SOLID WASTE FRANCHISE AGREEMENT

BY AND BETWEEN

CALIFORNIA WASTE RECOVERY SYSTEMS, LLC

AND THE CITY OF ANGELS

City of Angels
584 S. Main St.
Angels Camp, CA 95222
(209) 736-2181
Melissa Eads, City Administrator

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SOLID WASTE FRANCHISE AGREEMENT
BY AND BETWEEN
CALIFORNIA WASTE RECOVERY SYSTEMS, LLC
AND CITY OF ANGELS CAMP

This SOLID WASTE FRANCHISE AGREEMENT ("Agreement") is entered into as of July 1, 2018, by and between the City of Angels, a California municipal corporation ("City"), and California Waste Recovery Systems, LLC, a California limited liability company ("Franchisee"). The City and Franchisee may hereafter be individually referred to as a "Party'" or collectively referred to as the "Parties." There are no other parties to this Agreement.

RECITALS

A. *Authorization under State and Local Law.* Pursuant to state law (Cal. Pub. Res. Code § 40059) and the City's Solid Waste Management Ordinance (City Code, Chapter 8.16), the City may generally determine the means and terms, including levels of service, charges and fees, and the conditions by which solid waste handling services are provided, and the City may enter into this Agreement to provide an exclusive franchise for solid waste handling services to Franchisee.

B. *Public Health.* Public health, safety, and well-being demand the orderly and periodic collection and disposal of solid waste from properties within City. The Solid Waste Management Ordinance establishes ordinances and procedures to provide for the storage, collection, and removal of all recyclables, garbage, rubbish, and waste materials generated or accumulated within the City. In addition to this Agreement, Franchisee must comply with any and all and state regulations and local requirements, including collection frequency and schedule, container specifications and maintenance, truck maintenance and markings, safe operations, and inspections by the LEA. The City may revise Chapter 8.16 of the City Code from time to time as required to protect the public health, safety, and welfare of the City.

C. *50% Waste Diversion / Commercial Recycling & Organics Diversion.*

1. AB 939 Diversion Mandate: The Integrated Waste Management Act of 1989 (AB 939) mandates, among other things, that the City divert 50% of its waste from landfill disposal and implement its Source Reduction and Recycling Plan ("SRRE"); and

2. Mandatory Commercial Recycling & Organics Diversion: Since the passage of AB 939 the California Legislature has enacted other measures including, without limitation,

a. AB 32: increases State of California's recycling goal to 75%, sets goals to reduce greenhouse gases;

b. AB 1826 Mandatory Organic Recycling: implements AB 32, reduces greenhouse gases by diverting materials from landfills;

c. AB 341: Mandatory Commercial Recycling: multi-family residences and commercial businesses must recycle by themselves or by subscribing to services from a hauler;

d. City Reporting: AB 341 and AB 1826 require local governments to develop programs for the recycling of commercial and organic waste and report information on participation and diversion to CalRecycle; and

e. SB 1383 Organic Waste Methane Emissions Reductions: requires diversion of 75% of organic waste by 2025; implementation of greenhouse gas reduction goals.

D. *Diversion Mandates.* The City and the Franchisee have determined that entering into this Agreement will help the City comply with state law and economically provide for collection and recycling services for City residents, businesses, and property owners, as well as the periodic capital expenditures incurred by the Franchisee in order to provide such services.

E. *Representations.*

1. The Franchisee warrants that the company has the resources and capabilities to provide all services specified herein in a professional and reliable manner;

2. Both Parties find that entering into this Agreement is in the mutual interest of both the Franchisee and the City.

3. The City finds it is within the public interest to enter into this Agreement to fulfill AB 939 and the above-referenced statutory mandates.

4. This Agreement is predicated on the Franchisee using its best efforts for which the Franchisee is reasonably compensated hereunder to assist the City in meeting all statutory waste requirements for landfill diversion of solid waste and green waste.

NOW, THEREFORE, in consideration of the promises herein contained and other good and valuable consideration, the Parties agree as follows:

AGREEMENT

ARTICLE 1 GENERAL PROVISIONS

1.01 DEFINITIONS

For purposes of this Agreement and any notice required hereunder, the following terms shall be construed as follows:

A. "AB 32", "AB 939", "AB 1826", "SB 1383", and "AB 341" shall mean those statutes enacted by the State of California which are commonly referred to by such titles and include significant mandates or goals affecting Solid Waste management in the state.

B. "Best efforts" shall mean serious and sizeable efforts that a reasonable person would take in the same (or similar) circumstances to meet its obligations. It will be presumed that the person intends to meet its obligations in honesty and good faith.

C. "Change in Control" of the Franchisee shall mean an event or series of events by which David Vaccarezza or his lineal descendants shall fail to have the power to exercise, directly or indirectly, a controlling influence over the management or policies of Franchisee including, without limitation, the power to direct the management and policies of Franchisee, whether through the ownership of voting securities, by contract or otherwise.

D. "Council" shall mean City's Council.

E. "Breach" is defined in Section 1.15.

F. "CC" shall mean City Municipal Code.

G. "Code" shall mean City Code of the City of Angels.

H. "Days" shall mean calendar days.

I. "Effective Date" shall mean the date in which this Agreement shall commence, which is hereby deemed to be July 1, 2018.

J. "Franchisee" shall mean California Waste Recovery Systems, LLC.

K. "Including" shall mean "including, without limitation".

L. "Primary Recyclables" shall mean marketable glass containers, aluminum containers; plastic and tin containers, cardboard, newspapers, mixed paper, telephone books, and magazines. This definition may be modified by the parties in the manner described in the definition of Recyclable Materials herein.

M. "Reasonable Business Efforts" means effective efforts that a prudent business person would make under the same (or similar circumstances) using its business judgment. It will be presumed that the person intends to meet its obligations in honesty and good faith.

N. "Recycle" shall mean the disposition of the materials in such a manner that will qualify as diversion of Solid Waste within the meaning of Public Resources Code Section 41780, et seq.

O. "Recyclable Materials" or "Recyclables" are those materials which may be collected, processed, and reused including, but not limited to, newspaper, mixed paper (including, but not limited to, white and colored paper, magazines, telephone books, chipboard, junk mail, and high grade paper), glass bottles and jars, metal cans (ferrous, non-ferrous, and bi-metal containers, including empty aerosol containers), aluminum foil and trays, all narrow neck rigid plastic containers, non-bottle rigid plastics, corrugated cardboard, and other materials that may be collected and processed for reuse by the Franchisee. The City and the Franchisee may adjust this definition from time to time temporarily, or for such longer period as the Parties may decide, to include additional materials or remove materials on this list and the parties shall adjust the definition in the event of a change in the ability (other than a change which is expected to be temporary) of the Franchisee to sell or otherwise transfer the material to a third party for beneficial reuse.

P. "Solid Waste" shall mean all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, construction and demolition wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semi-Solid Wastes, yard waste, plant debris, horticultural waste, and other organic waste including food waste and other discarded solid and semi-solid wastes as defined in California Public Resources Code section 40191, as that section may be amended from time to time, but does not include source-separated Recyclable Materials, abandoned vehicles and parts thereof, and materials that cannot be disposed of in Class II landfills.

Q. "Uncontrollable circumstances" is defined in Section 1.15.

1.02 INTERPRETATIONS AND EFFECTIVENESS OF AGREEMENT

A. *Headings*. The headings set forth in this Agreement are for ease of reference only and shall not be construed to modify, limit, or restrict the provisions contained in one, or all, of the sections of this Agreement.

B. *Entire Agreement*. This Agreement, together with any attachments, constitutes the entire agreement between the City and the Franchisee and supersedes all prior negotiations, representations, or agreements, whether written or oral.

C. *Procedure for Amendment, Modification, Extension, or Renewal*. If, during the term of this Agreement, there are statutory, regulatory, or other changes that significantly affect the services provided by the Franchisee pursuant to this Agreement or the cost thereof, the terms of this Agreement shall be subject to the rate adjustment protocols provided herein, upon initiation by either Party in accordance with the extraordinary review provisions of Section 3.03. Any change, amendment, modification, extension, or renewal shall be in writing and shall be executed by duly-authorized representatives of both the City and the Franchisee.

D. *Implementation Schedule*. All services provided by this Agreement shall be implemented by the Franchisee on the Effective Date. Unless otherwise specified herein, any new requirements agreed to by the Parties in writing after the Effective Date shall be fully implemented within six (6) months from the written agreement providing therefor.

1.03 TERM

A. *Commencement.* All rights, privileges, obligations and duties granted and mandated under this Agreement shall commence on the Effective Date.

B. *Expiration.* This Agreement shall expire on June 30, 2028 unless it is terminated earlier pursuant to Section 1.17 below; or extended pursuant to Subsection 1.03.C below.

C. *Extension:*

1. Long-term. Within two (2) years of the expiration of the Agreement, the Franchisee may request a five-year extension of the Agreement, twice, for a total of ten (10) years. Such request must be submitted more than six months prior to the expiration of the Agreement. The City shall approve such request if the City reasonably determines that the Franchisee is not in default or breach hereunder and the City finds, in its reasonable discretion, that the Franchisee has provided satisfactory services to the City.

2. Short-term: Provided the City is not in default or breach hereunder, the City may extend this Agreement at its sole discretion for up to six (6) months, in any increment of time or times, upon giving Franchisee one (1) months' notice before any such extension is to take effect. For example, the City could extend this Agreement for one six (6) month extension; or for two three-month extensions, or for only one two-month extension.

1.04 INDEPENDENT CONTRACTOR

In its performance under this Agreement, the Franchisee is and shall be considered an independent contractor and not an agent or employee of the City. The Franchisee, not the City, will make arrangements with customers for services, and the City will not direct or supervise the Franchisee's performance of services. The Franchisee, its officers, officials, staff, employees, and agents shall not be entitled to salary, pension, health, or retirement benefits provided by the City.

1.05 REPRESENTATIVE AND NOTICE

Each Party shall designate an officer, employee, or other authorized representative to act on that Party's behalf with respect to this Agreement. This representative shall be available between 8a.m. and 5p.m., Monday through Friday, excluding City holidays, and as often as may be required to render decisions and to furnish information in a timely manner. Each Party has the right to change its representative at any time provided that a Party wishing to change its designated representative shall endeavor to notify the other Party in writing not less than ten (10) days before making any such change. Any notices of breach, default, or termination ("Notices") must be made in writing to the addresses listed below.

