



**Amended and Restated Agreement for Residential
Solid Waste Management Services**

Between

the City of Rolling Hills

and Consolidated Disposal Service, L.L.C.

dba Republic Services of Southern California

July 1, 2020

Section 1.32	Generator	8
Section 1.33	Green Waste	8
Section 1.34	Green Waste Processing Facility	8
Section 1.35	Hazardous Waste	8
Section 1.36	Household Battery	8
Section 1.37	Litter	9
Section 1.38	Manure	9
Section 1.39	Material Recovery Facility	9
Section 1.40	Mother Truck	9
Section 1.41	Non-Collection Notice	9
Section 1.42	Organic Materials	9
Section 1.43	Organic Materials Processing Facility	9
Section 1.44	Person	9
Section 1.45	Recycle	9
Section 1.46	Recyclable Materials	10
Section 1.47	Refuse	10
Section 1.48	Residential Premises	10
Section 1.49	Residential Solid Waste Management Service	10
Section 1.50	Rolling Hills Community Association (RHCA)	10
Section 1.51	Rolloff Box	10
Section 1.52	Rubbish	10
Section 1.53	Scooter Truck	10
Section 1.54	Service Yard	11
Section 1.55	Sharps	11
Section 1.56	Solid Waste	11
Section 1.57	Term	11
Section 1.58	Transformation	11
Section 1.59	Universal Waste	11
Section 1.60	Universal Waste Handler	11
Section 1.61	Work Day	11
Section 2.	Grant of Franchise	13
Section 2.1	Grant of Franchise	13
Section 2.2	Limitations to Scope of Exclusive Agreement	13
Section 2.3	City Approval of Other Service Providers	14
Section 2.4	Scope of Exclusive Franchise — Future Judicial Interpretations	14
Section 2.5	Waiver of Rights — Challenge to Agreement	14

Section 6.3	Safety Markings	25
Section 6.4.	Vehicle Specifications	25
Section 6.4.a.	General	25
Section 6.4.b.	Vehicle Identification	25
Section 6.4.c.	Cleaning and Maintenance	25
Section 6.4.d.	Operation.	26
Section 6.4.e.	Spills and Leaks of Fluids	27
Section 6.4.f.	City Inspection Per Code.	27
Section 6.4.g.	Vehicle Inspections.	27
Section 6.4.h.	Correction of Defects.	27
Section 6.5	Reserve Equipment	28
Section 7.	Privacy	29
Section 8.	Customer Service	30
Section 8.1	Office Hours — Telephone Access.....	30
Section 8.2	Emergency Telephone Number.....	30
Section 8.3	Service Complaints	30
Section 8.4	Contractor's Key Representative	30
Section 9.	Public Education and Media Relations	32
Section 9.1	Public Education	32
Section 9.1.a.	Semi-Annual Newsletter	32
Section 9.1.b.	Annual Brochure	32
Section 9.2	News Media Relations	32
Section 10.	Ownership of Solid Waste and Flow Control Rights	33
Section 10.1	Ownership of Solid Waste.....	33
Section 10.2	Reservation of Flow Control Rights	33
Section 11.	Compensation, Billing and Payment.....	34
Section 11.1	Compensation	34
Section 11.2	Billing — Annual Basic Service Fee.....	34
Section 11.3	Payment — Annual Basic Service Fee	34
Section 11.4	Billing and Payment — Other Services.....	35
Section 11.5	Adjustment of Service Fees	35
Section 11.5.a.	Initial Service Fees.....	35
Section 11.5.b.	Schedule of Future Adjustments.....	35
Section 11.6	Revenue from the Proceeds of Recyclable Materials	35
Section 11.7	Extraordinary Increase or Decreases - General	35
Section 11.8	Extraordinary Increase	36

Section 15.17	Evidence of Insurance Coverage; Insurance Repository.....	49
Section 16.	Performance Guarantee	50
Section 16.1	Performance Bond	50
Section 16.2	Letter of Credit	50
Section 16.3	Cash Bond	50
Section 16.4	Release of Performance Guarantee Requirements.....	50
Section 16.5	Failure to Perform	50
Section 16.6	Replenishment of Guarantee Instrument.....	51
Section 16.7	City's Cost of Enforcement.....	51
Section 16.8	Appeal.....	51
Section 17.	City's Right to Perform Service.....	52
Section 18.	Emergency Service.....	53
Section 18.1	Acceptance of Disaster Debris at the Sunshine Canyon Landfill.....	53
Section 18.2	Removal of Disaster Debris in Roll-off Boxes	53
Section 18.3	Personnel and Equipment Normally Assigned to City	53
Section 18.4	Record Keeping and Assistance with Disaster Reimbursement.....	53
Section 18.5	City-wide Effort to Manage Disaster Debris	53
Section 19.	Compliance with Laws and Regulations	54
Section 20.	Administrative Remedies; Termination	55
Section 20.1	Interim suspension.....	55
Section 20.2	Appeals.....	55
Section 20.3	Council Hearing on Appeal	55
Section 20.4	Notice of Deficiencies; Response	55
Section 20.5	Review by City Manager; Notice of Appeal.....	56
Section 20.6	City Council Hearing	56
Section 20.7	City Council Determination	56
Section 20.8	Reservation of Rights by City.....	57
Section 20.9	Cumulative Rights	59
Section 21.	Dispute Resolution.....	60
Section 21.1	Negotiation and Mediation	60
Section 21.2	Confidentiality.....	60
Section 21.3	Injunctive Relief.....	60
Section 21.4	Continuing Obligation.....	60
Section 21.5	Failure of Mediation	60
Section 22.	Parties' Additional Remedies.....	61
Section 22.1	Right to Contract With Others	61

Section 27.12	No Litigation	72
Section 27.13	No Adverse Judicial Decisions.....	72
Section 27.14	No Legal Prohibition.....	72
Section 27.15	Contractor's Investigation	72
Section 27.16	Ability to Perform.....	72
Section 27.17	Recognizing Labor Rights.....	72
Section 27.18	Nondiscrimination	73
Section 27.19	Notices	73
Section 27.20	Receipt of Notices.....	74
Section 27.21	Notice by Phone; Follow up via E-mail	74
Section 27.22	Permits and Licenses	74
Section 27.23	Ownership of Written Materials.....	74
Section 27.24	Joint Drafting.....	75
Section 28.	Financial Interest.....	76
Section 29.	Transition to Next Contractor	77
Section 30.	Entire Agreement.....	77
Section 31.	Severability.....	77
Section 32.	Wavler	77
Section 33.	All Prior Agreements Superseded.....	77
Section 34.	Headings.....	77
Section 35.	Exhibits.....	78
Section 36.	Effective Date.....	78

RECITALS

Whereas, Article XI, § 7 of the California Constitution authorizes cities to protect the public health and safety by taking measures in furtherance of their authority over police and sanitary matters; and,

Whereas, Public Resources Code § 40059 provides that aspects of solid waste handling of local concern include but are not limited to frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste services, and whether the services are to be provided by means of nonexclusive, partially exclusive or wholly exclusive franchise, contract, license or otherwise which may be granted by local government under terms and conditions prescribed by the governing body of the local agency; and,

Whereas, Chapter 8.08 of the Rolling Hills Municipal Code implements Article XI, § 7 of the California Constitution and Public Resources Code § 40059 and authorizes the City Council to award one or more franchises for the collection of solid waste from Residential Premises and City Facilities in the City of Rolling Hills; and,

Whereas, City is obligated to protect the public health and safety of the residents of the City of Rolling Hills and arrangements made by solid waste enterprises for the collection of Solid Wastes should be made in a manner consistent with the exercise of the City's police power for the protection of public health, safety and welfare; and,

Whereas, City and Contractor are mindful of the provisions of the laws governing the safe collection, transport, recycling and disposal of solid waste, including AB 939, the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 *et seq.* the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 *et seq.* and the Carpenter-Presley-Tanner Hazardous Substance Account Act ("HSAA"), codified at California Health & Safety Code § 25300 *et seq.*; and,

Whereas, the State of California has found and declared that the amount of solid waste generated in California, coupled with diminishing disposal capacity and potential adverse environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program. The State has, through enactment of AB 939 and subsequent related legislation including, but not limited to: the Jobs and Recycling Act of 2011 (AB 341), the Event and Venue Recycling Act of 2004 (AB 2176), SB 1016 (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]), the Mandatory Commercial Organics Recycling Act of 2014 (AB 1826), and the Short-Lived Climate Pollutants Bill of 2016 (SB 1383), directed the responsible State agency, and all local agencies, to promote a reduction in landfill disposal and to maximize the use of feasible waste reduction, re-use, recycling, and composting options in order to reduce the amount of material that must be disposed; and,

Whereas, SB 1383 establishes regulatory requirements for jurisdictions, generators, haulers, solid waste facilities, and other entities to support achievement of State-wide organic waste disposal reduction targets; and,

Whereas, SB 1383 requires jurisdictions to implement collection programs, meet processing facility requirements, conduct contamination monitoring, provide education, maintain records, submit reports, monitor compliance, conduct enforcement and fulfill other requirements; and, the

Section 1. Definitions

Whenever any term used in this Agreement has been defined by the Rolling Hills Municipal Code or Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the Municipal Code or Public Resources Code shall apply unless the term is otherwise defined in this Agreement.

Section 1.1 AB 939

"AB 939" means the California Integrated Waste Management Act of 1989, codified in part at Public Resources Code § 40000 *et. seq.*, as it may be amended from time to time and as implemented by the regulations of CalRecycle, or its successor.

