in Article 10.~~

### 3.43.3 Extension of Third Term

On or before July 1, 2036, the Participating Member Agencies may approve an offer to the CONTRACTOR in writing for a five (5) year extension of this Agreement for the period October 1, 2038 through September 30, 2043. Provision of such offer shall be at the sole discretion of the Participating Member Agencies. CONTRACTOR shall provide written notice to the Participating Member Agencies as to whether CONTRACTOR accepts or rejects the extension offer within twenty (20) Residential Service Work Days of the date of the offer. If CONTRACTOR fails to provide such notice to the Participating Member Agencies within said twenty (20) Residential Service Work Days, the extension offer shall be deemed withdrawn and COUNTY shall have no obligation to extend the Term of this Agreement beyond September 30, 2038. If the Term of this Agreement is extended, the CONTRACTOR Compensation and Maximum Service Rate provisions of Article 10 shall not be subject to negotiation. However, Maximum

Service Rates shall be adjusted annually throughout the extended Term as provided in Article 10.

### **3.53.4 Other Provisions**

The COUNTY may, at the end of the initial Term or optional extended Terms, as appropriate and at the sole discretion of the COUNTY Board of Supervisors, either renegotiate the terms and conditions of the Agreement with the current CONTRACTOR or request proposals from qualified contractors to provide Collection Services.

### **3.63.5 Conditions to Effectiveness of Agreement**

The effectiveness of this Agreement and the obligation of each Party to perform its undertakings provided for in this Agreement, is subject to the satisfaction or waiver of all the conditions below, each of which may be waived, in written form, in whole or in part by COUNTY (as to items A-F) or by CONTRACTOR (as to item G).

- A. Accuracy of Representations.** The CONTRACTOR's representations and warranties made in CONTRACTOR's Proposal and Article 2 of this Agreement are true and correct on and as of the Effective Date.
- B. Furnishings of Insurance and Performance Bond.** CONTRACTOR has on or prior to the Effective Date furnished evidence of the insurance and to the extent required, the performance bond required by Article 11 that is satisfactory to the COUNTY.
- C. Absence of Litigation.** To the best of CONTRACTOR's knowledge, after reasonable investigation, as of the Effective Date there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency, or instrumentality decided, pending, or threatened against CONTRACTOR wherein an unfavorable decision, ruling, or finding, in any single case or in the aggregate, would:
  - 1. Materially adversely affect the performance by CONTRACTOR of its obligations hereunder;
  - 2. Adversely affect the validity or enforceability of this Agreement;
  - 3. Have a material adverse effect on the reputation of the CONTRACTOR, its parent or Affiliates; or
  - 4. Have a material adverse effect on the financial condition of CONTRACTOR, or any surety or entity guaranteeing CONTRACTOR's performance under this Agreement.
- D. Permits Furnished.** CONTRACTOR has on or prior to the Effective Date provided COUNTY with copies of all permits necessary for operation of all Approved Facilities owned or operated by CONTRACTOR or any Subcontractor for use under the terms of this Agreement.
- E.  Ost-Collection Processing and Disposal Services.** As of the Effective Date, CONTRACTOR either has a contract in place with each Approved Facility proposed to be used for post-Collection Processing and Disposal of materials Collected under this Agreement for the Term of this Agreement, or owns or operates such Approved Facility.
- F. Legal Challenge.** CONTRACTOR understands and acknowledges that the award of this Agreement and related decisions may be subject to review and repeal by the COUNTY's citizens through a

referendum or similar petition, and to various types of legal and environmental challenges (such referenda, similar petition and legal and environmental challenges being referred to collectively as "Legal Challenges"). In the event of a Legal Challenge, the Parties will cooperate with each other in responding to such action and if it is determined that the Agreement is invalid, neither Party shall owe any obligation to the other, except as may be determined by a court of competent jurisdiction.

- G. Related to Propositions 218 and 26.** Should there be a change in Applicable Law or a new judicial interpretation of Applicable Law, including, but not limited to, Article XIII C and D of the California Constitution (Commonly Proposition 218 and Proposition 26), which impacts the COUNTY's ability to set or change Maximum Service Rates for the Collection Services established in accordance with this Agreement, CONTRACTOR agrees to meet and confer with the COUNTY to discuss the impact of such Change in Law or new judicial interpretation on either Party's ability to perform under this Agreement.

The COUNTY shall not be in default of this Agreement if it is determined by a court of competent jurisdiction that COUNTY lacks the authority to set Maximum Service Rates or increase Maximum Service Rates for charges related to providing Collection Services under this Agreement. Should a court of competent jurisdiction determine that the CONTRACTOR cannot charge and/or increase its Maximum Service Rates to cover any amounts incorporated into Maximum Service Rates under this Agreement, CONTRACTOR shall reduce (and/or not increase) the Maximum Service Rates it charges Customers correspondingly, and shall be relieved from the obligation to pay such amounts, providing said amounts disallowed by the court are not related to the cost of providing service hereunder and had been incorporated in the Maximum Service Rates charged by CONTRACTOR to its Customers. If the amounts disallowed by the court are related to the cost of providing service hereunder, then CONTRACTOR's obligations hereunder shall be reduced (in a manner mutually agreed by COUNTY and CONTRACTOR) so that they are commensurate with the rates that CONTRACTOR can legally charge.

Nothing herein is intended to imply that Proposition 218 or Proposition 26 apply to the Maximum Service Rates established for services provided under this Agreement; rather this Section is provided merely to allocate risk of an adverse judicial interpretation between the Parties.

- H. Execution by Participating Member Agencies.** All of the Participating Member Agencies have entered into Collection Service Agreements substantially similar to this Agreement, containing the same base services (with the exception of services within the Non-Program Areas of Sutter and Yuba Counties) and the same base rates net of Franchise and other fees and surcharges (with the exception of base rates for services in the Non-Program Areas of Sutter and Yuba Counties).

## ARTICLE 4: GRANT AND ACCEPTANCE OF EXCLUSIVE AGREEMENT

### 4.1 Grant and Acceptance of Exclusive Agreement

Except as provided in Section 4.2 of this Agreement, the CONTRACTOR is hereby granted and the CONTRACTOR hereby accepts the exclusive franchise, right, and privilege within the Service Area to Collect and transport for Disposal and/or Processing all Solid Waste, Recyclable Materials, Green Waste, Food Waste, Organic Materials, Construction and Demolition Debris, E-Waste, U-Waste, White Goods, and Bulky Items, including along, across, or over the COUNTY's public ways within the Service Area. No other services shall be exclusive to the CONTRACTOR.

### 4.2 Limitations to the Scope of Exclusive Agreement

The following services and materials shall be excluded from the scope of this Agreement:

- A. **Recyclable Materials, Organic Materials or Bulky Items.** Recyclable Materials, Organic Materials, or Bulky Items that are Source Separated from Solid Waste by a Service Recipient for which the waste Generator sells or is otherwise compensated by a collector in a manner resulting in a net payment to the waste Generator.
- B. **Self-Hauled Materials.** Solid Waste, Recyclable Materials, Bulky Items, Organic Materials, or C&D which is removed from any SFD Service Unit, MFD Service Unit, Commercial Service Unit, or COUNTY Service Unit, and which is transported personally by the owner or occupant of such Premises (or by his or her full-time employees) to a Recycling, Processing, or Disposal facility;
- C. **Donated Source Separated Materials.** Recyclable Materials, Organic Materials, or Bulky Items which are Source Separated at any Premises by the waste Generator and donated to youth, civic, or charitable organizations;
- D. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code;
- E. **Materials Removed by Customer's Contractor as Incidental Part of Services.** Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and/or C&D removed from a Premise by a company (e.g., gardener, landscaper, tree trimming service, construction contractor, Residential clean-out service) as an incidental part of the service being performed by the company where the company uses its own Fixed Body Vehicle and employees, and no Drop Box Containers are used for the Collection and transportation of such materials;
- F. **Source Separated White Goods, Bulky Items, Etc.** Removal and transportation of White Goods, Bulky Items, or other material as part of the services of providing a replacement item when such removal and transportation is provided by the vendor who sold the replacement item;
- G. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or butcher shops, grease, or used cooking oil;
- H. **Sewage Treatment By-Product.** By-products of sewage treatment, including Sludge, Sludge ash, grit, and screenings;

- I. **Hazardous Waste.** Hazardous Waste regardless of its source;
- J. **CONTRACTOR Requested Waste.** SFD Waste, MFD Waste, Commercial Waste, COUNTY Waste, or C&D that are removed from a Premise by a company through the performance of a service that the CONTRACTOR has requested and received written permission from the Contract Administrator not to provide;
- K. **Materials Generated by State Facilities.** Materials generated by State facilities located in the COUNTY, provided that the Generator has arranged services with other Persons or has arranged services with the CONTRACTOR through a separate agreement; and,
- L. **In-Place Composting.** Organic Materials Composted or otherwise legally managed at the site where it is generated (e.g., backyard Composting, on-site anaerobic digestion).

#### 4.3 Excluded Services

CONTRACTOR acknowledges and agrees that the COUNTY may permit other Persons besides the CONTRACTOR to Collect any and all types of materials excluded from the scope of this Agreement, as set forth in Article 4, without seeking or obtaining approval of CONTRACTOR.

#### 4.4 Exclusivity

In the event CONTRACTOR can produce pictorial evidence or other documentation that other Persons are servicing Collection Containers or are Collecting Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, or C&D in a manner that is not consistent with the COUNTY Ordinance Code or this Agreement, COUNTY shall cooperate with CONTRACTOR in the efforts of CONTRACTOR to enforce its rights under the COUNTY Ordinance Code or this Agreement.

#### 4.5 Applicable Law

This Agreement and scope of this Agreement shall be interpreted to be consistent with Applicable Law, now and during the Term of the Agreement. If future judicial interpretations of current law or new laws, regulations, or judicial interpretations limit the ability of the COUNTY to lawfully contract for the scope of services consistent with the manner and consistent with all provisions as specifically set forth herein, CONTRACTOR agrees that the scope of the Agreement will be limited to those services and materials which may be lawfully included herein and that the COUNTY shall not be responsible for any lost profits or losses claimed by CONTRACTOR to arise out of limitations to the scope or provisions of the Agreement set forth herein. In such an event, it shall be the responsibility of CONTRACTOR to minimize the financial impact of such future judicial interpretations or new laws and the CONTRACTOR may meet and confer with COUNTY and may petition for a rate adjustment pursuant to Article 10.

#### 4.6 Obligations of Parties

In addition to the specific performance required under the Agreement, COUNTY and CONTRACTOR shall:

- A. Provide timely notice to one another of an anticipated failure to perform any obligations under this Agreement and access to information demonstrating the Party's failure to perform.
- B. Provide timely access to the Contract Administrator and the CONTRACTOR's designated representative and complete and timely responses to requests of the other Party.

- C. Provide timely notice of matters that may affect either Party's ability to perform under the Agreement.

## ARTICLE 5: SCOPE OF COLLECTION SERVICES

### 5.1 Summary Scope of Services

The CONTRACTOR or its Subcontractor(s) shall be responsible for the following services and shall be compensated for the provision of such services in accordance with Article 10 of this Agreement.

- A. Collecting Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D generated by and placed for Collection by Customers of CONTRACTOR's services pursuant to the requirements of Article 5;
- B. Transporting Collected materials to the appropriate Approved Facilities pursuant to the requirements of Article 6;
- C. Processing Collected Recyclable Materials, Organic Materials, Bulky Items, and C&D at the appropriate Approved Facilities;
- D. Performing all other services required by this Agreement including, but not limited to, Customer billing, public education, Customer service, record keeping, and reporting pursuant to Article 8;
- E. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement;
- F. Paying all expenses related to provision of services required by this Agreement including, but not limited to, taxes, host fees, business and any other license fees, regulatory fees (including COUNTY fees and RWMA surcharges as applicable), and utilities; paying all expenses related to the operation, permitting, licensing, and regulatory fees for all Approved Facilities owned/operated by CONTRACTOR or CONTRACTOR's Affiliate; paying for all expenses related to Changes in Law at Approved Facilities owned/operated by CONTRACTOR or CONTRACTOR's Affiliate; and, paying all expenses related to any construction, any land or facility improvements, any repair and/or replacement of equipment, and all other expected or unforeseen costs associated with all Approved Facilities owned/operated by CONTRACTOR or CONTRACTOR's Affiliate;
- G. Performing or providing all services necessary to fulfill its obligations in full accordance with this Agreement at all times using best industry practice for comparable operations; and,
- H. Complying with all Applicable Laws.

CONTRACTOR shall perform the work and provide the services pursuant to this Agreement in a thorough and professional manner so that the residents and businesses within the Service Area are provided reliable, courteous, and high-quality service at all times. The enumeration and specification of particular aspects of service, labor, or equipment requirements shall not relieve CONTRACTOR of the duty to perform all other tasks and activities necessary to fulfill its obligations under this Agreement, regardless of whether such requirements are enumerated elsewhere in the Agreement, unless excused in accordance with Section 12.7.

## **5.2 Use of Approved Facilities**

The CONTRACTOR, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the Approved Facilities for the purposes of Processing, transferring, and/or Disposing of all Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, C&D and other materials Collected in the COUNTY. Such decision by CONTRACTOR in no way constitutes a restraint of trade. If the CONTRACTOR or Affiliate owns and/or operates Approved Facility(ies), all expenses associated with permitting, licensing, regulatory compliance, closure and post-closure, etc., and all other costs associated with the operation and ownership of the Approved Facility(ies) is the sole responsibility of the CONTRACTOR, except as provided in Section 10.5. CONTRACTOR agrees and acknowledges that all closure and post closure costs associated with the Recology Yuba-Sutter landfill at Marysville are the sole responsibility of CONTRACTOR or its Affiliate.

## **5.3 Subcontracting**

Except as set forth on Exhibit E, CONTRACTOR shall not engage any Subcontractors or Affiliated entities in the provision of services for Collection, transportation, or Processing of Solid Waste, Recyclable Materials, Organic Materials, U-Waste, Bulky Items, or C&D services without the prior written consent of the Contract Administrator. If the CONTRACTOR plans to engage other Affiliated entities in the provision of services, CONTRACTOR shall provide the Contract Administrator with thirty (30) Days' written notification of its plans and provide an explanation of any potential impacts related to the quality, timeliness, or cost of providing services under this Agreement.

## **5.4 Responsibility for Materials**

Once Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D are placed in the CONTRACTOR's Containers, unless CONTRACTOR does not require the material to be placed in a Container, and at the Collection location, the responsibility for their proper handling shall transfer directly from the Generator to CONTRACTOR, with the exception of Exempt Waste if the CONTRACTOR can identify the Generator. Once Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D are deposited by CONTRACTOR at the appropriate Approved Facility, such materials shall become the responsibility of the owner or operator of the Approved Facility with the exception of Exempt Waste. Responsibility for Exempt Waste that has been inadvertently Collected by the CONTRACTOR shall remain with the CONTRACTOR if it cannot identify the Generator, and CONTRACTOR shall assume all responsibility for its proper Disposal.

## **5.5 COUNTY-Directed Changes to Scope**

The COUNTY may meet and confer with CONTRACTOR to establish the scope of any additional services or modification to existing services (which may include a change in Approved Facilities) to be provided under this Agreement. In such case, CONTRACTOR shall present, within thirty (30) Days of the COUNTY's request, a written proposal to provide such modified or additional services. The COUNTY shall review the CONTRACTOR's Proposal for the change in scope of services, and other such financial records that COUNTY may deem necessary to make an informed decision. The COUNTY and CONTRACTOR may meet and confer to negotiate CONTRACTOR's proposed revisions and costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-upon changes in scope and rates.

If the Parties fail to reach agreement on a change proposed by the COUNTY after sixty (60) Days from the receipt of the proposal, the proposal is deemed rejected and the COUNTY may either implement the

change itself, or may (i) enter into an exclusive contract with a third party for the provision of the new service or new program according to the same specifications presented to CONTRACTOR (including, but not limited to, the same Franchise Fees or other fees or charges imposed by COUNTY), or (ii) grant one or more non-exclusive licenses to third parties to provide the new service or new program (in which event CONTRACTOR shall be entitled to such a license on terms and conditions no less favorable than any license granted to a third party). COUNTY shall not enter into discussions with or consider proposals from third parties regarding the proposed new service or new program until COUNTY has complied with the foregoing obligations. Nothing in this Section 5.5 shall be deemed to limit CONTRACTOR's exclusivity under Section 4.1, and accordingly the services that COUNTY may perform or contract for under this Section 5.5 shall exclude the services that are exclusive to CONTRACTOR under Section 4.1.

## 5.6 Single-Family Dwelling Collection Services

These services shall be governed by the following terms and conditions:

- A. SFD Conditions of Service.** Except as set forth in Section 5.6.H, CONTRACTOR shall Collect Solid Waste, Recyclable Materials, and Organic Materials from all SFD Service Units in the Service Area whose Solid Waste, Recyclable Materials, and Organic Materials are properly containerized in Carts, except as set forth in Sections 5.6.B through 5.6.F where the Solid Waste, Recyclable Material, and Organic Materials Carts have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the CONTRACTOR and Service Recipient that will provide safe and efficient accessibility to the CONTRACTOR's Collection crew and vehicle. CONTRACTOR shall follow the procedures set forth in Sections 7.14, 7.15, and 7.16 for those Solid Waste, Recyclable Materials, and Organic Materials Carts that are Contaminated. If during the Term of this Agreement, the COUNTY requests that CONTRACTOR provide for the inclusion of Food Waste and/or other Organic Materials as part of mandatory SFD Organic Materials Collection Services, such request shall be implemented under the provisions of Section 5.5 of this Agreement, except that CONTRACTOR acknowledges and agrees that there shall be no consideration of any additional Collection, Public Education and Outreach, or Processing costs related to the Collection of Food Waste.
1. **On-Premises Service.** Notwithstanding any term or definition set forth in this Agreement, CONTRACTOR shall provide on-Premises Collection of Solid Waste, Recyclable Materials, and Organic Materials to an SFD Service Unit if all adult Service Recipients residing therein have disabilities that prevent them from setting their Solid Waste, Recyclable Material, or Organic Materials Cart at the curb for Collection and if a request for on-Premises service has been made to and approved by the CONTRACTOR in the manner set forth in its written policy, which policy shall be provided to all residents requesting such on-Premises service. CONTRACTOR shall provide on-Premises Service on the same Residential Service Work Day that curbside Collection would otherwise be provided to the SFD Service Unit. No additional monies shall be due to the CONTRACTOR for the provision of on-Premises service.
  2. **Frequency and Scheduling of Service.** Except as set forth in Sections 5.6.E and 5.6.F, SFD Collection Services shall be provided one (1) time per week on a scheduled route basis. SFD Collection Services shall be scheduled so that Solid Waste, Recyclable Materials, and Organic Materials are Collected from an SFD Service Unit on the same Residential Service Work Day.

- 3. **Non-Collection.** Except as set forth in Sections 5.6.B through 5.6.F, CONTRACTOR shall not be required to Collect any Solid Waste, Recyclable Material, or Organic Materials that are not placed in a Cart where such Cart is placed out for Collection in the manner required herein. In the event of non-Collection, CONTRACTOR shall affix to the Cart a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.

**B. SFD Solid Waste Service Overages.** CONTRACTOR shall Collect Solid Waste from SFD Service Units who have contacted the CONTRACTOR's office in advance of the Collection Day and arranged for Collection of additional thirty-two (32) gallon bags of Solid Waste. CONTRACTOR shall be entitled to charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A. CONTRACTOR shall Collect Solid Waste from SFD Service Units who have contacted the CONTRACTOR's office in advance of the Collection Day and arranged for Collection of additional thirty-two (32) gallon bags of Solid Waste. CONTRACTOR shall be entitled to charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A.

In the case of overflows of SFD Solid Waste at SFD Service Units in which such SFD Service Unit has not contacted CONTRACTOR in advance, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Solid Waste Bin or Cart, size. In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly."

~~B.~~

**C. SFD Recycling Service Overages.** CONTRACTOR shall Collect Recyclable Materials that will not fit inside the Recycling Cart but have been flattened and ~~bagged or~~ bundled and placed beside the Recyclable Materials Cart. CONTRACTOR shall also Collect corrugated cardboard that will not fit inside the Recycling Cart and has been reduced to a size not exceeding three feet by three feet (3' x 3') and placed beside the Cart for Collection.

**D. SFD Organic Materials Collection Service Overages.** CONTRACTOR shall Collect Organic Materials that will not fit inside the Organic Materials Cart but have been ~~bagged or~~ bundled and placed beside the Organic Materials Cart.

~~E.~~

**F.E. Curbside Holiday Tree Collection.** Except as set forth in Section 5.6.H, CONTRACTOR shall Collect holiday trees (without stands, flocking, or ornamentation and no greater than six (6) feet in length) that are set at the curb beside the Organic Materials Cart from all SFD Service Units as part of the Organic Materials Collection Service. CONTRACTOR shall provide this service beginning on the first Residential Service Work Day after December 25 and until January 15.

## Collection Service Agreement

1. **Contaminated Holiday Trees.** Holiday trees that are flocked or contain tinsel or other decorations may be delivered to the Approved Disposal Facility for a fee not to exceed maximum Service Rate for such service set forth in Exhibit A. ~~at the discretion of the CONTRACTOR.~~

**G.F. Bulky Item Collection Service.** This service will be governed by the following terms and conditions:

1. **Conditions of Service.** Except as set forth in Section 5.6.H, CONTRACTOR shall provide Bulky Item Collection Service to all SFD Service Units in the Service Area whose Bulky Items have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the CONTRACTOR and Service Recipient, that will provide safe and efficient accessibility to the CONTRACTOR's Collection crew and vehicle. Except as set forth below in Section 5.6.F.2, CONTRACTOR shall be entitled to charge for Collecting Bulky Items at a rate not exceeding the "Bulky Item Collection" Maximum Service Rate set forth in Exhibit A, as adjusted under the terms of this Agreement. Bulky Items Collected by CONTRACTOR may not be landfilled or Disposed of until the following hierarchy has been followed by the CONTRACTOR.
  - Reuse as is (if energy efficient)
  - Disassemble for reuse or Recycling
  - Recycle (through participation of charitable organizations)
  - Disposal
2. **Free Bulky Item Collection Service.** Beginning January 1, 2019 and annually thereafter during the Term of this Agreement, CONTRACTOR shall allow each SFD Customer four (4) free Bulky Item Collection Services.
3. **Frequency of Service.** Bulky Item Collection Service shall be provided on the Customer's first SFD Collection Service date following the receipt of the request, with a minimum of forty-eight (48) hours' notice, or as agreed upon between Customer and CONTRACTOR.
4. **Free Dump Program.** Beginning January 1, ~~2019-2027~~ and annually thereafter during the Term of this Agreement, CONTRACTOR shall allow each SFD Customer in Non-Program Areas, up to four (4) coupons ~~including without limitation those SFD Customers in Non-Program Areas~~ to deliver one (1) load, not to exceed 500 pounds, in a non-Commercial (no more than one (1) ton) vehicle or trailer of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, or C&D to the Approved Transfer Station in lieu of receiving a free Bulky Item Collection Service. Only one coupon may be used by a customer per day. Each coupon will expire on the earlier of ninety (90) days after issuance and December 31.
5. **Tires and Freon.** The number of tires delivered to the Approved Transfer Station or Collected as part of each Bulky Item Collection shall be limited to four (4) passenger car and light truck tires. CONTRACTOR may charge for additional tires as set forth in Exhibit A. In addition, a charge as set forth in Exhibit A may be applied to each Freon-containing appliance.

**H.G. Compost Give-Away.** On or about April 1, 2019 and semi-annually thereafter during the Term of this Agreement, CONTRACTOR shall make available to each SFD Customer, a "free Compost" program that provides up to fifty (50) gallons of Compost material for Customer pick-up at the Approved Transfer Station or in a manner agreed upon by the COUNTY and CONTRACTOR.

~~**H. Non-Program Area Service.** CONTRACTOR shall not be required to Collect Recyclable Materials,~~  
September 11, 2018 31

Organic Materials, Holiday Trees or Bulky Items from those SFD Service Units located in the Non-Program Areas as set forth in Exhibit F and as may be amended from time to time during the Term of this Agreement.



### 5.7 Multi-Family Dwelling Collection Services

These services shall be governed by the following terms and conditions:

**A. MFD Solid Waste Conditions of Service.** The CONTRACTOR shall Collect Solid Waste from all MFD Service Units in the Service Area whose Solid Waste is properly containerized in Bins or Carts where the Bins or Carts are accessible as set forth herein. CONTRACTOR shall follow the procedures set forth in Section 7.14 for those Solid Waste Containers that are Contaminated.

1. **Size and Frequency of Service.** This service shall be provided as deemed necessary and as determined between the CONTRACTOR and the Customer, but such service shall be received no less than one (1) time per week. Service may be provided by Bin or Cart at the option of the Customer. The size of the Container and the frequency (above the minimum) of Collection shall be determined between the Customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no MFD Solid Waste need be placed outside the Bin or Cart. The CONTRACTOR shall provide Containers at no additional charge as part of the service; however, Customers may provide their own Compactor provided that the Customer is completely responsible for its proper maintenance and that such Compactor shall be of a type that can be serviced by the CONTRACTOR's equipment.
2. **Non-Collection.** CONTRACTOR shall not be required to Collect any MFD Solid Waste that is not placed in a Bin or Cart and set out for Collection. In the event of non-Collection, CONTRACTOR shall contact the Customer to discuss the reason for the non-Collection and shall affix to the Container a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.
3. **Solid Waste Overflow.** In the case of overflows of MFD Solid Waste, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge the Customer up to the "Overflow" Maximum Service Rate set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer's personnel to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Solid Waste Bin or Cart size, Collection frequency, or both. In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.

**B. MFD Recycling Offer of Service.** During the Term of this Agreement and subject to the limitations set forth in Article 4, CONTRACTOR shall offer to Collect Recyclable Materials from all MFD Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rate for such service set forth in Exhibit A. CONTRACTOR shall provide Recycling services to all MFD Service Units requesting such service where such Recyclable Materials are properly

Containerized and uncontaminated by materials not included in the Recycling program, in Bins or Carts, where the Bins or Carts are accessible as set forth herein. However, CONTRACTOR shall be required to Collect corrugated cardboard that has been reduced to a size not exceeding three feet by three feet (3' x 3') and placed beside the Bin for Collection. At such time during the Term of this Agreement as the COUNTY amends the COUNTY Ordinance Code to require mandatory MFD Recycling Collection Services, such change in services shall be implemented under the provisions

of Section 5.5 of this Agreement. CONTRACTOR shall follow the procedures set forth in Section 7.15 for those Recyclable Materials Containers that are Contaminated.

**1. Non-Collection.** Except as set forth above, CONTRACTOR shall not be required to Collect any corrugated cardboard or Recyclable Materials that are not placed in a Bin or Cart where such Container is placed out for Collection in the manner required herein. In the event of non-Collection, CONTRACTOR shall affix to the Container a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.

**2. MFD Recycling Overflow.** In the case of overflows of MFD Recyclable Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size. In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.

**C. MFD Organic Materials Offer of Service.** During the Term of this Agreement and subject to the limitations set forth in Article 4, CONTRACTOR shall offer to Collect Organic Materials from all MFD Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rate for such service set forth in Exhibit A. CONTRACTOR shall provide Organic Materials Collection Service to all MFD Service Units requesting such service where such Organic Materials are properly containerized, and uncontaminated by materials not included in the Organic Materials program, in Bins or Carts, where the Bins or Carts are accessible as set forth herein. The forgoing notwithstanding, if during the Term of this Agreement, the COUNTY amends the COUNTY Ordinance Code to require mandatory MFD Organic Materials Collection Services, such change in services shall be implemented under the provisions of Section 5.5 of this Agreement. In addition, if during the Term of this Agreement, the COUNTY, as a result of a Change in Law is required to amend this Agreement to require the inclusion of Food Waste and other Organic Materials as part of mandatory MFD Organic Materials Collection Services, such change in services shall be implemented under the provisions of Section 5.5 of this Agreement. CONTRACTOR shall follow the procedures set forth in Section 7.16 for those Organic Materials Containers that are Contaminated.

that are not placed in a Bin or Cart where such Container is placed out for Collection in the manner required herein. In the event of non-Collection, CONTRACTOR shall contact the Customer to discuss the reason for the non-Collection and shall affix to the Bin or Cart a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.

2. MFD Organic Material Overflow In the case of overflows of MFD Organic Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size. In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly

D. **MFD Bulky Item Service.** During the Term of this Agreement, CONTRACTOR shall offer to provide Bulky Item Collection Service to MFD Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rates for such service set forth in Exhibit A. CONTRACTOR will be required to separate and Recycle all commodities that can be feasibly recovered. Bulky Items Collected by CONTRACTOR may not be landfilled or Disposed of until the following hierarchy has been followed by the CONTRACTOR.

- Reuse as is (if energy efficient)
- Disassemble for reuse or Recycling
- Recycle (through participation of charitable organizations)
- Disposal

E. **MFD Annual Holiday Tree Collection.** Annually, commencing the first Collection Day after December 25 and ending January 15, the CONTRACTOR shall Collect holiday trees (without stands, flocking, or ornamentation and no greater than six (6) feet in length) from MFD Customers at no additional charge. CONTRACTOR shall perform Collection of holiday trees on Customers' normal Collection Day at a location agreed to between CONTRACTOR and Customer.

F. **Accessibility.** CONTRACTOR shall Collect all Bins or Carts that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" and "master lock services" as described herein as necessary during the provision of MFD Collection Services. "Push services" shall include, but not be limited to, dismounting from the Collection vehicle, moving the Bins or Carts from their storage location for Collection and returning the Bins or Carts to their storage location. "Push services" may include unlocking and relocking the Bin or enclosure. "Master lock services" shall include the provision of a master lock and key by CONTRACTOR to the Customer for the convenience of CONTRACTOR. CONTRACTOR shall be entitled to charge for "push services" or "master lock services" at a rate not exceeding the Maximum Service Rates for such services set forth in Exhibit A.

## 5.8 Commercial Collection Services

These services will be governed by the following terms and conditions:

- A. Commercial Solid Waste Conditions of Service.** The CONTRACTOR shall Collect Solid Waste from all Commercial Service Units in the Service Area whose Solid Waste is properly containerized in Bins, Carts, Compactors, or Drop Box Containers, where the Containers are accessible as set forth herein. CONTRACTOR shall follow the procedures set forth in Section 7.14 for those Solid Waste Containers that are Contaminated.
- 1. Size and Frequency of Service.** This service shall be provided as deemed necessary and as determined between the CONTRACTOR and the Customer, but such service shall be received no less than one (1) time per week. Service may be provided by Bin, Cart, Compactor, or Drop Box Containers at the option of the Customer. The size of the Container and the frequency (above the minimum) of Collection shall be determined between the Customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no Commercial Solid Waste need be placed outside the Bin, Cart, Compactor, or Drop Box Containers. The CONTRACTOR shall provide Containers at no additional charge as part of the service; however, Customers may provide their own Compactor provided that the Customer is completely responsible for its proper maintenance and that such Compactor shall be of a type that can be serviced by the CONTRACTOR's equipment.
  - 2. Non-Collection.** CONTRACTOR shall not be required to Collect any Commercial Solid Waste that is not placed in a Container and set out for Collection. In the event of non-Collection, CONTRACTOR shall contact the Customer to discuss the reason for the non-Collection and shall affix to the Container a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.
  - 3. Commercial Solid Waste Overflow.** In the case of overflows of Commercial Solid Waste, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge the Customer up to the "Overflow" Maximum Service Rate set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer's personnel to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Solid Waste Bin, Cart, Compactor, or Drop Box Container size, Collection frequency, or both. In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.
- B. Commercial Recycling Offer of Service.** During the Term of this Agreement and subject to the limitations set forth in Article 4, CONTRACTOR shall offer to Collect Recyclable Materials from all Commercial Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rate for such service set forth in Exhibit A. CONTRACTOR shall provide this service to all Commercial Service Units requesting such service where such Recyclable Materials are properly containerized, and uncontaminated by materials not included in the Recycling program, in Bins, Carts, Compactors, or Drop Box Containers, where the Containers are accessible

as set forth herein. However, CONTRACTOR shall be required to Collect corrugated cardboard that

has been reduced to a size not exceeding three feet by three feet (3' x 3') and placed beside the Container for Collection. At such time during the Term of this Agreement as the COUNTY amends the COUNTY Ordinance Code to require mandatory Commercial Recycling Collection Services, such change in services shall be implemented under the provisions of Section 5.5 of this Agreement. CONTRACTOR shall follow the procedures set forth in Section 7.15 for those Recyclable Materials Containers that are Contaminated.

1. **Non-Collection.** Except as set forth above, CONTRACTOR shall not be required to Collect any corrugated cardboard or Recyclable Materials that are not placed in a Bin, Cart, Compactor, or Drop Box Container where such Container is placed out for Collection in the manner required herein. In the event of non-Collection, CONTRACTOR shall affix to the Container a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.

2. Commercial Recycling Overflow. In the case of overflows of Commercial Recyclable Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size. In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly."

C. **Commercial Organic Materials Offer of Service.** During the Term of this Agreement CONTRACTOR shall offer to Collect Organic Materials from Commercial Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rate for such service set forth in Exhibit A. CONTRACTOR shall, subject to the limitations set forth in Article 4, provide this service to all Commercial Service Units in the Service Area requesting such service where such Organic Materials are properly containerized in Bins, Carts, Compactors, or Drop Box Containers, where the Containers are accessible as set forth herein. The forgoing notwithstanding, if during the Term of this Agreement, the COUNTY amends the COUNTY Ordinance Code to require mandatory Commercial Organic Materials Collection Services, such change in services shall be implemented under the provisions of Section 5.5 of this Agreement. In addition if during the Term of this Agreement, the COUNTY, as a result of a Change in Law is required to amend this Agreement to require the inclusion of Food Waste as part of mandatory Commercial Organic Materials Collection Services, such change in services shall be implemented under the provisions of Section 5.5 of this Agreement. CONTRACTOR shall follow the procedures set forth in Section 7.16 for those Organic Materials Containers that are Contaminated.

1. **Non-Collection.** CONTRACTOR shall not be required to Collect any Organic Materials that are not placed in a Bin, Cart, Compactor, or Drop Box Container where such Container is placed out for Collection in the manner required herein. In the event of non-Collection, CONTRACTOR shall affix to the Container a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices for a period of three (3) years.



2. Organic Materials Overflow. In the case of overflows of Commercial Organic Materials, CONTRACTOR may, at its option, Collect the overflow material and not charge Customer; Collect the overflow material and charge for such service a rate not exceeding Maximum Service Rate for such service set forth in Exhibit A; or not Collect the overflow material. In the event CONTRACTOR elects not to Collect the overflow material, CONTRACTOR shall contact the Customer to inform them of the situation and request that arrangements be made for the Customer to put the material in the Container. In the event of multiple occurrences of overflow, in which such overflow is creating an undue health and safety concern, CONTRACTOR shall meet with the Customer to arrange for an appropriate change in Recyclable Materials Bin or Cart, size, In the event CONTRACTOR cannot reach an agreement with the Customer regarding the change in service, CONTRACTOR shall provide the additional services CONTRACTOR deems necessary to avoid future overflow or any undue health and safety concern and shall bill the Customer accordingly.

