

**EXHIBIT A:
DEFINITIONS**

EXHIBIT A DEFINITIONS

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

“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Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

“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(Chapter 476, Statutes of 2011 [Chesbro, AB 341]), also commonly referred to as “AB 341”, as amended, supplemented, superseded, and replaced from time to time.

“AB 939” 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(Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

“Abandoned Waste” means Recyclable Materials, Organic Materials, Solid Waste, C&D, Excluded Waste, Bulky Items, or other materials which have been abandoned, littered, or illegally dumped in the public right of way or on public or City property.

“Agreement” means this Agreement between City and Contractor, including all exhibits, and any future amendments hereto.

“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, and Processing of Recyclable Materials, Organic Materials, and Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383.

“Approved C&D Facility” means the C&D facility(ies) identified in Exhibit N.

“Approved Facility(ies)” means any one (1) of or any combination of the: Approved Recyclable Materials Processing Facility; Approved Organic Materials Processing Facility; Approved Transfer Facility; Approved C&D Facility; and/or Approved Reusable Materials Processing Facility.

“Approved Organic Materials Processing Facility” means the Organics Materials Processing Facility(ies) identified in Exhibit N.

“Approved Processing Facility(ies)” means any one (1) of or any combination of the: Approved Recyclable Materials Processing Facility; Approved Organic Materials Processing Facility; Approved C&D Facility; or, Approved Reusable Materials Processing Facility.

“Approved Recyclable Materials Processing Facility” means the Recyclable Materials Processing Facility(ies) identified in Exhibit N.

“Approved Reusable Materials Processing Facility” means the Reusable Materials Processing Facility(ies) identified in Exhibit N.

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“Approved Transfer Facility” means Transfer facility(ies) identified in Exhibit N.

“Bin” means a Container with capacity of approximately one (1) to eight (8) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading Collection vehicle, including Bins with Compactors attached to increase the capacity of the Bin.

“Blue Container” means a Container where either: (a) the lid of the Container is in blue color, or (b) the body of the Container is blue in color and the lid is either blue, gray, or black in color. Hardware such as hinges and wheels on a Blue Container may be any color. Blue Containers shall be used for the purpose of storage and Collection of Source Separated Recyclable Materials, which includes non-putrescible and non-hazardous Recyclable wastes such as cans, metals, plastics, and glass, or as otherwise defined in 14 CCR Section 18982(a)(43).

“Brown Container” means a Container for the purpose of storage and Collection of Source Separated Food Waste and has the same meaning as in 14 CCR Section 18982.2(a).

“Bulky Item” means discarded Appliances (including refrigerators), furniture, tires, carpets, mattresses, E-Waste, bundled and tied Yard Trimmings and/or wood waste, and similar large items which can be handled by two (2) people, weigh no more than two hundred (200) pounds, and 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. Customer must have generated the Bulky Items at the service address wherein the Bulky Items are Collected. Bulky Items do not include abandoned automobiles, large auto parts, trees, Construction and Demolition Debris, or items herein defined as Excluded Waste.

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

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

“CalRecycle” means California's Department of Resources Recycling and Recovery.

“Cardboard” means corrugated fiberboard consisting of a fluted corrugated sheet and one (1) or two (2) flat linerboards, as is often used in the manufacture of shipping containers and corrugated boxes. Cardboard is a subset of Recyclable Materials.

“Cart” means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 20, 35, 64 or 96 gallons (or similar volumes).

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

- 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,

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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 City 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.

“City” means the City of Garden Grove, a municipal corporation, and all the territory lying within its boundaries as presently existing or as such boundaries may be modified during the Term of this Agreement.

“City Council” means the duly elected representative council, or its successor municipal governing body, of the City.

“City Fees” means all fees payable to the City, identified and referenced in Article 7 of this Agreement.

“City Limits” and “District Limits” means the territorial boundaries of the City and the District, respectively, together with all amendments and changes thereto, which boundaries are depicted on maps, incorporated herein by reference, that are kept on file in the office of the City Clerk of the City of Garden Grove, and which are from time to time amended to reflect changes.

“City Manager” means the City Manager of the City of Garden Grove or their designee. The City Manager is, by adopted regulations of the District’s Board of Directors, the General Manager of the District.

“Collect” or “Collection” (or any variation thereof) means the act of taking possession of Recyclable Materials, Organic Materials, Solid Waste, Bulky Items, and other material at the place of generation in City.

“Commercial Business or Commercial” shall mean a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a Multi-Family Dwelling. A Multi-Family Dwelling that consists of fewer than five (5) units is not a Commercial Business.

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

“Commercial Premises” includes Premises upon which business activity is conducted including, but not limited to, retail sales, services, wholesale operations, manufacturing and industrial operations and Multi-Family Residential facilities, but excluding Residential Premises upon which business activities are conducted when such activities are permitted under applicable zoning regulations and are not the primary use of the property. Notwithstanding any provision to the contrary herein, Premises upon which Multi-Family facilities, hotels and motels are operated, shall be deemed to be Commercial Premises.

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“Community Composting” means any activity that Composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and Compost on-site at any one (1) time does not exceed one hundred (100) cubic yards and seven hundred fifty (750) square feet, as specified in 14 CCR Section 6 17855(a)(4); or as otherwise defined in 14 CCR Section 18982(a)(8).

“Compactor” means a mechanical apparatus that compresses materials together with 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 forty (40) cubic yard Roll-Off Box Compactors serviced by roll-off Collection vehicles.

“Complaint” shall mean each written or orally communicated statement made by any Person, whether to City or Contractor, alleging: (1) non-performance, or deficiencies in Contractor’s performance, of its duties under this Agreement; (2) a violation by Contractor of this Agreement; or, (3) an SB 1383 Non-Compliance Complaint.

“Compostable Plastics” or “Compostable Plastic” means plastic materials that meet the ASTM D6400 standard for Compostability.

“Composting” or “Compost” (or any variation thereof) includes a controlled biological decomposition of Organic Materials yielding a safe and nuisance free Compost product.

“Construction and Demolition Debris (C&D)” includes discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair, or demolition operations on any pavements, excavation projects, houses, Commercial buildings, or other structures, excluding Excluded Waste. Construction and Demolition Debris includes rocks, soils, tree remains, and other Yard Trimmings which results from land clearing or land development operations in preparation for construction.

“Container(s)” mean Bins, Carts, Compactors, and Roll-Off Boxes.

“Contamination Processing Fee Notice” means the notice as described in Section 4.10.A.5.

“Contractor” means Republic Waste Services of Southern California, LLC dba, Garden Grove Disposal, organized and operating under the laws of the State and its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and Subcontractors.

“Contractor’s Compensation” means the monetary compensation received by Contractor in return for providing services in accordance with this Agreement as described in Article 8.

“Contractor’s Contract Administrator” means the individual authorized by Contractor as described by Section 5.7.D.1.

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

“County Agreement” means that certain waste Disposal agreement, as the same may be amended from time to time, entered into among various Orange County cities, including specifically the City of Garden

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Grove and/or Garden Grove Sanitary District, and the County of Orange relating to the use of County landfills for the Disposal of Solid Waste collected in such cities, and which is on file in the office of City's City Clerk. Exhibit M contains the County waste Disposal agreement, which was current as of the Effective Date of this Agreement.

"Courtesy Pick-Up Notice" means the Contractor's notice to Customer(s) as described in Section 4.10.A.3.

"Curb" or "Curbside" (or any variation thereof) means the cornered edging between the street and sidewalk. Curb or Curbside also means and describes the location of a Collection Container for pick-up, where such Container is placed on the street or alley against the face of the Curb, or where no Curb exists, the Container is placed not more than five (5) feet from the outside edge of the street or alley nearest the property's entrance.

"Customer" means the Person whom Contractor submits its billing invoice to and collects payment from for Collection services provided to a Premises. The Customer may be either the Occupant or Owner of the Premises.

"Customer Account Information Database" means the Customer Account Information Database as identified in Section 4.6 that shall be developed, maintained, and monitored in accordance with the requirements of this Agreement.

"Customer Type" means the Customer's sector category including, but not limited to, Single-Family, Multi-Family, Commercial, Roll-Off Box, and City.

"Designated Disposal Facility(ies)" means the Orange County Landfill Disposal Facilities that are owned and operated by the County of Orange.

"Designated Waste" Designated Waste consists of those substances classified as Designated Waste by the State, in Section 13173 of the California Water Code ((CA Water Code § 13173 (2017) as may be amended from time to time, and is defined as either of the following:

- A. Hazardous Waste that has been granted a variance from Hazardous Waste management requirements pursuant to Section 25143 of the Health and Safety Code.
- B. Nonhazardous waste that consists of, or contains, pollutants that, under ambient environmental conditions at a waste management unit, could be released in concentrations exceeding applicable water quality objectives or that could reasonably be expected to affect beneficial uses of the waters of the State as contained in the appropriate State water quality control plan.

"Discarded Materials" means Recyclable Materials, Organic Materials, and Solid Waste placed by a Generator in a receptacle and/or at a location for the purposes of Collection by Contractor, excluding Excluded Waste.

"Disposal" or "Dispose" (or any variation thereof) means the final disposition of Solid Waste, or Processing Residue at a Disposal Facility.

"Disposal Facility" means a landfill, or other facility for ultimate Disposal of Solid Waste.

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“Divert” or “Diversion” (or any variation thereof) means to prevent Discarded Materials from Disposal at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through source reduction, reuse, Recycling, Composting, anaerobic digestion or other method of Processing, subsequent to the provisions of AB 939. Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the City.

“Dwelling Unit” means any individual living unit in a; Single-Family Dwelling (SFD) or Multi-Family Dwelling (MFD) structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, Residential living other than a Hotel or Motel.

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

“Effective Date” means the date on which the latter of the two (2) Parties signs this Amended and Restated Agreement.

“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.

“Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, biomedical, infectious, biohazardous, 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 City 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 batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code. Excluded Waste does not include Used Motor Oil and Filters, or household batteries when properly placed for Collection by Contractor as set forth in this Agreement.

“Federal” means belonging to or pertaining to the Federal government of the United States.

“Field Supervisor” means the individual authorized by Contractor as described by Section 5.7.D.2.

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“Flow Control” means City right to direct Discarded Materials to a facility of the City’s choosing.

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

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

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

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

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

“Food Scraps” means those Discarded Materials that will decompose and/or putrefy including: (i) all kitchen and table Food Waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings and other Compostable Organic Waste common to the occupancy of Residential dwellings. Food Scraps are a subset of Food Waste.

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

“Food Waste” means Source Separated Food Scraps, Food-Soiled Paper, and Compostable Plastics. Food Waste is a subset of Organic Materials.

“Franchise Fee” means the fee paid by Contractor to the City as described in Section 7.1.

“Garbage and Trash Collection Index” or **“GTCI”** means the Garbage and Trash Collection index (GTCL) (CUUR0000SEHG02) in U.S. city average, all urban consumers, not seasonally adjusted.

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

“Gray Container” means a Container where either: (a) the lid of the Container is gray or black in color, or (b) the body of the Container is entirely gray or black in color and the lid is gray or black in color. Hardware

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such as hinges and wheels on a Gray Container may be any color. Gray Containers shall be used for the purpose of storage and Collection of Gray Container Waste.

"Gray Container Waste" means Solid Waste that is Collected in a Gray Container that is part of a three- or four-Container Organic Waste Collection service that prohibits the placement of Organic Waste in the Gray Container as specified in 14 CCR Sections 18984.1(a) and (b).

"Green Container" means a Container where either: (a) the lid of the Container is green in color, or (b) the body of the Container is green in color and the lid is green, gray, or black in color. Hardware such as hinges and wheels on a Green Container may be any color. Green Containers shall be used for the purpose of storage and Collection of Source Separated Green Container Organic Waste, which includes Green Waste and Organic Waste.

"Gross Receipts" shall mean and include all monies, fees, charges, consideration, and revenue received or imputed to Republic and/or any Affiliate of Republic, in connection with, arising from, or in any way attributable to the Solid Waste handling services carried out by or on behalf of Republic pursuant to this Agreement. Gross Receipts includes, without limitation, all Customer charges imposed and collected for Solid Waste handling services, other fees imposed and collected by Republic pursuant to this Agreement and fees imposed and collected in connection with temporary services. In calculating the total amount of Gross Receipts no deductions or subtractions of any kind shall be made, such as Franchise Fees, other payments made by Republic to City pursuant to this Agreement, fines, penalties, claims, settlements, judgments, or any other cost of doing business. If an administrative fee (an "AB 939 Fee") is established by City and collected by Republic pursuant to Public Resources Code Sections 41901-02 and notwithstanding anything in this definition to the contrary, for purposes of calculating Franchise Fees due to City by Republic, Gross Receipts shall be deemed to not include an amount equal to AB 939 Fees collected by Republic and paid to City. Notwithstanding the foregoing, revenue received from the sale of Recyclables shall be excluded from Gross Receipts.

"Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant", or "toxic substances", or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) 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.

"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

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Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

“Holidays” are defined as New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at Residential Premises within the City. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, Used Motor Oil and Filter, Used Oil Filter, batteries, household batteries, fluorescent bulbs , tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

“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.

“Liquidated Damages” means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 11.6.

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

- A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).
- B. Was produced at one (1) or more of the following types of Facilities:
 - 1. A Compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10); Guidance: Note that this criteria disallows Mulch produced from chipping and grinding operations to count toward fulfillment of a jurisdiction’s annual Organic Waste product procurement target;
 - 2. A Transfer/Processing Facility or Transfer/Processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12; or,
 - 3. A Solid Waste landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

“Multi-Family,” “Multi-Family Dwelling,” or “MFD” 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), including such Premises when combined in the same building with Commercial establishments, that receive centralized, shared, Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Customers residing in

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Townhouses, mobile homes, condominiums, or other structures with five (5) or more Dwelling Units who receive individual service and are billed separately shall not be considered Multi-Family.

"Municipal Code" means City's Municipal Code of Ordinances, the District's Code of Regulations, and all uncodified ordinances duly adopted by City, and as amended from time to time.

"Non-Collection Notice" means the notice as described in Section 4.10.A.4.

"Occupant" means the Person who occupies a Premises.

"Organic Materials" or **"Organics"** means Yard Trimmings and Food Waste, individually or collectively. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Recyclable Material and Solid Waste. Organic Materials are a subset of Organic Waste.

"Organic Waste" means wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

"Owner" means the Person(s) holding legal title to real property and/or any improvements thereon, and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor.

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

"Person(s)" means any individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, Commercial entity, governmental entity, public entity, or any other legal Person.

"Premises" means any land or building in the City where Recyclable Materials, Organic Materials, or Solid Waste are generated or accumulated.

"Prior Agreement" means the "Agreement Between City of Garden Grove, Garden Grove Sanitary District and Republic Waste Services of Southern California, LLC dba Garden Grove Disposal for Solid Waste Handling Services," and all amendments thereof.

"Processing" or "Process" means to prepare, treat, or convert through some special method.

"Processing Facility" means any plant or site used for the purpose of sorting, cleansing, treating or reconstituting Recyclable Materials, or Reusable Materials for the purpose of making such material available for Recycling or reuse or the facility for the Processing and/or Composting of Organic Materials.

"Prohibited Container Contaminants" means the following: (i) Discarded Materials placed in the Blue Container that are not identified as acceptable Recyclable Materials for the City's Collection program; (ii) Discarded Materials placed in the Green or Brown Container that are not identified as acceptable Organic Materials for the City's Collection program; (iii) Discarded Materials placed in the Gray Container that are acceptable Recyclable Materials and/or Organic Materials to be placed in the City's Blue, Green or Brown

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Containers or otherwise managed under the City's Collection program; and, (iv) Excluded Waste placed in any Container.

"Proprietary Information" or "Proprietary" means that information provided by Contractor to the City which is protected from disclosure by the California Public Records Act and meets that definition of Proprietary Information. Nothing shall be considered Proprietary which is required to be submitted to the City in any report described in this Agreement. Contractor's Customer lists for Customers served under this Agreement are specifically not considered Proprietary for the purposes of this Agreement, however, the City may protect such information from disclosure consistent with the provisions of the Public Records Act.

"Public Street" means all City-owned and maintained paved areas between the normal Curb line of a roadway, including public parking lots, roadway dividers, and medians.

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

"Rate Period" means a twelve (12) month period, commencing July 1 and concluding June 30.

"Recyclable Materials" or "Recyclables" means those Discarded Materials that: the Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the Contractor and that exclude Excluded Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Organic Materials, and Solid Waste. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, 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, gabletop beverage containers, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-lined paper and cartons, Tyvex non-tearing paper envelopes); chipboard; corrugated Cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin, or bi-metal cans; mixed plastics such as plastic containers (numbers one (1) to seven (7)), except expanded Polystyrene (EPS); bottles including containers made of HDPE, LDPE, or PET; and, film plastic (when clean, dry, and contained inside of a plastic bag).

"Recycle" or "Recycling" (or any variation thereof) means the Process of sorting, cleansing, treating, and reconstituting at a Recyclable Materials Processing Facility, materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes Processes deemed to constitute a reduction of landfill Disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

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“Recycling Coordinator” means the individual authorized by Contractor as described by Section 5.7.D.3.

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

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

“Residential” shall mean of, from, or pertaining to a Single-Family Premises or Multi-Family Premises including Single-Family homes, apartments, condominiums, Townhouse complexes, mobile home parks, and cooperative apartments.

“Residue” means those materials that, after Processing, are Disposed rather than Recycled due to either the lack of markets for materials or the inability of the Processing Facility to capture and recover the materials.

“Reusable Materials” means items that are capable of being used again after minimal Processing. Reusable Materials may be Collected Source Separated or recovered through a Processing Facility.

“Roll-Off Box” means an open-top Container with a capacity of ten (10) to forty (40) cubic yards that is serviced by a roll-off Collection vehicle.

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

EXHIBIT A DEFINITIONS

For the purposes of this Agreement, SB 1383 specifically refers to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and adopted on November 3, 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR.

“Self-Hauler” or “Self-Haul” (or any variation thereof) means a Person who hauls Discarded Materials, recovered material, or any other material, that such Person generates at their own Premises, to another Person, or as otherwise defined in 14 CCR Section 18982(a)(66). Self-Hauler also includes a Person who back-hauls waste from Premises they own and operate, as defined in 14 CCR Section 18982(a)(66)(A).

“Service Level” refers to the size of a Customer’s Container(s) and the frequency of Collection service.

“Sharps” means hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications.

“Single-Family” or “SFD” means any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Single-Family includes Townhouses, and each independent unit of duplex, tri-plex, or four-plex Residential structures, regardless of whether each unit is separately billed for their specific Service Level. Multi-Family properties of five (5) or more units that receive Single-Family Cart service are considered Single-Family if Contractor bills each unit.

“Solid Waste” means Solid Waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Solid Waste are Excluded Waste, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Solid Waste may include 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 Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container not Source Separated from Solid Waste at the site of generation.

“Source Separated” means the segregation, by the Generator, of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

“Split-Bin” means a Bin that is split or divided into two (2) sections in order to segregate two (2) Source Separated Discarded Material types in one (1) Container.

“State” means the State of California.

“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 and supplies to Contractor shall not be considered Subcontractors.

EXHIBIT A DEFINITIONS

“Term” means the Term of this Agreement, including extension periods if granted, as provided for in Article 2.

“Tier One Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one (1) of the following, each as defined in 14 CCR Section 18982:

- A. Supermarket.
- B. Grocery Store with a total facility size equal to or greater than ten thousand (10,000) square feet.
- C. Food Service Provider.
- D. Food Distributor.
- E. Wholesale Food Vendor.

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

“Tier Two Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one (1) of the following, each as defined in 14 CCR Section 18982:

- A. Restaurant with two hundred fifty (250) or more seats, or a total facility size equal to or greater than five thousand (5,000) square feet.
- B. Hotel with an on-site food facility and two hundred (200) or more rooms.
- C. Health facility with an on-site food facility and one hundred (100) or more beds.
- D. Large Venue.
- E. Large Event.
- F. A State agency with a cafeteria with two hundred fifty (250) or more seats or total cafeteria facility size equal to or greater than five thousand (5,000) square feet.
- G. A local education agency with an on-site food facility. If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(74) shall apply to this Agreement.

“Ton” or “Tonnage” means a unit of measure for weight equivalent to two thousand (2,000) standard pounds where each pound contains sixteen (16) ounces.

“Townhouse” means an attached or semi-attached Single-Family Premises within a group of attached or semi-attached Single-Family Premises, regardless of whether the Premises is billed individually or through a central account (e.g., homeowner association, property manager), wherein each unit maintains an individual Collection service subscription, as determined in writing by the City Manager.

EXHIBIT A DEFINITIONS

“Transfer” means the act of transferring the materials Collected by Contractor in its route vehicles into larger vehicles for Transport to other facilities for the purpose of Recycling or Disposing of such materials.

“Transportation” or “Transport” (or any variation thereof) means the act of conveying Collected materials from one (1) location to another.

“Universal Waste” or “U-Waste” means all wastes as defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and E-Waste.

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

“Yard Trimmings” means those Discarded Materials that will decompose and/or putrefy including, but not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of Organic Materials resulting from normal yard and landscaping maintenance that may be specified in City legislation for Collection and Processing as Organic Materials under this Agreement. Yard Trimmings does not include items herein defined as Excluded Waste. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the Contractor-provided Container.

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**EXHIBIT B:
DIRECT SERVICES**

EXHIBIT B: DIRECT SERVICES

The following Exhibits (B1 through B4) describe the programs that, in aggregate, represent the direct services to be performed under this Agreement by the Contractor.

Each of the following Exhibits (B1 through B4) present the programs to be provided to each Customer Type by Contractor. Within each program description are specific requirements for the:

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

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B4 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.

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EXHIBIT B1:
SINGLE-FAMILY RESIDENTIAL SERVICES

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers one (1) time per week from Single-Family (including Townhouse) Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

Containers:	Carts
Container Sizes:	32-, 64-, and 96-gallons (or comparable sizes approved by the City). Standard Container size is 96-gallon. 64 or 32-gallon service shall be made available for no reduction in charge, upon request by Customer.
Service Frequency:	One (1) time per week on the same day as Organic Materials and Solid Waste Collection services.
Service Location:	Curbside or alley
Acceptable Materials:	Recyclable Materials
Prohibited Materials:	Solid Waste, Organic Materials, Excluded Waste
Additional Service:	Single-Family Customers shall receive one (1) Recyclable Materials Cart standard and may request an unlimited number of additional Recyclable Materials Carts at no additional charge.
Other Requirements:	Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3 of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

2. Organic Materials Collection

Contractor shall Collect Organic Materials placed in Contractor-provided Carts one (1) time per week from Single-Family Customers (including Townhouses) and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

Containers:	Carts
Container Sizes:	32, 64, 96-gallons (or comparable size approved by the City). Standard Container size is 96-gallon. 64 or 32-gallon service shall be made available for no reduction in charge, upon request by Customer.
Service Frequency:	One (1) time per week on the same day as Recyclable Materials and Solid Waste Collection service.
Service Location:	Curbside
Acceptable Materials:	Organic Materials (including Yard Trimmings and Food Waste)
Prohibited Materials:	Recyclable Materials, Solid Waste, Excluded Waste
Additional Service:	Single-Family Customers shall receive one (1) Organic Materials Cart standard. Contractor shall provide additional Organic Materials Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

City.

Other Requirements: Contractor shall make available to all Single-Family Customers and new Customers, kitchen pails upon program rollout, designed to contain Food Scraps prior to placement in the Customer's Organic Materials Cart. City shall approve kitchen pail specifications prior to ordering and distribution. Additional pails are to be made available for the Rate in the approved Rate schedule. Upon City request, Contractor will make available pails that are provided by the City at Contractor's facilities located in Anaheim and Huntington Beach for pickup by City Customers. Contractor may request identification to confirm City residency.

If Contractor's Approved Organic Materials Processing Facility accepts Compostable Plastic bags, Single-Family Customers may place Organic Materials in Compostable Plastic bags and then place the bagged Organic Materials into their Organic Materials Carts for Collection. Such bags must be labeled as "Compostable" by the manufacturer and certified by BPI. Contractor shall submit the required Compostable Plastic Processing notifications in accordance with Section 4.1.J and Exhibit F of the Agreement.

Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

3. Solid Waste Collection

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

Containers: Carts

Container Sizes: 32-, 64-, and 96-gallons (or comparable sizes approved by the City). Standard Container size is 96-gallon. 64 or 32-gallon service shall be made available for a reduction in charge, upon request by Customer.

Service Frequency: One (1) time per week on the same day as Recyclable Materials and Organic Materials Collection service.

Service Location: Curbside

Acceptable Materials: Solid Waste

Prohibited Materials: Recyclable Materials, Organic Materials, Excluded Waste

Additional Service: Contractor shall provide additional Solid Waste Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.

Other Requirements: None

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

4. On-Call Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Single-Family Customers (including Townhouse). Contractor shall Transport all Collected materials to the appropriate Approved Facility or Designated Disposal Facility for reuse, Processing, or Disposal.

- Containers:** Not applicable
- Service Level:** Up to ten (10) Bulky Items/Reusable Materials
- Service Frequency:** Three pickups per year per household
- Service Location:** Curbside
- Acceptable Materials:** Reusable Materials, Bulky Items, Recyclable Materials, Yard Trimmings, Electronic Waste, and Solid Waste
- Prohibited Materials:** Food Scraps, Hazardous Waste, abandoned automobiles, trees, Excluded Waste or any single item (e.g., large auto parts) that exceeds two hundred (200) pounds in weight
- Additional Service:** Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rates approved by the City for such additional service.
- Other Requirements:** Contractor shall provide the service to the Customer within a reasonable time but not longer than seven (7) days of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor. Contractor shall not Dispose of materials Collected through the on-call Bulky Item/Reusable Materials Collection program unless the materials cannot be reused or Recycled. Contractor shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the other options are practicable; then, (4) Dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and three (3) weeks thereafter, the Contractor shall Collect holiday trees from Single-Family Customers (including Townhouse). Customers are required to place the holiday trees Curbside on the Customer's regularly scheduled Collection day. Holiday trees must be removed from stands; cut into lengths no longer than four (4) feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. The Contractor shall not be required to Collect holiday trees that do not meet the aforementioned criteria. The Contractor shall affix a Non-Collection Notice to any non-Collected tree informing the Customer of the reason(s) for Non-Collection. Contractor may charge City-approved Rates to return and Collect a previously non-Collected holiday tree that has been corrected and set out. Contractor shall deliver all Collected holiday trees to the Approved Organic Materials Processing Facility for Processing.

Holiday tree Collection services shall be provided at no additional cost to the City or the Customer.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

6. Alternative Service Location for Disabled Single-Family Customers

Contractor shall allow for Persons that have a disability as defined by the Americans with Disabilities Act (which means Public Law 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 27 U.S.C. 225 and 611, and all Federal rules and regulations relating thereto) that are Occupants of Single-Family Premises (including Townhouse Premises) to receive Collection services at a location other than Curbside at no extra charge to the Customer. Contractor shall review all applications (which shall include statements from physicians) made by Customers to determine conformance with this exemption provision and shall grant exemptions, if applicable. Contractor shall make reasonable accommodations with regard to provision of and servicing of Containers (e.g., Container size and type, placement of Containers for Collection) at no additional cost to the Customer. Upon Customer request, Contractor may make such alternative service locations available to Single-Family Customers that do not have a disability (as defined herein) for an additional, City-approved Rate.

7. Sharps Collection Program

Contractor shall deliver or arrange for delivery to Customers, at no additional charge, within one (1) week of request, a pre-paid, postage-paid mail-back container to safely collect Sharps and send Sharps for proper Disposal. Residents are limited to four (4) containers at no additional charge in a twelve (12) month period. Each container shall be of adequate volume to accommodate the needs of a diabetic Person for a three (3) month period.

8. Temporary Bin Service

Contractor shall provide exclusive temporary Bin service to Customers upon request for Collection of Solid Waste, Recyclable Materials, and Organic Materials. Contractor must deliver a temporary Bin to a Customer by the following Business Day (excluding Saturday, Sunday, or Holidays), if requested by 12:00 noon; otherwise, delivery shall be no later than the second day. Rates for temporary Bin service are listed separately in the approved Rate schedule.

9. Curbside Grease Collection Program

If ever required by the applicable sanitation district or other regulatory agency, Contractor shall design a program for the collection of grease, fat, oils, and similar waste generated from household cooking activities (the "Curbside Grease Collection Program") that the City Manager finds satisfactory and approves. Contractor shall be responsible to ensure the Curbside Grease Collection Program complies with all Applicable Laws and regulations. At such time as a Curbside Grease Collection Program is implemented and in order to ensure that Contractor is fairly compensated for any additional costs incurred in implementing such a program, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum Rates set forth on Exhibit D in order to compensate Contractor for implementing such a program.

10. Residential Non-Controlled Medication Collection Program

If requested to do so by City, or otherwise required by law, Contractor shall design and present a program to City for the Collection of unused non-controlled medicines (the "Non-Controlled Medication Collection

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Program") that the City Manager finds satisfactory and approves. Contractor shall be responsible to ensure any Non-Controlled Medication Collection Program complies with all Applicable Laws and regulations. It is anticipated that any Non-Controlled Medication Collection Program at a minimum will allow for Customers to mail unused medication (excepting controlled substances) to a specific Collection location, in specialized packaging provided by Contractor, and/or deliver unused medication (excepting controlled substances) to a location in or near City designated by Contractor. At such time as (if) a Non-Controlled Medication Collection Program is implemented, and if necessary, in order to ensure that Contractor is fairly compensated for the additional costs incurred in implementing such a program, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum Rates set forth in approved Rate schedule.

Contractor will assist the City in increasing awareness of medication takeback programs provided by local pharmacies, or programs offered by other government entities. Promotional activities will include posting on Contractor's website, inclusion in the annual brochures/mailings mailed to each Residential Premises Customer, billing inserts, social media targeted outreach, and press releases to local news outlets.