Section 1.2 AB 1594

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

Section 1.3 Agreement

"Agreement" means this written document and all amendments thereto, between City and Contractor, governing the provision of Residential Solid Waste Management Services in the City of Rolling Hills.

Section 1.4 Agreement Year

"Agreement Year" means each twelve (12) month period from July 1 to June 30. The first Agreement Year shall be July 1, 2020 to June 30, 2021.

Section 1.5 Alternative Daily Cover (ADC)

"Alternative Daily Cover" or "ADC" has the same meaning as in Section 20690 of Title 27 of the California Code of Regulations.

Section 1.6 Bin

"Bin" means a metal Container with plastic lids and a capacity from 1.5 to 8 cubic yards, which is typically emptied by a front-loading collection vehicle.

Section 1.7 Biohazardous or Biomedical Waste

"Biohazardous" or "Biomedical Waste" means any waste which may cause disease or reasonably be suspected of harboring pathogenic organisms; included are wastes resulting from the operation of medical clinics, hospitals, and other facilities processing wastes which may consist of, but are not limited to, human and animal parts, contaminated bandages, pathological specimens, hypodermic needles, sharps, contaminated clothing and surgical gloves.

"Construction and Demolition Waste" or "Construction and Demolition Debris" means any debris resulting from the construction, modification or demolition of any structure, roadway or property, including without limitation, any material generally considered to be not water soluble and nonhazardous in nature, such as steel, glass, brick, concrete, asphalt material, pipe, gypsum, wallboard, lumber, rocks, soils, tree remains, trees, and other vegetative matter generated by and discarded in conjunction with a covered project pursuant to Section 8.08.580 of the Rolling Hills Municipal Code.

Section 1.18 Container

"Container" means a receptacle designed to receive and hold solid waste, which can be a Can, Cart Bin or Rolloff Box.

Section 1.19 CPI

"CPI" means the Water and sewer and trash collection services, U.S. city average, all urban consumers, not seasonally adjusted.

Section 1.20 Customer

"Customer" means person(s), including both owners and occupants of residential property in the City who obtain collection service from Contractor pursuant to this Agreement.

Section 1.21 Designated Collection Location

"Designated Collection Location" means the place where the Customer places, and from where Contractor Collects, Solid Waste, Recyclable Materials, Green Waste and Bulky Items. The Designated Collection Location shall be the Service Yard of each Residential Premises unless otherwise determined by the City Manager.

Section 1.22 Divert, Diverted and Diversion

"Divert, Diverted and Diversion" shall have the same meaning as the words are defined in Public Resources Code § 40124.

Section 1.23 Disaster Debris

"Disaster Debris" means Solid Waste, Recyclable Materials, Green Waste, Construction & Demolition Debris, Bulky Items, Brush or ash that is generated or accumulated in the City as the result of, or during, any natural or man-caused disaster, including but not limited to, an earthquake, landslide or movement of the earth, fire, storm, mudslide, riot, civil disturbance, war or terrorist act.

Section 1.24 Disposal

"Disposal" or "Dispose" means the complete operation of processing and/or disposing of Solid Waste at a Disposal Facility that is in full regulatory compliance.

Section 1.25 Disposal Facility

Resources Code. Exempt 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.

Section 1.31 Food Waste

"Food Waste" means all kitchen and table food scraps, animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; discarded compostable paper that is contaminated with Food Waste; fruit waste, grain waste, dairy waste, meat, and fish waste, which has been Source Separated from other Solid Waste. Food Waste is a subset of Organic Materials and excludes Hazardous Materials.

Section 1.32 Generator

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

Section 1.33 Green Waste

"Green Waste" means any vegetative matter resulting from regular and routine yard and landscaping maintenance or seasonal variations. Green Waste includes plant debris, such as grass clippings, leaves, pruning, weeds, branches, holiday trees, stumps, flowers, plant stalks, wood and other forms of organic waste not more than five (5) feet in its longest dimensions or with a diameter not more than six (6) inches or weights not more than fifty (50) pounds. Green Waste is a subset of Organic Materials.

Section 1.34 Green Waste Processing Facility

"Green Waste Processing Facility" means any facility selected by Contractor that is designed, operated and legally permitted for the purpose of receiving and processing Green Waste.

Section 1.35 Hazardous Waste

"Hazardous Waste" means any waste materials or mixture of wastes defined as a "hazardous substance" or "hazardous waste" pursuant to the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq., the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., the Carpenter-Presley-Tanner Hazardous Substance Account Act ("HSAA"), codified at California Health & Safety Code § 25300 et seq.; and all future amendments to any of them, or as defined by CalRecycle. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid waste, the term "Hazardous Waste" shall be construed to have the broader, more encompassing definition.

Section 1.36 Household Battery

"Household Battery" means a device consisting of one or more electrically connected electrochemical cells which is designed to receive, store and deliver electric energy.

Household Batteries include batteries of sizes AAA, AA, C, D, button cell, 9 volt, and all other batteries designed for household use, including re-chargeable and one-time use batteries. Household Batteries does not include car or motorcycle batteries. For purposes of this Agreement, Household Batteries are not included in the definition of Universal Waste.

economic mainstream in the form of raw materials for new, reused, or reconstituted products. Recycling does not include Transformation.

Section 1.46 Recyclable Materials

"Recyclable materials" means reusable waste materials, including but not limited to, metal, glass, plastic, paper, and cardboard, that are to be collected, separated or processed, and recycled to be re-used as raw materials.

Section 1.47 Refuse

"Refuse" means materials that cannot be reasonably be diverted from landfilling through reuse, Recycling, Composting, or other means of Diversion and does not constitute Exempt Waste.

Section 1.48 Residential Premises

"Residential Premises" means any residential property in the City.

Section 1.49 Residential Solid Waste Management Service

"Residential Solid Waste Management Service" means the Collection of Solid Waste in the City and the delivery of that Solid Waste to a Disposal Facility.

Section 1.50 Rolling Hills Community Association (RHCA)

The "Rolling Hills Community Association" or "RHCA" means the homeowner's association for all Residential Premises in the City of Rolling Hills, which is responsible for maintaining roadways, gates, and recreation facilities in the City.

Section 1.51 Rolloff Box

"Rolloff Box" means a Container with a capacity from 10 to 40 cubic yards, which is typically pulled onto a rolloff vehicle used to transport Solid Waste.

Section 1.52 Rubbish

"Rubbish" means without limitation, accumulation of unwanted material to be disposed of such as paper, polystyrene, excelsior, pottery, rags, cloth, boxes and containers, sweep-ups and all other accumulations of a nature other than Refuse, Green Waste, or Recyclable Materials.

Section 1.53 Scooter Truck

"Scooter Truck" means a specialized Collection vehicle with a hopper mounted on a medium-duty chassis and used to transport Collected material from Residential Premises and City Facilities to a Mother Truck.

Collection services being performed on Wednesday, and normally scheduled Friday
Collection Services being performed on Saturday. In that event, Wednesday and Saturday
shall be Work Days.

- i) Manure;
- j) Hazardous Waste; and,
- k) Exempt Waste.

Section 2.3 City Approval of Other Service Providers

Contractor acknowledges and agrees that the City may permit other Persons besides Contractor to collect any and all types of materials excluded from the scope of this Agreement, as set forth above, without seeking or obtaining approval of Contractor. If Contractor can produce evidence that other Persons are providing Solid Waste Collection Services within the exclusive franchise provided by this Agreement, it shall report the location, the name, and phone number of the Person or company to the City, along with Contractor's evidence of the violation of the exclusiveness of this Agreement. City may undertake such enforcement actions that it deems reasonable or appropriate. However, this Section does not require City to enforce this Agreement. All enforcement action shall be the sole responsibility of the Contractor unless the City voluntarily agrees to assist or undertake such action as set forth in this Section.

Section 2.4 Scope of Exclusive Franchise — Future Judicial Interpretations

The scope of this Agreement shall be interpreted to be consistent with applicable law, now and during the Term of this Agreement. If future judicial interpretations of current law or new laws, regulations, or judicial interpretations limit the ability of the City to lawfully provide for the scope of exclusive services as specifically set forth herein, Contractor agrees that the scope of the Agreement will be limited to those exclusive services and materials which may be lawfully provided to the extent that the material provisions of this Agreement authorizing Contractor to provide exclusive services remains a lawful exercise of City's police power and that the City shall not be responsible for any lost profits or losses claimed by Contractor to arise out of limitations of the scope of this Agreement. In such an event, it shall be the responsibility of Contractor to minimize the financial impact of such future judicial interpretations or new laws. City agrees to meet and confer and work cooperatively with Contractor to minimize such future financial impact.

Section 2.5 Waiver of Rights — Challenge to Agreement.

Contractor waives any right it may have to challenge the terms of this Agreement under federal, state or local law, or administrative regulations, except as provided in the dispute resolution provisions of Sections 21 of this Agreement.

Section 2.6 Wavier of Rights - Prior Agreement

Contractor waives any right or claim to serve Residential Premises and City Facilities in the City of Rolling Hills as its boundaries exist as of the effective date of this Agreement under any prior grant of franchise, contract, license or permit issued or granted by City relating to the waste stream covered by this Agreement and including whatever, if any, rights Contractor may have under the Public Resources Code or prior law.