**D. Commercial Bulky Item Service.** During the Term of this Agreement, CONTRACTOR shall offer to provide Bulky Item Collection Service to Commercial Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rate for such service set forth in Exhibit A. CONTRACTOR will be required to separate and Recycle all commodities that can be feasibly recovered. Bulky Items Collected by CONTRACTOR may not be landfilled or Disposed of until the following hierarchy has been followed by the CONTRACTOR.

- Reuse as is (if energy efficient)
- Disassemble for reuse or Recycling
- Recycle (through participation of charitable organizations)
- Disposal

**E. Accessibility.** CONTRACTOR shall Collect all Bins, Carts, Compactors, or Drop Boxes, that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" and "master lock services" as described herein as necessary during the provision of Commercial Collection Services. "Push services" shall include, but not be limited to, dismounting from the Collection vehicle, moving the Bins or Carts from their storage location for Collection, and returning the Bins or Carts to their storage location. "Push services" may include unlocking and relocking the Bin or enclosure. "Master lock services" shall include the provision of a master lock and key by CONTRACTOR to the Customer for the convenience of CONTRACTOR. CONTRACTOR shall be entitled to charge the Customer for "push services" or "master lock services" at a rate not exceeding the Maximum Service Rates for such services set forth in Exhibit A.

## 5.9 COUNTY Collection Services

The following services shall be provided to the COUNTY at no charge (except as provided in Section 5.9.D and 5.9.J), and will be governed by the following terms and conditions:

**A. Locations of Service.** CONTRACTOR shall Collect Solid Waste, Recyclable Materials, and Organic Materials from all COUNTY Service Units as set forth on Exhibit D and as may be adjusted as set forth in Section 5.9.J. below.

- B. Frequency of Service.** Each service shall be provided at the frequency as set forth on Exhibit D and as may be adjusted as set forth in Section 5.9.J. below but no less than at least once every week on a scheduled route basis.
- C. Accessibility.** CONTRACTOR shall Collect material from all Bins, Carts, Compactors, public litter containers, and Drop Boxes, as set forth on Exhibit D and as may be adjusted as set forth in Section 5.9.J. below, that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" and "master lock services" as described herein, as necessary, during the provision of COUNTY Collection Services. "Push services" shall include, but not be limited to, dismounting from the Collection vehicle, moving the Bins or Carts from their storage location for Collection and returning the Bins or Carts to their storage location. "Push services" may include unlocking and relocking the Bin or enclosure. "Master lock services" shall include the provision of a master lock and key by CONTRACTOR to the COUNTY for the convenience of CONTRACTOR. CONTRACTOR shall not be entitled to charge the COUNTY for the provision of "push services" or "master lock services" to COUNTY Service Units.
- D. Bulky Item Service.** ~~During the Term of this Agreement CONTRACTOR may offer to provide Bulky Item Collection Service to COUNTY Service Units in the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rates for such service set forth in Exhibit A.~~ **During the Term of this Agreement CONTRACTOR shall provide Bulky Item Collection Service to COUNTY Service Units in the Program Areas of the Service Area at no charge to the COUNTY. In addition, CONTRACTOR shall offer to provide Bulky Item Collection Service to COUNTY Service Units in the Non-Program Areas of the Service Area on a subscription basis at a rate not exceeding the Maximum Service Rates for such service set forth in Exhibit A."**
- E. COUNTY Container Service.** CONTRACTOR shall provide COUNTY Container Service to all public litter containers as set forth on Exhibit D and as may be adjusted as set forth in Section 5.9.J. below where the public litter containers are accessible as set forth in Section 5.9.C. Such service shall be provided at least every week or more often as needed.
- F. COUNTY Self-Haul Service.** COUNTY employees in COUNTY vehicles may haul Solid Waste, Recyclable Materials, Organic Material, Bulky Items, C&D, and other non-Exempt Waste generated at COUNTY Facilities, regardless of size, to an Approved Facility at no charge.
- G. Special Event Collection Service.** At COUNTY's request, CONTRACTOR shall provide Solid Waste and Recycling services at COUNTY-sponsored events that are open to the public and that do not require paid admission or the purchase of a ticket. Such services shall be provided in such a manner that all Solid Waste and Recycling needs of the event are adequately and properly provided for by CONTRACTOR at no cost of any kind to the COUNTY. In addition, at COUNTY's request, CONTRACTOR shall provide the Recyclable Material Collection portion of the Special Event Collection Services to other non-COUNTY sponsored events at no charge to the Customer as long as this program is funded by CalRecycle Beverage Container Recycling City/County Payment Program funds. In the event that these funds are not available, CONTRACTOR may continue to offer the Recyclable Material Collection portion of the Special Event Collection Services at no charge to the Customer or the COUNTY or may terminate the program.

- H. Illegal Dumping Notification and Collection.** ~~CONTRACTOR shall direct its Collection vehicle drivers to note: (i) the addresses of any Premises at which the driver observes that Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and/or C&D material is accumulating; and, (ii) the address, or other location description, at which Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and/or C&D material has been dumped in an apparently unauthorized manner. CONTRACTOR shall deliver the address or description to COUNTY within three (3) Business Days of such observation. CONTRACTOR shall also provide abandoned waste Collection Services to the COUNTY at up to five (5) locations per month in each case of up to three (3) cubic yards of such illegally dumped materials per location provided; however, CONTRACTOR shall not be required to Collect materials not safely accessible by Collection vehicles and/or personnel. CONTRACTOR shall provide on-call collection of illegally dumped items in the Program Areas of the Service Area within twenty-four (24) hours of notification by COUNTY at no charge to the COUNTY. CONTRACTOR shall also provide one (1) on-call collection per month of illegally dumped items in the Non-Program Areas of the Service Area as requested by the COUNTY at no charge to the COUNTY. In addition, CONTRACTOR shall provide additional on-call collections of illegally dumped items in the Non-Program Areas of the Service Area as requested by the COUNTY, at a rate not exceeding the Maximum Service Rates for Bulky Item Collection Service set forth in Exhibit A. Collection of illegally dumped items in the Non-Program Areas of the Service Area shall occur within three (3) Business Days of notification by COUNTY. CONTRACTOR shall provide a designated contact to the COUNTY for notification of illegally dumped items. CONTRACTOR shall not be required to Collect materials not safely accessible by Collection vehicles and/or personnel.~~
- I. Community Clean-up Events.** ~~CONTRACTOR shall, in response to the written request of the Contract Administrator, deliver and Collect Drop Box Containers for use in up to two (2) COUNTY community clean-up events per Agreement Year. Each community clean-up event shall consist of a single Collection day beginning at 6:00 a.m. and ending at 6:00 p.m. The Contract Administrator shall notify CONTRACTOR in writing not less than five (5) Days prior to the date of the event. The notice to CONTRACTOR shall specify the date of delivery and Collection of the Drop Box Containers, the location for delivery, and the number of and sizes of the Drop Box Containers to be delivered. As part of this service, CONTRACTOR shall provide on-site supervision at all times the Drop Box Containers are available for community clean-up services. At such time as a Drop Box Container is full, but not later than the end of the community clean-up event day, CONTRACTOR shall transport and deliver the Collected materials to the appropriate Approved Facility for the disposition or processing of the materials.~~

~~With the prior written consent of the Contract Administrator, CONTRACTOR may provide for the Collection of materials at a community clean-up event in a vehicle or container other than a Drop Box Container. However, in the event the CONTRACTOR elects to utilize this alternative Collection process, CONTRACTOR is responsible for obtaining documentation of the weight of the materials Collected, Diverted, and Disposed in a manner that is acceptable to the COUNTY.~~

CONTRACTOR shall, in response to the written request of the Contract Administrator, deliver and Collect Drop Box Containers for use in COUNTY community clean-up events. Each community clean-up event shall consist of a single Collection day beginning at 6:00 a.m. and ending at 6:00 p.m. The Contract Administrator shall notify CONTRACTOR in writing not less than thirty (30) Days prior to the date of the event. The notice to CONTRACTOR shall specify the date of delivery and Collection of the Drop Box Containers, the location for delivery, and the

number of and sizes of the Drop Box Containers to be delivered. As part of this service, CONTRACTOR shall provide on-site supervision at all times the Drop Box Containers are available for community clean-up services. At such time as a Drop Box Container is full, but not later than the end of the community clean-up event day, CONTRACTOR shall transport and deliver the Collected materials to the appropriate Approved Facility for the disposition or processing of the materials.

With the prior written consent of the Contract Administrator, CONTRACTOR may provide for the Collection of materials at a community clean-up event in a vehicle or container other than a Drop Box Container. However, in the event the CONTRACTOR elects to utilize this alternative Collection process, CONTRACTOR is responsible for obtaining documentation of the weight of the materials Collected, Diverted, and Disposed in a manner that is acceptable to the COUNTY

~~J. **Initial Service Levels and Adjustments.** The initial services and service levels to be provided under subsections A, B, C, and E above are as set forth in Exhibit D. Notwithstanding any other provision of this Section 5.9 or this Agreement, if as a result of COUNTY requests for additional or modified services or service levels for those services described in subsection A, B, C, and E above, the aggregate cost of providing free service to COUNTY in a given Agreement Year exceeds by more than five percent (5%) the aggregate cost of providing the services specified on Exhibit D or in the event Exhibit D has not been updated, the cost of the actual free services provided to the COUNTY for the prior Agreement Year, then CONTRACTOR shall be entitled to charge the COUNTY for the excess service at the then applicable solid waste Maximum Service Rates set forth in Exhibit A. In order to determine the change in the aggregate costs between Agreement Years in a simple and efficient manner and to avoid potential misunderstandings, the cost of the services for both Agreement Years shall be calculated using the most current Solid Waste Maximum Service Rates as if all services were related to Solid Waste.~~

The initial services and service levels to be provided at no charge to the COUNTY under subsections A, B, C, and E above are as set forth in Exhibit D. COUNTY may amend this list of services and service levels during the Term of this Agreement by notifying CONTRACTOR of the change by email or in writing

### 5.10 Drop Box Collection Services

The Drop Box Collection Services to be performed by CONTRACTOR shall include the following:

- A. Collection of Drop Boxes from Service Units within the Service Area.** CONTRACTOR shall respond no later than the second Commercial Service Work Day after receipt of the request for service, and shall provide the appropriate Container for such Collection according to the circumstances; however, no service shall be provided on Sunday. CONTRACTOR shall perform the following services:
  1. Provision, maintenance, and replacement of all Containers and receptacles required for the provision of all Drop Box Services; and
  2. Transport of Drop Box to the appropriate Approved Facility under this Agreement for separation and Processing.
- B. Rates.** The Maximum Service Rates for Drop Box service shall be as specified in Exhibit A.
- C. Records.** CONTRACTOR will conduct proper record keeping to be sure that the Drop Box materials are Recycled to the extent possible and the amount Disposed and amount Diverted are properly

recorded and reported.

- D. CalGreen Documentation.** To the extent requested in a timely manner, CONTRACTOR shall provide Customers with the documentation necessary to demonstrate compliance with the CalGreen C&D Debris Diversion requirements for those materials delivered to an Approved Facility owned or operated by CONTRACTOR or CONTRACTOR's Affiliate.

## 5.11 Other Services

- A. Recycling Coordinator.** ~~CONTRACTOR shall provide a full time management level employee to serve as Recycling Coordinator for a minimum of forty (40) hours per week whose time is totally dedicated to the RWMA Service Area during the Term of the Agreement and whose function during normal business hours of each Residential Service Work Day shall be to provide services related to the Collection Service Agreement, including but not limited to, public education and outreach.~~

CONTRACTOR shall provide a full time management level employee to serve as Recycling Coordinator for a minimum of forty (40) hours per week whose time is totally dedicated to the RWMA Service Area during the Term of the Agreement and whose function during normal business hours of each Residential Service Work Day shall be to provide services related to the Collection Service Agreement, including but not limited to, public education and outreach. CONTRACTOR may, at their discretion, provide an additional staff level Recycling Coordinator whose time is not fully dedicated to the RWMA Service Area

- B. New Customer Packets.** An information packet shall be provided to each new Customer throughout the Agreement Term. CONTRACTOR may attach these packets to the Carts and Bins upon initial Cart and Bin distribution. This packet shall: describe available services, including available Recycling and Diversion programs; provide instructions for proper use of the Carts and Bins provided (such as how to place Carts or other permitted items for Collection, the types of materials to be placed in each Cart); detail Holiday Collection schedules; and provide billing and Customer service telephone numbers. This packet shall contain updated information on how to use Containers, when, where and how to place Solid Waste, Recyclable Materials, and Organic Materials for Collection, and who to contact with service or billing questions and for Bulky Item Collection. The packet shall also clearly indicate what materials, such as Home-Generated Sharps and other Household Hazardous Wastes (HHW), should not be Disposed of in these Containers. This brochure shall include instructions on how Customers should Dispose of HHW, such as information on the HHW drop-off facilities and other available programs.
- C. Public Education and Outreach.** Public education and outreach activities related to this Agreement will be managed by the CONTRACTOR as further described in the Public Education Plan, provided in Exhibit C.
- 1. CONTRACTOR Strategy.** CONTRACTOR's public education and outreach strategy shall focus on improving Customer understanding of the benefits of and opportunities for Source Reduction, reuse, Recycling, and Composting. In general, CONTRACTOR-provided public education and outreach should: (i) inform Customers about the services that are provided under this Agreement with specific focus on describing the methods and benefits of Source Reduction, reuse, Recycling, and Composting; (ii) inform Customers about AB 341, AB 1826, and SB 1383 requirements; (iii) instruct Customers on the proper method for placing materials in Containers for Collection and setting Containers out for Collection with specific focus on minimizing Contamination of Recyclable and Organic Materials; and, (iv) clearly define Exempt Waste and educate Customers about the hazards of such materials and their

opportunities for proper handling.

2. **Coordination with Contract Administrator.** CONTRACTOR shall cooperate and coordinate with the Contract Administrator to minimize duplicative, inconsistent, or inappropriately timed education campaigns. CONTRACTOR shall allow the Contract Administrator a reasonable opportunity to review, request modifications to, and approve all public education materials including, but not limited to: print (including materials provided in accordance with Section 5.11.B), radio, television, or internet media before publication, distribution, and/or release. COUNTY shall have the right to request that CONTRACTOR include COUNTY or RWMA identification and contact information on public education materials and approval of such requests shall not be unreasonably withheld.
  3. **Multiple Languages.** CONTRACTOR shall provide, as requested by the COUNTY, translated written communication (packets, billing inserts, website content, etc.) in Spanish and one (1) other language selected by COUNTY.
- D. Public Dumping Services.** CONTRACTOR shall provide a site at the Approved Transfer Station for the public to deliver Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D for a charge not to exceed the posted tipping fees for each material. CONTRACTOR shall make all reasonable efforts to Recycle materials accepted at the Approved Facility.
- E. Public Drop-Off Services.** CONTRACTOR shall provide sites at the Approved Transfer Station where COUNTY residents may drop-off used oil and used oil filters, CEW, other U-Waste, fluorescent light tubes and bulbs, and Home Generated Sharps at no charge to the resident or the COUNTY.
- F. Residential Sharps Drop-Off Program.** CONTRACTOR shall provide a Residential sharps drop-off program for the Collection of Home-Generated Sharps. CONTRACTOR shall be responsible to ensure the Home-Generated Sharps drop-off program complies with all Applicable Laws and regulations. The Residential sharps drop-off program at a minimum will allow for SFD and MFD Customers to purchase specialized sharps containers and return filled sharps containers for proper Disposal to participating pharmacies or the Recology Customer service office in Marysville. Details of the program including a list of participating pharmacies shall be provided through the CONTRACTOR's website.
- G. California Electronic Waste Recycling Act of 2003 Recovery Payments.** The California Electronic Waste Recycling Act of 2003 (California Health and Safety Code commencing with Section 25214.9, California Public Resources Code Section 41516 and California Public Resources Code commencing with Section 42460) provides for per pound recovery payments to authorized collectors for CEW. CONTRACTOR shall maintain its status as an "authorized collector". CONTRACTOR, in its capacity as an authorized collector in the Covered Electronic Waste Recovery and Recycling Payment System, will be designated by the COUNTY to handle CEW transferred directly to CONTRACTOR by California sources. Such designation is necessary so as to reduce the record keeping requirements established by the regulations promulgated under the California Electronic Waste Recycling Act of 2003.
1. CEW recovery activities provided by CONTRACTOR shall include, but are not limited to, CEW received from the public at the Approved Transfer Station, including CEW picked-up at the request of Service Recipients (e.g., Bulky Item Collection Service); Collected through COUNTY clean-up services; recovered from load checking; and, received from the clean-up of illegal dumping activities by the COUNTY Public Works Department.

2. CONTRACTOR shall develop and maintain records required pursuant to the California Electronic Waste Recycling Act of 2003, as it may be amended, to support claims to CalRecycle for Recovery Payments for all CEW received and recovered as described above. CONTRACTOR shall provide a site at the Transfer Station where COUNTY residents and businesses may drop-off CEW from California sources at no extra charge to the resident or business.
- H. **Special Services.** In addition to the services described in this Agreement, CONTRACTOR shall provide to Customers in the COUNTY such special services as may be agreed upon between COUNTY and CONTRACTOR from time to time. The additional charge to the Customer for provision of such special services shall be determined between CONTRACTOR and the COUNTY prior to provision of the service, subject to the Maximum Service Rate for such service agreed to by COUNTY and CONTRACTOR. If CONTRACTOR is unwilling to provide such service, or COUNTY and CONTRACTOR are unable to agree on a price for such service, Customer can seek such service from another contractor, provided that such other contractor's provision of the service does not violate CONTRACTOR's exclusivity under Article 4.
- I. **Other Services.** CONTRACTOR shall provide additional services and programs, such as pilot programs, special studies, etc., as requested by COUNTY at a price to be mutually agreed upon between the CONTRACTOR and the Contract Administrator. In the event the CONTRACTOR and the Contract Administrator cannot reach a mutually agreed upon price for the requested service or program, COUNTY shall have the right to procure the service of other vendors or contractors to provide the requested service.
- J. **Graffiti Abatement.** CONTRACTOR's Collection drivers shall notify CONTRACTOR of graffiti on Collection route Containers. CONTRACTOR shall be responsible for graffiti removal from Containers within forty eight (48) hours of notification from drivers, Customers, or the Contract Administrator, at no additional charge to the Customer or to COUNTY.
- K. **Emergency Action Plan.** Prior to June 1, 2019, CONTRACTOR shall work with the Contract Administrator to prepare an Emergency Action Plan for Disaster Preparedness (Emergency Action Plan) in a form and format that is satisfactory to the Contract Administrator. The Emergency Action Plan shall provide a framework for CONTRACTOR to continue Collection Services within the Service Area after a catastrophic event, and to facilitate collaborative efforts with the COUNTY that mitigate the threat to the health, safety and welfare of COUNTY residents. CONTRACTOR shall work with the Contract Administrator to update the Emergency Action Plan no fewer than two (2) times during the Term of this Agreement to ensure that the Emergency Action Plan is at all times current and actionable.
- L. **Emergency Service Compensation.** CONTRACTOR shall provide emergency services in accordance with the Emergency Action Plan in the event of major accidents, disruptions, or natural calamities. Emergency services that exceed the scope of work under this Agreement, and that are not compensated by charges to Customers (in accordance with the Maximum Service Rates provided in Exhibit A, or as special services pursuant to Section 5.11.H of this Agreement, will be billed by CONTRACTOR to COUNTY in accordance with the Maximum Service Rates in Exhibit A, and may either be paid by COUNTY or treated as a COUNTY-directed change as set forth in Section 5.5 of this Agreement.

### 5.12 Ponderosa Transfer Station

CONTRACTOR shall provide services in accordance with Exhibit G and user fees in accordance with Exhibit Hof This Agreement.

### 5.13 Re-designation on Non-Program Areas

COUNTY has designated those areas set forth in Exhibit Fas Non-Program Areas. COUNTY may, at its sole discretion, elect to designate Non-Program Areas as Program Areas during the term of this Agreement pursuant to this Section 5.13. In the event COUNTY determines that the designation of an area as a Non-Program Area in Exhibit F should be removed, COUNTY shall confirm that intended change in designation to CONTRACTOR in writing. Prior to CONTRACTOR beginning to Collect Recyclable Materials, Organic Materials, and Bulky Items from SFD Service Units in the area, COUNTY and CONTRACTOR shall meet to determine if the area can be serviced by CONTRACTOR under the current Maximum Service Rate structure. In the event CONTRACTOR believes the current Maximum Service Rate structure should be modified to support the cost of providing such Collection Service in the area, CONTRACTOR shall provide COUNTY with documentation supporting those facts. COUNTY may request from CONTRACTOR such further information as it deems reasonably necessary to fully evaluate the request. COUNTY and CONTRACTOR shall utilize this and other data as needed to develop mutually agreed upon Maximum Service Rates, as provided in Section S.S. Once the Maximum Service Rates have been agreed upon and taken effect, CONTRACTOR shall deliver additional Carts or Bins and begin to provide such Collection Services to the newly designated Program Area, at such time as is agreed to between CONTRACTOR and COUNTY.

### 5.14 SB 1383 Services

CONTRACTOR shall, solely to the extent expressly set forth in this Section 5.14 or elsewhere in this Agreement, perform the following services and/or obligations, which are related to COUNTY'S efforts to comply with SB 1383: contamination monitoring, cooperation with inspections and enforcement, cooperation with complaint investigation, assistance with Generator waiver issuance, Organic Materials product procurement for compost giveaways, service level migration recordkeeping and reporting, and provision of Recyclable Materials and Organic Materials Collection Services.

The following requirements are based on the use of a three-Container compliance approach in accordance with 14, CCR 18984.1.

#### A. Container Requirements for Three-Container Collection Services.

1. General Requirement. CONTRACTOR shall provide compliant carts as described in Sections 5.14A.2 and 5.14A.3 to all customers no later than January 1, 2036 unless this Agreement terminates prior to this date.
2. Container Colors. CONTRACTOR shall ensure that each Container that it newly purchases after the date of this Amendment, and provides to a customer serviced under the Agreement conforms to the following color scheme for containers or lid colors: Black/Grey Garbage Containers or lids for collection of Solid Waste, Blue Recycling Containers or lids for collection of Recyclable Materials, and Green Organics Materials Containers or lids for collection of Organic Materials. In addition, CONTRACTOR shall ensure that all Containers it uses to provide such services to customers serviced under the Agreement conform to such color scheme by January 1, 2036.
3. Container Labels. CONTRACTOR shall ensure that each Container that it newly purchases after the date of this Amendment and provides to a customer serviced under the Agreement shall be labeled or imprinted with language and/or graphics that clearly indicates the primary items accepted and the primary items that are Prohibited Container Contaminants for that Container type.

**B. Route Reviews.**

1. General Requirement. At least once annually, CONTRACTOR shall conduct a Route Review for each Hauler Route. The number of Containers to review per Hauler Route shall be calculated on the basis of the number of garbage accounts provided service by a specific Hauler Route for one week. For example, "Route A" collects garbage from 250 accounts, 4 days per week for a total of 1,000 accounts per week; include a minimum of 25 accounts for Route Review of "Route A". For each Route Review of a Hauler Route, CONTRACTOR shall inspect at least the following minimum number of Containers, but may inspect more if CONTRACTOR deems necessary; and shall inspect all Containers placed for collection (including Recycling Containers, Organic Materials Containers, and Solid Waste Containers). Each inspection shall involve lifting the Container lid and observing the contents, but shall not require CONTRACTOR to disturb the contents or open any bags. CONTRACTOR may select the Containers to be inspected at random, or (if mutually agreed with the COUNTY) by any other method not prohibited under the SB 1383 Regulations. For the avoidance of doubt, CONTRACTOR shall not be required to annually inspect every Container on a Hauler Route. CONTRACTOR shall include the results of each Route Review in its next regularly scheduled report to the COUNTY, as required by Section F below.

<u>Route Size (# garbage accounts/ week)</u>	<u>Minimum Number of Containers</u>
<u>Less than 1,500</u>	<u>25</u>
<u>1,500-3,999</u>	<u>30</u>
<u>4,000-6,999</u>	<u>35</u>
<u>7,000 or more</u>	<u>40</u>

2. Notice of Contamination. If CONTRACTOR observes Prohibited Container Contaminants in a Container during a Route Review comprising ten percent or more of observable container volume, CONTRACTOR shall notify the customer of the violation in writing. The written notice shall include information regarding the requirement to properly separate materials into the appropriate Containers. The notice may be left on the customer's Container, gate, or door at the time the violation is discovered, and/or be mailed, e-mailed, electronically messaged or delivered personally to the customer within 30 days. CONTRACTOR may dispose of the contents of any Container found to contain Prohibited Container Contaminants and may charge a contamination fee not to exceed \$25 or current COUNTY approved charge for same service. The notice shall be provided in English and Spanish.

**C. Compliance Reviews.**

1. General Requirement. At least once annually, CONTRACTOR shall review the records of its Commercial and MFD customers in the COUNTY that are subscribed for at least two (2) cubic yards per week of combined Solid Waste, Organic Materials and Recyclable Materials service, to determine whether such customers are subscribed for Organic Materials collection service or have an applicable waiver. CONTRACTOR shall include the results of each compliance review in its next regularly scheduled report to the COUNTY, as required by Section 10.

2. Site Visit Requirement. Based on CONTRACTOR's review of the list of customers requiring site visit compiled in accordance with Section D.1 above, CONTRACTOR shall conduct an annual site visit to each Commercial and MFD customer in the COUNTY that is determined to not be enrolled in 3-container Organic Materials collection service and not be eligible for a waiver based on the COUNTY's determination, to encourage those businesses to sign up for SB 1383 compliant Organic Materials service and provide educational material about the law's requirements

**D. Education & Outreach.**

1. Beginning October 1, 2026, and annually thereafter, CONTRACTOR shall provide the following to all its customers under the Agreement:

- Information on the customer's requirements to properly separate materials in appropriate containers.

- Information on methods for: the prevention of Organic Materials generation, recycling Organic Materials on-site, sending Organic Materials to community composting, and any other local requirements regarding Organic Materials.
  - Information regarding the methane reduction benefits of reducing the landfill disposal of Organic Materials, and the methods of Organic Materials recovery contemplated by the Agreement.
  - Information regarding how to recover Organic Materials.
  - Information related to the public health and safety and environmental impacts associated with the landfill disposal of Organic Materials.
2. The above information will be provided, at a minimum, through print and/or electronic media, and may also be provided through workshops, meetings and/or on-site visits.
  3. CONTRACTOR shall provide an educational webpage which includes downloadable copies of all the materials described in Section E.1 above, as well as an educational brochure to be provided by the COUNTY for edible food recovery outreach.
  4. Educational materials provided pursuant to the above shall be translated into Spanish.
  5. CONTRACTOR shall provide educational materials to customers discovered to be out of compliance with the SB 1383 Regulations requirements (e.g., insufficient interior containers, etc.) and report a list of such customers as well as actions taken to the COUNTY on a periodic basis as required by the COUNTY.

#### E. Waivers.

1. General. COUNTY may grant de minimis and/or physical space waivers to Customers or Generators that limit the type of Collection services CONTRACTOR needs to provide those Customers. The waivers shall exempt the Customer or Generator from the requirement to subscribe to Contractor's Collection services for Recyclable Materials or Organic Waste Collection service.
2. Service Level Updates. When the COUNTY grants a waiver to a Customer, or the Customer's waiver status changes after a reverification determination, the County shall notify the CONTRACTOR within seven (7) Business Days following the waiver approval or status change with information on the Customer and any changes to service level or Collection service requirements for the Customer. CONTRACTOR shall have seven (7) Business Days after such notification to contact the Customer to confirm modifications to the Customer's service level, Customer account data, and billing statement, as needed, and shall have seven (7) Business Days after contact with the Customer to implement changes to the Customer's service level, Customer account data, and billing statement, as needed.
3. Waiver Reverification. COUNTY intends to be responsible for reverification of waivers at a minimum of once every five (5) years. Upon request of COUNTY, CONTRACTOR shall support COUNTY in this reverification process by providing requested Customer information.

#### F. SB1383 Reporting. CONTRACTOR shall provide the following information to the COUNTY annually by November 15 of the year following the reporting year:

1. For information provided by CONTRACTOR pursuant to Section F above:
  - Copies of all such information (including flyers, brochures, newsletters, invoice messaging, website and social media postings, emails, and other electronic messages).
  - The date the information was disseminated or the direct contact made. For website and social media postings, this shall be the date posted.
  - To whom the information was disseminated or the direct contact made. For mass distributions such as mailings or bill inserts, CONTRACTOR may provide the type and number of accounts receiving the information, rather than listing each recipient individually.
2. For Route Reviews and Compliance Reviews:
  - The date the review was conducted.
  - The name and title of each person conducting the review.
  - A list of the account names and addresses covered by the review.
  - For Route Reviews, (i) a description of each Hauler Route reviewed, including CONTRACTOR's route number and a description of the Hauler Route area, and (ii) the results of such review (i.e. the addresses where any Prohibited Container Contaminants were found), and any photographs taken.
  - For Compliance Reviews, the results of such review (i.e. CONTRACTOR's findings

as to whether the customers reviewed are subscribed for Organic Materials collection service, have an applicable waiver, or neither), and any relevant evidence supporting such findings (e.g. account records).

- Copies of any educational materials issued pursuant to such reviews.

3. Documentation relating to observed Prohibited Container Contaminants, whether observed during Route Reviews or otherwise:

- Copies of the form of each notice issued to customers for Prohibited Container Contaminants, as well as, for each such form, a list of the customers to which such notice was issued, the date of issuance, the customer's name and service address, and the reason for issuance (if the form is used for multiple reasons).
- The number of times notices were issued to customers for Prohibited Container Contaminants.
- The number of Containers where the contents were disposed due to observation of Prohibited Container Contaminants.

4. A description of CONTRACTOR's process for determining the level of Container contamination under the Agreement.

5. Reports to the COUNTY on customers discovered to be out of compliance with the SB 1383 Regulations, including a list of the customers, the type of violation, actions taken to educate those customers, and contact information for those customers. Such reports shall be provided periodically as required by the COUNTY.

G. **Section 18988.1 and 18988.2 Compliance.** CONTRACTOR is responsible for delivery of all Solid Waste to properly permitted disposal facilities, transfer stations, Recyclable Materials processing facilities, Organic Materials processing facilities, and Construction & Demolition Debris processing facilities as listed:

Solid Waste

- Recology Ostrom Road Landfill
  - Address: 5900 Ostrom Rd Wheatland, CA
  - RDRS: RD10514
  - Facility Type: Landfill
- Recology Yuba-Sutter IW Recovery Facility
  - Address: 3001 N. Levee Rd Marysville, CA
  - RDRS: RD10338
  - Facility Type: Transfer Station

Mixed Recycling

- Recology Yuba-Sutter IW Recovery Facility
  - Address: 3001 N. Levee Rd Marysville, CA
  - RDRS: RD10338
  - Facility Type: Processing Facility
- Cal Waste Recovery Systems
  - Address: 175 Enterprise Ct Ste A Galt, CA
  - RDRS: RD13392
  - Facility Type: Processing Facility
    - *\*\*Backup facility in case of long-term mechanical breakdown of Recology facility\*\**

Organics

- Recology Ostrom Organics
  - Address: 5900 Ostrom Rd Wheatland, CA
  - RDRS: RD10514
  - Facility Type: Recycler/Composter

Construction and Demolition Recycling

- Sierra Waste Recycling and Transfer Station
  - Address: 8260 Berry Ave Sacramento, CA
  - RDRS: RD11170
  - Facility Type: Processing Facility
- Old Durham Wood Inc.
  - Address: 1156 Oroville Chico Hwy Durham, CA

- RDRS: RD10759
- Facility Type: Recycler/Composter
  - \*\*Clean Wood Only
  - \*\*Not an active Recology Facility

**List Facilities:**

RDRS #s

Recology Marysville Transfer Station

Organics Recology Ostrom Road

Landfill Recology Ostrom Road

CalWaste Facility

The list may be amended from time to time by CONTRACTOR, subject to COUNTY approval of the amended list. CONTRACTOR shall comply with its obligations under this Agreement and the obligations that by operation of law are imposed upon it directly pursuant to Chapter 12 of the SB 1383 Regulations.

## ARTICLE 6: PROCESSING, DISPOSAL, AND DIVERSION REQUIREMENTS

### 6.1 Rights of Ownership

COUNTY and CONTRACTOR understand and agree that it is CONTRACTOR, and not COUNTY, who will arrange to Collect Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D, that COUNTY has not, and, by this Agreement does not, instruct CONTRACTOR on its Collection methods, nor supervise the Collection process; nor do the Parties intend to place title to Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D Collected by CONTRACTOR in COUNTY. At no time does COUNTY obtain any right of ownership or possession of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D placed for Collection, and nothing in this Agreement shall be construed as giving rise to any inference that COUNTY has any such rights. COUNTY and CONTRACTOR agree that, for the purposes of the Uniform Commercial Code and all other laws imposing liability for defective products, it is CONTRACTOR, and not COUNTY which is to be considered the merchant of goods Recycled pursuant to this Agreement. Subject to the provisions of this Agreement, and unless COUNTY exercises its rights to direct the location for Disposal and Processing of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D, CONTRACTOR shall have the right to retain, Recycle, Process, Dispose of, and otherwise use Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D Collected pursuant to the terms hereof in any lawful fashion or for any lawful purpose; and, further, shall have the right to retain any benefit resulting from its right to retain, Recycle, Process, Dispose of, or reuse the Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D which it Collects.

### 6.2 Transportation of Discarded Materials

CONTRACTOR shall transport all Discarded Materials Collected to the appropriate Approved Facility. If the Approved Recycling Facility is owned by CONTRACTOR or an Affiliate of CONTRACTOR, CONTRACTOR agrees to make all reasonable efforts at the Approved Recycling Facility to separate Recyclable Materials from Contamination for Diversion. CONTRACTOR shall maintain accurate records of the quantities of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D transported to the Approved Facilities and will cooperate with COUNTY in any audits or investigations of such quantities. CONTRACTOR shall cooperate with the operator of any Approved Facility with regard to operations therein, including, for example, complying with directions from the operator to unload Collection vehicles in designated areas, accommodating to maintenance operations and construction of new facilities, cooperating with its Hazardous Waste exclusion program, and so forth.

### 6.3 Transfer of Discarded Materials

The CONTRACTOR shall deliver Discarded Material, Collected but not sent to an Approved Disposal Facility, Approved MRF, or an Approved Organic Materials Processing Facility, to the Approved Transfer Station. All expenses related to the transfer of Solid Waste will be the sole responsibility of the CONTRACTOR. If the CONTRACTOR or CONTRACTOR's Affiliate owns and/or operates the Approved Transfer Station, all expenses associated with permitting, regulatory compliance, etc., and all other costs associated with the operation and ownership of the Approved Transfer Station is the sole responsibility of the CONTRACTOR.

- A. Status of Transfer Station.** The Approved Transfer Station shall have been issued all permits from federal, State, regional, county, and city agencies necessary for it to operate as a large volume

transfer/Processing facility and be in full regulatory compliance with all such permits during the Term of this Agreement.