At the time this Agreement is executed, the Parties' designated representatives shall be as follows:

Franchisee: David Vaccarezza
City: Melissa Eads, City Manager

All Notices shall be deemed to have been given when made in writing and delivered or mailed to the respective representatives of either the City or the Franchisee at their respective addresses as follows:

To Franchisee: California Waste Recovery Systems, LLC
PO Box 8
Arnold, CA 95223

To City: City of Angels
584 S. Main Street
Angels Camp, CA 95222
Attn: Melissa Eads, City Manager

Either Party may change the address to which such communications are to be given by providing the other Party written notice of such change at least ten (10) days prior to the date of the change. All Notices shall be effective upon receipt. Notices shall be deemed received upon delivery if served in person or, if sent by first class mail, on the fifth day following deposit in the mail.

1.06 PARTIAL INVALIDITY

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, all remaining and severable portions of this Agreement shall continue in full force without being impaired or invalidated in any way.

1.07 WAIVER

The waiver by the City or any of its officers, agents, or employees or the failure of the City or its officers, agents, or employees to take action with respect to any right conferred by, or any breach of any obligation or responsibility of this Agreement shall not be deemed to be a waiver of such obligation or responsibility, or subsequent breach of same, or of any terms, covenants, or conditions of this Agreement.

1.08 PUBLIC LIABILITY AND PROPERTY DAMAGE, INSURANCE

A. During the term of this Agreement, the Franchisee shall, at all times and at its own expense, maintain Comprehensive General Liability Insurance, Workers' Compensation and Employers' Liability insurance as required by the State of California, and Automobile Liability Insurance. The City may review and require certain coverage amounts and other policy requirements and the Franchisee shall thereafter modify the insurance coverages and policies in accordance with the City's requirement if such modifications are commercially available. If the Franchisee incurs material additional costs as the result of the City-directed modifications, it shall be able to recover such additional costs as part of the annual or an extraordinary rate adjustment. The City may request confirmation from the Franchisee's insurance agent that the additional costs are due to the City-directed modifications and not due to the claims record, actions, or inactions of the Franchisee. The Comprehensive General Liability insurance shall include broad form

property damage insurance. The limits of such insurance shall be no less than $1,000,000 per occurrence / $2,000,000 in the aggregate for the Comprehensive General Liability Insurance, $1,000,000 for the Workers' Compensation / Employers' Liability insurance per accident for bodily injury or disease, and $1,000,000 combined single limit for each accident for the Automobile Liability Insurance.

B. The following requirements apply to all insurance to be provided by the Franchisee:

1. Coverage shall be by an admitted California surety.

2. Said policies shall remain in force through the life of this Agreement and shall be payable on a "per occurrence" basis.

3. The City, its elected representatives, officers, agents, employees, contractors, and volunteers shall be named as additional insured.

4. Any deductibles or self-insured retentions must be declared to and are subject to the approval of the City's representative.

5. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled by either Party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail (return receipt requested) has been given to the City's representative.

6. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-: VII, unless otherwise approved by the City's representative.

7. Any insurance maintained by the City shall apply in excess of, and not contribute with, insurance provided by the Franchisee's liability insurance policy.

C. Prior to commencing services pursuant to this Agreement, the Franchisee shall furnish the City's representative with original endorsements reflecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received by and are subject to the approval of the City's representative before work commences.

D. During the term of this Agreement, the Franchisee shall furnish the City's representative with original endorsements reflecting renewals, changes in insurance companies and any other documents reflecting the maintenance of the required coverage throughout the entire term of this Agreement. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf.

E. The Franchisee shall provide Workers' Compensation coverage as required by state law and shall, prior to commencing services pursuant to this Agreement, file the following statement with the City's representative in a form substantially as set forth below:

WORKERS' COMPENSATION CERTIFICATE

I am aware of the provisions of Paragraph 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code and I will comply with such provisions before commencing any services required by this Agreement. The person executing this certificate on behalf of the Franchisee affirmatively represents that he or she has the requisite legal authority to do so on behalf of the Franchisee and both the person executing this Agreement on behalf of the Franchisee and the Franchisee understand that the City is relying on this representation in entering into this Agreement.

Initials: _____

F. The City's approval of the Franchisee's insurance shall not relieve or decrease the extent to which the Franchisee may be held responsible for payment of damages resulting from the Franchisee's services or operations pursuant to this Agreement.

1.09 INDEMNIFICATION

The Franchisee agrees to and shall indemnify, defend with counsel acceptable to the City, and hold harmless the City, its officers, officials, employees and agents ("City Agents") from and against any and all damages (whether special, general, or punitive), loss, liability, fines, penalties, forfeitures, claims, demands, actions, proceedings, or suits (whether administrative or judicial), in law or in equity, of every kind and description (including, but not limited to, injury to and death of any person and damage to property, strict liability, product liability, or for contribution or indemnity claimed by third parties), arising or resulting from or in any way connected with: (i) the Franchisee and its agents, employees, affiliates, and subcontractors in performing or failing to perform any material obligation pursuant to this Agreement; (ii) any failure of the Franchisee, its agents, employees, affiliates, and subcontractors to comply in all respects with any federal or state laws, local ordinances, administrative regulations, permits, or licenses; and (iii) any negligent, grossly negligent, or intentional acts or omissions of the Franchisee, its officers, employees, agents, affiliates, and subcontractors in performing the services under this Agreement. The obligations of the Franchisee under this section 1.09 shall not apply to the extent and proportion in which the event giving rise to the City's claim for indemnification is caused by the gross negligence or willful misconduct of the City.

The Franchisee's indemnity obligations shall also include defense against (1) any and all fines or penalties imposed on the City by an agency of the State of California if any waste diversion goals are not met by the City with respect to the Solid Waste collected by the Franchisee under this Agreement, provided that Franchisee shall be entitled to reimbursement for any costs of such defense, if Franchisee is not in default hereunder, and such reimbursement shall not be paid by the City; and (2) any claims involving Franchisee's handling of hazardous waste, either knowingly or under circumstances in which a reasonable person would or should have known that hazardous waste was being handled.

If the defense right is exercised, the City Council shall have the absolute right to approve any and all counsel reasonably employed to defend the City. To the extent the City uses any of its resources to respond to such claim, action or proceeding, or to assist the defense, the Franchisee will reimburse the City upon demand if the claim involves any allegation of default hereunder against the Franchisee. Such resources include, but are not limited to, staff time, court costs, City Counsel's time at its regular rate for non-City agencies, or any other direct or indirect cost associated with responding to, or assisting in defense of, the claim, action, or proceedings.

1.10 REPRESENTATIONS

A. *Covenant Against Contingent Fees*. The Franchisee represents that it has not employed or retained any company or person, other than a bona fide employee working for the Franchisee, to solicit or secure this Agreement, nor has it paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, at its discretion, to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

B. *Pending Actions*. The Franchisee represents that there are no suits or threatened suits which might impair the financial or legal ability of the Franchisee to perform its obligations under this Agreement and that by its entering into this Agreement, the Franchisee will not in any way constitute a breach of any other agreement entered into by the Franchisee with other parties, or constitute a violation of any law.

1.11 NON-DISCRIMINATION

The Franchisee will not discriminate against existing or potential customers based on color, race, creed, national origin, religion, sex, age, sexual preferences; or physical or mental disability in accordance with all applicable federal, state and City laws and regulations. For the purpose of this Agreement, distinctions on the grounds of color, race, creed, national origin, religion, sex, age, sexual preferences, or physical or mental disability include, but are not limited to, the following: denying a participant any service or benefit or providing any service or benefit which is different, or is provided in a different manner or is provided at a different time from that provided to other participants under this Agreement.

1.12 EQUAL EMPLOYMENT

The Franchisee shall not refuse to hire, employ, nor bar or discharge from employment, or otherwise discriminate against any person in compensation, or in terms or conditions of employment because of age, gender, race, creed, color, national origin, disability, religious or political affiliation or belief.

1.13 PUBLIC RECORDS ACT

Upon its execution, this Agreement, including all exhibits and attachments, shall be subject to disclosure upon any request by the public, pursuant to the California Public Records Act.

1.14 APPLICABLE LAWS AND VENUE

A. In the performance of the services required by this Agreement, the Franchisee shall comply with all applicable federal, state, and City statutes, ordinances, regulations, directives, and laws. Particular attention is called to City Code Chapter 8.16 Garbage Collection Regulation. Violation of City ordinance or code shall be considered a violation of this Agreement.

B. This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by the laws of the State of California. The Franchisee and the City expressly stipulate that this Agreement is entered into and is to be performed in City and, therefore, venue shall be in county of Calaveras.

1.15 BREACH

A. *"Breach"* means any failure by the Franchisee to meet one or more of its obligations under this Agreement.

B. *Cure.* The Franchisee must cure any remediable breach as soon as possible, but in any event within seven (7) days following Notice by the City, unless the cure reasonably takes longer than seven (7) days, in which event the Franchisee shall be given additional time to cure provided that it commences such cure as soon as is practicable and continues its best efforts to cure. Unless otherwise agreed by the Parties, no cure period shall extend for more than six (6) months from the City Notice.

1. Examples of remediable breaches include missing a customer collection, customer billing errors, and submitting late reports.

2. Examples of irremediable breaches are actions that cannot be undone (or unsaid), or omissions that can no longer be addressed, such as unjustified disposal of Recyclable Materials, fraud, misrepresentation, and breach of warranties.

C. *Liquidated Damages.* Pending the Franchisee's cure of any breach, the City, acting through its City Manager, may impose liquidated damages pursuant to Section 1.16. If the City imposes liquidated damages, the Franchisee must pay liquidated damages within ten (10) days after the end of any month in which such damages have been assessed, although the Franchisee may contest whether the payment of such damages was justified under the procedures outlined in this section.

D. *Uncontrollable Circumstances.* The Franchisee must notify the City of an event of Uncontrollable Circumstances as soon as possible after the occurrence thereof and no later than

24 hours. The Franchisee must describe the nature of the uncontrollable circumstance and what it plans to do in response to the uncontrollable circumstance.

"Uncontrollable Circumstances" means events or circumstances which are beyond the control of the Franchisee and which materially hinder the Franchisee's ability to perform its services hereunder, or which cause a material adverse effect on the Franchisee's costs or revenues (provided that in such event, the Franchisee must use reasonable efforts to mitigate such material adverse effect), including an event or circumstance described in Section 6.03 hereof, a Change in Law and also including, without limitation the following:

1. riots, war, or emergency affecting the City declared by the President of the United States, Congress of the United States, the Governor of California, or the City Board;

2. sabotage, civil disturbance, insurrection, explosion;

3. natural disasters such as floods, earthquakes, landslides, and fires that are not reasonably anticipated weather conditions in the City;

4. a change in law as defined below except for a change in law that meets both of the following conditions:

   a. It is enacted by the City (including the City's change in franchise fees); and

   b. The City is not required to enact it in order to comply with federal or state law.

5. the failure of any public or private utility provider to provide water or electricity to the Franchisee office or maintenance facility.