Section 4. Services Provided by Contractor

Section 4.1 Services — General

To protect the public health and safety, Contractor shall provide and maintain all labor, equipment, material, supplies, supervision and all other items necessary for the Collection of all Solid Waste, Recyclable Materials, Green Waste, Bulky Items, and Brush generated or accumulated within the City from Residential Premises and City Facilities. The services provided by Contractor under this Agreement shall be performed in a thorough and professional manner so that all Customers are provided at all times with reliable, courteous and high-quality Solid Waste Management Services. No compensation for Contractor's services or for Contractor's supply of labor, equipment, tools, facilities or supervision shall be provided or paid to Contractor by City or by any Customer except as expressly provided in this Agreement.

Section 4.2 Twice-weekly Collection Service

Contractor shall Collect all properly placed Solid Waste, Recyclable Materials and Organic Waste from the Designated Collection Location of every Residential Premises in the City twice each week.

Section 4.2.a Collection Service

Contractor shall Collect these materials from Cans provided by Customers. Any materials that will not fit inside the Cans must be securely bagged or bundled (or flattened in the case of corrugated cardboard) and placed by Customers beside the Cans. Solid Waste, Recyclable Materials and Green Waste shall be considered properly placed for Collection if each Can, bag or bundle has an individual weight of sixty (60) pounds or less. There shall be no limit on the amount of properly placed Solid Waste, Recyclable Materials or Green Waste that Contractor shall be required to Collect.

Section 4.2.b SB 1383 Collection Service

As of the date of this Agreement, the City most likely will be exempt from all requirements of SB 1383 per Section 18984.12 (a) of the proposed regulations to implement SB 1383 which states: An incorporated jurisdiction may apply to the Department for a waiver for the jurisdiction and some or all its Generators from some or all of the requirements of this article if the following apply: (A) The jurisdiction disposed of less than 5,000 tons of Solid Waste in 2014 as reported in the Disposal Reporting System and (B) The jurisdiction has a total population of less than 7,500 people. An exemption application is required to be submitted every 5 years. In the event this exemption is not included in final regulations, the State repeals this exemption, or the City fails to apply for the exemption, the City and Contractor will meet and confer to develop programs sufficient to comply with all requirements contained in SB 1383. The anticipated requirements of SB 1383, include, but are not limited to:

- a) Containers in compliance with SB 1383 coloring and labeling requirements;
- b) Offering a compliant waste Collection and processing program for Refuse, Recyclables, and Organic Waste;

directly charge the Customer the On-call Bulky Item Collection Fee shown in Exhibit A (or as that service fee may be amended provided that the amended fee is submitted in writing to and approved by the City Manager in advance of the Collection). Prior to providing on-call Collection of Bulky Items, Contractor shall obtain Customer's written acknowledgement of the terms (service fee), if applicable, payment, Collection date and time, etc.) under which it will provide on-call Bulky Item Collection service. Contractor shall perform each on-call Bulky Item Collection within two (2) Work Days of request by Customer.

Section 4.5 Semi-annual Fall Brush Collection Event

Each year on two consecutive Saturdays in April or May, and again on two consecutive Saturdays in September or October, both as determined by City, Contractor shall Collect Brush placed by Customers for Collection from every Residential Premises in the City. Contractor shall Collect Brush from the Designated Collection Location, or from a location at each Residential Premises mutually agreed upon between Contractor and the Customer. In the event there is a disagreement about the location from which Brush shall be Collected, the City Manager shall make the final determination. Contractor shall provide the equipment (e.g., loader, etc.) and personnel to load the Brush from the ground into Contractor's equipment. There shall be no limit to the amount of Brush that Contractor shall Collect during these events. The dates for these events shall be selected in the manner described in the second paragraph of Section 4.3 in coordination with the dates selected for the Bulky Item Collection events.

Section 4.6 On-call Brush or Greenwaste Collection

In addition to the semi-annual Brush Collection events, Contractor shall provide on-call Brush or Greenwaste Collection to Customers that occasionally set out an extraordinary amount of Green Waste or Brush. At times other than the annual Brush Collection events, if a Customer sets out an extraordinary amount of Green Waste or Brush, Contractor shall notify the City Manager that a Customer's Green Waste or Brush cannot reasonably be Collected as part of Contractor's regular Collection service. In that event, the City Manager shall inspect the Green Waste or Brush, and meet with Contractor's route supervisor.

If the City Manager agrees that the material cannot reasonably be Collected as part of Contractor's regular service, Contractor shall provide the Customer with a Rolloff Box, of up to a maximum capacity of forty (40) yards. The Customer shall be responsible for loading the Green Waste or Brush into the Rolloff Box. Contractor shall Collect one (1) Rolloff Box load of the Green Waste or Brush per year at no additional charge. Contractor shall deliver the Rolloff Box within two (2) days of the City Manager's meeting with Contractor's route supervisor, and Collect the Rolloff Box within two (2) days after being requested to do so by the Customer. Contractor shall provide one (1) load of on-call Brush Collection service at no charge up to a maximum of one load per Residential Premises per calendar year. If a Customer sets out more Green Waste or Brush beyond that which can be Collected in one (1) Rolloff Box load per calendar year, Contractor may directly charge the Customer for Collection service at the On-call Brush Collection fee per load shown in Exhibit A.

If the City Manager, after meeting with Contractor's route supervisor, determines that the Green Waste or Brush has been properly set out for Collection pursuant to Section 4.2, and that Contractor is able to reasonably Collect it as part of its regular Collection service, then Contractor shall be required to Collect the Green Waste or Brush.

the Sharps containers in accordance with the approved rate schedule. The Sharps container charge shall be adjusted annually in accordance with Section 11.5.b.

Section 5.4 Mother Truck

Contractor shall have the right to temporarily park a Mother Truck at approved locations in the City to receive Collected materials from the Scooter Vehicles. The approved Mother Truck staging areas are included in Exhibit B. The City retains the right to request a change in the staging area of the Mother Truck within the approved Mother Truck staging areas.

If there is a disagreement about the location of the Mother Truck, the City Manager shall make the final determination. Contractor shall be responsible for the safe positioning of the Mother Truck. Contractor shall never allow the Mother Truck to be left unattended. Contractor's personnel shall be responsible to direct traffic around any Mother Truck that is parked on the street.

Section 5.5 Non-Collection

In the event that Solid Waste, Recyclable Materials, Green Waste, Bulky Items, or Brush is not properly set out for Collection (e.g., Cans that weigh more than 60 lbs., Solid Waste that is not properly bagged or bundled, or not set out at the Designated Collection Location, etc.), Contractor shall place a Non-Collection Notice in a prominent place at the Designated Collection Location. The Non-Collection Notice shall include a clear description of why the material was not Collected.

Upon resolution of the improper set out by the Customer and the Customer has contacted Contractor, Contractor shall make the Collection not later than 5 p.m. on the Collection day, if the call by the Customer is received by noon on the Collection day. For calls received after noon, Contractor shall make the Collection not later than noon on the next Work Day.

Section 5.6 Hours and Days of Collection

Collection services shall begin no earlier than 7:00 a.m. and end no later than 6:00 p.m., in accordance with Section 8.08.330 of the City's Municipal Code, Monday through Friday with no service on Saturday or Sunday (except for holiday service as set forth in Section 5.7 of this Agreement). The hours or days of Collection may be extended due to extraordinary circumstances or conditions with the prior consent of the City Manager.

Section 5.7 Holiday Service

Contractor shall not provide service on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. In any week in which one of these holidays falls on a Work Day, Collection services for the holiday and each Work Day thereafter will be delayed one Work Day for the remainder of the week.

Section 5.8 Mixed Waste Processing

Contractor shall deliver all Collected Solid Waste (other than Green Waste and Brush) to a Material Recovery Facility for mixed waste processing. Contractor shall perform mixed waste processing on all Collected Solid Waste (other than Green Waste and Brush) to extract the most feasible amount of Recyclable Materials. Contractor shall process and market the Recyclable Materials and Divert them from being landfilled.

refusing to Collect the material, and how the Hazardous Waste can be properly Disposed or Recycled.

If Hazardous Waste is found in a Collection Container that poses an imminent danger to people or property, Contractor shall immediately notify the County of Los Angeles Fire Station located in the City. Contractor shall then immediately notify the City Manager of the Hazardous Waste that has been found.

If Hazardous Waste is identified at the time of delivery to the Disposal Facility, or one of the processing facilities and the Generator cannot be identified, Contractor shall be solely responsible for handling and arranging transport and Disposal of the Hazardous Waste.

- b) Vehicles used in the Collection of Solid Waste shall be painted, thoroughly washed, and thoroughly steam cleaned on a regular basis so as to present a clean appearance. City may inspect vehicles at any time to determine compliance with this Agreement. Contractor shall also make vehicles available to the Los Angeles County Health Department for inspection, at any frequency it requests. Contractor agrees to replace or repair to the City's satisfaction, any vehicle which City determines to be of unsightly appearance, leaking, or in unsatisfactory operating condition.
- c) Contractor shall repaint all vehicles used in the Collection of Solid Waste as needed to maintain a clean and neat appearance, and within thirty (30) days notice from City, if City determines that their appearance warrants painting.
- d) Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles which are not operating properly shall be removed from service until repaired and operating properly. Contractor shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule. Contractor shall keep accurate records of all vehicle maintenance, recorded according to date and mileage and shall make such records available to City upon request.
- e) Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. Contractor shall maintain accurate records of repair, which shall include the date and mileage, nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed.
- f) Contractor shall clean up any leaks or spills from its vehicles per the National Pollutant Discharge Elimination System (NPDES) permit in effect at the time. No fluids shall be washed into storm drains at any time. All NPDES dry-cleaning measures shall be complied with. All Collection Vehicles must be equipped with absorbent for such cleanup efforts.
- g) Upon request, Contractor shall furnish City a written inventory of all equipment, including Collection vehicles, used in providing service. The inventory shall list all equipment by manufacturer, ID number, date of acquisition, type, and capacity.