11. Household Hazardous Contaminant Program

If requested to do so by City, or otherwise required by law, Contractor shall design a program for the Curbside collection of hazardous contaminants that the City Manager finds satisfactory and approves. Contractor shall be responsible to ensure the program complies with all Applicable Laws and regulations. It is anticipated that any such program at a minimum will allow for Customers to deposit at a specific Collection location, in specialized packaging provided by Contractor and/or deliver any such contaminant to a location in or near City, designated by Contractor. At such time as (if) such program is implemented, and if necessary, in order to ensure that Contractor is fairly compensated for the additional costs incurred in implementing such a program, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum Rates set forth in the approved Rate schedule.

Contractor will assist the City in increasing awareness of the County's drop-off locations for HHW, including drop-off at Contractor's Anaheim (CVT) and Huntington Beach facilities. Promotional activities will include posting on Contractor's website, inclusion in the Annual Brochures/Mailings mailed to each Residential Premises Customer, billing inserts, social media targeted outreach, and press releases to local news outlets.

12. Solid Waste Cart Overage

Overage pickups will be provided at no additional charge for two (2) weeks beginning December 26. This service is limited to Solid Waste that could otherwise be placed in the Solid Waste Cart, and not Bulky Items which are Collected in accordance with this Exhibit B1.

Contractor will notify all residents annually, beginning within thirty (30) days of effectiveness of this Agreement, of this service. New Customers shall be notified of this service upon initiation of new Collection services.

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**EXHIBIT B2:
MULTI-FAMILY RESIDENTIAL SERVICES**

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from Multi-Family Customers receiving Solid Waste Bin service in accordance with the approved Rate schedule and shall Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Recyclable Materials Collection services shall be provided to Multi-Family Customers in accordance with the approved Rate schedule.

- Containers:** Carts, Bins
- Container Sizes:** 35-, and 96-gallon Carts (or comparable size approved by the City); and 2-, and 3-cubic yard Bins, and 3 cubic yard Split-Bins (on case by-case basis). As requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer).
- Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Solid Waste, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:** Contractor shall make contact with each and every Multi-Family Customer to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every Multi-Family Customer at the same time that the Contractor delivers Solid Waste Containers.
- Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers (additional charge may apply).
- Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

2. Organic Materials Collection

Contractor shall Collect Organic Materials in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing. Organic Materials Collection services shall be provided to Multi-Family Customers receiving Solid Waste Bin service in accordance with the approved Rate schedule.

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MULTI-FAMILY RESIDENTIAL SERVICES

Containers:	Carts, Bins
Container Sizes:	32-, and 64-gallon Carts (or comparable size approved by the City); and, 2-cubic yard Bins. As requested by Customer.
Service Frequency:	Up to three (3) times per week but not less than one (1) time per week, as requested by the Multi-Family Customer.
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises
Acceptable Materials:	Organic Materials (including Yard Trimmings and Food Waste)
Prohibited Materials:	Recyclable Materials, Solid Waste, Excluded Waste
Additional Service:	Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
Other Requirements:	<p>Contractor shall provide to all Multi-Family Dwelling Units kitchen pails designed to contain Food Scraps prior to placement in the Customer's Organic Materials Container. The City shall approve kitchen pail specifications prior to ordering and distribution.</p> <p>Contractor shall make contact with each and every Multi-Family Customer to determine appropriate Container sizes and service frequency. Contractor shall deliver Organic Materials Containers to each and every Multi-Family Customer at the same time that the Contractor delivers Solid Waste Containers.</p> <p>Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).</p> <p>Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.</p>

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Solid Waste to the Designated Disposal Facility for Disposal.

Containers:	Carts, Bins
Container Sizes:	96-gallon Carts (or comparable size approved by the City); and 2-, 3-, 4-, 5-, and 6-cubic yard Bins, 3-cubic yard mini packer, and 3-cubic yard Split-Bins (offered on a case-by-case basis). As requested by Customer.

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

Service Frequency:	Up to six (6) times per week but not less than one (1) time per week, as requested by Customer.
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises.
Acceptable Materials:	Solid Waste.
Prohibited Materials:	Recyclable Materials, Organic Materials, Excluded Waste.
Additional Service:	Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge.
Other Requirements:	Contractor shall make contact with each and every Multi-Family Customers to determine appropriate Container sizes and service frequency. Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers (additional charge may apply).

4. Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Multi-Family Customers. Contractor shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal.

Containers:	Not applicable
Service Level:	Multi-Family Premises with Cart service receive the same Service Level as Single-Family. Multi-Family Premises with Bin service receive ten (10) Bulky Items Collected three (3) times per Dwelling Unit in each Multi-Family complex per year.
Service Frequency:	Multi-Family Premises with Cart services – Same as Single-Family. Multi-Family with Bin service – three (3) times per year per Dwelling Unit.
Service Location:	Curbside
Acceptable Materials:	Reusable Materials, Bulky Items, Recyclable Materials, Yard Trimmings, Electronic Waste and Solid Waste.
Prohibited Materials:	Food Scraps, Hazardous Waste, abandoned automobiles, trees, Excluded Waste or any single item (e.g., large auto parts) that exceeds two hundred (200) pounds in weight.
Additional Service:	Contractor shall provide additional Bulky Item/Reusable Materials Collections to Multi-Family Customers and shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rates approved by the City for such additional service.
Other Requirements:	Contractor shall provide the service to the Customer within one (1) Working Day of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor. Contractor shall not Dispose of materials Collected through the on-call Bulky Item/Reusable Materials Collection program unless the materials cannot be reused or Recycled. Contractor shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the other options are practicable, (4) Dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and three (3) weeks thereafter, or as otherwise approved by the City Manager, Contractor shall Collect Holiday trees from Multi-Family Customers at a mutually agreed upon time, date, and designated Collection location, as arranged by the Contractor and each Multi-Family property Owner or manager. Contractor shall offer each Multi-Family property Owner or manager the option to receive holiday tree Collection service in Bins or Roll-Off Boxes, which Contractor shall provide for such service. Contractor shall also offer each Multi-Family property Owner or manager the option to receive un-containerized holiday tree Collection service Curbside, or from designated location at the Multi-Family Premises mutually agreed upon between Contractor and the property Owner or manager.

Holiday trees must be removed from stands; cut into lengths no longer than four (4) feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. The Contractor shall not be required to Collect Holiday trees that do not meet the aforementioned criteria and/or are not placed at the agreed upon Collection location and time period. The Contractor shall affix a Non-Collection Notice to any non-Collected Holiday tree informing the Customer of the reason(s) for non-Collection.

6. Scout Vehicles

Upon Customer request and approval by the City Manager, Contractor shall provide scout service in accordance with the approved Rate schedule, whereby Contractor will access Containers using a small vehicle either to move Containers to street or other public right-of-way for Collection, or Collecting directly from Container storage location, or retrieve a Container when operationally required in order to safely position the Container for Collection. In the event of a dispute between Contractor and Customer as to whether scout service will be used, the City Manager will make the final determination.

Customers requiring Bin pushout service and scout service shall only be charged for scout service in accordance with the approved Rate schedule.

If Contractor must place a Container in the public right-of-way to facilitate Collection, Contractor shall not permit the Container to remain in the public right-of-way over one (1) hour. If the Container is stored under a chute for Collection, the Container must be serviced and returned immediately.

Any changes to the Customer scout service list shall be approved by City prior to Contractor adding or removing this service for any Customer.

7. Bin Pushout Service

Upon Customer request, Contractor shall provide Bin pushout service, whereby Contractor will move Containers manually to facilitate Collection. The Contractor may charge the pushout Rates included in the approved Rate schedule. For Containers in Bin enclosures, the measurement of distance shall be from location of the Bin once removed from the enclosure to the point of Collection. In the event of a dispute

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

between Contractor and Customer as to whether pushout service will be used, the City Manager will make the final determination. If a Bin pushout fee is charged, then a scout service fee shall not be charged.

If Contractor must place a Bin in the public right-of-way to facilitate Collection, Contractor shall not permit the Bin to remain in the public right-of-way over one (1) hour. If the Bin is stored under a chute for Collection, the Bin must be serviced and returned immediately.

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**EXHIBIT B3:
COMMERCIAL SERVICES**

EXHIBIT B3 COMMERCIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from Commercial Customers subscribing to Recyclable Materials Collection service and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Recyclable Materials Collection services shall be provided to Commercial Customers in accordance with the approved Rate schedule.

- Containers:** Carts, Bins, Roll-Off Boxes, and Compactors
- Container Sizes:** 32-, and 96-gallon Carts (or comparable size approved by the City);
2-, 3-, cubic yard Bins; 3 cubic yard Split-Bins (on a case-by-case basis); and
15-, 30-, and 40- cubic yard Roll-Off Boxes; or,
Customer Owned Compactors
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer;
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises.
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Solid Waste, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:** Contractor shall make contact with each and every Commercial Customer to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every Commercial Customer at the same time that the Contractor delivers Solid Waste Containers, unless that Commercial Customer is exempted from Recyclable Materials services by the City or has demonstrated to the City that it is Diverting Recyclable Materials through subscription with another City-approved hauler, or other City-approved method.
- Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).
- Contractor may refuse to Collect a Recyclable Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address, and material type of the Container in question.

EXHIBIT B3 COMMERCIAL SERVICES

2. Organic Materials Collection

Contractor shall Collect Organic Materials placed in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing. Organic Materials Collection services shall be provided to Commercial Customers in accordance with the approved Rate schedule. Nothing in this Section of Exhibit B3 shall prevent other Persons from also providing similar services to businesses in the City, and charging for such service, provided that such Persons maintain a City-issued permit granting such right, in accordance with the City's Municipal Code.

- Containers:** Carts, Bins, Compactors
- Container Sizes:** 32-, and 64- -gallon Carts (or comparable size approved by the City);
2- cubic yard Bins, 20-, 30-, and 40-cubic yard Roll-Off Boxes and,
Customer-owned Compactors
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer. Restaurants are required to have a minimum Service Level with a frequency per the City's Municipal Code.
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises.
- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Scraps)
- Prohibited Materials:** Recyclable Materials, Solid Waste, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service
- Other Requirements:** Contractor shall make contact with each and every Commercial Customer to determine appropriate Container sizes and service frequency. Contractor shall deliver Organic Materials Containers to each and every Commercial Customer at the same time that the Contractor delivers Solid Waste Containers, unless that Commercial Customer is exempted from Organic Materials services by the City or has demonstrated to the City that it is Diverting Organic Materials through subscription with another City-approved hauler, or other City-approved method.
- Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).
- Contractor may refuse to Collect an Organic Materials Container that contains Prohibited Container Contaminants in the manner and subject to the limits described in Section 4.10 and provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall keep a record of all Non-Collection Notices and Courtesy Pick-Up Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question.

EXHIBIT B3 COMMERCIAL SERVICES

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Solid Waste to the Designated Disposal Facility for Disposal. Solid Waste Collection services shall be provided to Commercial Customers in accordance with the approved Rate schedule.

- Containers:** Carts, Bins, Roll-Off Boxes, Compactors.
- Container Sizes:** 96-gallon Carts (or comparable size approved by the City);
2-, 3-, 4-, 5-, and 6- cubic yard Bins; 3 cubic yard Split-Bins (offered on a case-by-case basis);
3 -cubic yard Bin Compactors, and,
15-, 30-, and 40- cubic yard Roll-Off Boxes; or
Customer Owned Compactors.
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer. Restaurants are required to have a minimum Service Level with a frequency per the City's Municipal Code.
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises.
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:** Contractor shall make contact with each and every Commercial Customer to determine appropriate Container sizes and service frequency.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (additional charge may apply).

4. Scout Vehicles

Upon Customer request and approval by the City Manager, Contractor shall provide scout service in accordance the approved Rate schedule, whereby Contractor will access Containers using a small vehicle either to move Containers to street or other public right-of-way for Collection, or Collecting directly from Container storage location, or retrieve a Container when operationally required in order to safely position the Container for Collection. In the event of a dispute between Contractor and Customer as to whether scout service will be used, the City Manager will make the final determination.

Customers requiring Bin pushout service and scout service shall only be charged for scout service in accordance with the approved Rate schedule.

EXHIBIT B3 COMMERCIAL SERVICES

If Contractor must place a Container in the public right-of-way to facilitate Collection, Contractor shall not permit the Container to remain in the public right-of-way over one (1) hour. If the Container is stored under a chute for Collection, the Container must be serviced and returned immediately.

Any changes to the Customer scout service list shall be approved by City prior to Contractor adding or removing this service for any Customer.

5. Bin Pushout Service

Upon Customer request, Contractor shall provide Bin pushout service, whereby Contractor will move Containers manually to facilitate Collection. The Contractor may charge the pushout Rates included in the approved Rate schedule. For Containers in Bin enclosures, the measurement of distance shall be from location of the Bin once removed from the enclosure to the point of Collection. In the event of a dispute between Contractor and Customer as to whether pushout service will be used, the City Manager will make the final determination. If a Bin pushout fee is charged, then a scout service fee shall not be charged.

6. Temporary Bin Service

Contractor shall provide exclusive temporary Bin service to Customers upon request for Collection of Solid Waste, Recyclable Materials, and Organic Materials. Contractor must deliver a temporary Bin to a Customer by the following Business Day (excluding Saturday, Sunday, or Holidays), if requested by 12:00 noon; otherwise, delivery shall be no later than the second day. Rates for temporary Bin service are listed separately in the approved Rate schedule.

**EXHIBIT B4:
CITY AND COMMUNITY SERVICES AND DATA**

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

1. Commercial Customer Services to City Facilities

Contractor shall Collect Recyclable Materials, Organic Materials, and Solid Waste, from City facilities in the same manner as those services are provided to Commercial Customers and shall provide designated personnel in accordance with Section 5.7.D of this Agreement. Contractor shall provide service to all existing City facilities identified in Exhibit B4 as well as any future City facilities established after the Effective Date. Contractor shall provide these services at no additional cost to the City. City facility service as described by this Section shall include unlimited Roll-Off Box Collection service, and periodic Bulky Item Collection. Contractor shall deliver Roll-Off Boxes within twenty-four (24) hours of City request. Contractor shall Collect, empty, and return Roll-Off Boxes within twenty-four (24) hours of City request. Contractor shall remove and not return Roll-Off-Boxes within twenty-four (24) hour of City request.

2. Emergency Services

Contractor shall provide emergency services (i.e., special Collections, Transport, Processing, and Disposal) at the request of the City Manager in the event of major accidents, disruptions, or natural calamities. Contractor shall be capable of providing emergency services within twenty-four (24) hours of notification by the City Manager or as soon thereafter as is reasonably practical in light of the circumstances. For any services which exceed the scope of services under this Agreement, Contractor shall be entitled to compensation at the emergency service Rates approved under this Agreement. The City shall have discretion in the method of such compensation between direct payments by the City and allowing such costs to be considered in the adjustment of Rates for the following Rate Period.

3. Shredding Event(s)

Contractor shall provide an on-site mobile shredding service for use by City residents (a "Shredding Event") one (1) time per calendar year at no additional charge. The Shredding Event shall be provided at a date, time, and location designated and approved by the City Manager, in their reasonable discretion, and should be for a minimum of three (3) hours in duration. In the event inclement weather prevents a Shredding Event from occurring, Contractor shall reschedule the Shredding Event to a date, time and location designated and approved by the City Manager. The Shredding Event shall be conducted at Contractor's sole cost and expense, utilizing equipment, personnel, and methods appropriate for such event, as approved by the City Manager. Prior to each Shredding Event, Contractor shall coordinate with City staff and/or public safety personnel to make arrangements for safe, convenient, and effective access to and participation by City residents in the Shredding Event and shall procure all necessary insurance coverage. Each Shredding Event shall be designed to accommodate up to a maximum of five (5) "Bankers" boxes of paper or other media suitable for shredding from each Residential and Multi-Family Premises Customer within the City that is participating in the Shredding Event. Residents participating in the Shredding Event must be able to visually observe the materials they delivered to the Shredding Event. Contractor shall publicize each Shredding Event through methods, and using materials, approved by the City Manager, at no cost to the City.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

4. Procurement of Organic Waste Products

- A. General.** Contractor shall assist the City to procure sufficient California derived Compost, Mulch, and/or Renewable Natural Gas to meet the City's requirement for recovered Organic Waste products of 0.08 Tons per capita per year as specified in SB 1383. Contractor shall perform the following activities:
- 1. Bulk Compost and/or Mulch for City Use.** If requested by City, Contractor shall provide to the City bulk Compost, Mulch, or both to assist the City achieve the City's recovered Organic Waste product purchasing requirements of SB 1383. Based on estimates generated using the CalRecycle modeling tools, the City may achieve its procurement goal by procuring approximately eight thousand one hundred fifty (8,150) Tons of Compost or fourteen thousand (14,000) Tons of Mulch. City will notify Contractor as to the City's needs for delivery of finished Compost, Mulch, or both, throughout each Calendar Year. Contractor shall deliver Compost, Mulch, or both, within five (5) Business Days of a request of the City Manager to any accessible location within City Limits. The City will specify the material type (i.e., Compost, Mulch, or both) to be provided and the quality specifications of the selected material type for any given application, even if that requires Contractor to procure such material from a third party in order to provide it to the City. Contractor shall be entitled to a Rate adjustment to compensate Contractor for its estimated actual costs of providing Compost and/or Mulch and shall provide City with copies of supporting documentation such as invoices from Compost/Mulch producers for the purchase of Compost/Mulch, and Transportation invoices from providers that deliver the Compost/Mulch. City and Contractor shall meet and confer at least ninety (90) days prior to the start of each contract year that begins July 1, to confirm the amounts of Compost/Mulch to be provided during the period from July 1 to June 30 of each year and the Rate adjustment, if any, to be implemented July 1. Any adjustments to the amount of Mulch/Compost requested in subsequent years shall be reflected as an increase or decrease to the Rate adjustment. For example, if City and Contractor initially agreed to a Rate adjustment of 0.25% for a certain quantity of Compost in a particular year, and if the quantity of Compost is subsequently reduced by 50% in a future year, then the Rates would be reduced by 50% of 0.25% which equals 0.125%. As an alternative to compensation for Compost and Mulch through Rate adjustments, City may elect to remit compensation directly to Contractor without a Rate adjustment through payment of monthly invoices to be submitted by the Contractor.
 - 2. Bulk Compost and/or Mulch for Private Uses.** If the City is unable to use the full amount of Compost, Mulch, or both, acquired under Exhibit B4, Section 4.A.1 above, Contractor shall use best efforts to arrange the legal donation of the remainder of the City's Compost/Mulch to other productive uses at no additional cost to the City or Customers.
 - 3. Compost/Mulch Give-Away Events.** Contractor shall distribute an annual total of at least twenty (20) Tons of Compost and/or Mulch to City residents at no additional cost to the City or Customers at one (1) public Compost/Mulch give-away event per Agreement Year (such that Contractor shall provide at least five hundred (500) bags per event). The location, date, and time of such events shall be mutually agreed upon by Contractor and the City Manager and may be held in conjunction with other City-approved events. Contractor shall deliver the loose or bagged Compost/Mulch to the agreed-upon event location at no cost to City. Contractor shall provide at least one (1) attendant for at least six (6) hours per event. Any

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

Compost and or Mulch given away to the community through this program shall count towards the Contractor's obligations to provide the City with the amount of Organic Waste products required under SB 1383.

- 4. Use of RNG.** Contractor shall use reasonable business efforts to use California-derived Renewable Natural Gas in Collection vehicles.
- B. SB 1383 Procurement.** Contractor agrees that all RNG, Compost, Mulch, or both, provided through this Agreement shall comply with the municipal procurement requirements of SB 1383, including being generated from California Organic Waste Products, as defined by SB 1383 for each applicable material type.

Contractor shall develop a plan to assist the City in meeting per capita California Organic Waste Products procurement requirements of SB 1383.

- C. Contractor Warranty of Recovered Organic Waste Products.** Contractor shall provide assurance through the execution of a liability waiver stating that all Organic Waste products provided by the Contractor and used within the City are free from pathogens and inorganic waste material that may be harmful to the health and welfare of the City and its constituents, and also in accordance with standards of CalRecycle and subject to the United States Composting Council guidelines requiring testing demonstrating that fecal coliform levels of <1000 MPN/gram of dry Compost or Salmonella < 3MPN/ 4 grams of dry Compost. The Contractor shall indemnify and hold harmless the City against any claims arising from contaminated recovered Organic Waste products provided by the Contractor as set forth in Section 9.1.

5. News Media Relations

Contractor shall notify the City Manager by e-mail of all requests for news media interviews related to the Collection services program within twenty-four (24) hours of Contractor's receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect participation or Customer perception of services, Contractor will discuss Contractor's proposed response with the City Manager.

Copies of draft news releases or proposed articles related to the provision of Collection services under this Agreement shall be submitted to City for prior review and approval at least five (5) Business Days in advance of provision to such Persons, except where Contractor is required by any law or regulation to submit materials to any regulatory agency in a shorter period of time, in which case Contractor shall submit such materials to City simultaneously with Contractor's submittal to such regulatory agency.

Copies of articles resulting from media interviews or news releases shall be provided to the City within five (5) Business Days after publication.

6. Waste Generation, Characterization, and Pilot Studies.

Contractor acknowledges that City, CalRecycle, or other governmental agencies may wish to perform generation and characterization studies periodically with respect to materials covered under this Agreement. Contractor agrees to participate and cooperate with City and its agents and to perform

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

studies and data collection exercises, as needed, to determine weights, volumes and composition of materials generated, Disposed, Diverted, or otherwise Processed.

Contractor that acknowledges that the County, in coordination with the City, is required by SB 1383 to conduct Organic Waste and Edible Food capacity planning studies. The Contractor shall provide information to the City as needed for the City's participation in such capacity planning studies. This information and/or participation may include, but is not limited to, conducting or supporting waste characterization studies; providing information regarding existing and potential new or expanded capacity in the Contractor's operations for the Collection, Transport, or Processing of Recyclable and Organic Materials; and any other information deemed necessary by the City or County for purposes of the study. The Contractor shall respond to any request for information from the City within thirty (30) days, unless another timeframe is otherwise specified or authorized by the City.

Contractor acknowledges that the City may, wish to conduct and/or participate in pilot studies related to the Customers and materials that are the subject of this Agreement. If City requires Contractor to participate in any such a pilot study, Contractor and City shall mutually agree on the scope of services to be provided by Contractor and the amount of compensation, if any, that the City will pay to Contractor for such participation. In any event, Contractor shall permit and in no way interfere with the Collection and handling of the subject materials by other Persons for such purposes.

8. City Cleanup Programs

A. **Abandoned Waste Collection and Weekly Alley Cleanups.** Contractor shall provide Abandoned Waste Collection and litter pickup at locations reported by Contractor's route supervisors and drivers, and/or the City within 24 hours of notification. Upon receipt of a call for service from City made pursuant to this Section, Republic shall advise City within four (4) hours as to when service will be provided, and unless otherwise agreed by City service shall be provided within 72 hours. Additionally, in the event of a windstorm or other situations which require cleanup, crews will be dispatched as requested by City staff. Contractor shall provide two (2) employees in a "front loader" vehicle to canvass the City neighborhoods in order to remove Abandoned Waste left in alleyways or throughout the City (initial list of locations included later in this Exhibit B4) at no additional charge as a result of illegal or unauthorized dumping, or other Code enforcement matters, occurring within City.

Republic agrees that if requested to provide such services in connection with abatement activities for which reimbursement is sought from the property Owner by City through abatement liens or otherwise, Republic will provide billing information sufficient for City to include it in its liens, and Republic will be paid at such time as the abatement lien is paid, or reimbursement is otherwise obtained by City from the property Owner.

B. **Resource Allocation for Abandoned Waste Collection and Alley Cleanups.** The Contractor will commit a minimum of one (1) Solid Waste Collection vehicle and a two (2) Person crew six (6) days per week to provide the services in the Abandoned Waste Collection and Weekly Alley Cleanups described above with a minimum of sixty (60) Collection hours per week. The sixty (60) hours per week may be allocated between the Abandoned Waste Collection and Weekly Alley Cleanups as directed by the City.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

- C. **Response to Requests From City's Work Order Application.** Upon the Effective Date of this Agreement, Contractor shall work with the City's information technology personnel to ensure that Contractor is able to receive and respond to requests for service via the City's Work Order Application. Contractor shall respond to service requests received via the City's Work Order Application within forty-eight (48) hours of receipt.

9. Large Venue and Event Assistance, Event Recycling

Contractor shall assist City planners of Large Venue events with reporting and planning needs to provide Recycling and Organics Materials Diversion as may be useful in meeting the requirements of AB 2176 and SB 1383, and in lowering Disposal quantities generated at such events at no additional charge.

10. Neighborhood Cleanups

Contractor shall supply up to fifty (50) forty (40) yard Roll-Off Boxes and Containers in additional sizes per Rate Period for the Collection of Solid Waste, Recyclable Materials, and Organic Waste for City-sponsored neighborhood cleanups at no additional charge to City or Customers. Contractor will provide the necessary staffing to operate the neighborhood cleanup events.

Dates and locations of events shall be determined and approved by City. City staff shall inform Contractor of the date and location for each event.

All material Collected must be Transferred, Processed, and/or Disposed in accordance with SB 1383.

11. City Sponsored Events

Contractor shall provide Solid Waste, Source Separated Recyclable Materials, and Source Separated Organic Waste Collection and Disposal/Processing service for City-sponsored events including but not limited to the City-sponsored events included in this Exhibit B4 at no additional charge to City or ratepayers. This shall include providing Discarded Material Containers (Carts, Bins, Roll-Off Boxes, and Cardboard waste boxes with liners) to Collect and Dispose of, or Process, all Solid Waste. Contractor shall provide Collection Containers for the Collection of Source Separated Recyclable Materials, and Source Separated Organic Waste.

12. Bus Stop Public Litter Container Collection

Contractor shall service a minimum of thirty-three (33) public litter Containers two (2) times weekly located at bus stops throughout the City. Public litter Containers are provided by the City. Contractor shall provide any liners or other items needed to continue service. If Service Levels are not sufficient to ensure Containers do not become full, Service Levels shall be increased at no additional cost to the City. If additional public litter Containers at bus stops are added, Contractor will service such Containers at no additional cost to the City.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

14. Annual Contribution to Community Programs

As further consideration for the rights granted to Republic herein, Republic shall contribute one hundred thousand dollars (\$100,000) each year during the term hereof for community uses (the "Community Uses Contribution"), to be allocated as follows: (1) Republic shall make a payment of fifty thousand dollars (\$50,000) to City to use for community programs of any nature as City deems appropriate, including, but not be limited to, public Holiday celebrations, public concerts, youth activities, senior citizen programs and continuing education classes; (2) Republic shall make a payment of twenty-five thousand dollars (\$25,000) to the Garden Grove Community Foundation; and (3) Republic shall donate twenty five thousand dollars (\$25,000) by cash contribution or in-kind services to charity in the City as determined by Republic. Such payments to City and the Garden Grove Community Foundation shall be due on or before July 1 of each year, with the first payment due on or before thirty (30) days following the Effective Date.

15. Facility Tours

Contractor shall offer and promote to the community and Garden Grove K-12 schools free educational tours of the Contractor's local facilities.

16. Student Scholarships

Contractor shall work with the City to select seven (7) City students per Rate Period to receive a one-thousand-dollar (\$1,000) scholarship from the Contractor. Selected students must be 18 years of age or older.

17. Eco-Job Fair

Contractor shall host six (6) Eco Job-Fairs per Rate Period for City middle school and high school students to provide information on career opportunities in the Solid Waste industry. Contractor shall provide an environmental curriculum program to attendees.

18. Environmental Ambassador Program

Contractor must establish an annual recognition program for Commercial Businesses in the City. The Environmental Ambassador Program will be a voluntary program managed entirely by Contractor, and certification may include refuse, water, and energy conservation, pollution prevention, and reduction of toxic substances in the workplace. Businesses certified will be honored by Contractor at a City Council Meeting.

19. Battery Recycling Program

Contractor shall provide and empty as many battery Recycling containers as requested by City, at City facilities for no additional cost. Contractor shall Collect and replace containers upon City's request for proper Recycling of batteries.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

20. Edible Food Recovery Programs

- A. **Food Recovery Compliance Reviews.** Commencing July 1, 2022 and at least annually thereafter, Contractor shall conduct inspections of Tier One Commercial Edible Food Generators, Food Recovery Organizations, and Food Recovery Services to assess compliance with the requirements of 14 CCR Chapter 12 Article 10. Commencing January 1, 2024 and at least annually thereafter, Contractor shall expand its Food Recovery compliance reviews to include inspections of Tier Two Commercial Edible Food Generators. Contractor will provide to the City all of the necessary recordkeeping requirements and reports to comply with SB 1383. Contractor will utilize a third party, such as Abound Food Care, to meet the requirements of the Food Recovery Compliance reviews.
- B. **Food Recovery Assistance.**
1. Contractor shall assist the City in identification of all Commercial Customers that meet the definition of Tier One and Tier Two Commercial Edible Food Generators and provide a list of such Customers to the City, which shall include: Customer name; service address; contact information; Tier One or Tier Two classification; and, type of business (as it relates to the Tier One and Tier Two Commercial Edible Food Generator definitions).
 2. At least annually, the Contractor shall provide Commercial Edible Food Generators with the following information:
 - Information about the Contractor's and/or City's Edible Food Recovery program;
 - Information about the Commercial Edible Food Generator requirements under 14 CCR Chapter 12 Article 10;
 - Information about Food Recovery Organizations and Food Recovery Services operating within the City, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and,
 - Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste.
 3. The Contractor may provide the education information required by this section by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to Commercial Businesses.
 4. Contractor shall cooperate with the implementation, expansion, or operation of Food Recovery efforts in the City, Food Recovery Organizations, and/or Food Recovery Services.
 5. Contractor shall provide Collection and Processing of Organic Materials at no additional cost to Food Recovery Organizations.