#### 6.4 Disposal

The CONTRACTOR shall Dispose of Solid Waste Collected (but not sent to an Approved Transfer Station, Approved MRF, or Approved Organic Materials Processing Facility) and Residue at the Approved Disposal Facility. All expenses related to the Disposal of Solid Waste will be the sole responsibility of the CONTRACTOR. If the CONTRACTOR or CONTRACTOR's Affiliate owns and/or operates the Approved Disposal Facility, all expenses associated with permitting, regulatory compliance, closure and post-closure, etc., and all other costs associated with the operation and ownership of the Approved Disposal Facility is the sole responsibility of the CONTRACTOR, except as provided in Section 10.5.

- A. Status of Disposal Facility.** The Approved Disposal Facility shall have been issued all permits from federal, State, regional, county, and city agencies necessary for it to operate as a Class III Sanitary Landfill and be in full regulatory compliance with all such permits during the Term of this Agreement.

#### 6.5 Recyclable Materials Processing Services

CONTRACTOR shall deliver all Collected Recyclable Material to a fully permitted Approved Materials Recovery Facility or Transfer Station. All expenses related to Recyclable Material Processing and marketing will be the sole responsibility of CONTRACTOR. If the CONTRACTOR or CONTRACTOR's Affiliate owns and/or operates the Approved Materials Recovery Facility, all expenses associated with permitting, regulatory compliance, closure and post-closure, etc., and all other costs associated with the operation and ownership of the Approved Materials Recovery Facility is the sole responsibility of the CONTRACTOR, except as provided in Section 10.5.

CONTRACTOR shall ensure that all Recyclable Material Collected pursuant to this Agreement is Diverted in accordance with AB 939 and any subsequent or other applicable legislation and regulations. CONTRACTOR shall ensure that the Recyclable Material Collected pursuant to this Agreement is not Disposed of in a landfill, except as a Residue resulting from Processing. CONTRACTOR must provide end uses for Recyclable Materials that maximize Diversion credits for COUNTY according to regulations established by CalRecycle. COUNTY and CONTRACTOR agree that CONTRACTOR compliance with these requirements may be affected by the circumstances set forth in, and shall be subject to, Section 6.5.B.2 of this Agreement.

- A. Status of Materials Recovery Facility(ies).** The Approved Materials Recovery Facility(ies) shall have been issued all permits from federal, State, regional, county, and city agencies necessary for it to accept the COUNTY's Recyclable Materials, and be in full regulatory compliance with all such permits during the Term of this Agreement.

**B. Marketing.**

- 1. General.** The CONTRACTOR shall be responsible for marketing Recyclable Materials Collected in the COUNTY. CONTRACTOR's marketing strategy shall promote the highest and best use of materials presented in the waste management hierarchy established by AB 939. Where practical, the marketing strategy should include use of local, regional, and domestic markets for Recyclable Materials.

## 2. Changes in Market Conditions

- a. **Changing Conditions.** The COUNTY and CONTRACTOR acknowledge that the ability to market various types of Recyclable Materials Collected in the COUNTY may change over the Term of the Agreement. It is possible that markets currently available for some Recyclable Materials will not be available in the future. Conversely, for materials in which markets currently do not exist, markets may emerge in the future.
- b. **Limited Term Market Fluctuations.** The COUNTY and CONTRACTOR acknowledge that markets for various types of Recyclable Materials fluctuate and may render a material defined as Recyclable Material temporarily unmarketable. The COUNTY and CONTRACTOR agree that markets for materials Collected under this Agreement may temporarily emerge or be disrupted and these fluctuations of limited duration may not warrant a change to the definition of Recyclable Materials under this Agreement or notification to Customers. CONTRACTOR shall make reasonable commercial efforts to Divert Recyclable Materials Collected and Processed during limited term market fluctuations while COUNTY and CONTRACTOR are assessing the need to submit a written request for an item or type of material to be removed from or added to the definition of Recyclable Materials. In the event CONTRACTOR is unable to Divert specific Recyclable Materials due to limited term market fluctuations, such materials may be Disposed for a specific time period if agreed upon between COUNTY and CONTRACTOR.
- c. **Non-Existent Market(s).** If CONTRACTOR determines that it can no longer secure market(s) for one (1) or more materials included in the definition of Recyclable Materials, CONTRACTOR may submit a written request to the COUNTY to have the material removed from the definition of Recyclable Materials. In such case, CONTRACTOR's request shall demonstrate its attempt(s) at identifying and securing market(s) for the materials; information on the market conditions from relevant industry sources supporting the lack of market(s); an estimated timeframe for the market conditions; an estimate of the impact on the tons of Recyclable Materials Diverted annually; and a plan for notifying Customers of the elimination of the material type from the list of acceptable Recyclable Materials for Collection. The Contract Administrator will review CONTRACTOR's request and provide a response within sixty (60) Days of receipt of the request. If the COUNTY is willing to consider temporary or permanent removal of a material type from the definition of Recyclable Materials, the COUNTY and CONTRACTOR shall meet and confer to negotiate the proposed revisions and shall amend this Agreement, if appropriate, to reflect mutually agreed-upon changes. If the COUNTY agrees that the material shall no longer be listed in the Recyclable Materials definition, CONTRACTOR shall not be obligated to Collect the material as a Recyclable Material, may Dispose of such material and shall incur any and all costs associated with the Disposal of these materials and with educating Customers of the change and costs associated with Collection, transfer, Transportation, Processing and Disposal of such materials to the extent Customers continue to include the material in their Recyclable Materials Containers. Notwithstanding the above CONTRACTOR may continue to use the Recyclable Materials Cart to Collect material that has been removed from the Recyclable Materials definition at their discretion.
- d. **Emerging Market(s).** If CONTRACTOR or the COUNTY identify that a new market is available for a material that is not included in the definition of Recyclable Materials, either Party may request that the list of Recyclable Materials be amended to include the material. Such a change would expand CONTRACTOR's obligations to Collect, transfer,

transport, Process and market such material. In such case, the COUNTY and CONTRACTOR shall meet and confer to negotiate the proposed revisions and shall amend this Agreement, as appropriate, to reflect mutually agreed-upon changes in scope.

### 6.6 Organic Materials Processing Services

CONTRACTOR shall deliver all Collected Organic Materials to a fully permitted Approved Organic Materials Processing Facility or a fully permitted Approved Transfer Station. All expenses related to Organic Materials Processing and marketing will be the sole responsibility of CONTRACTOR. If the CONTRACTOR or CONTRACTOR's Affiliate owns and/or operates the Approved Organic Materials Facility, all expenses associated with permitting, regulatory compliance, closure and post-closure, etc. and all other costs associated with the operation and ownership of the Approved Organic Materials Facility is the sole responsibility of the CONTRACTOR, except as provided in Section 10.5.

CONTRACTOR shall ensure that all Organic Materials Collected pursuant to this Agreement are Diverted from the landfill in accordance with AB 939 and any subsequent or other applicable legislation and regulations. CONTRACTOR shall ensure that the Organic Materials Collected pursuant to this Agreement are not Disposed of in a landfill, except as a Residue resulting from Processing. CONTRACTOR must provide end uses for Organic Materials that maximizes Diversion credits for COUNTY according to regulations established by CalRecycle. Green Waste may be used as Alternative Daily Cover to the extent that the COUNTY will get full Diversion credit for its use. However, as of January 1, 2020, the use of Green Waste as ADC does not constitute Diversion through Recycling and shall be considered Disposal pursuant to PRC Section 41781.3(2) (A). CONTRACTOR is responsible for monitoring how the Organic Materials will be Diverted at Approved Facilities.

- A. **Status of Organic Materials Processing Facility(ies).** The Approved Organic Materials Processing Facility(ies) shall have been issued all permits from federal, State, regional, county, and city agencies necessary for it to accept the COUNTY's Organic Materials, and be in full regulatory compliance with all such permits during the Term of this Agreement.

### 6.7 Minimum Diversion Requirements

Contractor warrants that it is aware of and familiar with County's waste stream, and that it has the ability, and shall provide and employ sufficient programs and services to ensure County will meet or exceed County's Diversion requirements (including amounts of Solid Waste to be Diverted, time frames for Diversion, and any other requirements) as set forth in this Article and applicable law, and that Contractor will do so without imposing any costs or fees other than those set forth in Exhibit A. Contractor shall meet the following minimum annual Franchised Diversion Rate or use best efforts to achieve the CalRecycle Diversion Rate:

<u>Contract Year</u>	<u>Franchised Diversion Rate</u>	<u>CalRecycle Diversion Rate</u>
<u>2026-2027</u>	<u>40%</u>	<u>55%</u>
<u>2027-2028</u>	<u>40%</u>	<u>55%</u>
<u>2028-2029</u>	<u>45%</u>	<u>60%</u>
<u>2029-2030</u>	<u>45%</u>	<u>60%</u>
<u>2030-2031 and After</u>	<u>50%</u>	<u>65%</u>

- A. Franchised Diversion Rate Calculation. Contractor's actual Franchised Diversion Rate for any given Calendar Year shall be calculated by dividing (i) the total tonnage of Solid Waste Collected by Contractor in County and either delivered to the Recyclable Materials Processing Facility or Organic Waste Processing Facility, or otherwise handled in a manner that counts as Diversion under applicable CalRecycle regulations; by (ii) the total tonnage of Solid Waste Collected by Contractor in County.
- B. Failure to Meet Franchised Diversion Rate. If Contractor fails to meet the minimum annual Franchised Diversion Rate in a given year because of Contractor's failure to implement the requirements of its Diversion, then Contractor shall submit a written corrective action plan to the RWMA before March 15 of the year following the missed minimum Diversion requirement. Contractor's corrective action plan shall specify all actions Contractor will take to ensure it will meet Franchised Diversion Rates in the future, and shall be subject to the review and approval by the Contract Administrator. Contractor's failure to meet the minimum Franchised Diversion Rate shall not constitute a default under this Agreement so long as Contractor fully implements all elements of a County-approved corrective action plan. If Contractor fails to submit an adequate corrective action plan or to fully implement a County approved corrective action plan, then Contractor shall be subject to Liquidated Damages as allowed under Article 12.
- C. CalRecycle Diversion Rate Calculation. The actual CalRecycle Diversion Rate for any given Calendar Year shall be expressed as a percentage calculated using Pounds Per Person Per Day, by subtracting County's annual Diversion Rate from 1.0, where the RWMA's annual Diversion Rate is equal to the quotient of the RWMA's actual Disposal Rate divided by twice the CalRecycle Target Disposal Rate for RWMA. Using the RWMA's 2024 data for example, where RWMA's actual Disposal Rate is 5.3 and the CalRecycle Target Disposal Rate is 6.9, RWMA's annual Diversion Rate would be equal to  $5.3 \div (2 \times 6.9)$  or 0.38. The actual CalRecycle Diversion Rate would then be equal to  $1.0 - 0.38$  or 0.62, which would be expressed as 62%.

~~**6.8**~~ Failure to Meet CalRecycle Diversion Rate. If County fails to meet its CalRecycle Diversion requirement due to Contractor's failure to implement any Diversion, then Contractor shall submit a written corrective action plan to County before March 15 of the year following the missed minimum CalRecycle Diversion Rate. Contractor's corrective action plan must specify all actions Contractor will take to help County to meeting all Diversion requirements under applicable law in the future, and shall be subject to the review and approval by the Contract Administrator. If Contractor fails to submit an adequate corrective action plan or to fully implement a County-approved corrective action plan, then Contractor shall be subject to Liquidated Damages as allowed under Article 12. The COUNTY requires the CONTRACTOR to use its best efforts and regulations established by CalRecycle to achieve a minimum annual Diversion rate of thirty-

~~percent (30%), or such other amount as may be set by request of the COUNTY in accordance with the provisions of Section 5.5 of this Agreement, during each Agreement Year beginning October 1, 2018. The annual Diversion rate will be calculated as "the tons of materials Collected by CONTRACTOR from the provision of Collection Services in the RWMA Service Area under the terms of this Agreement, that are shipped to the Approved Materials Recovery Facility, the Approved Organic Materials Processing Facility, or other recycler or re-user, net of any Residue amounts, divided by the total tons of materials Collected by CONTRACTOR from the provision of Collection Services in the RWMA Service Area under the terms of this Agreement in each Agreement Year." As of January 1, 2020, the use of green material as ADC does not constitute Diversion through Recycling and shall be considered Disposal pursuant to PRC Section 41781.3(2) (A).~~

~~In the event CONTRACTOR is authorized by COUNTY to Dispose of any Recyclable Materials (or to remove any Recyclable Material from the definition of Recyclable Materials) under the terms of Sections 6.5.B.2.~~

~~of this Agreement, the estimated tons of Recyclable Material Disposed or not Collected by virtue of being removed from the definition of Recyclable Material) shall be counted as if they were Diverted in the formula used to calculate the Diversion rate for that Agreement Year. CONTRACTOR shall prepare and provide to COUNTY this estimate based on the tons of the specific Recyclable Material Collected by CONTRACTOR from the provision of Collection Services in the RWMA Service Area under the terms of this Agreement that was shipped to the Approved Materials Recovery Facility, the Approved Organic Materials Processing Facility, or other recycler or re-user, net of any Residue in the twelve (12) months preceding the month in which the COUNTY authorized the removal of the material from the definition of Recyclable Materials. COUNTY shall review the estimate, the information used to prepare it, and such other information, including material allocation calculations and methodologies, if necessary, as COUNTY may require to complete its review. The final estimate shall be agreed upon between COUNTY and CONTRACTOR based on the review.~~

### **6.96.8 Failure to Meet Minimum Diversion Requirements**

CONTRACTOR's failure to meet the minimum Diversion requirements set forth above in Section 6.7 may result in the imposition of Liquidated Damages pursuant to Section 12.6. In determining whether or not to assess Liquidated Damages, the RWMA in consultation with the COUNTY will consider the good faith efforts put forth by the CONTRACTOR to meet the minimum Diversion requirements, and the state of the market for Recyclable Material. This consideration will include documentation provided by the CONTRACTOR regarding its activities. The final decision whether or not to assess Liquidated Damages will remain with the RWMA.

## ARTICLE 7: REQUIREMENTS FOR OPERATIONS, EQUIPMENT, AND PERSONNEL

### 7.1 General

CONTRACTOR shall at all times comply with Applicable Laws and provide services in a manner that is safe to the public and the CONTRACTOR's employees. Except to the extent that a higher performance standard is specified in this Agreement, CONTRACTOR shall perform services in accordance with Solid Waste, Recyclable Materials, Organic Materials, Bulky Item, and C&D management practices common to Northern California.

### 7.2 CONTRACTOR's Office

The CONTRACTOR shall maintain a publicly accessible office located within the RWMA Service Area that provides telephone access to residents and businesses of the COUNTY and shall be open during normal business hours, which are currently 8:30 a.m. to 4:30 p.m., Monday through Friday, except for Holidays. Office hours may be adjusted at the discretion of CONTRACTOR only after appropriate notification is provided to all Customers and provided that offices are open for business at least eight (8) hours per Day Monday through Friday, except for Holidays.

### 7.3 Service Standards

CONTRACTOR shall perform all Collection Services under this Agreement in a thorough and professional manner. Except for incidents of excuse from performance set forth in Section 12.7 herein, Collection Services described in this Agreement shall be performed regardless of difficulty of Collection.

### 7.4 Collection Routes, Operating Hours, and Schedules

- A. **Collection Routes.** During the Term of this Agreement, CONTRACTOR shall prepare and maintain maps precisely defining Collection routes, together with the Days and the times at which Collection shall regularly commence. Copies of such maps shall be provided to the COUNTY upon request by the Contract Administrator in a format acceptable to the COUNTY.
- B. **Subsequent Collection Route Changes.** In the event of a route change that will change the Collection Day for an SFD Service Unit, CONTRACTOR shall notify those Service Recipients in writing of the route change not less than thirty (30) Days before the proposed date of implementation. CONTRACTOR shall also provide the Contract Administrator with a copy of the service change notification.
- C. **Hours of Collection.** Unless otherwise authorized by the Contract Administrator, CONTRACTOR's Days and hours for Collection operations shall be as follows:
  - 1. **SFD Collection.** SFD Collection services shall only occur between the hours of 5:00 a.m. and 5:00 p.m., Monday through Friday, with no regularly scheduled service on Saturday or Sunday. The hours, Days, or both of Collection may be temporarily extended due to extraordinary circumstances or conditions.
  - 2. **MFD, Commercial and COUNTY Collection.** MFD, Commercial and COUNTY Collection Services shall only occur between the hours of 4:00 a.m. and 5:00 p.m., Monday through

Sunday, except on Holidays when Collection hours shall be 3:00 a.m. to 5:00 p.m. The hours of Collection may be temporarily extended by the Contract Administrator due to extraordinary circumstances or conditions.

## 7.5 Collection Standards

- A. Manner of Collection.** The CONTRACTOR shall provide Collection Services with as little disturbance as possible and shall leave any Cart or Bin in an upright position at the same point it was Collected without obstructing alleys, roadways, driveways, sidewalks, or mail boxes.
- B. Litter Abatement and Spill Prevention.** The CONTRACTOR shall not litter Premises in the process of providing Collection Services or while its vehicles are on the road. The CONTRACTOR shall transport all materials Collected under the terms of this Agreement in such a manner as to prevent the spilling or blowing of such materials from the CONTRACTOR's vehicle. The CONTRACTOR shall exercise all reasonable care and diligence in providing Collection Services so as to prevent spilling or dropping of any material and shall immediately, at the time of occurrence, clean up such spilled or dropped materials.
1. The CONTRACTOR shall not be responsible for cleaning up unsanitary conditions caused by the carelessness of the Service Recipient; however, the CONTRACTOR shall clean up any materials that are spilled or scattered by the CONTRACTOR or its employees.
  2. Equipment oil, hydraulic fluids, spilled paint, or any other liquid or debris resulting from the CONTRACTOR's operations or equipment repair shall be covered immediately with an absorptive material and removed from the street surface. When necessary, CONTRACTOR shall apply a suitable cleaning agent to the street surface to provide adequate cleaning. To facilitate such clean-up, CONTRACTOR's vehicles shall at all times carry sufficient quantities of petroleum absorbent materials along with a broom and shovel. CONTRACTOR shall not be responsible for removing any stain that may remain after application of such absorbents and cleaning agents.
  3. CONTRACTOR shall not transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, hot load (combustion of material in the truck), or accidental damage to a vehicle.
  4. The above paragraphs notwithstanding, CONTRACTOR shall clean up any spillage or litter caused by CONTRACTOR within two (2) hours upon notice from the COUNTY.
  5. In the event where damage to COUNTY Streets (other than stains) is the result of a hydraulic oil spill caused by CONTRACTOR, CONTRACTOR shall be responsible for all repairs to return the street to the same condition prior to the spill. CONTRACTOR shall also be responsible for all clean-up activities related to the spill. Repairs and clean-up shall be performed in a manner satisfactory to the Contract Administrator and at no cost to the COUNTY.

## 7.6 Ownership of Materials

- A.** Title to Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D shall pass to CONTRACTOR at such time as said materials are properly containerized, bagged, or bundled and

placed at the curb or other point of Collection in the manner as set forth herein or as agreed to by the CONTRACTOR and the Customer. If such materials are placed out for Collection without being properly containerized, bagged, or bundled, title shall pass to CONTRACTOR at the time the material is placed in CONTRACTOR's Collection vehicle. If such materials Collected by Contractor are delivered to an Approved Transfer Station, Approved Materials Recovery Facility, or Approved Organic Materials Processing Facility other than one operated by the CONTRACTOR, then title will again transfer from CONTRACTOR to the operator of the non-CONTRACTOR Approved Transfer Station, Approved Materials Recovery Facility, or Approved Organic Materials Processing Facility upon such delivery.

- B. Title to any such material self-hauled to an Approved Facility operated by CONTRACTOR shall pass to CONTRACTOR at the time the material is accepted at the Approved Facility.
- C. Title to such material Collected as part of a COUNTY Clean-up Service or Special Event Collection Service shall pass to CONTRACTOR at the time the material is placed in the Drop Box Container, other Collection Container provided by CONTRACTOR or CONTRACTOR's Collection vehicle if no Containers are provided by CONTRACTOR.

## 7.7 Exempt Waste

- A. Under no circumstances shall CONTRACTOR's employees knowingly Collect Exempt Waste or remove unsafe or poorly containerized Exempt Waste from a Collection Container. If CONTRACTOR determines that material placed in any Container for Collection is Exempt Waste, or other material that may not legally be accepted at an Approved Facility, or presents a hazard to CONTRACTOR's employees, the CONTRACTOR shall have the right to refuse to accept such material. The Generator shall be contacted by the CONTRACTOR and requested to arrange for proper Disposal service. If the Generator cannot be reached immediately, the CONTRACTOR shall, before leaving the Premises, leave a Non-Collection Notice which indicates the reason for refusing to Collect the material and how the Exempt Waste can be properly Disposed or Recycled.
- B. If Exempt Waste is found in a Collection Container that poses an imminent danger to people or property, the CONTRACTOR shall immediately notify the appropriate fire department and/or other emergency services departments as appropriate, as well as the COUNTY.
- C. If Exempt Waste is identified at the time of delivery to an Approved Facility and the Generator cannot be identified, CONTRACTOR shall be solely responsible for handling and arranging transport and disposition of the Exempt Waste.

## 7.8 Regulations and Record Keeping

CONTRACTOR shall comply with emergency notification procedures required by Applicable Laws and regulatory requirements. All records required by laws and regulations shall be maintained at the CONTRACTOR's facility.

## 7.9 Vehicle Requirements

- A. **General Provisions.** CONTRACTOR shall provide a fleet of properly maintained Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. All such vehicles shall have watertight bodies designed to prevent

leakage, spillage, or overflow. Hoppers shall be enclosed on top and on all sides to prevent material from leaking, blowing or falling from the vehicles. Each Collection vehicle shall be equipped with a shovel and broom for clean-up of spillage. Collection vehicles shall never be loaded to exceed the manufacturer's recommended weight limit or otherwise operated unsafely or in violation of any Applicable Law.

**A.B. Clean Air Vehicles.** To the extent required now or in the future by Applicable Law, CONTRACTOR shall provide its Collection vehicles to be in full compliance with local, State, and federal clean air requirements, including, but not limited to, the California Air Resources Control Board regulations, such as those regulations requiring the implementation of "Diesel Particulate Matter Control Measure for On-Road Heavy-Duty Residential and Commercial Solid Waste Collection Vehicle Diesel Engines" as currently codified in CCR Title 13, Section 2020 et seq; the federal EPA's Highway Diesel Fuel Sulfur regulations; and, any other applicable air pollution control laws. CONTRACTOR has inspected all applicable streets within the Service Area and acknowledges and certifies that all vehicles can safely and effectively operate within the Service Area.

**B.C. Safety Markings.** All Collection equipment used by CONTRACTOR shall have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags. All such safety markings shall be in accordance with the requirements of the California Vehicle Code, as may be amended from time to time.

**C.D. Vehicle Signage and Painting.** Collection vehicles shall be painted and numbered uniquely without repetition and shall have the CONTRACTOR's name, CONTRACTOR's Customer service telephone number, and the number of the vehicle painted in letters of contrasting color, at least six (6) inches high, on each side and the rear of each vehicle. No advertising shall be permitted other than the name of the CONTRACTOR except promotional advertisement of the Recyclable Materials and Organic Materials programs or such other signage as may be approved by the Contract Administrator in writing. CONTRACTOR shall repaint all vehicles (including vehicle striping if appropriate) during the Term of this Agreement as necessary to maintain a positive public image.

**D.E. Vehicle Maintenance.** CONTRACTOR shall maintain Collection equipment in a clean condition and in good repair at all times. All parts and systems of the Collection equipment shall operate properly and be properly maintained. CONTRACTOR shall wash all Collection vehicles at least once per week. CONTRACTOR shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly shall be taken out of service until they are repaired and operate properly. CONTRACTOR shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown, or any other cause so as to maintain all equipment in a safe and operable condition. The Contract Administrator may inspect vehicles at any reasonable time, and within three (3) Days of such a request, to determine compliance with this Agreement and sanitation requirements.

**E.F. Vehicle Noise Level.** All Collection operations shall be conducted as quietly as possible and shall conform to applicable federal, State, and County noise level regulations. All decibel readings shall be based on a distance of ten (10) feet from any part of the vehicle. The COUNTY may request CONTRACTOR to check any piece of equipment for conformance with the noise limits when reasonable to do so.

**F.G. Vehicle and Equipment Inventory.** On or before the Effective Date of this Agreement, CONTRACTOR shall provide to the Contract Administrator an inventory of Collection vehicles and major equipment used by CONTRACTOR for Collection or transportation in performance of services under this Agreement. The inventory shall indicate each Collection vehicle by identification number, DMV license number, the age of the chassis and body, type of fuel used, the type and capacity of each vehicle, the number of vehicles, the date of acquisition, the decibel rating, and the maintenance and rebuilt status. CONTRACTOR shall submit to the Contract Administrator an updated inventory annually, or more often at the request of the COUNTY. Each vehicle inventory shall be accompanied by a certification signed by CONTRACTOR that all Collection vehicles meet the requirements of this Article.

**G.H. Vehicle Registration, Licensing and Inspection.** CONTRACTOR shall maintain documentation to verify that each of the CONTRACTOR's Collection vehicles are in compliance with all registration, licensing, and inspection requirements of the California Highway Patrol, the California Department of Motor Vehicles, and any other Applicable Laws or regulations. Upon written request by the Contract Administrator, copies of such documentation shall be provided to the COUNTY within ten (10) Residential Service Work Days of the request.

**H.I. Reserve Equipment.** The CONTRACTOR shall have available to it, at all times, a reasonable number of reserve Collection equipment which can, to the extent needed to complete the Collection route, be dispatched within one (1) hour of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by the CONTRACTOR to perform the contractual duties.

**I.J. Covering of Loads.** All loads not in covered body trucks shall be tarped or restrained to prevent spilling.

**J.K. Weight Restrictions.** CONTRACTOR shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by State or local weight restrictions on vehicles. CONTRACTOR acknowledges that COUNTY may document compliance with this provision of the Agreement through review of scale tickets and records of the Approved Transfer Station, Approved MRF, Approved Organic Materials Processing Facility and Approved Disposal Facility.

## 7.10 Container Requirements

**A. SFD Carts.** CONTRACTOR will provide each SFD located within the Program Areas with wheeled Carts for automated Collection of Solid Waste, Recyclable Materials, and Organic Materials. Cart sizes shall be as requested by the Customer. CONTRACTOR will provide each SFD located in the Non-Program Areas with a 96-gallon wheeled Cart for Solid Waste Collection. Customers may add additional Carts for Solid Waste Collection as may be needed at an additional charge as set forth in Exhibit A.

**B. Purchase and Distribution of Carts and Bins.** The CONTRACTOR shall be responsible for the purchase and distribution of fully assembled and functional Carts and Bins to Service Units in the Service Area. The distribution shall be completed within three (3) Residential Service Work Days of receipt of notification from the COUNTY or the Service Unit.

**C. Replacement of Carts and Bins.**

1. CONTRACTOR's employees shall take care to prevent damage to Carts or Bins by unnecessary rough treatment. However, any Cart or Bin damaged by the CONTRACTOR shall be replaced by the CONTRACTOR, at the CONTRACTOR's expense, within three (3) Residential Service Work Days after notification by the COUNTY or the Service Recipient, at no cost or inconvenience to the Service Recipient or to the COUNTY.
  2. Upon notification to the CONTRACTOR by the COUNTY or a Service Recipient that the Service Recipient's Cart(s) or Bin(s) are faulty or have worn out, or have been stolen or damaged beyond repair through no fault of the Service Recipient, the CONTRACTOR shall deliver a replacement Cart(s) or Bin(s) to such Service Recipient within three (3) Residential Service Work Days. There shall be no charge to the Service Recipient for the delivery or replacement of the Cart(s) or Bin(s).
  3. In those instances where the CONTRACTOR can demonstrate that a Cart(s) or Bin(s) was damaged or stolen as the result or product of negligence on the part of the Service Recipient, CONTRACTOR shall be entitled to bill the Service Recipient the cost of the Cart(s) or Bin(s) plus the delivery charge in an amount not exceeding the applicable Maximum Service Rates set forth in Exhibit A to this Agreement.
  4. The CONTRACTOR shall maintain records documenting all Cart and Bin replacements occurring on a monthly basis. Such information shall be provided to the Contract Administrator upon written request.
- D. Repair of Carts and Bins.** CONTRACTOR shall be responsible for repair of Carts and Bins in the Service Area including, but not be limited to, hinged lids, wheels, and axles. Within three (3) Residential Service Work Days of notification by the COUNTY or a Service Recipient of the need for such repairs, the CONTRACTOR shall repair the Cart or Bin, or if necessary, remove the Cart or Bin for repairs and deliver a replacement Cart or Bin to the Service Recipient.
- E. Cart, Bin, or Drop Box Exchange.** Upon notification to the CONTRACTOR by the COUNTY or a Service Recipient that a change in the size or number of Carts, Bins, or Drop Boxes is required, the CONTRACTOR shall deliver such Carts, Bins, or Drop Boxes to such Service Recipient no later than the Service Recipient's next regularly scheduled Collection Day. Each SFD Service Unit shall be entitled to receive one (1) free Solid Waste Cart exchange; one (1) free Recycling Cart exchange; and one (1) free Organic Materials Cart exchange per Agreement Year during the Term of this Agreement. Each MFD, Commercial or COUNTY Service Unit shall be entitled to receive one (1) free Solid Waste Cart, Bin, or Drop Box exchange, and to the extent such Carts or Bins are provided by the CONTRACTOR under the terms of this Agreement, one (1) free Recycling Cart, Bin, or Drop Box exchange and one (1) free Organic Materials Cart, Bin, or Drop Box exchange per Agreement Year during the Term of this Agreement. Accordingly, CONTRACTOR shall be entitled to charge for Container exchanges in excess of the limit set forth above per Agreement Year, at a rate not exceeding the appropriate "Cart, Bin, or Drop Box Exchange" Maximum Service Rate as set forth in Exhibit A, as adjusted under the terms of this Agreement.
- F. Additional Solid Waste Capacity.** Upon notification to the CONTRACTOR by the COUNTY or a Service Recipient that additional Solid Waste capacity is requested, the CONTRACTOR shall comply by delivering a larger Cart, an additional Cart, a larger Bin, or an additional Bin, to such

Service Recipient within ten (10) Residential Service Work Days. CONTRACTOR shall be entitled to charge for the cost of the additional Solid Waste capacity in an amount not exceeding the applicable Maximum Service Rate for the larger capacity or Additional Cart or Bin as set forth in Exhibit A, as adjusted under the terms of this Agreement.

- G. Additional Recycling Capacity.** CONTRACTOR shall provide one (1) additional Recycling Cart to SFD Service Units requesting an additional Cart within ten (10) Residential Service Work Days of the request at no additional cost provided that the additional capacity is used by the SFD Service Unit for the purposes of setting out additional Recyclable Materials that are generated by and at the SFD Service Unit for regular weekly Recyclable Material Collection Service. CONTRACTOR shall be entitled to charge for any additional Recycling Carts beyond the first additional Cart for a fee not to exceed that set forth in the Maximum Service Rates.
- 1. Pickup of Under-utilized Additional Recyclable Carts.** If CONTRACTOR's vehicle driver reports, and CONTRACTOR's Customer service representative enters into the Customer's account records, that the Customer does not set out an additional Recyclable Materials Cart more than once a month for two (2) consecutive months, then CONTRACTOR may leave a notice stating that CONTRACTOR will pick up the Customer's unused or under-utilized additional Recyclable Cart unless the Customer sets out that additional Cart at least every other week.
- H. Additional Organic Materials Capacity.** CONTRACTOR shall provide one (1) additional Organic Materials Cart to SFD Service Units requesting an additional Cart within ten (10) Residential Service Work Days of the request at no additional cost provided that the additional capacity is used by the SFD Service Unit for the purposes of setting out additional Organic Materials that are generated by and at the SFD Service Unit for regular weekly Organic Materials Collection Service. CONTRACTOR shall be entitled to charge extra for any additional Organic Materials Carts beyond the first additional Cart for a fee not to exceed that set forth in the Maximum Service Rates.
- 1. Pickup of Under-utilized Additional Organic Materials Carts.** If CONTRACTOR's vehicle driver reports, and CONTRACTOR's Customer service representative enters into Customer's account records, that Customer does not set out an additional Organic Materials Cart more than once a month for two (2) consecutive months, then CONTRACTOR may leave a notice stating that CONTRACTOR will pick up the Customer's unused or under-utilized additional Organic Materials Cart unless Customer sets out that additional Organic Materials Cart at least every other week.
- I. New Service Units.**
- 1. Purchase and Distribution of Containers.** The CONTRACTOR shall be responsible for the purchase and distribution of fully assembled and functional Containers to new Service Units that are added to CONTRACTOR's Service Area during the Term of this Agreement. The distribution shall be completed within three (3) Residential Service Work Days of receipt of notification from the COUNTY or the Service Unit except that when the new Service Units are being added as the result of converting a Non-Program Area to a Program Area as set forth in Section 5.13, distribution shall be completed as set forth therein.

- 2. Collection Services.** CONTRACTOR shall provide Collection Services described in this Agreement to new Service Units on the next regularly scheduled Collection Day following delivery of the Carts or Bins.
- J. Annual Inspection and Cleaning.** Once each Agreement Year, at no charge to the COUNTY, MFD or Commercial Service Unit, CONTRACTOR shall provide, upon request or as deemed necessary, the cleaning of Bins, Drop Boxes and Compactors. In the event a Customer requests CONTRACTOR to provide Bin, Drop Box, or Compactor cleaning more than one (1) time per Agreement Year, CONTRACTOR shall have the right to charge the Customer an amount not exceeding the Maximum Service Rate for Bin, Drop Box or Compactor cleaning set forth in Exhibit A.
- K. Bin and Drop Box Signage, Painting, and Cleaning.** All metal Bins and Drop Boxes of any service type furnished by the CONTRACTOR shall be either painted or galvanized. All Bins and Drop Boxes shall display the CONTRACTOR's name, CONTRACTOR's Customer service telephone number, and a unique identification number and shall be kept in a clean and sanitary condition. No advertising shall be permitted other than the name of the CONTRACTOR except promotional advertisement of the Recyclable Materials and Organic Materials programs or such other signage as may be approved by the Contract Administrator in writing.

### 7.11 Labor and Equipment

CONTRACTOR shall provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of CONTRACTOR's obligations under this Agreement. CONTRACTOR shall at all times have sufficient backup equipment and labor to fulfill CONTRACTOR's obligations under this Agreement. No compensation for CONTRACTOR's services or for CONTRACTOR's supply of labor, equipment, tools, facilities, or supervision shall be provided or paid to CONTRACTOR by COUNTY or by any Service Recipient except in accordance with this Agreement.

### 7.12 Holiday Service

CONTRACTOR shall provide normal Collection Services without regard to any COUNTY holidays.