Section 6.4.d. Operation.

Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable federal, state and local laws and regulations. Contractor shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by State or local weight restrictions on vehicles.

Equipment shall comply with US EPA noise emission regulations, currently codified at 40 CFR Part 205 and other applicable noise control regulations, and shall incorporate noise control features throughout the entire vehicle. Noise levels of equipment used for Collection shall comply with City ordinance and in no event shall the noise level exceed 75 dba when measured at a distance of 25 feet from the vehicle, five feet from the ground.

Section 6.5 Reserve Equipment

Contractor shall have available to it, at all times, reserve Collection equipment which can be put into service and operation within one (1) hour of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by Contractor to perform obligations under this Agreement.

Section 8. Customer Service

Section 8.1 Office Hours — Telephone Access

Contractor shall maintain an office that provides toll-free telephone access to residents of the City and is staffed by trained and experienced customer service representatives. Such office shall be equipped with sufficient telephones that all Collection Service related calls received during normal business hours are answered. Contractor's office hours shall be from at least 8:00 a.m. to 5:00 p.m. Monday through Friday, except for days on which holidays are observed and between 8:00 a.m. and 1:00 p.m. on Saturdays. Contractor's customer service numbers shall be included on Contractor's and the City's website, the City's semi-annual newsletters, and the annual brochure. Contractor shall have employees that are able to respond to Customers in Spanish and other languages necessary for communication between Contractor and its Customers.

Section 8.2 Emergency Telephone Number

Contractor shall maintain an emergency telephone number for use outside normal business hours. Such number shall be made available to the City Manager. Contractor shall have a representative, or an answering or call-forwarding service to contact such representative, available at the emergency telephone number during all hours other than normal office hours.

Section 8.3 Service Complaints

City and Contractor agree that the protection of public health, safety and well-being require that service complaints be acted on promptly and that a record be maintained in order to permit City and Contractor to identify potential public health and safety problems. Contractor and City agree that Customers shall be educated to direct their complaints to Contractor. Contractor shall maintain a complaint service and a telephone answering system capable of accepting at least five (5) calls at one (1) time. Contractor shall record all calls including any inquiries, service requests and complaints into a customer service log. Contractor's complaints log shall include date, time, and complainant's name and address, and date and manner of resolution of complaint. Contractor shall maintain this information in a computerized daily service complaint log.

All service complaint calls received on Contractor's answering service shall be logged the following day. This service complaint log shall be available for review by City Manager during Contractor's office hours. Contractor shall provide a copy of this service complaint log to the City with the monthly report.

In the case of a complaint for a missed Collection, Contractor shall make the Collection not later than 5 p.m. on the day the complaint is received, if the complaint is received by noon. For calls received after noon, Contractor shall make the Collection not later than noon on the next Work Day. After the complaint has been resolved, Contractor shall notify the City Manager by email.

Complaints other than those for missed Collection shall be responded to within one (1) Working Day.

Section 8.4 Contractor's Key Representative

Section 9. Public Education and Media Relations

Section 9.1 Public Education

Contractor shall develop and provide City-specific public education content for the City's semi-annual newsletter and website. The public education information shall include helpful information about the City's Solid Waste program and messaging directing residents to contact Contractor for questions and service issues.

Upon request by the City Manager, Contractor shall also participate in other public outreach activities such as community meetings and community events to further the goals of the City's Solid Waste program.

Section 9.1.a. Semi-Annual Newsletter

Contractor shall produce two newsletters per Agreement Year to be mailed to all City residents. Content of the newsletter shall be subject to advance approval of the City Manager. The newsletter will not include the City name or logo within the title of the newsletter.

Section 9.1.b. Annual Brochure

On July 1, 2020, and not less than once per Agreement Year thereafter, Contractor shall prepare and distribute to each Residential Premises a mailing to update residents regarding program basics, program changes, holiday schedules and other service related information. Mailings should promote and explain: all Solid Waste programs offered by City and Contractor (such as, holiday tree Collection, Bulky Item Collection, Brush Clearing, Shred events, Compost events, etc.); how to properly dispose of Household Hazardous Material such as syringes, paint, etc.; Collection schedules; Customer service numbers; and the procedures to begin and terminate services. This brochure shall be at least two (2) pages, and printed in full color. Contractor is responsible for all associated costs.

Section 9.2 News Media Relations

Contractor shall notify the City Manager immediately by fax, e-mail or phone of all requests for news media interviews related to the services provided under this Agreement. 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 trade journal articles related to services provided under this Agreement shall be submitted to the City Manager for prior review and approval at least ten (10) days in advance of submittal. Copies of articles resulting from media interviews or news releases shall be provided to the City within three (3) days after publication.

Section 11. Compensation, Billing and Payment

Section 11.1 Compensation

For the services provided under this Agreement, Contractor shall be compensated according to the service fees shown in the Service Fee Schedule in Exhibit A, or as those service fees may be adjusted during the Term of this Agreement pursuant to this Section 11. The service fees shown in Exhibit A shall become effective July 1, 2020.

Section 11.2 Billing — Annual Basic Service Fee

The City shall arrange with the Los Angeles County Assessor's office to include the Annual Basic Service Fee on the property tax bill of each Residential Premises in the City that receives service pursuant to this Agreement. On or before May 30, 2020, and on or before each May 30th of each year during the Term of this Agreement, Contractor shall prepare and submit to City a list of Residential Premises to be billed for the Agreement Year that begins on the following July 1st. The list submitted by Contractor shall include, at a minimum, the address, assessor's parcel number, and Annual Basic Service Fee to be charged to each Residential Premises.

For Residential Premises that were not previously billed for the then-current Agreement Year, and that received service for a portion of the then-current Agreement Year, Contractor may include an additional pro-rated amount to retroactively bill those Residential Premises for the period of time during which they received service and were not billed.

For those Residential Premises that were previously billed for the then-current Agreement Year, and that were unoccupied and did not receive service during a portion of the then-current Agreement Year, and for which the City and Contractor were properly notified pursuant to Section 8.08.550 of the City's Municipal Code, Contractor shall include a pro-rated credit amount that reflects the period during which the Residential Premises did not receive service.

The list of Residential Premises provided by Contractor shall include an Annual Billed Amount, which shall be the total sum of all the Annual Basic Service Fees, and any pro-rated amounts, for each and all of the Residential Premises in the City. If Contractor does not provide such a list to City by May 30th, City may prepare its own list of Residential Premises to be billed, and Contractor shall have no recourse to dispute the accuracy of that list.

The list of Residential Premises submitted by Contractor shall be subject to the review and approval of the City Manager. If the City Manager takes exception to any of the addresses or amounts on the list, he or she shall notify Contractor as soon as possible, but no later than the following June 30th. The City Manager shall act in good faith to resolve any disputed addresses or amounts on the list. The City Manager shall make the final determination as to what addresses and amounts are to be included on the property tax bills. The City Manager shall provide the list to the Los Angeles County Assessor's office in time to be included on the property tax bills for the following Agreement Year.

Section 11.3 Payment — Annual Basic Service Fee

The Annual Billed Amount is billed to Customers on the property tax bills in two equal increments. The first increment is billed in November; the second increment is billed in April. City shall remit in arrears to Contractor the first one-half (1/2) the Annual Billed Amount set

maximum of one such extraordinary service fee adjustment request in each Agreement Year. Any such extraordinary change (either an increase or a decrease) shall satisfy all of the following conditions:

- a) The change results in a material net increase or decrease in Contractor's overall operating costs;
- b) The change could not reasonably have been foreseen by a prudent operator;
- c) The impact of the change, by all reasonable expectations, will continue for a period of more than six (6) months;
- d) The change is not addressed pursuant to Section 25 (Modifications to the Agreement); and,
- e) The change increases or decreases Contractor's overall operating costs by more than ten percent (10%).

However, such changes shall not include: 1) increases or decreases in Contractor's landfill costs, 2) increases or decreases in tipping fees for the processing of Recyclable Material or Green Waste, 3) increases or decreases in the market value of Recyclable Materials, 4) increases or decreases in wage rates or employee benefits of Contractor's work force; or, 5) inaccurate estimates by Contractor of its cost of operations.

Any such request for an extraordinary adjustment shall be prepared in a form that reasonably demonstrates the impact of the extraordinary change on the service fee. Any such request shall be accompanied by appropriate supporting documentation. Any request for an extraordinary service fee increase or decrease that is accepted by either City or Contractor shall only be effective after approval by City Council, shall not be applied retroactively, shall be subject to Section 11.10, and shall be subject to Section 11.8 or 11.10 as applicable.

Section 11.8 Extraordinary Increase

For requests by Contractor to City for an extraordinary increase to service fees, City shall review the reasonableness of Contractor's written request and, at City's sole discretion, determine whether, or the extent to which, an extraordinary increase to the service fees shall be made. If City determines that Contractor's request is not justified, in whole or in part, City shall notify Contractor and provide a written explanation of its determination. City shall provide its written explanation to Contractor within sixty (60) days of receiving Contractor's request for an extraordinary increase.

If City does not provide its written explanation within sixty (60) days, or if Contractor does not agree with City's determination, Contractor shall have the right to terminate this Agreement eighteen (18) months after notifying City of its intent to do so.