EXHIBIT B4 CITY AND COMMUNITY SERVICES AND DATA

Current City Facilities

Row	City Facility	Waste Type	# Containers	Container Size (Yds)	PU's/WK
1	Buena Clinton Family Resource Center 12661 Sunswept Avenue	MSW	1	3	1
2	City Hall 11222 Acacia Parkway	Recycling (Rec)	2	3	1
3	CMC / Senior Center 11300 Stanford Avenue	MSW	2	3	3
4	Courtyard Center 12732 Main Street	MSW	1	3	3
5	Fire Station 2 11805 Gilbert Street	MSW	1	3	1
6	Fire Station 3 12132 Trask Avenue	MSW	1	3	1
7	Fire Station 4 12191 Valley View Street	MSW	1	3	1
8	Fire Station 5 12751 Western Avenue	MSW	1	3	1
9	Fire Station 6 12111 Chapman Avenue	MSW	2	0.48	1
10	Fire Station 7 14162 Forsyth Lane	MSW	1	3	1
		MSW	2	0.48	1
		Organics (org)	1	0.48	1
11	Garden Grove Park 9301 Westminster Avenue	MSW	10	3	2
12	Gem Theater 12852 Main Street	MSW	1	3	2
13	Municipal Service Center 13802 Newhope Street		3	15	On Call
		Rec	2	0.32	1
		Org - GW	2	40	On Call
		MSW	2	40	On Call
		Org - GW	1	40	On Call
		MSW - Tires	2	30	On Call
		MSW	5	15	On Call
		MSW	3	3	1
		BS	30	0.03	On Call
		Rec	1	3	1
			1	30	On Call
14	Police Department 11301 Acacia Parkway	MSW	2	3	3
		MSW	1	3	2
		Rec	3	3	1

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

Initial Alley/Illegal Dumping Hotspots

This is an initial list of areas to be monitored by Contractor during the Abandoned Item and Alley Sweeps. City retains the right to update this list on an ongoing basis to remove or add locations for Contractor to monitor. Addresses that are not alleys are indicated as such.

1. 13891 Roxey Dr. - North of the address
2. 12611 Trask Ave. - North of the address
3. 13371 Palm St.- North of the address
4. 13951 Rosita Pl. -Across from the address (not an alley)
5. 13382 Lampson Ave. - South of the address
6. 12171 Chapman Ave. - North of the address
7. 12231 Anzio St. - South of the address (not an alley)
8. 10072 Traylor Way. - South of the address
9. 10432 Westminster Ave. - South of the address
10. 14451 Ward St. - West and South of the address
11. 10722 Kern Ave. - South of the address
12. 11121 Dino St.-North of the address (not an alley)
13. 9511 Maureen Dr. - North of the address
14. 9542 Maureen Dr. - South of the address
15. 11151 Endry St. - West of the address
16. 11071 Gilbert St. - West of the address
17. 11112 Magnolia St.- East of the address
18. 8861 Anthony Dr. - North of the address
19. 13711 Yoak St. - West of the address
20. 12751 Monarch St. - East of the address (not an alley)
21. 11821 Western Ave. - West of the address (not an alley)
22. 12777 Knott St. – West of address (not an alley)
23. 12031 Santa Rosalia St. -East of the address
24. 13161 Balboa Ave. - North of the address
25. 12072 Laguna St. - East of the address
26. 13162 Newport Ave. - North of the address
27. 11532 Stuart Dr. - South of the address
28. 11851 Stuart Dr. - North of the address
29. 8152 Larson Ave. - North of the address (not an alley)

EXHIBIT B4 CITY AND COMMUNITY SERVICES AND DATA

Current Bus Stop Public Litter Containers

No.	Cross Streets	Container Type
1	SE KATELLA & MAGNOLIA	Bus Stop
2	SW BROOKHURST & CHAPMAN	Bus Stop
3	NE BROOKHURST & WESTMINSTER - NB Bus Stop	Bus Stop
4	SW CHAPMAN & EUCLID	Bus Stop
5	SW BROOKHURST ST & WESTMINSTER - SB Bus Stop	Bus Stop
6	GARDEN GROVE BLVD & S LEWIS	Bus Stop
7	MAGNOLIA ST & WESTMINSTER	Bus Stop
8	NW NUTWOOD & GARDEN GROVE	Bus Stop
9	SW GARDEN GROVE BLVD & MAGNOLIA	Bus Stop
10	MAGNOLIA ST & TRASK AVE	Bus Stop
11	MAGNOLIA ST & CHAPMAN AVE	Bus Stop
12	NW MAGNOLIA ST & GARDEN GROVE - SB Bus Stop	Bus Stop
13	NW MAGNOLIA & GARDEN GROVE- WB Bus Stop	Bus Stop
14	ROBYN CT / TRASK AVE	Bus Stop
15	EUCLID & STANFORD	Bus Stop
16	WESTMINSTER & W CLINTON	Bus Stop
17	E WESTMINSTER & W BUENA	Bus Stop
18	NE Taft / Westminster - WB Westminster	Bus Stop
19	NW Westminster / Brookhurst - WB Bus Stop	Bus Stop
20	SE Chapman / Knott - EB Bus Stop	Bus Stop
21	NW Dale / Chapman - WB Bus Stop	Bus Stop
22	SW Belgrave / Valley View - South of Belgrave. Bus stop ID 2494	Bus Stop
23	NE Gilbert / Chapman - WB Bus Stop	Bus Stop
24	SW Lampson / Euclid - SB Bus Stop	Bus Stop
25	NE Buaro / Chapman - WB Bus Stop	Bus Stop
26	SE Brookhurst / GG Blvd - EB Bus Stop	Bus Stop
27	NE Euclid / Westminster - NB Bus Stop	Bus Stop
28	NE Euclid / Trask - NB Bus Stop	Bus Stop
29	NE Buaro / Chapman Bus Stop	Bus Stop
30	SE Brookhurst / GG Blvd.	Bus Stop
31	NE Euclid / Westminster	Bus Stop
32	NE Euclid / Trask	Bus Stop
33	SW Trask / Harbor - SB Bus Stop	Bus Stop

EXHIBIT B4 CITY AND COMMUNITY SERVICES AND DATA

City Events List

Event Name	Attendance	Frequency	Resources Needed from Republic	Notes
Six (6) Summer Concerts	Varies - Approx. 1-2K people	Annually (June/July/Aug)	<p>Dumpsters - The City will need two (2) 3-Yard Dumpsters for Organics and Recyclables for each summer concert event. Republic to drop off at Garden Grove Park.</p> <p>Cardboard Trash Cans - The City will need twelve (12) Cardboard trash cans; six (6) for Organics and six (6) for Recyclables for each of these events – for a minimum of seventy-two (72) Cardboard trash cans for the six (6) summer concert events.</p>	<p>(1) The number of concerts has varied due to COVID (e.g., City held only 4 in 2021). Number of concerts may vary in future.</p> <p>(2) Will Republic be able to label the Cardboard trash cans for Organics and Recyclables, so that public will know how to sort trash.</p>
Winter in the Grove	5-7K people	Annually (December)	<p>Dumpsters - The City will need two (2) 3-Yard Dumpsters for Organics and Recyclables for this event. Republic to drop off at Garden Village Green Park.</p> <p>Cardboard Trash Cans - The City will need forty (40) Cardboard trash cans; twenty (20) for Organics and twenty (20) for Recyclables for this annual event.</p>	
Open Streets	10K people	Varies - Next: April 2, 2022	<p>Dumpsters - The City will need three (3) 3-Yard Dumpsters for Refuse, Organics, and Recyclables for this event. Dropoff location to be determined.</p> <p>Cardboard Trash Cans - Quantity to be determined</p>	The City's goal is to host this event annually, but frequency may change.

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EXHIBIT C:
PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

1. General Administration

The City has placed the utmost importance on effective public outreach and education in helping residents and businesses fully understand options for, and benefits of, source reduction, reuse, Recycling, and Composting. General provisions for public education and outreach are as follows:

- A. Within thirty (30) days of the Effective Date and by December 15 of each following year during the Term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs designed by the City and performed by Contractor under this Agreement. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, identify program objectives, individual tasks, public education materials to be distributed, opportunities for expanded partnerships, and a timeline for implementation. The City Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Manager. Contractor shall meet with the City Manager to present and discuss the plan, review the prior year's activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to the City reflect the needs of City staff and the City Council. City Manager shall be allowed up to sixty (60) calendar days after receipt to review and request modifications. The City Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to fifteen (15) Business Days to revise the plan in response to any requested changes by the City Manager. Any further delays may result in Liquidated Damages for failure to perform education and outreach activities as identified in this Exhibit C. Each Business Day that the plan is late shall count as a single occurrence.
- B. Upon request from the City Manager, City Manager and Contractor's Contract Administrator shall meet at least one (1) time per month to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.
- C. Contractor shall distribute instructional information, public education, and promotional materials in advance of, and following, Commencement of new or modified services. This shall entail, at a minimum, distributing program literature to all Customers at the Commencement of the Agreement as well as to any new Customer during the Agreement Term. Contractor shall use multiple media sources including print, radio television, electronic/social media, and events to notify Customers of the change in their service provider, if applicable, and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be distributed. The Contractor shall submit all draft materials to City Manager for review and approval.
- D. All City facilities shall receive any and all public education and outreach materials and services provided to the Commercial sector. Contractor shall provide all printed public education materials to City offices and facilities to have available for the public that visits those facilities and shall replenish the materials as requested by the City Manager.
- E. City or Contractor may design bill inserts. Bill inserts designed by Contractor shall be provided to the City Manager or their designee a minimum of sixty (60) prior to publication. The City Manager or their designee shall review bill inserts designed by Contractor; and the Contractor shall

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

responsible for printing and distributing the billing inserts to all Customers. Contractor shall provide electronic bill inserts (or separate email attachments) to Customers who are billed electronically, and paper bill inserts to Customers who receive paper bills. For Customers receiving electronic bills, Contractor agrees to distribute brochures, newsletters, or other information as attachments to Customer invoices. Electronic bill inserts/attachments must be readily available for the Customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City request for billing inserts, Contractor shall comply with such request during its next billing cycle for the targeted Customer group, if specified. Contractor shall perform this service with no additional requirement for compensation.

- F. Contractor shall develop a website specific to its operations in the City, with a section specific to City programs and Customers, that will be used to post educational materials for download, highlight program successes, and provide Diversion statistics. The Contractor's City specific website shall also include links to relevant web pages of the City's website where further information can be found. Content for the website shall be approved by the City Manager or their designee. Contractor shall review the website at a minimum annually to update information contained on website.

2. Public Education and Outreach Consultant

In the event that City, in its sole discretion, determines that the Contractor fails to fulfill the public education and outreach requirements contained in this Agreement to the City's satisfaction, or if CalRecycle refers the City to the Jurisdiction Compliance Unit (JCU) for additional enforcement review/action, or if less than ninety percent (90%) of the City's Commercial and Multi-Family Customers subject to the requirements of AB 341 and/or AB 1826 are in compliance with the mandatory requirements for Commercial Recycling and/or Organics by December 31, 2023, the City retains the right to direct Contractor to provide funding for the City to retain a public education and outreach consultant to perform the duties set forth in this Agreement, at no additional cost to the City. The City will notify the Contractor in writing of its intent to procure a public education and outreach consultant. Within thirty (30) days of written notice from the City, Contractor and City shall meet and confer in good faith prior to City retaining a public education and outreach consultant to develop a scope of work, timeline, and projected budget amount for the public education and outreach consultant. Upon one-hundred and twenty (120) days of written notice to the Contractor of the City's intent for to procure a public education and outreach consultant, the Contractor shall provide funds to the City to retain a public education and outreach consultant of the City's choosing. The minimum term of the public education and outreach consultant's contract shall be twelve (12) months and any subsequent contract extensions shall be in increments of twelve (12) months. Upon selection of the public education and outreach consultant by the City, the Contractor shall remit quarterly payments to the City for the cost of the public education and outreach consultant (e.g., if the contract amount were \$100,000, the Contractor would remit quarterly payments to the City of \$25,000 for the term of the engagement). The City will direct the work efforts of the public education and outreach consultant. During the term of the consultant's engagement, the Contractor shall cooperate with the consultant to provide Customer service and operations data to the consultant, implement Recycling and Organics programs at Customer sites as requested by the consultant, and to meet with the City and the consultant periodically to assess program progress. The City and the Contractor shall confer annually to assess the City's outreach/education progress, compliance status, and to determine if the public education and outreach consultant's contract shall be extended by an additional twelve (12) months.

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

3. Sector-Specific Activities

The following tables present the public education and outreach activities to be performed by Contractor each Rate Period as minimum requirements under this Agreement. Each Customer faces unique Discarded Materials management opportunities and challenges; therefore, Contractor shall develop targeted, sector-specific educational materials and perform outreach activities as described for each Customer Type.

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | All Sectors

All printed materials also to be posted to the Contractor's website.

The following general public education and outreach materials shall each be produced for the benefit of all Customer Types that receive Collection service from the Contractor.

Activity	Description	Distribution/Frequency
Newspaper Advertisement	Distribute a newspaper advertisement that explains all programs that will be offered under the new Agreement. Contractor shall also provide articles on Recycling for local newsletters.	One (1) time at beginning of the Agreement (20-30 days prior to contract start date). Annually, as requested thereafter.
Direct Community Outreach	Republic shall conduct school assemblies and promote Recycling through presentations and educational materials to the Chamber of Commerce, homeowner's associations, construction contractors and other civic groups.	Annually
Website	Contractor to prepare a section of its website where it will present Customers with educational and Diversion programs, upcoming outreach events, services, and resources specific to City. Website must include Contractor Customer service contact, material on source reduction of household Solid Waste and relevant legislative requirements.	Updated as mutually agreed
Corrective Action Notices – "Contamination Tag"	Produce and distribute a Notice for use in instances where the Customer includes prohibited materials in a Container or fails to properly prepare Containers. This form shall also be printed and made available in Korean and Vietnamese languages.	As needed.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Single-Family Education and Outreach Activities

All printed materials also to be posted to the Contractor's website.

Activity	Description	Distribution/Frequency
Initial Mailing	Produce and Distribute a City-designed initial mailing to Single-Family Customers, which may include content such as explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; regulatory requirements, including SB 1383; and, the Effective Date of the change. Contractor shall include its Holiday schedule and the Residential Recycling and expanded services guide.	One (1) time at beginning of the Agreement (45-60 days prior to Commencement Date) via direct mail.
Annual Notice	Contractor shall prepare and distribute to each Customer a brochure providing relevant information about Contractor's services, including, at a minimum: information regarding access to and use of available services; Collection schedules; Holiday Collection schedules; Customer service numbers; procedures to begin and terminate services; and information promoting and explaining available programs, such as Recycling, Organic Materials, Holiday Tree and Bulky Item Collections, the availability of Household Hazardous Waste, U-Waste and E-Waste Collection, and the proper handling and Disposal of such wastes. This brochure shall also be printed and made available in Korean and Vietnamese languages.	One (1) time per year.
Recycling Guide	Produce and Distribute a "Recycling guide" specific to Single-Family Customers. This guide shall include information on Collection methodologies, set out instructions, set out schedule, contact information, and acceptability and necessary preparation of materials for all Single-Family programs described in Exhibit B1. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	Affixed (inside plastic bag, zip-tied to handle) to every Single-Family Recyclable Materials Cart delivered prior to the Commencement Date, and thereafter to all new Customers. By direct mail annually thereafter to each Single-Family Customer

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Neighborhood Group & HOA Visits	Upon City request, visit homeowner associations and other neighborhood groups and associations to promote and explain the Recycling programs included in this Agreement.	At City Manager or Customer request.
Quarterly Newsletter	Not less than four (4) times per year during each Rate Period, Contractor shall be responsible for all costs incurred for the production and mailing of the City's Quarterly Newsletter. The City reserves the right to direct the production of the Quarterly Newsletter to a contractor of the City's choosing. The Quarterly Newsletter will include information on current regulations, and any additional regulations adopted during the Term of this Agreement and any extensions granted by the City. The Contractor shall be required to coordinate distribution via U.S. Mail of the Quarterly Newsletter with a local mailing house, including furnishing Customer mailing addresses.	
Corrective Action Notices	Produce and distribute a Single-Family Customer oriented Non-Collection Notice, and Courtesy Pick-Up Notices for use in instances where the Customer includes Prohibited Container Contaminants in a Container or fails to properly prepare or set-out Containers.	As needed.
Seasonal Program Notifications	Provide written notification to all Single-Family Customers advertising holiday tree Collections pursuant to Exhibit B1.5 and any other seasonal or periodic program(s). The notification shall inform Customers of the schedule, acceptable and prohibited materials, and set-out requirements for the program.	At least fourteen (14) calendar days prior to event via direct mail.
Website	Contractor shall prepare a "Single-Family Customer" section of its website where it will present Customers with "how-to" information for participating in Contractor-provided programs, including proper Container setouts, and provide Single-Family Customers with links to click on for additional resources. All other Single-Family educational materials specified in this Section shall be posted on this Section of Contractor's website in PDF and/or video format. The website shall also publish the current Rates charged to Single-Family Customers within the City.	At least sixty (60) calendar days prior to Commencement Date. Updated no less than quarterly.

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Mandatory Recycling and Organics Outreach Activities	Produce and Distribute outreach materials containing information to assist City with outreach compliance for various Applicable Laws related to Mandatory Recycling and Organics including, but not limited to, SB 1383. Can be combined with annual notice requirements and quarterly newsletters.	One (1) time annually

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Multi-Family Education and Outreach Activities

All printed materials also to be posted to the Contractor's website.

Description	Purpose	Distribution/Frequency
New Programs Mailing	Produce and Distribute an initial mailing to all Multi-Family Dwelling Units within City explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; new regulatory requirements, including SB 1383; and, the Effective Date of the change.	One (1) time at beginning of the Agreement (45-60 days prior to Commencement Date) via direct mail to each Multi-Family Dwelling Units in City.
Annual Notice	Contractor shall prepare and distribute to each Customer a brochure providing relevant information about Contractor's services, including, at a minimum: information regarding access to and use of available services; Collection schedules; Holiday Collection schedules; Customer service numbers; procedures to begin and terminate services; and information promoting and explaining available programs, such as Recycling, Organic Materials, Holiday Tree and Bulky Item Collections, the availability of Household Hazardous Waste, U-Waste and E-Waste Collection, and the proper handling and Disposal of such wastes. This brochure shall also be printed and made available in Korean and Vietnamese languages.	One (1) time per year.
Recycling Guide	Produce and Distribute a "Recycling Guide" specific to Multi-Family Customers, and updated versions of the guide as needed. This guide shall include information such as Collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all Multi-Family programs described in Exhibit B2. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	One (1) time at beginning of the Agreement (20-30 days prior to Commencement Date) and as needed via direct mail to each Multi-Family Dwelling Units in City.

EXHIBIT C PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
Technical Assistance: Diversion Opportunity Assessments	Offer Diversion opportunity assessments at least one (1) time annually to each and every Multi-Family Customer to meet with the property manager or Owner of Multi-Family Premises to promote Recyclable and Organic Materials Collection.	Offer in-person meetings to each and every Multi-Family Customer conducted one (1) time per year, plus follow-up meetings with individual Customers, as needed.
Workshops	Offer and respond to requests for on-site meetings and workshops. Contractor shall conduct workshops for Customers (when requested) that will show property managers and residents, in a hands-on interactive format, how to use the Recycling and Organics program and will provide resources for additional information and support.	At Customer's request.
Website	Contractor shall prepare a "Multi-Family Customer" section of its website where it will present "how-to" information for participating in Contractor-provided programs, including proper Container setouts, and provide Multi-Family Customers with links to click on for additional resources. All other Multi-Family educational materials specified in this Exhibit C shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current Rates charged to Multi-Family Customers within the City. The website shall also provide property managers of Multi-Family Premises with an opportunity to request "Diversion opportunity assessments," or additional education materials to provide to tenants.	At least sixty (60) calendar days prior to Commencement Date. Updated no less than quarterly.
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials containing information to assist City with outreach compliance for various Applicable Laws related to Mandatory Recycling and Organics including, but not limited to, AB 341, AB 1826, and SB 1383.	One (1) time annually

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
Educational Materials for Employees/Tenants	Contractor shall provide Commercial and Multi-Family property managers/Owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and Customers of the property or business. The public education materials shall include, at a minimum, information about Organic Waste recovery requirements and proper sorting of Discarded Materials. Multi-Family property managers/Owners may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within fourteen (14) days of occupancy.	One (1) time annually; or more frequently upon Customer request.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Commercial Education and Outreach Activities

All printed materials also to be posted to the Contractor's website.

Description	Purpose	Distribution/Frequency
New Programs Mailing	Prepare and distribute an initial mailing to all Commercial Customers within the City explaining the program changes in the new Agreement; changes from the existing Collection programs to new programs; and, the Effective Date of the change.	One (1) time at beginning of the Agreement (45-60 days prior to Commencement Date) via direct mail.
Annual Notice	Contractor shall prepare and distribute to each Customer a brochure providing relevant information about Contractor's services, including, at a minimum: information regarding access to and use of available services; Collection schedules; Holiday Collection schedules; Customer service numbers; procedures to begin and terminate services; and information promoting and explaining available programs, such as Recycling, Organic Materials, Holiday Tree and Bulky Item Collections, the availability of Household Hazardous Waste, U-Waste and E-Waste Collection, and the proper handling and Disposal of such wastes. This brochure shall also be printed and made available in Korean and Vietnamese languages.	One (1) time per year.
Recycling Guide	Contractor shall produce a "Recycling Guide" specific to Commercial Customers and update the guide as needed. This guide shall include information on Collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all Commercial programs described in Exhibit B3. A section of the guide will specifically address proper methods of handling and Disposal of Hazardous Wastes.	One (1) time at beginning of the Agreement (20-30 days prior to Commencement Date) and as needed via direct mail. Distributed during Diversion opportunity assessments.
"How-to" Flyer: Recyclable Materials	Prepare and distribute a "how-to" brochure explaining the Recycling Materials Collection programs for each general business type (restaurants, office/Commercial buildings, strip malls, and large Commercial Businesses).	One (1) time at beginning of the Agreement (20-30 days prior to contract start date) via direct mail. Distributed during Diversion opportunity assessments.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
"How-to" Flyer: Organic Materials	Prepare and distribute a flyer describing the Organic Materials Collection services available and how to prepare Organic Materials for Collection for each general business type (restaurants, office/Commercial buildings, strip malls, and large Commercial Businesses).	One (1) time at beginning of the Agreement (20-30 days prior to contract start date) via direct mail. Distributed during Diversion opportunity assessments.
Technical Assistance: Diversion Opportunity Waste Assessments	Offer Diversion opportunity assessments at least one (1) time annually to each and every Commercial Customer to promote Recyclable and Organic Materials Collection and replenish Recycling guides and Recycling and Organics posters as needed by each Customer.	Offer one (1) time annually during in-person meetings with each and every Commercial Customer, plus follow-up meetings with individual Customers, as required.
Recycling and Organics Posters	Produce and distribute (during Diversion opportunity assessments) laminated Recycling and Organics posters that provide graphic illustrations of acceptable and prohibited materials within each program.	Distributed during Diversion opportunity assessments.
Quarterly Bill Inserts	Prepare and distribute quarterly bill inserts that creatively inform Commercial Customers about such topics as: cost savings available from source reduction, reuse, and Recycling; tips for overcoming common operational challenges businesses have with Recycling and Organics programs; the environmental benefits of buying Recycled-content products and statistics, trends, and facts about programs performed under this Agreement (e.g., Collected, Tonnage, year over year increase/decrease, markets for material Collected, what each material is Recycled into) as appropriate. Contractor's annual public education plan shall define a theme for each quarterly insert.	One (1) time per quarter via direct mail to each Commercial Customer in City.
Corrective Action Notices	Produce a Commercial and Multi-Family Customer oriented corrective action notice for use in instances where the Customer includes Prohibited Container Contaminants in a Container or fails to properly prepare or set-out Containers.	As needed.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Description	Purpose	Distribution/Frequency
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials related to the mandatory nature of Recyclable Materials and Organic Materials Collection services, upon request from City Manager. Such outreach shall be designed to assist the City in complying with the outreach requirements of various Applicable Laws related to the mandatory provision of Recyclable Materials and Organic Materials Collection and Diversion services.	One (1) time annually
Educational Materials for Employees/Tenants	Contractor shall provide Commercial and Multi-Family property managers/Owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and Customers of the property or business. The public education materials shall include, at a minimum, information about Organic Waste recovery requirements and proper sorting of Discarded Materials. Commercial Customers may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within fourteen (14) days of occupancy.	One (1) time annually; or more frequently upon Customer request. Can be provided electronically to property or business.
Commercial Edible Food Generator Education	<p>Contractor shall provide Customers that are Commercial Edible Food Generators with the following:</p> <ol style="list-style-type: none"> 1. Information about the City's Edible Food Recovery program; 2. Information about the Commercial Edible Food Generator requirements under 14 CCR, Division 7, Chapter 12, Article 10; 3. Information about Food Recovery Organizations and Food Recovery Services operating within the City, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and, 4. Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste 	One (1) time annually

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Special Events

All printed materials also to be posted to the Contractor's website as well as links to teacher resources.

Description	Purpose	Distribution/Frequency
Event Exhibit	Contractor shall staff an exhibit booth and distribute promotional and educational materials at special events. Contractor shall provide visual displays, copies of educational materials (including all guides, flyers, and brochures produced for this Agreement), and Recycling education activities appropriate to a variety of age groups. Display components will be professionally designed and created and shall be scalable to be appropriate for a variety of booth or display configurations. Materials will include those pertaining to the programs provided under this Agreement as well as general information on "green" and/or sustainable behaviors.	All special events listed in Exhibit B4 of this Agreement. Other events at City Manager's request.

**EXHIBIT D:
INITIAL MAXIMUM RATES**

EXHIBIT D: INITIAL MAXIMUM RATES

Following are the Rates for July 1, 2022 through June 30, 2023:

<u>RESIDENTIAL</u>	Service Component	Disposal Component	Adjusted GG Rate Schedule
Basic Residential Rate for Three Carts 35, 64, or 96 Gallon Option	\$ 21.23	\$ 4.60	\$ 25.83
Extra Refuse Container	\$ 1.99	\$ 4.60	\$ 6.59
Extra Yard Waste Container - Above One	\$ 2.25	-	\$ 2.25
Extra Recycle Container - Above One	\$ 2.25	-	\$ 2.25
Disabled/Low Income Senior 65+ Residential 64 or 96 Gallon Option	\$ 15.46	\$ 4.60	\$ 20.06
Non-Schedule Collection / Call Back	\$ 42.13	-	\$ 42.13
Additional Requests After 3 Pick-Ups/Year	\$ 53.41	-	\$ 53.41
Per Item Charge - After 10 Items	\$ 8.22	-	\$ 8.22
Containers Exchanged in Excess of One time per Year	\$ 45.99	-	\$ 45.99
Container Replacement - Customer Misuse Each	\$ 54.56	-	\$ 54.56
Steam Cleaning of Curbside Carts	\$ 26.92	-	\$ 26.92
Republic Kitchen Pail (Customer Pickup only)	\$ 11.00	-	\$ 11.00
Organic Materials/Recycling Cart Contamination fee (4th and Subsequent event)	\$ 10.77	-	\$ 10.77

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL	Service Component	Disposal Component	Adjusted GG Rate Schedule
Barrel Service For Commercial (max 4 Refuse carts)			
96 Gallon Refuse Cart (New Customer) 1x/week	\$ 94.42	\$ 5.58	\$ 100.00
96 Gallon Refuse Cart (Existing Customers Only) 1x/week	\$ 27.71	\$ 5.58	\$ 33.29
96 Gallon Recycling Cart 1x week	\$ 75.00	-	\$ 75.00
96 Gallon Recycling Cart 2x week	\$ 157.50	-	\$ 157.50
96 Gallon Recycling Cart 3x week	\$ 232.50	-	\$ 232.50
Commercial Organic Materials Carts (35 or 64 gallon)			
Serviced 1x per/week	\$ 75.00	-	\$ 75.00
Serviced 2x per/week	\$ 157.50	-	\$ 157.50
Serviced 3x per/week	\$ 232.50	-	\$ 232.50
Commercial Green Waste Carts (35 or 64 gallon)			
Serviced 1x per/week	\$ 75.00	-	\$ 75.00
Serviced 2x per/week	\$ 157.50	-	\$ 157.50
Serviced 3x per/week	\$ 232.50	-	\$ 232.50
Two Yard Recycling Bins			
Serviced 1x per/week	\$ 97.11	-	\$ 97.11
Serviced 2x per/week	\$ 173.43	-	\$ 173.43
Serviced 3x per/week	\$ 249.65	-	\$ 249.65
Three Yard Recycling Bins			
Serviced 1x per/week	\$ 140.49	-	\$ 140.49
Serviced 2x per/week	\$ 260.12	-	\$ 260.12
Serviced 3x per/week	\$ 379.69	-	\$ 379.69
Serviced 4x per/week	\$ 499.26	-	\$ 499.26
Serviced 5x per/week	\$ 618.84	-	\$ 618.84
Serviced 6x per/week	\$ 790.59	-	\$ 790.59
Extra Pick-up			
Two Yard Organic Commercial Bins			
Serviced 1x per/week	\$ 97.11	-	\$ 97.11
Serviced 2x per/week	\$ 173.43	-	\$ 173.43
Serviced 3x per/week	\$ 249.65	-	\$ 249.65