### 7.13 Disposal and Processing

- A. Solid Waste.** Except as set forth below, all Solid Waste Collected as a result of performing Collection Services shall be transported to the Approved Transfer Station or the Approved Disposal Facility and eventually Disposed at the Approved Disposal Facility. In the event the Approved Disposal Facility is closed on a Commercial Service Work Day, the CONTRACTOR shall transport and Dispose of the Solid Waste at an alternative Approved Disposal Facility. Notwithstanding any other provision of this Agreement, if an alternative Approved Disposal Facility is used, and it is not owned/operated by the CONTRACTOR or its Affiliate, then CONTRACTOR's obligations hereunder will not include the landfilling of the Solid Waste (which will be the responsibility of the alternative Approved Disposal Facility operator).
- B. Recyclable Materials.** All Recyclable Materials Collected as a result of performing Collection Services shall be delivered to the Approved MRF. In the event the Approved MRF is closed on a Commercial Service Work Day, the CONTRACTOR shall transport and deliver the Recyclable Material to an alternative Approved MRF. CONTRACTOR shall ensure that all Recyclable Materials Collected pursuant to this Agreement that are expressly listed in Section 1.84 (including those

materials added by CONTRACTOR to such list from time to time), except Residue resulting from Processing, are Diverted from the Approved Disposal Facility in accordance with current and subsequent legislation and regulations. Notwithstanding any other provision of this Agreement, if an alternative Approved MRF is used that is not owned/operated by the CONTRACTOR or its Affiliate, then CONTRACTOR's obligations hereunder will not include Processing and marketing of Recyclable Materials (which will be the responsibility of the alternative Approved MRF operator).

- C. Organic Materials.** All Organic Materials Collected as a result of performing Collection Services shall be delivered to the Approved Organic Materials Processing Facility. In the event the Approved Organic Materials Processing Facility is closed on a Commercial Service Work Day, the CONTRACTOR shall transport and deliver the Organic Materials to an alternative Approved Organic Materials Processing Facility. CONTRACTOR shall ensure that all Organic Materials Collected pursuant to this Agreement, except Residue resulting from Processing, is Diverted from the Disposal Facility in accordance with current and subsequent legislation and regulations. Notwithstanding any other provision of this Agreement, if an alternative Approved Organic Materials Processing Facility is used that is not owned/operated by the CONTRACTOR or its Affiliate, then CONTRACTOR's obligations hereunder will not include Processing and marketing of Organic Materials (which will be the responsibility of the alternative Approved Organic Materials Processing Facility operator).
- D. Bulky Items.** All Bulky Items Collected as a result of performing Collection Services shall be delivered to the Approved Facilities.
1. CONTRACTOR shall cause to be Processed and/or Disposed all Bulky Items Collected from Service Units pursuant to this Agreement in accordance with the following hierarchy:
    - Reuse as is (where energy efficiency is not compromised);
    - Disassemble for reuse or Recycling;
    - Recycle; or
    - Disposal.
  2. In the event CONTRACTOR Collects Bulky Items that contain Freon, CONTRACTOR shall handle such Bulky Items in a manner such that the Bulky Items are not subject to regulation as Hazardous Waste under applicable State and federal laws or regulations.

#### 7.14 Solid Waste - Improper Procedure

Except as set forth below, the CONTRACTOR shall not be required to Collect Solid Waste if the Service Recipient does not segregate the Solid Waste from Exempt Waste. If Solid Waste is Contaminated though commingling with Exempt Waste, the CONTRACTOR shall, if practical, separate the Solid Waste from the contaminants. The Solid Waste shall then be Collected and the contaminants shall be left in the Solid Waste Cart or Bin along with a Non-Collection Notice explaining why the contaminant(s) is not considered Solid Waste. However, in the event the Solid Waste and contaminants are commingled to the extent that they cannot easily or safely be separated by the CONTRACTOR or the nature of the contaminants renders the entire Solid Waste Cart or Bin Contaminated, the CONTRACTOR may: 1) Collect the Solid Waste and leave a Non-Collection Notice that contains instructions on the proper procedures for setting out Solid Waste or; 2) leave the Solid Waste Cart or Bin un-emptied along with a Non-Collection Notice that contains instructions on the proper procedures for setting out Solid Waste. On the third (3<sup>rd</sup>) time that CONTRACTOR

finds that a Service Unit has set out Contaminated Solid Waste, CONTRACTOR may leave the Solid Waste Cart or Bin un-emptied along with a Non-Collection Notice that contains instructions on the proper procedures for setting out Solid Waste and reduce the service at that Service Unit to the minimum level available by exchanging the Solid Waste Container without the authorization of the Customer.

### 7.15 Recycling - Improper Procedure

Except as set forth below, the CONTRACTOR shall not be required to Collect Recyclable Materials if the Residential or Commercial Service Recipient does not segregate the Recyclable Materials from Solid Waste, Organic Materials, Bulky Items, Exempt Waste or C&D. The first (1st) time in any Agreement Year Recyclable Materials are contaminated through commingling with Solid Waste, Organic Materials, Bulky Items, Exempt Waste or C&D, the CONTRACTOR shall affix an "oops" tag on the Container, gate or door at the time the violation occurs shall collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the second (2<sup>nd</sup>) time in that Agreement Year or any subsequent time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Recyclable Materials, Contractor may charge the Customer a "Contamination Charge" as set forth in Exhibit A each time the Recyclable Materials are contaminated.

~~Except as set forth below, the CONTRACTOR shall not be required to Collect Recyclable Materials if the Residential or Commercial Service Recipient does not segregate the Recyclable Materials from Solid Waste, Organic Materials, Bulky Items, Exempt Waste, or C&D. The first (1<sup>st</sup>) time in any Agreement Year Recyclable Materials are Contaminated through commingling with Solid Waste, Organic Materials, Bulky Items, Exempt Waste or C&D, the CONTRACTOR shall contact the Customer to discuss the Contamination and shall Collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the second (2<sup>nd</sup>) time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Recyclable Materials, CONTRACTOR shall contact the Customer to discuss the Contamination and the consequences thereof and shall Collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the third (3<sup>rd</sup>) or any subsequent time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Recyclable Materials, Contractor may, to the extent not prohibited by law, without the authorization of the Customer, remove the Recycling Cart(s) or Bin(s) and stop Collecting Recyclable Materials from that Service Unit. Alternatively, on the 3<sup>rd</sup> and any subsequent time in one (1) Agreement Year CONTRACTOR finds that a Service Unit has set out Contaminated Recyclable Materials, CONTRACTOR may begin to charge the Customer a "Contamination charge" as set forth in Exhibit A each time the Recyclable Materials are Contaminated.~~

- A. Recycling - Changes to Work.** Should changes in law arise that necessitate any additions or deletions to the work described herein, including the type of items included as Recyclable Materials, the Parties shall negotiate any necessary cost changes and adjustment in Maximum Service Rates pursuant to Section 5.5 and shall enter into an Agreement amendment covering such modifications to the work to be performed and the adjustment to Maximum Service Rates before undertaking any changes or revisions to such work.

### 7.16 Organic Materials - Improper Procedure

Except as set forth below, the CONTRACTOR shall not be required to Collect Organic Materials if the Residential or Commercial Service Recipient does not segregate the Organic Materials from Solid Waste, Recyclable Materials, Bulky Items, Exempt Waste or C&D. The first (1st) time in any Agreement Year Organic Materials are contaminated through commingling with Solid Waste, Recyclable Materials, Bulky Items, Exempt Waste or C&D, the CONTRACTOR shall affix an "oops" tag on the Container, gate or door at the time the violation occurs and shall collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the second (2<sup>nd</sup>) time in that Agreement Year or any subsequent time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Organic Materials, Contractor may charge the Customer a "Contamination Charge" as set forth in Exhibit A each

time the Organic Materials are contaminated. ~~Except as set forth below, the CONTRACTOR shall not be required to Collect Organic Materials if the Residential or Commercial Service Recipient does not segregate the Organic Materials from Solid Waste, Recyclable Materials, Bulky Items, Exempt Waste, or C&D. The first (1<sup>st</sup>) time in any Agreement Year Organic Materials are Contaminated through commingling with Solid Waste, Recyclable Materials, Bulky Items, Exempt Waste, or C&D, the CONTRACTOR shall contact the Customer to discuss the Contamination and shall Collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the second (2<sup>nd</sup>) time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Organic Materials, CONTRACTOR shall contact the Customer to discuss the Contamination and the consequences thereof and shall Collect the Container and cause the material contained therein to be Disposed or Processed in the most appropriate manner. On the third (3<sup>rd</sup>) or any subsequent time in that same Agreement Year that CONTRACTOR finds that a Service Unit has set out Contaminated Organic Materials, Contractor may, to the extent not prohibited by law, without the authorization of the Customer, remove the Organic Materials Cart(s) or Bin(s) and stop Collecting Organic Materials from that Service Unit. Alternatively, on the 3<sup>rd</sup> and any subsequent time in~~

~~one (1) Agreement Year CONTRACTOR finds that a Service Unit has set out Contaminated Organic Materials, CONTRACTOR may begin to charge the Customer a "Contamination charge" as set forth in Exhibit A each time the Organic Materials are Contaminated.~~

### 7.17 Commingling of Materials

- A. **Solid Waste, Recyclable Materials, and Organic Materials.** CONTRACTOR shall not commingle Solid Waste Collected pursuant to this Agreement with any Recyclable Materials or Organic Materials separated for Collection pursuant to this Agreement prior to delivery to the appropriate Approved Facility without the express prior written authorization of the Contract Administrator.
- B. **Solid Waste Material Collected in the Service Area.** CONTRACTOR shall not commingle any Solid Waste Collected pursuant to this Agreement with any other material Collected by CONTRACTOR outside the RWMA Service Area prior to delivery to the appropriate Approved Facility unless CONTRACTOR has provided documentation that is satisfactory to the Contract Administrator explaining how the commingled material will be allocated.
- C. **Recyclable Materials Collected in the Service Area.** CONTRACTOR shall not commingle Recyclable Materials Collected pursuant to this Agreement with any other material Collected by CONTRACTOR outside the RWMA Service Area prior to delivery to the appropriate Approved Facility unless CONTRACTOR has provided documentation that is satisfactory to the Contract Administrator explaining how the commingled material will be allocated.
- D. **Organic Materials Collected in the Service Area.** CONTRACTOR shall not commingle Organic Materials Collected pursuant to this Agreement with any other material Collected by CONTRACTOR outside the RWMA Service Area prior to delivery to the appropriate Approved Facility unless CONTRACTOR has provided documentation that is satisfactory to the Contract Administrator explaining how the commingled material will be allocated.
- E. **Material Separation.** Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D shall not be mixed together in CONTRACTOR's Collection equipment unless such material has been deemed Contaminated, in which case it shall be Collected as Solid Waste. Each category of material Collected shall be kept separated according to type or classification, except for such material that has been deemed Contaminated, in which case it shall be classified as Solid Waste.

### 7.18 Personnel

- A. **General Personnel Requirements.** The CONTRACTOR shall employ and assign qualified personnel to perform all services set forth herein. The CONTRACTOR shall be responsible for ensuring that its employees comply with all Applicable Laws and regulations and meet all federal, State, and local requirements related to their employment and position.
  - 1. CONTRACTOR shall furnish such qualified drivers, mechanical, supervisory, Customer service, clerical, and other personnel as may be necessary to provide the services required by this Agreement in a safe and efficient manner.
  - 2. CONTRACTOR shall use its best efforts to ensure that all employees who interact with Customers present a neat appearance and conduct themselves in a courteous manner.

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

3. CONTRACTOR shall designate at least one (1) qualified employee as the COUNTY's primary point of contact with CONTRACTOR who is principally responsible for Collection Services and resolution of service requests and complaints.

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

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

## 7.19 Hazardous Waste Inspection and Handling

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

1. CONTRACTOR's load checking personnel, including its Collection vehicle drivers, shall be trained in: (i) the effects of Hazardous Substances on human health and the environment; (ii) identification of prohibited materials; and, (iii) emergency notification and response procedures. Collection vehicle drivers shall inspect Containers before Collection when practical.

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

## ARTICLE 8: BILLING, CUSTOMER SERVICE, RECORD KEEPING, AND REPORTING

### 8.1 Billing and Collection

The CONTRACTOR shall be solely responsible for the billing and collection of payments for all Collection Services, including billing of COUNTY for any services provided in excess of those COUNTY Collection Services specified in Section 5.9. The CONTRACTOR shall charge Service Recipients an amount that shall not exceed the Maximum Service Rates set forth in Exhibit A to this Agreement as adjusted under the terms of this Agreement. Billing shall be performed on the basis of services rendered. The COUNTY or the Contract Administrator shall have the right to review and approve the format of all Customer bills. CONTRACTOR shall be entitled to set rates for all services provided pursuant to this Agreement, provided that such rates do not exceed the Maximum Service Rates set forth in Exhibit A, as adjusted under the terms of this Agreement. Unless otherwise expressly provided, all references to Exhibit A in this Agreement shall be deemed to refer to such exhibit as adjusted from time to time in accordance with the provisions of this Agreement.

- A. Partial Month Service.** If, during a month, a Service Unit is added to or deleted from CONTRACTOR's Service Area, the CONTRACTOR's billing shall be pro-rated as follows: (i) the monthly rate for the service provided to the Service Unit divided by the number of days in such month, multiplied by (ii) the number of days the Cart(s) or Bins(s) were at the Service Unit;~~if, during a month, a Service Unit is added to or deleted from CONTRACTOR's Service Area, the CONTRACTOR's billing shall be pro-rated by dividing the monthly rate for the service provided to the Service Unit by four (4), and multiplying the result by the number of actual weeks in the month that service was provided to the Service Unit.~~
- B. Billing Inserts.** COUNTY may provide educational and other material to CONTRACTOR for inclusion in the invoices provided by CONTRACTOR to SFD, MFD, and Commercial Customers for Collection Services. CONTRACTOR may charge the COUNTY for the insertion and any extra postage charges for educational or other materials provided for distribution in the invoices.

### 8.2 Delinquent Service Accounts

The CONTRACTOR may take such action as is legally available to collect or cause collection of such past due amounts, including discontinuing any or all service and/or removing Carts, Bins, or other Containers from service addresses located in areas where no lien process is available to CONTRACTOR to collect delinquent accounts ("Non-Lien Areas"). No less than seven (7) Days prior to discontinuing service to a Customer, CONTRACTOR shall notify the Contract Administrator of the address, Service Level, service frequency, and delinquent billing amount. CONTRACTOR may withhold service from a delinquent account associated with a service address that is in a Non-Lien Area until past delinquencies are paid in full. Upon restoring service to a previously delinquent account, CONTRACTOR may require a deposit from the Customer not to exceed one (1) month's billings at the Customer's Service Level, or such other amount as is agreed by the Contract Administrator.

### 8.3 Low-Income Senior Citizen Maximum Service Rates

CONTRACTOR shall provide SFD Collection Services to qualified low-income senior citizens at rates not exceeding the Maximum Service Rates for such services specified in Exhibit A upon request. The qualification requirements for the low-income senior citizen rates include all of the following: (i) head of household; (ii) minimum of sixty-two (62) years of age; and, (iii) an adjusted gross income for the

household at or below one hundred fifty percent (150%) of the current federal Poverty Guidelines for the 48 Contiguous States and the District of Columbia for the applicable size of family unit.

- A. To demonstrate conformity with the qualification requirements, CONTRACTOR shall require applicants to complete an application form provided by CONTRACTOR and provide copies of photo identification showing proof of age and the first and second pages of Form 1040, U.S. Individual Income Tax Return for the previous calendar year, or other suitable documentation to verify household income.
- B. Eligibility shall be granted for a specified period not to exceed two (2) years after which CONTRACTOR shall require applicant to re-certify as to their continued eligibility. CONTRACTOR shall require approved applicants to provide notification if and when their eligibility qualification status changes.

#### **8.4 Non-Disclosure**

CONTRACTOR will not disclose to any Person other than the COUNTY or RWMA any information identifying an individual Customer, the composition or contents of a Customer's Discarded Materials, or a Customer's trade secrets unless upon the authority of a law or order validly issued by a court or administrative tribunal of competent jurisdiction, or pursuant to written authorization of the Customer.

#### **8.5 No Marketing**

CONTRACTOR will not market or distribute mailing lists with the name or address of Customers. CONTRACTOR's obligations under this subsection are in addition to any other privacy rights accorded Customers under Applicable Law.

#### **8.6 Customer Service Staffing and Hours**

The CONTRACTOR shall maintain a publicly accessible office located within the RWMA Service Area as set forth in Section 7.2 that is staffed by trained and experienced Customer service representatives (CSRs). Such office shall be equipped with a telephone system and staff so that all Collection Service related calls received during normal business hours are answered by an employee within five (5) rings and shall have responsible Persons in charge during Collection hours. The telephone system shall meet the requirements of Sections 8.7.D through 8.7.F. The CONTRACTOR shall provide either a telephone answering service or a mechanical device to receive Service Recipient inquiries during those times when the office is closed. Calls received after normal business hours shall be addressed the next morning the office is open.

#### **8.7 CONTRACTOR's Customer Service**

CONTRACTOR shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all Customer service requests and complaints. CONTRACTOR shall record in its computer system or a separate log, approved as to form by the Contract Administrator, all complaints noting the name and address of complainant, date and time of complaint, nature of complaint, and nature and date of resolution. The CONTRACTOR shall retain this complaint log for the Term. Upon request by the Contract Administrator, CONTRACTOR shall compile and submit a summary statistical table of the complaint log. A representative of the CONTRACTOR shall be available to receive the complaints during normal business hours. All service complaints will be handled by the CONTRACTOR in a prompt, courteous, and efficient manner.

- A. **Response Requirement.** For those complaints related to missed Collections that are received by 12:00 p.m. on a Residential Service Work Day, the CONTRACTOR will return to the Customer

address and Collect the missed materials before leaving the Service Area for the Day. For those complaints related to missed Collections that are received after 12:00 p.m. on a Residential Service Work Day, the CONTRACTOR shall have until the end of the following Residential Service Work Day to resolve the complaint. For those complaints related to repair or replacement of Carts or Bins, the CONTRACTOR shall resolve the complaint according to the requirements described in Section 7.10.C.

- B. Missed Collections.** CONTRACTOR agrees that it is in the best interest of the COUNTY that all Solid Waste, Recyclable Materials, and Organic Materials be Collected on the scheduled Collection Day. Accordingly, missed Collections will normally be Collected as set forth above regardless of the reason that the Collection was missed. However, in the event a Customer requests missed Collection Service more than two (2) times during the Term of this Agreement CONTRACTOR shall contact the Customer to determine an appropriate resolution to that situation.
- C. Emergency Contact.** The CONTRACTOR shall provide the Contract Administrator with an emergency phone number where the CONTRACTOR can be reached outside of the required office hours.
- D. Multilingual/TDD Service.** CONTRACTOR shall at all times maintain the capability of responding to telephone calls in English, Spanish and one (1) other language as may be directed by COUNTY. CONTRACTOR shall also at all times maintain the capability of responding to telephone calls through Telecommunications Device for the Deaf (TDD) Services.
- E. Service Recipient Calls.** During office hours, CONTRACTOR shall maintain a telephone answering system capable of accepting at least seven (7) incoming calls at one (1) time. CONTRACTOR shall document calls regarding inquiries, service requests and complaints through the use of the CONTRACTOR's ticket report system.
- F. Response to Calls.** All incoming calls shall be answered by a Customer Service Representative within five (5) rings. Customers shall not be placed "on-hold" in excess of one and one half (1.5) minutes.
- G. Website.** CONTRACTOR shall develop and maintain a website dedicated to services provided in the COUNTY that is accessible by the public. The website shall include a description of all services available to Customers; answers to frequently asked questions; rates for all Collection Services available; Recyclable Materials and Organic Materials specifications; proper Household Hazardous Waste Disposal procedures; and, other related topics. COUNTY shall arrange for the COUNTY's website to include an e-mail link to CONTRACTOR and a link to CONTRACTOR's website. The CONTRACTOR's website shall provide the public the ability to e-mail complaints to CONTRACTOR and request services or service changes.
- H. Hazardous Waste Referrals.** CONTRACTOR shall provide information regarding the Collection of Hazardous Waste to those Service Recipients requesting such information. The information shall, at a minimum, include the name and phone number of those companies or agencies in the RWMA Service Area that are legally permitted to collect and transport Hazardous Waste.
- I. Automated Billing Payment.** In an effort to reduce paper waste, CONTRACTOR shall make available to all Customers an automated billing and payment system at no additional charge. This

system should be website based and allow Customers to view and pay bills through CONTRACTOR's website. Through the CONTRACTOR's website, Customers may request to cease paper billing and receive all bills through e-mail and/or CONTRACTOR's website. CONTRACTOR will ensure that the electronic billing and payment website conforms to industry-standard practices for electronic commerce security. CONTRACTOR must ensure that these Customers are compiled in a list to ensure that billing inserts are mailed directly. CONTRACTOR shall promote the website-based billing and payment system on all paper bills sent to Customers.

## 8.8 Record Keeping

- A. Accounting Records.** CONTRACTOR shall maintain full, complete and separate financial, statistical and accounting records pertaining to cash, billing, and provisions of all Collection Services provided under this Agreement, prepared on an accrual basis in accordance with generally accepted accounting principles. Such records shall be subject to audit, copy, and inspection. Gross Billings derived from provision of the Collection Services, revenues from the sale of Recyclable Materials, CRV revenue or revenue from the sale of Composted material, whether such services are performed by the CONTRACTOR or by an approved Subcontractor(s) as set forth in Exhibit E, shall be recorded as revenues in the accounts of the CONTRACTOR. These records shall be maintained separately from CONTRACTOR's records for services provided outside the Service Area. CONTRACTOR shall maintain and preserve all cash, billing and Disposal records for a period of not less than eight (8) years following the close of each of the CONTRACTOR's fiscal years.
- B. Agreement Materials Records.** CONTRACTOR shall maintain records of the quantities of: (i) SFD, MFD, Commercial, and COUNTY Solid Waste and C&D Collected and Disposed under the terms of this Agreement; (ii) Recyclable Materials, by type, Collected, purchased, Processed, sold, donated, or given for no compensation, and Residue Disposed; (iii) Organic Materials by type Collected, Processed, sold, donated, or given for no compensation and Residue Disposed; (iv) Bulky Items, Collected, Processed, sold, donated, or given for no compensation, and Residue Disposed; and, (v) C&D Collected, Processed, sold, donated, or given for no compensation, and Residue Disposed.

## 8.9 Reporting Requirements

Quarterly reports shall be submitted to the Contract Administrator no later than forty-five (45) Days after the end of the reporting quarter and annual reports shall be submitted to the Contract Administrator no later than November 15 after the end of each preceding Agreement Year. Quarterly and annual reports shall be submitted in hard copy or provided electronically via e-mail if acceptable to the COUNTY.

- A. Quarterly Reports.** Quarterly reports to the COUNTY shall be on a calendar quarter basis and shall include:
- 1. Solid Waste Data.** Quarterly reporting of Solid Waste Disposal data and certain types of Diversion data is governed by State law, and while the COUNTY currently is a member of a regional agency as defined by State law that allows for the reporting of this data on a regional basis, CONTRACTOR shall continue to report these data specific to the COUNTY.
  - 2. Recycling and Organic Materials Data and Alternative Daily Cover Diversion from the Approved Transfer Station, Approved MRF, Approved Organic Materials Processing Facility and Approved Disposal Facility.** The COUNTY is a member of the RWMA regional

agency, and as long as the COUNTY remains a member of this regional agency, data regarding Recyclable Materials, Organic Materials, and ADC Diversion from the Approved Transfer Station, Approved MRF, Approved Organic Materials Processing Facility, and Approved Disposal Facility will be reported in aggregate for all of the Participating Member Agencies. Furthermore, these aggregate data may include tonnage from Beale Air Force Base in Yuba County because these materials may be commingled at the Approved Facilities and are also pertinent to the computation of the State-mandated Diversion requirement per the Act. Therefore, CONTRACTOR shall report on a region-wide basis for all Participating Member Agencies, the amount of Diversion calculated as follows:

- The amount of Recyclable Materials by specific material type, shipped by CONTRACTOR to Recycling markets during the quarter, minus Residue Disposed, and minus the amount of materials received at any co-located buy-back centers or through other programs during the quarter, by specific material type. The materials from each of these activities shall be separately identified.
  - The amount of Organic Materials Diverted to the Organic Materials Processing Facility(ies) minus Residue Disposed.
  - The amount of Organic Materials Diverted to other end uses minus Residue Disposed.
- 3. Disposal and Diversion Data Solely Attributable to COUNTY.** In addition to reporting on a region-wide basis for all Participating Member Agencies, CONTRACTOR shall also report to the COUNTY on a calendar quarter basis, the Disposal data and the types and amounts of Diversion as provided in Section 6.7 of this Agreement that are attributable to the COUNTY based on the allocation methodology agreed to and approved by the COUNTY.
- 4. Public Education and Information Activities.** CONTRACTOR shall report on all public education and information activities undertaken during the period, including distribution of printed materials, ads, other notices, Non-Collection Notices, community information and events, school visits, tours, and other activities related to the provision of Collection Services. CONTRACTOR shall provide all programs and services set forth in this Agreement related to AB 341 and AB 1826 compliance, commencing immediately upon the Commencement Date, including required outreach and education, including development, printing, and distribution of COUNTY-approved materials; documentation and reporting of outreach and education; offer of Recyclable Materials and Organic Materials/Food Waste Collection Services as required per AB 341 and AB 1826; and, documentation of Customers required to be offered services per AB 341 and AB 1826 and list of Customers in compliance (including Customer name, subscription of; weekly yards of Solid Waste service; weekly yards of Recyclable Materials; and/or Organic Materials/Food Waste Collection Service); all as more fully described elsewhere in this Agreement.
- 5. Customer Base Data.** CONTRACTOR shall provide Customer base data consisting of the SFD, MFD, and Commercial Service Units and C&D Collection Services billed and COUNTY Collection Services provided, including service type, Container size, number of Containers, and frequency of Collection.

**B. Annual Account Data Report.** The annual account data report to the COUNTY shall include the number of SFD, MFD, Commercial, and COUNTY Service Units, Bulky Item Collection Service

accounts and C&D Collection Service accounts serviced with the number of Solid Waste, Recyclable Materials, and Organic Materials Carts, Bins, Compactors, and Drop Box Containers serviced for each category.

- C. Additional Reporting.** COUNTY reserves the right to require CONTRACTOR to provide additional reports or documents as the Contract Administrator reasonably determines to be required for the administration of this Agreement or compliance with Applicable Law.

### 8.10 AB 341 and AB 1826 Compliance

CONTRACTOR shall identify those MFD and Commercial Customers who appear based on subscribed-for container volume to be required to comply with AB 341, AB 1826, or other Applicable Laws, but who have not subscribed for Recyclable Materials or Organic Materials Collection service. An updated list of such Customers shall be included in CONTRACTOR's quarterly reports to COUNTY. CONTRACTOR shall prioritize such Customers for outreach to inform them of their compliance obligation and encourage them to subscribe for service. CONTRACTOR shall provide COUNTY with such information as COUNTY may reasonably request regarding CONTRACTOR's operations in order for COUNTY to prepare any reports required under such statutes.

### 8.11 Right to Audit

The COUNTY reserves the right to conduct audits of CONTRACTOR's payments, operations and financial records. The CONTRACTOR shall cooperate with the COUNTY in connection therewith, including permitting COUNTY employees or agents, designated by the Contract Administrator, to ride in the Collection vehicles subject to the provision of an appropriate waiver, to inspect records consistent with the terms of this Agreement and to review and inspect all other information and facilities necessary to conduct the audits. The CONTRACTOR shall have no responsibility or liability for the salary, wages, benefits or worker compensation claims of any Person designated by the Contract Administrator to conduct such audits. The scope of the audit, and auditing party, will be determined by COUNTY and the scope may include, but is not limited to: Customer Service Levels and billing; tonnage; and, verification of Diversion rate.

If inaccuracies in CONTRACTOR's payments to COUNTY are found, COUNTY may expand the scope of the audit and recover from the CONTRACTOR any additional audit costs resulting from the expanded scope.

### 8.12 ~~Billing and Service Level Audit~~ Billing and Service Level Audit.

In addition to other auditing activities required by this Agreement, beginning in the Agreement Year commencing October 1, 2026 and every year thereafter during the Term, CONTRACTOR shall perform a billing and service level audit of the Customers who were subject to a Route Review, as more fully detailed in Section 5.14.B.1 herein. CONTRACTOR shall submit a written report by November 15 of the year following the reporting year. The purpose of such audit shall be to ensure that such Customers are receiving the service for which the Customer is being billed. If the COUNTY requests, CONTRACTOR shall cooperate fully with the COUNTY to allow the COUNTY to verify the accuracy of CONTRACTOR'S billing and Service Level audit report."

~~In addition to any other auditing activities required by this Agreement, CONTRACTOR shall perform a comprehensive audit of all Collection routes in the Service Area as of October 1, 2022 and every twenty-four (24) months thereafter, and submit to the COUNTY a written report on the results of that audit, no later than the March 31 of the subsequent year. The purpose of such audit shall be to ensure that each Customer is receiving the service for which the Customer is being billed. If the COUNTY requests, CONTRACTOR shall cooperate fully with the COUNTY to allow the COUNTY to verify the accuracy of CONTRACTOR's billing and Service Level audit report.~~

### **8.13 Performance and Compliance Reviews**

- A. The COUNTY may in participation with other Participating Member Agencies conduct, and CONTRACTOR shall cooperate with, up to three (3) performance and compliance reviews during

the initial Term of this Agreement, and, if the Term is extended, one (1) per extension, to verify CONTRACTOR has fulfilled its performance and operational obligations under this Agreement. Each such review shall cover CONTRACTOR'S services to all Participating Member Agencies under this Agreement and like agreements between CONTRACTOR and the other Participating Member Agencies. The purpose of such reviews shall be, without limitation, to review complaints, billings, and fee payments, and to determine if CONTRACTOR has met the performance standards described in such agreements. The Participating Member Agencies may choose to enlist professional service providers to perform such reviews and CONTRACTOR shall be required to pay the actual costs for such services up to fifty thousand dollars (\$50,000) per review. In order to maintain the professional service provider's independence, CONTRACTOR may not influence or control the selection of such professional service providers. CONTRACTOR shall take direction from the COUNTY and its agents during the review process. If any noncompliance with the Agreement is found, the COUNTY may direct the CONTRACTOR to correct the inadequacies. The dollar amount stated in this Section 8.13 shall be adjusted annually by the same percentage used to adjust the base element of the Maximum Service Rates as described in Exhibit B.

- B. At the COUNTY's sole option, with at least thirty (30) Days' written notification to the CONTRACTOR, it may set a public meeting at which the CONTRACTOR shall be present and shall participate, to review the CONTRACTOR's performance and quality of service and provide for evaluation of technological and regulatory changes.

## ARTICLE 9: FRANCHISE FEES AND OTHER FEES

### 9.1 RWMA Surcharge Fee

During the Term of this Agreement, CONTRACTOR shall pay RWMA a RWMA surcharge fee to fund the programs and activities of the RWMA as authorized in the Joint Powers Agreement as it may be amended from time to time. These programs and activities currently include the funding, operation and/or maintenance of the Household Hazardous Waste facility in Yuba City; the Yuba-Sutter Local Enforcement Agency; rate reviews; special projects; and, RWMA administration. COUNTY shall provide CONTRACTOR with any change to the RWMA surcharge fee no later than thirty {30} Days prior to the date that the annual rate adjustment application is due. In the event that the COUNTY adjusts the RWMA surcharge fee, CONTRACTOR may adjust the Maximum Service Rates, subject to approval by COUNTY of CONTRACTOR's calculation of the adjustment amount, to incorporate any such changes in the surcharge fee prior to the time that the new surcharge fee becomes effective.

- A. Payment of RWMA Surcharge Fee.** CONTRACTOR shall make payment to the RWMA of the RWMA surcharge fee. Payment to the RWMA shall be due on the twentieth {20<sup>th</sup>} Day of each month with respect to surcharge fees billed by CONTRACTOR in the preceding month. Each payment shall be accompanied by an accounting that sets forth the amount of RWMA surcharge fees attributable to each Service Area for the preceding month. No acceptance by the RWMA of any payment shall be construed as an accord that the amount is the correct amount, nor shall such acceptance of payment be construed as a release of any claim the RWMA may have against CONTRACTOR for any additional sums payable under the provisions of this Agreement.
- B. RWMA Surcharge Fee Audit.** All amounts paid shall be subject to independent audit and recompilation by the RWMA. If, after an audit, such recompilation indicates an underpayment, CONTRACTOR shall pay to the RWMA the amount of the underpayment plus interest at the Wall Street Journal Prime Rate. If the underpayment is in excess of five percent {5%} of the total fees due for the period of the audit, the CONTRACTOR shall reimburse the RWMA for all reasonable costs and expenses incurred in connection with the audit and recompilation within ten {10} Residential Service Work Days of receipt of written notice from the RWMA that such is the case. If, after an audit, such recompilation indicates an overpayment, the RWMA shall notify the CONTRACTOR in writing of the amount of the overpayment. CONTRACTOR may offset the amounts next due following receipt of such notice by the amount specified therein.

### 9.2 Franchise Fee

- A. Franchise Fee Amount.** In consideration of the exclusive Franchise granted to CONTRACTOR by this Agreement, CONTRACTOR shall pay COUNTY a Franchise Fee during the Term of this Agreement. The Franchise Fee shall be ten percent {10%}, unless otherwise adjusted by the COUNTY, of CONTRACTOR's monthly Gross Billings net of RWMA surcharge fees and net of fees set forth on Exhibit H charged to users of the Ponderosa Landfill Transfer Station.
- B. Timing and Method of Payment.** CONTRACTOR shall make payment to the COUNTY of the fees set forth in subsection A of Section 9.2. Payment to the COUNTY shall be due quarterly on the twentieth {20<sup>th</sup>} Day of the month following each three (3) month period (quarter) during which revenues are billed. Each such payment shall be accompanied by an accounting that sets forth CONTRACTOR's Gross Billings during the preceding quarter. In the event CONTRACTOR begins

invoicing Customers for Residential Collection Services on a monthly basis, fee payments shall be due on the twentieth (20<sup>th</sup>) Day of the month following the month the revenues are billed.