"Uncontrollable Circumstances" specifically excludes:

1. Strikes, lockouts, and other labor disputes;

2 Increased fuel costs;

3. Damaged, broken, or otherwise inoperable equipment, such as trucks;

4. Termination of the Franchisee's agreements for services or goods by service provider or vendor;

5. Communication error, such as misaddressed email or letter.

"Change in Law" means any or all of the following that relate to services under this Agreement:

1. the adoption, promulgation, modification, or change in law (including the City's change in or addition of franchise fees) or in judicial or administrative interpretation of the law occurring after the franchise date, except with respect to the following:

a. income or business taxes,
b. employment or payroll taxes, or
c. franchise fees (other than franchise fees levied by the City);

2. any order or judgment of any regulatory authority issued after the franchise date if both of the following conditions are met:

a. the order or judgment is not also the result of the willful misconduct or negligent action or inaction of either of the following:

i. the Party relying thereon, or
ii. anyone for whom that Party is directly responsible; and

b. the Party relying on the order or judgment makes reasonable business efforts to contest that order or judgment, unless the other Party excuses it from contest; or

3. a regulatory authority imposes any new or different material conditions in connection with the issuance, renewal, or modification of any permit after the franchise date; or

4. a regulatory authority does either or both of the following after the franchise date:

a. fails to issue or renew permit,
b. suspends, interrupts, or terminates any permit and the regulatory authority's actions is not also the result of the willful misconduct or negligent action or inaction of either or both of the following:

i. the Party relying thereon, or
ii. anyone for whom that Party is directly responsible.

The following breaches are *not* subject to Uncontrollable Circumstances:

1. Payment of Money: Failure to pay the City any amounts under this Agreement within thirty (30) days of the City's request, including the payment of franchise fees;

2. Violation of Law: Material violations of material law that the Franchisee does not remedy within thirty (30) days, or repeated violations of any law;

3. Maintain Insurance: Failure to meet one or more obligations with respect to insurance or performance bond under this Agreement;

4. Insolvency or Bankruptcy: (a) Franchisee becomes insolvent or files a voluntary petition to declare bankruptcy, (b) a receiver or trust is appointed for Franchisee; or (c) Franchisee executes an assignment for the benefit of creditors.

Franchisee is deemed to be "insolvent" if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether or not Franchisee has committed an act of bankruptcy and whether or not Franchisee is insolvent within the meaning of the federal bankruptcy law or not.

The Franchisee shall notify the City as soon as the Franchisee has reasonable grounds or suspicions of any insolvency issues that may arise.

5. Fraud, Misrepresentation, Breach of Warranties: During the procurement of this Agreement or after the date of this Agreement, Franchisee does any of the following with respect to this Agreement or the City: (a) committed, or commits or attempts to commit, any fraud or deceit; (b) made, or makes, any intentional or material misrepresentations; (c) breaches any warranties; or (d) made, or makes, any false or misleading statement, representation, or warranty.

E. *Remedies.* If the City determines that a dispute is irremediable, not subject to Uncontrollable Circumstances, or not timely cured, it may exercise any or all remedies under at law or equity (including injunctive relief) in its sole discretion, *unless* the breach was due to Uncontrollable Circumstances. If the City determines in its sole discretion that the Franchisee has repeatedly breached this Agreement, whether or not the Franchisee has previously cured a specific instance of breach, the City may also exercise those remedies.

F. *Disputes.* The Franchisee acknowledges that providing services under this Agreement is a matter of protecting public health, safety, and the environment. The Franchisee shall therefore continue providing all services set forth pursuant to this Agreement pending the resolution of any disputes.

The Franchisee may dispute whether or not a breach occurred under the Agreement, or was remediable, cured, or subject to Uncontrollable Circumstances. It may also dispute whether or not the imposition of liquidated damages was justified. The Franchisee must describe its dispute and ask the City to hold a hearing. At least seven (7) days prior to the date scheduled for the hearing, the City's representative shall notify the Franchisee of the time and place for the hearing.

At the hearing, the City's representative shall hear any persons interested or concerned with the alleged breach. He or she shall determine whether or not the Franchisee's dispute is valid. If the City's representative determines the dispute is valid, the City will take appropriate action such as withdrawing its notice of the alleged breach or repay liquidated damages.

The Franchisee may appeal the decision of the City's representative to impose liquidated damages to the City by filing a written appeal with the clerk of the City Council. To be considered, such appeal shall be submitted within ten (10) days of the decision that upheld the liquidated damages and shall set forth the particular errors alleged to have been made by the City's representative. The City Council shall commence the hearing of the appeal within 45 days of the filing of the appeal. On appeal, the standard of review shall be whether there is substantial evidence on the record of the proceedings before the City's representative that supports the decision of the City's representative. The City Council shall affirm or deny the appeal and may modify any action by the City's representative.

G. *Late Fees.* If the Franchisee fails to make a payment due the City hereunder by the date on which such payment is due, and the Franchisee shall not reasonably dispute the amount or justification for such payment, it shall pay to the City a late fee equal to one percent (1%) of the amount past due for each month or partial month by which the payment is late. For the

avoidance of doubt, for example, if the payment is due on the first of a month and it is received by the last day of the month, the late fee shall be 1%. If it is received on the first day of the succeeding month, the late fee shall be two percent (2%) etc.

H. *Dispute Resolution*

1. Independent Expert. The Franchisee and the City shall agree upon an independent expert by exchanging a list of three (3) candidates that have experience in solid waste management within five (5) days of either Party requiring dispute resolution. The candidate that appears highest on both lists is the independent expert. If the lists do not contain the same candidate, then the City and the Franchisee will each appoint a professional that has experience in solid waste management to select the independent expert within ten (10) days of appointment. The independent expert shall not have been retained by either the City or the Franchisee within five (5) years of his or her appointment. The Parties shall split the cost of the independent expert but such costs may be recovered through an augmentation to the rate increase otherwise arrived or in any other manner agreed upon by the Parties.

2. Consideration and Resolution. The City and the Franchisee must give the independent expert with any additional information they wish the expert to consider within fifteen (15) days of either Party's request for dispute resolution. The independent expert will consider the information that the Franchisee gave the City and any additional information and meet with either or the City and the Franchisee together. The independent expert may request additional information, which Parties must provide within ten (10) days of request. Within forty-five (45) days after being requested to resolve the dispute, the independent expert will issue a written resolution to both Parties, including the adjusted rate, if any.

REQUESTS FOR CHANGES IN SPECIFICATIONS / RATES	**SCHEDULE**
1. Franchisee proposal or City request	Day 1
2. Franchisee provides the City with information	Within 30 days after Day 1
3. The Franchisee provides the City additional requested information	Within 10 days after City request (*40 days total*)
4. City consideration, Party negotiations	Within 30 days (*70 days total*)
5A. Parties reach agreement and the Franchisee implements changes as proposed	
5B. Parties do *not* reach agreement: (1) The Franchisee or the City requires dispute resolution by independent expert and provide record of requests/responses; or (2) The City arranges for 3rd party to provide requested change	
6. The Franchisee or the City give independent expert additional information	Within 15 days from request for dispute resolution / 5B (*85 days total*)

7. Independent expert considers submissions and meets with the City and the Franchisee, together; issues resolution	Within 45 days from request for dispute resolution (*130 days total*)
8. (1) if binding. . . (2) if non-binding . . .	(1) . . . The Franchisee implements changes and the City makes rate changes per the resolution; or (2) . . . Either the City or the Franchisee may terminate this Agreement within 60 days or other mutually agreed date

1.16 LIQUIDATED DAMAGES

The Parties agree that in the event that the Franchisee violates the provisions of Chapter 8.16 of the City Code, or any other applicable law, or the terms of this Agreement, the resulting damages will be impracticable or extremely difficult to determine. Subject to the procedures set forth below, the Parties agree that the Franchisee shall pay liquidated damages up to $100.00 per day per customer or per occurrence, as reasonably determined by the City in its sole and absolute discretion, for any of the following:

A. For failure by the Franchisee to provide Solid Waste collection service within its franchise area as required herein or to comply with the provisions of the City Code;

B. The Franchisee has offered to assign or has assigned, either voluntarily or by operation of law its rights and obligations under this Agreement without the prior consent of the City for any assignment or transfer;

C. For failure by the Franchisee to maintain an office or keep the office open, or to maintain a local telephone number for calls within the franchise area, or to maintain a log of customer complaints, as required by this Agreement; or

D. For charging or collecting rates not approved by the City for any service subject to this Agreement.

E. The Director of Public Works finds that the vehicles or other equipment used or proposed to be used by the Franchisee for the collection and transportation of refuse are insufficient, unfit, or violate the provisions of City Code Chapter 8.16 or the regulations adopted in accordance with City Code Chapter 8.16 provided that in such event, the Franchisee shall have a reasonable time to replace said vehicles or equipment before imposition of liquidated damages.

F. If the City gives Notice to the Franchisee of its intent to impose liquidated damages, the Franchisee shall have the right to contest such imposition at a hearing in the same manner as set out in Section 1.15.B above. The Franchisee shall continue to perform services pursuant to this Agreement pending the resolution of such dispute.

G. Any liquidated damages imposed pursuant to this section shall be in addition to any other penalties or remedies otherwise provided by law or in accordance with this Agreement, including termination of the Agreement as provided in Section 1.17 below.

1.17 TERMINATION

A. All terms and conditions of this Agreement are material and binding. Failure by either Party to perform in accordance with this Agreement, or in accordance with any covenants and conditions described herein, shall be considered a breach of this Agreement.

B. In the event Franchisee breaches this Agreement in any manner and Franchisee fails to remedy said breach pursuant to Section 1.15, the City Manager may terminate this Agreement upon providing further written notice. If the City, acting through its City Manager, terminates this Agreement pursuant to this Section 1.17, the Franchisee shall thereafter have no further rights, powers, or privileges against the City under or arising out of this Agreement. The provisions of this section shall not be exclusive but shall be cumulative and in addition to any other remedies provided herein or pursuant to law.

C. In the event the City gives notice of termination to the Franchisee as provided herein, the Franchisee shall have the right to a hearing in the same manner as set out in Section 1.15.F above and no termination shall be effective in such event until and unless the City shall have ratified the decision of the City Manager to terminate the Agreement.

D. If this Agreement is terminated prior to its expiration, the exclusivity provisions of this Agreement shall be of no further force and effect.

1.18 FAITHFUL PERFORMANCE BOND OR LETTER OF CREDIT

The Franchisee shall provide to the City within ten (10) business days after execution of this Agreement, but in no case later than July 31 2018, a cash or surety bond or an irrevocable letter of credit issued in an amount not less than $10,000 provided by: (a) a bond or surety company with a best rating of "A" or better and licensed to do business in the State of California; (or b) a letter of credit, by a qualified financial institution reasonably acceptable to the City, conditioned upon the full faithful performance of all covenants and conditions of this Agreement and any extensions or amendments thereto and Chapter 8.16.070 of the City Code. Said surety bond or letter of credit, including the terms for drawing on same, must be approved by the City prior to the performance of any work under this Agreement.