Any such notice to terminate this Agreement must be provided to City within one hundred twenty (120) days of Contractor submitting its original request for an increase. If Contractor does not notify City of its intent to so terminate this Agreement within one hundred twenty (120) days of submitting its original request for an increase, then Contractor shall forgo its right to prematurely terminate this Agreement. If Contractor elects to terminate this Agreement due to City's rejection of its request for an extraordinary adjustment in service fees, the Term of this Agreement shall end eighteen (18) months from the date of

Section 12. Diversion Requirements

Section 12.1 Minimum Requirements

During the Term of this Agreement, Contractor shall achieve a minimum annual Diversion rate of thirty percent (30%) for Residential Solid Waste Collection Services, or such other amount as may be set in accordance with the provisions of Section 25 of this Agreement or State law. The annual Diversion rate will be calculated as "the tons of materials Collected by Contractor from the provision of Collection Services that are sold, processed, or shipped to a recycler or re-user and net of any residue amounts, as required by this Agreement, divided by the total tons of materials Collected by Contractor in each Calendar Year."

Upon the request of either party, not more often than once every two (2) years, the City and Contractor agree to meet and confer regarding adjustments to the minimum Diversion rate, based on factors including waste characterization data provided by Contractor, trends in source reduction and reuse, trends in third party Diversion, extent of reverse logistics, the availability of permitted Facilities that are capable of processing material to achieve the required levels of Diversion, emerging methods of processing and Recycling/reusing new waste materials, the availability of markets, transportation constraints, embargoes, and the impact of scavenging. City shall consider such information provided by Contractor and other industry data and shall, at its sole discretion, determine if any adjustments to the minimum Diversion requirements shall be made, and such changes must be approved by the City Council before becoming effective.

Section 12.2 Failure to Meet Minimum Requirements

Contractor's failure to meet the minimum Diversion requirements set forth above in Section 12.1 may result in the termination of this Agreement pursuant to Section 20 of this Agreement or the imposition of liquidated damages. In determining whether or not to assess liquidated damages or terminate the Agreement, the City will consider the good faith efforts put forth by Contractor to meet the minimum Diversion requirements. This consideration will include the methods and level of effort of Contractor to fully implement the public education and Diversion plans.

Section 12.3 Waste Generation and Characterization Studies

Upon request by City, Contractor shall perform Solid Waste generation and characterization studies to comply with AB 939 requirements. Contractor agrees to participate and cooperate with City and its agents, and to perform studies and data collection exercises, as needed, to determine weights, volumes and composition of Solid Waste generated, disposed, transformed, Diverted or otherwise processed to comply with AB 939.

- jurisdictions which are not covered by this Agreement), including a description of segregation methodology; and,
- c) Complete descriptions of related party transactions (corporate and/or regional management fees, inter-company profits from transfer, processing or Disposal operations).

Section 13.4 Solid Waste Records

Contractor shall maintain and make available to the City upon request the following records relating to its operations pursuant to this Agreement:

- a) Customer service and Billing/City payment records;
- b) Records of tons Collected, processed, Diverted and disposed by waste stream (Refuse, Recycling, Green Waste), and the Facilities (Transfer Station, MRF, or landfill) where such material was taken;
- c) Quantity of Recyclable Materials recovered by material type, as well as quantity of material Diverted from landfills in compliance with AB 939;
- d) Bulky Item results and special services tonnages (Brush and Green Waste), including tons disposed and Diverted;
- e) Facilities, equipment, and personnel used;
- f) Facilities and equipment operations, maintenance, and repair;
- g) Number and type of Containers in service;
- h) Complaints; and
- i) Missed pickups.

Section 13.5 CERCLA Defense Records

City views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 USC §9601 *et seq.*, and related litigation as a matter of concern. For this reason, City regards the ability to prove where Solid Waste Collected in the City was taken for Disposal, as well as where it was not taken, to be matters of concern. Contractor shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the City was landfilled (and therefore establish where it was not landfilled) for not less than twenty-five (25) years following the termination of this Agreement, and agrees to notify City Manager and City Attorney before destroying such records thereafter. At any time, including after the expiration of the Term hereof, Contractor shall provide copies of such records to City upon request. The requirements of this section shall survive the expiration of the Term of this Agreement.

- f) A narrative summary of any other problems encountered and how those problems were resolved.

Section 14.3 Annual Report to City Manager

Within thirty (30) days of the end of each calendar year, Contractor shall submit an annual report to the City Manager that effectively summarizes the information contained in the monthly reports for the most recently completed calendar year. The annual report shall also include a month-by-month comparison of the tons Collected in the most recently completed calendar year to the tons Collected in the prior calendar year.

Section 14.4 AB 939 Annual Report

Contractor shall be responsible for preparing and submitting the City's AB 939 Annual Report, which is the report to CalRecycle that summarizes the City's progress in reducing Solid Waste as required by AB 939. The AB 939 Annual Report is currently due on August 1st of each year and encompasses the City's waste Diversion activities and results for the previous calendar year.

Each year during the Term of this Agreement, Contractor shall compile the information needed to prepare and electronically submit the AB 939 Annual Report to the CalRecycle pursuant to Section 41821 of the Public Resources Code. Each year, Contractor shall enter the information (e.g., tonnage, program information, etc.) into CalRecycle's Electronic Annual Report (EAR) website no later than ninety (90) days before the due date.

Once the information has been entered into the EAR, Contractor shall notify the City Manager that the information is ready to review online. The City Manager shall review the information within thirty (30) days, and either, 1) notify Contractor of his or her approval, or, 2) provide written comments and/or questions about the contents of the AB 939 Annual Report. Contractor shall resolve any of the City Manager's comments and questions at least thirty (30) days prior to the report submittal deadline.

Section 14.5 Reporting Adverse Information

Contractor shall provide City two copies (one to the City Manager and one to the City Attorney) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to Contractor's performance of services pursuant to this Agreement, submitted by Contractor to, or received by Contractor from, the United States or California Environmental Protection Agency, CalRecycle, the Securities and Exchange Commission or any other federal, state or local agency, including any federal or state court. Copies shall be submitted to City simultaneously with Contractor's filing or submission of such matters with said agencies. Contractor's routine correspondence to said agencies need not be routinely submitted to City, but shall be made available to City promptly upon City's written request.

Section 14.6 Failure to Report

Absent exceptional circumstances which prevent submission of timely reports, the refusal or failure of Contractor to file any required reports, or to provide required information to City, or the inclusion of any materially false or misleading statement or representation by Contractor in such report shall be a material breach of this Agreement and shall subject Contractor to all remedies which are available to the City under this Agreement or otherwise.

costs, assessment costs, monitoring costs, treatment costs, cleanup costs, removal costs, remediation costs, and similar costs, damages and expenses) that arise out of or are alleged to arise out of, or in any way relate to any action, inaction, or omission of Contractor that:

- a) Results in any demand, claim, notice, order, or lawsuit, asserting that any Indemnitee is liable, responsible or in any way obligated to investigate, assess, monitor, study, test, treat, remove, remediate, or otherwise cleanup, any Hazardous Contaminant (as defined herein); or
- b) Relates to material Collected, transported, Recycled, processed, treated or disposed of by Contractor.
- c) Contractor's obligations pursuant to this section shall apply, without limitation, to:
- d) Any Claims brought pursuant to or based on the provisions of any Environmental Law;
- e) Any Claims based on or arising out of, or alleged to be arising out of the ownership, use, lease, sale, design, construction, maintenance or operation of Contractor of any Facility;
- f) Any Claims based on or arising out of or alleged to be arising out of, the marketing, sale, distribution, storage, transportation, Disposal, processing or use of any materials recovered by Contractor;
- g) Any Claims based on or arising out of, or alleged to be arising out of, any breach of any express or implied warranty, representation or covenant arising out of or in connection with this Agreement.

The foregoing indemnity and defense obligations shall apply irrespective of the negligence or willful misconduct of Contractor or any Affiliate of Contractor.

The foregoing indemnity shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of the Indemnitees' passive negligence, but shall not extend to matters resulting from the Indemnitees' active negligence, or active misconduct.

For purposes of this section, the term "Hazardous Contaminant" shall mean any Hazardous Substance, any Hazardous Waste, any crude oil or refined or unrefined petroleum product or any fraction or derivative thereof; and any asbestos or asbestos-containing material. The term

"Hazardous Contaminant" shall also include any and all amendments to any referenced statutory or regulatory provisions made before or after the date of execution of this Agreement.

THE PROVISIONS OF THIS SECTION SHALL NOT TERMINATE OR EXPIRE, SHALL BE GIVEN THE BROADEST POSSIBLE INTERPRETATION AND SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

connection with Contractor's performance of work or services under this Agreement. Contractor's performance of work or services shall include performance by Contractor's employees, agents, representatives and subcontractors.

Section 15.7 Minimum Scope of Insurance

Insurance coverage shall be at least this broad:

- a) Insurance Services Office Form No. GO 0002 or, if approved by City, its equivalent, covering Comprehensive General Liability and Insurance Services Office Form No. GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001).
- b) Insurance Services Office Form No. CA 0001 covering Automobile Liability, code 1 "any auto", or code 2 "owned autos" and endorsement CA 0025. Coverage shall also include code 8, "hired autos" and code 9 "non-owned autos".
- c) Workers' Compensation Insurance as required by the California Labor Code and Employers Liability Insurance and/or Errors and Omissions.
- d) Hazardous Waste and Environmental Impairment Liability Insurance.
- e) Employee Blanket Fidelity Bond.