- C. Franchise Fee Adjustment.** In the event that the COUNTY adjusts the Franchise Fee percentage, COUNTY shall provide CONTRACTOR with such change to the Franchise Fee percentage fee no later than thirty (30) Days prior to the date that the annual rate adjustment application is due. CONTRACTOR may adjust the Maximum Service Rates, subject to approval of COUNTY of CONTRACTOR's calculation of the adjustment amount, to incorporate any such changes in the Franchise Fee percentage prior to the time that the new Franchise Fee percentage becomes effective. To give effect to the intent of this Section, the Parties agree that the Franchise Fee paid by the CONTRACTOR shall be calculated by dividing the base service rate element of each Maximum Service Rate by one (1) minus the Franchise Fee percentage (for example 1.00 - .10::: 0.90); subtracting the base service rate element; and rounding the resulting figure to two (2) decimal places. If the base service rate element of a Maximum Service Rate changes for any reason, the Franchise Fee element will be recalculated.
- D. CONTRACTOR's Liability.** Contractor acknowledges the following: (1) the Franchise Fee is an obligation of the CONTRACTOR and not CONTRACTOR's customers; (2) CONTRACTOR pays COUNTY the Franchise Fee as consideration for COUNTY's granting of the exclusive Franchise; (3) the Franchise Fee is one of CONTRACTOR's many costs of doing business, such as fuel, labor, capital investment, etc.; and (4) if CONTRACTOR fails to fully and timely pay the Franchise Fee, CONTRACTOR forfeits (subject to the notice and cure provisions in Article 12) the exclusive Franchise granted to CONTRACTOR by COUNTY.
- E. CONTRACTOR Fee Audit.** CONTRACTOR shall conduct regular Gross Billing audits not less than annually, of all Drop Box, Commercial, SFD and MFD Customers in order to ensure the accuracy of the CONTRACTOR's payments to the COUNTY. CONTRACTOR shall provide a copy of said Gross Billing audit upon request to the COUNTY. The COUNTY maintains the right to engage a third party for an independent audit of the results of the Gross Billing audit.
- F. COUNTY Fee Audit.** No acceptance by COUNTY of any payment shall be construed as an accord that the amount is the correct amount, nor shall such acceptance of payment be construed as a release of any claim COUNTY may have against CONTRACTOR for any additional sums payable under the provisions of this Agreement. All amounts paid shall be subject to independent audit and recompilation by COUNTY. If, after an audit, such recompilation indicates an underpayment, CONTRACTOR shall pay to COUNTY the amount of the underpayment plus interest at the Wall Street Journal Prime Rate. If the underpayment is in excess of five percent (5%) of the total fees due for the period of the audit, the CONTRACTOR shall reimburse COUNTY for all reasonable costs and expenses incurred in connection with the audit and recompilation within ten (10) Residential Service Work Days of receipt of written notice from COUNTY that such is the case. If, after an audit, such recompilation indicates an overpayment, COUNTY shall notify the CONTRACTOR in writing of the amount of the overpayment. CONTRACTOR may offset the amounts next due following receipt of such notice by the amount specified herein.

### 9.3 COUNTY Community Partnership Fee

The Parties acknowledge that certain services and costs are provided and incurred by COUNTY in connection with both the management of this Agreement and the comprehensive program of activities

designed to effectuate the purpose of this Agreement and benefit the community. To reimburse COUNTY for the various direct and indirect costs related to the administration of the Collection Service Agreement, and assist with the program activities implemented by the COUNTY, the CONTRACTOR shall pay COUNTY a community partnership ("CP") fee. The initial CP fee for the Agreement Year beginning October 1, 2018 and ending September 30, 2019 shall be \$133,760. The CP fee for the next Agreement Year and each subsequent Agreement Year shall be adjusted annually by the same percentage as the annual CPI adjustment to the Base Service Rate Element pursuant to Section I.b. of Exhibit B to this Agreement, taking into account the carry-forward mechanism. CP fees shall be paid on or before the twentieth (20<sup>th</sup>) day of October beginning with October 2018 and annually thereafter.

#### **9.4 Sole Source Negotiation Reimbursement Fee**

Within (5) Business Days of the Effective Date of this Agreement, CONTRACTOR shall pay the COUNTY a sole source negotiation fee of one hundred sixty thousand dollars (\$160,000).

#### **9.5 Other Fees**

Subject to the provisions of Article 10, Section 10.5(c) and Exhibit B of this Agreement, the COUNTY shall reserve the right to implement "Other Fees," as it deems necessary to offset any additional COUNTY costs associated with this Agreement.

## ARTICLE 10: CONTRACTOR COMPENSATION AND MAXIMUM SERVICE RATES

### 10.1 CONTRACTOR Compensation

The Maximum Service Rates set forth in Exhibit A, as more fully defined as CONTRACTOR compensation in this Article, shall be the maximum amount that CONTRACTOR may charge Customers, as full compensation for performance of all the services and obligations required by this Agreement in the manner and at the times prescribed. CONTRACTOR shall impose no other charges for services and obligations provided under this Agreement to Customers unless approved in advance in writing by COUNTY.

### 10.2 COUNTY Approved/CONTRACTOR Set Maximum Service Rates

The COUNTY approves the Maximum Service Rates, set forth in Exhibit A, for the Collection, transportation, Processing, Recycling, Composting, and/or Disposal of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, Construction and Demolition Debris and Sludge. CONTRACTOR shall set the Service Rates it charges its Customers for Collection Services provided such rates do not exceed the COUNTY-approved Maximum Service Rates set forth in Exhibit A, subject to Articles 10.4 and 10.5.

### 10.3 Initial Service Rates

The Maximum Service Rates the CONTRACTOR may charge Customers through the Agreement Year ending September 30, 2019 shall not exceed the Maximum Service Rates set forth in Exhibit A.

### 10.4 Annual Rate Adjustments

- A. **Annual Adjustments.** For all Agreement Years, the base element of the Maximum Service Rates shown in Exhibit A shall be adjusted by the percentage change in the Consumer Price Index, All Urban Consumers: Water and Sewer and Trash Collection Services, Series ID: CUSR0000SEHG, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI"), subject to the annual cap and the carry-forward mechanism described in Exhibit B. The CONTRACTOR shall submit the rate application required by Exhibit B electronically in a format approved by the COUNTY to the Contract Administrator on or before June 1 of each Agreement Year~~Beginning with the Agreement Year starting October 1, 2019 and ending on September 30, 2020 and for all subsequent Agreement Years the base element of the Maximum Service Rates shown in Exhibit A shall be adjusted by the percentage change in the Consumer Price Index, All Urban Consumers, All Items, San Francisco-Oakland-Hayward, Series ID: CUURS49BSA0, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI"), subject to the annual cap and the carry-forward mechanism described in Exhibit B. The annual rate adjustment process and the methodology for calculating the annual adjustment shall be as set forth in Exhibit B. The CONTRACTOR shall submit the rate application required by Exhibit B electronically in a format approved by the COUNTY to the Contract Administrator on or before June 1, 2019 and June 1 of each succeeding Agreement Year.~~

The annual rate adjustment process shall be as set forth in Exhibit B.

### 10.5 Extraordinary Rate Adjustments

It is understood that the CONTRACTOR accepts the risk for ordinary-course changes in the cost of providing services and the Service Levels requested by Customers and therefore the extraordinary ~~adjustments to Maximum Service Rates shall be limited to:~~

- Collection Service Agreement
- A. a Change in Law that increases or decreases CONTRACTOR's costs or revenues associated with providing Collection of Discarded Materials under the terms of this Agreement. Such costs, except for those fees set forth in Section B-D. below, shall not include costs of owning or operating any

Approved Facility, regardless of its location, or costs relating to the closed Recology Yuba-Sutter landfill in Marysville; or

- B. a change to the host fees set forth in Section 10.8; or
- C. the addition of a new fee, deletion of an old fee or increase or decrease in a then-existing fee, payable to a Participating Member Agency, or the RWMA by a Participating Member Agency; or
- D. the addition of a new fee, deletion of an old fee, or increase or decrease in a then-existing fee, payable to any governmental authority, that is either paid directly by CONTRACTOR, or that is paid by an Approved Facility or third party and passed through to CONTRACTOR, but excluding any fees relating to the closed Recology Yuba-Sutter landfill in Marysville.

If any event set forth in items A. through D. of this Section 10.5 occurs or is reasonably expected to occur, either Party may request an extraordinary adjustment to the Maximum Service Rates in excess of the annual adjustment described in Section 10.4 and Exhibit Bin order to cover the change in CONTRACTOR's costs and/or revenues resulting from the event.

CONTRACTOR shall prepare a proposal for the extraordinary rate increase. Such submittal shall provide all information reasonably requested by Contract Administrator specific to the nature of the request being made. If CONTRACTOR initiates the request for the extraordinary rate adjustment, CONTRACTOR shall pay all reasonable third party costs incurred by COUNTY, including the costs of outside accountants, attorneys, and/or consultants, in order to make a determination of the reasonableness of the requested extraordinary rate adjustment. If the adjustment is granted, such costs, exceeding twenty-five thousand dollars (\$25,000) in total for all Participating Member Agencies shall be recoverable on a pass-through basis as part of the increase (amortized as necessary over the remaining Agreement term at the time of the adjustment so that there is no windfall to CONTRACTOR). In such case the pass-through costs shall not be part of the base service rate element of the Maximum Service Rates but instead will be a separate fee element. As such they will be adjusted in accordance with Section I.C. of Exhibit B to this Agreement. The proposal shall clearly document the reason for the proposed adjustment, include calculation of the proposed rate adjustments, and provide supporting documentation.

In the event CONTRACTOR initiates the request for extraordinary rate increase, it is understood that the CONTRACTOR shall have the burden of demonstrating to the reasonable satisfaction of the COUNTY that the request is justified (i.e. that an event set forth in items A. - D. above has or will increase CONTRACTOR's reasonable and necessary costs (or decrease revenues) of performing Collection Services under this Agreement).

The Contract Administrator shall have the right to request any other information that they, in their sole but reasonable judgment, determine is necessary to establish the reasonableness or accuracy of CONTRACTOR's request for an extraordinary rate increase. CONTRACTOR's failure to fully cooperate in a timely manner with any reasonable request for information by the Contract Administrator may result in either the denial of or a delay in the approval of the request for an extraordinary rate increase.

## **10.6 Submittal of Request**

A request for an extraordinary rate adjustment shall be conducted as provided in this Section. CONTRACTOR is obligated to meet requirements of this Section whether process is COUNTY-initiated or

## CONTRACTOR-initiated.

- A. The Party initiating an extraordinary rate adjustment shall provide notice to the other Party, citing the applicable provisions of this Article and providing a complete written summary of the reason for the extraordinary rate adjustment, and its impact on CONTRACTOR's Collection obligations and revenues.
- B. If a notice of extraordinary rate adjustment is issued by the COUNTY, within thirty (30) calendar days of receiving the COUNTY 's notice, the CONTRACTOR shall prepare and submit a proposal in accordance with the proposal format specified in Section 10.6.D
- C. If a notice of extraordinary adjustment is issued to COUNTY by the CONTRACTOR, the CONTRACTOR's notice shall include a proposal in accordance with the proposal format specified in Section 10.6.D, and shall be submitted by the April 1 preceding the October 1 on which CONTRACTOR wishes the adjustment to occur. In the event the proposal is not submitted in a timely manner as required in this Section, COUNTY is under no obligation to consider the proposal and may request that CONTRACTOR resubmit the proposal for consideration in the next Agreement Year.
- D. Proposal Format. For any proposal submitted under this Section, CONTRACTOR shall to the extent applicable:
  - 1. Describe the circumstance warranting an extraordinary rate adjustment. If CONTRACTOR is responding to a COUNTY request for an adjustment, the description shall be based on the information provided by COUNTY under Section 10.6 A. above.
  - 2. Submit a work plan for implementing a change in CONTRACTOR's Collection obligations including to the extent appropriate, changes in operating methods and labor needs, and implementation schedule.
  - 3. Identify the capital and/or operating cost of modifying the CONTRACTOR's Collection obligations to support any requested change in Maximum Service Rates. The CONTRACTOR shall include detailed documentation supporting its cost proposal, including cost substantiation.
  - 4. For the purposes of analyzing cost impacts of changes in scope, the CONTRACTOR's profit from operations shall be calculated using profit percentage of twelve and three-tenths percent (12.3%) multiplied by the actual reasonable and necessary costs net of government fees.
  - 5. Provide draft language changes to the provisions of this Agreement, as CONTRACTOR deems appropriate and necessary to effect any change in Maximum Service Rates or CONTRACTOR's Collection obligations.
- E The Party that initiated the extraordinary rate adjustment may withdraw its notice and its request for the Extraordinary Rate Adjustment at any time.
- F After CONTRACTOR's submission of the information provided above, on or before April 1, each Party shall use best efforts to complete its evaluation of the request and, if the request is granted, approval of any associated Agreement amendments and adjustments to the Maximum Service Rates, by October 1.

### **10.7 COUNTY Review**

The Initiator of the request for an extraordinary rate adjustment shall bear the burden of justifying by substantial evidence its entitlement to any adjustment in Maximum Service Rates under Section 10.5. If CONTRACTOR submits a proposal for an extraordinary rate adjustment, COUNTY shall review the proposal provided by CONTRACTOR in accordance with Section 10.6 as well as any other information it deems necessary to determine, what, if any adjustment is justified. Once all of the requested information has been received and reviewed COUNTY shall determine if CONTRACTOR has demonstrated that the extraordinary rate adjustment is justified to the reasonable satisfaction of COUNTY. In the event COUNTY determine that an extraordinary rate adjustment is justified they shall not unreasonably withhold consent to such extraordinary rate adjustment.

### **10.8 Host Fees Imposed by RWMA Member Agencies**

The City of Marysville, an RWMA Member Agency, imposes a business license fee ("host fee") of \$4.40 per ton (as of the Effective Date of this Agreement) on CONTRACTOR for each ton of Solid Waste delivered to the Marysville Transfer Station. In addition, the County of Yuba, an RWMA Member Agency, imposes a host fee of \$4.40 per ton (as of the Effective Date of this Agreement) on the Ostrom Road Landfill operator for each ton of Solid Waste delivered to the Ostrom Road Landfill. The amount of the Yuba County host fee is included in the per-ton tip fee paid by CONTRACTOR for Disposal of Solid Waste at the Ostrom Road Landfill. The Marysville business license (host) fee is not payable with respect to material designated by CONTRACTOR and accepted by the Marysville Transfer Station operator as Recyclable Materials, Green Waste, ADC or inerts. The Yuba County host fee is not payable with respect to material designated by CONTRACTOR and accepted by the Ostrom Road Landfill operator as Recyclable Materials, Green Waste (Diverted from landfill), ADC, or inerts.

### **10.9 Rate Adjustment for Direction to New Facilities**

If the Participating Member Agencies direct CONTRACTOR to use a different Approved Facility (the "new facility") from the one then being used by CONTRACTOR (the "previous facility"), then Maximum Service Rates shall be adjusted upward or downward to reflect the net increase or decrease in costs to CONTRACTOR of using the new Approved Facility as compared to the previous Approved Facility. The net increase or decrease in costs shall be determined taking into account the difference in tip, Processing or other fees, transportation costs, and any other costs reasonably incurred by CONTRACTOR (e.g. sorting costs, if the new facility has different contamination thresholds than the previous facility). CONTRACTOR shall not be required to begin using any new facility until the Maximum Service Rate adjustment contemplated by this Section has taken effect. In addition, if after such adjustment the tip, Processing or other fees payable by CONTRACTOR to use a Third Party Facility increase or decrease, then Maximum Service Rates shall be adjusted to pass through such increase or decrease. In addition, if the Approved Facility is changed from one that is owned or operated by CONTRACTOR or its Affiliate to one that is not, the provisions of this Agreement relating to the activities to be conducted by or at the Approved Facility shall be modified in a fair and reasonable manner to reflect the fact that CONTRACTOR or its Affiliate no longer controls the facility.

## ARTICLE 11: INDEMNIFICATION, INSURANCE, AND PERFORMANCE BOND

### 11.1 Indemnification of the COUNTY

**A. General.** CONTRACTOR shall defend, with counsel reasonably acceptable to the COUNTY, indemnify and hold harmless, to the fullest extent allowed by law, COUNTY, its officers, officials, employees, volunteers, agents and assignees (collectively, "Indemnitees"), from and against any and all causes of action, claims, costs (including but not limited to reasonable attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or enforcing this indemnity which fees and costs shall be reasonable if incurred by COUNTY and reimbursed by CONTRACTOR), loss, damages (including but not limited to special and consequential damages), liability, penalties (including attorneys' fees for the adverse Party), forfeitures, demands, proceedings or suits, in law or in equity, of every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) arising out of or in any way connected with the performance of this Agreement by COUNTY, its agents, directors, or employees, or by CONTRACTOR, its agents, directors, or employees, whether such claims, liens, demands, damages, losses, or expenses are based upon a contract or upon a claim for personal injury, death or property damage, or upon any other legal or equitable theory whatsoever to include without limitation, claims arising or resulting from or made by third parties alleging: (i) the negligence or willful misconduct of the CONTRACTOR, its agents, employees, and/or Subcontractors, in exercising the privileges granted to it by this Agreement; (ii) the failure of the CONTRACTOR, its agents, employees, and/or Subcontractors in the performance of this Agreement to comply in all respects with the provisions and requirements of this Agreement, Applicable Laws, ordinances and regulations, and/or applicable permits and licenses; (iii) the acts of CONTRACTOR, its agents, employees and/or Subcontractors in performing services under this Agreement for which strict liability is imposed by law; and, (iv) claims that arise out of or result from the performance of this Agreement by the COUNTY, its agents, directors, or employees or CONTRACTOR, its agents, directors, or employees, whether such claims, liens, demands, damages or losses, or expenses are based upon a contract or upon a claim for personal injury, death or property damage or upon any other legal or equitable theory, whatsoever. Notwithstanding this defense obligation, CONTRACTOR shall not be required to indemnify COUNTY from loss or liability to the extent such loss arises from the sole negligence or willful misconduct of the COUNTY, its agents, directors, and employees, at such time that such sole negligence or willful misconduct has been finally determined by a court of competent jurisdiction. CONTRACTOR shall provide the COUNTY with a defense until such determination has been made (i.e., until a court of competent jurisdiction has determined that the loss or liability arises from the sole negligence or willful misconduct of COUNTY, CONTRACTOR shall provide a defense as to such loss or liability).

**B. CalRecycle Indemnification.** In addition, CONTRACTOR's duty to defend and indemnify herein includes payment of all fines and/or penalties imposed by CalRecycle (subject to the restrictions set forth in Public Resources Code Section 40059.1) resulting from COUNTY's failure to meet the requirements of AB 939, AB 341, AB 1826, and/or SB 1383 with respect to the waste stream Collected under this Agreement, where such failure is: (i) due to the failure of CONTRACTOR to meet its obligations under this Agreement; or, (ii) due to CONTRACTOR delays in providing information that prevents CONTRACTOR or COUNTY or RWMA from submitting reports required

by AB 939, AB 341, AB 1826, and/or SB 1383 in a timely manner. The provisions of this Section shall survive the termination or expiration of this Agreement.

**C. Exempt Waste.** CONTRACTOR acknowledges that it is responsible for compliance during the entire Term of this Agreement with all Applicable Laws. CONTRACTOR shall not store, transport, use, or Dispose of any Exempt Waste except in strict compliance with all Applicable Laws.

1. In the event that CONTRACTOR negligently or willfully mishandles Exempt Waste in the course of carrying out its activities under this Agreement, CONTRACTOR shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such environmental contamination. Prior to undertaking any investigatory or remedial action, however, CONTRACTOR shall first obtain the Contract Administrator's approval of any proposed investigatory or remedial action. Should CONTRACTOR fail at any time to promptly take such action, the COUNTY may undertake such action at CONTRACTOR's sole cost and expense, and CONTRACTOR shall reimburse the COUNTY for all such expenses within thirty (30) Days of being billed for those expenses, and any amount not paid within that thirty (30) Day period shall thereafter be deemed delinquent and subject to the delinquent fee payment provision of this Agreement. These obligations are in addition to any defense and indemnity obligations that CONTRACTOR may have under this Agreement. The provisions of this Article shall survive the termination or expiration of this Agreement.

**D. Environmental Indemnity.** CONTRACTOR shall defend, indemnify, and hold the COUNTY and the RWMA harmless against and from any and all claims, suits, losses, penalties, damages, and liability for damages of every name, kind and description, including attorneys' fees and costs incurred, attributable to the negligence or willful misconduct of CONTRACTOR in handling Exempt Waste.

**E.** This provision (i.e., Section 11.1.A through 11.1.D) will survive the expiration or earlier termination of this Agreement and shall not be construed as a waiver of rights by the COUNTY and the RWMA or Indemnity from third parties.

## 11.2 Evaluation of Liability

The CONTRACTOR's obligation to defend, hold harmless, and indemnify under Article 11 shall not be excused because of the CONTRACTOR's inability to evaluate an Indemnitee's liability or because the CONTRACTOR evaluates such liability and determines that the Indemnitee is not liable to the claimant. Within twenty (20) Days of receiving written notice from the COUNTY of a claim for which the COUNTY is entitled to indemnity, the CONTRACTOR shall confirm to the COUNTY in writing that CONTRACTOR will provide a defense to the claim and shall take appropriate actions to provide such defense.

## 11.3 Hazardous Substances Indemnification

The CONTRACTOR shall indemnify, defend with counsel acceptable to the COUNTY, and hold harmless the COUNTY, its officers, officials, employees, agents, assigns, and any successor or successors to the COUNTY's interest from and against all claims, damages (including but not limited to special, consequential and natural resources damages) injuries, hazardous materials response, remediation and removal costs, losses, demands, liens, liabilities, causes of action, suits (including citizen's suits), legal or administrative proceedings, interest, fines, charges, penalties (including attorneys' fees for the adverse

Party), and expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against COUNTY or its officers, officials, employees, agents, assigns, or contractors arising or resulting from any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure, or other plan (regardless of whether undertaken due to governmental action) concerning: (i) any Hazardous Substance or Hazardous Wastes at any facility owned or operated by CONTRACTOR or an Affiliate of CONTRACTOR where CONTRACTOR transports, stores, or causes to be Disposed Solid Waste pursuant to this Agreement; (ii) CONTRACTOR's discharge of a pollutant in violation of the State Porter-Cologne Water Quality Act or federal Clean Water Act; (iii) CONTRACTOR'S violation of any State or federal air quality rule, law, or regulation; (iv) CONTRACTOR's violation of any other State or federal environmental law, including the Resource Conservation and Recovery Act or its State law corollary; or, (v) CONTRACTOR's discharge of any Hazardous Substance or Hazardous Waste that causes injury to Person(s) or property(ies), in each of clauses (ii) through (v), during the Term of this Agreement and subject to Article 11. The foregoing indemnity is intended to operate as an agreement to indemnify, defend, insure, protect and hold COUNTY harmless from liability, pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9607(e) and California Health and Safety Code Section 25364, and other applicable State and federal environmental laws.

#### **11.4 Separate Counsel**

COUNTY may elect to have and consult separate legal counsel from CONTRACTOR at any time during the pendency of any claim at its sole discretion. COUNTY shall be responsible for paying its separate counsel unless: (i) COUNTY reasonably determines and notifies CONTRACTOR that separate counsel is required to represent COUNTY during the resolution of any claim; or (ii) a court of competent jurisdiction rules that CONTRACTOR has refused to satisfy its obligations under this Article 11. Notwithstanding the preceding sentence or the first sentence of Section 11.1, with respect to a particular claim, if CONTRACTOR confirms to COUNTY in writing CONTRACTOR's obligation to indemnify and defend CITY, without reserving a right to later seek reimbursement from COUNTY with respect to such claim, COUNTY shall not object to the counsel representing it being the same counsel that represents CONTRACTOR in the defense of such claim and COUNTY Board of Supervisors shall consider, if permitted by law, a written conflict-of-interest waiver if such is required for joint representation, and CITY's consent to such conflict-of-interest waiver shall not be unreasonably withheld. If CONTRACTOR provides the aforementioned confirmation, but the COUNTY declines to consent to such joint representation due to a conflict of interest that COUNTY has reasonably refused to waive, CONTRACTOR shall either retain separate counsel for COUNTY at CONTRACTOR's sole expense, or propose different counsel to undertake the joint representation that is not subject to a similar conflict of interest, and such different counsel shall be considered by COUNTY in accordance with this section. If CONTRACTOR provides the aforementioned confirmation, but the COUNTY declines to consent to such joint representation for any reason other than a conflict of interest, that COUNTY has reasonably refused to waive, COUNTY may retain its own counsel at its own expense, COUNTY shall have no right of defense or reimbursement of defense costs with respect to such claim (but COUNTY shall still be entitled to indemnity), COUNTY shall reasonably cooperate with CONTRACTOR in the defense and settlement of such claim. If CONTRACTOR does not provide the aforementioned confirmation, then CONTRACTOR shall reimburse COUNTY for the reasonable attorneys' fees and costs of COUNTY's separate counsel with respect to such claim.

### **11.5 Consideration**

It is specifically understood and agreed that the consideration inuring to the CONTRACTOR for the execution of this Agreement consists of the promises, payments, covenants, rights, and responsibilities contained in this Agreement.

### **11.6 Obligation**

The execution of this Agreement by the CONTRACTOR shall obligate the CONTRACTOR to comply with the foregoing indemnification provisions; however, the collateral obligation of providing insurance must also be fully complied with as set forth in Section 11.11.

### **11.7 Subcontractors**

The CONTRACTOR shall require all Subcontractors performing Collection Services under the terms of this Agreement to enter into an agreement containing the provisions set forth in this Article 11 in their entirety and Subcontractor shall fully indemnify the COUNTY in accordance with this Agreement. Such agreement, however, will not relieve CONTRACTOR of its obligations under this Article 11, unless COUNTY expressly agrees in writing to so relieve CONTRACTOR.

### **11.8 Exception**

Notwithstanding any other provision of this Article 11, CONTRACTOR's obligation to indemnify, hold harmless and defend under this Article 11 does not extend to any loss, liability, penalty, damage, cause of action, suit, forfeiture, claim, demand, proceeding, injury, cost, lien, interest, fine, charge, or expense (i) as to which CONTRACTOR is precluded by law from indemnifying the Indemnitee, (ii) which arose or resulted from the sole negligence or willful misconduct of any indemnitee; (iii) pertaining to any Indemnitee's actual or alleged violation of Article XIIC or XIID of the California Constitution; or, (iv) pertaining to the process by which CONTRACTOR was selected, the exclusive Franchise hereunder was granted, or this Agreement was entered into or approved by COUNTY, or COUNTY's authority to do any of the same.

### **11.9 Damage by CONTRACTOR**

If CONTRACTOR's employees or Subcontractors cause any injury, damage or loss to COUNTY property including, but not limited to, COUNTY streets or curbs, other than normal wear and tear from routine operations and as set forth in Article 5, CONTRACTOR shall reimburse COUNTY for COUNTY's cost of repairing such injury, damage or loss. Such reimbursement is not in derogation of any right of COUNTY to be indemnified by CONTRACTOR for any such injury, damage, or loss. With the prior written approval of COUNTY, CONTRACTOR may repair the damage at CONTRACTOR's sole cost and expense.

### **11.10 Survival**

CONTRACTOR's indemnity obligations shall survive the expiration or termination of this Agreement and continue until such obligations have been fully satisfied by the resolution of all claims for which indemnity obligations are owed to the COUNTY.

### **11.11 Insurance**

- A. General.** CONTRACTOR shall, at its sole cost and expense, procure, maintain and keep in full force and effect during the life of this Agreement commercial general liability insurance in an amount

not less than One Million Two Hundred and Fifty Thousand Dollars (\$1,250,000) for each occurrence, including damage to rented Premises, personal and advertising ("ADV") injury, with a general aggregate and Products/Completed Operations Aggregates ("Comp/OP AGG") liability coverage of not less than Two Million Dollars (\$2,000,000). CONTRACTOR's self-insured retention for commercial general liability shall be no more than Seven Hundred and Fifty Thousand Dollars (\$750,000). CONTRACTOR shall procure, maintain and keep in full force and effect during the life of this Agreement, automobile liability insurance for owned, leased, hired or borrowed automobiles in an amount not less than Two Million Dollars (\$2,000,000) combined single limit bodily injury and property damage for each accident. CONTRACTOR's self-insured retention for automobile liability shall be no more than Seven Hundred and Fifty Thousand Dollars (\$750,000). CONTRACTOR shall provide and maintain the required MCS-90 endorsement to the automobile liability policy for hazardous material/waste transporters. CONTRACTOR shall procure, maintain and keep in full force and effect during the life of this Agreement an umbrella and/or excess policies that covers general liability and automobile liability in an amount not less than Thirty Million Dollars (\$30,000,000). CONTRACTOR shall procure, maintain and keep in full force and effect during the life of this Agreement workers' compensation coverage in an amount not less than the State statutory limits and employers' liability insurance in an amount not less than One Million Dollars (\$1,000,000), both subject to no more than One Million Dollars (\$1,000,000) self-insured retention. CONTRACTOR shall procure, maintain and keep in full force and effect during the life of this Agreement Pollution and Remediation Legal Liability insurance in an amount not less than Fifteen Million (\$15,000,000), with a self-insured retention of no more than Two Hundred and Fifty Thousand Dollars (\$250,000). Said Pollution and Remediation Legal Liability insurance shall be on a claims-made form and shall be retroactive to the date CONTRACTOR first began providing services in COUNTY as the exclusive franchisee for Solid Waste Collection Services. Said Pollution and Remediation Legal Liability insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of this Agreement. If pollution liability insurance coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a "Retro Date" prior to the Agreement Effective Date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of five (5) years after completion of this Agreement. CONTRACTOR shall procure, maintain and keep in full force and effect during the life of this Agreement any other insurance required by law. The limits of insurance herein shall not limit the liability of CONTRACTOR.

- B. Policy(ies).** The policy or policies shall be issued by an insurer licensed to do business in the State of California. Minimum insurance company ratings as determined by the most current edition of the Best's Key Rating Guide/Property-casualty/United States should be A- (Secure Best's Rating) and VIII (Financial Size Category).
- C. Self-Insurance.** For the self-insured layers, upon request by COUNTY, CONTRACTOR shall provide a statement to COUNTY advising that CONTRACTOR has sufficient assets to fund its workers' compensation, general liability, automobile liability, and Pollution and Remediation Legal Liability cost obligations for the past three (3) years and that sufficient assets are available to fund no less than sixty-five percent (65%) confidence level actuarially estimated workers' compensation, general liability, automobile liability, and Pollution and Remediation Legal Liability loss costs for the next twelve (12) months. Said statement shall be accompanied by statistical information to illustrate the accuracy of the comments and shall be prepared by a Fellow of the Actuarial Society.

**D. Additional Requirements.** The type and amount of coverage, including the amount of the self-insured retentions, required hereunder may be amended in the future to limits reasonably required by the COUNTY (such amendment to be considered a COUNTY-directed change and handled pursuant to Section 5.5). CONTRACTOR shall provide the COUNTY an endorsement to its insurance policies specifically naming the COUNTY, its officers, officials, agents, independent contractors, employees, and volunteers as additional insureds under the commercial general liability and automobile liability policies, providing coverage for claims that arise out of the work or operations performed by or on behalf of CONTRACTOR or that in any way concerns this Collection Service Agreement and including coverage for the additional insureds for both ongoing and completed operations so long as the liability of an additional insured arises out of the work of the named insured, or so long as an additional insured's liability arises out of the named insured's performance of this Agreement. CONTRACTOR shall not utilize an omnibus endorsement, but shall provide an endorsement that specifically names COUNTY, its officers, officials, agents, independent contractors, employees and volunteers as additional insureds under the policy. The additional insured endorsement shall not be an omnibus endorsement, but shall specifically and directly name each additional insured. Such additional insured endorsement will explicitly include coverage for the additional insureds for both ongoing and completed operations so long as the liability of an additional insured arises out of the work of the named insured, or so long as an additional insured's liability arises out of the named insured's performance of this Agreement. The additional insured endorsement shall not contain any provisions which limit or restrict coverage for the additional insureds beyond the extent set forth in this Agreement. The coverage provided to the COUNTY shall be equal and identical to the coverage of the CONTRACTOR under "Proof of Insurance." Upon commencement of the Agreement, the COUNTY shall receive, at a minimum, certificates of insurance and additional insured endorsements. Upon request of the COUNTY, CONTRACTOR shall allow COUNTY to review any required policy. However, in the event a claim is made or suit is brought against any of the COUNTY additional insureds, CONTRACTOR shall provide COUNTY a copy of all policies of insurance (including all endorsements) relevant to such claim/suit (if any) within ten (10) Business Days following receipt of a written request from COUNTY for the same.

Furthermore, the commercial general liability policy will contain a separation of insureds provision specifying that the policy will apply separately to COUNTY and each additional insured against whom claim is made or suit is brought. The required insurance Policy Endorsement shall be filed by CONTRACTOR with the COUNTY Clerk of the Board and the COUNTY Risk Manager prior to the commencement of CONTRACTOR's operations under this Agreement, which Endorsement shall reflect the coverage as set forth herein. Following the binding of any policy of insurance, CONTRACTOR shall deliver a new Policy Endorsement from the insurance company to the COUNTY Clerk of the Board. The general liability, Pollution and Remediation Legal Liability, excess liability, umbrella liability, and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- 1. Additional Insureds.** The COUNTY, its officers, officials, employees, agents, independent contractors, and volunteers are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the CONTRACTOR; and with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in

the form of an Additional Insured endorsement {CG 20 10 11 85 or reasonable equivalent) to CONTRACTOR's insurance policy.

2. **Primary Insurance.** For any claims related to this Agreement CONTRACTOR's insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, agents, independent contractors, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of CONTRACTOR's insurance and shall not contribute with it.
  3. **Notification of Cancellation.** CONTRACTOR is required to notify the COUNTY by certified mail, return receipt requested, of the cancellation of any insurance coverage or policy immediately upon receiving notice of cancellation.
  4. **Waiver of Any Rights of Subrogation or Recovery.** CONTRACTOR waives any right of subrogation or recovery against the COUNTY which might arise because of any workers' compensation payments CONTRACTOR makes for injury in connection with work performed by CONTRACTOR under this Agreement or based on any other theory of Subrogation. The workers' compensation coverage placed in excess of the CONTRACTOR Retained Limit shall be endorsed with a Waiver of Subrogation endorsement.
- E. Subcontractors.** Any Subcontractor(s), independent contractor(s) or any type of agent(s) performing or hired to perform any term or condition of this Agreement on behalf of CONTRACTOR, or as may be allowed by this Agreement, hereinafter referred to as "SECONDARY PARTIES," shall comply with each term and condition of this Agreement, including each term and condition of Section 11.11 entitled "INSURANCE." Furthermore, CONTRACTOR shall be responsible for the SECONDARY PARTIES' acts, omissions and satisfactory performance of the terms and conditions of this Agreement. All Subcontractors, independent contractors and agents to CONTRACTOR are disclosed on Exhibit E, attached hereto.
- F. Thirty-Day Notice.** Except for the pollution liability policy, which is written on a claims-made basis, each insurance policy required by this clause shall be occurrence-based or an alternate form as approved by the COUNTY and endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or limits except after thirty (30) Days' prior written notice by certified mail, return receipt requested, has been received by COUNTY.
- G. Proof of Insurance.** Proof of insurance shall be delivered to the following address or any subsequent address as may be directed in writing by the COUNTY.
- Yuba County  
Office of the County Administrator  
915 8<sup>th</sup> Street  
Marysville, CA 95901
- H. Modification of Insurance Requirements.** The insurance requirements provided in this Agreement may be modified or waived by the COUNTY, in writing, upon the request of CONTRACTOR if the COUNTY determines such modification or waiver is in the best interest of COUNTY considering all relevant factors, including exposure to COUNTY.

- I. **Rights of Subrogation.** All required insurance policies shall preclude any underwriter's rights of recovery or subrogation against COUNTY with the express intention of the Parties being that the required insurance coverage protects both Parties as the primary coverage for any and all losses covered by the above-described insurance. CONTRACTOR shall ensure that any companies issuing insurance to cover the requirements contained in this Agreement agree that they shall have no recourse against COUNTY for payment or assessments in any form on any policy of insurance. The clauses 'Other Insurance Provisions' and 'Insured Duties in the Event of an Occurrence, Claim or Suit' as it appears in any policy of insurance in which COUNTY is named as an additional insured shall not apply to COUNTY.
- J. **Failure to Obtain Insurance.** The failure of CONTRACTOR to obtain and maintain any required insurance shall not relieve CONTRACTOR of any liability under this Agreement (and CONTRACTOR may be answerable to the COUNTY for damages or any other remedy on account of such breach) nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations of CONTRACTOR concerning indemnification.
- K. **No Limitation of Liability.** The coverage types and limits required pursuant to this Agreement shall in no way limit the liability of CONTRACTOR.