1.19 ADMINISTRATIVE FEE

The Franchisee shall provide to the City, within ten (10) business days after the execution of this Agreement, payment of Seven Thousand Five Hundred Dollars ($7,500) to cover the City's administrative and legal costs in preparing this Agreement.

1.20 NOTICE OF FEDERAL ENFORCEMENT

The Franchisee shall promptly notify the City within thirty (30) calendar days of any involvement in state or federal enforcement actions or alleged regulatory violations.

ARTICLE 2. SOLID WASTE COLLECTION FRANCHISE

2.01 GRANT OF FRANCHISE

A. Pursuant to City Code Section 8.16.050 the City hereby grants to the Franchisee an exclusive franchise to collect Solid Waste and Recyclable Materials from residential, commercial, and industrial premises within the City limits, from those customers who request such collection services and who choose not to self-haul.

B. Such grant of franchise shall also give the Franchisee the right and privilege to operate Solid Waste and recyclable collection vehicles and equipment on such streets, public ways, rights-of-way, or easements of the City.

2.02 EXCLUSIVITY

A. The City will not grant another franchise for Solid Waste and Recyclable Materials collection and hauling from residential, commercial, and industrial customers prior to the expiration or termination of this Agreement.

B. Recycling centers shall be allowed under this Agreement within the City's jurisdiction for use by residents and businesses that deliver recyclables thereto themselves or using their own employees, provided that the City shall prohibit commercial haulers other than the Franchisee from hauling recyclables or delivering recyclables to recycling centers.

C. To the extent allowable by law, the Franchisee shall have the exclusive right to provide curbside recycling for its Solid Waste collection customers.

D. Exceptions to Exclusive Rights:

1. Donated recyclables.

2. Solid Waste which is removed from any premises and which is transported personally by the owner or occupant of such premises (or by his or her employees) to any permitted processing or disposal site.

3. Removing and transporting materials related to sales or purchases by the owner or occupant of residential, commercial, or industrial premises, such as appliances or furniture by the seller of such items as part of the sales transaction.

4. Solid waste generated on a residential, commercial, or industrial premises by a property management, maintenance, or cleanup service such as a tree trimmer, gardener, or

landscaping service provider and removed by such entity in a fixed body vehicle as an incidental part of the total on-property cleanup or maintenance service offered by the service provider rather than as a hauling service.

5. School districts, the State of California, and any other entity excluded by law from franchise requirements.

E. Once Solid Waste and Recyclable Materials are placed at the curbside or elsewhere for collection by the Franchisee, they are the property of the Franchisee.

2.03 FRANCHISE FEES

In consideration of the City's grant of exclusive rights under this Agreement to the Franchisee, the Franchisee shall pay to the City a franchise fee in the amount of five percent (5%) of the Franchisee's annual gross collection revenues received by the Franchisee from all residential and commercial accounts within City limits. The Franchisee shall pay such fees to the City within forty-five (45) days after the end of each calendar quarter. The franchise fee is an obligation of the Franchisee, not any of the Franchisee's customers, and is part of the Franchisee's cost of doing business.

2.04 TERM OF FRANCHISE

Franchisee's rights, privileges, obligations, duties and exclusive franchise shall run concurrently with the term of this Agreement.

2.05 ASSIGNMENT

A. *Transfer*. In no event shall this Agreement or Franchisee's exclusive franchise be sold, transferred, leased, assigned, mortgaged, pledged, hypothecated, or otherwise encumbered or disposed of (for the purposes of this section 2.05, a "Transfer"), in whole or in part, directly or indirectly, whether voluntarily or by operation of law, or through any stock transfer, transfer in trust, Change in Control, consolidation, or merger of any company or corporation, without the prior written consent of the City. The City may grant or deny such a request and may impose such conditions as it may deem to be in the public interest. Any attempted disposition made without such consent shall be void. The City in its discretion may transfer the Agreement to any public entity provided that such entity shall have all the powers necessary to carry out the obligations of the City hereunder. Notwithstanding the other provisions of this section 2.05, the provisions of this section shall not apply to a Transfer which does not result in a Change in Control of the Franchisee.

B. The Franchisee shall notify the City's representative in writing forty-five (45) days in advance of any proposed assignment, sale, subcontract, or transfer or of any change in control or ownership of the Franchisee. In the event that the City approves of any assignment, sale, subcontract, or transfer, said approval shall not relieve the Franchisee of any of its obligations or duties under this Agreement unless this Agreement is modified in writing to that effect.

C. If the Franchisee requests the City's consideration of and consent to an assignment, the City may deny or approve such request at its sole discretion. The City will not unreasonably withhold its consent to any assignment, sale, subcontract, or transfer. However, the Franchisee acknowledges that this Agreement involves rendering a vital service to City residents and businesses and that the City is concerned about the possibility that assignment could result in significant changes in the quality of service. Accordingly, the following standards have been set to ensure that assignment will result in continued quality service. No request by the Franchisee for consent to an assignment need be considered by the City unless and until the Franchisee has met the following requirements:

1. The Franchisee shall undertake to pay the City its reasonable expenses for attorney's fees and investigating the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment;

2. The Franchisee shall furnish the City with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;

3. The Franchisee shall furnish the City with satisfactory proof:

a. That the proposed assignee has at least ten (10) years of Solid Waste management experience on a scale equal to or exceeding the scale of operations conducted by the Franchisee under this Agreement;

b. That in the previous five (5) years, the proposed assignee or affiliates has not suffered any significant citations or other censure from any federal, state, or local agency having jurisdictions over its waste management operations due to any significant failure to comply with state, federal, or local environmental laws and that the assignee has provided the City with a complete list of such citations and censures;

c. That the proposed assignee has, at all times, conducted its operations in an environmentally-safe and conscientious fashion as determined by the City;

d. That the proposed assignee conducts its Solid Waste management practices in accordance with sound waste management practices in full compliance with all federal, state, and local laws regulating the collection and disposal of Solid Waste, including hazardous wastes; and

e. Of any other information required by the City to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.

Under no circumstances shall the City be obliged to consider any proposed assignment by the Franchisee if the Franchisee is in default at any time during the period of consideration.

ARTICLE 3. CUSTOMER RELATIONS

3.01 SERVICE RATES

A. *Rates for Solid Waste and Recycling Collection.* A rate schedule is attached hereto and incorporated herein as **Exhibit A**, which specifies the rates that Franchisee may charge customers within City limits for services provided pursuant to this Agreement, commencing on July 1, 2018. The Franchisee shall charge City customers according to the rate schedule shown on **Exhibit A** from the Effective Date of this Agreement until June 30, 2019. City customer charges shall include tipping fees and all other costs attributable to the services. In no event shall Franchisee charge any City customer an amount that exceeds the rate schedule shown on **Exhibit A**, unless such charges are memorialized by an amendment to **Exhibit A**, as approved by the City Council.

B. *City Services.* Franchisee agrees to provide services free of charge to the City in accordance with Section 5.08 below, and **Exhibit B**.

C. *Fees, Adjustment.* Any adjustment in fees for services that the Franchisee provides, either directly or indirectly, shall be determined and adjusted pursuant to this Agreement and approved in advance by the City Council. The Franchisee shall notify the City, and request an amendment to this Agreement by the City Council, in the event an unplanned rate increase is needed.

D. *Unpaid Rates*. The Parties acknowledge that the Franchisee's revenues pursuant hereto are derived from rates charged customers within the City. Franchisee shall be responsible for billing customers and the collection of unpaid charges, and the City shall have no responsibility in the enforcement of collections.

E. *Development of Low-Income Program.* The Franchisee and the City shall jointly develop a low-income rate assistance program, to provide up to a twelve and one-half percent (12.5%) discount on monthly rates to very low-income residential customers within the City. Very-low income residential customers may be defined as customers with annual household incomes of less than thirty percent (30%) of the Calaveras County median, or qualified participants of the PG&E CARE Program. The low-income rate assistance program, once developed, shall be applicable to eligible City customers on an annual basis only, subject to renewal for each customer, and annual review and renewal of the program by the Franchisee and the City. City staff will be solely responsible for determining program eligibility of each customer, and for providing the annual list of eligible City customers to the Franchisee.

F. *Proposition 218*. City represents that the requirements of California Constitution, Article XIIID, do not apply to this Agreement because the City is not involved in imposing or collecting the agreed rates from any customer of the Franchisee. In the event that a court of competent jurisdiction rules that this Agreement or the rate setting provisions contained herein are subject to Proposition 218, the Franchisee agrees to provide funds for the City to complete a rate study in accordance with the substantive and procedural requirements of Proposition 218. In such case, the Franchisee shall provide input and review and approve such rate study and the

proposed rates before any notice of the Proposition 218 public hearing is published. The Franchisee shall be entitled to recover the cost of any such study or studies in its collection rates.

3.02 MONTHLY SERVICE RATES; INFLATIONARY ADJUSTMENTS

A. *Full and Entire Rate Schedule.* The Franchisee's compensation for performance of all its obligations under this Agreement shall be service rates that the Franchisee shall have the right to charge to City customers at the rates set out in **Exhibit A** hereto, and such compensation shall be the full, entire and complete compensation due to the Franchisee pursuant to this Agreement for all labor, equipment, materials and supplies, processing and disposal fees, fees due to the City, taxes, insurance, bonds, overhead, operations, profit, and all other costs necessary to perform services required by this Agreement in the manner and times prescribed.

B. *Inflationary Rate Adjustments.*

1. Annual Inflationary Adjustment. Beginning on July 1, 2019, and annually thereafter, subject to compliance with all provisions of this Article, the Franchisee may adjust the monthly rates contained in **Exhibit A** according to the change in U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Water and sewer and trash collection services Series CUSR0000SEHG (the "Adjustment Index"). The Adjustment Index percentage shall be calculated as follows: the Adjustment Index percentage shall be the percentage change in the Adjustment Index based on changes between the annual average of the base 12 months ending on December 31, which shall be the prior preceding 12-month period, to the annual average of the preceding 12-month period. Therefore, the first Adjustment Index percentage for purposes of this Section will be based on the annual average percentage change in the Adjustment Index between the 12-month period ending on December 31, 2017, and the 12-month period ending on December 31, 2018. If data for the 12-month period ending on December 31 is not available from the US Department of Labor - Bureau of Labor Statistics in time to comply with the April 1 filing deadline, then the Franchisee shall use data for the most recently available 12-month period. Once calculated, the Adjustment Index percentage, expressed as a decimal, shall be added to one and multiplied by the then-applicable monthly rates. The product of this calculation shall be used to establish the new monthly rates. The Franchisee shall notify the City and all City customers of the Franchisee at least thirty (30) days prior to such new monthly rates taking effect.