Section 15.8 Minimum Limits of Insurance

Contractor shall maintain insurance limits no less than:

- a) Comprehensive General Liability: Five Million Dollars (\$5,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage.
- b) Automobile Liability: Five Million Dollars (\$5,000,000.00) combined single limit per accident for bodily injury and property damage.
- c) Workers' Compensation and Employers Liability: Workers Compensation: Limits as required by the California Labor Code. Employers Liability: Limit of Three Million Dollars (\$3,000,000.00) per accident.
- d) Employee Blanket Fidelity Bond: One Million Dollars (\$1,000,000.00) per employee, covering dishonesty, forgery, alteration, theft, disappearance, destruction (inside or outside).
- e) Hazardous Waste and Environmental Impairment Liability: Three Million Dollars (\$3,000,000.00) each occurrence/Ten Million Dollars (\$10,000,000.00) policy aggregate covering liability arising from the release of waste materials and/or irritants, contaminants or pollutants. Such coverage shall, if commercially available without involvement of City, automatically broaden in its form of coverage to include legislated changes in the definition of waste material and/or irritants, contaminants or pollutants. This policy shall stipulate this insurance is primary and no other insurance carried by the City will be called upon to

limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

- h) Any failure to comply with reporting provisions of the policies shall not affect Contractor's obligations to City, its officers, officials, employees, agents or volunteers.

Section 15.11 Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII if admitted. If pollution and or Environmental Impairment and/or errors and omission coverage are not available from an "Admitted" insurer, the coverage may be written with the City's permission, by a non-admitted insurance company. A Non-admitted company should have an A.M. Best's rating of A:X or higher.

Section 15.12 Verification of Coverage

Contractor shall furnish City with original certificates and with amendatory endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by the Insurer to bind coverage on its behalf. The endorsements are to be on forms acceptable to the City Manager, unless the insurer will not use the City's forms. All endorsements are to be received and approved by the City before work commences. As an alternative to the City's forms, Contractor's insurer may provide complete copies of all required insurance policies, including endorsements effecting coverage required by these specifications.

Section 15.13 Subcontractors

Contractor shall include all subcontractors authorized to perform work under this Agreement as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor. Subcontractors are not permitted to Collect Solid Waste under this Agreement.

Section 15.14 Proof of Coverage

Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the City.

City Manager [or designated representative]
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, California 90274
Facsimile Number (310) 377-7288

Section 15.15 Modification of Insurance Requirements

The insurance requirements provided in this Agreement may be modified or waived by the City, in writing, upon the request of Contractor if the City determines such modification or waiver is in the best interest of City considering all relevant factors, including exposure to City.

Section 16. Performance Guarantee

Within the thirty (30) days after the City's execution of this Agreement, Contractor shall provide a performance bond, letter of credit or cash bond ("guarantee instrument") in an amount equal to two hundred fifty thousand dollars (\$250,000.00) in a manner as set forth below.

Section 16.1 Performance Bond

Contractor shall procure and maintain a performance bond executed by a surety company that is acceptable to the City. Surety shall be an admitted surety company licensed to do business in the State of California; have an "A:VII" or better rating by A. M. Best or Standard and Poors; and be included on the list of surety companies approved by the Treasurer of the United States. The Performance Bond shall be on terms acceptable to the City Attorney. The Performance Bond shall serve as security for the faithful performance by Contractor of all the provisions and obligations of this Agreement.

Section 16.2 Letter of Credit

In lieu of the performance bond or cash bond, Contractor may deposit with City an irrevocable letter of credit in an amount as set forth above in this Section 16. The letter of credit shall be the sole responsibility of Contractor, shall be unconditional and remain in force during the entire term of the Agreement and shall be released only upon written release from City per Section 16.4. If allowed, the letter of credit must be issued by an FDIC insured banking institution chartered to business in the state of California, in the City's name, and be callable at the discretion of the City.

Section 16.3 Cash Bond

In lieu of the performance bond or letter of credit, Contractor may deposit with the City a Cash Bond in an amount as set forth above in this Section 16. The Cash Bond must be deposited in an FDIC insured banking institution chartered to business in the state of California, in the City's name, and be callable at the discretion of the City. City shall be able to access the full \$250,000 from the Cash Bond without penalty. All interest on the Cash Bond shall accrue to Contractor.

Section 16.4 Release of Performance Guarantee Requirements

Some Agreement requirements extend beyond the Term of this Agreement and other requirements, such as the minimum Diversion Requirement, will not be substantiated until after the final service date. Therefore, Contractor shall not terminate the performance bond, letter of credit, or cash bond, and will renew them to ensure continuous availability to the City, until receiving a written release from the City or until the fifth annual anniversary of the end of the Term of this Agreement. Permission from the City to discontinue holding these performance securities does not relieve Contractor of payments to the City that may be due, or may become due.

Section 16.5 Failure to Perform

Upon Contractor's failure to faithfully perform its obligations under this Agreement, the guarantee instrument may be assessed by the City, for purposes including, but not limited to:

Section 17. City's Right to Perform Service

Should Contractor for any reason whatsoever after first being given an opportunity to cure any alleged defect in performance or commence and diligently pursue a cure within 24 hours, except the occurrence or existence of any of the events or conditions set forth in Section 27.1, "Force Majeure and Labor Unrest," below, for a period of more than two (2) calendar days, refuse or be unable to Collect a material portion or all of the Solid Waste which it is obligated under this Agreement to Collect, and as a result, Solid Waste should accumulate in City to such an extent, in such a manner, or for such a time that the City Manager in the reasonable exercise of the City Manager's discretion, should find that such accumulation endangers or menaces the public health, safety or welfare, then City shall have the right to contract with another Solid Waste enterprise to Collect and transport any or all Solid Waste which Contractor is obligated to Collect and transport pursuant to this Agreement, but which Contractor is unable to Collect and transport. City shall provide twenty-four (24) hours prior written notice to Contractor, contracting with another Solid Waste enterprise to Collect and transport any or all Solid Waste which Contractor would otherwise Collect and transport pursuant to this Agreement, for the duration of the inability of Contractor to provide such services. In such event Contractor shall identify sources from which such substitute Solid Waste services are immediately available, and shall reimburse City for all of its expenses for such substitute services.

Section 19. Compliance with Laws and Regulations

Contractor warrants that it will comply with all applicable laws and implementing regulations, as they, from time to time, may be amended, specifically including, but not limited to the Environmental laws and all other applicable laws and regulations of the State of California, ordinances of the City and the requirements of Local Enforcement Agencies and all other agencies with jurisdiction applicable to the performance of services under this Agreement.

the receipt by Contractor of such written notice. Contractor may request additional time to correct deficiencies. City shall approve reasonable requests for additional time.

Section 20.5 Review by City Manager; Notice of Appeal

The City Manager shall review any written response from Contractor and shall decide the matter. If the City Manager's decision is adverse to Contractor, the City Manager may order remedial actions to cure any deficiencies, assess the Performance Guarantee or invoke any other remedy in accordance with this Agreement and, in the event the City Manager determines that there has been a material breach and that termination is the appropriate remedy, refer the matter to the City Council for revocation or modifications proceedings in accordance with this Section 20. The City Manager shall promptly inform Contractor of the City Manager's decision. In the event the decision is adverse to Contractor, the City Manager shall inform Contractor, in writing, of the specific facts found and evidence relied on, and the legal basis in provisions of this Agreement or other laws for the City Manager's decision and any remedial action taken or ordered.

An adverse decision by the City Manager shall be final and conclusive unless Contractor files a "Notice of Appeal to the City Council" with the City Manager within ten (10) days of receipt of the decision of the City Manager. A "Notice of Appeal to the City Council" shall state the factual basis and all legal contentions and shall include all relevant evidence, including affidavits, documents, and videotapes, which Contractor may choose to submit.

Section 20.6 City Council Hearing

If a matter is referred by the City Manager to the City Council, or an adverse decision of the City Manager is appealed to the City Council by Contractor, the City Council will set the matter for an administrative hearing and act on the matter. The City shall give Contractor no less than fifteen (15) days written notice of the time and place of the hearing. At the hearing, the City Council shall consider the administrative record, consisting of the following:

- a) A Staff Report by the City Manager, summarizing the proceedings to date and outlining the City Council's options;
- b) The written Notification of Deficiencies;
- c) Contractor's response to the Notification of Deficiencies;
- d) The City Manager's written notification to Contractor of adverse decision; and
- e) Contractor's Notice of Appeal to the City Council.

No new legal issues may be raised, nor may new evidence be submitted by Contractor or City at this hearing, or at any further point in the proceedings, absent a showing of good cause. City, Contractor's representatives, and other interested Persons shall have a reasonable opportunity to be heard.