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL	Service Component	Disposal Component	Adjusted GG Rate Schedule
Two Yard Commercial Refuse Bins			
Serviced 1x per/week	\$ 178.58	\$ 18.27	\$ 196.85
Serviced 2x per/week	\$ 276.61	\$ 36.54	\$ 313.15
Serviced 3x per/week	\$ 374.59	\$ 54.82	\$ 429.41
Serviced 4x per/week	\$ 472.63	\$ 73.09	\$ 545.72
Serviced 5x per/week	\$ 570.62	\$ 91.36	\$ 661.98
Serviced 6x per/week	\$ 668.63	\$ 109.63	\$ 778.26
1st Extra Bin Pick-up	\$ 83.16	\$ 4.22	\$ 87.38
Additional Bins @ Same Time	\$ 44.53	\$ 4.22	\$ 48.75
Three Yard Commercial Refuse Bins			
Serviced 1x per/week	\$ 179.57	\$ 27.41	\$ 206.98
Serviced 2x per/week	\$ 274.29	\$ 54.82	\$ 329.11
Serviced 3x per/week	\$ 369.05	\$ 82.23	\$ 451.28
Serviced 4x per/week	\$ 463.73	\$ 109.63	\$ 573.36
Serviced 5x per/week	\$ 558.51	\$ 137.04	\$ 695.55
Serviced 6x per/week	\$ 653.26	\$ 164.45	\$ 817.71
1st Extra Bin Pick-up	\$ 85.61	\$ 6.32	\$ 91.93
Additional Bins @ Same Time	\$ 44.94	\$ 6.32	\$ 51.26
Three Yard Mini-Packer Bins			
Serviced 1x per/week	\$ 240.89	\$ 82.24	\$ 323.13
Serviced 2x per/week	\$ 417.45	\$ 164.47	\$ 581.92
Serviced 3x per/week	\$ 594.05	\$ 246.71	\$ 840.76
Serviced 4x per/week	\$ 770.58	\$ 328.94	\$ 1,099.52
Serviced 5x per/week	\$ 947.18	\$ 411.18	\$ 1,358.36
Serviced 6x per/week	\$ 1,123.75	\$ 493.42	\$ 1,617.17
Extra Pick-up	\$ 128.86	\$ 18.97	\$ 147.83
Additional Bins @ Same Time	\$ 128.86	\$ 18.97	\$ 147.83
Four Yard Commercial Refuse Bins			
Serviced 1x per/week	\$ 201.03	\$ 36.56	\$ 237.59
Serviced 2x per/week	\$ 317.58	\$ 73.10	\$ 390.68
Serviced 3x per/week	\$ 434.10	\$ 109.66	\$ 543.76
Serviced 4x per/week	\$ 550.71	\$ 146.20	\$ 696.91
Serviced 5x per/week	\$ 667.21	\$ 182.76	\$ 849.97
Serviced 6x per/week	\$ 783.81	\$ 219.30	\$ 1,003.11
Extra Pick-up	\$ 99.25	\$ 8.44	\$ 107.69
Additional Bins @ Same Time	\$ 49.96	\$ 8.96	\$ 58.92
Six Yard Commercial Refuse Bins			
Serviced 1x per/week	\$ 203.24	\$ 54.83	\$ 258.07
Serviced 2x per/week	\$ 300.44	\$ 109.66	\$ 410.10
Serviced 3x per/week	\$ 397.72	\$ 164.48	\$ 562.20
Serviced 4x per/week	\$ 494.91	\$ 219.30	\$ 714.21
Serviced 5x per/week	\$ 592.13	\$ 274.13	\$ 866.26
Serviced 6x per/week	\$ 689.32	\$ 328.96	\$ 1,018.28
Extra Pick-up	\$ 102.08	\$ 12.65	\$ 114.73
Additional Bins @ Same Time	\$ 50.53	\$ 13.44	\$ 63.97
Three Yard Temp. Construction Bins			
Serviced 1x per/week	\$ 201.38	\$ 27.41	\$ 228.79
Serviced 2x per/week	\$ 291.65	\$ 54.83	\$ 346.48
Serviced 3x per/week	\$ 381.99	\$ 82.24	\$ 464.23
Serviced 4x per/week	\$ 472.23	\$ 109.66	\$ 581.89
Serviced 5x per/week	\$ 562.63	\$ 137.06	\$ 699.69
Serviced 6x per/week	\$ 652.90	\$ 164.48	\$ 817.38
Extra Pick-up	\$ 116.77	\$ 6.32	\$ 123.09

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL	Service Component	Disposal Component	Adjusted GG Rate Schedule
<u>Pull-out service</u>			
Serviced 1x per/week	\$ 70.16	\$ -	\$ 70.16
Serviced 2x per/week	\$ 140.29	\$ -	\$ 140.29
Serviced 3x per/week	\$ 210.44	\$ -	\$ 210.44
Serviced 4x per/week	\$ 280.62	\$ -	\$ 280.62
Serviced 5x per/week	\$ 350.76	\$ -	\$ 350.76
Serviced 6x per/week	\$ 420.89	\$ -	\$ 420.89
Extra Pick-up	\$ 70.16	\$ -	\$ 70.16
Additional Bins @ Same Time	\$ 70.16	\$ -	\$ 70.16
<u>Other Special Services</u>			
Overage Fee per Occurrence	\$ 47.98	\$ -	\$ 47.98
Any Bin Size Exchange - In Excess of 1 p/Yr.	\$ 99.08	\$ -	\$ 99.08
Special Access Required - Key or Code	\$ 13.21	\$ -	\$ 13.21
Relocation Fee	\$ 70.61	\$ -	\$ 70.61
<u>Contamination Fees (per Occurrence)</u>			
Organic Materials/Recycling Bin Contamination fee	\$ 53.85	\$ -	\$ 53.85
Organic Materials/Recycling Cart Contamination fee	\$ 10.77	\$ -	\$ 10.77
Commercial Bulky Item Pick-Up - Two Items	\$ 60.26	\$ -	\$ 60.26
Additional Item Charge - In Excess of 2 Items	\$ 8.03	\$ -	\$ 8.03
Container Steam Cleaning	\$ 127.24	\$ -	\$ 127.24
Locking Latch Installation	\$ 119.21	\$ -	\$ 119.21
Locking Latch 1x week	\$ 2.64	\$ -	\$ 2.64
Redeliver Bins	\$ 100.44	\$ -	\$ 100.44

EXHIBIT D: INITIAL MAXIMUM RATES

SPECIAL SERVICES	Service Component	Disposal Component	Adjusted GG Rate Schedule
Roll-Off Containers (all assume 8 tons unless otherwise noted)			
Temporary - Three Day Service			
40 CY Roll-off Box	\$ 488.17	\$ 182.12	\$ 670.29
15 CY Low Boy	\$ 411.49	\$ 258.80	\$ 670.29
40 CY Yard Waste Roll-off	\$ 670.29	-	\$ 670.29
15 CY Low Boy - Clean Inert	\$ 670.29	-	\$ 670.29
Organic Box	\$ 452.60	\$ 523.69	\$ 976.29
3 CY Bin Standard	\$ 88.68	\$ 6.32	\$ 95.00
Extra Days - 3 CY Bin	\$ 7.74	-	\$ 7.74
Additional Dump of Temp 3 CY Bin	\$ 88.68	\$ 6.32	\$ 95.00
3 CY Bin Non-Profit Rate	\$ 83.43	\$ 6.32	\$ 89.75
Permanent - Min. 4 Load per/Month			
40 CY Roll-off Box	\$ 336.00	-	\$ 336.00
40 CY Roll-off Compactor	\$ 403.20	-	\$ 403.20
Organic Box	\$ 336.00	-	\$ 336.00
Organics Compactor Box - 30 CY	\$ 403.20	-	\$ 403.20
Per Ton - Refuse		\$ 82.97	\$ 82.97
Per Ton - Organics		\$ 125.00	\$ 125.00
Over Weight Surcharge Over 8 Tons			
Overweight Refuse		\$ 82.97	\$ 82.97
Overweight Yard Waste		\$ 104.73	\$ 104.73
Overweight Clean Inert		\$ 104.73	\$ 104.73
Overweight Organics		\$ 104.73	\$ 104.73
Relocation Fee	\$ 53.85	-	\$ 53.85
Stand-by Hourly Rate	\$ 95.88	-	\$ 95.88
Trip Charge / Dead Run	\$ 75.85	-	\$ 75.85
Turn-A-Round Surcharge - Packer Units	\$ 12.61	-	\$ 12.61
Saturday Service Per Box	\$ 41.53	-	\$ 41.53
Heavy-duty Truck Service - per Load	\$ 441.32	-	\$ 441.32
Mandatory Signature Required	\$ 6.31	-	\$ 6.31
Temp R/O Extra Day (per Day Charge)	\$ 15.34	-	\$ 15.34
Steam Cleaning R/O or Packer >1 p/Yr.	\$ 126.11	-	\$ 126.11
Storage Container Mo. Rental / Delivery	\$ 104.37	-	\$ 104.37
Storage Container Return (\$1.00/mile) +	\$ 13.21	-	\$ 13.21
Non-Profit Storage Container Mo. Rental / Delivery	\$ 64.78	-	\$ 64.78
Tilt Hopper Monthly Rental	\$ 49.18	-	\$ 49.18
Three (3) Yard Bin Monthly Rental	\$ 66.04	-	\$ 66.04
Non-Profit Three (3) Yard Bin Monthly Rental	\$ 38.89	-	\$ 38.89

EXHIBIT D: INITIAL MAXIMUM RATES

	Service Component	Disposal Component	Adjusted GG Rate Schedule
LEEDS/GREEN BUILDING			
30 CY Mixed Refuse/C&D Debris 65% - Haul	\$ 401.18	\$ 182.12	\$ 583.30
15 CY Mixed Inert 65% - Haul	\$ 397.47	\$ 258.80	\$ 656.27
15 CY Clean Concrete/Inert Clean - Haul	\$ 385.30	-	\$ 385.30
30 CY Clean Wood - Haul	\$ 529.86	-	\$ 529.86
30 CY Clean Drywall	\$ 529.86	-	\$ 529.86
30 CY Metal - Haul	\$ 92.75	-	\$ 92.75
30 CY Cardboard	\$ 148.40	-	\$ 148.40
Over Weight Surcharge Over 8 Tons			
30 CY Mixed Refuse/C&D Debris 65%	-	\$ 47.91	\$ 47.91
15 CY Mixed Inert 65%	-	\$ 47.91	\$ 47.91
15 CY Clean Concrete/Inert	-	\$ 39.26	\$ 39.26
30 CY Clean Wood	-	\$ 39.26	\$ 39.26
30 CY Clean Drywall	-	\$ 39.26	\$ 39.26
Other City Services			
Emergency Services Rate Per Hour (One Crew and One Truck)	\$ 145.00	-	\$ 145.00

**EXHIBIT E:
EXAMPLE RATE ADJUSTMENT FORMULA**

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

STEP 1: Calculate the annual average change in GTCI.

Series pulled from:

CPI for All Urban Consumers (CPI-U)

Original Data Value

Series pulled from: <https://beta.bls.gov/dataViewer/view/timeseries/CUUR0000SEHG02>

Series with Annual Average can be pulled from: <https://www.bls.gov/data/#>

Series Id: CUUR0000SEHG02

Not Seasonally Adjusted

Series Title: Garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted

Area: U.S. city average

Item: Garbage and trash collection

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	398.880	400.381	401.692	400.913	401.067	402.793	406.243	406.823	407.594	409.495	410.155	410.416	404.704
2013	411.126	411.805	412.305	413.675	414.511	414.802	416.505	417.760	418.357	419.687	421.427	422.237	416.183
2014	422.440	422.483	423.413	425.393	425.242	425.930	426.562	426.771	427.327	427.995	427.808	428.187	425.796
2015	427.734	429.248	429.235	429.807	431.234	430.813	431.229	432.967	433.843	434.829	436.428	436.996	432.030
2016	437.205	438.296	437.699	437.676	438.317	437.858	438.607	439.358	439.707	440.311	443.343	444.745	439.427
2017	446.266	447.699	446.987	447.129	447.272	448.046	448.328	448.717	449.008	452.196	453.820	453.596	449.089
2018	453.354	454.915	455.230	458.722	462.887	465.041	465.579	470.457	471.026	472.535	486.650	485.935	466.861
2019	475.687	477.474	478.569	479.449	480.865	480.984	482.138	483.987	484.346	486.133	486.485	486.708	481.902
2020	491.003	494.429	495.288	494.432	494.946	496.679	498.564	500.882	501.756	503.315	504.970	508.190	498.705
2021	512.722	517.270	518.505	518.579	516.440	517.202	521.185	524.408	529.934	530.114	529.053	532.538	522.329
2022	533.078	538.313	540.719	542.564	544.546								

STEP 2: Calculate the increase to the Service and Disposal Components

Service Component Calculation (GTCI - CUUR0000SEHG02)*

498.705	2021 Annual 12 - Month Average ending December 2021
522.329	2022 Annual 12 - Month Average ending December 2022
23.624	Difference
4.74%	Resulting Net Annual Adjustment

Disposal Component (Based on Actuals)

\$ 36.09	2021 Orange County Landfill Charge
\$ 38.34	2022 Orange County Landfill Charge
\$ 2.25	Difference
6.23%	Resulting Landfill Adjustment

**As further described in Section 8.4 of the Agreement, the GTCI Adjustment shall not exceed six percent (6%) for the July 1, 2023 adjustment. Notwithstanding the foregoing, the GTCI Adjustment shall not exceed five percent (5%) in any given year starting with the adjustment effective July 1, 2024 and all years thereafter.*

STEP 3: Apply increases to components as noted in Exhibit D.

Adjustments to Service Fee Components

The Service Components of each rate shall be adjusted by the change calculated in the average annual index for the 12 months ended December of the most recent calendar year prior to the Adjustment Date and the average annual index for the 12 months ended December of the previous year.

Adjustments to Disposal Fee Components

The Disposal Components listed in Exhibit D will be increased by the change in the per ton tipping fee at the Orange County Landfill.

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**EXHIBIT F:
REPORTING REQUIREMENTS**

EXHIBIT F

REPORTING REQUIREMENTS

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

1. Determine and set Rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under Applicable Law.
4. Determine needs for adjustment to programs.
5. Evaluate Customer service and Complaints.
6. Determine Customer compliance with AB 341, SB 1383, and any subsequent State-mandated Recycling requirements.

1. Monthly Report Content

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

A. Tonnage Report.

1. Tonnage delivered to each Approved Facility by Customer Type, subtotaling and clearly identifying those Tons that are Diverted and those that are Disposed.
2. E-Waste, U-Waste, and Bulky Items Collected by Customer Type.
3. Solid Waste Tonnage Disposed.
4. Recyclable Materials Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.
5. Bulky Items and Reusable Materials Tonnage Marketed and Tonnage Disposed from non-Divertible materials and Processing Residue.
6. Monthly Diversion rate by Customer Type and in aggregate for all Customer Types under this Agreement.

B. Diversion Report. Contractor shall report the Diversion level for each month and the cumulative year-to-date Diversion Level, where Diversion level shall be calculated as: (Discarded Materials Collected – Solid Waste Collected – Processing Residue Disposed) / Discarded Materials Collected.

C. Revenue Report. Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 7.1.

EXHIBIT F

REPORTING REQUIREMENTS

D. Customer Subscription and Collection Report.

1. A summary of Customer subscription data, including the number of accounts; the number of Customers subscribing to each Service Level listed separately by Customer Type and Discarded Material type.
2. Number of Containers at each Service Level by Customer Type and program. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Roll-Off Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; and, Commercial Customer.
3. List of all Commercial and Multi-Family Customers with Solid Waste service. Such list shall include each such Customer's service address and subscribed Solid Waste, Recyclable Materials, and Organic Materials Service Levels, and other information as required by the Agreement. The list should include all information in one (1) line for each Customer illustrating the Service Level for each Material Type and the total Service Level for all Material Types the Customer has subscribed to.
4. Number of Bulky Item/Reusable Materials Collection events by Customer Type.
5. Number of Customers subscribing to each City approved service exemption by Customer Type; including the total number of de minimis waivers, physical space constraint waivers, and Collection frequency waivers granted in the month in accordance with Section 4.9, including the Customer name and address for each waiver
6. The number of waivers reviewed, and number of reverification inspections performed, by the Contractor pursuant to Section 4.9.B of this Agreement in the month, if any, including a copy of documentation for each waiver review and reverification inspection.
7. List of Commercial Generators with decreased Service Levels, cancellation of service, and new service.

E. City Services Report.

1. City facility Diversion rate report (i.e., volume of service by Service Level and type received by each City Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).
2. Summary report on the programs offered to City as described in Exhibit B4 focused on when each service was provided, and any issues/concerns identified.

F. Customer Service Report.

1. Number of events of Discarded Materials being tagged for Non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste).
2. Number of courtesy pick-up Collections summarized by the reason for leaving a Courtesy Pick-Up Notices (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste).

EXHIBIT F

REPORTING REQUIREMENTS

3. List of Customers for which Contractor has performed a courtesy pick-up Collection, including the Customer address, and material type for which the courtesy pick-up Collection was performed.
4. Record of SB 1383 non-compliance Complaints received, including the following information:
 - a. Total number of Complaints received, and total number of Complaints investigated.
 - b. Copies of documentation recorded for each Complaint received, which shall at a minimum include the following information: (i) The Complaint as received; (ii) The name and contact information of the complainant, if the Complaint is not submitted anonymously; (iii) The identity of the alleged violator, if known; (iv) A description of the alleged violation; including location(s) and all other relevant facts known to the complainant; (v) Any relevant photographic or documentary evidence submitted to support the allegations in the Complaint; and, (vi) The identity of any witnesses, if known.
 - c. Copies of all Complaint reports submitted to the City, pursuant to Article 6 of this Agreement.
 - d. Documentation of any follow-up inspections and/or outreach, if any, conducted upon City request pursuant to Section 4.7.C of this Agreement, which shall include at a minimum: (i) The date the Contractor investigated the Complaint; (ii) documentation of the findings of the investigation; and (iii) Any photographic or other evidence collected during the investigation.

G. Contamination Monitoring Report.

1. The number of route reviews conducted pursuant to Section 4.10 of this Agreement.
2. Description of the Contractor's process for determining the level of contamination or Bin overfilling during route reviews. Contractor shall document the contamination and/or overfilling through use of film or digital photography.
3. A record of each inspection and contamination fee assessed, which shall include, at a minimum:
 - a. Name and address of the Customer;
 - b. The date the contaminated Container was observed;
 - c. The staff who conducted the inspection;
 - d. The total number of violations found, and a description of what action was taken for each;
 - e. Copies of all notices to Customers with Prohibited Container Contaminants; and,
 - f. Photographic documentation.
4. Documentation of the total number of Containers Disposed of due to observation of Prohibited Container Contaminants.

EXHIBIT F

REPORTING REQUIREMENTS

5. Summary report of Courtesy Pick-Up Notices, Non-Collection Notices, and/or Contamination Processing Fee Notices issued, which for each notice shall include the date of issuance, Customer name, and service address.
6. A list of all Customers assessed Contamination Processing fees, pursuant to Section 4.10 of this Agreement, reported separately by Customer Type, and including the Customer name, Customer address, and reason for the assessment of the Contamination Processing Fee; the total number of instances Contamination Processing Fees were assessed in the month; and, the total amount of fees collected in the month.
7. If performed, results of any waste characterization studies conducted pursuant to Exhibit B4, Section 6 of this Agreement.
8. Any other information reasonably requested by the City or specified in contamination monitoring provisions of this Agreement.

2. Quarterly Report Content

A. Education and Outreach.

1. A copy of all education and outreach materials provided to Generators, or otherwise used for education and outreach efforts in accordance with Section 4.5 of the Agreement and Exhibit C including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
2. A record of the date and to whom the information was disseminated, or direct contact made, in the form of a list that includes: the Generator's name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
3. For any mass distribution through mailings or bill inserts, provide a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.
4. A copy of all electronic media, including the dates posted or sent of: social media posts, e-mail communications, or other electronic messages. A summary report shall be provided for electronic marketing that itemizes each communication and reports performance metrics for each that are relevant to that type of communication (e.g., open and click-through rates for email marketing, engagement numbers for social media).
5. Summary of the results of the Diversion opportunity assessments provided to Customers (reporting Multi-Family separate from Commercial) by identifying the number of Diversion opportunity assessments conducted each month in the most-recently completed quarter, and contact information including address, contact names, telephone number of Persons contacted, number of Dwelling Units (for Multi-Family), and the Recyclable Materials, Organic Materials, and Solid Waste Service Level for each complex. Include any Service Level changes resulting from such visits.
6. Summary of the public education materials and activities provided to schools in the month, if any; including results from Diversion opportunity assessments as described in Exhibit C.
7. Dates, times, and group or event names of any site visits, meetings, and events attended in the month.

EXHIBIT F

REPORTING REQUIREMENTS

3. Annual Report Content

The annual report shall be the final monthly report, including annual totals, summary pages, and a compilation of any materials required by the monthly reports, plus the following additional information.

A. Summary Assessment. Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective relative to the financial and physical status of the program. The physical status assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly the Contractor's Diversion goals. Provide recommendations and plans to improve and highlight significant accomplishments and problems. Results shall be compared to other similar size communities served by the Contactor in the State.

B. Collection and Processing Report.

1. The total Tonnage of Discarded Materials, listed separately by Discarded Material type, removed from homeless encampments and illegal Disposal sites as part of an abatement activity, listing each Collection event separately by date, location, and Tonnage Collected, pursuant to Exhibit B4.
2. A record of all compliance agreements for quarantined Organic Waste that are Disposed of, including the name of Generator, date issued, location of final disposition, and the amount of quarantined Organic Waste that was required to be Disposed at a landfill, pursuant to Section 4.9.C.2 of the Agreement.
3. Written notification that the Approved Organic Materials Processing Facility(ies) has and will continue to have the capabilities to Process and recover the Compostable Plastics, in accordance with Section 4.1.J of the Agreement.

C. Education and Outreach Report.

1. A summary of the status of the annual education plan of the reporting year, including activities conducted and the quantitative and/or qualitative results of those activities.
2. The annual public education plan required by Section 4.5 of the Agreement and Exhibit C for the upcoming then-current calendar year. For example, Contractor submittal of a 2023 annual report in February 2024 shall include Contractor submittal of the annual public education plan for calendar year 2024.

D. Commercial Edible Food Generator Report. Commercial Customer list including contact information requested by the City Manager or their designee and designation of each Commercial Customer as either "Tier 1," "Tier 2," or "Non-Covered" Edible Food Generator.

E. Vehicle Inventory.

1. A list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage as of December 31.
2. The total amount of RNG procured by the Contractor for use in Contractor vehicles, in diesel gallon equivalents (DGE), including copies of any receipts, invoices, or other similar

EXHIBIT F

REPORTING REQUIREMENTS

documentation evidencing procurement. In addition to the amount procured, Contractor shall include the total amount actually used in Contractor vehicles in the calendar year, if these values are different.

3. The name, physical location, and contact information of each entity, operation, or facility from whom the Contractor procured RNG for Collection vehicles.

- F. AB 341/AB 1826 Compliance.** Provide a listing of Commercial Customers subscribing to four (4) or more cubic yards of Solid Waste service per week who do not currently subscribe to Recyclable Materials Collection service from Contractor.

Provide a listing of Commercial Customers subscribing to two (2) or more cubic yards of Solid Waste service per week who do not currently subscribe to Organic Materials Collection service from Contractor.

3. Additional Reports

- A. Upon Incident Reporting.** City reserves the right to request additional reports or documents in the case of unforeseen events or additional requirements imposed upon the City. The Contractor shall provide the requested reports, documents, or information within ten (10) Business Days upon receipt of the request or within a timeframe determined by the City Manager or their designee, which shall not to exceed ten (10) days.
- B. AB 901 Reporting.** At the City's option, City may require that Contractor provide the City copies of Contractor's AB 901 reports on a regular basis (such as monthly, quarterly, or annually) or within ten (10) Business Days of the request.
- C. Customized Reports.** The City reserves the right to request Contractor to prepare and provide customized reports from records Contractor is required to maintain; or require a specified format or submission system, such as the use of a web-based software platform.

**EXHIBIT G:
CORPORATE GUARANTY**

EXHIBIT G CORPORATE GUARANTY

THIS GUARANTY (the "Guaranty") is given as of the ___ day of _____, 2022.

THIS GUARANTY is made with reference to the following facts and circumstances:

- A. ___ Insert Contractor Name and Relationship as Guarantor
- B. Contractor and the City have negotiated an Agreement for Collection, Processing, and Disposal of Solid Waste dated as of _____, (hereinafter "Agreement"). A copy of this Agreement is attached hereto.
- C. It is a requirement of the Agreement, and a condition to the City entering into the Agreement, that Guarantor guaranty Contractor's performance of the Agreement.
- D. Guarantor is providing this Guaranty to induce the City to enter into the Agreement.

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

1. **Guaranty of the Agreement.** Guarantor hereby irrevocably and unconditionally guarantees to the City the complete and timely performance, satisfaction, and observation by Contractor of each and every term and condition of the Agreement which Contractor is required to perform, satisfy, or observe. In the event that Contractor fails to perform, satisfy, or observe any of the terms and conditions of the Agreement, Guarantor will promptly and fully perform, satisfy, or observe them in the place of the Contractor or cause them to be performed, satisfied, or observed. Guarantor hereby guarantees payment to the City of any damages, costs or expenses which might become recoverable by the City from Contractor due to its breach of the Agreement.
2. **Guarantor's Obligations Are Absolute.** The obligations of the Guarantor hereunder are direct, immediate, absolute, continuing, unconditional and unlimited, and with respect to any payment obligation of Contractor under the Agreement, shall constitute a guarantee of payment and not of collection, and are not conditional upon the genuineness, validity, regularity, or enforceability of the Agreement. In any action brought against the Guarantor to enforce, or for damages for breach of, its obligations hereunder, the Guarantor shall be entitled to all defenses, if any, that would be available to the Contractor in an action to enforce, or for damages for breach of, the Agreement (other than discharge of, or stay of proceedings to enforce, obligations under the Agreement under bankruptcy law).
3. **Waivers.** Except as provided herein the Guarantor shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under it for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy, reorganization or cessation of existence of the Contractor; (2) the actual or purported rejection by a trustee in bankruptcy of the Agreement, or any limitation on any claim in bankruptcy resulting from the actual or purported termination of the Agreement; (3) any waiver with respect to any of the obligations of the Agreement guaranteed hereunder or the impairment or suspension of any of the City's rights or remedies against the Contractor; or (4) any merger or consolidation of the Contractor with any other corporation, or any sale, lease or transfer of any or all the assets of the Contractor. Without limiting the generality of the foregoing, Guarantor hereby waives the rights and benefits under California Civil Code Section 2819.

EXHIBIT G CORPORATE GUARANTY

The Guarantor hereby waives any and all benefits and defenses under California Civil Code Section 2846, 2849, and 2850, including without limitation, the right to require the City to (a) proceed against Contractor, (b) proceed against or exhaust any security or collateral the City may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agrees that the City may proceed against Guarantor for the obligations guaranteed herein without taking any action against Contractor or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral the City may hold now or hereafter hold. City may unqualifiedly exercise in its sole discretion any or all rights and remedies available to it against Contractor or any other guarantor or pledgor without impairing the City's rights and remedies in enforcing this Guaranty.

The Guarantor hereby waives and agrees to waive at any future time at the request of the City to the extent now or then permitted by Applicable Law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one (1) or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice the Guarantor, performance or compliance herewith is waived; (b) any other of any provision of its Agreement indemnification with respect to Contractor's obligations under the Agreement or any security therefore is released or exchanged in whole or in part or otherwise dealt with; or (c) any assignment of the Agreement is effected which does not require the City's approval.

The Guarantor hereby expressly waives diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from the City as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor or Contractor prior to such avoidance or recovery, and (b) payment in full of any obligations then outstanding.

4. **Term.** This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of the Agreement have been fully performed or otherwise discharged and Guarantor shall remain fully responsible under this Guaranty without regard to the acceptance by the City of any performance bond or other collateral to assure the performance of Contractor's obligations under the Agreement. Guarantor shall not be released of its obligations hereunder so long as there is any claim by the City against Contractor arising out of the Agreement based on Contractor's failure to perform which has not been settled or discharged.
5. **No Waivers.** No delay on the part of the City in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on Guarantor shall be a waiver of any obligation of Guarantor or right of the City to take other or further action without notice or demand. No modification or waiver of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by the City and by Guarantor, nor shall any waiver be effective except in the specific instance or matter for which it is given.

EXHIBIT G CORPORATE GUARANTY

6. **Attorney's Fees.** In addition to the amounts guaranteed under this Guaranty, Guarantor agrees in the event of Guaranty's breach of its obligations to pay reasonable attorney's fees and all other reasonable costs and expenses incurred by the City in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the Parties hereunder.
7. **Governing Law: Jurisdiction.** This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws, rules for all purposes including, but not limited to, matters of construction, validity, and performance. Guarantor agrees that any action brought by the City to enforce this Guaranty may be brought in any court of the State of California and Guarantor consents to personal jurisdiction over it by such courts. Guarantor appoints the following Person as its agents for service of process in California:

With a copy by certified mail to:

8. **Severability.** If any portion of this Guaranty is held to be invalid or unenforceable, such invalidity will not have an effect upon the remaining portions of this Guaranty, which shall be severable and continue in full force and effect.
9. **Binding On Successors.** This Guaranty shall inure to the benefit of the City and its successors and shall be binding upon Guarantor and its successors, including transferee(s) of substantially all of its assets and its shareholder(s) in the event of its dissolution or insolvency.
10. **Authority.** Guarantor represents and warrants that it has the corporate power and authority to give this Guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Articles of Incorporation and By-Laws, and that the Person signing this Guaranty on its behalf has the authority to do so.

EXHIBIT H:
CONTRACTOR'S FAITHFUL PERFORMANCE BOND

EXHIBIT H
CONTRACTOR'S FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That Republic Waste Services of Southern California, LLC dba Garden Grove Disposal, as PRINCIPAL, and _____, a Corporation organized and doing business by virtue of the laws of the State of California, and duly licensed for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as SURETY, are held and firmly bound to the City of Garden Grove and the Garden Grove Sanitary District, a subsidiary district of the City of Garden Grove ("City"), hereinafter called OBLIGEE, in the penal sum of two million five hundred thousand dollars (\$2,500,000) lawful money of the United States, for the payment of which, well and truly to be made, we and each of us hereby bind ourselves, and our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden PRINCIPAL has entered into a contract with City dated _____, to do and perform the following work, to wit: For Recycling, Organic Materials, and Solid Waste Collection and Recycling, Organic Materials, and C&D Processing Services.

NOW, THEREFORE, if the above bounden PRINCIPAL shall well and truly perform, or cause to be performed each and all of the requirements and obligations of said contract to be performed by said PRINCIPAL, as in said contract set forth, then this BOND shall be null and void after receipt of written release from the City; otherwise it will remain in full force and effect.