### 11.12 Performance Bond

If requested by COUNTY in writing, CONTRACTOR shall furnish to the COUNTY, and keep current, a performance bond in a form with language that is acceptable to the COUNTY, for the faithful performance of this Agreement and all obligations arising hereunder in an amount equal to two (2) months' Gross Billings from the provision of Collection Services within the COUNTY. In the event CONTRACTOR takes any action, or allows any action to be taken, which falls under the provisions of Section 13.10 entitled "ASSIGNMENT," waiver of the performance bond as set forth in Section 11.12 herein, is automatically and immediately rescinded and CONTRACTOR shall have ten (10) Days to obtain the performance bond required herein and provide proof of such performance bond to the COUNTY.

- A. **Requirements.** The performance bond shall be executed by a surety company that is: acceptable to the COUNTY; an admitted surety company licensed to do business in the State of California; has an "A:VII" or better rating by A. M. Best or Standard and Poor's; and is included on the list of surety companies approved by the Treasurer of the United States.
- B. **Letter of Credit.** As an alternative to the performance bond discussed in Section 11.12, with COUNTY's approval, CONTRACTOR may deposit with COUNTY an irrevocable letter of credit in an amount as set forth in Section 11.12. If allowed, the letter of credit must be issued by an FDIC insured banking institution chartered to do business in the State of California, in the COUNTY's name, and be callable at the discretion of the COUNTY.

## ARTICLE 12: DEFAULT AND REMEDIES

### 12.1 Events of Default

All provisions of the Agreement are considered material. Each of the following shall constitute an event of default.

- A. **Fraud or Deceit.** CONTRACTOR practices, or attempts to practice, any fraud or deceit upon the RWMA or COUNTY.
- B. **Insolvency or Bankruptcy.** CONTRACTOR becomes insolvent, unable, or unwilling to pay its debts, or upon listing of an order for relief in favor of CONTRACTOR in a bankruptcy proceeding.
- C. **Failure to Provide and Maintain Bonds/Letter of Credit and Coverage.** CONTRACTOR fails to provide or maintain the performance bond or letter of credit, if required by this Agreement, or if CONTRACTOR fails to provide or maintain in full force and affect the workers' compensation, liability, or indemnification coverage as required by this Agreement.
- D. **Violations of Regulation.** CONTRACTOR violates any orders or filings of any regulatory body having authority over CONTRACTOR relative to this Agreement, provided that CONTRACTOR may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach or default of this Agreement shall be deemed to have occurred unless and until the regulatory body or court determines CONTRACTOR violated such order or filing.
- E. **Violations of Applicable Law.** CONTRACTOR violates Applicable Law relative to this Agreement.
- F. **Failure to Perform Direct Services.** CONTRACTOR ceases to provide Collection, transportation, or Processing services as required under this Agreement for a period of two (2) consecutive Days or more, for any reason within the control of CONTRACTOR.
- G. **Failure to Pay or Report.** CONTRACTOR fails to make any payments to the COUNTY and/or RWMA as required under this Agreement including payment of COUNTY and/or RWMA fees, surcharges or Liquidated Damages or refuses to provide the COUNTY or RWMA with required information, reports, and/or records in a timely manner as provided for in the Agreement.
- H. **Acts or Omissions.** Any other act or omission by CONTRACTOR which violates the terms, conditions, or requirements of this Agreement, the Act, as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if CONTRACTOR cannot reasonably correct or remedy the breach within the time set forth in such notice, if CONTRACTOR should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
- I. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the COUNTY and/or RWMA by CONTRACTOR in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement; and, any

CONTRACTOR-provided report containing a material misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical typographical and grammatical errors.

- J. Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of CONTRACTOR's operating equipment, including without limits its equipment, maintenance or office facilities, Approved Facility(ies), or any part thereof.
- K. Suspension or Termination of Service.** There is any termination or suspension of the transaction of business by CONTRACTOR related to this Agreement, including without limit, due to labor unrest including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than two (2) Days.
- L. Criminal Activity.** CONTRACTOR, its officers, managers, or employees are found guilty of criminal activity related directly or indirectly to performance of this Agreement or any other agreement held with the COUNTY and/or RWMA.
- M. Assignment without Approval.** CONTRACTOR transfers or assigns this Agreement without the expressed written approval of the COUNTY unless the assignment is permitted without approval of the COUNTY pursuant to Section 13.10 of this Agreement.
- N. Failure to Provide Proposal or Implement Change in Service.** CONTRACTOR fails to provide a proposal for new services or changes to services or fails to implement a change in service as requested by the COUNTY as specified in Section S.S.
- O. Failure to Perform Any Obligation.** CONTRACTOR fails to perform any obligation established under this Agreement.

COUNTY shall provide CONTRACTOR written notice of default within seven (7) Business Days of the COUNTY's first knowledge of the CONTRACTOR's default.

## 12.2 Right to Terminate Upon Event of Default

COUNTY may terminate this Agreement immediately upon written notice to CONTRACTOR in the event CONTRACTOR defaults under Section 12.1.C entitled, "Failure to Provide and Maintain Bonds/Letters of Credit and Coverage."

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

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

CONTRACTOR shall be given thirty (30) Days from written notification by the COUNTY to cure any other default (which is not required to be cured within ten (10) Business Days); however, the COUNTY shall not

be obligated to provide CONTRACTOR with a notice and cure opportunity if the CONTRACTOR has committed the same or similar breach/default within a twenty-four (24) month period.

### 12.3 COUNTY's Remedies in the Event of Default

Upon CONTRACTOR's default, the COUNTY has the following remedies in the event of CONTRACTOR default:

- A. Waiver of Default.** The COUNTY may waive any event of default or may waive CONTRACTOR's requirement to cure a default event if the COUNTY determines that such waiver would be in the best interest of the COUNTY. COUNTY's waiver of an event of default is not a waiver of future events of default that may have the same or similar conditions.
- B. Suspension of CONTRACTOR's Obligation.** The COUNTY may suspend CONTRACTOR's performance of its obligations if CONTRACTOR fails to cure an event of default in the time frame specified in Section 12.2 until such time the CONTRACTOR can provide assurance of performance in accordance with the terms of this Agreement.
- C. Liquidated Damages.** The COUNTY may assess Liquidated Damages for CONTRACTOR's failure to meet specific performance standards pursuant to Section 12.6.
- D. Termination.** In the event that CONTRACTOR should default and subject to the right of the CONTRACTOR to cure, in the performance of any provisions of this Agreement, and the default is not cured for any default within ten (10) Days if the default creates a potential public health and safety threat or arises under Section 12.1. E, F, I, J, or K, or otherwise thirty (30) Days after receipt of written notice of default from the COUNTY, then the COUNTY may, at their option, terminate this Agreement and/or hold a meeting of its governing body to determine whether this Agreement should be terminated. In the event COUNTY decides to terminate this Agreement, the COUNTY shall serve twenty (20) Days' written notice of its intention to terminate upon CONTRACTOR. In the event the COUNTY exercises its right to terminate this Agreement, the COUNTY may, at its option, upon such termination, either directly undertake performance of the services or arrange with other Persons to perform the services with or without a written agreement. This right of termination is in addition to any other rights of the COUNTY upon a failure of CONTRACTOR to perform its obligations under this Agreement.

CONTRACTOR shall not be entitled to any further revenues from Collection operations authorized hereunder from and after the date of termination.

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

### 12.4 Possession of Records and Equipment Upon Termination

In the event of termination for an event of default, the CONTRACTOR shall furnish the Contract Administrator with immediate access to all of its business records, including without limitation, proprietary CONTRACTOR computer systems related to its Customers, Collection routes, and billing of accounts for Collection Services. In addition the COUNTY shall be allowed to continue to use equipment,

Containers, and other property used in providing Collection Services on an interim basis until the COUNTY has made other suitable arrangements for the provision of Collection Services, which may include award of the exclusive Franchise to another contractor. During the first six (6) months of use COUNTY shall not be obligated to CONTRACTOR for any fee for the use of CONTRACTOR'S Collection equipment including Containers and vehicles (which shall be deemed "equipment" for purposes of this section). Thereafter, COUNTY shall pay CONTRACTOR a monthly rental fee equal to the unamortized cost of the equipment divided by the remaining life used to calculate amortization as documented in such method as may be agreed to between COUNTY and CONTRACTOR. Such monthly equipment rental amount shall be recalculated monthly to take into account actual unamortized life of the equipment. In the event the equipment is fully amortized, the monthly rental shall be calculated by dividing the salvage value of the equipment, which shall be twenty (20) percent of the original value, by the estimated remaining useful life of the equipment which shall be five (5) years unless a different estimated useful life is mutually agreed to between CONTRACTOR and COUNTY.

### **12.5 COUNTY's Remedies Cumulative; Specific Performance**

The COUNTY's rights to terminate the Agreement under Section 12.3, and to take possession of the CONTRACTOR's records under Section 12.4 are not exclusive, and the COUNTY's termination of the Agreement and/or the imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall be in addition to any and all other legal and equitable rights and remedies, including but not limited to termination, which the COUNTY may have.

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

### **12.6 Performance Standards and Liquidated Damages**

- A. General.** The Parties find that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by COUNTY as a result of a breach by CONTRACTOR of its obligations under this Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that exclusive services might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.
- B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties further acknowledge that consistent and reliable Collection Service is of utmost importance to COUNTY and that COUNTY has considered and relied on CONTRACTOR's representations as to its quality of service commitment in entering into this Agreement. The Parties further recognize that

some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The Parties further recognize that if CONTRACTOR fails to achieve the performance standards, or fails to submit required documents in a timely manner, COUNTY and COUNTY's residents and businesses will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages. Therefore, without prejudice to COUNTY's right to treat such non-performance as an event of default under Article 12, the Parties agree that the Liquidated Damages amounts established below represent reasonable estimates of the amount of such damages considering all of the circumstances existing on the Effective Date of this Agreement, including the relationship of the sums to the range of harm to COUNTY, Customers, and the community as a whole that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of the Liquidated Damage provisions at the time that this Agreement was made.

COUNTY Initial Here \_\_\_\_\_ CONTRACTOR Initial Here \_\_\_\_\_

**C. COUNTY and RWMA Liquidated Damages.** COUNTY and CONTRACTOR acknowledge that certain of the performance standards set forth in this Agreement affect the COUNTY individually while other performance standards affect the COUNTY as part of the RWMA. Those performance standards affecting the COUNTY are set forth below under the heading "COUNTY Liquidated Damages" while those performance standards affecting the COUNTY as part of the RWMA are set forth below under the heading "RWMA Liquidated Damages".

**D. Procedure for Assessing Liquidated Damages.**

1. COUNTY may determine the occurrence of events giving rise to Liquidated Damages through the observation of its own employees or representatives, investigation of Customer complaints, or self-reporting by CONTRACTOR. COUNTY and CONTRACTOR acknowledge that RWMA Liquidated Damages may only be assessed one (1) time for each occurrence within the Service Areas of the Participating Member Agencies (and not one (1) time for each Participating Member Agency).
2. Prior to assessing Liquidated Damages, and within thirty (30) Days of becoming aware of such violation, the Contract Administrator shall give CONTRACTOR notice of its intention to do so. The notice will include a brief description of the incident(s)/non-performance. CONTRACTOR may review, and make copies at its own expense of all information in the possession of the Contract Administrator relating to incident(s)/non-performance. CONTRACTOR shall not be liable to pay Liquidated Damages with respect to any violation or incident of non-performance that occurs more than thirty (30) Days before notice is given to CONTRACTOR except in those instances where the Contract Administrator determines to its satisfaction that CONTRACTOR knowingly perpetrated the violation or incident of non-performance. CONTRACTOR may, within ten (10) Business Days after receiving notice, request a meeting with the Contract Administrator to present evidence regarding the accuracy of the facts related to the incident. If a meeting is requested, it shall be held by the Contract Administrator or his/her designee. CONTRACTOR may present evidence in

writing and through testimony of its employees and others relevant to the incident(s)/non-performance. The Contract Administrator or designee will provide CONTRACTOR with a written explanation of his or her determination on each incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages. The decision of the Contract Administrator or designee may be appealed to the COUNTY. The decision of the COUNTY shall be final and CONTRACTOR shall have been deemed to have exhausted its administrative remedies and can thereafter challenge such ruling in court pursuant to California Code of Civil Procedure Section 1094.6. CONTRACTOR shall not be liable to pay Liquidated Damages with respect to any violation or incident of substandard performance as described in Section 12.7 entitled "Excuse from Performance" herein or occurring after termination of this Agreement or while COUNTY (or any third party authorized by COUNTY) is performing interim Collection Services except for items 3, 4, 5, 10, 12, or 17 in the tables below occurring after termination of this Agreement.

3. CONTRACTOR shall pay any Liquidated Damages assessed by the COUNTY and/or RWMA within ten (10) Business Days of the date the Liquidated Damages are assessed. If they are not paid within the ten (10) Business Day period, COUNTY may proceed against the performance bond or letter of credit, required by the Agreement, unless such performance bond or letter of credit have been waived as set forth in Section 11.12 herein, order the termination of the rights granted by this Agreement, or all of the above.

E. CONTRACTOR agrees to pay (as Liquidated Damages and not as a penalty) the following amounts:

<b>COUNTY LIQUIDATED DAMAGES</b>		
<b>Item</b>		<b>Amount</b>
1.	Failure or neglect to resolve a Customer complaint relating to missed Collection within the time set forth in Section 8.7, or failure to initially respond to any other type of Customer complaint within one (1) Business Day.	\$100.00 per incident per Service Recipient.
2.	Failure to clean up spillage or litter caused by CONTRACTOR within the time set forth in Section 7.5.	\$300.00 per incident per location.
3.	Failure to repair damage to Customer property caused by CONTRACTOR or its personnel.	\$500.00 per incident per location in addition to the reasonable cost of repair if not paid by CONTRACTOR prior to the assessment of this Liquidated Damage.
4.	Failure to repair, or reimburse COUNTY for, damage to COUNTY property, other than normal wear and tear from routine operations, caused by CONTRACTOR or its personnel, as provided in Section 11.9.	\$500.00 per incident in addition to the reasonable cost of repair if not paid by CONTRACTOR prior to the assessment of this Liquidated Damage.

COUNTY LIQUIDATED DAMAGES		
Item		Amount
5.	Failure to maintain or timely submit to COUNTY all quarterly and annual reports by the deadlines set forth in Section 8.9.	\$250.00 per incident per Day for each Day after the report(s) is due.
6.	Failure or neglect to complete at least ninety percent (90%) of a route within the COUNTY (i.e., Collect at least ninety percent (90%) of properly set out Carts or Bins on the route) on the regular scheduled Collection Service Day unless addressed in Section 12.7, Excuse for Performance, herein.	\$1,000.00 for each route not completed.
7.	Failure to notify Customers of changes in route Days as required by Section 7.4.	\$50.00 per Customer per Day to a maximum of \$1,000.00 per occurrence.
8.	Failure to repair or replace damaged Carts or Bins within the time required by Section 7.10.	\$100.00 per incident per Day to a maximum of \$500.00 per occurrence.
9.	Failure to deliver or exchange Carts or Bins within the time required by Section 7.10.	\$100.00 per incident per Day to a maximum of \$500.00 per occurrence.

RWMA LIQUIDATED DAMAGES		
Item		Amount
11.	Failure to maintain or timely submit to RWMA on behalf of COUNTY all documents and reports required under the provisions of this Agreement.	\$250.00 per incident per Day.
12.	Failure to display CONTRACTOR's name and Customer service phone number on Collection vehicles for a period exceeding thirty (30) Days.	\$100.00 per incident per Day.
13.	Failure to meet the minimum Diversion requirements set forth in Section 6.7 (as may be amended pursuant to Section 5.5). (Calculated per Agreement Year.)	Shortfall of 0.001 to 2 percentage points: \$5,000.00 per Agreement Year. Shortfall of 2.001 to 4 percentage points:

RWMA LIQUIDATED DAMAGES		
Item		Amount
		\$10,000.00 per Agreement Year. Shortfall of 4.001 or greater percentage points: \$15,000.00 per Agreement Year.
14.	Commingling Solid Waste with Recyclable Materials in Collection vehicles.	\$1,000.00 per incident.
15.	Disposal of Recyclable Materials or Organic Materials in the Approved Disposal Facility except as provided for in this Agreement.	\$1,000.00 per load.
16.	Failure to deliver any Collected materials to the Approved Disposal Facility, Approved Materials Recovery Facility, Approved Transfer Station, or Approved Organic Materials Processing Facility, as appropriate, except as otherwise expressly provided in this Agreement.	\$5,000.00 first failure. \$25,000.00 each subsequent failure.
17.	Ceasing a program or part of a program for longer than thirty (30) Days without written permission of the Contract Administrator, unless otherwise permitted under this Agreement.	\$1,000 per Day beginning with the 31 <sup>st</sup> Day.
18.	Failure to report non-RWMA materials separately in the MRF Diversion figures.	\$5,000 per incident.

### 12.7 Excuse from Performance

The Parties shall be excused from performing their respective obligations hereunder and from any obligation to pay Liquidated Damages to the extent and for the period of time they are prevented from so performing by reason of floods, earthquakes, other acts of nature, war, civil insurrection, riots, acts of any government (including judicial action), and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. In the case of labor unrest or job action directed at a third party over whom CONTRACTOR has no control, the inability of CONTRACTOR to provide services in accordance with this Agreement due to the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of CONTRACTOR's employees while providing such services; or, (ii) make reasonable accommodations with respect to Container placement and point of delivery, time of Collection, or other operating circumstances to minimize any confrontation with pickets or the number of Persons necessary to make Collections shall, to that limited extent, excuse performance. The foregoing excuse shall be conditioned on CONTRACTOR's cooperation in performing Collection Services at different times and in different locations. Further, in the event of labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action conducted by the CONTRACTOR's employees or directed at the CONTRACTOR, or a subsidiary, the

CONTRACTOR shall not be excused from performance. In such case, CONTRACTOR shall continue to provide a reasonably satisfactory level of performance during the pendency thereof, but the CONTRACTOR shall not be required to adhere strictly to the specific requirements of this Agreement regarding routes, Collection times or similar matters; provided, however, that in no event shall more than seven (7) Days elapse between pickups for Residential and Commercial Customers.

The Party claiming excuse from performance shall, within two (2) Business Days after such Party has notice of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to excuse under this Article.

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

The partial or complete interruption or discontinuance of CONTRACTOR's services caused by one (1) or more of the events described in this Article shall not constitute a default by CONTRACTOR under this Agreement. Notwithstanding the foregoing, however, if CONTRACTOR is excused from performing its obligations hereunder for any of the causes listed in this Article for a period of thirty (30) Days or more, the COUNTY shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) Business Days' notice to CONTRACTOR, in which case the provisions of Section 12.3 shall apply.

If an Approved Facility becomes unavailable for an extended period due to earthquake, fire, flood or other reason contemplated by this Section, the Participating Member Agencies may designate a new Approved Facility and the Parties shall negotiate in good faith to determine an equitable adjustment to CONTRACTOR's compensation.

## **12.8 Right to Demand Assurances of Performance**

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

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

## 12.9 Dispute Resolution

In the event of dispute between the COUNTY and the CONTRACTOR regarding the interpretation of or the performance of services under this Agreement which results in a material impact to the CONTRACTOR'S revenue and/or cost of operations as set forth herein, the provisions of this Section 12.9 shall apply. For the purposes of this section, "material impact" is an amount equal to or greater than two percent (2%) of CONTRACTOR's annual Gross Billings under this Agreement.

- A. Meet and Confer.** In the event of disputes regarding the performance of any obligation under this Agreement that results in a material impact to the CONTRACTOR's revenue and/or cost of operations, the COUNTY and CONTRACTOR agree that they promptly will meet and confer to attempt to resolve the matter between themselves.
- B. Mediation.** In the event that disputes that arise under this Agreement cannot be resolved satisfactorily between the Parties in accordance with Section 12.9.A, the COUNTY and CONTRACTOR agree that such disputes shall be submitted to mandatory, non-binding mediation by a mutually agreed upon independent third party. If the mediator is unable, within sixty (60) Days thereafter, to reach a determination as to the matter in dispute in a manner acceptable to the Parties hereto, then either Party may refer the matter to a court of competent jurisdiction.
- C. Period of Time.** Insofar as allowed by Applicable Law, the period of time otherwise applicable for filing claims against the COUNTY under Applicable Law shall be tolled during the period of time for which meet and confer or mediation procedures are pending, in accordance with Sections 12.9.A and 12.9.B.
- D. Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s) pursuant to Sections 12.9.A, 12.9.B, and 12.9.C have failed and any necessary claim(s) have been denied.

## ARTICLE 13: OTHER AGREEMENTS OF THE PARTIES

### 13.1 Legal Representation

It is acknowledged that each Party was, or had the opportunity to be, represented by counsel in the preparation of and contributed equally to the terms and conditions of this Agreement and, accordingly, the rule that a contract or agreement shall be interpreted strictly against the party preparing the same shall not apply herein due to the joint contributions of both Parties.

### 13.2 Financial Interest

CONTRACTOR warrants and represents that no elected official, officer, agent, or employee of the COUNTY has a financial interest, directly or indirectly, in this Agreement or the compensation to be paid under it and, further, that no COUNTY employee who acts in the COUNTY as a "purchasing agent" as defined in the appropriate Article of California Statutes, nor any elected or appointed officer of the COUNTY, nor any spouse or child of such purchasing agent, employee, or elected or appointed officer, is a partner, officer, director, or proprietor of the CONTRACTOR and, further, that no such COUNTY employee, purchasing agent, COUNTY elected or appointed officer, or the spouse or child of any of them, alone or in combination, has a material interest in the CONTRACTOR. Material interest means direct or indirect ownership of more than five percent (5%) of the total assets or capital stock of the CONTRACTOR.

### 13.3 CONTRACTOR Not Officer, Employee or Agent

- A. CONTRACTOR Is Independent Contractor.** It is understood and agreed, and it is the intention of the Parties hereto, that CONTRACTOR is an independent contractor, and is not an officer, employee, or agent of COUNTY for any purpose whatsoever. COUNTY shall have no right to and shall not control the manner and method by which the Franchise services are performed by COUNTY herein, except as otherwise provided in this Agreement. CONTRACTOR shall be entirely and solely responsible for its acts and the acts of its agents, employees, and Subcontractors engaged in the performance of services hereunder. CONTRACTOR shall have no claim under this Agreement or otherwise against COUNTY for vacation pay, sick leave, retirement benefits, social security, workers' compensation, disability, or unemployment insurance benefits or other employee benefits of any kind. The Parties acknowledge that COUNTY shall not withhold from CONTRACTOR'S compensation any funds for income tax, FICA, disability insurance, unemployment insurance, or similar withholding and CONTRACTOR is solely responsible for the timely payment of all such taxes and related payments to the State and federal government for itself and its employees, agents, and Subcontractors who might render services in connection with this Agreement. CONTRACTOR shall inform all entities or Persons who perform any services pursuant to this Agreement of the provisions of this Article.
- B. CONTRACTOR Responsibility To and For Its Officers, Agents Employees, Contractors and Subcontractors.** CONTRACTOR shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and Subcontractors, if any. Neither CONTRACTOR nor its officers, employees, agents, contractors, or Subcontractors shall obtain any right to retirement benefits, workers' compensation benefits, or any other compensation or benefits which accrue to COUNTY employees; and CONTRACTOR expressly waives any claim it may have or acquire to such compensation or benefits.

### 13.4 CONTRACTOR's Use of Subcontractor

The use of a Subcontractor to perform services under this Agreement shall not constitute delegation of CONTRACTOR's duties provided that CONTRACTOR has received prior written authorization from the Contract Administrator to subcontract such services and the Contract Administrator, at their sole discretion, has approved a Subcontractor who will perform such services. CONTRACTOR shall be responsible for directing the work of CONTRACTOR's Subcontractors and any compensation due or payable to CONTRACTOR's Subcontractor shall be the sole responsibility of CONTRACTOR. The Contract Administrator shall have the right to require the removal of any approved Subcontractor for reasonable cause. The Subcontractors listed in Exhibit E to this Agreement are hereby approved by the COUNTY.

### 13.5 Compliance with Law

CONTRACTOR shall at all times, at its sole cost, but without limiting CONTRACTOR's rights under Section 10.5, comply with all Applicable Laws, permits, and licenses of the United States, State, and County, and with all applicable regulations promulgated by federal, State, regional, or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the Term. Nothing contained in this Agreement shall require any Party to perform any act or function contrary to law, or limit the laws with which the Party must comply.

- A. Permits and Licenses.** CONTRACTOR shall obtain, at its own expense, all permits, licenses, and approvals required by law or ordinance, and shall maintain such permits, licenses, and approvals in full force and effect throughout the Term of this Agreement. CONTRACTOR shall provide proof of such permits, licenses, or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses, and approvals upon the request of the Contract Administrator.
- B. Notice of Amendment to COUNTY Ordinance Code.** COUNTY shall provide written notice to CONTRACTOR of any planned amendment of the COUNTY Ordinance Code that would substantially affect CONTRACTOR's obligations or the performance of CONTRACTOR's services pursuant to this Agreement. Such notice shall be provided at least thirty (30) Days prior to the COUNTY Board of Supervisors approval of such an amendment.

### 13.6 Governing Law

The law of the State of California shall govern the rights, obligations, duties, and liabilities of COUNTY and CONTRACTOR under this Agreement and shall govern the interpretation of this Agreement.

### 13.7 Litigation

In the event of any litigation arising out of this Agreement, the prevailing Party in such action shall be entitled to recover its reasonable costs and expenses including, without limitation, reasonable attorneys' fees and costs paid or incurred in good faith. The "prevailing Party," for purposes of this Agreement, shall be deemed to be that Party who obtains substantially the result sought, whether by settlement, dismissal, or judgment.

### 13.8 Jurisdiction

The Parties agree that any litigation between COUNTY and CONTRACTOR concerning or arising out of this Agreement shall be filed and maintained exclusively in the Superior Courts of the State of California,

County of Yuba (Yuba Superior Court) to the fullest extent permissible by law. Each Party consents to service of process in any manner authorized by California law.

### **13.9 Binding on Successors**

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

### **13.10 Assignment**

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

For purposes of this Article, "assignment" shall include, but not be limited to: (i) a sale, exchange, or other transfer of substantially all of CONTRACTOR's local, regional, and/or corporate assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange, or other transfer of thirty-one percent {31%} or more of the stock or other ownership interests of CONTRACTOR to a third party; (iii) a sale, exchange, or other transfer of fifty-one percent (51%) or more of the stock or other ownership interests of CONTRACTOR to an individual employee of CONTRACTOR; (iv) any reorganization, consolidation, merger, recapitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other transaction to which CONTRACTOR or any of its shareholders is a party which results in a change of ownership or control of fifty-one percent {51%} or more of the stock or other ownership interests of CONTRACTOR; and, (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of a fifty-one percent {51%} change in the shares or other ownership interests of CONTRACTOR. For purposes of this Article, "assignment" shall not include a transfer of shares in CONTRACTOR by the owner of such shares to a revocable trust for the benefit of his family or to other multiple owners of shares in CONTRACTOR who are employees of CONTRACTOR at the time of the transfer. For purposes of this Article, the term "proposed assignee" shall refer to the proposed transferee(s) or other successor(s) in interest pursuant to the assignment.

CONTRACTOR acknowledges that this Agreement involves rendering a vital service to COUNTY's residents and businesses, and that the COUNTY has selected CONTRACTOR to perform the services specified herein based on: (i) CONTRACTOR's experience, skill, and reputation for conducting its Solid Waste, Recyclable Materials, Organic Materials, C&D and Bulky Item management operations in a safe, effective, and responsible fashion, at all times in keeping with applicable waste management laws, regulations, and good waste management practices; and, (ii) CONTRACTOR's financial resources on a local, regional, and/or corporate level to maintain the required equipment and to support its indemnity obligations to the COUNTY under this Agreement. The COUNTY has relied on each of these factors, among others, in choosing CONTRACTOR to perform the services to be rendered by CONTRACTOR under this Agreement.

If CONTRACTOR requests COUNTY consideration of and consent to an assignment, the COUNTY may deny or approve such request in their complete discretion. No request by CONTRACTOR for consent to an assignment need be considered by the COUNTY unless and until CONTRACTOR has met the following requirements. The COUNTY may, in its sole discretion, waive one (1) or more of these requirements.

- A. On the date the CONTRACTOR submits a written request for the COUNTY's written consent of an assignment, CONTRACTOR shall pay the COUNTY a transfer fee in the amount of one percent (1%) of the Gross Billings for the most-recently completed Agreement Year.
- B. CONTRACTOR shall pay the COUNTY its reasonable expenses for attorneys', consultants', accountants' fees, staff time, and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment. Such payment shall be required regardless of the ultimate determination of the COUNTY with regard to the approval or denial of the assignment. Upon submittal of CONTRACTOR's request for assignment to COUNTY, CONTRACTOR shall submit an initial deposit towards these expenses of one hundred thousand dollars (\$100,000) for this purpose for all Participating Member Agencies combined, prorated in accordance with their respective Gross Billings for the most recently completed Agreement Year.
- C. CONTRACTOR shall furnish the COUNTY with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years.
- D. CONTRACTOR shall furnish the COUNTY with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D management experience on a scale equal to or exceeding the scale of operations conducted by CONTRACTOR under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any citations or other censure from any federal, State or local agency having jurisdiction over its waste management operations due to any significant failure to comply with State, federal or local waste management laws and that the assignee has provided the COUNTY with a complete list of any citations and censures; (iii) that the proposed assignee has at all times conducted its operations in an environmentally safe and conscientious fashion; (iv) that the proposed assignee conducts its operations and management practices in accordance with sound waste management practices in full compliance with all federal, State, and local laws regulating the Collection, transportation, Processing and Disposal of Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, and C&D, including Hazardous Waste; and, (v) that any other information required by the COUNTY demonstrates that the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.
- E. CONTRACTOR shall provide the COUNTY with any and all additional records or documentation which, in the COUNTY's sole determination, would facilitate the review of the proposed assignment.

If, in the COUNTY's sole determination, there is any doubt regarding the compliance of the CONTRACTOR with the Agreement, the COUNTY may require an audit of the CONTRACTOR's compliance and the costs of such audit shall be paid by CONTRACTOR in advance of the performance of said audit.

### **13.11 No Third-Party Beneficiaries**

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

### 13.12 Waiver

Waiver by COUNTY or CONTRACTOR of any breach for violation of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any other term, covenant or condition or any subsequent breach or violation of the same or of any other term, covenant or condition. The subsequent acceptance by COUNTY of any fee, tax, or any other monies which may become due from CONTRACTOR to COUNTY shall not be deemed to be a waiver by COUNTY of any breach for violation of any term, covenant or condition of this Agreement.

### 13.13 Transition to Next Contractor

In the event CONTRACTOR is not awarded an Agreement to continue to provide Collection Services following the expiration or early termination of this Agreement, CONTRACTOR shall cooperate fully with COUNTY and any subsequent contractors to ensure a smooth transition of services described in this Agreement. Unless otherwise agreed by COUNTY and CONTRACTOR, such cooperation shall consist of: (a) providing the following information to the subsequent contractor: routing information, route maps, vehicle fleet information (if the subsequent contractor buys CONTRACTOR's vehicle fleet), a list of Service Recipients' contact information and their respective Service Levels, and a complete inventory of all Carts and Bins (if the subsequent contractor buys CONTRACTOR'S Carts and Bins); and, (b) providing adequate labor and equipment to complete performance of all Collection Services required under this Agreement. The CONTRACTOR shall not be eligible for the recovery of any costs associated with these transition activities. However, if CONTRACTOR is requested to provide additional transition services outside the scope of this Agreement, CONTRACTOR shall be compensated for such services at an amount to be agreed upon between COUNTY and CONTRACTOR prior to the provision of those services.

### 13.14 CONTRACTOR's Records

- A. Maintenance of Financial Records.** CONTRACTOR shall maintain any and all letters, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Service Recipients for a minimum period of five (5) years, or for any longer period required by law, from the date of final payment to CONTRACTOR pursuant to this Agreement.
- B. Maintenance of Performance Records.** CONTRACTOR shall maintain all documents and records that demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
- C. Availability of Records.** Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit at any time during regular business hours upon written request by the Contract Administrator, the COUNTY Counsel, COUNTY Auditor, COUNTY Administrator, or a designated representative of any of these officers. Copies of such documents shall be provided to COUNTY for inspection at the COUNTY offices when it is practical to do so. Otherwise, unless an alternative site is mutually agreed upon, the records shall be available at CONTRACTOR's address indicated for receipt of notices in this Agreement.
- D. Provision of Requested or Demanded Records.** Where COUNTY has reason to believe that such records or documents may be lost or discarded due to the dissolution, disbandment or termination of CONTRACTOR's business, COUNTY may, by written request or demand of any of

the above-named officers, require that custody of the records be given to COUNTY and that the records and documents be maintained in COUNTY Administrative Office. Within ten (10) Business Days after receiving COUNTY's written request or demand, CONTRACTOR shall provide COUNTY all requested records and documents. The COUNTY shall make those records and documents available to CONTRACTOR, CONTRACTOR's representatives, or CONTRACTOR's successor-in-interest at COUNTY Administrative office during regular operating hours.

### 13.15 Notice Procedures

Except as provided herein, whenever either Party desires to give notice to the other, it must be given by written notice addressed to the Party for whom it is intended, at the place last specified as the place for giving of notice in compliance with the provisions of this paragraph. For the present, the Parties designate the following as the respective Persons and places for giving of notice:

#### As to the COUNTY:

Yuba County  
Office of the County Administrator  
915 8<sup>th</sup> Street  
Marysville, CA 95901

#### As to the CONTRACTOR:

Recology Yuba-Sutter  
Attn: General Manager  
3001 North Levee Road  
Marysville, CA 95901

with a copy to:  
Recology Inc.  
Attn: Legal Department  
50 California Street, 24<sup>th</sup> Floor  
San Francisco, CA 94111

- A. Notices shall be effective when received at the address as specified above. Changes in the respective address to which such notice is to be directed may be made by written notice only. Facsimile transmission is acceptable notice, effective when received, however, facsimile transmissions received (i.e., printed) after 4:30 p.m. or on weekends or Holidays, will be deemed received on the next Business Day. Receipt is deemed to have taken place within three (3) Residential Service Work Days of notice mailed by U.S. Postal Service return receipt requested. The original of items that are transmitted by facsimile equipment must also be mailed as required herein.
- B. Notice by COUNTY to CONTRACTOR of a Collection or other Service Recipient problem or complaint may be given to CONTRACTOR orally by telephone at CONTRACTOR's local office with confirmation sent as required above by the end of the Residential Service Work Day.