Section 20.7 City Council Determination

Based on the administrative record, the City Council shall determine by resolution whether the decision or order of the City Manager should be upheld, and/or whether the franchise

the City for a period of two (2) calendar days or more, for any reason within the control of Contractor (not including a Force Majeure or Labor Unrest in accordance with Section 27.1);

- f) If Contractor fails to make any payments required under this Agreement or refuses to provide City with required information, reports or test results as to a material matter in a timely manner as provided in this Agreement;
- g) If Contractor fails to achieve Diversion levels for the waste stream covered by this Agreement at levels sufficient to achieve the Diversion goals required of the City, as determined by CalRecycle, or City determines that the City has or will fail to meet its Diversion goals, Contractor shall have an opportunity to cure this material breach, within the time allotted by CalRecycle, or City, as appropriate;
- h) If the operations of Contractor are contrary to the public health, safety, well-being, peace, welfare or morals, or shall be found to constitute a public nuisance;
- i) If Contractor violates any material federal or state law, regulation of CalRecycle, a local enforcement agency, the City Municipal Code, or any material condition of this Agreement affecting public health and safety in the City;
- j) If Contractor fails to complete, perform or cooperate with any audit as described by this Agreement;
- k) If Contractor fails to complete or to provide required reports or documents to City as required by this Agreement;
- l) If Contractor makes any representation or disclosure to City in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement;
- m) The seizure of, attachment of, or levy on, the operating equipment of Contractor, including, without limits, its equipment, maintenance or office facilities, or any part thereof; or,
- n) Acts or omissions:
 - i. Any act or omission by Contractor relative to the services provided under this Agreement which violates the terms, conditions, or requirements of this Agreement, AB 939, or any law, statute, ordinance, order, directive, rule, or regulation issued pursuant to AB 939 shall constitute a default by the Contractor. Any failure to correct or remedy any such violation within the time set in the written notice of the violation or, if Contractor cannot reasonably correct or remedy the breach within the time set forth in such notice, if Contractor should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter shall constitute a default by Contractor.
 - ii. Any situation in which Contractor or any of its officers, directors or employees are found guilty of any crime related to the performance of this

Section 21. Dispute Resolution

Except as may otherwise be set forth expressly herein, including those disputes subject to Section 20, all disputes arising under this Agreement shall be resolved as set forth in this section.

Section 21.1 Negotiation and Mediation

Contractor and the City (the "Parties" or "Party") shall first attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between the Parties' authorized representatives. The disputing Party shall give the other Parties written notice of any dispute. Within twenty (20) days after delivery of such notice, the authorized representatives shall meet at Rolling Hills City Hall, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute.

If the matter has not been resolved within thirty (30) days of the first meeting, any Party may initiate a non-binding mediation of the dispute. The mediation shall be held at Rolling Hills, California, or at such other location as may be mutually agreed among the parties. The mediation shall be conducted according to and by a mediator chosen pursuant to the rules of the American Arbitration Association. The mediation shall conclude within sixty (60) days of its commencement, unless the Parties agree to extend the mediation process beyond such deadline. Upon agreeing on a mediator, the Parties shall enter into a written agreement for the mediation services with each Party paying a pro rata share of the mediator's fee. Each Party shall bear its own legal fees and expenses.

Section 21.2 Confidentiality

All settlement negotiations and any mediation conducted pursuant to this section shall be confidential and shall be treated as compromise and settlement negotiations, to which Section 1152 of the California Evidence Code, or any similar provision in the Code of Federal Procedure, shall apply, which Section is incorporated in this Agreement by reference.

Section 21.3 Injunctive Relief

Notwithstanding the foregoing provisions, a Party may seek a preliminary injunction or other provisional judicial remedy if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo.

Section 21.4 Continuing Obligation

Contractor shall continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement, unless a suspension has been imposed pursuant to Chapter 8.08 of the Rolling Hills Municipal Code.

Section 21.5 Failure of Mediation

If after good faith efforts to mediate a dispute under the terms of this Agreement the parties cannot agree to a resolution of the dispute, any party may pursue whatever legal remedies may be available to it at law or in equity before a court of competent jurisdiction and with venue in Los Angeles County.

Section 23. Quality of Performance

Section 23.1 Intent

Contractor acknowledges and agrees that one of City's primary goals in entering into this Agreement is to ensure that the Collection Services are of the highest caliber, that Customer satisfaction remains at the highest level, that maximum Diversion levels are achieved, and that materials Collected are put to the highest and best use to the extent feasible.

Section 23.2 Service Supervisor

Contractor has designated a supervisor to be in charge of the Collection Service within the City. At least thirty (30) calendar days prior to replacing the designated supervisor Contractor shall notify City in writing of the name and qualifications of the new service supervisor. Contractor shall ensure that such replacement is an individual with like qualifications and experience. The supervisor shall be available to the City Manager through the use of a mobile telephone at all times that Contractor is providing Collection Services. In the event the supervisor is unavailable due to illness or vacation, Contractor shall designate an acceptable substitute who shall be available and who has the authority to act in the same capacity as the supervisor. The service supervisor shall provide the City with an emergency phone number where the supervisor can be reached outside of normal business hours.

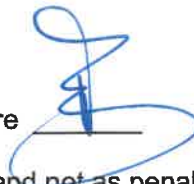
Section 23.3 Liquidated Damages

The parties further acknowledge that consistent and reliable Collection Service is of utmost importance to City and that City has considered and relied on Contractor's representations as to its quality of service commitment in awarding this Agreement to it. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further recognize that if Contractor fails to achieve the performance standards, or fails to submit required documents in a timely manner, City, and City's residents and businesses will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages. Therefore, without prejudice to City's right to treat such non-performance as an event of default under other applicable Sections of this Agreement, the parties agree that the liquidated damages amount defined in this Section represent reasonable estimates of the amount of such damages considering all of the circumstances existing on the effective date of this Agreement, including the relationship of the sums to the range of harm to City, Customers and the community as a whole that reasonably could be anticipated, and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each party specifically confirms the accuracy of the statements made above and the fact that each party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that this Agreement was made.

City Initial Here



Contractor Initial Here



Contractor agrees to pay (as liquidated damages and not as penalty) the amounts shown in the following table:

Section 23.4 Procedure for Review of Liquidated Damages

The City Manager may assess liquidated damages pursuant to Section 23.3 on a monthly basis. At the end of each month during the Term of this Agreement, the City Manager shall issue a written notice to Contractor ("Notice of Assessment") of the liquidated damages assessed and the basis for each assessment.

Request for Meeting - The assessment shall become final unless, within ten (10) calendar days of the date of the notice of assessment, Contractor provides a written request for a meeting with the City Manager to present evidence that the assessment should not be made. The City Manager shall schedule a meeting with Contractor as soon as reasonably possible after timely receipt of Contractor's request.

City Manager Review - The City Manager shall review Contractor's evidence and render a decision sustaining or reversing the liquidated damages as soon as reasonably possible after the meeting. Written notice of the decision shall be provided to Contractor.

Failure to Request Meeting - In the event Contractor does not submit a written request for a meeting within ten (10) calendar days of the date of the Notice of Assessment, the City Manager's determination shall be final and Contractor shall submit payment to City no later than that tenth (10th) day. Or at the sole option of City, if monies are owed to Contractor, City may deduct the liquidated damages from amounts otherwise due to Contractor.

Section 23.5 City's Rights

City's assessment or collection of liquidated damages shall not prevent City from exercising any other right or remedy, including the right to terminate this Agreement, for Contractor's failure to perform the work and services in the manner set forth in this Agreement.

Section 25. Modifications to the Agreement

Section 25.1 Agreement Modifications and Changes in Law or Regulations

The City and Contractor understand and agree that the California Legislature and voters have the authority to make comprehensive changes in Solid Waste, Recyclable Materials, or Green Waste Management legislation and that these and other changes in law in the future which mandate certain actions or programs for counties or municipalities may require changes or modifications in some of the terms, conditions, or obligations under this Agreement. Contractor agrees that the terms and provisions of the Municipal Code, as it now exists or as it may be amended in the future, shall apply to all of the provisions of this Agreement and the Customers of Contractor located within the City. The City and Contractor understand and agree that California environmental regulatory agencies such as CalRecycle, the State Water Resources Control Board, and the Department of Toxic Substances may modify regulatory requirements that may necessitate changes in some of the terms, conditions or obligations under this Agreement. In the event any future change in law, regulations, modifications to the City Municipal Code, or directed changes by the City, materially alters the obligations of Contractor, then the affected compensation as established under this Agreement may be adjusted as provided for in this Agreement. Nothing contained in this Agreement shall require any party to perform any act or function contrary to law. The City and Contractor agree to enter into good faith negotiations regarding modifications to this Agreement which may be required in order to implement changes in the interest of the public welfare or due to change in law. When such modifications are made to this Agreement, the City and Contractor shall negotiate in good faith a reasonable and appropriate compensation adjustment for any increase or decrease in the services or other obligations required of Contractor due to any modification in this Agreement under this Section. The City and Contractor shall not unreasonably withhold agreement to such compensation adjustment. Any such adjustment shall be subject to Section 11.10.

Section 25.2 City-Directed Changes

City may direct Contractor to perform additional services (including new Diversion programs and additional public education activities), eliminate programs, or modify the manner in which it performs existing services. Changes in the minimum Diversion requirement set forth in this Agreement, direction of Solid Waste to a Disposal Facility other than that originally selected by the City, direction of Recyclable Materials, or Green Waste to a processing facility other than that selected by Contractor, pilot programs and innovative services, which may entail new Collection methods, targeted routing, different kinds of services, different types of Collection vehicles, and/or new requirements for Customers are included among the kinds of changes which City may direct. Contractor shall be entitled to an adjustment in its compensation, subject to Section 11.10, for providing such additional or modified services but not for the preparation of its proposal to perform such services.

Section 25.3 Service Proposal

Within thirty (30) calendar days of receipt of a request for a service change from the City, Contractor shall submit a proposal to provide such service. At a minimum, the proposal shall contain a complete description of the following:

- a) Collection methodology to be employed (manual, automated, semi-automated, and manpower).