And the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligations on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

In the event suit is brought by OBLIGEE to enforce the provisions of this bond, said Surety will pay to OBLIGEE reasonable attorneys' fees, plus costs of suit, in an amount to be fixed by the court.

IN WITNESS WHEREOF, said PRINCIPAL and said SURETY have caused these presents to be duly signed and sealed this _____ DAY OF _____, 2022.

a California Corporation

By: _____
(PRINCIPAL) (SEAL)

SURETY

By: _____
(ATTORNEY IN FACT) (SEAL)

EXHIBIT H

CONTRACTOR'S FAITHFUL PERFORMANCE BOND

CONTINUATION CERTIFICATE

The Federal Insurance Company (hereinafter called the Surety) hereby continues in force its Bond No. 8215-81-18 in the sum of One Million Dollars and 00/100 (\$1,000,000.00) Dollars, on

behalf of Republic Waste Services of Southern California, LLC

in favor of City of Garden Grove and the Garden Grove Sanitary District

subject to all the conditions and terms thereof through April 28, 2022 at location of risk.

This Continuation is executed upon the express condition that the Surety's liability shall not be cumulative and shall be limited at all times by the amount of the penalty stated in the bond.

IN WITNESS WHEREOF, the Surety has caused this instrument to be signed by its duly authorized Attorney-in-Fact and its corporate seal to be hereto affixed this 18 day of March, 2021.

 Federal Insurance Company
Surety
By: 
Amber Engel Attorney-in-Fact

**EXHIBIT I:
NOTARY CERTIFICATION**

EXHIBIT J:
CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

 <div style="text-align: center;"> <h3 style="margin: 0;">Implementation Plan</h3> <h3 style="margin: 0;">City of Garden Grove</h3> </div>		
Timelines based upon amendment approval by Council on June 28th, 2022*		
Task	Distribution Method	Target Completion Date
Residential Customers - Outreach		
City Letter *	Mailed	8/12/2022
Recycling Guide (Residential)*		Ongoing
Organics Cart Label*	Mailed	8/12/2022
Container Procurement (Commercial Carts)*		Ongoing
Commercial Customers & Multi-Family Dwellings - Outreach		
Auto-Enrollment - Pilot (30 Customers)	Container Delivery	9/16/2022
Postcard (for Auto-Enrollment Pilot & Citywide Rollout)*	Mailed	8/26/2022
Recycling Guide (Commercial & Multi-Family)*		8/5/2022
How To Flyers - Recyclable Materials & Organic Materials (Flyers & Posters)*		7/22/2022
Additional Outreach		
Websites (City & RS)		7/22/2022
Robo Calls (Residential)		7/29/2022
Contamination Tag, Non-Collection & Courtesy Pick Up Notices (Resi & Comm)*		8/19/2022
City Facilities	Container Delivery	8/12/2022
Recyclist Software*	Utilize in field	9/15/2022
Kitchen Pails Available for Purchase Only*	Available	9/1/2022
Annual Route Reviews**		2023
<i>*Development pending City Council approval of Franchise Agreement - 6/28/22</i>		
<i>**Included in Franchise Agreement. Section 4.10 Contamination Monitoring</i>		

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EXHIBIT K:
CONTRACTOR'S SB 1383 IMPLEMENTATION PLAN

EXHIBIT K

CONTRACTOR'S SB 1383 IMPLEMENTATION PLAN



 Draft SB 1383 / Intital Implementation Plan and Auto-Enrollment Process*** City of Garden Grove Timelines based upon amendment approval by Council on June 28th, 2022*					
Task #		Owner	Target Start Date	Target End Date	Completion Status
Residential Customers - Outreach					
1	City Letter *				
	Develop	RS	7/5/2022	7/15/2022	0%
	Finalize with City approval	GG	7/18/2022	7/22/2022	0%
	Print	RS	7/25/2022	8/5/2022	0%
	Mail	RS	8/8/2022	8/12/2022	0%
2	Recycling Guide (Residential)*				
	Develop	RS	7/5/2022	7/15/2022	0%
	Finalize with City approval	GG	7/18/2022	7/22/2022	0%
	Print	RS	7/25/2022	8/5/2022	0%
	Distribution	RS	8/8/2022	Ongoing	0%
3	Organics Cart Label*				
	Develop	RS	7/5/2022	7/15/2022	0%
	Finalize with City approval	GG	7/18/2022	7/22/2022	0%
	Print	RS	7/25/2022	8/5/2022	0%
	Mail	RS	8/8/2022	8/12/2022	0%
4	Quarterly Newsletter (4x per year distribution)				
	Develop	RS	10/3/2022	10/14/2022	0%
	Finalize with City approval	GG	10/17/2022	10/21/2022	0%
	Print once per quarter	RS	Q4 2022	Q4 2022	0%
5	Container Procurement (Commercial Carts)*				
	Order containers with SB 1383 requirements for customers enrolling in organics and recycling	RS	7/5/2022	Ongoing	0%
Commercial Customers & Multi-Family Dwellings - Outreach					
6	Auto-Enrollment - Pilot				
	Identify 30 customers for auto enrollment (food generators)	RS	8/1/2022	8/12/2022	0%
	Send information postcard about the program (including contamination fees reminder)	RS	8/15/2022	8/26/2022	0%
	Call 30 identified customers the week of delivery	RS	9/6/2022	9/9/2022	0%
	Deliver cart with tag attached	RS	9/12/2022	9/16/2022	0%
	Evaluate pilot auto enrollment with city to determine/plan for city wide rollout	RS	9/26/2022	10/21/2022	0%
7	Postcard (for Auto-Enrollment Pilot & Citywide Rollout)*				
	Develop	RS	7/11/2022	7/22/2022	0%
	Finalize with City approval	GG	7/25/2022	7/29/2022	0%
	Print	RS	8/1/2022	8/12/2022	0%
	Mail	RS	8/15/2022	8/26/2022	0%
8	Recycling Guide (Commercial & Multi-Family)*				
	Develop	RS	7/5/2022	7/15/2022	0%
	Finalize with City approval	GG	7/18/2022	7/22/2022	0%
	Print	RS	7/25/2022	8/5/2022	0%
9	How To Flyers - Recyclable Materials & Organic Materials (Flyers & Posters)*				
	Develop	RS	7/5/2022	7/8/2022	0%
	Finalize with City approval	GG	7/11/2022	7/15/2022	0%
	Print	RS	7/18/2022	7/22/2022	0%

EXHIBIT K

CONTRACTOR'S SB 1383 IMPLEMENTATION PLAN

 Draft SB 1383 / Intital Implementation Plan and Auto-Enrollment Process*** City of Garden Grove Timelines based upon amendment approval by Council on June 28th, 2022*					
Task #		Owner	Target Start Date	Target End Date	Completion Status
Additional Outreach					
10	Websites (City & RS)				
	Update and upload new SB1383 materials & information	RS / GG	7/11/2022	7/22/2022	0%
	Include sections for Single Family, Commerical & Multi-Family Customers	RS / GG	7/11/2022	7/22/2022	0%
11	Robo Calls (Residential)				
	Develop Script	RS	7/5/2022	7/8/2022	0%
	Finalize with City approval	GG	7/11/2022	7/15/2022	0%
	Acquire customer call list from City	GG	7/18/2022	7/22/2022	0%
	Deploy	RS	7/25/2022	7/29/2022	0%
12	Contamination Tag, Non-Collection & Courtesy Pick Up Notices (Residential & Commercial)*				
	Develop	RS	7/18/2022	7/29/2022	0%
	Finalize with City approval	GG	8/1/2022	8/5/2022	0%
	Print	RS	8/8/2022	8/19/2022	0%
13	City Facilities				
	Conduct Site Visits of City Facilities (defined in Exhibit B4)	RS	7/5/2022	7/15/2022	0%
	Make Recommendations for Compliance	RS	7/18/2022	7/22/2022	0%
	Containers Delivered	RS	8/1/2022	8/12/2022	0%
14	Food Recovery Assistance				
	Identify all commercial customers that meet the definition of Tier One and Tier Two	RS / GG	Complete	Complete	100%
	Tier 1 Inspections	RS	6/13/2022	6/17/2022	0%
	Tier 2 Inspections	RS	1/1/2024	Ongoing	0%
	Provide information to all edible food generators	RS	6/10/2022	Ongoing	0%
15	Recyclist Software*				
	Contract with Recyclist	RS	6/8/2022	6/30/2022	100%
	Provide initial customer data (3 month upload process)	RS	7/1/2022	7/5/2022	0%
	Recyclist data transition complete and ready for use	RS	7/15/2022	9/15/2022	0%
	Use Recyclist in the field for SB 1383 data collection & SB 1383 compliance reporting	RS	9/15/2022	Ongoing	0%
16	Kitchen Pails Available for Purchase Only*				
	Order pails to keep in inventory	RS	7/11/2022	7/22/2022	50%
	Make pails available to customers at request for purchase	RS	9/1/2022	Ongoing	0%
17	Annual Route Reviews**				
	Propose route review methodology and schedule for performance	RS	1/1/2023	1/15/2023	0%
	Conduct route review as scoped	RS	2023	Ongoing	0%
18	Actions upon Identification of Prohibited Container Contaminants**				
	Provide a Courtesy Pick-Up Notice or Non-Collection Notice at door or gate	RS	2023	Ongoing	0%
	Collect the contaminated Reyclable Materials and/or Organic Materials Containers OR	RS	2023	Ongoing	0%
	Inform the customer of Non-Collection	RS	2023	Ongoing	0%
	Corrective action taken to address contaminated materials	RS	2023	Ongoing	0%
	Assess contamination fee after courtesy notice	RS	2023	Ongoing	0%
	Track occurrences of contamination for reporting purposes	RS	2023	Ongoing	0%
19	Records, Reports, and Information Requirements***				
	Monthly Reports	RS	Monthly	Ongoing	0%
	Quarterly Reports	RS	Quarterly	Ongoing	0%
	Annual Report	RS	Annually	Ongoing	0%

*Development pending City Council approval of Franchise Agreement - 6/28/22

**Included in Franchise Agreement. Section 4.10 Contamination Monitoring

***Included in Franchise Agreement. Article 6 Record Keeping and Reporting

**EXHIBIT L:
DISCOUNT FOR DISABLED OR LOW-INCOME RESIDENTS AGE 65
AND OLDER**

EXHIBIT L: DISCOUNT FOR DISABLED OR LOW-INCOME RESIDENTS AGE 65 AND OLDER

Those residents who qualify under any of the following three (3) categories and apply shall receive a discount of fifteen percent (15%) per month from their regular Solid Waste charges statement.

A. SUPPLEMENTAL SECURITY INCOME (“SSI”):

1. SSI are payments by the Federal Government, through the Health and Human Services Department, Social Security Administration (“SSA”) to disabled adults who have limited income and resources and also to Persons aged sixty-five (65) and older without disabilities who meet the financial limits.
2. SSI is a Federal Income supplement program funded by general tax revenues, not Social Security taxes. It is designed to help aged, blind and disabled people who have little or no income in order to provide cash to meet basic needs for food, clothing, and shelter.
3. Qualifications of Applicant - Customer:
 - a. Must be over sixty-five (65), blind, or disabled.
 - b. Must meet all requirements of the SSA established by statute or regulation.
 - c. Must be a United States citizen or national or be a qualified alien.
 - d. The adult applicant must meet the qualifications, not a dependent or other family member.

B. MEDICAL:

1. Medi-Cal is California’s Medicaid program. This is a public health insurance program that provides needed health care services for low-income individuals including families with children, seniors, Persons with disabilities, foster care, pregnant women, and low-income people with specific diseases such as tuberculosis, breast cancer, or HIV/AIDS. Medi-Cal is financed equally by the State and Federal government. Payments are made by the State of California Department of Health Care Services (“DHCS”) and administrated by the Orange County Social Services Agency (“OCSSA”) and are for health care provider expense billing/reimbursement purposes.
2. Qualifications of Applicant - Customer:
 - a. Customer must meet all requirements of DHCS established by statute or regulation.
 - b. Customer must file an individual claim with DHCS and/or OCSSA and Customer must receive an award of benefits.
 - c. Must be a United States Citizen or national or be a qualified alien.

C. SOCIAL SECURITY DISABILITY INSURANCE RECIPIENTS (“SSDI”):

SSA pays benefits to people who cannot work because they have a medical condition that is expected to last at least one (1) year or result in death.

**EXHIBIT L:
DISCOUNT FOR DISABLED OR LOW-INCOME RESIDENTS AGE 65
AND OLDER**

1. SSDI are payments by the SSA. (Contractor does not accept disabilities from private insurance companies for this reduced Rate, due to the verification and approval process required).
2. Qualifications of Applicant - Customer:
 - a. Customer must meet all requirements of the SSA, established by statute or regulation.
 - b. An individual claim must be filed by Customer with the Federal Government and an award of benefits must be received by the Customer. Must have been disabled and unable to work in accordance with SSA earnings tests involving both the “recent work” and “duration of work” tests.
 - c. Contractor does not allow reduced fees for residents who are receiving checks for disabled minors, dependents, or other family members or friends.

**EXHIBIT M:
COUNTY WASTE DISPOSAL AGREEMENT**

AMENDMENT TO WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and the

GARDEN GROVE SANITARY DISTRICT

April 28, 2016
~~February 23, 2016~~

County Amendment Authorization Date:

September 22, 2015

County Notice Address:

Director
OC Waste and Recycling
300 N. Flower, Suite 400
Santa Ana, CA 92703

Garden Grove Sanitary District Amendment
Authorization Date:

February 23 2016

Notice Address

AMENDMENT TO WASTE DISPOSAL AGREEMENT

THIS AMENDMENT TO WASTE DISPOSAL AGREEMENT (the "Amendment") is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the "County"), and the Garden Grove Sanitary District (the "District") designated on the cover page of this Amendment, a general law or charter city and political subdivision of the State of California (the "City").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the "Disposal System"). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act").

The County has entered into waste disposal agreements in 2009 (the "Original Waste Disposal Agreements") with all of the cities in the County, including the City, as well as certain sanitary districts located in the County (the "Participating Cities"), pursuant to which the County agreed to provide disposal capacity for waste generated in or under the control of the Participating Cities, and the Participating Cities agreed to deliver or cause the delivery of waste generated in or under the control of the Participating Cities to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original Waste Disposal Agreements.

The City has determined that the execution of this Amendment by the City is in the best interest of the City and will serve the public health, safety and welfare by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and sound environmental management.

The County has determined that the execution by the County of this Amendment will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

Section 1. Amendment to Original Waste Disposal Agreement.

(a) Sections 3.6(C) and 3.6(E) of the Original Waste Disposal Agreement are deleted and replaced in their entirety, as set forth below:

“(C) Receipt of Imported Acceptable Waste on a Contract Basis. Throughout the Term hereof, the County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. “

“(E) Application and Use of Revenues From Other Users. (1) Throughout the term hereof, all revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System (including amounts received by the County as a result of the failure of contract counterparties to deliver minimum required amounts of Imported Acceptable Waste) , shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County’s Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) (“Net Import Revenues”) from the disposal of Imported Acceptable Waste by the Disposal System. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. Net Import Revenues shall be used for the payment of bankruptcy related obligations until payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment. It is estimated that payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment will occur by the end of Fiscal Year 2017-18.

(2) Until the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as provided in Section (3.6)(E)(1). For any period after the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as follows:

(i) in Fiscal Year 2017-18, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$17.57 per ton;

(ii) in Fiscal Year 2018-19, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported

Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$18.01 per ton;

(iii) in Fiscal Year 2019-20, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess in excess of \$18.46 per ton; and

(iv) thereafter, Net Import Revenues shall be equal to 30% of the revenues received by the County from the disposal of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located).

(3) After the County's obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full (i) 50% of any Net Import Revenues (as calculated pursuant to Section 3.6(E)(2)) shall be paid to the County General Fund; and (ii) 50% of such Net Import Revenues shall be paid to the Participating Cities (and to the County, with respect to the unincorporated area) listed in Appendix 5 for use for any purpose by the Participating City, including but not limited to state mandated solid waste programs. Payments of such amounts to the County General Fund and the Participating Cities shall be made by the County within 90 days after the end of each fiscal year. The portion of Net Import Revenues specified above payable to the Participating Cities shall be apportioned in the percentages set forth in Appendix 5.

(4) The percentages set forth in Appendix 5 with respect to each Participating City will be adjusted at the end of Fiscal Year 2019-20 to reflect the percentage of actual deliveries of Acceptable Waste from each Participating City as compared to the total amount of actual deliveries from all of the Participating Cities during Fiscal Years 2017-18, 2018-19, and 2019-20. The County shall notify each Participating City of the revised percentages in Appendix 5 within 120 days after the end of Fiscal Year 2019-20. The revised percentages will be used for the allocation of Net Import Revenues generated during Fiscal Year 2020-21 and thereafter.

(b) Section 4.2(A)(z) is added to the Original Waste Disposal Agreement (immediately following Section 4.2(A)(y)) as follows:

“(z) decrease the amount of Net Import Revenues otherwise payable to the County General Fund and the Participating Cities pursuant to Section 3.6(E)(2) and Section 3.6(E)(3) and use the amount of such decrease to pay costs of the Disposal System.”

(c) Section 6.1(A) and Section 6.1(B) of the Original Waste Disposal Agreement are deleted and replaced in their entirety with the following:

“SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall continue in full force and effect until June 30, 2025, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2023, for an additional term of ten years (the “Renewal Term”) on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2022. If the parties do not renew this Agreement by June 30, 2023, the Agreement shall expire on June 30, 2025.”

(d) The first sentence of Section 6.1(C) of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the following:

“In connection with the parties’ right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2023, negotiate an applicable change in the Contract Rate for such renewal term.”

(e) Appendix 2 of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the form attached hereto.

(f) Appendix 5 shall be added to the Original Waste Disposal Agreement as a new appendix, in the form attached hereto.

(g) All other terms and conditions of the Original Waste Disposal Agreement shall remain in full force and effect.

Section 2. Initial Payment. As consideration for the execution of this Amendment by all of the Participating Cities, and subject to the occurrence of the Amendment Effective Date pursuant to Section 3, the County agrees to pay, from the County OC Waste & Recycling Enterprise Fund, the Amendment Payment to the Participating Cities listed in Appendix 5. The aggregate Amendment Payment shall be \$5,400,000, and shall be distributed to the individual Participating Cities (including the City) in the percentages set forth in Appendix 5 by September 30, 2016.

Section 3. Effectiveness of Amendment. The provisions of this Amendment shall not become effective unless and until the Amendment has been executed by the County and all of the Participating Cities. The date on which the County and all of the Participating Cities have executed the Amendment shall be the “Amendment Effective Date.” The County shall give written notice of the Amendment Effective Date to the City. In the event that the Amendment Effective Date does not occur by June 30, 2016, this Amendment shall be automatically terminated and the County shall have no obligation to make the Amendment Payment.

Section 4. REPRESENTATIONS AND WARRANTIES OF THE PARTIES. Each of the parties to this Amendment represent and warrant that it is a political subdivision of the State of California validly existing under the Constitution and laws of the State and (ii) it has duly authorized the execution and delivery of this Amendment, and has duly executed and delivered the Amendment.

All other terms and conditions of the 2009 Original Waste Disposal Agreement not specifically changed by this Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, COUNTY and CITY have caused this Amendment to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE

Date 4/20/16

By [Signature]
Director, OC Waste & Recycling

Date 3/8/16

By [Signature]
[NAME]
District Representative
Garden Grove Sanitary District

Date 3/8/16

By [Signature]
[NAME]
City Representative
City of [CITY]

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By [Signature]
James Steinmann, Deputy

APPROVED AS TO FORM
[Signature]
OMAR SANDOVAL
Acting City Attorney
City of Garden Grove
DATED: 2-26-16

ATTEST: [Signature]
KATHLEEN BAILOR, CMC
City Clerk
City of Garden Grove
DATED: 3/19/16

APPENDIX 2

**County Acceptable Waste Tonnage Target to be Used
for Purposes of Section 4.2(b)**

<u>Fiscal Year</u>	<u>Tonnage</u>	<u>Cumulative</u>
FY 2015-16	2,724,250	2,724,250
FY 2016-17	2,681,153	5,405,403
FY 2017-18	2,638,746	8,044,149
FY 2018-19	2,597,017	10,641,166
FY 2019-20	2,558,522	13,199,688
FY 2020-21	2,520,605	15,720,293
FY 2021-22	2,483,256	18,203,549
FY 2022-23	2,483,256	20,686,805
FY 2023-24	2,483,256	23,170,061
FY 2024-25	2,483,256	25,653,317

APPENDIX 5

PARTICIPATING CITY ALLOCATION PURSUANT TO SECTION 3.6

<u>City</u>	<u>Allocation Percentage for Purposes of Section 3.6</u>	<u>Allocation of Initial Payment</u>
Anaheim	13.18%	\$711,509
Aliso Viejo	0.67	36,416
Buena Park	2.34	126,275
Brea	2.28	123,085
Costa Mesa	2.18	117,936
Costa Mesa Sanitary District	1.48	79,976
Cypress	2.56	138,115
Dana Point	0.99	53,278
Fullerton	4.10	221,271
Fountain Valley	1.76	95,217
Garden Grove/ GG Sanitary District	7.17	387,197
Huntington Beach	6.13	330,807
Irvine	8.22	444,036
Laguna Beach	1.14	61,796
Laguna Hills	0.74	40,098
Laguna Niguel	1.36	73,341
Laguna Woods	0.41	22,274
La Habra	1.69	91,431
Lake Forest	2.45	132,214
La Palma	0.32	17,325
Los Alamitos	0.58	31,362
Mission Viejo	2.42	130,902
Newport Beach	3.68	198,946
Orange	4.90	264,468
Placentia	1.58	85,116
Rancho Santa Margarita	1.11	60,009
Santa Ana	10.60	572,184
San Clemente	1.40	75,728
San Juan Capistrano	1.23	66,420
Seal Beach	0.82	44,292
Stanton	1.62	87,287
Tustin	1.42	76,648
Villa Park	0.21	11,081
Midway City Sanitary District (Westminster)	2.13	114,893
Yorba Linda	1.78	96,344
County Unincorporated	3.35	180,723
Totals	100%	\$5,400,000

WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and
the

• CITY OF GARDEN GROVE

Dated 7/23 2009

County Authorization Date:

March 24, 2009

County Notice Address:

Director
OC Waste & Recycling
300 N. Flower Street, Suite 400
Santa Ana, CA 92703

City Authorization Date:

City Notice Address:

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WASTE DISPOSAL AGREEMENT

THIS WASTE DISPOSAL AGREEMENT is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the "County"), and the City designated on the cover page of this Agreement, a general law or charter city and political subdivision of the State of California (the "City").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the "Disposal System"). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act").

The City, in the exercise of its police power and its powers under the Act, has entered into a franchise or other agreement with or issued permits or licenses to one or more private haulers for the collection and disposal of municipal solid waste generated within the City.

A significant portion of municipal solid waste generated within the City historically has been and currently is delivered by such hauler or haulers to the County for disposal in the Disposal System.

In 1997, the City and the County entered in a waste disposal agreement (the "Original WDA"), pursuant to which the County agreed to provide disposal capacity for waste generated in the City, and the City agreed to deliver or cause the delivery of waste generated in the City to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original WDA.

The Original WDA, as amended, will expire by its terms on June 30, 2010, unless the City and the County agree to renew the Original WDA.

The City and the County desire to enter into this agreement to extend, amend and restate the Original WDA, on the terms and conditions set forth herein. The County and City acknowledge that the Original WDA shall remain in full force and effect until the Commencement Date.

The City has determined that the execution of this Agreement by the City will serve the public health, safety and welfare of the City by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and the continuation of sound environmental management.

The County has determined that the execution by the County of this Agreement will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

SECTION 1.1 DEFINITIONS. As used in this Agreement, the following terms shall have the meanings set forth below.

"Acceptable Waste" means all garbage, refuse, rubbish and other materials and substances discarded or rejected as being spent, useless, worthless or in excess to the owners at the time of such discard or rejection and which are normally disposed of by or collected from residential (single family and multi-family), commercial, industrial, governmental and institutional establishments and which are acceptable at Class III landfills under Applicable Law.

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

"Agreement" means this Waste Disposal Agreement between the County and the City as the same may be amended or modified from time to time in accordance herewith.

"Appendix" means an appendix to this Agreement, as the same may be amended or modified from time to time in accordance with the terms hereof

"Applicable Law" means the Act, the Orange County Code, CERCLA, RCRA, CEQA, any Legal Entitlement and any federal or state rule, regulation, requirement, guideline, permit, action, determination or order of any Governmental Body having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System, the transfer, handling, transportation and disposal of Acceptable Waste, Unacceptable Waste, or any other transaction or matter contemplated hereby (including any of the foregoing which concern health, safety, fire, environmental protection, mitigation monitoring plans and building codes).

"Board" means the California Integrated Waste Management Board.

"Capital Costs" means all costs of the Disposal System that are classified as capital costs for purposes of the budget of the Department in accordance with procedures established by the County of Orange Auditor-Controller in compliance with the California State Controller's Manual, including but not limited to all of the categories of costs of the Disposal System reported as "Buildings and Improvements, and Infrastructure" (Object Code 4200) or "Equipment" (Object Code 4000) in the County of Orange - Chart of Accounts, or any successor accounting or reporting system utilized by the County.

"CEQA" means the California Environmental Quality Act, codified at Cal. Pub. Res. Code Section 21000 *et seq.* as amended or superseded, and the regulations promulgated thereunder.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. Section 9601 *et seq.*, as amended or superseded, and the regulations promulgated thereunder.

"Change in Law" means any of the following events or conditions which has a material and adverse effect on the performance by the parties of their respective obligations under this Agreement (except for payment obligations), or on the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System or other matters to which Applicable Law applies:

(1) the enactment, adoption, promulgation, issuance, material modification or written change in administrative or judicial interpretation on or after the Commencement Date of any Applicable Law (other than Applicable Law enacted by the County);

(2) the order or judgment of any Governmental Body (other than the County), on or after the Commencement 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 City, 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; or

(3) the denial of an application for, delay in the review, issuance or renewal of, or suspension, termination, interruption, imposition of a new or more stringent condition in connection with the issuance, renewal or failure of issuance or renewal on or after the Commencement Date of any Legal Entitlement to the extent that such denial, delay, suspension, termination, interruption, imposition or failure materially and adversely interferes with the performance of this Agreement, if and to the extent that such denial, delay, suspension, termination, interruption, imposition or failure is not the result of willful or negligent action, error or omission or a lack of reasonable diligence of the County or of the City, 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 denial, delay, suspension, termination, interruption, imposition or failure shall not be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

A "Change in Law" shall include but not be limited to any new or revised requirements relating to the funding or provision of disposal services, including but not limited to any regulations for disposal operations or activities associated with the remediation, closure, funding or monitoring of closed sites with respect to facilities comprising the Disposal System, or facilities which the County previously utilized to provide waste disposal, transfer, recycling, processing or other waste related activities.

"City" means, as applicable, the city or Sanitary District designated on the cover page of this Agreement and party to this Agreement.

"City Acceptable Waste" means all Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the City, and Residue from the foregoing wherever produced, whether within or outside the City (or Tonnage equivalencies of such Residues, as and to the extent provided in subsection 3.1(C) hereof).

"Commencement Date" means the date on which the obligations of the parties hereto commence, established as provided in Section 6.2(B) hereof.

"Contract Date" means the first date on which this Agreement has been executed by both parties hereto.

"Contract Rate" has the meaning specified in Section 4.2 hereof.

"Contract Year" means the fiscal year commencing on July 1 in any year and ending on June 30 of the following year.

"Controllable Waste" means all City Acceptable Waste with respect to which the City has the legal or contractual ability to determine the disposal location therefor and which is:

- (1) Non-Recycled City Acceptable Waste;
- (2) not generated from the operations of the Governmental Bodies which, under Applicable Law, have the independent power to arrange for the disposal of the waste they generate; and
- (3) collected and hauled by Franchise Haulers.

"County" means the County of Orange, a political subdivision of the State of California and party to this Agreement.

"County Plan" means the integrated waste management plan of the County approved by the Board pursuant to the Act as in effect from time to time.

"County Acceptable Waste" means Acceptable Waste generated in the County.

"County OC Waste & Recycling Enterprise Fund" means the waste management enterprise fund established and managed by the County pursuant to Section 25261 of the Government Code separate from its other funds and accounts for receipts and disbursements in connection with the Disposal System.

"County-wide Recycling Services" has the meaning set forth in subsection 3.7(A) hereof.

"Cumulative Tonnage Target" for any given Contract Year means the amount specified in Appendix 2 hereto with respect to such Contract Year.

"Department" means OC Waste & Recycling, and any agency, department or other Governmental Body which succeeds to the duties and powers thereof.

"Disposal Agreements" means each of the waste disposal agreements entered into between the County and any city within the County, Sanitary District or operator of any Transfer Station located in the County in accordance herewith.

"Disposal Services" means the solid waste disposal services to be provided by the County pursuant to the Service Covenant and otherwise hereunder.

"Disposal System" means the Orange County Waste Disposal System which includes solid waste disposal operations at three active landfills (Olinda Alpha, Frank R. Bowerman and Prima Deshecha); four regional Household Hazardous Waste Collection Centers; as well as services, such as monitoring and other activities, at closed refuse stations formerly operated by the County, as appropriate under Applicable Law.

"Environmental Fund" means the fund or funds held by the County to pay unanticipated costs of environmental mitigation, remediation or liability.

"Franchise Hauler" means any hauler or collector who provides Acceptable Waste collection services within the City pursuant to, or under authority granted by, a permit, contract, franchise or other agreement with the City. The term Franchise Hauler includes the City itself if Acceptable Waste collection and transportation services are provided directly by City operated municipal collection service.

"Governmental Body" means any federal, State, county, city or regional legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any officer thereof acting within the scope of his or her authority.

"Hazardous Substance" has the meaning given such term in CERCLA, the Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code Section 25300 *et seq.*), and Titles 22 and 26 of the California Code of Regulations and other regulations promulgated thereunder.