2. Minimum and Maximum Increase. The Franchisee and the City agree that the monthly rate adjustments allowed under this Article shall not be below Zero Percent (0.00%) or above Five and One-Half Percent (5.5%). No change below Zero Percent (0.00%) or above Five and One-Half Percent (5.5%) shall carry forward to the next annual inflationary adjustment.

3. Extraordinary Inflation. If the Adjustment Index calculations over a two-year period result in calculations that exceed annual increases of greater than Twelve Percent (12%), in such case, the Franchisee may request a monthly rate adjustment pursuant to Section 3.03 below, if the Franchisee's costs have actually increased during such period by more than the amount otherwise increased pursuant to this Section 3.02.

3.03 OTHER RATE ADJUSTMENTS

A. *Adjustment for Uncontrollable Circumstances.* In the event any Uncontrollable Circumstances arise, the Franchisee may propose to the City a change in service or an adjustment in rates, or both, that in the Franchisee's opinion would enable the Franchisee to continue performance of this Agreement for the remainder of the Agreement term.

B. *Adjustment for Change in Service Specifications.* The City may request a change in service specifications for any reason, including adding a new program required by CalRecycle under a Local Implementation Plan or change in law. In addition, at any time during the term of this Agreement, the Franchisee may determine there is a need for a service rate for a particular service or container size that does not appear on the City-approved schedule in **Exhibit A**. If either circumstance would result in changes to the monthly rates, the Franchisee shall immediately notify the City and request the establishment or amendment to the monthly rates in accordance with the proposed service change, and in accordance with this Section 3.03.

C. *Rate Adjustments for Franchise and Other City Fees.* Franchisee shall be entitled to a rate adjustment at any time that the City increases its franchise fee or imposes new fees, provided that the Franchisee has provided documentation of such increase and its projected impact on rates. Once such documentation is provided, the City shall agree to amend this Agreement to allow such changes to the monthly rates.

D. Proposals. Following its proposal under subsection A or within thirty (30) days of the City's request under subsection B (unless the City request or service change to be designed shall reasonably take longer than thirty (30) days to prepare), the Franchisee must demonstrate to the City's satisfaction that the Franchisee's direct costs of service (other than direct costs of tipping or gate fees charged at a solid waste facility) have increased or decreased due to an Uncontrollable Circumstance, or as provided in this Section 3.03. The Franchisee will provide additional documentation within ten (10) days of the City's request. If the Franchisee does *not* provide requested information, the City is not obligated to extend the time of its consideration.

E. *City Consideration.* The City Council shall consider the Franchisee's proposal for any monthly rate adjustments pursuant to this Section 3.03. Such proposals shall include provision for recovery of costs by the Franchisee from the date such costs are actually incurred.

1. Franchisee Request. If the Franchisee has requested an adjustment due to Uncontrollable Circumstances but does not reach agreement with the City within thirty (30) days of providing the City with information that the City requested, the Franchisee may in its sole discretion require dispute resolution pursuant to Section 1.15.E and give the independent expert the record of its request and the City's and the Franchisee's response.

2. City Request. If the City has requested a change in specifications and does not reach agreement with the Franchisee within thirty (30) days of receiving from the Franchisee information that it requested, the City may at its sole discretion either:

a. Arrange for a third party to provide the requested changes, such as a new program, provided that such arrangement shall not impact the Franchisee's compensation or exclusive rights under this Agreement; or

b. Require dispute resolution under Section 1.15.E and give the independent expert the record of its request and the Franchisee's response.

3.04 BILLING STATEMENTS

Franchisee's residential and commercial billing statements shall clearly list the customer's level of service, the monthly rate, a telephone number to call the Franchisee with questions, and the telephone number of the City representative if the customer is unable to resolve his or her problem with the Franchisee. The Franchisee must reimburse the City, at the fully weighted hourly salary of any City employee responding to complaints, if the time reasonably incurred by the City in such responses exceeds five (5) hours per week. The Franchisee shall issue to the City representative, annually, a sample residential bill and a sample commercial bill, and the Franchisee cannot itemize any franchise, permit, or other fees or charges imposed on the Franchisee by the City on its bills to customers or otherwise convey those fees or charges to its customers.

3.05 CUSTOMER COMPLAINTS

Throughout the term of this Agreement, the Franchisee shall maintain a complete record of all written and verbal complaints received pertaining to the performance of services subject to this Agreement. This record shall be provided to the City upon the City's request. Said record shall contain, at a minimum, the following information:

A. Names, addresses, and telephone numbers of complaining Parties;

B. Customer names, service addresses, and telephone numbers, if different than above;

C. Descriptions of problems/complaints and related dates and times, if applicable;

D. Dates received; and

E. Dates and descriptions of the Franchisee's responses and actions taken.

Complaints received from customers or the City shall be acted upon immediately and the Franchisee shall make every reasonable effort to resolve said complaints within seventy-two (72) hours of notification. Complaints lodged with the City shall be transferred to the Franchisee for correction, and such correction shall occur within ten (10) business days.

The City may, at its discretion, record and investigate public complaints made regarding the Franchisee's performance under the terms of this Agreement. The City will determine whether such complaints are substantiated. If substantiated, the Franchisee shall resolve the complaint in

a manner satisfactory to the City. Substantiated and unresolved complaints are subject to the provisions of Section 1.15 and may be the basis for termination of this Agreement by the City.

3.06 PUBLIC EDUCATION AND OUTREACH

A. The Franchisee shall cooperate with the City in waste-diversion and public education activities to further local implementation of the California Integrated Waste Management Act of 1989 and such other mandated programs, including but not limited to outreach in accordance with the Mandatory Commercial Recycling Plan and Organics Plan that the City filed with CalRecycle. The Franchisee shall encourage its customers to actively participate in waste diversion programs, and shall perform site visits to and waste audits of commercial customers and report to the City all information that the City is obligated to give to CalRecycle

B. New and existing customers shall be provided with information by the Franchisee regarding available services, as described below:

1. The Franchisee will prepare customer service information, based on programs provided by the Franchisee, that describes the complete range of services available to residential and commercial customers by the Franchisee. At a minimum, the Franchisee shall provide customers the following information: a list of Solid Waste and Recyclables eligible for collection; proper material preparation and handling practices; a list of unacceptable materials and proper disposal options; holiday collection schedule; bulky item collection information; rates; other recycling opportunities; complaint procedures; and company contact information including billing address, office hours, location, and telephone numbers.

2. The Franchisee shall provide the City with updated information for any public outreach materials the Franchisee wishes to prepare or maintain as necessary to reflect any changes therein, and the City shall have the right to review all materials provided to customers generally and to the public.

3. The Franchisee shall display on its website the customer service information and the Franchisee's employees and agents shall inform customers that said information is available.

4. The City will assist in these matters as follows:

a. On an ongoing basis, the City may distribute the Franchisee's brochure at the City's Solid Waste transfer stations within the franchise area. On an ongoing basis, the City may distribute the Franchisee's brochure with Welcome Wagon" packets of Solid Waste-related information that may be requested by new customers.

b. The City may perform a City-wide mailing with regard to Solid Waste services provided in the City, which may include information about the Franchisee's collection services.

C. The Franchisee shall provide customers receiving debris box service written notification regarding applicable diversion programs and associated cost incentives and unacceptable materials and appropriate disposal options.

3.07 RECYCLABLE REVENUE

Each year during the term of this Agreement, the Franchisee shall pay to the City ninety percent (90%) of the amount by which the total positive revenues received by the Franchisee resulting from the sale of recyclable materials collected pursuant to this Agreement exceed the total cost of paying a recycler or end user to accept such materials (the "Net Amount"). The payment of the Net Amount, if any, shall be due annually at the same time as Franchise Fee payment due for quarters ending December 31 are due as provided in Section 2.03.

ARTICLE 4. CUSTOMER SERVICES

4.01 FREQUENCY OF SOLID WASTE COLLECTION

A. The Franchisee shall provide weekly collection of Solid Waste for all customers of Franchisee within the City, pursuant to this Agreement and any addendum thereto.

B. The Franchisee shall provide collection services to each customer of Franchisee within seven (7) days of the customer's request for service, unless the customer requests a later date.

4.02 COLLECTION SCHEDULE

The Franchisee shall establish a collection schedule for each City customer and provide notice to City customers of any changes to the collection schedule. When a regular collection day occurs on a holiday, the Franchisee shall either provide collection on the holiday or one calendar day before or after the holiday and may adjust the remaining schedule for that week accordingly. The Franchisee shall notify all City customers of their respective holiday collection schedules.

4.03 NON-COLLECTION OF SOLID WASTE

In the event the Franchisee refuses to collect any item or container of Solid Waste for any reason, the Franchisee shall securely attach a tag to that item or container specifying the reasons for non-collection. The tag shall contain the Franchisee's name and telephone number. Acceptable reasons include:

A. Waste not property containerized as specified in the Franchisee's customer service information;

B. Items or containers that exceed the weight limitations specified in the Franchisee's customer service information;

C. Items or containers that contain a prohibited material as specified in the Franchisee's customer service information; and

D. Collection of an item or container would violate any applicable law, regulation, or this Agreement, or would cause possible safety issues, or is set out in inaccessible areas.

4.04 EXTRA COLLECTION OF SOLID WASTE

A. The Franchisee shall be allowed to provide extra and special services, at rates approved by the City Council, in addition to normally-scheduled collection services. The Franchisee shall quote to the customer the rate for such services prior to performing said services.

B. The Franchisee shall provide on-call service to part-time or temporary residents. On-call service shall include Recyclables collection.

C. Bulky-item collection. The Franchisee shall be required to provide on-call, bulky-item pickup service such as mattresses, tires, appliances, etc. to both single-family and multi-family customers, including customers receiving bin service. The Franchisee shall be shall be compensated for bulky item collection at rates established in the rate sheet contained in **Exhibit A** as those rates may be periodically adjusted hereby.

4.05 SOLID WASTE COLLECTION PRACTICES AND STANDARDS

A. *Service Standards.* The Franchisee shall, at all times during the term of this Agreement, provide efficient, effective, prompt, courteous, and professional service to all residential and commercial customers to the reasonable satisfaction of the City. The Franchisee shall not litter premises while collecting Solid Waste or allow waste to blow or fall from any collection vehicle. All collection activities shall be conducted in such a manner that public and private property will not be damaged. Premises shall be left in a neat and clean condition and containers shall be handled in a manner that will prevent their damage. The Franchisee shall replace containers and covers where found and shall not place them in the street or on adjoining property.