Section 26. Franchise Transfer; City Consent; Fees

Section 26.1 City's Consent Required

Contractor may not convey, assign, sublet, license, hypothecate, encumber or otherwise transfer or dispose of (collectively "Transfer"), this Agreement, the franchise granted under it or any rights or duties under it, in whole or in part, and whether voluntarily or involuntarily, without the City's prior written consent as expressed by written resolution of the City Council. Any dissolution, merger, consolidation, or other reorganization of Contractor, any sale or other transfer or change in ownership or control of any of the capital stock or other capital or equity interests in Contractor or any sale or transfer of fifty percent (50%) or more of the value of the assets of either or both of them shall be deemed a Transfer of this Agreement, the franchise granted under it or any rights or duties under it. Any Transfer or attempted Transfer of this Agreement, the franchise granted under it or any rights or duties under it made without the City's consent will be a material breach of this Agreement and, at the City's option, will be null and void.

Section 26.2 Transferee's Operational and Financial Ability

The City has no obligation to give its consent to a transfer of the franchise granted by this Agreement. If the City gives its consent, it may impose conditions, including, without limitation, requiring acceptance of amendments to this Agreement. Without obligating the City to give its consent, the proposed transferee of Transfer must demonstrate to the City's satisfaction that it has the operational and financial ability to perform the terms of this Agreement.

Section 26.3 Application for Transfer

Any application for a franchise transfer shall be made in a manner prescribed by the City's Coordinator. The application shall include a Franchise Transfer Application Fee in the amount of fifty-thousand dollars (\$50,000.00), or such other amount set by City by Resolution of the Council. The Franchise Transfer Application Fee is intended to offset the City's anticipated costs of all reasonable and customary direct and indirect administrative expenses including consultants and attorneys, necessary to analyze the application. Contractor shall reimburse the City for all additional reasonable consultants', attorneys' and staff costs directly related to the City's consideration of the application for transfer not offset by the Franchise Transfer Application Fee, whether or not the City approves the application for transfer of the franchise, City's request for reimbursement under this Section shall be supported with evidence of the expense or cost incurred. Contractor shall reimburse City within thirty (30) days of receipt of City's request for reimbursement.

Section 26.4 Consent is Limited

No consent under this Section to a Transfer of this Agreement, the franchise granted under it, or any rights and duties under it, is to be construed as a consent to any other or further Transfer of this Agreement, the franchise granted under it, or any rights and duties under it.

may choose to use enforcement provisions under this Agreement.

- iii. In the event a labor disturbance or unrest interrupts Collection and transportation of Solid Waste, and/or Disposal of Solid Waste by Contractor as required under this Agreement, City may also elect to exercise its rights under Section 25 of this Agreement.
- c) The parties claiming excuse from performance under 27.1(a) or (b) shall, within two (2) days after such party has notice of such cause, give the other party notice of the facts constituting such cause and asserting its claim to excuse under this section.
- d) The interruption or discontinuance of Contractor's services excused under this Section 27.1 shall not constitute a default by Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations hereunder for any of the causes listed in this section for a period of thirty (30) days or more, City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days' notice, and may contract with another party for Solid Waste Collection Services. In the event a labor disturbance interrupts Collection and transportation of Solid Waste, and/or Disposal of Solid Waste by Contractor as required under this Agreement, City may also elect to exercise its rights under Section 25 of this Agreement.

Section 27.2 Independent Status

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

Section 27.3 Pavement Damage

Normal wear and tear on City streets resulting from general vehicular traffic is excepted. Contractor shall be responsible for damage to City's driving surfaces, whether or not paved, resulting from the negligent operation of Contractor's vehicles providing Solid Waste Management Services within the City. Contractor understands that the exercise of this franchise may involve operation of its Collection vehicles over private roads, and streets owned by the RHCA. Disputes between Contractor and its Customers as to damage to private pavement are civil matters and complaints of damage will be referred to Contractor as a matter within its sole responsibility and as a matter within the scope of Section 15.1 above.

Section 27.4 Property Damage

Any physical damage caused by the negligent or willful acts or omissions of employees of Contractor to public or private property shall be repaired or replaced by Contractor at Contractor's sole expense. Except as provided in Sections 15 and 27.3, above, this

To the best of Contractor's knowledge after responsible investigation, the execution or delivery of this Agreement or the performance by Contractor of its obligations hereunder does not conflict with, violate, or result in a breach: (i) of any law or governmental regulation applicable to Contractor; or (ii) any term or condition of any judgment, order, decree, of any court, administrative agency or other governmental authority, or any Agreement or instrument to which Contractor is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default thereunder.

Section 27.12 No Litigation

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

- a) Materially adversely affect the performance by Contractor of its obligations hereunder;
- b) Adversely affect the validity or enforceability of this Agreement; or
- c) Have a material adverse effect on the financial conditions of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

Section 27.13 No Adverse Judicial Decisions

To the best of Contractor's knowledge after responsible investigation, there is no judicial decision that would prohibit this Agreement or subject this Agreement to legal challenge.

Section 27.14 No Legal Prohibition

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

Section 27.15 Contractor's Investigation

Contractor has made an independent investigation (satisfactory to it) of the conditions and circumstances surrounding the Agreement and the work to be performed hereunder. Contractor has taken such matters into consideration in entering this Agreement to provide services in exchange for the compensation provided for under the terms of this Agreement.

Section 27.16 Ability to Perform

Contractor possesses the business, professional, and technical expertise to Collect, Transport, and Process the Solid Waste, Recyclable Materials, Green Waste, and Bulky Items generated in the City. Contractor possesses the ability to secure equipment, facility(ies), and employee resources required to perform its obligations under this Agreement.

Section 27.17 Recognizing Labor Rights

And to: City Attorney, CITY OF ROLLING HILLS
BBK
1230 Rosecrans Avenue, Suite 110
Manhattan Beach, CA 90266
Tel: 310.643.8448 Fax: 310.643.8441
Email: MJenkins@localgovlaw.com

Consolidated Disposal Services, LLC.
Attn: Mr. Ray Grothaus, General Manager
14905 S. San Pedro Street
Gardena, CA 90248
Tel: 310.436.7313 Email: RGrothaus@Republicservices.com

Tim M. Benter, VP Counsel
Republic Services, Inc.
18500 North Allied Way
Phoenix, AZ 85054
Fax: 480.718.4274 Email: tbenter@Republicservices.com

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served if mailed three (3) business days from the date such notice is deposited in the United States mail.

Section 27.20 Receipt of Notices

Notices shall be effective when received at the address as specified above. Changes in the respective address to which such notice is to be directed may be made by written notice. Facsimile or email transmission is acceptable notice, effective when received, however, facsimile or email transmissions received (i.e. printed) after 4:30 p.m. or on weekends or holidays, will be deemed received on the next business day. Receipt is deemed to have taken place within three (3) working days of notice mailed by U.S. Postal Service return receipt requested. The original of items that are transmitted by facsimile equipment or email must also be mailed as required herein.

Section 27.21 Notice by Phone; Follow up via E-mail

Notice by City to Contractor of a Collection or other Customer problem or complaint may be given to Contractor orally by telephone at Contractor's local office with confirmation sent via e-mail as required above by the end of the Work Day.

Section 27.22 Permits and Licenses

Contractor shall obtain, at its own expense, all permits and licenses required by law or ordinance and maintain same in full force and effect throughout the Term of this Agreement. Contractor shall provide proof of such permits, licenses, or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses, and approvals upon the request of the City Manager.

Section 27.23 Ownership of Written Materials

Section 28. Financial Interest

Contractor warrants and represents that no elected official, officer, agent, employee or contractor of the City has a financial interest, directly or indirectly, in this Agreement or the compensation to be paid under it.

IN WITNESS WHEREOF, the City and Contractor have executed this Agreement on the day and year first written above.


CITY OF ROLLING HILLS



Jeff Pieper, Mayor

CONSOLIDATED DISPOSAL SERVICES, LLC.




Name/Title


Date 5/7/2020

ATTEST:



YOHANA CORONEL, CITY CLERK

APPROVED AS TO FORM:



MICHAEL JENKINS, CITY ATTORNEY

EXHIBIT A
INITIAL RATES

Service Fees	
Bill on Property Tax Bill	Initial Rates
Annual Base Service Fee (per year)	\$1,293.64
Billed Directly to Customer	
On-Call Bulky Item Collection in Excess of One Item per Year (per item)	\$32.33
On-Call Brush Collection in Excess of One Load per Year (per load)	\$484.87
Sharps Safe-Disposal Container (per container cost)	\$37.95
Emergency Services	
Hourly Rate: One Crew, One Truck	\$93.26
Disposal Tipping Fee at Sunshine Canyon Landfill (per ton)*	\$36.75
Rolloff Box Service Fee (includes cost of disposal up to 5 tons) (per load). Any disposal over 5 tons will be billed \$36.75 per ton	\$650.00

* Per ton rate is for disposal at the Sunshine Canyon Landfill and does not include transfer station rates.

Republic Services Approved Staging Areas for Rolling Hills

AREA 1

Locations approved
Saddleback Road and Road Runner Road
Wagon Lane
Georgeff Road
Georgeff Road
Saddleback Road (between 36 and 42)
AREA 2
Caballeros Road and Crest Road East
Crest Road East and Easterfield Drive
Chuckwagon Road and Eastfield Drive
Outrider Road and Easterfield Drive
Southfield Drive and Packsaddle Road East
Bowie Road
AREA 3
Southfield Drive and Packsaddle Road East
Portuguese Bend Road South and Ranchero Road
Portuguese Bend Road South and Ranchero Road
Qualridge Road North
Buggy Whip Drive
Johns Canyon Road



*Actual location may slightly vary from displayed pin

Republic Services Approved Staging Areas for Rolling Hills



Page 2 shows map zoomed in to see street names

*Actual location may slightly vary from displayed pin