"Hazardous Waste" means (a) any waste which by reason of its quality, concentration, composition or physical, chemical or infectious characteristics may do either of the following: cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness, or pose a substantial threat or potential hazard to human health or the environment, or any waste which is defined or regulated as a hazardous waste, toxic substance, hazardous chemical substance or mixture, or asbestos under Applicable Law, as amended from time to time including, but not limited to: (1) the Resource Conservation and Recovery Act and the regulations contained in 40 CFR Parts 260-281; (2) the Toxic Substances Control Act (15 U.S.C. Sections 2601 *et seq.*) and the regulations contained in 40 CFR Parts 761-766; (3) the California Health and Safety Code, Section 25117 (West 1992 & Supp. 1996); (4) the California Public Resources Code, Section 40141 (West 1996); and (5) future additional or substitute Applicable Law pertaining to the identification, treatment, storage or disposal of toxic substances or hazardous wastes; or (b) radioactive materials which are source, special nuclear or by-product material as defined by the Atomic Energy Act of 1954 (42 U.S.C. Section 2011 *et seq.*) and the regulations contained in 10 CFR Part 40.

"Imported Acceptable Waste" means Acceptable Waste that is generated outside of the geographical boundaries of the County and delivered to the Disposal System.

"Independent Haulers" means those waste collection/hauler companies primarily engaged as a principal business in the collection and transportation of municipal solid waste generated in the County of Orange which are not obligated to deliver County Acceptable Waste to the Disposal System pursuant to a franchise, contract, permit or other authorization with a city in the County.

"Initial Term" has the meaning specified in Section 6.1(A) hereof.

"Legal Entitlement" means all permits, licenses, approvals, authorizations, consents and entitlements of whatever kind and however described which are required under Applicable Law to be obtained or maintained by any person with respect to the Disposal System or the performance of any obligation under this Agreement or the matters covered hereby.

"Legal Proceeding" means every action, suit, litigation, arbitration, administrative proceeding, and other legal or equitable proceeding having a bearing upon this Agreement.

"Loss-and-Expense" means any and all loss, liability, obligation, damage, delay, penalty, judgment, deposit, cost, expense, claim, demand, charge, tax, or expense, including all fees and costs.

"Net Import Revenues" has the meaning ascribed thereto in Section 3.6(E).

"Non-Recycled City Acceptable Waste" means all City Acceptable Waste other than Recycled City Acceptable Waste.

"Overdue Rate" means the maximum rate of interest permitted by the laws of the State, if applicable, or the prime rate established from time to time by the Bank of America, N.A. or its successors and assigns, plus 2%, whichever is lower.

"Participating City" means any city or Sanitary District executing a Disposal Agreement in accordance with Section 3.6(A) hereof and meeting all requisite conditions to the Commencement Date thereof.

"Plan of Adjustment" means the County's Modified Second Amended Plan of Adjustment, confirmed by the United States Bankruptcy Court Central District of California in that Conformed Order Confirming Modified Second Amended Plan of Adjustment, filed May 17, 1996.

"Posted Disposal Rate" means the per ton tipping fee charged by the County for the disposal of solid waste at the Disposal System by parties which are not entitled to disposal service at the Contract Rate pursuant to this Agreement.

"Prohibited Medical Waste" means any medical or infectious waste prohibited or restricted under Applicable Law from being received by or disposed at the Disposal System.

"Qualified Household Hazardous Waste" means waste materials determined by the Board, the Department of Health Services, the State Water Resources Control Board, or the Air Resources Board to be:

- (1) Of a nature that they must be listed as hazardous in State statutes and regulations;
- (2) Toxic/ignitable/corrosive/reactive; and
- (3) Carcinogenic/mutagenic/teratogenic;

which are discarded from households as opposed to businesses. Qualified Household Hazardous Waste shall not include Unacceptable Waste.

"Recycled City Acceptable Waste" means any otherwise Controllable Waste which is separated from Acceptable Waste by the generator thereof or by processing and which is "recycled" within the meaning of Section 40180 of the Public Resources Code.

"Renewal Term" has the meaning specified in Subsection 6.1(B) hereof.

"Residue" means any material remaining from the processing, by any means and to any extent, of City Acceptable Waste or Recycled City Acceptable Waste; provided, however, that Residue shall not include minimal amounts of material remaining after such processing (which minimal amounts shall in no event exceed 10% of the amount of such City Acceptable Waste or Recycled City Acceptable Waste prior to processing).

"Resource Conservation and Recovery Act" or "RCRA" means the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901 *et seq.*, as amended and superseded.

"Restricted Reserves" has the meaning specified in Section 4.5.

"Sanitary Districts" means the sanitary districts in the County formed pursuant to the Sanitary District Act of 1923, codified at Cal. Ann. Health & Safety Code Section 6400 *et seq.*, as amended, supplemented, superseded and replaced from time to time.

"Self-Hauled Waste" means City Acceptable Waste collected and hauled by Self-Haulers.

"Self-Hauler" means any person not engaged commercially in waste haulage who collects and hauls Acceptable Waste generated from residential or business activities conducted by such person.

"Service Coordinator" means the service coordinator for either party designated pursuant to subsection 3.5(C) hereof.

"Service Covenant" means the covenants and agreements of the County set forth in Sections 3.2 and 3.3 hereof.

"Source-Separated Household Hazardous Waste" means Qualified Household Hazardous Waste which has been segregated from Acceptable Waste originating or generated within the geographical jurisdiction of the City at the source or location of generation.

"Source-Separated Household Hazardous Waste Disposal System" means the collection centers, facilities, contracts and other arrangements owned or administered by the County for the receipt, handling and disposal of Source-Separated Household Hazardous Waste.

"State" means the State of California.

"Term" shall mean the Term of this Agreement.

"Ton" means a "short ton" of 2,000 pounds.

"Transfer Station" means any materials recovery facility, composting facility, intermediate processing facility, recycling center, transfer station or other waste handling or management facility to which solid waste collected for the City is delivered for processing before disposal in the Disposal System.

"Unacceptable Waste" means Hazardous Waste; Hazardous Substances; Prohibited Medical Waste; Qualified Household Hazardous Waste separated from Acceptable Waste; explosives, ordnance, highly flammable substances, and noxious materials and lead-acid batteries (except if delivered in minimal quantities); drums and closed containers; liquid waste, oil, human wastes; machinery and equipment from commercial or industrial sources, such as hardened gears, shafts, motor vehicles or major components thereof, agricultural equipment, trailers, marine

vessels and steel cable; hot loads; and any waste which the Disposal System is prohibited from receiving under Applicable Law.

"Uncontrollable Circumstance" means any act, event or condition affecting the Disposal System, the County, the City, or any of their Franchise Haulers, contractors or suppliers to the extent that it materially and adversely affects the ability of either party to perform any obligation under the Agreement (except for payment obligations), if such act, event or condition is beyond the reasonable control of and is not also the result of the willful or negligent act, error or omission or failure to exercise reasonable diligence on the part of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under the Agreement; provided, however, that the contesting in good faith or the failure in good faith to contest such action or inaction shall not be construed as willful or negligent action or a lack of reasonable diligence of either party. Examples of Uncontrollable Circumstances are:

- (1) an act of God, landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence, acts of a public enemy, extortion, war, blockade or insurrection, riot or civil disturbance; and
- (2) a Change in Law.

"Unincorporated Area" means those portions of the County which are not contained within the jurisdictional boundaries of incorporated cities.

"Unincorporated Area Acceptable Waste" means Acceptable Waste originating from or generated within the Unincorporated Area.

"Unrestricted Reserves" means cash and other reserves of the Disposal System which are not Restricted Reserves.

"Waste Disposal Covenant" means the covenants and agreements of the City set forth in Section 3.1 hereof.

SECTION 1.2 INTERPRETATION. In this Agreement, unless the context otherwise requires:

(A) References Hereto. The terms "hereby", "hereof", "herein", "hereunder" and any similar terms refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before, the Contract Date.

(B) Gender and Plurality. Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(C) Persons. Words importing persons include firms, companies, associations, general partnerships, limited partnerships, trusts, business trusts, corporations and other legal entities, including public bodies, as well as individuals.

(D) Headings. The table of contents and any headings preceding the text of the Articles, Sections and subsections of this Agreement shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(E) No Third Party Beneficiaries. Nothing in this Agreement is intended to confer on haulers or any other person other than the parties hereto and their respective permitted successors and assigns hereunder any rights or remedies under or by reason of this Agreement.

(F) Counterparts. This Agreement may be executed in any number of original counterparts. All such counterparts shall constitute but one and the same Agreement.

(G) Applicable Law. This Agreement shall be governed by and construed in accordance with the Applicable Laws of the State of California.

(H) Severability. If any clause, provision, subsection, Section or Article of this Agreement shall be ruled invalid by any court of jurisdiction, then the parties shall: (1) promptly meet and negotiate a substitute for such clause, provision, subsection, Section or Article which shall, to the greatest extent legally permissible, effect the intent of the parties therein; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with items (1) and (2) above to effect the intent of the parties in the invalid provision. The invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist, unless such invalidity frustrates the underlying primary purpose of the Agreement.

(I) Integration; Preservation of Certain Agreements. This Agreement contains the entire agreement between the parties with respect to the transactions contemplated hereby. This Agreement shall completely and fully supersede all prior understandings and agreements between the Parties with respect to such transactions; provided, however, that this Agreement shall not supersede the following agreements:

1) MOU, dated March 10, 1992, between the City of Brea and the County of Orange regarding the Olinda Alpha Landfill as amended on April 6, 1993 and November 29, 1994;

2) MOU, dated May 11, 1995, between the City of Brea and the County of Orange regarding importation of out-of-County waste to the Olinda Alpha Landfill;

3) Settlement Agreement, dated August 1, 1984, between the City of Irvine and the County of Orange regarding the Bee Canyon Landfill (currently called Frank R. Bowerman Landfill);

4) MOU, dated May 16, 1995, between the City of Irvine and the County of Orange regarding importation of out-of-County waste to the Frank R. Bowerman Landfill;

5) MOU, dated September 12, 1995, and amended November 21, 1995, between the City of San Juan Capistrano and the County of Orange regarding importation of out-of-County waste to the Prima Deshecha Landfill;

6) MOU, dated July 1, 1997, between the City of San Clemente[, the Orange County Flood Control District] and the County of Orange regarding the Prima Deshecha Landfill; and

7) Cooperative Agreement, dated August 15, 2006, between the County and the City of Irvine.

(J) Recitals. The recitals to this Agreement are not intended to bind the parties hereto. In the event of a conflict between the recitals and the operative provisions of this Agreement, the operative provisions shall prevail. The recitals shall not be used to interpret the provisions of the Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.1 REPRESENTATIONS AND WARRANTIES OF THE CITY. The City represents and warrants that:

(A) Existence. The City is a general law or charter city validly existing under the Constitution and laws of the State.

(B) Due Authorization. The City has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the City.

SECTION 2.2 REPRESENTATIONS AND WARRANTIES OF THE COUNTY. The County represents and warrants that:

(A) Existence. The County is a political subdivision of the State of California validly existing under the Constitution and laws of the State.

(B) Due Authorization. The County has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the County.

ARTICLE III
DELIVERY AND ACCEPTANCE OF WASTE
AND PROVISION OF DISPOSAL SERVICE

SECTION 3.1 DELIVERY OF WASTE.

(A) Waste Disposal Covenant. Subject to the occurrence of the Commencement Date and throughout the Term of this Agreement, the City shall exercise all legal and contractual power and authority which it may possess from time to time to deliver or cause the delivery of all Controllable Waste to the Disposal System in accordance herewith.

(B) Recycled City Acceptable Waste. The parties hereto acknowledge the responsibility of the City to meet the recycling and landfill diversion goals contained in the Act. Nothing in this Agreement is intended or shall be interpreted to prohibit or impair the ability of the City to meet such responsibilities, or to restrict the right of the residents, businesses or organizations in the City to practice source separation, recycling, composting or other materials recovery activities, or to restrict the right of the City to conduct, sponsor, encourage or require such activities in any form. No reduction in the amount of Controllable Waste generated in the City and delivered to the Disposal System by or on behalf of the City which may result from any such source separation or recycling program shall cause the City any liability hereunder (other than potential adjustment to the Contract Rate to the extent provided in Article IV hereof) and shall not constitute a breach of this Agreement.

(C) Waste Delivered to Transfer Station. All Residue from any processing of Controllable Waste by materials recovery, composting, recycling or other means, wherever performed, shall constitute Controllable Waste and be subject to the Waste Disposal Covenant. Where City Acceptable Waste is processed at a facility which concurrently processes other Acceptable Waste in a manner which produces commingled residue which cannot be traced to a geographic source, generic residues from such facility in Tonnage equal to the residues that would have been produced had City Acceptable Waste only been processed at the facility shall constitute Controllable Waste and be subject to the Waste Disposal Covenant. Any City Acceptable Waste or material derived or segregated therefrom which is held in storage and asserted by the possessor thereof to constitute Recycled City Acceptable Waste awaiting sale or distribution to the secondary materials markets shall constitute Controllable Waste if, when and to the extent that the storage or diversion thereof can be reasonably deemed to constitute an evasion of the Waste Disposal Covenant rather than generally recognized, accepted and prevailing practice in the Southern California materials recovery and recycling industry conducted in accordance with Applicable Law. In order for the owner and/or operator of a transfer station to be entitled to deliver Acceptable Waste from a Participating City to the Disposal System for the Contract Rate as provided in Article IV, such owner and/or operator must execute a direct agreement with the County, acknowledging and agreeing to comply with the obligation of the Participating City to cause the delivery of all Controllable Waste to the Disposal System pursuant to this Agreement. In addition, the County shall be authorized to implement procedures to determine if Acceptable Waste delivered by the owners or operators of Transfer Stations is entitled to utilize the Disposal System for the Contract Rate. Such procedures may include requiring Transfer Stations to certify, under penalty of perjury, the source of any such Acceptable Waste. If necessary, the County may require that, in order to qualify for use of the Disposal System for the Contract Rate, Transfer Stations must deliver Controllable Waste in loads containing only Controllable Waste, and not commingled with Acceptable Waste from entities which are not Participating Cities or Participating Independent Haulers.

(D) Power to Obligate Waste Disposal and Comply with this Agreement. On or before the Commencement Date, (i) any City franchise, contract, lease, or other agreement which is lawfully in effect relating to or affecting Controllable Waste shall provide, or shall have been amended to provide, that the City shall have the right without material restriction on and after the Commencement Date to direct the delivery of all Controllable Waste to a disposal location selected by the City (whether or not such Controllable Waste is delivered to a transfer station as an intermediate step prior to landfill disposal) and otherwise to comply with its obligations under this Agreement with respect to Controllable Waste and Franchise Haulers, and (ii) the City shall designate the Disposal System as the disposal location pursuant to such franchise, contract, lease or other agreement. On and after the Commencement Date and throughout the Term of this Agreement the City (a) shall not enter into any franchise, contract, lease, agreement or obligation, issue any permit, license or approval, or adopt any ordinance, resolution or law which is materially inconsistent with the requirements of the Waste Disposal Covenant, and (b) shall maintain non-exclusive or exclusive franchises or other contractual arrangements over any City Acceptable Waste which, as of the Contract Date, is subject to non-exclusive or exclusive franchise or other contractual arrangements. The City agrees that the County shall be a third party beneficiary of the obligation of Franchise Haulers to deliver Controllable Waste to the Disposal System, and may directly enforce such obligation through any legal means available. The City shall notify in writing each Franchise Hauler of the County's third party beneficiary rights.

(E) Waste Flow Enforcement. (1) The City, in cooperation with the Department, shall establish, implement, carry out and enforce a waste flow enforcement program which is sufficient to assure the delivery of all Controllable Waste to the Disposal System pursuant to and in accordance with the Waste Disposal Covenant for disposal at the times and in the manner provided herein. The waste flow enforcement program shall consist of amending City franchises, permits or authorizations with all Franchise Haulers, to the extent required by this Section and to the extent allowed by law, and shall include in addition, to the extent necessary and appropriate in the circumstances to assure compliance with the Waste Disposal Covenant, but shall not be limited to: (i) licensing or permitting Franchise Haulers, upon the condition of compliance with the Waste Disposal Covenant, (ii) providing for and taking appropriate enforcement action under any such franchise, license, or permit, such as but not limited to the suspension, revocation and termination of collection rights and privileges, the imposition of fines or collection of damages, and the exercise of injunctive relief against non-complying Franchise Haulers and (iii) causing any Transfer Station to which Controllable Waste is delivered for processing to deliver certification, under the penalty of perjury, of the amounts of Controllable Waste received and Residue remaining from processing at such Transfer Station.

(2) The City acknowledges and agrees that in the event of a breach of the Waste Disposal Covenant by the City, the City shall pay the County an amount equal to the amount that the City would have been required to pay to the County had the Waste Disposal Covenant not been breached, which shall be calculated by (x) subtracting the number of tons actually delivered during the month(s) of the breach from the number of tons that were delivered during the same month(s) closest in time when there was no such breach, even if such month(s) closest in time was prior to the Term, and (y) multiplying such amount by the Contract Rate in effect at the time of such breach (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2). In the event that the County terminates the Waste Disposal Agreement as a result of such breach, the damages due as a result of such termination shall be equal to (aa) the average monthly deliveries by the City for the twelve months prior to the commencement of the breach multiplied by (bb) the Contract Rate in effect at the time of such breach (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2), multiplied by (cc) the number of months that would have remained in the Term of the Agreement had the termination not occurred. The parties recognize that if the City fails to meet its obligations hereunder, the County will suffer damages and that it is and will be impracticable and extremely difficult to ascertain and determine the exact amount of such damages. Therefore, the parties agree that the damages specified above represent a reasonable estimate of the amount of such damages, considering all of the circumstances existing on the date hereto, including the relationship of the sums to the range of harm to the County that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing this Agreement, each party specifically confirms the accuracy of the statements made above and the fact that each party had ample opportunity to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this Agreement was made.

(F) Legal Challenges to Franchise System. The City shall use its best efforts to preserve, protect and defend its right to exercise and comply with the Waste Disposal Covenant against any challenge thereto, legal or otherwise (including any lawsuits against the City or the County, whether as plaintiff or defendant), by a

Franchise Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. The City shall bear the cost and expense of any such Legal Proceeding or other challenge. In the event any such Legal Proceeding relating to the Waste Disposal Covenant or the City's exercise thereof establishes in a final determination that such covenant or exercise thereof is void, unlawful or unenforceable, or if any Franchise Hauler fails to deliver Controllable Waste to the Disposal System in breach of its franchise with the City on the grounds that a judicial determination made by any court or other Applicable Law has rendered its obligation to deliver Controllable Waste to the Disposal System void, unlawful or unenforceable on any legal grounds, with the result that actual waste deliveries to the Disposal System fall below the Cumulative Tonnage Targets, the County shall be entitled to avail itself of the remedies described in Section 4.2(B) hereof.

(G) Franchise Haulers. The City shall compile and provide the Department with the following information concerning all Franchise Haulers: name, address and phone number; identification number; area of collection and transportation; and franchise and permit terms.

(H) Waste Information System. The City shall cooperate with the Department in collecting information and otherwise monitoring Franchise Haulers in order to assure compliance with this Agreement. Such information may include, to the extent practicable, data pertaining to Controllable Waste collected, transported, stored, processed and disposed of, Recycled City Acceptable Waste collected, transported, stored, processed and marketed or disposed of, Franchise Haulers' franchise, permit or license terms, collection areas, transportation routes and compliance with Applicable Law; and all other information which may reasonably be required by the Department in connection with this Agreement. The City agrees to include in any revised franchise, contract, license or permit or other authorization granted to Franchise Haulers an obligation of the Franchise Hauler to provide to the County information relating to the Controllable Waste collected by such Franchise Hauler, including origins from which such Controllable Waste was collected, tonnage by type of load (residential, commercial, roll-off box), customer service levels, tonnage delivered by transfer station or material recovery facility utilized, and other related information.

(I) City Actions Affecting County. The City agrees to carry out and fulfill its responsibilities under this Agreement and Applicable Law so as to permit full and timely compliance by the County with its covenants and agreements with the State. In particular, the City agrees not to conduct, authorize or permit any disposal services for Controllable Waste to be provided in competition with the Disposal Services provided by the County hereunder, and not to take or omit to take any action with respect to Controllable Waste or its collection, transportation, transfer, storage, treatment or disposal that may materially and adversely affect the County's ability to achieve such timely compliance. Notwithstanding the foregoing, the City shall not be required to deny any permit or license or refuse to grant any approval while exercising its police powers.

(J) No Right of Waste Substitution. Nothing in this Agreement shall authorize or entitle the City to deliver or cause the delivery to the Disposal System of Acceptable Waste originating from or generated outside the jurisdiction of the City, nor obligate the County to receive or dispose of any such Acceptable Waste. The City shall not assign in whole or in part its right to deliver or cause to be delivered Controllable Waste to the County hereunder, and shall not permit any Acceptable Waste originating from or generated outside the jurisdiction of the City to be substituted for Controllable Waste for any purpose hereunder.

(K) Annexations and Restructuring. It is the intention of the parties that this Agreement and the obligations and rights of the City hereunder, including particularly the Waste Disposal Covenant and the Contract Rate, shall, to the extent permitted by Applicable Law, extend to any territory annexed by the City (or any territory with respect to which the City assumes, after March 30, 2008, solid waste management responsibility from a Sanitary District or other public entity) and shall bind any successor or restructured Governmental Body which shall assume or succeed to the rights of the City under Applicable Law.

SECTION 3.2 PROVISION OF DISPOSAL SERVICES BY THE COUNTY

(A) Service Covenant. Commencing on the Commencement Date, the County shall provide or cause the provision of the service of (1) receiving and disposing of all Controllable Waste at the Disposal System (or such other facilities, including transfer stations, as the County may determine to use), (2) disposing in accordance with subsection 3.2(C) hereof of Controllable Waste which, at any time and for any reason, is in excess

of the disposal capacity of the Disposal System, and (3) in accordance with subsection 3.3(C) hereof, disposing of Unacceptable Waste inadvertently accepted at the Disposal System. The County, to the maximum extent permitted under Applicable Law, shall use its best efforts to keep the Olinda Alpha, Prima Deshecha and Frank R. Bowerman Landfills open for the receipt of waste for disposal or transfer of Controllable Waste pursuant to this Agreement. The County shall do and perform all acts and things which may be necessary or desirable in connection with its covenants in this subsection, including without limitation all planning, development, administration, implementation, construction, operation, maintenance, management, financing and contract work related thereto or undertaken in connection therewith. The County shall exercise all reasonable efforts to minimize the costs incurred in complying with the Service Covenant consistent with its responsibilities hereunder and under this Agreement, Applicable Law and prudent solid waste management practice and environmental considerations.

(B) Particular Facilities. The Department and the City shall consult and cooperate in determining whether and to what extent from time to time other landfills other than that primarily used by the City shall be utilized to receive Controllable Waste. The Department shall immediately advise the City by telephone of any situation, event or circumstance which results in the partial or complete inability of the County to receive Controllable Waste at any particular landfill within the Disposal System, its effect on the County's ability to perform its obligations hereunder, and the County's best estimate of the probable duration. The Department shall confirm such advice in writing within 24 hours of the occurrence of any such inability. The County shall use its best efforts to resume normal operation of the landfill primarily used by the City as soon as possible. In the event of a temporary material increase in average daily deliveries of Controllable Waste from the City which the County reasonably believes could result in the permitted daily disposal capacity limit to be exceeded with respect to a particular landfill within the Disposal System, the County shall have the right to redirect the increased Controllable Waste to another landfill within the Disposal System for the duration of the increase in average daily deliveries; provided, however, that in such circumstances the County shall utilize reasonable efforts to first redirect waste which is not Controllable Waste.

(C) Compliance with Service Covenant Not Excused for any Reason. Commencing on the Commencement Date, the obligations of the County to duly observe and comply with the Service Covenant shall apply continuously and without interruption for the Term of this Agreement. In the event that any Change in Law or other Uncontrollable Circumstance impairs or precludes compliance with the Service Covenant by the means or methods then being employed by the County, the County shall implement alternative or substitute means and methods to enable it to satisfy the terms and conditions of the Service Covenant. In the event that a Change in Law precludes the County from complying with such covenants with the means or methods then being employed and from utilizing any alternate or substitute means or methods of compliance, the County shall continuously use all reasonable efforts to effectuate executive, legislative or judicial change in or relief from the applicability of such law so as to enable the County lawfully to resume compliance with such covenants as soon as possible following the Change in Law.

SECTION 3.3 COUNTY RIGHT TO REFUSE WASTE.

(A) Right of Refusal. Notwithstanding any other provision hereof, the County may refuse delivery of:

- (1) Hazardous Waste;
- (2) Controllable Waste delivered at hours other than those provided in Section 3.5 hereof;
- (3) Waste that does not constitute Acceptable Waste;
- (4) Waste that is delivered by any party which has not executed a Waste Disposal Agreement; and
- (5) Controllable Waste consisting primarily of construction and demolition debris or inerts which may cause a particular facility's daily tonnage limit to be exceeded.

(B) Identification of Unacceptable Waste. The Department shall have the right (but not the duty or the obligation) to inspect the vehicles of all Franchise Haulers delivering material to the Disposal System, and may require that the Franchise Hauler remove any Unacceptable Waste from such vehicle before it is unloaded. If the Department determines that it is impractical to separate Controllable Waste from Unacceptable Waste in any vehicle, or if the Franchise Hauler delivering such waste is unwilling to make such separation, or if any vehicle is carrying waste which may spill or leak, then the Department may reject the entire vehicle, and the City shall forthwith remove or cause the removal of the entire delivery from the Disposal System. The Department may take all reasonable measures to prevent waste from being blown or scattered before and during unloading. The City shall cause the Franchise Haulers to observe and comply with Applicable Law, the operating rules and regulations of the Department, and the provisions of this Agreement prohibiting the delivery of Unacceptable Waste to the Disposal System.

(C) Hazardous Waste and Hazardous Substances. The parties acknowledge that the Disposal System has not been designed or permitted, and is not intended to be used in any manner or to any extent, for the handling, transportation, storage or disposal of Hazardous Waste or Hazardous Substances. Neither the County nor the City shall countenance or knowingly permit the delivery of Hazardous Waste or Hazardous Substances to the Disposal System.

(D) Disposal of Unacceptable Waste and Hazardous Waste. If Unacceptable Waste or Hazardous Waste is discovered in a vehicle at any landfill within the Disposal System, the driver of the vehicle will not be permitted to discharge the load. If a vehicle is observed unloading Unacceptable Waste or Hazardous Waste in the tipping area of a landfill within the Disposal System Department personnel will use reasonable efforts to assure that such material has been characterized, properly secured and its disposition resolved. The return or reloading onto the delivery vehicle of any Hazardous Waste, Prohibited Medical Waste or other waste requiring handling or transportation shall be conducted in accordance with Applicable Law. Whenever Hazardous Waste is detected at any landfill within the Disposal System, the Department shall take immediate action in accordance with Applicable Law.

(E) Source-Separated Household Hazardous Waste. The County shall maintain, as part of the Disposal System, a Source-Separated Household Hazardous Waste Disposal System for the disposal of Source-Separated Household Hazardous Waste. The disposal service provided by such system shall constitute part of the Disposal Services, and shall be available to Participating Cities as part of the Contract Rate. The County may impose additional fees and charges for services relating to Source-Separated Household Hazardous Waste with respect to cities which are not parties to a Disposal Agreement. The County may provide for the expansion, contraction or modification of the Source-Separated Household Hazardous Waste Disposal System and its services to the extent necessary to ensure the Disposal System's viability; provided, however, if the County chooses to reduce services, the County shall nonetheless continue to expend funds for the Source-Separated Household Hazardous Waste Disposal System each year during the term of this Agreement in an amount at least equal to the amount of funds expended for the Source-Separated Household Hazardous Waste Disposal System during fiscal year 2006-07 as adjusted by changes in the Producer Price Index.

SECTION 3.4 UNINCORPORATED AREA ACCEPTABLE WASTE. Commencing on the Commencement Date, the County in accordance with Applicable Law shall provide or cause to be provided the service of disposing of non-recycled Acceptable Waste originating or generated within the Unincorporated Area and, with respect to such waste, shall comply with the Waste Disposal Covenant as if the County constituted a City subject to the Waste Disposal Covenant hereunder. Rates charged by the County for the disposal of each class of non-recycled Acceptable Waste generated in the Unincorporated Area shall be the same as the Contract Fee charged for the disposal of each class of Controllable Waste. The County shall use its best efforts to preserve, protect and defend its right to exercise and comply with the Waste Disposal Covenant (with respect to non-recycled Acceptable Waste generated in the Unincorporated Area) against any challenge thereto, legal or otherwise, by a Franchise Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. The County shall bear the cost and expense of any such Legal Proceeding or other challenge (with respect to non-recycled Acceptable Waste generated in the Unincorporated Area).

SECTION 3.5 MISCELLANEOUS OPERATIONAL MATTERS.

(A) Operating Hours. The County shall keep the Disposal System open for the receiving of Controllable Waste during such regular operating hours as may be established by the Department in the operating rules and regulations applicable to the Disposal System. The County shall utilize best efforts to maintain substantially similar hours, as were in effect on January 2, 2009, for the receipt of waste through the term of this Agreement (subject to Applicable Law).

(B) Scales and Weighing. The Department shall operate and maintain permanent scales at the Disposal System. The Department shall weigh all vehicles delivering waste by or on behalf of the City (whether or not the County accepts such waste) and prepare a daily weight record with regard to such delivery.

(C) Service Coordinator. The County and the City each shall designate in writing thirty days prior to the expected Commencement Date a person to transmit instructions, receive information and otherwise coordinate service matters arising pursuant to this Agreement (each a "Service Coordinator"). Either party may designate a successor or substitute Service Coordinator at any time by notice to the other party.

(D) Review of Records. Each party may review the other party's books and records with respect to matters relevant to the performance by either party under this Agreement or otherwise related to the operation of the Disposal System to the extent allowed under the California Public Records Act (interpreted as if the parties to this Agreement were natural persons for purposes of the Public Records Act).