B. *Waste Accumulation.* The Franchisee shall direct its drivers to note the addresses of premises at which they observe piles or other significant amounts of Solid Waste accumulating and not being removed, where such accumulation clearly represents a significant risk to public health or risk of combustion and fire. The Franchisee shall refer such information to the City, which shall thereafter as necessary enforce its ordinances or the provisions of this Agreement to address any health and safety concerns caused thereby.

C. *Additional Services.* The Franchisee and the City agree and acknowledge that the provisions and requirements of various statutes and mandates of the State of California cited in the recitals hereof, and other statutes and regulations of the State of California will require additional programs for the processing and reuse of organic materials to be implemented by the Franchisee. The Franchisee and the City agree to work diligently to develop and adopt City-wide

programs, implementation schedules, and rate adjustments consistent with the goals of the City and state law, as such regulations and any local ordinances are adopted.

ARTICLE 5. SCOPE OF SERVICES

5.01 SCOPE

The Franchisee agrees to perform all necessary services to administer the following programs:

Program	Materials	Service Frequency	Additional Requirements
Residential curbside	Primary/ Recyclables	Bi-weekly[1]	
Residential green waste	Green waste	Bi-weekly[1]	
Multi-family residential	Primary/ Recyclables	Weekly	As needed or required by AB 341
Hotels and Resorts	Primary/ Recyclables	Weekly	As needed or required by AB 341
Commercial/business	Primary/ Recyclables	Weekly	As needed or required by AB 341.
Schools	Primary/ Recyclables	Weekly	
Governmental and other public facilities	Primary/ Recyclables	Weekly	No charge to City
Special Events	Primary/ Recyclables	As requested	No charge for 20 cu. yd. box for Fire Dept. annual fundraiser
Used Oil Collection	Motor oil; filters; auto batteries; antifreeze	Franchisee to notify City customers of County disposal sites	
Other	Christmas trees; bulky items	Annual; on call	January 2-10 for trees.

[1]Bi-weekly shall mean every other week

5.02 AVAILABILITY

A. "Recycling Programs" required by this section shall be made available to all of the Franchisee's City customers.

B. Unless otherwise stated herein or unless specifically declined by the customer, the Franchisee shall provide, at a minimum, a sufficient number and appropriate type of recycling containers wherever garbage bins are provided and serviced. Service shall be of sufficient frequency to accommodate program needs and to avoid exceeding the capacity of collection containers.

C. All residential customers shall be provided with Solid Waste, recycling, and green waste collection service.

5.03 RESIDENTIAL GREEN WASTE

The Franchisee shall provide curbside yard waste and green waste collection and shall provide the necessary collection containers. The Franchisee shall instruct customers to exercise reasonable care to minimize contamination with objectionable items, such as rocks, metal, and trash. The Franchisee shall instruct customers to bring yard waste to the curb in waste carts placed by the curb in accordance with the most acceptable method to the Franchisee.

5.04 SPECIAL EVENTS

A. Upon ten (10) days advance notice, the Franchisee shall provide collection services for Primary Recyclables at special events in locations where the Franchisee is under contract to provide Solid Waste collection services.

B. The Franchisee may require event organizers to enter into an agreement, which, among other things, may require event organizers to pay a refundable deposit for requested recycling services. The purpose of such a deposit would be to encourage the cooperation and participation of the event coordinator. If recyclable containers are too contaminated to be productively diverted, then the Franchisee may retain the deposit. However, the amount retained shall not exceed the cost of properly disposing of the waste.

5.05 CURBSIDE OIL COLLECTION

The Franchisee shall notify City customers, at least annually, of all County sites which accept used motor oil free of charge and any applicable packaging instructions required for each site.

5.06 HOLIDAY TREE COLLECTION

The Franchisee will be required to annually collect and recycle all holiday trees set out by single-family and multi-family customers, including multi-family bin customers. Service shall be provided during the first two weeks of each new year. There will be no separate charge to City customers for holiday tree collection.

5.07 OTHER RECYCLING PROGRAMS

The Franchisee agrees to work in cooperation with the City to assist with other recycling and landfill diversion programs, upon the reasonable request of the City.

5.08 CITY FACILITIES

Franchisee shall, without expense to the City or its customers, perform Solid Waste and Green Waste collection services at all the City owned and operated facilities, as shown on **Exhibit B**, at no additional charge to the City.

5.09 BULKY WASTE BIN

The Franchisee shall, without expense to the City or any customer, provide one 3.5 cubic yard bin and remove it when full, up to 18 times per year, upon request by community groups to coordinate cleanup of illegal dumping within the City. In addition, the Franchisee shall, without expense to the City or any City customer, provide one 3.5 cubic yard each year upon the request of each City customer, for general cleanup of bulky waste items at their residence. Bulky waste bins may include disposal of electronic of e-waste.

5.10 REPLACEMENT RECEPTACLES

The Franchisee shall, without expense to the City or any customer, replace outdated or dilapidated receptacles within five (5) days after receipt of a customer's request for replacement.

ARTICLE 6. SPECIAL CONDITIONS

6.01 USE OF "CITY" BY HAULER FORBIDDEN

Franchisee shall in no case use a firm name containing the word "City".

6.02 HOURS OF COLLECTION

No Solid Waste collection shall be made before 5:00 a.m. or after 6:00 p.m., unless otherwise authorized by the City. Upon request, the City may authorize collection at other times.

6.03 DISPOSITION OF RECYCLABLES

The Franchisee shall not cause properly-prepared, marketable Primary Recyclables to be buried in a landfill or otherwise be disposed of at locations other than those where this material can be re-manufactured or otherwise reused, unless an event of Uncontrollable Circumstance occurs which would give rise to the ability of the Franchisee to request a review of rates pursuant to Section 3.03 hereof, or any other event or circumstance which prevents the processing, sale or gift of Recyclable Materials, in which case the Franchisee shall be relieved of the obligation of this Section 6.03. In such event, the Franchisee shall notify the City and the Parties will meet and

confer as to the disposition of the Recyclables. If in the circumstances described in this section 6.03, the Franchisee shall have to pay a third-party for the disposition of Primary Recyclables, and such payment eliminates any positive Net Amount received for such Recyclables as that term is defined in Section 3.07 hereof, the Franchisee may be reimbursed through the Franchisee's monthly rates for any additional costs of such disposition including, without limitation, the cost of paying a third party to take the materials in question if the Parties decide on such a disposition of one or more materials.

Other than as provided above, the Franchisee shall use reasonable business efforts to recycle all materials collected as Recyclables pursuant to this Agreement. The Franchisee agrees to certify that all collected Recyclables have been processed for re-use other than as provided herein.

6.04 RESPONSIBILITY FOR COLLECTED MATERIAL

All material removed by the Franchisee from the premises where produced, generated, or accumulated pursuant to this Agreement shall be the responsibility of the Franchisee. However, the Franchisee shall be entitled to return prohibited material to the customer who generated it, if the customer can be identified. Any hazardous waste or medical waste that the Franchisee collects shall be the responsibility of the Franchisee. The Parties expressly agree that in no event shall the ownership of any Solid Waste, hazardous waste, medical waste, or any other waste be construed to be the property of the City, either explicitly or implicitly.

6.05 RECORD KEEPING AND REPORTING

A. Subject to reasonable prior notice, the Franchisee will allow the City access to review and inspect the Franchisee's customer lists, including commercial customer names and addresses. The City acknowledges and agrees that the information contained in the Franchisee's customer lists is proprietary trade secret information and further agrees that the City will not disclose or distribute any customer list information to any person.

B. The Franchisee shall keep and maintain written records of the number of residences and businesses participating in its recycling programs, quantities of Recyclable Materials collected, the quantities of Recyclable Material sold and stored, and such other matters as may be required by the City. The Franchisee shall provide a written quarterly report to the City documenting the quantities of Recyclable Material collected, recycled, sold, and stockpiled. The volumes of each type of material collected shall be reported separately for each recycling program. Quarterly reports shall be in a format approved by the City or County and shall include supporting documentation as may be required by the City. The report shall be submitted to the City within thirty (30) days of the end of each calendar quarter. The City may request that the Franchisee provide such additional information in the reports as may be reasonably necessary or appropriate to meet the information needs required by the California Integrated Waste Management Act of 1989.

6.06 ACCESSIBILITY AND CONVENIENCE

A. *Office.* The Franchisee shall notify customers of its office location where customers may arrange for service, pay bills and file complaints. Said office shall be equipped with a telephone and two-way radio. All collection vehicles shall also be equipped with two-way radios to communicate with the Franchisee's office. The Franchisee shall, for at least six (6) hours between 9:00 a.m. and 4:00 p.m., Monday through Friday, except holidays, have responsible personnel with whom City customers may communicate. The Franchisee's office shall be open to the public during normal business hours.

B. *Service Yard.* The Franchisee shall maintain a service yard for the storage of trucks, collection equipment and other equipment.

6.07 EQUIPMENT

A. *Construction.* All vehicles, conveyances, or containers used by the Franchisee for hauling or storing Solid Waste or Recyclables within the City shall be constructed to comply with all applicable federal, state, and local laws, rules, and regulations. All equipment used for the collection and transportation of residential and commercial Solid Waste shall be non-absorbent, water-tight, vector-resistant, durable, easily-cleanable, covered, and designed for safe handling. The Franchisee shall maintain a fleet of collection trucks sufficient in number and capacity to efficiently perform the work required in the Agreement in strict accordance with the terms of this Agreement. On collection days, the Franchisee shall have available sufficient back-up vehicles for each type of collection vehicle typically in service (e.g., rear loader, front loader, roll-off, etc.).

B. *Maintenance.* Said equipment shall be maintained in good condition. Said equipment shall be cleaned and disinfected on a frequency and in such manner to prevent the propagation or attraction of flies, rodents, or other vectors and the creation of nuisances.

C. *Containment.* All vehicles, conveyances, or containers used by the Franchisee in the collection, transfer or transportation of Solid Waste or Recyclables shall be designed to prevent leakage, spillage, or overflow. Such conveyances or containers shall be completely covered when en route from the last collection station to a disposal area or processing facility to prevent spillage, overflow, blowing, or similar releases. Any material dropped or spilled in collection, transfer, or transport shall be immediately cleaned up by the Franchisee. Appropriate equipment for this purpose shall be carried at all times on each vehicle.

D. *Vehicle-Markings.* All vehicles used by Franchisee shall be identified with the name and telephone number of the Franchisee. Such name and telephone number shall be displayed on both sides of the vehicle in letters not less than four (4) inches in height.

E. *Container Identification.* Containers of one (1) cubic yard or more which are owned by the Franchisee shall be identified with the name and telephone number of the Franchisee servicing the container, in legible letters and numbers. All such containers will be labeled to clearly identify prohibited materials and safety hazards.