### 13.16 Certain Defenses

CONTRACTOR acknowledges that, subject to the terms and conditions of this Agreement, it is solely responsible for providing Collection Services, as set forth in Article 5 of this Agreement, and rendering payment to the COUNTY, as set forth in Article 9 of this Agreement. CONTRACTOR irrevocably and unconditionally waives defenses to the validity of this Agreement based upon failure of consideration or contract of adhesion.

## ARTICLE 14: MISCELLANEOUS AGREEMENTS

### 14.1 Entirety of Agreement

This Agreement and the Exhibits attached hereto constitute the entire Agreement and understanding between the Parties hereto, and it shall not be considered modified, altered, changed or amended in any respect unless in writing and signed by the Parties hereto.

### 14.2 Severability

If any provision of this Agreement or the application of it to any Person or situation shall to any extent be held invalid or unenforceable, the remainder of this Agreement and the application of such provisions to Persons or situations other than those as to which it shall have been held invalid or unenforceable, shall not be affected, shall continue in full force and effect, and shall be enforced to the fullest extent permitted bylaw.

### 14.3 Right to Require Performance

The failure of the COUNTY at any time to require performance by the CONTRACTOR of any provision hereof shall in no way affect the right of the COUNTY thereafter to enforce same. Nor shall waiver by the COUNTY of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself.

### 14.4 Non-Discrimination

In the performance of all work and services under this Agreement, CONTRACTOR shall not discriminate against any Person on the basis of such Person's race, sex, color, national origin, religion, marital status, age, disability, or sexual orientation. CONTRACTOR shall comply with all applicable local, State, and federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.

### 14.5 All Prior Agreements Superseded

This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, contracts and understandings applicable to the matters contained in this Agreement and the Parties agree that there are no commitments, agreements, contracts or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, it is agreed that no deviation from the terms of this Agreement shall be predicated upon any prior representations, agreements or contracts, whether oral or written.

### 14.6 Headings

The article headings and section headings in this Agreement are for convenience of reference only and are not to be considered in any interpretation of this Agreement.

### 14.7 Exhibits

Each Exhibit referred to in this Agreement forms an essential part of this Agreement. Each such Exhibit is a part of this Agreement and each is incorporated by this reference.

### 14.8 References to Laws

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

### 14.9 Start Date

CONTRACTOR shall begin Collection Services, as covered herein, as of October 1, 2018.

### 14.10 COUNTY's Option to Incorporate Additional or Modified Provisions

- A. Incorporation of Additional or Modified Provisions.** COUNTY is a Member Agency of the RWMA which is a joint powers authority consisting of the cities of Marysville, Wheatland, Live Oak and Yuba City and the Counties of Yuba and Sutter. The Participating Member Agencies are in the process of entering into new Collection Service agreements with CONTRACTOR similar to this Agreement. COUNTY and CONTRACTOR (as well as other Participating Member Agencies) have used a model Collection Service agreement ("Model Agreement"). Use of the Model Agreement is not mandatory. During the Term and any extended Term of this Agreement, in the event that CONTRACTOR or an Affiliate enters into an agreement with another Participating Member Agency that contains additional or different terms from those set forth in this Agreement, the COUNTY shall have the option, upon written notice to CONTRACTOR, to incorporate such additional or different terms into this Agreement, effective upon the giving of such notice. Stated differently, should CONTRACTOR or an Affiliate enter into an agreement with another Participating Member Agency, and should such agreement contain additional or different terms from this Agreement, the COUNTY may give written notice to CONTRACTOR electing to incorporate such additional or different terms into this Agreement. Upon the giving of such notice this Agreement shall be deemed amended to incorporate such additional or different terms. This Section shall not apply if the agreement between CONTRACTOR and the other Participating Member Agency relates to provisions specific to that Participating Member Agency (for example, if CONTRACTOR and Yuba County amend the provisions of their Collection Service Agreement relating to the Ponderosa Landfill Transfer Station).

### 14.11 Amendments

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

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# EXHIBIT A: MAXIMUM SERVICE RATES

County of Yuba  
Proposed Rates Effective 10/1/18

## 1.A. - Commercial Solid Waste Bins

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b><u>1 Yard</u></b>				
1 Time per Week	\$124.89	\$1.22	\$3.15	\$129.26
2 Times per Week	\$249.79	\$2.45	\$5.40	\$257.64
3 Times per Week	\$374.68	\$3.67	\$7.95	\$386.30
4 Times per Week	\$499.58	\$4.90	\$9.75	\$514.23
5 Times per Week	\$624.47	\$6.12	\$12.15	\$642.74
6 Times per Week	\$749.37	\$7.34	\$15.60	\$772.31
<b><u>1.5 Yard</u></b>				
1 Time per Week	\$167.11	\$1.64	\$4.35	\$173.10
2 Times per Week	\$334.22	\$3.28	\$7.35	\$344.85
3 Times per Week	\$501.33	\$4.91	\$10.20	\$516.44
4 Times per Week	\$668.44	\$6.55	\$13.20	\$688.19
5 Times per Week	\$835.55	\$8.19	\$16.20	\$859.94
6 Times per Week	\$1,002.65	\$9.83	\$20.70	\$1,033.18
<b><u>2 Yard</u></b>				
1 Time per Week	\$200.63	\$1.97	\$5.10	\$207.70
2 Times per Week	\$401.27	\$3.93	\$8.25	\$413.45
3 Times per Week	\$601.90	\$5.90	\$11.25	\$619.05
4 Times per Week	\$802.54	\$7.86	\$14.40	\$824.80
5 Times per Week	\$1,003.17	\$9.83	\$17.55	\$1,030.55
6 Times per Week	\$1,203.81	\$11.80	\$22.35	\$1,237.96
<b><u>3 Yard</u></b>				
1 Time per Week	\$242.84	\$2.38	\$6.15	\$251.37
2 Times per Week	\$485.68	\$4.76	\$10.35	\$500.79
3 Times per Week	\$728.51	\$7.14	\$15.00	\$750.65
4 Times per Week	\$971.35	\$9.52	\$18.60	\$999.47
5 Times per Week	\$1,214.19	\$11.90	\$22.80	\$1,248.89
6 Times per Week	\$1,457.03	\$14.28	\$29.25	\$1,500.56
<b><u>4 Yard</u></b>				
1 Time per Week	\$291.95	\$2.86	\$7.50	\$302.31
2 Times per Week	\$583.90	\$5.72	\$12.60	\$602.22
3 Times per Week	\$875.85	\$8.58	\$17.70	\$902.13
4 Times per Week	\$1,167.80	\$11.44	\$22.95	\$1,202.19
5 Times per Week	\$1,459.76	\$14.31	\$28.20	\$1,502.27
6 Times per Week	\$1,751.71	\$17.17	\$36.30	\$1,805.18

# EXHIBIT A: MAXIMUM SERVICE RATES

## 1.A. - Commercial Solid Waste Bins

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b><u>5 Yard</u></b>				
1 Time per Week	\$302.42	\$2.96	\$7.80	\$313.18
2 Times per Week	\$604.84	\$5.93	\$13.80	\$624.57
3 Times per Week	\$907.26	\$8.89	\$19.80	\$935.95
4 Times per Week	\$1,209.68	\$11.85	\$25.95	\$1,247.48
5 Times per Week	\$1,512.10	\$14.82	\$32.25	\$1,559.17
6 Times per Week	\$1,814.52	\$17.78	\$41.70	\$1,874.00
<b><u>6 Yard</u></b>				
1 Time per Week	\$311.39	\$3.05	\$7.95	\$322.39
2 Times per Week	\$622.79	\$6.10	\$14.85	\$643.74
3 Times per Week	\$934.18	\$9.15	\$21.90	\$965.23
4 Times per Week	\$1,245.58	\$12.21	\$28.95	\$1,286.74
5 Times per Week	\$1,556.97	\$15.26	\$36.15	\$1,608.38
6 Times per Week	\$1,868.37	\$18.31	\$46.95	\$1,933.63
<b><u>7 Yard</u></b>				
1 Time per Week	\$348.36	\$3.41	\$8.85	\$360.62
2 Times per Week	\$696.73	\$6.83	\$16.50	\$720.06
3 Times per Week	\$1,045.09	\$10.24	\$24.30	\$1,079.63
4 Times per Week	\$1,393.45	\$13.66	\$32.25	\$1,439.36
5 Times per Week	\$1,741.82	\$17.07	\$40.05	\$1,798.94
6 Times per Week	\$2,090.18	\$20.48	\$52.05	\$2,162.71
<b><u>8 Yard</u></b>				
1 Time per Week	\$397.46	\$3.90	\$10.20	\$411.56
2 Times per Week	\$794.91	\$7.79	\$18.15	\$820.85
3 Times per Week	\$1,192.37	\$11.69	\$27.15	\$1,231.21
4 Times per Week	\$1,589.82	\$15.58	\$36.00	\$1,641.40
5 Times per Week	\$1,987.28	\$19.48	\$44.70	\$2,051.46
6 Times per Week	\$2,384.73	\$23.37	\$54.90	\$2,463.00

# EXHIBIT A: MAXIMUM SERVICE RATES

## 1. B. Commercial Solid Waste Compactors

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b>1.3 Yd Compactor</b>				
1 time per week	\$289.46	\$2.84	\$4.35	\$296.65
2 times per week	\$578.92	\$5.67	\$7.35	\$591.94
3 times per week	\$868.37	\$8.51	\$10.20	\$887.08
4 times per week	\$1,157.81	\$11.35	\$13.20	\$1,182.36
5 times per week	\$1,447.25	\$14.18	\$16.20	\$1,477.63
6 times per week	\$1,736.74	\$17.02	\$20.70	\$1,774.46
<b>2 Yd Compactor</b>				
1 time per week	\$445.31	\$4.36	\$5.10	\$454.77
2 times per week	\$890.61	\$8.73	\$8.25	\$907.59
3 times per week	\$1,335.93	\$13.09	\$11.25	\$1,360.27
4 times per week	\$1,781.24	\$17.46	\$14.40	\$1,813.10
5 times per week	\$2,226.55	\$21.82	\$17.55	\$2,265.92
6 times per week	\$2,671.84	\$26.18	\$22.35	\$2,720.37
<b>3 Yd Compactor</b>				
1 time per week	\$667.98	\$6.55	\$6.15	\$680.68
2 times per week	\$1,335.94	\$13.09	\$10.35	\$1,359.38
3 times per week	\$2,003.91	\$19.64	\$15.00	\$2,038.55
4 times per week	\$2,671.85	\$26.18	\$18.60	\$2,716.63
5 times per week	\$3,339.83	\$32.73	\$22.80	\$3,395.36
6 times per week	\$4,007.80	\$39.28	\$29.25	\$4,076.33
<b>4 Yd Compactor</b>				
1 time per week	\$890.62	\$8.73	\$7.50	\$906.85
2 times per week	\$1,781.25	\$17.46	\$12.60	\$1,811.31
3 times per week	\$2,671.85	\$26.18	\$17.70	\$2,715.73
4 times per week	\$3,562.48	\$34.91	\$22.95	\$3,620.34
5 times per week	\$4,453.10	\$43.64	\$28.20	\$4,524.94
6 times per week	\$5,343.74	\$52.37	\$36.30	\$5,432.41
<b>5 Yd Compactor</b>				
1 time per week	\$1,113.26	\$10.91	\$7.80	\$1,131.97
2 times per week	\$2,226.57	\$21.82	\$13.80	\$2,262.19
3 times per week	\$3,339.83	\$32.73	\$19.80	\$3,392.36
4 times per week	\$4,453.10	\$43.64	\$25.95	\$4,522.69
5 times per week	\$5,566.40	\$54.55	\$32.25	\$5,653.20
6 times per week	\$6,679.68	\$65.46	\$41.70	\$6,786.84
<b>6 Yd Compactor</b>				
1 time per week	\$1,335.94	\$13.09	\$7.95	\$1,356.98
2 times per week	\$2,671.85	\$26.18	\$14.85	\$2,712.88
3 times per week	\$4,007.80	\$39.28	\$21.90	\$4,068.98
4 times per week	\$5,343.74	\$52.37	\$28.95	\$5,425.06
5 times per week	\$6,679.68	\$65.46	\$36.15	\$6,781.29
6 times per week	\$8,015.60	\$78.55	\$46.95	\$8,141.10

# EXHIBIT A: MAXIMUM SERVICE RATES

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## 1. C. Commercial Solid Waste Carts

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b>Commercial 32 Gallon Cart</b>				
1 time per week	\$28.10	\$0.28	\$0.75	\$29.13
2 times per week	\$56.20	\$0.55	\$1.50	\$58.25
3 times per week	\$84.30	\$0.83	\$2.25	\$87.38
4 times per week	\$112.40	\$1.10	\$3.00	\$116.50
5 times per week	\$140.50	\$1.38	\$3.75	\$145.63
6 times per week	\$168.60	\$1.65	\$4.50	\$174.75
<b>Commercial 96 Gallon Cart</b>				
1 time per week	\$56.37	\$0.55	\$1.50	\$58.42
2 times per week	\$112.74	\$1.10	\$3.00	\$116.84
3 times per week	\$169.11	\$1.66	\$4.50	\$175.27
4 times per week	\$225.48	\$2.21	\$6.00	\$233.69
5 times per week	\$281.85	\$2.76	\$7.50	\$292.11
6 times per week	\$338.22	\$3.31	\$9.00	\$350.53

# EXHIBIT A: MAXIMUM SERVICE RATES

## 1. D. Commercial Recycling Bins

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b><u>1 Yard</u></b>				
1 Time per Week	\$62.45	\$0.61		\$63.06
2 Times per Week	\$124.89	\$1.22		\$126.11
3 Times per Week	\$187.34	\$1.84		\$189.18
4 Times per Week	\$249.79	\$2.45		\$252.24
5 Times per Week	\$312.24	\$3.06		\$315.30
6 Times per Week	\$374.68	\$3.67		\$378.35
<b><u>1.5 Yard</u></b>				
1 Time per Week	\$83.55	\$0.82		\$84.37
2 Times per Week	\$167.11	\$1.64		\$168.75
3 Times per Week	\$250.66	\$2.46		\$253.12
4 Times per Week	\$334.22	\$3.28		\$337.50
5 Times per Week	\$417.77	\$4.09		\$421.86
6 Times per Week	\$501.33	\$4.91		\$506.24
<b><u>2 Yard</u></b>				
1 Time per Week	\$100.32	\$0.98		\$101.30
2 Times per Week	\$200.63	\$1.97		\$202.60
3 Times per Week	\$300.95	\$2.95		\$303.90
4 Times per Week	\$401.27	\$3.93		\$405.20
5 Times per Week	\$501.59	\$4.92		\$506.51
6 Times per Week	\$601.90	\$5.90		\$607.80
<b><u>3 Yard</u></b>				
1 Time per Week	\$121.42	\$1.19		\$122.61
2 Times per Week	\$242.84	\$2.38		\$245.22
3 Times per Week	\$364.26	\$3.57		\$367.83
4 Times per Week	\$485.68	\$4.76		\$490.44
5 Times per Week	\$607.10	\$5.95		\$613.05
6 Times per Week	\$728.51	\$7.14		\$735.65
<b><u>4 Yard</u></b>				
1 Time per Week	\$145.98	\$1.43		\$147.41
2 Times per Week	\$291.95	\$2.86		\$294.81
3 Times per Week	\$437.93	\$4.29		\$442.22
4 Times per Week	\$583.90	\$5.72		\$589.62
5 Times per Week	\$729.88	\$7.15		\$737.03
6 Times per Week	\$875.85	\$8.58		\$884.43

# EXHIBIT A: MAXIMUM SERVICE RATES

## 1. D. Commercial Recycling Bins

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b><u>5 Yard</u></b>				
1 Time per Week	\$151.21	\$1.48		\$152.69
2 Times per Week	\$302.42	\$2.96		\$305.38
3 Times per Week	\$453.63	\$4.45		\$458.08
4 Times per Week	\$604.84	\$5.93		\$610.77
5 Times per Week	\$756.05	\$7.41		\$763.46
6 Times per Week	\$907.26	\$8.89		\$916.15
<b><u>6 Yard</u></b>				
1 Time per Week	\$155.70	\$1.53		\$157.23
2 Times per Week	\$311.39	\$3.05		\$314.44
3 Times per Week	\$467.09	\$4.58		\$471.67
4 Times per Week	\$622.79	\$6.10		\$628.89
5 Times per Week	\$778.49	\$7.63		\$786.12
6 Times per Week	\$934.18	\$9.15		\$943.33
<b><u>7 Yard</u></b>				
1 Time per Week	\$174.18	\$1.71		\$175.89
2 Times per Week	\$348.36	\$3.41		\$351.77
3 Times per Week	\$522.55	\$5.12		\$527.67
4 Times per Week	\$696.73	\$6.83		\$703.56
5 Times per Week	\$870.91	\$8.53		\$879.44
6 Times per Week	\$1,045.09	\$10.24		\$1,055.33
<b><u>8 Yard</u></b>				
1 Time per Week	\$198.73	\$1.95		\$200.68
2 Times per Week	\$397.46	\$3.90		\$401.36
3 Times per Week	\$596.18	\$5.84		\$602.02
4 Times per Week	\$794.91	\$7.79		\$802.70
5 Times per Week	\$993.64	\$9.74		\$1,003.38
6 Times per Week	\$1,192.37	\$11.69		\$1,204.06

# EXHIBIT A: MAXIMUM SERVICE RATES

## 1. E. Commercial Recycling Compactors

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b>1.3 Yd Compactor</b>				
1 time per week	\$144.73	\$1.42		\$146.15
2 times per week	\$289.46	\$2.84		\$292.30
3 times per week	\$434.18	\$4.25		\$438.43
4 times per week	\$578.90	\$5.67		\$584.57
5 times per week	\$723.63	\$7.09		\$730.72
6 times per week	\$868.37	\$8.51		\$876.88
<b>2 Yd Compactor</b>				
1 time per week	\$222.66	\$2.18		\$224.84
2 times per week	\$445.30	\$4.36		\$449.66
3 times per week	\$667.97	\$6.55		\$674.52
4 times per week	\$890.62	\$8.73		\$899.35
5 times per week	\$1,113.27	\$10.91		\$1,124.18
6 times per week	\$1,335.92	\$13.09		\$1,349.01
<b>3 Yd Compactor</b>				
1 time per week	\$333.99	\$3.27		\$337.26
2 times per week	\$667.97	\$6.55		\$674.52
3 times per week	\$1,001.95	\$9.82		\$1,011.77
4 times per week	\$1,335.93	\$13.09		\$1,349.02
5 times per week	\$1,669.92	\$16.37		\$1,686.29
6 times per week	\$2,003.90	\$19.64		\$2,023.54
<b>4 Yd Compactor</b>				
1 time per week	\$445.31	\$4.36		\$449.67
2 times per week	\$890.62	\$8.73		\$899.35
3 times per week	\$1,335.93	\$13.09		\$1,349.02
4 times per week	\$1,781.24	\$17.46		\$1,798.70
5 times per week	\$2,226.55	\$21.82		\$2,248.37
6 times per week	\$2,671.87	\$26.18		\$2,698.05
<b>5 Yd Compactor</b>				
1 time per week	\$556.63	\$5.45		\$562.08
2 times per week	\$1,113.29	\$10.91		\$1,124.20
3 times per week	\$1,669.92	\$16.37		\$1,686.29
4 times per week	\$2,226.55	\$21.82		\$2,248.37
5 times per week	\$2,783.20	\$27.28		\$2,810.48
6 times per week	\$3,339.84	\$32.73		\$3,372.57
<b>6 Yd Compactor</b>				
1 time per week	\$667.97	\$6.55		\$674.52
2 times per week	\$1,335.93	\$13.09		\$1,349.02
3 times per week	\$2,003.90	\$19.64		\$2,023.54
4 times per week	\$2,671.87	\$26.18		\$2,698.05
5 times per week	\$3,339.84	\$32.73		\$3,372.57
6 times per week	\$4,007.80	\$39.28		\$4,047.08

# EXHIBIT A: MAXIMUM SERVICE RATES

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## 1. F. Commercial Recycling Carts

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
Commercial 96 Gallon Cart*				
1 time per week	\$28.19	\$0.28		\$28.47
2 times per week	\$56.37	\$0.55		\$56.92
3 times per week	\$84.56	\$0.83		\$85.39
4 times per week	\$112.74	\$1.10		\$113.84
5 times per week	\$140.93	\$1.38		\$142.31
6 times per week	\$169.11	\$1.66		\$170.77

\* Customer may substitute a 32 or 64 gallon Cart at the same rate.

# EXHIBIT A: MAXIMUM SERVICE RATES

## 1. G. Commercial Green/Organics

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
<b>Commercial 96 Gallon Cart</b>				
1 Time per Week	\$56.37	\$0.55		\$56.92
2 Times per Week	\$112.74	\$1.10		\$113.84
3 Times per Week	\$169.11	\$1.66		\$170.77
4 Times per Week	\$225.48	\$2.21		\$227.69
5 Times per Week	\$281.85	\$2.76		\$284.61
6 Times per Week	\$338.22	\$3.31		\$341.53
• Customer may substitute a 32 or 64 gallon Cart at the same rate.				
<b>1 Yard</b>				
1 Time per Week	\$124.89	\$1.22		\$126.11
2 Times per Week	\$249.79	\$2.45		\$252.24
3 Times per Week	\$374.68	\$3.67		\$378.35
4 Times per Week	\$499.58	\$4.90		\$504.48
5 Times per Week	\$624.47	\$6.12		\$630.59
6 Times per Week	\$749.37	\$7.34		\$756.71
<b>2 Yard</b>				
1 Time per Week	\$200.63	\$1.97		\$202.60
2 Times per Week	\$401.27	\$3.93		\$405.20
3 Times per Week	\$601.90	\$5.90		\$607.80
4 Times per Week	\$802.54	\$7.86		\$810.40
5 Times per Week	\$1,003.17	\$9.83		\$1,013.00
6 Times per Week	\$1,203.81	\$11.80		\$1,215.61
<b>3 Yard</b>				
1 Time per Week	\$242.84	\$2.38		\$245.22
2 Times per Week	\$485.68	\$4.76		\$490.44
3 Times per Week	\$728.51	\$7.14		\$735.65
4 Times per Week	\$971.35	\$9.52		\$980.87
5 Times per Week	\$1,214.19	\$11.90		\$1,226.09
6 Times per Week	\$1,457.03	\$14.28		\$1,471.31
<b>4 Yard</b>				
1 Time per Week	\$291.95	\$2.86		\$294.81
2 Times per Week	\$583.90	\$5.72		\$589.62
3 Times per Week	\$875.85	\$8.58		\$884.43
4 Times per Week	\$1,167.80	\$11.44		\$1,179.24
5 Times per Week	\$1,459.76	\$14.31		\$1,474.07
6 Times per Week	\$1,751.71	\$17.17		\$1,768.88

# EXHIBIT A: MAXIMUM SERVICE RATES

## 2. Extra Service/Overload/Contamination

### Solid Waste

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
32 Gallon Cart - Extra Service/Overload/Contamination	\$15.00	\$0.15		\$15.15
64 Gallon Cart - Extra Service/Overload/Contamination	\$15.00	\$0.15		\$15.15
96 Gallon Cart - Extra Service/Overload/Contamination	\$15.00	\$0.15		\$15.15
1 Yard Bin - Extra Service/Overload/Contamination	\$33.94	\$0.33		\$34.27
1.5 Yard Bin - Extra Service/Overload/Contamination	\$37.64	\$0.37		\$38.01
2 Yard Bin - Extra Service/Overload/Contamination	\$45.28	\$0.44		\$45.72
3 Yard Bin - Extra Service/Overload/Contamination	\$52.78	\$0.52		\$53.30
4 Yard Bin - Extra Service/Overload/Contamination	\$60.26	\$0.59		\$60.85
5 Yard Bin - Extra Service/Overload/Contamination	\$64.06	\$0.63		\$64.69
6 Yard Bin - Extra Service/Overload/Contamination	\$67.92	\$0.67		\$68.59
7 Yard Bin - Extra Service/Overload/Contamination	\$75.40	\$0.74		\$76.14
8 Yard Bin - Extra Service/Overload/Contamination	\$82.88	\$0.81		\$83.69
Extra Empty on site per Container plus Extra Service Charge per Container size	\$25.00	\$0.25	3.00	\$28.25

### Recycling

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
32 Gallon Cart - Extra Service/Overload/Contamination	\$7.50	\$0.07		\$7.57
64 Gallon Cart - Extra Service/Overload/Contamination	\$7.50	\$0.07		\$7.57
96 Gallon Cart - Extra Service/Overload/Contamination	\$7.50	\$0.07		\$7.57
1 Yard Bin - Extra Service/Overload/Contamination	\$16.97	\$0.17		\$17.14
1.5 Yard Bin - Extra Service/Overload/Contamination	\$18.82	\$0.18		\$19.00
2 Yard Bin - Extra Service/Overload/Contamination	\$22.64	\$0.22		\$22.86
3 Yard Bin - Extra Service/Overload/Contamination	\$26.39	\$0.26		\$26.65
4 Yard Bin - Extra Service/Overload/Contamination	\$30.13	\$0.30		\$30.43
5 Yard Bin - Extra Service/Overload/Contamination	\$32.03	\$0.31		\$32.34
6 Yard Bin - Extra Service/Overload/Contamination	\$33.96	\$0.33		\$34.29
7 Yard Bin - Extra Service/Overload/Contamination	\$37.70	\$0.37		\$38.07
8 Yard Bin - Extra Service/Overload/Contamination	\$41.44	\$0.41		\$41.85
Extra Empty on site per Container plus Extra Service Charge per Container size	\$25.00	\$0.25		\$25.25

# EXHIBIT A: MAXIMUM SERVICE RATES

## Organics

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
32 Gallon Cart - Extra Service/Overload/Contamination	\$15.00	\$0.15		\$15.15
64 Gallon Cart - Extra Service/Overload/Contamination	\$15.00	\$0.15		\$15.15
96 Gallon Cart - Extra Service/Overload/Contamination	\$15.00	\$0.15		\$15.15
1 Yard Bin - Extra Service/Overload/Contamination	\$33.94	\$0.33		\$34.27
1.5 Yard Bin - Extra Service/Overload/Contamination	\$37.64	\$0.37		\$38.01
2 Yard Bin - Extra Service/Overload/Contamination	\$45.28	\$0.44		\$45.72
3 Yard Bin - Extra Service/Overload/Contamination	\$52.78	\$0.52		\$53.30
4 Yard Bin - Extra Service/Overload/Contamination	\$60.26	\$0.59		\$60.85
5 Yard Bin - Extra Service/Overload/Contamination	\$64.06	\$0.63		\$64.69
6 Yard Bin - Extra Service/Overload/Contamination	\$67.92	\$0.67		\$68.59
7 Yard Bin - Extra Service/Overload/Contamination	\$75.40	\$0.74		\$76.14
8 Yard Bin - Extra Service/Overload/Contamination	\$82.88	\$0.81		\$83.69
Extra Empty on site per Container plus Extra Service Charge per Container size	\$25.00	\$0.25		\$25.25

### 3. Residential Program Areas

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
Standard 32 - Gallon Refuse Cart*	\$28.00	\$0.27	\$0.75	\$29.02
Low-Income Senior Citizen 32-Gallon Refuse Cart*	\$20.50	\$0.20	\$0.75	\$21.45
64 - Gallon Refuse Cart*	\$28.50	\$0.28	\$0.75	\$29.53
96 - Gallon Refuse Cart*	\$29.00	\$0.28	\$0.75	\$30.03
Extra 32 - Gallon Refuse Cart	\$12.50	\$0.12		\$12.62
Extra 64 - Gallon Refuse Cart	\$14.00	\$0.14		\$14.14
Extra 96 - Gallon Refuse Cart	\$15.50	\$0.15		\$15.65
Extra Bag of Refuse <Per Pickup Rate)	\$4.43	\$0.04		\$4.47

\* Program areas are within the mandatory collection area and include the communities of Linda, Olivehurst, and the Plumas Lake Specific Plan area. Areas outside Linda, Olivehurst, and the Plumas Lake Specific Plan area are in the non-program area.

### 4. Residential Non-Program Areas

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
32 - Gallon Refuse Cart (limited. No new customers.)	\$24.46	\$0.24	\$0.75	\$25.45
Low-Income Senior Citizen 32 - Gallon Refuse Cart	\$18.47	\$0.18	\$0.75	\$19.40
96 - Gallon Refuse Cart	\$32.29	\$0.32	\$0.75	\$33.36
Low-Income Senior Citizen 96 - Gallon Refuse Cart	\$24.22	\$0.24	\$0.75	\$25.21
Additional 96 - Gallon Refuse Cart	\$15.50	\$0.15		\$15.65

## EXHIBIT A: MAXIMUM SERVICE RATES

### 5. Rolloff

Service Description	Ponderosa			Total Rate for Services
	Base Service Rate	Transfer Station	RWMA Surcharge	
Rolloff Compactor per load plus disposal by material type	\$390.00	\$3.82		\$393.82
RWMA Surcharge per Yard			\$0.90	\$0.90
09Yd Dirt/Concrete Debris per load plus disposal	\$340.00	\$3.33	7.50	\$350.83
15 Yd Debris Box per load plus disposal by material type	\$340.00	\$3.33	6.30	\$349.63
20 Yd Debris Box per load plus disposal by material type	\$340.00	\$3.33	7.50	\$350.83
25 Yd Debris Box per load plus disposal by material type	\$340.00	\$3.33	8.10	\$351.43
30 Yd Debris Box per load plus disposal by material type	\$340.00	\$3.33	9.00	\$352.33
40 Yd Debris Box per load plus disposal by material type	\$340.00	\$3.33	10.80	\$354.13
Demurrage per day	\$25.00	\$0.25		\$25.25
Trip Charge per trip	\$90.00	\$0.88		\$90.88
Same Day Service Surcharge per load	\$90.00	\$0.88		\$90.88
Disposal C&D per ton	\$80.00	\$0.78		\$80.78
Disposal Wood per ton	\$30.00	\$0.29		\$30.29
Disposal Mixed Recycling per ton	\$75.00	\$0.74		\$75.74
Disposal Green Waste/Organics per ton	\$54.90	\$0.54		\$55.44
Disposal OCC per ton	\$50.00	\$0.49		\$50.49
Disposal Clean Concrete per ton	\$10.00	\$0.10		\$10.10
Disposal Landfill per ton	\$69.67	\$0.68		\$70.35

### 6. Temporary Bins per Service

Service Description	Ponderosa			Total Rate for Services
	Base Service Rate	Transfer Station	RWMA Surcharge	
4 Yd Food Container includes processing	\$185.00	\$1.81	-	\$186.81
6 Yd Container - All Material Types includes disposal/processing	\$185.00	\$1.81	3.00	\$189.81
7 Yd Container - All Material Types includes disposal/processing	\$185.00	\$1.81	3.00	\$189.81

## EXHIBIT A: MAXIMUM SERVICE RATES

### 7. Miscellaneous Charges

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
Extra Bulky Item Collection per trip plus per item charge	\$60.00	\$0.59		\$60.59
Extra Per Bulky Item Charge per item	\$12.00	\$0.12		\$12.12
Excess Bulky Item Charge per item if total exceeds 2 CY	\$12.00	\$0.12		\$12.12
Extra Bulky Item Charge per CY (general debris)	\$14.00	\$0.14		\$14.14
Cart Exchange in excess of 1 per Agreement Year	\$20.00	\$0.20		\$20.20
Bin Exchange in excess of 1 per Agreement Year	\$75.00	\$0.74		\$75.74
Container Push Charge per month per container x weekly frequency	\$4.75	\$0.05		\$4.80
Container Lock Charge per lock provided	\$27.50	\$0.27		\$27.77
Locked Enclosure Access per month per enclosure	\$4.75	\$0.05		\$4.80
Locked Container Access per month per container	\$4.75	\$0.05		\$4.80
Container Cleaning in excess on 1 per Agreement Year	\$120.00	\$1.18		\$121.18
Cart Replacement due to Customer negligence	\$75.00	\$0.74		\$75.74
Bin Replacement due to customer negligence up to the				
Go Back For Late Setout same day and route	\$15.00	\$0.15		\$15.15
Go Back For Late Setout different day or route	\$20.00	\$0.20		\$20.20
Freon Appliance per appliance	\$16.00	\$0.16		\$16.16
Ammonia Appliance per appliance	\$48.00	\$0.47		\$48.47
Car Tire per tire in excess of Agreement limitations	\$4.65	\$0.05		\$4.70
Truck Tire per tire in excess of Agreement limitations	\$13.10	\$0.13		\$13.23
Tractor Tire - Filled per tire	\$72.15	\$0.71		\$72.86
Tractor Tire - Solid oer tire	\$150.00	\$1.47		\$151.47

### 8. Non-Mandatory Areas

Service Description	Base Service Rate	Ponderosa Transfer Station	RWMA Surcharge	Total Rate for Services
Com'l Delinquent Restart (Stopped For One Week)	\$20.00	\$0.20		\$20.20
Com'l Delinquent Restart (Stopped For 2 Or More Weeks)	\$35.00	\$0.34		\$35.34
Res'l Delinquent Restart (Stopped For One Week)	\$15.00	\$0.15		\$15.15
Res'l Delinquent Restart (Stopped For 2 Or More Weeks)	\$20.00	\$0.20		\$20.20

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# **EXHIBIT B:**

## **MAXIMUM SERVICE RATE ADJUSTMENTS**

### **1. Annual Rate Adjustment Process**

- a) Elements of Maximum Service Rates. Each Maximum Service Rate shall consist of some combination of the following elements: a base service rate element, a Franchise Fee element, an RWMA surcharge fee element, a Ponderosa Transfer Station fee element, and such other elements as may be added by the COUNTY during the Term of this Agreement to reflect new fees or charges imposed by COUNTY.
- b) Adjustments to Base Service Rate Element. Beginning on October 1, 2026, and annually thereafter, CONTRACTOR shall, subject to compliance with subsection d) below, receive an annual adjustment in the base service rate element of all Maximum Service Rates set forth in Exhibit A to this Agreement. The annual adjustment will be based on changes in the Consumer Price Index, All Urban Consumers: Water and Sewer and Trash Collection Services, Series ID: CUSR0000SEHG, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI") published bi-monthly beginning in February of each year.