SECTION 3.6 OTHER USERS OF THE DISPOSAL SYSTEM.

(A) On or Before [_____, 2009]. On or before [120 DAYS AFTER BOARD APPROVAL], the County shall have the right to enter into waste disposal agreements with Orange County entities with respect to Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the County, including other cities in the County, Sanitary Districts, Transfer Stations and Independent Haulers, which waste disposal agreements shall have terms and provisions substantially identical to the terms and provisions of this Agreement; provided, however, that in no event shall such agreements have terms and provisions more favorable than the terms and provisions of this Agreement (including but not limited to the Contract Rate and availability of disposal capacity).

(B) After [_____, 2009]. After [120 DAYS AFTER BOARD APPROVAL], the County shall have the right to enter into waste disposal agreements with Orange County entities, including any city, Sanitary District, Transfer Station and Independent Hauler, or otherwise accept Acceptable Waste from such parties, but only within the limitations contained in this Section. Any such agreement or waste acceptance agreement must provide that the party delivering waste shall pay a Posted Disposal Rate at least 10% higher than the Contract Rate unless the County determines it is in the best interest of the Disposal System to establish a Posted Disposal Rate less than 10% higher than the Contract Rate. In no event shall the Posted Disposal Rate be equal to or less than the Contract Rate. In addition, the County shall reserve the right in any such waste disposal agreement at any time, to the extent permitted by Applicable Law, to refuse to receive and dispose of Acceptable Waste from any city, County Sanitary District, Transfer Station and Independent Hauler if and to the extent that such receipt and disposal may materially and adversely affect the ability of the County to comply with its obligations to the Participating Cities under the Disposal Agreements to which each is a party.

(C) Receipt of Imported Acceptable Waste on a Contract Basis. The County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. The term of any such agreement for the disposal of Imported Acceptable Waste shall end by the later to occur of (i) December 31, 2015 or (ii) the date on which County general purpose revenues are no longer expended to pay debt service on the Orange County Public

Financing Authority Lease Revenue Refunding Bonds Series 2005, but in no event later than the last day of the fiscal year commencing July 1, 2015.

(D) Self Haulers. The City and the County acknowledge that Self-Haulers shall be entitled to deliver Self-Hauled Waste to the Disposal System, on a non-contract basis, at the Posted Disposal Rate. Such Self-Haulers shall not be entitled to dispose of Acceptable Waste for the Contract Rate.

(E) Application and Use of Revenues From Other Users. All revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System, shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County's Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) ("Net Import Revenues") from the disposal of Imported Acceptable Waste by the Disposal System, and such Net Import Revenues may be used for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), incremental operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. The parties acknowledge that their intention in determining to allow the importation of Imported Acceptable Waste for disposal by the Disposal System is to stabilize the Contract Rate at rates below those which would otherwise prevail in the absence of such importation.

SECTION 3.7 COUNTY PROVISION OF WASTE DIVERSION SERVICES.

(A) County-Wide Recycling Services. This Agreement does not require the County to provide for any source reduction, materials recovery, recycling, composting, or other waste diversion services by the County nor any payment therefor by the City, by Franchise Haulers or by ratepayers; provided, however, any County-Wide Recycling Services may be funded through the County OC Waste & Recycling Enterprise Fund. Any such recycling services may be expanded, contracted or modified by the County at any time in its sole discretion.

(B) Separate City-County Diversion Service Agreements. Nothing in this Agreement is intended to limit the right of the County to enter into a separate agreement with the City or any other person to provide source reduction, materials recovery, recycling, composting or other waste diversion services. Any such program conducted by the County, whether in participation with the City, any other of the Participating Cities, other Cities, Sanitary Districts, Transfer Stations, Independent Haulers, Unincorporated Area or non-County entity, shall be operated, managed and accounted for as a program separate and distinct from the Disposal Services program contemplated by the Disposal Agreements and shall not be funded through the general revenues of the Disposal System.

ARTICLE IV CONTRACT RATE

SECTION 4.1 CHARGING AND SECURING PAYMENT OF CONTRACT RATE. The City acknowledges that the County shall have the right to charge and collect a Contract Rate for the acceptance and disposal of Controllable Waste delivered to the System by any Franchise Hauler. The Contract Rate shall be calculated and established, and may be modified, as provided in Section 4.2 hereof. In addition, the City acknowledges that the County shall have the right to establish as part of the operating rules and regulations reasonable measures to secure the payment of all Contract Rates.

SECTION 4.2 CONTRACT RATE.

(A) Establishment of Contract Rate. The Contract Rate payable by each Franchise Hauler shall be (x) \$22.00 per ton from the Commencement Date through June 30, 2010, and (y) \$29.95 per ton on and after July 1, 2010, in both cases contingent on the delivery to the Disposal System of an amount of Acceptable Waste at

least equal to the Cumulative Tonnage Targets identified in Appendix 2, and subject to adjustment necessary to reflect the circumstances set forth in this Section 4.2:

(i) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Uncontrollable Circumstances, other than Changes in Law;

(ii) costs incurred by the County (in excess of available insurance proceeds and amounts available in the Environmental Fund for such purposes) remediating environmental conditions at the Disposal System or inactive or closed disposal sites in the County, which, if uncorrected, could give rise to potential claims under CERCLA or related federal or state statutes, including costs incurred providing indemnification to any Participating City pursuant to subsection 7.3; or

(iii) tonnage shortfalls to the extent permitted by Sections 4.2(B);

(iv) average annual inflation prior to July 1, 2010 in excess of the levels set forth in Section 4.2(H) and escalation pursuant to Section 4.2(F);

(v) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Changes in Law; or

(vi) Capital Costs in excess of the Capital Costs at any point in time during the term hereof exceeding the Cumulative Capital Costs set forth in Appendix 3.

Prior to adjusting the Contract Rate as a result of any of the circumstances described in clauses (i), (ii) or (iii) above, the County shall utilize the following remedies in the following order of priority:

(x) reduce the costs of operating the Disposal System to the extent practicable; and

(y) utilize Unrestricted Reserves to pay costs of the Disposal System.

The County will not be required to utilize such remedies prior to adjusting the Contract Rate as a result of any of the circumstances described in clauses (iv), (v) or (vi) above.

Any adjustments to the Contract Rate permitted by this Section shall be calculated by the County to reflect the actual costs or expenses of addressing the circumstance or circumstances pursuant to which the adjustment is authorized. The County agrees that it will evaluate the feasibility of long term financing for significant capital costs where appropriate.

(B) County Acceptable Waste Shortfall. In the event that the actual amount of County Acceptable Waste delivered to the Disposal System at the end of any Contract Year is less than the Cumulative Tonnage Target for such Contract Year for County Acceptable Waste, as specified in Appendix 2, the County shall utilize the following options, in the following order of priority, in order to remedy any adverse effects of such tonnage shortfall:

(i) reduce the costs of operating the Disposal System to the extent practicable;

(ii) utilize Restricted Reserves described in clause (iii) of Section 4.5 to pay costs of the Disposal System;

(iii) utilize Unrestricted Reserves to pay costs of the Disposal System; and

(iv) adjust the Contract Rate.

In the event that implementation of the steps described above does not result in sufficient revenues to satisfactorily address the shortfall in tonnage, the County shall have the right to terminate the Agreement on 60 days written

notice to the City. In addition, in the event that actual deliveries to the Disposal System exceed the Cumulative Tonnage Target as of the end of any Contract Year, the City acknowledges the County shall have the right to establish reserves intended to reflect the potential for lower than expected annual waste deliveries in subsequent years, and that any such reserves shall constitute "Restricted Reserves".

(C) [RESERVED]

(D) Interim Use of Remedies. In the event that, during any Contract Year, waste deliveries to the Disposal System are 25% or more below delivery projections for such Contract Year with the result that the County determines it is unlikely that the Cumulative Tonnage Target will be achieved as of the end of such Contract Year, the County may utilize the remedies described in Section 4.2(B) prior to the end of such Contract Year; provided, however, that if at the end of such Contract Year, the Cumulative Tonnage Target is actually met, the County shall reimburse any adjustments to the Contract Rate made pursuant to this Section to Participating Cities. Such reimbursement may be given as a credit or adjustment to the Contract Rate for future deliveries, rather than a lump sum payment.

(E) Special Charges. Notwithstanding Section 4.2(A), the County shall have the right to impose special charges for the receipt of hard to handle materials, such as bulky materials, construction and demolition debris, tree stumps and sludge. Such special charges shall be calculated to reflect the reasonable incremental costs to the County of accepting such hard to handle materials. In addition, in the event that the Board of Supervisors of the County makes a determination to implement a facility (including but not limited to a transfer station, landfill, conversion technology facility, or a materials recovery or processing facility), which facility would be intended to provide for disposal alternatives after the closure of one or more of the landfills currently operating within the Disposal System, the County may impose an additional charge of \$0.50 per ton of Acceptable Waste in order to pay the costs of the study, development, planning, construction and/or operation of such facility.

Adjustments pursuant to this Section 4.2(E) shall not require compliance with the provisions of Section 4.2(I).

(F) Escalation. The Contract Rate shall be adjusted each July 1, beginning July 1, 2011. The change will be equal to the positive percentage change in the Consumer Price Index - All Urban Consumers, U.S. city average, All items, Not Seasonally Adjusted, Series ID CUUR0000SA0 ("CPI") as measured from the October 21 months prior to the rate adjustment to the October immediately preceding the rate adjustment. For example: The July 1, 2011 rate adjustment shall be based upon the index change from October 2009, to October 2010, referred to as year 1 and year 2 respectively in the following example.

Formula to calculate percentage change in the Contract Rate:

Step 1:

$$\left[\frac{\text{October Year 2 CPI}}{\text{October Year 1 CPI}} \right] - 1 = \% \text{ increase in Contract Rate}$$

Step 2: Current Contract Rate x (1 + % increase in Contract Rate) = Contract Rate as of July 1 Year 2

On each April 1, commencing April 1, 2011, the County shall provide the City with notice of the adjustment to the Contract Rate to be effective the following July 1. Such notice shall contain the calculation of the adjustment set forth above. The County will calculate the new Contract Rate each year.

In the event that the change in the CPI is negative, no rate adjustment will be made for that year. No adjustment under this Section 4.2(F) will take place until the October CPI index surpasses the index level as of the October immediately preceding the last annual rate adjustment pursuant to this Section 4.1(F), which will be considered "year 1" in calculating the change in the Contract Rate.

For example, if the CPI is measured as follows: October 2009 = 205, October 2010 = 204, October 2011 = 201, October 2012 = 208, then there would be no adjustment in July 2011, or July 2012, and an adjustment equal to the change from 205 to 208 would be implemented on July 1, 2013.

Adjustments pursuant to this Section 4.2(F) shall not require compliance with the provisions of Section 4.2(I).

(G) Adjustment Resulting from Increased Fees. In addition to the other adjustments specified herein, the Contract Rate shall be adjusted to reflect the imposition of new fees or increase in existing fees relating to the disposal of Controllable Waste imposed by state, federal or other agencies (i.e., the State's Integrated Waste Management fee, which is currently \$1.40 per ton). The adjustment shall be equal to the amount of any new or increased fee, and the adjustment shall take effect so as to coincide with the imposition of the new or increased fee. The County shall provide notice of any increase pursuant to this Section 4.2(G) as soon as practicable after becoming aware of the imposition of any fees described above.

Adjustments pursuant to this Section 4.2(G) shall not require compliance with the provisions of Section 4.2(I).

(H) Calculation of Cumulative Inflation Rate. For purposes of Section 4.2(A)(iv) for adjustments prior to July 1, 2011, the inflation shall be calculated as the change in the CPI between July of the year of calculation and July 1, 2008. Inflation shall be deemed to exceed the levels set forth below if the ratio between the CPI for July for the year of calculation (calculated in accordance with the formula below) and July 2008 exceeds the ratio corresponding to such year of calculation on the table below. The ratio shall be calculated in accordance with the following formula:

(July CPI of calculation year / CPI for July 2008)

<i>Year of Calculation</i>	<i>Ratio</i>
July 1, 2008	1.0000
July 1, 2009	1.0356
July 1, 2010	1.0723

In the event the CPI is no longer published during the term of this Agreement, such other index identified by the Bureau of Labor Statistics or otherwise generally accepted as a replacement for CPI shall be used for purposes of this Agreement. In the event of an adjustment to the Contract Rate pursuant to this section 4.2(H), such adjustment shall be applied to the Contract Rate effective until June 30, 2010, and the Contract Rate effective July 1, 2010.

Adjustments pursuant to this Section 4.2(H) shall not require compliance with the provisions of Section 4.2(I).

(I) Procedure for Rate Adjustments. In the event the County determines that it is entitled to an adjustment of the Contract Rate pursuant to Section 4.2(A) (other than 4.2(A)(iv)) or Section 4.2(B), it shall utilize the procedures described in this Section 4.2(I). The County shall be required to provide the City with at least 90 days prior written notice of the adjustment, which notice shall identify the specific event(s) or circumstances which require the adjustment. The notice shall also specify the earliest date on which the County Board of Supervisors shall consider the proposed adjustment. At least 45 days prior to such meeting of the Board of Supervisors, the County shall provide the City with a report which shall contain the following information: a description of the specific event(s) or circumstances which require the adjustment; a description (including cost estimates) of any activities (which may include, but not be limited to capital improvements to the Disposal System) required in order to remedy such event or circumstance; certification by the County that it has implemented the remedies described in Section 4.2(A) or (B) prior to requiring the rate adjustment; and a description of the methodology used by the County to calculate the adjustment to the Contract Rate (hereinafter the "County Report"). In the event the City disputes the adjustment, it shall provide the County with a written description of the reason for the dispute at least 10 days prior to the meeting of the Board of Supervisors identified in the initial notice of the County (hereinafter the "City Report"). The City Report shall be provided to the Board of Supervisors for

consideration at such meeting in connection with the proposed rate adjustment. At any time from and after the date that the County provides the City with the County Report, upon the request of either party, the City and County shall meet and confer in good faith to resolve any dispute that may arise regarding the proposed adjustment to the Contract Rate. In any such meeting, the County shall be represented by the Director of the Department or his or her designee. In the event the Board of Supervisors approves all or a portion of the proposed rate adjustment, such rate adjustment shall become effective on the date identified in the initial notice sent by the County regardless of whether or not the procedures in Section 4.2(J) are utilized, but subject to potential reimbursement pursuant to clause (11) of Section 4.2(J).

(J) Procedure for Expedited Judicial Review of Contested Rate Adjustment. In the event that, within 30 days after the effective date of any Contract Rate adjustment made pursuant to Section 4.2(I), Participating Cities which, in the aggregate, accounted for more than 50% of the County Acceptable Waste delivered to the County System in the twelve months preceding the Contract Rate adjustment, provide notice to the County of their election to utilize the procedures described in this Section 4.2(J), then the provisions of this Section 4.2(J) shall be utilized by such Participating Cities and the County to resolve the dispute over the Contract Rate Adjustment. In the event that Participating Cities which have delivered the amount of waste contemplated in the preceding sentence do not provide notice to the County of such election, the County shall have no obligation to participate in or cooperate in the implementation of the procedures described below in this Section 4.2(J).

(1) In order to pursue the expedited judicial determination described in this Section (the "Expedited Rate Determination"), the Participating Cities which have made the election described in the paragraph above (the "Challenging Cities") must commence a civil action for breach of contract (the "Action") in the Orange County Superior Court within 45 days of the date on which the Board of Supervisors approves the challenged adjustment to the Contract Rate.

(2) Within two (2) days of filing the Action, the Challenging Cities shall personally serve on the County Counsel both the summons and complaint, and a stipulation and request for the entering of an order incorporating all of the procedural provisions relating to the Expedited Rate Determination as set forth in this Section 4.2(J) (such stipulation and request for order is hereinafter referred to as the "Expedited Rate Determination Stipulation"). The Expedited Rate Determination Stipulation shall be signed by each of the Challenging Cities.

(3) Within fifteen (15) days of the date of service upon the County of the summons and complaint, and Expedited Rate Determination Stipulation, the County Counsel shall execute the Expedited Rate Determination Stipulation and personally serve upon the Challenging Cities through their counsel of record the Expedited Rate Determination Stipulation and its answer to the complaint in the Action. The Stipulation shall also include a waiver by each of the parties of their right to a jury trial of the issues raised in the Action. The City and the County mutually agree that the duty to execute the Expedited Rate Determination Stipulation and comply with the procedures set forth for Expedited Rate Determination in this Section 4.2(J) shall be, and are hereby deemed to be, ministerial duties which the law specifically enjoins upon each of them, and shall be subject to enforcement by the parties herein pursuant to Code of Civil Procedure Section 1085, *et seq.*, or by means of a complaint for specific performance.

(4) Within three (3) days of the date of service by the County upon the Challenging Cities of the fully signed Expedited Rate Determination Stipulation, the County and the Challenging Cities shall jointly make *ex parte* application to the Orange County Superior Court in the Action for the issuance of the order contained in the Expedited Rate Determination Stipulation. At such *ex parte* application, the County and the Challenging Cities shall also seek to confirm with the Orange County Superior Court the briefing schedule, and request a hearing date in accordance with the procedures set forth in this Section 4.2(J).

(5) Within ten (10) days of the date of service by the County upon the Challenging Cities of the answer in the Expedited Rate Determination, the Challenging Cities shall file with the court and personally serve upon the County the Challenging Cities' opening brief and the Record in the Expedited Rate Determination. The opening brief shall not exceed 15 pages in length. The Record shall consist of, and be limited to, the record of the proceedings before the Board of Supervisors with respect to the adjustment of the Contract Rate, including but not limited to the County Report and the City Report prepared by each or any of the Challenging Cities pursuant to Section 4.2(I), any materials filed or lodged with the Board of Supervisors and the Orange County

Waste Commission, the transcript of the proceedings of the Board of Supervisors meeting and the Orange County Waste Commission, the minutes of the Board of Supervisors and the Orange County Waste Commission meeting, and the resolution and/or other documentation evidencing action by the Board of Supervisors and the Orange County Waste Commission to adjust the Contract Rate pursuant to Section 4.2(A) or (B). The record shall also include the most recent reports prepared pursuant to Sections 4.6 and 4.7. The Expedited Rate Determination shall be decided solely on the evidence in the Record, and no extrinsic evidence shall be submitted to or considered by the court.

(6) Within ten (10) days of service by the Challenging Cities of their opening brief and the Record, the County shall file and personally serve upon the Challenging Cities the County's opposition brief. The opposition brief shall not exceed 15 pages in length.

(7) Within five (5) days of service by the County upon the Challenging Cities of the opposition brief, the Challenging Cities may file and personally serve upon the County a rebuttal brief, which shall not exceed 10 pages in length.

(8) The trial of the Expedited Rate Determination shall be conducted as a hearing which shall be conducted at the date set by the court in the *ex parte* hearing conducted pursuant to Section 4.2(J)(4), or such other date and time ordered by the court. If the court requests the parties to prepare supplemental briefs in response to any question or issue raised by the court, the parties may do so.

(9) The standard of review for the Expedited Rate Determination shall be the preponderance of the evidence based upon the Record. The burden of proof shall be borne by the Challenging Cities, and the burden of proof shall be the same as with respect to a plaintiff in a damages action for breach of contract. Both parties have participated in the drafting of this Agreement. Accordingly, nothing set forth in this Agreement shall be interpreted or construed for or against either of the parties as a consequence of their participation in the drafting of this Agreement.

(10) The court shall issue its written statement of decision and enter judgment within thirty (30) days of the date of the hearing in the Expedited Rate Determination.

(11) If the court determines that any portion of the County's adjusted Contract Rate which is the subject of the Expedited Rate Determination was improperly imposed, the County shall, within 30 days of the date of the statement of decision, reimburse to the City the amount improperly imposed, together with interest calculated at the highest percentage rate that does not constitute usury under California laws. Such reimbursement may be made in the form of a reduction in the Contract Rate for a future period (not to exceed twelve months) reasonably calculated to provide full reimbursement of the amounts described above.

(12) If for any reason the court does not sign the order contained in the Expedited Rate Determination Stipulation, the City shall, within 30 days of the court's denial of such requested order, file with the court and personally serve upon the County a motion for summary judgment and/or motion for judgment on the pleadings, in accordance with Code of Civil Procedure Section 437(c) and 438. By executing this Agreement, the parties hereby stipulate that, in the event that the Challenging Cities file such summary judgment motion and/or motion for judgment on the pleadings, the Record shall be deemed to have been incorporated into the complaint and answer filed by the Challenging Cities and the County, and no evidence outside of the Record is relevant or material to the dispute raised in the Expedited Rate Determination. The briefing schedule and hearing on such motion for summary judgment and/or motion for judgment on the pleadings shall be in accordance with Code of Civil Procedure Section 437(c). The Challenging Cities and the County shall be bound by all of the requirements and restrictions set forth in Section 4.2(J) that are not in conflict with this paragraph (12).

(13) In the event that the court both does not sign the order contained in the Expedited Rate Determination Stipulation and either does not hear or does not issue a ruling on the merits on the motion for summary judgment and/or judgment on the pleadings which is dispositive of the issues, claims and causes of action in the complaint filed by the Challenging Cities, the County and the Challenging Cities shall, within twenty days following the issuance of the Court's order or decision not to honor the parties' stipulation or not to hear the parties' motion for summary judgment, make application to the Presiding Judge of the Orange County

Superior Court for an expedited hearing or trial date. The Challenging Cities and the County shall be bound by all of the requirements and restrictions set forth in Section 4.2(J) that are not in conflict with this paragraph (13). In this regard, and without limiting the foregoing, the only evidence to be presented at the hearing or trial shall be the Record, no testimony shall be presented at the hearing or trial; and both the County and the Challenging Cities waive all rights to a jury trial, to any reconsideration of the decision of the court, to a new trial after the court renders a decision, and to any appeal or review of the decision of the court.

SECTION 4.3 RESPONSIBILITY FOR PAYMENT OF THE CONTRACT RATE.

(A) Payment by City. In the event and to the extent (1) the City uses municipal collection forces directly for the haulage of Controllable Waste to the Disposal System or (2) the City uses non-municipal Franchise Haulers for collection but nonetheless elects to pay the Contract Rate from City revenues, the City, as its own Franchise Hauler, shall have direct responsibility for payment of the Contract Rate, and shall take all such budgetary, appropriation and other action as may be necessary to provide for the timely payment of the Contract Rate. Such action may include, depending upon the means authorized by the City to provide for such payment, the levy and collection of general or special taxes, the imposition of benefit assessments, or the collection of user fees, generator charges or other similar impositions for municipal solid waste disposal. The City shall use best efforts in accordance with Applicable Law to levy and impose all such taxes, assessments, fees or charges, and will take all steps, actions and proceedings for the enforcement, collection and payment of all such amounts which shall become delinquent, to the full extent permitted by Applicable Law. To the extent provided in Section 7.5 hereof, the obligation of the City for such Contract Rates shall be limited to amounts in the City's Solid Waste Enterprise Fund. From the Commencement Date to the date of expiration or termination of this Agreement, the obligation to the City to pay the Contract Rate, to the extent the City rather than Franchise Haulers is responsible directly for payment and provided that the Service Covenant has been complied with, shall be absolute and unconditional and shall not be subject to delay or diminution by reason of set-off, abatement, counterclaim, existence of a dispute or otherwise.

(B) Payment by Franchise Haulers. With respect to Controllable Waste delivered by Franchise Haulers other than City municipal collection forces, the obligation to pay the Contract Rate shall rest with such Franchise Haulers and not with the City and, unless the City has agreed with the County to be responsible for Franchise Hauler payments, the City shall not be financially responsible for any delay or failure by such Franchise Hauler to pay the Contract Rate or any portion thereof when due. In the event of any such failure, the County and the City shall cooperate with each other and use their best efforts to obtain timely payment. Such efforts by the County may include, as appropriate, requiring cash payments for disposal rights from such Franchise Hauler and bringing a legal proceeding for payment and damages. Such efforts by the City may include, as appropriate, legal proceedings to suspend, revoke or terminate the Franchise Hauler's franchise, permit or license rights.

(C) Disputes. If the City or the Franchise Hauler disputes any amount billed by the County in any Billing Statement, the City or the Franchise Hauler shall nonetheless pay the billed amount and shall provide the County with written objection within 30 days of the receipt of such Billing Statement indicating the amount that is being disputed and providing all reasons then known to the City or the Franchise Hauler for any objection to or disagreement with such amount. If the City or the Franchise Hauler and the County are not able to resolve such dispute within 30 days after the City's or the Franchise Hauler's objection, either party may pursue appropriate legal remedies.

SECTION 4.4 BILLING OF THE CONTRACT RATE. The County shall continue to bill Contract Rates after the Commencement Date, in the same manner as it has customarily billed tipping fees. Subject to the other provisions of this Agreement, the County shall have the right to modify or amend such manner of billing on reasonable notice to affected parties.

SECTION 4.5 RESTRICTED RESERVES. For purposes of this Agreement, "Restricted Reserves" means cash and other reserves of the Disposal System which are restricted to specific uses or are otherwise being reserved by the County to meet its obligations hereunder throughout the term of the Agreement with respect to the Disposal System pursuant to any Applicable Law, contract, adopted budget, budgetary policy of the County with respect to the Disposal System, or other arrangement. Such cash and other reserves are not required to be deposited in separate accounts or funds in order to constitute "Restricted Reserves" hereunder, and may be commingled with

Unrestricted Reserves or other funds of the County attributable to the Disposal System. "Restricted Reserves" shall include, but not be limited to, the following:

- (i) reserves for closure of components of the Disposal System to the extent required by Applicable Law;
- (ii) amounts reserved by the County for funding of post closure maintenance and monitoring with respect to components of the Disposal System;
- (iii) reserves established to protect the Disposal System against the adverse financial impact of potential decreases in waste deliveries pursuant to Section 4.2(B);
- (iv) amounts reserved to pay the costs of capital improvements with respect to the Disposal System;
- (v) amounts funded from revenues during the early years of the term of the Agreement reserved to enable the County to provide disposal services for the Contract Rate during the later years of the Agreement;
- (vi) amounts temporarily held by the County prior to payment to the State or other Governmental Bodies pursuant to Applicable Law (including any fees or charges payable to the State Integrated Waste Management Board);
- (vii) reserves required to meet bond covenants pursuant to financing agreements for Disposal System assets to the extent such amounts must be legally separate and distinct from other reserves identified in this Section;
- (viii) security deposits from landfill deferred payment program users;
- (ix) amounts held by the County in the Environmental Fund (provided, however, that such amounts in the Environmental Fund will be made available and used by the County if required to pay costs relating to environmental remediation or other related costs);
- (x) AB939 surcharges;
- (xi) amounts held by the County in the Corrective Action Fund held pursuant to CCR Title 27 to demonstrate financial assurance to pay for potential groundwater contamination; and
- (xii) an amount equal to three months of budgeted expenses for the Disposal System for the current fiscal year, representing working capital of the Disposal System.

SECTION 4.6 AUDITED FINANCIAL STATEMENTS. The County shall annually, on or before January 1 each year, prepare or cause to be prepared and have on file for inspection an annual report for the preceding Contract Year, accompanied by a certificate of an independent public accountant or of the County Auditor and Controller as to the examination of the financial statements therein (describing such statements as fairly presenting the information therein in conformity with generally accepted accounting principles) relating to the Disposal System, the Disposal Services, and the fiscal activities of the County OC Waste Disposal Enterprise Fund, and including statements in reasonable detail of the financial condition of the County OC Waste Disposal Enterprise Fund as of the end of the Contract Year and revenue and expenses for the Contract Year.

SECTION 4.7 ANNUAL UPDATE OF TEN-YEAR FINANCIAL PROJECTION. The County shall annually, on or before May 1 of each year, prepare or cause to be prepared, an updated Ten-Year Financial Projection for the Disposal System. Said Financial Projection shall include at least two full years of prior actual data and ten years of future projections including the following elements:

1. County Acceptable Waste, in tons;
2. Imported Acceptable Waste, in tons;
3. Revenues and expenditures;
4. Cash fund balances, including all monies in the County Solid Waste Enterprise Fund, with specific delineation of monies in the Environmental Fund, Restricted Reserves, Unrestricted Reserves, and all other funds of the System.
5. Projected liabilities for closure and post closure as well as reasonable reserves for other environmental costs.

The purpose of the Ten-Year Financial Projection is to keep the City fully informed about the future financial condition of the Disposal System. The County shall cause a copy of the Ten-Year Financial Projection to be delivered to the City Manager of the City no later than May 1 of each year. Upon request, the County shall make available to the Cities supporting information related to the ten-year financial projection

ARTICLE V BREACH, ENFORCEMENT AND TERMINATION

SECTION 5.1 BREACH. The parties agree that in the event either party breaches any obligation under this Agreement or any representation made by either party hereunder is untrue in any material respect, the other party shall have the right to take any action at law or in equity (including actions for injunctive relief, mandamus and specific performance) it may have to enforce the payment of any amounts due or the performance of any obligations to be performed hereunder. Neither party shall have the right to terminate this Agreement except as provided in Section 5.2 and Section 5.3 hereof or as otherwise provided in this Agreement.

SECTION 5.2 CITY CONVENIENCE TERMINATION. The City shall have the right to terminate this Agreement in its sole discretion, for its convenience and without cause at any time during the Term hereof upon 90 days' written notice to the County. If the City exercises its rights to terminate the Agreement pursuant to this Section, the City shall pay the County a termination fee equal to the Contract Rate in effect at the time of such termination (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2) multiplied by the number of tons of City Acceptable Waste delivered to the Disposal System during the preceding twelve months (or, if the City had been in breach of the Waste Disposal Covenant during such prior months, such amount as would have been delivered if the City had complied with the Waste Disposal Covenant), multiplied by the number of years remaining in the Term of the Agreement.

SECTION 5.3 TERMINATION.