F. *Safety*. Said equipment shall be operated in a safe manner consistent with industry standards and applicable safety regulations. Vehicles and equipment used in the transport of Solid Waste shall be constructed and maintained in such a manner as to minimize the health and safety hazards to collection personnel and the public.

G. *Vehicle Parking*. To prevent nuisance and vector problems, uncleaned Solid Waste collection vehicles containing putrescible materials shall not be stored on public streets or roads except under emergency conditions. All vehicles used in collection activities shall be kept on property with proper zoning within a building or fenced yard. The Franchisee must designate a location where the vehicles will be parked when not in service.

H. *Franchisee Responsibility*. Where the Franchisee furnishes storage containers, the Franchisee shall be responsible for maintaining the containers in good condition (ordinary wear and tear excepted) unless they are furnished under other terms, conditions, or agreements. The Franchisee shall coordinate with the property owner or occupant as to placement of storage containers to minimize traffic, aesthetic and other problems, both on the property and for the public.

I. *Inspection*. Equipment used for Solid Waste collection shall be made available by the Franchisee for inspection annually as requested by the City. The time of inspection is to be by mutual agreement. The City shall determine the suitability of such equipment in accordance with these provisions.

6.08 TRAFFIC AND NOISE PROBLEMS

The Franchisee shall conduct all operations in accordance with City Code and in a manner that minimizes obstruction or disruption to the peace and quiet of the areas in which collections are made.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the above-referenced Effective Date.

CITY:

City of Angels, a California municipal corporation

By: _____
Melissa Eads, City Administrator

APPROVED AS TO FORM:

_____
Douglas L. White, City Attorney

FRANCHISEE:

California Waste Recovery Systems, LLC, a California limited liability company

By: _____
David Vaccarezza, Manager

6/26/18

EXHIBIT A

MONTHLY RATES

(July 1, 2018 through June 30, 2019)

EXHIBIT A-SUBSCRIPTION

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EXHIBIT A.1.1-SUBSCRIPTION

RESIDENTIAL SERVICES

Monthly Rates For Residential Service in Angels Camp Effective 7/1/18 Through 6/30/19	
One 35 gallon trash cart serviced weekly; One 95 gallon recycling cart serviced bi-weekly; One 65 gallon greenwaste cart serviced bi-weekly	$22.00
One 65 gallon trash cart serviced weekly; One 95 gallon recycling cart serviced bi-weekly; One 65 gallon greenwaste cart serviced bi-weekly	$47.50
One 95 gallon trash cart serviced weekly; One 95 gallon recycling cart serviced bi-weekly; One 65 gallon greenwaste cart serviced bi-weekly	$78.50

EXHIBIT A.1.2-SUBSCRIPTION
RESIDENTIAL SERVICES

Residential Specials, Extras, On-Call and Miscellaneous Rates Effective 7/1/18 Through 6/30/19								
							Rate	**Unit**
Special Charges (On an unscheduled service day)								
	Trash Cart						$22.00	per Service
	Recycle Cart						$22.00	per Service
	Greenwaste Cart						$22.00	per Service
Extra Charges (On a scheduled service Day)								
	Trash Cart						$11.00	per Service
	Recycle Cart						$11.00	per Service
	Greenwaste Cart						$11.00	per Service
On-Call Charges (on a scheduled service day for that route area)								
	Trash Cart						$22.00	per Service
	Recycle Cart						$22.00	per Service
	Greenwaste Cart						$22.00	per Service
On-Call Charges (on an unscheduled service day for that route area)								
	Trash Cart						$44.00	per Service
	Recycle Cart						$44.00	per Service
	Greenwaste Cart						$44.00	per Service
Monthly Cart Rent for On–Call Services							$4.00	per Month
Each Additional Recycle Cart (must be kept for 6 months minimum)							$4.00	per Month
Each Additional Greenwaste Cart (must be kept for 6 months minimum)							$4.00	per Month
Cart equipped with Locking Lid							$3.00	per Month
Walk-In / Backyard Service							$15.00	per Month
Drive-In/Long Driveway Service (Calculated from where leaving City-maintained road)							$15.00	per Month + additional $15/mile after 1st mile (1-way)
Cart Steam Cleaning							$18.00	per Cart
Deposit to Restart Service after stopped for non-payment							$150.00	per Restart
Lost Cart / destroyed Cart							$120.00	per Each

EXHIBIT A.2.1-SUBSCRIPTION

COMMERCIAL TRASH SERVICES

Monthly Rates For Commercial Trash Service Effective 7/1/18 Through 6/30/19

		Trash Cart Pickups per week					
Cart Size, Gals	Cart Count	1	2	3	4	5	6
35 Gallon Cart	1	$22.00	$47.92	$79.51	$102.39	$125.26	$145.95
	2	$45.75	$100.64	$166.97	$215.01	$263.04	$306.50
	3	$71.89	$158.15	$262.39	$337.87	$413.35	$481.65
	4	$95.85	$210.87	$349.85	$450.49	$551.14	$642.19
	5	$115.46	$254.00	$421.41	$542.64	$663.87	$773.55
65 Gallon Cart	1	$47.50	$103.47	$171.67	$221.06	$270.44	$315.13
	2	$98.77	$217.30	$360.51	$464.22	$567.93	$661.77
	3	$155.21	$341.47	$566.52	$729.49	$892.47	$1,039.92
	4	$206.95	$455.29	$755.36	$972.66	$1,189.95	$1,386.56
	5	$249.28	$548.41	$909.87	$1,171.61	$1,433.35	$1,670.17
95 Gallon Cart	1	$78.50	$172.09	$285.52	$367.66	$449.79	$524.10
	2	$164.27	$361.40	$599.59	$772.08	$944.56	$1,100.62
	3	$258.14	$567.91	$942.22	$1,213.26	$1,484.31	$1,729.55
	4	$344.19	$757.21	$1,256.29	$1,617.69	$1,979.08	$2,306.06
	5	$414.59	$912.10	$1,513.26	$1,948.58	$2,383.90	$2,777.76

		Trash Container Pickups per week					
Container Size, CY	Container Count	1	2	3	4	5	6
1 CY	1	$68.95	$151.68	$251.66	$324.05	$396.45	$461.95
	2	$124.99	$274.97	$456.20	$587.43	$718.66	$837.40
	3	$227.53	$500.56	$830.47	$1,069.37	$1,308.27	$1,524.42
	4	$303.37	$667.41	$1,107.29	$1,425.82	$1,744.36	$2,032.56
	5	$365.42	$803.92	$1,333.78	$1,717.47	$2,101.16	$2,448.31
2 CY	1	$137.89	$303.37	$503.31	$648.10	$792.89	$923.89
	2	$289.58	$637.07	$1,056.96	$1,361.01	$1,665.07	$1,940.17
	3	$455.05	$1,001.11	$1,660.93	$2,138.74	$2,616.54	$3,048.84
	4	$606.73	$1,334.81	$2,214.58	$2,851.65	$3,488.72	$4,065.12
	5	$730.84	$1,607.84	$2,667.56	$3,434.94	$4,202.32	$4,896.62

EXHIBIT A.2.2-SUBSCRIPTION

COMMERCIAL TRASH SERVICES

Monthly Rates For Commercial Trash Service Effective 7/1/18 Through 6/30/19

		Trash Container Pickups per week					
Container Size, CY	Container Count	1	2	3	4	5	6
3 CY	1	$220.63	$485.39	$805.30	$1,036.96	$1,268.63	$1,478.22
	2	$463.32	$1,019.31	$1,691.13	$2,177.62	$2,664.11	$3,104.27
	3	$728.08	$1,601.78	$2,657.49	$3,421.98	$4,186.46	$4,878.14
	4	$970.77	$2,135.70	$3,543.33	$4,562.64	$5,581.95	$6,504.19
	5	$1,169.34	$2,572.55	$4,268.10	$5,495.91	$6,723.72	$7,834.59
4 CY	1	$299.92	$659.82	$1,094.71	$1,409.62	$1,724.54	$2,009.46
	2	$629.83	$1,385.63	$2,298.88	$2,960.21	$3,621.53	$4,219.87
	3	$989.73	$2,177.42	$3,612.53	$4,651.75	$5,690.97	$6,631.22
	4	$1,319.65	$2,903.22	$4,816.71	$6,202.34	$7,587.97	$8,841.63
	5	$1,589.57	$3,497.06	$5,801.94	$7,471.00	$9,140.05	$10,650.15
5 CY	1	$372.31	$819.09	$1,358.95	$1,749.88	$2,140.81	$2,494.50
	2	$781.86	$1,720.09	$2,853.79	$3,674.74	$4,495.69	$5,238.46
	3	$1,228.64	$2,703.00	$4,484.52	$5,774.59	$7,064.66	$8,231.86
	4	$1,638.18	$3,604.00	$5,979.36	$7,699.45	$9,419.54	$10,975.82
	5	$1,973.26	$4,341.18	$7,202.41	$9,274.34	$11,346.27	$13,220.87
6 CY	1	$448.16	$985.94	$1,635.77	$2,106.33	$2,576.90	$3,002.64
	2	$941.13	$2,070.48	$3,435.11	$4,423.30	$5,411.48	$6,305.55
	3	$1,478.91	$3,253.61	$5,398.04	$6,950.90	$8,503.76	$9,908.72
	4	$1,971.89	$4,338.15	$7,197.38	$9,267.86	$11,338.34	$13,211.63
	5	$2,375.23	$5,225.50	$8,669.57	$11,163.56	$13,657.55	$15,914.01

EXHIBIT A.3.1-SUBSCRIPTION

COMMERCIAL RECYCLE SERVICES

Monthly Rates For Commercial Recycling Service Effective 7/1/18 Through 6/30/19

Cart Size, Gals	Cart Count	Recycle Cart Pickups per week					
		1	2	3	4	5	6
95 Gallon Cart	1	$66.50	$146.28	$242.69	$312.51	$382.32	$445.49
	2	$139.63	$307.19	$509.65	$656.27	$802.88	$935.53
	3	$219.42	$482.72	$800.88	$1,031.27	$1,261.67	$1,470.11
	4	$292.56	$643.63	$1,067.84	$1,375.03	$1,682.22	$1,960.15
	5	$352.40	$775.28	$1,286.27	$1,656.29	$2,026.31	$2,361.09

Container Size, CY	Container Count	Recycle Container Pickups per week					
		1	2	3	4	5	6
1 CY	1	$40.10	$128.93	$213.91	$275.44	$336.98	$392.65
	2	$106.24	$233.72	$387.77	$499.32	$610.86	$711.79
	3	$193.40	$425.47	$705.90	$908.96	$1,112.03	$1,295.76
	4	$257.86	$567.30	$941.20	$1,211.95	$1,482.71	$1,727.67
	5	$310.61	$683.33	$1,133.71	$1,459.85	$1,785.99	$2,081.06
2 CY	1	$60.20	$257.86	$427.82	$550.89	$673.96	$785.31
	2	$246.14	$541.51	$898.41	$1,156.86	$1,415.31	$1,649.14
	3	$386.79	$850.94	$1,411.79	$1,817.93	$2,224.06	$2,591.51
	4	$515.72	$1,134.59	$1,882.39	$2,423.90	$2,965.41	$3,455.35
	5	$621.21	$1,366.67	$2,267.43	$2,919.70	$3,571.97	$4,162.13