### **1. Annual Rate Adjustment Process**

~~**Elements of Maximum Service Rates.** Each Maximum Service Rate shall consist of some combination of the following elements: a base service rate element, a Franchise Fee element, an RWMA surcharge fee element, a Ponderosa Transfer Station fee element, and such other elements as may be added by the COUNTY during the Term of this Agreement to reflect new fees or charges imposed by COUNTY.~~

~~a) **Adjustments to Base Service Rate Element.** Beginning on October 1, 2019, and annually thereafter, CONTRACTOR shall, subject to compliance with subsection d) below, receive an annual adjustment in the base service rate element of all Maximum Service Rates set forth in Exhibit A to this Agreement. The annual adjustment will be based on changes in the Consumer Price Index, All Urban Consumers, All Items, San Francisco Oakland Hayward, Series ID: CUURS49BSA0, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI") published bi-monthly beginning in February of each year.~~

- i) The annual adjustment to the base service rate element shall be in a percentage amount equal to the percentage change in the annual average of the CPI between the 12-month period ending on April 30 of the calendar year in which the annual adjustment is to occur, and the preceding 12-month period. For purposes of this calculation, the annual average shall be the average of the six bimonthly indices (June, August, October, December, February and April). For example, the first annual CPI adjustment (to take effect on October 1, 2026) will be based on the percentage change between the annual average of CPI for the twelve (12) months ending April 30, 2025 and the annual average of CPI for the twelve (12) months ending April 30, 2026. In the preceding example the percentage change in the annual averages would be calculated as follows [(2026 annual average/2025 annual average)-1].
- ii) CONTRACTOR and COUNTY understand and agree that there is a carryover of deferred CPI increases from previous rate years equal to 3.057% (the "Current Cap Carry Forward"). The Current Cap Carry Forward, or a portion thereof, shall be added to subsequent annual adjustments until the Current Cap Carry Forward equals zero.
- iii) In any year that the percentage change in CPI calculated as provided in subsection i) above, plus the Current Cap Carry Forward or any percentage change carried forward from the previous year pursuant to this subsection ii), is more than five percent (5%), the current year's CPI adjustment to the base service rate element shall be five percent (5%), and the percentage above five percent (5%) shall be carried forward to the following year and added to the CPI percentage that would otherwise apply in that year. The process shall be repeated for successive annual adjustments under this Agreement until all carry-forward amounts have been applied or the Agreement terminates.

## EXHIBIT B:

### MAXIMUM SERVICE RATE ADJUSTMENTS

iv) In any year that the calculation of the percentage change in CPI plus any carry-forward amounts not yet applied results in a negative number, the Maximum Service Rates will remain unchanged and the negative number shall be carried forward to the next annual adjustment.

~~i) Subject to the carry-forward mechanism described in subsection ii) below, the annual adjustment to the base service rate element shall be in a percentage amount equal to the percentage change in the annual average of the CPI between the 12-month period ending on April 30 of the calendar year in which the annual adjustment is to occur, and the preceding 12-month period. For purposes of this calculation, the annual average shall be the average of the six bimonthly indices (June, August, October, December, February and April). For example, the first annual CPI adjustment (to take effect on October 1, 2019) will be based on the percentage change between the annual average of CPI for the twelve (12) months ending April 30, 2018 and the annual average of CPI for the twelve (12) months ending April 30, 2019. In the preceding example the percentage change in the annual averages would be calculated as follows [(2019 annual average/2018 annual average) - 1]. In any year that the calculation of the percentage change in CPI results in a negative number, the negative number shall be used (that is, CPI adjustments may be positive or negative).~~

~~ii) In any year that the percentage change in CPI calculated as provided in subsection i) above, plus any percentage change carried forward from the previous year pursuant to this subsection ii), is more than three percent (3%), the current year's CPI adjustment to the base service rate element shall be three percent (3%), and the percentage above three percent (3%) shall be carried forward to the following year and added to the CPI percentage that would otherwise apply in that year. The process shall be repeated for successive annual adjustments under this Agreement until all carry-forward amounts have been applied or the Agreement terminates. For example, if the CPI adjustments calculated under subsection i) were 6% for 2022, 3% for 2023, and 1% for 2024, then the CPI adjustments to the base service rate element would be 3% in 2022, 3% in 2023, and 3% in 2024 (assuming no carry-forward from 2024 to 2022). The carry-forward mechanism and three percent (3%) cap shall not apply to any adjustments to the base service rate element for reasons other than the CPI adjustment (such as a COUNTY-directed change in services, or pass-through of regulatory fees).~~

## **EXHIBIT B:**

### **MAXIMUM SERVICE RATE ADJUSTMENTS**

c) Adjustment to the Fee Elements of the Maximum Service Rates. The other fee elements of the Maximum Service Rates shall be adjusted as follows:

- i) Franchise Fee Element. The Franchise Fee element shall be calculated by dividing the base service rate element of each Maximum Service Rate by one (1) minus the Franchise Fee percentage (for example  $1.00 - .10 = 0.90$ ); subtracting the base service rate element; and rounding the resulting figure to two (2) decimal places.
- ii) RWMA Surcharge Fee Element. The RWMA surcharge fee element is set initially by the COUNTY and may be modified annually by notice to the CONTRACTOR thirty (30) days prior to June.
- iii) Ponderosa Transfer Station Fee Element. The Ponderosa Transfer Station fee element is set and adjusted as set forth in Section 3 of Exhibit G of this Agreement.

~~b) Adjustment to the Fee Elements of the Maximum Service Rates. The other fee elements of the Maximum Service Rates shall be adjusted as follows:~~

- ~~i) Franchise Fee Element. The Franchise Fee element shall be calculated by dividing the base service rate element of each Maximum Service Rate by one (1) minus the Franchise Fee percentage (for example  $1.00 - .10 = 0.90$ ); subtracting the base service rate element; and rounding the resulting figure to two (2) decimal places.~~
- ~~ii) RWMA Surcharge Fee Element. The RWMA surcharge fee element is set initially by the COUNTY and may be modified annually by notice to the CONTRACTOR thirty (30) days prior to June.~~
- ~~iii) Ponderosa Transfer Station Fee Element. The Ponderosa Transfer Station fee element is set and adjusted as set forth in Section 3 of Exhibit G of this Agreement.~~

~~d) Submission of Application. On or before June 1, 2026 and each succeeding Agreement Year during the Term of this Agreement, CONTRACTOR shall submit an application to COUNTY for such adjustment. The application shall contain CONTRACTOR's calculation (in accordance with this Exhibit) of the annual adjustment and a revised Maximum Service Rate sheet reflecting the annual adjustment.~~  
~~On or before June 1, 2019 and each succeeding Agreement Year during the Term of this Agreement, CONTRACTOR shall submit an application to COUNTY for such adjustment. The application shall contain CONTRACTOR's calculation (in accordance with this Exhibit) of the annual adjustment and a revised Maximum Service Rate sheet reflecting the annual adjustment.~~

e) Failure to Submit. If CONTRACTOR fails to submit the application by the June 1st deadline, it is agreed that CONTRACTOR shall be deemed to have waived the annual adjustment for that year and such waived annual adjustment shall not be added to a future rate application. CONTRACTOR's failure to provide the application shall not preclude COUNTY from applying the annual adjustment, if that application would result in a negative adjustment. Notwithstanding the foregoing, if CONTRACTOR's failure to submit the application is the result of extraordinary or unusual circumstances as demonstrated by CONTRACTOR to the satisfaction of the Contract Administrator, COUNTY, at its sole discretion, may consider the request for the annual adjustment. In the event the annual adjustment is waived as set forth herein, COUNTY retains the right to adjust any or all of then other fee elements of the Maximum Service Rates.

f) Annual adjustments to Maximum Service Rates shall be made only in units of one cent (\$0.01). Fractions of less than one cent (\$0.01) shall be rounded to two (2) decimal places by rounding the

## **EXHIBIT B:**

### **MAXIMUM SERVICE RATE ADJUSTMENTS**

third decimal. The annual adjustment shall be rounded to four (4) decimal places for the adjustment calculations by rounding the fifth decimal. In each of the above cases, rounding shall be down if the decimal to be rounded, as set forth above, is five (5) or less and up if the decimal to be rounded, as set forth above, is six (6) or more.

g) **Review by Contract Administrator.** The Contract Administrator shall review the calculations in CONTRACTOR's application and shall promptly notify CONTRACTOR of any errors, but in any event before July 1<sup>st</sup>. In the absence of such notice, the annual adjustment calculation and Maximum Service Rate adjustments set forth in CONTRACTOR's application shall be deemed approved and shall take effect on the next October 1<sup>st</sup>. If any errors have occurred and are noticed to CONTRACTOR by July 1, CONTRACTOR shall have the opportunity to submit a corrected application. In such event, the Contract Administrator shall promptly review the corrected application and notify CONTRACTOR either that the application is correct, or that there are additional errors that need correction, in which case the correction procedure shall be repeated. The annual adjustment calculation and adjustments to the Maximum Service Rates set forth in CONTRACTOR's application (as so corrected) shall then become effective on the next October 1<sup>st</sup>.

~~e) **Failure to Submit.** If CONTRACTOR fails to submit the application by the June 1<sup>st</sup> deadline, it is agreed that CONTRACTOR shall be deemed to have waived the annual adjustment for that year and such waived annual adjustment shall not be added to a future rate application. CONTRACTOR's failure to provide the application shall not preclude COUNTY from applying the annual adjustment, if that application would result in a negative adjustment. Notwithstanding the foregoing, if CONTRACTOR's failure to submit the application is the result of extraordinary or unusual circumstances as demonstrated by CONTRACTOR to the satisfaction of the Contract Administrator, COUNTY, at its sole discretion, may consider the request for the annual adjustment. In the event the annual adjustment is waived as set forth herein, COUNTY retains the right to adjust any or all of the other fee elements of the Maximum Service Rates.~~

~~d) **Rounding.** Annual adjustments to Maximum Service Rates shall be made only in units of one cent (\$0.01). Fractions of less than one cent (\$0.01) shall be rounded to two (2) decimal places by rounding the third decimal. The annual adjustment shall be rounded to four (4) decimal places for the adjustment calculations by rounding the fifth decimal. In each of the above cases, rounding shall be down if the decimal to be rounded, as set forth above, is five (5) or less and up if the decimal to be rounded, as set forth above, is six (6) or more.~~

~~e) **Review by Contract Administrator.** The Contract Administrator shall review the calculations in CONTRACTOR's application and shall promptly notify CONTRACTOR of any errors, but in any event before July 1<sup>st</sup>. In the absence of such notice, the annual adjustment calculation and Maximum Service Rate adjustments set forth in CONTRACTOR's application shall be deemed approved and shall take effect on the next October 1<sup>st</sup>. If any errors have occurred and are noticed to CONTRACTOR by July 1, CONTRACTOR shall have the opportunity to submit a corrected application. In such event, the Contract Administrator shall promptly review the corrected~~

**EXHIBIT B:**  
**MAXIMUM SERVICE RATE ADJUSTMENTS**

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application and notify CONTRACTOR either that the application is correct, or that there are additional errors that need correction, in which case the correction procedure shall be repeated. The annual adjustment calculation and adjustments to the Maximum Service Rates set forth in CONTRACTOR's application (as so corrected) shall then become effective on the next October 1<sup>st</sup>.

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# EXHIBIT C: PUBLIC EDUCATION PLAN

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## Public Education Materials

Recology has set the industry standard for attractive, clear, user-friendly customer education materials. Material will be tailored to meet the needs of single-family-, multi-family-, and commercial customers. Recology prioritizes using colorful graphics and images whenever possible, in order to provide visually-compelling material that communicates to customers across language barriers.

## G. Public Education and Outreach

Recology believes compelling and informative outreach and education programs help motivate participation in diversion programs. Recology has a passion for recycling that dates back to the 1920s, and a long and proud history of educating the community on the benefits of waste reduction.

## Public Education Program Overview

A well-defined public outreach and education program -with consistent messaging and easy-to-understand tools- is one of the best management practices to help increase participation in diversion programs while reducing contamination.

Recology's public education and outreach programs are designed to raise community awareness, educate customers on the environmental impact of waste, and successfully demonstrate the value of source reduction, reuse, recycling and composting to single-family, multi-family, and commercial customers.



# EXHIBIT C: PUBLIC EDUCATION PLAN

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## Recycling Blitz

At the start of the new Agreement term, Recology will launch a Recycling Blitz to foster a sense of excitement around customers' upcoming diversion programs.

During the campaign, educational material and diversion tools will be provided for multi-family units, and for commercial and multi-family properties.

In addition to outreach and education materials, commercial and multi-family properties would receive a visit or would be contacted by a Recology Team member to help educate them on their new services and encourage greater diversion at their businesses and properties.

For single-family customers, Recology will attend homeowners' association (HOA) meetings.

Recology believes that effective outreach programs and campaigns, such as the Recycling Blitz, not only educate customers on the services available, but also foster positive customer relations and interest in recycling and diversion programs.

Below is an overview of the proposed outreach and education material Recology would begin providing prior to service initiation and through the transitional period. Recology would work with the RWMA to agree on the exact content of this educational material.

### Recycling Blitz: Proposed Education and Outreach Material

Single-Family Customers	Commercial Customers	Multi-Family Customers
<ul style="list-style-type: none"> <li>o New Customer Packet</li> </ul>	<ul style="list-style-type: none"> <li>New Customer Packet</li> <li>o AB 341 and AB 1826 compliance insert</li> <li>o Sorting posters for MSW, Recyclables and Organics</li> <li>o "How to" Guide for Commercial Food Scrap Collection, which features tips and details acceptable materials</li> </ul>	<ul style="list-style-type: none"> <li>Tenants:               <ul style="list-style-type: none"> <li>o Program brochure</li> </ul> </li> <li>Managers/owners:               <ul style="list-style-type: none"> <li>o New Customer Packet</li> <li>o AB 341 and AB 1826 compliance insert</li> <li>o Sorting posters for MSW, Organics, and Recyclables</li> <li>o Tenant Move-In/Move-Out Guide, alerts new/departing tenants to diversion options during the move</li> </ul> </li> </ul>

Recology San Mateo County (RSMC) conducted a similar Recycling Blitz when it assumed operations for the 12 jurisdictions of the SBWMA.

The Recycling Blitz was an extreme success, and RSMC met with nearly 3,000 customers and initiated approximately 1,000 new recycling accounts prior to start up. Commercial customers received comprehensive Technical Assistance from Recology's Waste Zero Specialists.

# EXHIBIT C: PUBLIC EDUCATION PLAN



## Implementation Plan & Schedules

### Implementation Plan & Schedules

#### Transition into the New Agreement Term

As the incumbent service provider for the RWMA, Recology can ensure a smooth transition into the new Agreement term. Since Recology maintains an accurate customer database for residents and businesses, routes and collection days would not need to be adjusted, unless the RWMA elects programmatic changes.

In addition, because Recology is the incumbent contractor, **no blackout period for service level modifications would be necessary during the new Agreement implementation.**

#### Cart Size Selection Process

Selecting the proper cart size is an important component of Recology's implementation plan. By helping customers identify the proper container sizes for all three material streams, Recology can maximize diversion potential.

On October 1, 2018, Recology will begin offering multiple media formats to help customers select their proper container sizes, including:

- o **Cart Selection postcard:** These postcards, which would be sent to every customer, graphically depict the container and cart sizes available to customers in all three waste streams. Customers check a box for their desired size and mail the postcard back to Recology.
- o **Website:** As a supplement to the Cart Selection postcard, Recology will launch a webpage (pictured) where customers can select their preferred cart or container sizes. After selection, customers receive an acknowledgement email and the information is updated in Recology's system to facilitate cart distribution.

Item	Description	Select Container Size
<input type="radio"/>	20 Gallon Aesthetic	1800
<input type="radio"/>	35 Gallon Aesthetic	2350
<input type="radio"/>	65 Gallon Aesthetic	4200

# EXHIBIT C: PUBLIC EDUCATION PLAN

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The default sizes for recycling will continue to be 64-gallons, while the default size for organics carts will be 96-gallons.

## Cart and Container Distribution

Recology will have a dedicated supervisor overseeing the distribution of containers.

### Cart Distribution Process

Recology will work with Toter, its vendor for carts, to conduct the cart distribution process in a timely manner.

## Implementation Timeline

The following Transition Schedule overviews the major tasks and time periods required to complete those tasks, assuming an October 1, 2018 Agreement commencement date.

Draft Implementation Timeline	
Agreement Executed (estimated)	September, 2018
<b>Equipment &amp; Procurement</b>	
Beginning distributing of carts.	January, 2019
<b>Employee Onboarding and Training</b>	
Conduct Driver refresher training, to ensure compliance with new Agreement	Sept. 23, 2018 - Sept. 27, 2018
Conduct Customer Service Specialist (CSS) refresher training, to ensure compliance with new Agreement and prepare staff for questions related to the cart selection postcards	Sept. 23, 2018 - Sept. 27, 2018
<b>Customer Notification &amp; Public Education</b>	
Plan and design <b>New</b> Customer Packet and other educational material to support start-up	Sept. 3, 2018 - Sept. 21, 2018
Print <b>New</b> Customer Packet and other necessary education material for start-up	Sept. 23, 2018 - Sept. 27, 2018

## EXHIBIT D: COUNTY SERVICES

Cust No	Name	Service Addr	Service	Freq	Units	Mo
329615	YUBA CO COURTHOUSE	215 5TH ST	C7YD	6	1	12
329615	YUBA CO COURTHOUSE	215 5TH ST	CB4YD	4	1	12
1037498	YUBA COUNTY SUPERIOR COURT	120 5TH ST	C2YD	1	1	12
1037498	YUBA COUNTY SUPERIOR COURT	120 5TH ST	MX96	1	1	12
1323104	YUBA CO ADMINISTRATIVE SERVICE	915 8TH ST	C4YD	3	1	12
1323104	YUBA CO ADMINISTRATIVE SERVICE	915 8TH ST	MX96	1	4	12
1323104	YUBA CO ADMINISTRATIVE SERVICE	915 8TH ST	MP 5YD	1	2	12
92916	YUBA CO ANIMAL CNTRL	5245 FEATHER RIVER	C1YD	1	1	12
92916	YUBA CO ANIMAL CNTRL	5245 FEATHER RIVER	C4YD	1	1	12
92916	YUBA CO ANIMAL CNTRL	5245 FEATHER RIVER	C2YD	1	1	12
92916	YUBA CO ANIMAL CNTRL	5245 FEATHER RIVER	<b>MX96</b>	1	2	12
1629104	YUBA CO BUILDING & GROUNDS	5730 PACKARD AVE	C7YD	2	2	12
631788	YUBA COUNTY AIRPORT-FLIGHT SVC	1340 SKY HARBOR DR	C2YD	1	1	12
631788	YUBA COUNTY AIRPORT-FLIGHT SVC	1340 SKY HARBOR DR	C96	1	1	12
631788	YUBA COUNTY AIRPORT-FLIGHT SVC	1340 SKY HARBOR DR	C96	1	2	12
905778	YUBA COUNTY-DAN BLDG	4240 DAN AVE	C4YD	1	1	12
1030998	YUBA CO ANIMAL CONTROL	1422 SKY HARBOR DR	C3YD	1	1	12
1669977	YUBA SUTTER TRANSIT	OLIVEHURST AVE & 6TH AVE	C96	1	1	12
1669985	YUBA SUTTER TRANSIT	OLIVEHURST AVE & 7TH AVE	C96	1	1	12
2435477	YUBA SUTTER TRANSIT	N. BEALE RD	C96	1	1	12
1779941	YUBA SUTTER TRANSIT	POWERLINE RD OL	C96	1	1	12
2126209	COUNTY OF YUBA	1364 SKY HARBOR DR	C32	1	1	12

## EXHIBIT D: COUNTY SERVICES

Cust No	Name	Service Addr	Service	Freq	Units	Mo
2126209	COUNTY OF YUBA	1364 SKY HARBOR DR	MX96	1	1	12
734996	BROWNSVILLE COMMUNITY PARK	PONDEROSA WAY	C2YD	1	1	12
949503	YUBA COUNTY PUBLIC WORKS	5390 FRUITLAND RD	C96	1	1	12
1432160	YUBA COUNTY PUBLIC WORKS DEPT	STAR BEND BOAT RAMP YUBA CO	C7YD	1	1	12
1170570	YUBA CO JUVENILE HALL	1023 14TH ST	C7YD	3	1	12
1170570	YUBA CO JUVENILE HALL	1023 14TH ST	MX96	1	4	12
1170570	YUBA CO JUVENILE HALL	1023 14TH ST	C7YD	1	3	12
1170570	YUBA CO JUVENILE HALL	1023 14TH ST	CB4YD	1	1	12
1840669	YUBA CO SHERIFF SUB STATION	16976 WILLOW GLEN RD#A	C96	1	2	12
1861624	YUBA c.;o PUI:3Uc.; WORKS	5390 HWY 20	C3YD	1	1	12
1861624	YUBA CO PUBLIC WORKS	5390 HWY 20	C6YD	1	1	12

Debris Boxes						
Acct#	Name	Service Addr	Service	Freq	Units	Mo
83873	YUBA CO JUVENILE HALL	102314TH ST	30DO		1	
107334	YUBA CO ADMINISTRATIVE SERVICE	215 5TH ST	20DO		1	
107334	YUBA CO ADMINISTRATIVE SERVICE	215 5TH ST	20DO		1	
107334	YUBA CO ADMINISTRATIVE SERVICE	6TH AND BST	20DO		1	
107334	YUBA CO ADMINISTRATIVE SERVICE	6TH AND B ST	20DO		1	
155283	YUBA COUNIY- BLD & GROUNDS	8 7TH ST	20DO		1	
155283	YUBA COUNTY BLD & GROUNDS	8 7TH ST	20DO		1	
222380	YUBA COUNTY PROBATION	8 7TH ST	07BO		1	

## EXHIBIT D: COUNTY SERVICES

Debris Boxes						
Acct#	Name	Service Addr	Service	Freq	Units	Mo
8938	YUBA COUNTY BLDG & GROUND	4240 DAN AVE	20DO		1	
8938	YUBA COUNTY BLDG & GROUND	4240 DAN AVE	20DO		1	
8938	YUBA COUNTY BLDG & GROUND	4240 DAN AVE	20DO		1	
8938	YUBA COUNTY BLDG & GROUND	4240 DAN AVE	20DO		1	
8938	YUBA COUNTY BLDG & GROUND	4240 DAN AVE	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBUC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBUC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	1420 SKY HARBOR DR	25DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 FRUITLAND RD	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 FRUITLAND RD	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 FRUITLAND RD	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 FRUITLAND RD	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 FRUITLAND RD	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 FRUITLAND RD	20DO		1	
9910	YUBA COUNTY PUBLIC WORKS DEPT	5390 HWY 20	40DO		1	



**EXHIBIT D:  
COUNTY SERVICES**

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Debris Boxes						
Acct#	Name	Service Addr	Service	Freq	Units	Mo
83261	OLIVEHURST CLEAN UP	1364 SKY HARBOR DR	30DO		1	
83261	OLIVEHURST CLEAN UP	1364 SKY HARBOR DR	30DO		1	
83261	OLIVEHURST CLEAN UP	1364 SKY HARBOR DR	30DO		1	
83261	OLIVEHURST CLEAN UP	1364 SKY HARBOR DR	30DO		1	
83261	OLIVEHURST CLEAN UP	1364 SKY HARBOR DR	30DO		1	
83261	OLIVEHURST CLEAN UP	1364 SKY HARBOR DR	40DO		1	
107334	YUBA CO ADMINISTRATIVE SERVICE	4240 DAN AVE	40DO		1	

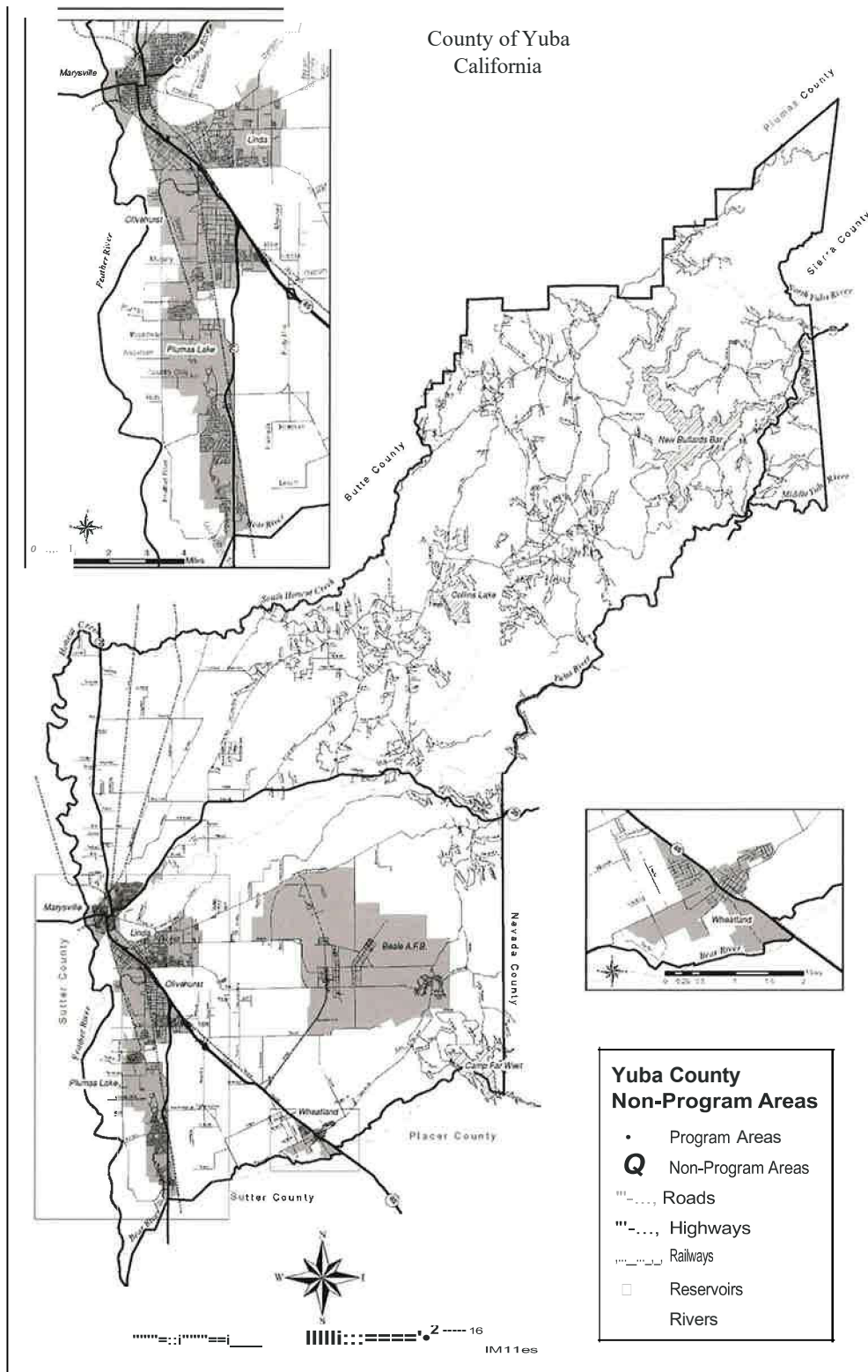
**EXHIBIT E:**  
**APPROVED SUBCONTRACTORS**

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Company Name	Service
None.	

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# EXHIBIT F: NON-PROGRAM AREAS



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# EXHIBIT G:

## PONDEROSA LANDFILL CLOSURE AND TRANSFER STATION SERVICES

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1. Ponderosa Landfill Post-Closure. CONTRACTOR shall provide, under COUNTY'S supervision, all services necessary for the proper post-closure maintenance of the Ponderosa Landfill. Services shall include developing and executing to the satisfaction of the COUNTY, and any state or federal permitting agencies, an annual work plan. The work plan shall include but not be limited to ground water and landfill gas monitoring, monthly inspections, and maintenance projects needed to keep the facility in satisfactory condition. COUNTY agrees that CONTRACTOR will not be responsible for anything that has already been disposed of in the landfill or for the cost of correction of anything that is required by law or regulation because of material already dumped at the landfill or work done improperly at the landfill unless such dumping or work was done by CONTRACTOR. CONTRACTOR agrees to maintain the closed landfill as required by law and regulations now in existence or as may be enacted in the future and following the supervision of COUNTY. To the extent that CONTRACTOR is not responsible for improper dumping necessitating cleanup, COUNTY agrees to hold CONTRACTOR harmless from any claims of improper dumping prior to the closure and for any cleanup necessitated or determined to be necessary by any of the monitoring to be done by CONTRACTOR, or otherwise.

2. Ponderosa Transfer Station Services. CONTRACTOR shall supervise, operate and maintain the transfer station located at the closed Ponderosa Landfill (the "Ponderosa Transfer Station" or "Transfer Station"). CONTRACTOR shall obtain an Operating Permit and operate the Transfer Station in compliance with it. Nothing in this Agreement shall limit CONTRACTOR'S rights under the Operating Permit, including the right to reject any materials not permitted to be accepted at the Transfer Station, the right to provide separate Containers for collection of certain types of materials, and the right to operate a buy-back center. Persons delivering materials to the Transfer Station shall be responsible for dumping the materials into the CONTRACTOR-provided transfer trailer, or, if applicable, the CONTRACTOR-provided Containers for certain types of materials. Persons delivering materials to the Transfer Station shall be required to pay the applicable User Fees (see Exhibit H for more detail) and comply with CONTRACTOR'S rules and regulations and the reasonable instructions of CONTRACTOR'S personnel.

3. CONTRACTOR'S Compensation. The Parties acknowledge that CONTRACTOR will separately keep track of funds received by it as a result of (a) the Ponderosa Transfer Station Element of Maximum Service Rates (hereinafter "Rate Element"), initially set at 0.98% of the Base Service Rate Element (see Exhibit A for more detail) and (b) Ponderosa Transfer Station User Fees ("User Fees") (see Exhibit H for more detail) received by CONTRACTOR since the commencement of the term of this Collection Service Agreement. These two sources of funding, adjusted as provided below, are intended to cover all costs associated with the operation of the Transfer Station and the activities associated with the maintenance of the closed Ponderosa Landfill.

The Rate Element and Ponderosa Transfer Station User Fees shall be modified effective October 1, 2019 and annually thereafter during the Term of this Agreement, by the same percentage as the adjustments to Base Service Rate Element as set forth in Exhibit B of the Collection Services Agreement.

On or by February 1, 2020, and annually thereafter during the Term of this Agreement, CONTRACTOR shall provide a detailed accounting of the revenues (from the Rate Element and Ponderosa Transfer Station User Fees) and expenses related to the operation of the Ponderosa Transfer Station and maintenance of the closed Ponderosa Landfill for the prior Agreement Year ending September 30<sup>th</sup>. The

# EXHIBIT G: PONDEROSA LANDFILL CLOSURE AND TRANSFER STATION SERVICES

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detailed accounting shall include copies of invoices for outside services and other accounting documents specifying the related revenues and expenses.

If CONTRACTOR wishes to request an adjustment to the Rate Element and/or User Fees over and above the annual percentage adjustment described above, CONTRACTOR shall submit that request to COUNTY on or before the April 1st preceding the Agreement Year for which the increase is requested. Such request shall contain the projected reasonable and necessary costs of providing services under this Exhibit G for the upcoming Agreement Year, including a profit margin calculated using a 0.90 operating ratio on all costs other than tip fees for Disposal. Such request shall also state the changes CONTRACTOR proposes to the Rate Element and User Fees in order to cover such projected costs.

On or before April 15, 2020, and annually thereafter during the Term of this Agreement, CONTRACTOR and COUNTY shall meet and confer regarding modifications to the Rate Element and/or Ponderosa Transfer Station User Fees to address any shortfalls or surpluses in actual revenues collected relative to actual expenses for the prior Agreement Year, including any rate adjustment request submitted by CONTRACTOR. CONTRACTOR shall provide such additional information as COUNTY may reasonably request in order to evaluate CONTRACTOR's submission.

On or before May 1, 2020, and annually thereafter during the term of this Agreement COUNTY shall: i) notify CONTRACTOR of its final decision relative to adjustments requested by CONTRACTOR to the Rate Element and/or Ponderosa Transfer Station User Fees; and either ii) in the event of a shortfall in the prior Agreement Year, provide CONTRACTOR with reimbursement for such shortfall; or iii) in the event of a surplus in the prior Agreement Year, notify CONTRACTOR of COUNTY's intent to accrue such revenue surplus to offset future shortfalls.

CONTRACTOR's requests for an adjustment to the Rate Element and/or User Fees shall be documented and substantiated to the reasonable satisfaction of COUNTY. COUNTY shall not unreasonably withhold consent to an adjustment request by CONTRACTOR that meets the requirements of this Section 3. The approved Rate Element and/or User Fees shall take effect on the October 1 immediately following the April 15<sup>th</sup> submission date.

4. Hours of Operation. The Ponderosa Landfill Transfer Station shall be open and operating on each Saturday, Sunday and Monday during the Term hereof between the hours of 9:00 a.m. and 4:00 p.m. on each said day.

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# EXHIBIT H: PONDEROSA TRANSFER STATION USER FEES

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*(effective October 1, 2018)*

<b>Minimum Charge</b>	<b>\$11.60</b>
Up to 2 Barrels	<b>\$11.60</b>
Up to 3 Cans	<b>\$11.60</b>
<b>Each Additional:</b>	
Barrel	<b>\$4.35</b>
Can	<b>\$3.25</b>
Yard	<b>\$10.10</b>
<b>Station Wagon</b>	<b>\$13.60</b>
<b>Small Pick up:</b>	
Level	<b>\$17.35</b>
Over Bed	<b>By the Yard</b>
<b>Large Pick up:</b>	
Level	<b>\$23.15</b>
Over Bed	<b>By the yard</b>
<b>Furniture/ Appliances (Each)</b>	<b>\$17.35</b>
<b>Appliances with Freon</b>	<b>\$31.75</b>
<b>Wire</b>	
Per Approx. Yard	<b>\$13.05</b>
<b>Tires:</b>	
Car	<b>\$6.25</b>
Truck	<b>\$19.85</b>
Tractor	<b>\$93.50</b>
Euclid	<b>\$194.60</b>
<b>Stumps - Per Root Foot</b>	<b>\$15.20</b>

# The County of Yuba

## OFFICE OF THE COUNTY ADMINISTRATOR

GOVERNMENT CENTER 915 8<sup>TH</sup> STREET, SUITE 115  
MARYSVILLE, CALIFORNIA 95901-5273  
(530) 749-7575 FAX (530) 749-7312



**KEVIN MALLEN**  
COUNTY ADMINISTRATOR

**SEAN POWERS**  
ASSISTANT COUNTY  
ADMINISTRATOR

June 22, 2022

Rigo Diaz, General Manager  
Recology Yuba-Sutter  
3001 N. Levee Road  
Marysville, CA 95901

Re: Acknowledgement of Modified Approaches to Certain Collection Service Agreement Provisions and Intent for Future Modifications

Dear Mr. Diaz:

As you are aware, two specific provisions of Yuba City's Collection Service Agreement with Recology Yuba-Sutter, as amended effective May 1, 2022, are not consistent with the corresponding provisions of Yuba County's existing Collection Service Agreement. These provisions are:

- 1) Including Yuba City's diversion and disposal data with the data from the other five RWMA jurisdictions for purposes of determining the 30% Minimum Diversion Requirement for refuse collected by Recology Yuba-Sutter. This modifies the existing provisions that specify that Yuba City's diversion and disposal data is computed separately from the combined data for the other five RWMA jurisdictions.
- 2) The provision of two full-time Recycling Coordinators whose time is shared proportionally among the six RWMA jurisdictions is in conflict with the collection service agreements for the other five RWMA jurisdictions that require the provision of a full-time management level employee to serve as Recycling Coordinator for a minimum of forty (40) hours per week whose time is totally dedicated to the RWMA Service Area which is defined as the combined legal corporate limits of all Participating Member Agencies of the RWMA, meaning the other five RWMA jurisdictions.

The purpose of this letter is to notify Recology Yuba-Service that these modified approaches to these provisions are acceptable and to express the intent that these modifications will be reflected in the Collection Service Agreement when it is amended next as these provisions are not significant enough to mandate an agreement modification at this time.

Sincerely,

Kevin Mallen  
County Administrator