(A) **By City.** Except as expressly provided herein, the City shall have no right to terminate this Agreement for cause except in the event of the repeated failure or refusal by the County substantially to perform any material obligation under this Agreement unless such failure or refusal is excused by an Uncontrollable Circumstance; except that no such failure or refusal shall give the City the right to terminate this Agreement for cause under this subsection unless:

(1) The City has given prior written notice to the County stating that a specified failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the County and which will, in its opinion, give the City the right to terminate this Agreement for cause under this subsection unless such breach is corrected within a reasonable period of time, and

(2) The County has neither challenged in an appropriate forum (in accordance with Section 5.5) the City's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such breach within a reasonable period of time not more than 90 days from the date of the notice given pursuant to clause (1) of this subsection (but if the

County shall have diligently taken steps to correct such breach within such reasonable period of time, the same shall not constitute a breach giving rise to the right of termination for as long as the County is continuing to take such steps to correct such breach).

(B) By County. Except as expressly provided herein, the County shall have no right to terminate this Agreement for cause except in the event of the repeated failure or refusal by the City substantially to perform any material obligation under this Agreement unless such failure or refusal is excused by an Uncontrollable Circumstance; except that no such failure or refusal shall give the County the right to terminate this Agreement for cause under this subsection unless:

(1) The County has given prior written notice to the City stating that a specified failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the City and which will, in its opinion, give the County right to terminate this Agreement for cause under this subsection unless such breach is corrected within a reasonable period of time, and

(2) The City has neither challenged in an appropriate forum (in accordance with Section 5.5) the County's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such breach within a reasonable period of time not more than 90 days from the date of the notice given pursuant to clause (1) of this subsection (but if the City shall have diligently taken steps to correct such breach within such reasonable period of time, the same shall not constitute a breach giving rise to the right of termination for as long as the City is continuing to take such steps to correct such breach).

SECTION 5.4 NO WAIVERS. No action of the County or the City pursuant to this Agreement (including, but not limited to, any investigation or payment), and no failure to act, shall constitute a waiver by either party of the other party's compliance with any term or provision of this Agreement. No course of dealing or delay by the County or the City in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof or otherwise prejudice such party's rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the County or the City under this Agreement shall preclude any other or further exercise thereof of the exercise of any other right, power or remedy.

SECTION 5.5 FORUM FOR DISPUTE RESOLUTION. It is the express intention of the parties that all legal actions and proceedings related to this Agreement or to the Disposal System or to any rights or any relationship between the parties arising therefrom shall be solely and exclusively initiated and maintained in courts of the State of California having appropriate jurisdiction.

ARTICLE VI TERM

SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall become effective, shall be in full force and effect and shall be legally binding upon the City and the County from the Contract Date and shall continue in full force and effect until June 30, 2020, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2018, for an additional term of ten years (the "Renewal Term") on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2017. If the parties do not renew this Agreement by June 30, 2018, the Agreement shall expire on June 30, 2020.

(C) Contract Rate During Renewal Term. In connection with the parties' right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2018, negotiate an applicable change in the Contract Rate for such renewal term. In determining any revisions to the

Contract Rate to be applicable during any renewal period, in addition to the circumstances described in Section 4.2(A), the parties may take into consideration the following parameters, including but not limited to:

- (i) actual cost of operations;
- (ii) population growth;
- (iii) increase or decrease in available tonnage;
- (iv) economic and disposal market conditions in the Southern California region;
- (v) changes in transportation and technology;
- (vi) closure and expansion of nearby landfills;
- (vii) capacity of the Disposal System; and
- (viii) available reserves which are in excess of the amount reasonably required as

reserves.

(D) Survival; Accrued Rights. The rights and obligations of the parties hereto pursuant to Sections 3.1(E)(2), 5.1, 5.3, 5.5, 7.2, 7.3, 7.5, 7.7, 7.8, 7.9, and 7.10 hereof shall survive the termination or expiration of this Agreement, and no such termination or expiration shall limit or otherwise affect the respective rights and obligations of the parties hereto accrued prior to the date of such termination or expiration. At the end of the Term of this Agreement, all other obligations of the parties shall terminate.

SECTION 6.2 COMMENCEMENT DATE.

(A) Obligations of the Parties Prior to the Commencement Date. The parties acknowledge that the Disposal Agreements may be executed and delivered on different dates and that, except as provided in this subsection, neither the County nor the City shall be obligated to perform its obligations hereunder until the participation threshold provided herein has been met and the other conditions to the occurrence of the Commencement Date have occurred. Prior to the Commencement Date, each party hereto shall at its own expense exercise good faith and due diligence and take all steps within its reasonable control in seeking to satisfy the conditions to the Commencement Date set forth herein as soon as reasonably practicable. The County and the City, each at its own expense, shall cooperate fully with each other and the other Participating Cities in connection with the foregoing undertaking. Until the Commencement Date occurs, the Original WDAs shall remain in full force and effect.

(B) Condition to the Commencement Date. The Commencement Date for the Agreement shall be the date on which the percentage of the County's Acceptable Waste attributable to Participating Cities which have executed and delivered Disposal Agreements shall exceed 85% percent (using the percentage rates attributed to such Cities in Appendix 1). Unincorporated County is assumed to be a Participating City for the purposes of determining the Commencement Date in accordance with this Section 6.2(b) and Appendix 1 of this Agreement.

(C) Satisfaction of Condition and Commencement Date. Upon the satisfaction or waiver of the condition to the Commencement Date, the County shall give written notice thereof to the cities which have theretofore executed Disposal Agreements. The parties shall thereupon hold a formal closing acknowledging the satisfaction or waiver of the condition to the Commencement Date, certifying that the Commencement Date has occurred and designating the Participating Cities. Copies of all of the documents or instruments constituting or evidencing satisfaction of the Commencement Date conditions shall be furnished to each party prior to or on the Commencement Date.

(D) Newly Incorporated Cities. Any city within Orange County which becomes incorporated after the Commencement Date shall upon request be offered the opportunity by the County to become a Participating City. If any such City executes a Disposal Agreement and meets the applicable condition provided in subsection 6.2(B) hereof within 180 days following the date of its municipal incorporation, then such City shall be entitled to execute a Waste Disposal Agreement on substantially the same terms and conditions as this Agreement (including the Contract Rate), notwithstanding the limitations contained in Section 3.6(B).

(E) Failure of Condition. If by _____ [120 DAYS AFTER BOARD APPROVAL], or such later date as the County may agree, the condition to the Commencement Date specified in this Section is not satisfied, either party hereto may, by notice in writing to the other party, terminate this Agreement. Neither party shall be liable to the other for the termination of this Agreement pursuant to this subsection, and each of the parties shall bear its respective costs and expenses incurred in seeking to satisfy the condition to the Commencement Date. Notwithstanding anything in this Agreement to the contrary, in the event that this Agreement is terminated pursuant to this Section, the provisions of the Original WDA shall remain in full force and effect on the terms and conditions set forth therein.

ARTICLE VII GENERAL PROVISIONS

SECTION 7.1 OPERATION AND MAINTENANCE OF THE DISPOSAL SYSTEM. The County, at its cost and expense through the County Solid Waste Enterprise Fund, shall at all times operate, or caused to be operated, the Disposal System in accordance with Applicable Law and the operating rules and regulations of the Department.

SECTION 7.2 UNCONTROLLABLE CIRCUMSTANCES GENERALLY.

(A) Performance Excused. Except as otherwise specifically provided in this Agreement, neither the County nor the City shall be liable to the other for any failure or delay in the performance of any obligation under this Agreement (other than any payment at the time due and owing) to the extent such failure or delay is due to the occurrence of an Uncontrollable Circumstance.

(B) Notice, Mitigation. The party experiencing an Uncontrollable Circumstance shall notify the other party by telecommunication or telephone and in writing, on or promptly after the date the party experiencing such Uncontrollable Circumstance first knew of the commencement thereof, followed within 15 days by a written description of (1) the Uncontrollable Circumstance and the cause thereof (to the extent known), (2) the date the Uncontrollable Circumstance began and the cause thereof, its estimated duration, the estimated time during which the performance of such party's obligations hereunder will be delayed, (3) the estimated amount, if any, by which the Contract Rate may need to be adjusted as a result of such Uncontrollable Circumstance, (4) its estimated impact on the other obligations of such party under this Agreement and (5) potential mitigating actions which might be taken by the County or City and any areas where costs might be reduced and the approximate amount of such cost reductions. Each party shall provide prompt written notice of the cessation of such Uncontrollable Circumstance. Whenever such act, event or condition shall occur, the party claiming to be adversely affected thereby shall, as promptly as reasonably possible, use its best efforts to eliminate the cause therefor, reduce costs and resume performance under this Agreement. In addition, with respect to Changes in Law, the County shall diligently contest any such changes the imposition of which would have a material adverse impact on the Disposal System. While the delay continues, the County or City shall give notice to the other party, before the first day of each succeeding month, updating the information previously submitted.

(C) Impact on Contract Rate. If and to the extent that Uncontrollable Circumstances interfere with, delay or increase the cost to the County of meeting its obligations hereunder and providing Disposal Services to the Participating Cities in accordance herewith, the County shall be entitled to an increase in the Contract Rate as provided in Section 4.2 herein or an extension in the schedule for performance equal to the amount of the increased cost or the time lost as a result thereof. The proceeds of any insurance available to meet any such increased cost shall be applied to such purpose prior to any determination of cost increases payable under this subsection. Any cost reductions achieved through the mitigating measures undertaken by the County pursuant to subsection 7.2(B) hereof upon the occurrence of an Uncontrollable Circumstance shall be reflected in a reduction of the amount by which the

Contract Rate would have otherwise been increased or shall serve to reduce the Contract Rate to reflect such mitigation measures, as applicable.

SECTION 7.3 INDEMNIFICATION. To the extent permitted by law, the County agrees that, it will protect, indemnify, defend and hold harmless the City from and against all Loss-and-Expense arising from the City's activity as an "arranger" (for purposes of and as such term is defined under CERCLA or comparable state statutes) of municipal solid waste disposal pursuant to this Agreement. In the event the City shall determine that because of conflict or any other reason that it wishes to be defended by legal counsel other than the legal counsel provided by the County, the cost of providing such legal counsel shall be the City's sole responsibility. The City acknowledges the County's legitimate interest in actively participating in any defense, litigation or settlement whether the County or the City provides legal counsel. Any costs incurred by the County pursuant to this Section shall be considered an Uncontrollable Circumstance cost and the County shall be entitled to adjust the Contract Rate as provided in subsection 4.2(A) herein. The County shall not, however, be required to indemnify or defend the City from and against all Loss-and-Expense arising from any willful, knowing, illegal or negligent disposal of hazardous waste (other than incidental amounts of Household Hazardous Waste commonly found in municipal solid waste and permitted to be disposed in Class III landfills under RCRA) which violates the County's landfill permits or Applicable Law. The parties agree that this provision constitutes an indemnity under CERCLA (to the extent of the specific provisions of this Section). The parties acknowledge that this subsection is not intended to and does not create any obligation on the part of the County to provide any indemnification or defense to any Franchise Hauler, whether franchised or not, or any Independent Hauler or Transfer Station, under any circumstances. The City acknowledges the County's legitimate interest in actively participating in any defense, litigation or settlement, and shall, as a condition to this indemnity, coordinate fully with the County in the defense.

SECTION 7.4 RELATIONSHIP OF THE PARTIES. Neither party to this Agreement shall have any responsibility whatsoever with respect to services provided or contractual obligations or liabilities assumed by the other party hereto, whether accrued, absolute, contingent or otherwise, or whether due or to become due. The County is an independent contractor of the City and nothing in this Agreement shall be deemed to constitute either party a partner, agent or legal representative of the other party or to create any fiduciary relationship between the parties.

SECTION 7.5 LIMITED RECOURSE.

(A) To the City. Except in the event the City has not established or maintained a City Solid Waste Enterprise Fund, no recourse shall be had to the general funds or general credit of the City for the payment of any amount due the County hereunder, or the performance of any obligation incurred hereunder, including any Loss-and-Expense of any nature arising from the performance or non-performance of the City's obligations hereunder. The sole recourse of the County for all such amounts shall be to the funds held in any such Solid Waste Enterprise Fund. All amounts held in any City Solid Waste Enterprise Fund shall be held for the uses permitted and required thereby, and no such amounts shall constitute property of the County. The City shall make adequate provision in the administration of any City Solid Waste Enterprise Fund for the payment of any amount or the performance of any obligation which may be due hereunder.

(B) To the County. No recourse shall be had to the general funds or general credit of the County for the payment of any amount due the City hereunder, or the performance of any obligation incurred hereunder, including any Loss-and-Expense of any nature arising from the performance or non-performance of the County's obligations hereunder. The sole recourse of the City for all such amounts shall be to the funds held in the County Solid Waste Enterprise Fund in accordance with the terms of this Agreement. All amounts held in the County Solid Waste Enterprise Fund shall be held for the uses permitted and required thereby, and no such amounts shall constitute property of the City. The County shall make adequate provision in the administration of the County Solid Waste Enterprise Fund for the payment of any amount or the performance of any obligation which may be due hereunder.

SECTION 7.6 PRE-EXISTING RIGHTS AND LIABILITIES. Nothing in this Agreement is intended to affect, release, waive or modify any rights, obligations or liabilities which any party hereto may have to or against the other party as of the Contract Date relating to the disposal of waste in the Disposal System or any other related matter.

SECTION 7.7 NO VESTED RIGHTS. The City shall not acquire any vested property, license or other rights in the Disposal System by reason of this Agreement.

SECTION 7.8 LIABILITY FOR COLLECTION, TRANSPORTATION AND PROCESSING. Any liability incurred by the City as a result of collecting Acceptable Waste or processing it for diversion from landfill, or as a result of causing, franchising, permitting, licensing, authorizing or arranging any of the foregoing, shall be its sole liability, except as expressly otherwise provided herein.

SECTION 7.9 NO CONSEQUENTIAL OR PUNITIVE DAMAGES. In no event shall either party hereto be liable to the other or obligated in any manner to pay to the other any special, incidental, consequential, punitive or similar damages based upon claims arising out of or in connection with the performance or non-performance of its obligations or otherwise under this Agreement, or the material inaccuracy of any representation made in this Agreement, whether such claims are based upon contract, tort, negligence, warranty or other legal theory.

SECTION 7.10 AMENDMENTS. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by written agreement duly authorized and executed by both parties.

SECTION 7.11 NOTICE OF LITIGATION. Each party shall deliver written notice to the other of any Legal Proceeding to which it is a party and which questions the validity or enforceability of this Agreement executed by the City or the County or any Legal Entitlement issued in connection herewith.

SECTION 7.12 FURTHER ASSURANCES. At any and all times the City and the County so far as may be authorized by law shall pass, make, do, execute, acknowledge and deliver any and every such further resolutions, acts, deeds, conveyances, instruments, assignments, transfers and assurances as may be necessary or reasonably requested by the other in order to give full effect to this Agreement.

SECTION 7.13 ASSIGNMENT OF AGREEMENT. (A) Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party, which may be withheld in the other party's sole discretion. Notwithstanding the foregoing, either party may assign this Agreement to another public entity, subject to the reasonable consent of the other party. In such circumstances the party not requesting the assignment shall have the right to demand assurances of the financial, technical and legal ability of the proposed assignee to undertake the responsibilities and obligations of the assigning party.

(B) Sale. The County shall not enter into any agreement for the sale of the Disposal System which provides for an effective date for such sale prior to the termination of this Agreement.

SECTION 7.14 INTEREST ON OVERDUE OBLIGATIONS. Except as otherwise provided herein, all amounts due hereunder, whether as damages, credits, revenue or reimbursements, that are not paid when due shall bear interest at the Overdue Rate on the amount outstanding from time to time, on the basis of a 365-day year, counting the actual number of days elapsed, and all such interest accrued at any time shall, to the extent permitted by Applicable Law, be deemed added to the amount due, as accrued.

SECTION 7.15 BINDING EFFECT. This Agreement shall bind and inure to the benefit of the parties hereto and any successor or assignee acquiring an interest hereunder consistent with the provisions of Section 7.13 hereof.

SECTION 7.16 NOTICES. Any notice or communication required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, to the notice address of the respective parties set forth on the cover page of this Agreement. Changes in the respective addresses to which such notices may be directed may be made from time to time by any party by notice to the other party.

IN WITNESS WHEREOF, COUNTY and CITY have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE

Date 7/7/09

By [Signature]
Director, OC Waste & Recycling

Date 6-2-09

By [Signature]
[NAME]
Sanitary District Representative
Garden Grove Sanitary District

Date 6/8/09

ATTEST:
By [Signature]
[NAME]
Sanitary District Representative
Garden Grove Sanitary District

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By [Signature]
Date 07.27.09

Approved as to form:
General Counsel
Garden Grove Sanitary District

By [Signature]
Date 6/8/09

APPENDIX 1

ESTIMATED ANNUAL TONNAGE

APPENDIX 1

PERCENTAGE OF COUNTY ACCEPTABLE WASTE ATTRIBUTABLE TO PARTICIPATING CITIES FOR PURPOSE OF SECTION 6.2(b)

Jurisdiction	Percentage of County Acceptable Waste
Anaheim	13.4%
Santa Ana	10.6%
Irvine	7.5%
Huntington Beach	6.0%
Orange	5.8%
Garden Grove	5.1%
Fullerton	4.5%
Unincorporated Orange County ⁽¹⁾	4.3%
Costa Mesa	3.6%
Newport Beach	3.0%
Lake Forest	2.6%
Buena Park	2.5%
Mission Viejo	2.3%
Westminster	2.3%
Yorba Linda	2.3%
Brea	2.1%
Tustin	2.0%
Cypress	1.9%
La Habra	1.8%
San Clemente	1.7%
Fountain Valley	1.6%
Laguna Niguel	1.6%
Placentia	1.6%
San Juan Capistrano	1.6%
Laguna Beach	1.4%
Dana Point	1.2%
Stanton	1.1%
Rancho Santa Margarita	1.0%
Laguna Hills	0.9%
Seal Beach	0.8%
Aliso Viejo	0.7%
Los Alamitos	0.5%
La Palma	0.3%
Laguna Woods	0.2%
Villa Park	0.2%
Total	100%

(1) Unincorporated County is assumed to be a Participating City for the purposes of determining the Commencement Date in accordance with Section 6.2(b) of this Agreement.

(2) A Participating City will only be included for purposing of determining the Commencement Date upon (i) execution of a Waste Disposal Agreement by that Participating City and (ii) execution of a Hauler Acknowledgement(s) by the Franchise Hauler(s) operating within such Participating City

APPENDIX 2
CUMULATIVE TONNAGE TARGETS

APPENDIX 2

**Cumulative County Acceptable Waste Tonnage Target to be Used
for Purposes of Section 4.2 (B)**

<i>Fiscal Year</i>	<i>County Acceptable Waste Tonnage</i>	<i>Cumulative County Acceptable Waste Tonnage</i>
FY 2008-09	3,170,387	3,170,387
FY 2009-10	3,092,806	6,263,193
FY 2010-11	3,185,590	9,448,783
FY 2011-12	3,344,870	12,793,653
FY 2012-13	3,445,216	16,238,869
FY 2013-14	3,514,120	19,752,989
FY 2014-15	3,549,262	23,302,251
FY 2015-16	3,565,608	26,867,859
FY 2016-17	3,582,033	30,449,892
FY 2017-18	3,598,535	34,048,427
FY 2018-19	3,615,115	37,663,542
FY 2019-20	3,631,774	41,295,316

APPENDIX 3
CUMULATIVE CAPITAL COSTS
to be Used
for Purposes of Section 4.2(A)vi

Fiscal Year (ending June 30)	Annual Capital Costs	Cumulative Capital Costs
2009	\$37,939,538	\$37,939,538
2010	\$59,343,405	\$97,282,943
2011	\$10,433,978	\$107,716,921
2012	\$13,678,113	\$121,395,034
2013	\$17,525,040	\$138,920,074
2014	\$11,259,518	\$150,179,592
2015	\$37,682,758	\$187,862,350
2016	\$5,068,800	\$192,931,150
2017	\$10,662,265	\$203,593,415
2018	\$29,397,698	\$232,991,113
2019	\$8,263,795	\$241,254,908
2020	\$45,103,805	\$286,358,713

FRANCHISE HAULER ACKNOWLEDGMENT

THIS FRANCHISE HAULER ACKNOWLEDGMENT, dated as of May 26, 2009 (the "Acknowledgment"), by GARDEN GROVE DISPOSAL, INC. (the "Franchise Hauler").

WITNESSETH

WHEREAS, the Garden Grove Sanitary District (the "District") and the Franchise Hauler have heretofore entered into an agreement entitled Second Updated and Restated Agreement between the Garden Grove Sanitary District and Garden Grove Disposal, dated as of November 30, 1999, (the "Franchise"); and

WHEREAS, the Franchise provides for the collection and disposal of certain municipal solid waste as described therein ("Franchise Waste") generated within the District; and

WHEREAS, Orange County (the "County") owns, manages and operates a sanitary landfill disposal system for municipal solid waste generated within the County; and

WHEREAS, the District and the County have heretofore entered into a Waste Disposal Agreement, dated as of May 26, 2009 (the "Disposal Agreement") determining that the execution of such Disposal Agreement will serve the public health, safety and welfare of the residents of the District and County, by maintaining public ownership and stewardship over the Orange County Landfill Disposal System (the "Disposal System"); and

WHEREAS, under the Disposal Agreement, the County has agreed to provide long-term disposal of all municipal solid waste generated within the District and the District has agreed to exercise all legal, and contractual power which it possesses from time to time to deliver or cause the delivery of such waste to the Disposal System; and

WHEREAS, the provisions of the Waste Disposal Agreement which guarantee capacity for the long term disposal of waste at specified rates generated in the District provide significant benefits to the Franchise Hauler; and *

WHEREAS, notwithstanding any Franchise provisions to the contrary, the Franchise Hauler explicitly acknowledges the aforementioned benefits to the District, the County and the Franchise Hauler in providing for the disposal of all Franchise Waste to the Disposal System; and

WHEREAS, the District desires to obtain, and the Franchise Hauler desires to provide, this Acknowledgment to assure that the District and the Franchise Hauler will be entitled to the benefits of the Waste Disposal Agreement and to assure conformity with the waste delivery obligations which have been agreed to by the District under the Disposal Agreement through the delivery of waste by the Franchise Hauler to the Disposal System; and

WHEREAS, the Franchise Hauler's agreement to deliver Franchise Waste to the Disposal System under this Acknowledgment is given in consideration of the Franchise Hauler's right to receive the Contract Rate for such disposal as provided in the Disposal Agreement.

ACKNOWLEDGMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Capitalized terms used and not otherwise defined herein are used as defined in the Disposal Agreement.

2. The Franchise Hauler hereby waives any right which it may possess under applicable law to contest on any ground, constitutional, statutory, case law, administrative or otherwise, (a) the right, power or authority of the County or the District to enter into or perform their respective obligations under the Disposal Agreement, (b) the enforceability against the County or the District of the Disposal Agreement, or (c) the right, power or authority of the District to deliver or cause the delivery of all Controllable Waste to the Designated Disposal Facility in accordance with the Disposal Agreement and this Acknowledgment.

3. The Franchise Hauler hereby represents that this Acknowledgment has been duly authorized by all necessary action of its governing body.

4. The Franchise Hauler shall deliver or cause to be delivered all Controllable Waste (including all residue from the processing by any means, wherever conducted, of Controllable Waste), to the Disposal System, and shall otherwise assist the District in complying with its obligations under the Waste Disposal Covenant in Section 3.1 of the Disposal Agreement.

5. The Franchise Hauler shall not haul Controllable Waste to any materials recovery facility, composting facility, intermediate processing facility, recycling center, transfer station or other waste handling or management facility unless the contract or other agreement or arrangement between the Franchise Hauler and the operator of such facility is sufficient in the opinion of the County to assure that the Residue from such facility constituting City Acceptable Waste (or Tonnage equivalencies) and the City Acceptable Waste transferred by such facility shall be delivered to the Designated Disposal Facility in compliance with the Waste Disposal Covenant.

6. The Franchise Hauler shall pay the Contract Rate imposed by the County at the Designated Disposal Facility for the disposal of all Controllable Waste, which rate shall be subject to potential adjustment necessary to reflect the circumstances set forth in the Disposal Agreement.

7. Nothing in this Acknowledgment is intended to restrict any right or responsibility explicitly given the Franchise Hauler in the Franchise to recycle City Acceptable Waste, except as provided in paragraph 5 above with respect to Residue from any such recycling operations.

8. The obligations of the Franchise Hauler under this Acknowledgment shall apply notwithstanding any provision of the Franchise which may conflict herewith.

9. This Acknowledgment may be enforced by the District by any available legal means. In any enforcement action by the District, the burden of proof shall be on the Franchise Hauler to

demonstrate compliance herewith.

10. This Acknowledgment shall be in full force and effect and shall be legally binding upon the Franchise Hauler from the date hereof and shall continue in full force and effect until the earlier of (i) the end of the term of the Franchise or (ii) the end of the term of the Disposal Agreement.

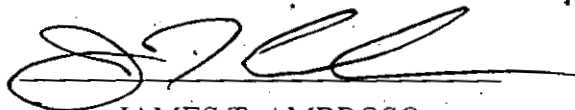
11. The Franchise Hauler agree that the County shall be an express third party beneficiary of this Acknowledgment, and shall be entitled to independently enforce the obligations of the Franchise Hauler hereunder.

12. The Franchise Hauler agrees to assist the County in verifying tonnage collected by the Franchise Hauler and providing information required by the County. Hauler will provide upon request refuse tonnage collected within the County, and outside the County (if relevant to confirming tonnage origination), separated by jurisdiction, by load type (residential, commercial, roll-off box), and by facility to which it was delivered (specify which landfill or transfer station). The Franchise Hauler will provide customer service levels and route lists. The Franchise Hauler will cooperate with County audits to verify reported origin of tonnage by making records and personnel available to the County and/or its auditors.

IN WITNESS WHEREOF, the Franchise Hauler has caused this Acknowledgment to be executed by its duly authorized officers or representatives as of 26th day of May, 2009.

GARDEN GROVE DISPOSAL, INC.

Signature:



Printed Name:

JAMES T. AMBROSO

Title:

VICE PRESIDENT

**EXHIBIT N:
FACILITIES LIST**

EXHIBIT N: FACILITIES LIST

Facilities List

Approved or Designated Facility Type	Required Facility Information
Approved Transfer Facility(ies)	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Ln Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste
Designated Disposal Facility(ies)	<p>Facility Name: Olinda Alpha Landfill</p> <ul style="list-style-type: none"> • Address: 1942 N. Valencia Avenue Brea, CA 92823 • Operator: OC Waste and Recycling • SWIS Number: SWIS 30-AB-0035 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS <p>Facility Name: Frank R. Bowerman Sanitary LF</p> <ul style="list-style-type: none"> • Address: 11002 Bee Canyon Access Road, Irvine, CA 92618 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0360 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS
Approved C&D Facility(ies)	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste

EXHIBIT N: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
Approved Organic Materials Processing Facility(ies)	<p>Facility Name: Agromin OC Ontario</p> <ul style="list-style-type: none"> • Address: 8292 Edison Ave. Ontario, CA 91762 • Operator: Agromin • SWIS Number: SWIS 36-AA-0499 • Facility Type: Composting site • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Agromin OC- Oceanside Green Materials</p> <ul style="list-style-type: none"> • Address: 1200 Wilshire Rd. Fallbrook, CA 92028 • Operator: Agromin • SWIS Number: 37-AA-0991 • Facility Type: Composting • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Recology Blossom Valley Organics</p> <ul style="list-style-type: none"> • Address: 6061 N Wheeler Ridge Rd. Lamont, CA 93242 • Operator: Recology • SWIS Number: SWIS 15-AA-0307 • Facility Type: Composting • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Kochergen Farms Composting</p> <ul style="list-style-type: none"> • Address: Avenal Cutoff Rd. and Omaha Ave. Avenal CA 93239 • Operator: Kochergen Farms • SWIS Number: SWIS 16-AA-0022 • Facility Type: Composting • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Republic Services Copper Mountain Landfill</p> <ul style="list-style-type: none"> • Address: 34853 East County 12th Street, Wellton, AZ 85356 • Operator: Republic Services • SWIS Number: None • Facility Type: Landfill • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow

EXHIBIT N: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<p>Facility Name: Rialto BioEnergy Facility,</p> <ul style="list-style-type: none"> • Address: 503 East Santa Ana Avenue Rialto, CA 92376 • Operator: Anaergia Services • SWIS Number: SWIS 36-AA-0446 503 • Facility Type: Large Volume In-Vessel Digestion Facility • Material Type(s): Source Separated Organic Materials • (If Applicable) Transfer Facility: CVT or Rainbow
Approved Recyclable Materials Processing Facility	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Ln Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and Transfer Station • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Waste Management Of Orange</p> <ul style="list-style-type: none"> • Address: 2050 Glassell Street Orange, CA 92865 • Operator: USA Waste Of California, Inc • SWIS Number: 30-AB-0363 • Facility Type: Transfer/ Processing • Material Type(s): Source Separated Recyclable Materials • (If Applicable) Transfer Facility: CVT or Rainbow

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EXHIBIT O:
DOCUMENTATION OF RESIDENTIAL ORGANICS COST PER TON

EXHIBIT O: DOCUMENTATION OF RESIDENTIAL ORGANICS COST PER TON

Exhibit based on January 10, 2022 Residential Organic Materials analysis provided by Contractor.

Total CVT Residential Organic Materials Tons Collected	107,595
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Approved Facility from Exhibit O	CVT Cost (Pre-processing and/or Transfer)	Transportation Cost/Ton	Tip Fee/ton	Cost/ton	Allocation	Tons Delivered to Facility	Total Facility Cost: Pre-processing, Transfer, Transportation and Tip Fee
Agromin	\$40.46	\$13.60	\$68.05	\$122.11	40%	43,038	\$5,255,294
Kochergen	\$12.21	\$60.77	\$30.99	\$103.97	40%	43,038	\$4,474,818
Recology	\$31.00	\$50.02	\$44.29	\$125.31	20%	21,519	\$2,696,543

Totals	100%	107,595	\$ 12,426,655
Rate per ton for Residential Organic Materials			\$115.49