EXHIBIT A.3.2-SUBSCRIPTION

COMMERCIAL RECYCLE SERVICES

Monthly Rates For Commercial Recycling Service Effective 7/1/18 Through 6/30/19

Container Size, CY	Container Count	Recycle Container Pickups per week					
		1	2	3	4	5	6
3 CY	1	$187.54	$412.58	$684.51	$881.42	$1,078.33	$1,256.49
	2	$393.83	$866.42	$1,437.46	$1,850.98	$2,264.50	$2,638.63
	3	$618.87	$1,361.51	$2,258.87	$2,908.68	$3,558.49	$4,146.42
	4	$825.16	$1,815.35	$3,011.83	$3,878.24	$4,744.66	$5,528.56
	5	$993.94	$2,186.67	$3,627.88	$4,671.52	$5,715.16	$6,659.40
4 CY	1	$254.93	$560.85	$930.50	$1,198.18	$1,465.86	$1,708.04
	2	$535.36	$1,177.78	$1,954.05	$2,516.18	$3,078.30	$3,586.89
	3	$841.27	$1,850.80	$3,070.65	$3,953.99	$4,837.33	$5,636.54
	4	$1,121.70	$2,467.74	$4,094.20	$5,271.99	$6,449.77	$7,515.39
	5	$1,351.14	$2,972.50	$4,931.65	$6,350.35	$7,769.04	$9,052.62
5 CY	1	$296.87	$653.11	$1,083.57	$1,395.28	$1,706.99	$1,989.02
	2	$623.42	$1,371.53	$2,275.49	$2,930.09	$3,584.68	$4,176.93
	3	$979.66	$2,155.26	$3,575.78	$4,604.42	$5,633.07	$6,563.75
	4	$1,306.22	$2,873.68	$4,767.70	$6,139.23	$7,510.76	$8,751.67
	5	$1,573.40	$3,461.48	$5,742.91	$7,394.98	$9,047.06	$10,541.79
6 CY	1	$380.93	$838.05	$1,390.40	$1,790.38	$2,190.36	$2,552.25
	2	$799.96	$1,759.91	$2,919.85	$3,759.80	$4,599.76	$5,359.72
	3	$1,257.08	$2,765.57	$4,588.33	$5,908.26	$7,228.19	$8,422.41
	4	$1,676.10	$3,687.43	$6,117.77	$7,877.68	$9,637.59	$11,229.89
	5	$2,018.94	$4,441.67	$7,369.14	$9,489.03	$11,608.91	$13,526.91

EXHIBIT A.3.3-SUBSCRIPTION

COMMERCIAL SPECIALS, EXTRAS, ON-CALL, MISCELLANEOUS

Rates Effective 7/1/18 Through 6/30/19						
					Rate	**Unit**
Special Charges (On an unscheduled service day)						
	Trash Cart				$22.00	per Service
	Recycle Cart				$22.00	per Service
	Trash Container					
		1 CY			$24.13	per Service
		2 CY			$48.26	per Service
		3 CY			$77.22	per Service
		4 CY			$104.97	per Service
		5 CY			$130.31	per Service
		6 CY			$156.85	per Service
	Recycle Container					
		1 CY			$14.04	per Service
		2 CY			$21.07	per Service
		3 CY			$65.64	per Service
		4 CY			$89.23	per Service
		5 CY			$103.90	per Service
		6 CY			$133.33	per Service
Extra Charges (On a scheduled service Day)						
	Trash Cart				$11.00	per Service
	Recycle Cart				$11.00	per Service
	Trash Container					
		1 CY			$15.92	per Service
		2 CY			$31.85	per Service
		3 CY			$50.95	per Service
		4 CY			$69.27	per Service
		5 CY			$85.98	per Service
		6 CY			$103.50	per Service
	Recycle Container					
		1 CY			$9.26	per Service
		2 CY			$13.90	per Service
		3 CY			$43.31	per Service
		4 CY			$58.88	per Service
		5 CY			$68.56	per Service
		6 CY			$87.98	per Service
On-Call Charges (on the scheduled service day for that route area)						
	Trash Cart				$22.00	per Service
	Recycle Cart				$22.00	per Service
	Trash Container					
		1 CY			$24.13	per Service
		2 CY			$48.26	per Service
		3 CY			$77.22	per Service
		4 CY			$104.97	per Service
		5 CY			$130.31	per Service
		6 CY			$156.85	per Service

EXHIBIT A.3.4-SUBSCRIPTION

COMMERCIAL SPECIALS, EXTRAS, ON-CALL, MISCELLANEOUS

Rates Effective 7/1/18 Through 6/30/19						
					Rate	**Unit**
	Recycle Container					
		1 CY			$14.04	per Service
		2 CY			$21.07	per Service
		3 CY			$65.64	per Service
		4 CY			$89.23	per Service
		5 CY			$103.90	per Service
		6 CY			$133.33	per Service
Walk-In Service						
		Cart			$15.00	per Month
Drive-In/Long Driveway Service (Calculated from where leaving County-maintained road					$15.00	per Month + additional $15/mile after 1st mile (1-way)
Monthly Rent for On–Call Accounts						
	Cart				$4.00	per Month
	Container				$20.00	per Month
Locks and Lock Bars						
	Cart equipped with Locking Lid				$3.00	per Month
	Container unlocking service				$8.00	per Month
Deposit to Restart Service after stopped for non-payment					Computed value of three (3) times monthly service rate	
Steam Clean						
	Cart				$18.00	per Cart
	All container sizes				$65.00	per Container

EXHIBIT A.4.1-SUBSCRIPTION

ROLLOFF SERVICES

Rates Effective 7/1/18 Through 6/30/19

Total Customer Charge is sum of Appropriate Haul Charge plus tons hauled multiplied by Transfer Station Charge per Ton				
	10-CY Bin Haul Charge per Load	20-CY Bin Haul Charge per Load	30-CY Bin Haul Charge per Load	Transfer Station Charge per Ton
All Areas Angels Camp	$465.00	$620.00	$780.00	$63.00

Rolloff rates include 7 days on customer's site, not including day of delivery or day of removal. Per-day rental charge after 7 days on customer's site is $10.00 per day.

Roll Off Trip Charge and Monthly Rent			
		Rate	Unit
Trip Charge (Assessed whenever work scheduled is not accessible)		$90.00	per Hour (time spent)
Monthly Rent (Assessed whenever a permanently placed bin is not serviced for 30 days)			
	10-20 CY Bins	$100.00	per Month
	30 CY Bins	$150.00	per Month

Unacceptable Materials Charges			
		Rate	Unit
Unacceptable Materials Charges when found in Rolloff Loads;			
	Appliances	$37.50	per Each
	Tires-Small	$3.75	per Each
	Tires-Small on Rim	$7.50	per Each
	Tires-Truck	$12.00	per Each
	Tires-Truck on Rim	$15.00	per Each
	Electronic Waste (E-Waste)	$10.00	per Each

EXHIBIT A.5.1-SUBSCRIPTION

HANDI-HAULERS AND BULKY WASTE

Rates Effective 7/1/18 Through 6/30/19

Handi-Haulers			
	Trash	Green Waste	C&D
3.5 CY	$105.00	$95.00	$115.00
5.0 CY	$165.00	$155.00	$180.00

Handi-hauler rates include 7 days on customer's site, not including day of delivery or day of removal. Per-day rental charge after 7 days on customer's site is $10.00 per day.

Bulky Waste Charges			Rate	Unit
Bulky Waste Cleanup			$20.00	per Item
Special Materials Charges when setout with Bulky Waste Loads;				
	Appliances		$37.50	per Each
	Tires-Small		$3.75	per Each
	Tires-Small on Rim		$7.50	per Each
	Tires-Truck		$12.00	per Each
	Tires-Truck on Rim		$15.00	per Each
	Electronic Waste (E-Waste)		$10.00	per Each

EXHIBIT B

FREE CITY SERVICE LOCATIONS

CUST#	SERVICE NAME	SERVICE ADDR
11133	CITY OF ANGELS CAMP CITY CAN	374 N MAIN ST
11134	CITY OF ANGELS CAMP CITY CAN	253 S MAIN ST
11135	CITY OF ANGELS CAMP CITY CAN	260 S MAIN ST
11138	CITY OF ANGELS CAMP CITY CAN	1225 S MAIN ST
11139	CITY OF ANGELS CAMP CITY CAN	1277 S MAIN ST
11140	CITY OF ANGELS CAMP CITY CAN	1284 S MAIN ST
11141	CITY OF ANGELS CAMP CITY CAN	1216 S MAIN ST
11146	CITY OF ANGELS CAMP CITY CAN	1234 S MAIN ST
11148	CITY OF ANGELS CAMP CITY CAN	451 S MAIN ST
11149	CITY OF ANGELS CAMP CITY CAN	294 S MAIN ST
11151	CITY OF ANGELS CAMP CITY CAN	1192 S MAIN ST
11155	CITY OF ANGELS CAMP CITY CAN	1189 S MAIN ST
11157	CITY OF ANGELS CAMP CITY CAN	HIGHWAY 4 & HWY 49
11160	CITY OF ANGELS CAMP CITY CAN	1211 S MAIN ST
11158	CITY OF ANGELS CAMP CITY CAN	HWY 49 / MURPHYS GRD
11144	CITY OF ANGELS CAMP CITY HALL	584 S MAIN ST
11145	CITY OF ANGELS CAMP FIRE DEPT	1404 OLD HIGHWAY 4
11131	CITY OF ANGELS CAMP MUSEUM	753 S MAIN ST
11136	CITY OF ANGELS CAMP POLICE DPT	200 MONTE VERDE ST
11129	CITY OF ANGELS CAMP PUBLIC WORKS	2990 CENTENNIAL LN
11130	CITY OF ANGELS CAMP UTICA PARK	UTICA PARK
11152	CITY OF ANGELS CAMP WASTEWATER	3000 CENTENNIAL LN

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the above-referenced Effective Date.

CITY:

City of Angels, a California municipal corporation

By: _____
Melissa Eads, City Administrator

FRANCHISEE:

California Waste Recovery Systems, LLC, a California limited liability company

By: _____
David Vaccarezza, Manager

6/25/19

APPROVED AS TO FORM:

_____
Douglas L. White, City Attorney