

001824

EXCLUSIVE  
FRANCHISE AGREEMENT

BETWEEN  
THE COUNTY OF LOS ANGELES  
AND  
**BURRTEC WASTE INDUSTRIES, INC.**

FOR  
PROVISION  
OF  
REFUSE, RECYCLABLES, AND GREEN WASTE

AUTOMATED CART SERVICES  
AT  
RESIDENTIAL PREMISES  
AND CERTAIN MULTIFAMILY AND COMMERCIAL PREMISES

FOR THE SERVICE AREA OF  
**SOUTH WHITTIER**

**APRIL 1, 2008**

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THIS AGREEMENT is made and entered into on April 3, 2008, by and between the County of Los Angeles, a political subdivision of the State of California (COUNTY), and Burrtec Waste Industries, Inc., a California Corporation (FRANCHISEE).

## RECITALS

WHEREAS, Municipal Solid Waste (MSW) Management Services have been provided by private haulers pursuant to permit. Historically, in the approximately 2,700 square mile unincorporated territory of the COUNTY, with a population of approximately one million inhabitants, MSW Management Services have not been provided by the COUNTY itself but rather by private industry through competitive, free enterprise, and open-market, private operations, except in Garbage Disposal Districts where the Garbage Disposal Districts contract with private haulers. Residents and businesses have individually arranged for Solid Waste collection. Customer service charges have been negotiated between customers and haulers. The practice of private arrangements for MSW Management Services between a hauler and Customers will continue under this AGREEMENT, but in order to limit the wear and tear on COUNTY streets, reduce pollution from collection vehicle exhaust, increase customer service accountability, improve Assembly Bill (AB) 939 program implementation performance and reporting accuracy, and facilitate more efficient franchise agreement administration and enforcement by COUNTY staff, only FRANCHISEE will arrange with Customers for MSW Management Services, subject to the terms of this AGREEMENT.

WHEREAS, the COUNTY is authorized to award franchises to private haulers. Article XI, § 7 of the California State Constitution authorizes the COUNTY to protect the public health and safety by exercising its authority over police and sanitary matters. Historically, the COUNTY Department of Health Services issued permits to haulers for the hauling of solid waste with requirements to protect public health and safety, including frequency of collection and collection vehicle maintenance. It will continue to do so, and FRANCHISEE will continue to obtain that permit and comply with all of its provisions.

WHEREAS, California Public Resources Code § 40059 specifically authorizes the COUNTY to prescribe the terms and conditions of aspects of MSW Management Services, including frequency of collection; means of collection and transportation; level of services; charges and fees; and the nature, location, and extent of providing MSW Management Services; and whether the services are to be provided by means of nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise.

WHEREAS, the County Code authorizes the COUNTY'S Director of Public Works to require franchises in any part of the unincorporated territory of the COUNTY not served by a Garbage Disposal District.

WHEREAS, the COUNTY must comply with AB 939. The State of California has found and declared that the amount of solid waste generated in California coupled with diminishing landfill space and potential adverse environmental impacts from landfilling have created an urgent need for State of California and local agencies to enact and implement an aggressive new integrated waste management program. Through enactment of AB 939, the State of California has directed agencies, such as the COUNTY, to divert 50 percent of all solid waste through source reduction, recycling, and composting activities. The California Integrated Waste Management Board has granted the COUNTY a time line to achieve compliance with the AB 939 diversion requirements. Compliance is based in part on executing and implementing this AGREEMENT in order to secure cooperation with FRANCHISEE'S AB 939 waste diversion programs, record keeping, and reporting.

WHEREAS, the COUNTY'S Director of Public Works has determined to require franchises for Franchise Services. In order to assist residents and businesses located in the Service Area to receive quality MSW Management Services and to provide the COUNTY with programs, records, and reports that will help the COUNTY comply with AB 939, the Director of Public Works has determined to franchise MSW Management Services in portions of the COUNTY, under the terms of this AGREEMENT. The COUNTY gave the FRANCHISEE a 5-year notice under California Public Resources Code § 49520 of the COUNTY'S intent to authorize, among other options, the exclusive franchising of MSW Management Services in portions of the COUNTY.

WHEREAS, residents and businesses in the service area are not required to subscribe to Franchise Services. They may self-haul their refuse, and this AGREEMENT excludes the collection of self-hauled waste. Owners and occupants of residential premises may collect solid waste in their own containers, transport in their own vehicles and themselves dispose of solid waste generated at their premises. The obligation to FRANCHISEE'S customers under this AGREEMENT to pay Customer Service Charges under this Agreement does not arise because they own property, but because they generate refuse and do not exercise their right to self-haul.

WHEREAS, the FRANCHISEE will perform Franchise Services in accordance with the laws governing the safe collection, transport, recycling and disposal of Residential and Commercial Solid Waste, such as AB 939, Recovered Conservation and Recovery Act (RCRA), and Comprehensive Environmental Response Compensation and Liability Act (CERCLA). The COUNTY will not exercise control over the disposal or other disposition of the Solid Waste handled by the FRANCHISEE, and the COUNTY will not designate or determine the use of any given solid waste facility. FRANCHISEE acknowledges that by entering into this AGREEMENT, the COUNTY does not assume any of FRANCHISEE'S obligation to or responsibility for providing Franchise Services, and the COUNTY does not become a "generator" or an "arranger" as those terms are used in the context of CERCLA § 107(a)(3). FRANCHISEE agrees that FRANCHISEE, an independent entity, and not the COUNTY, is arranging for Franchise Services provided under this AGREEMENT. Although minimum scope of Franchise Services, Service Specifications, and Service Standards are set forth in this

AGREEMENT, the COUNTY has not, and by this AGREEMENT does not, supervise Franchise Services or assume title to Solid Waste.

WHEREAS, the COUNTY consulted with representatives of private haulers in developing this AGREEMENT. The COUNTY and representatives of the private hauling industry met many times to discuss the scope of Franchise Services, Service Specifications, Service Standards and other Performance Obligations and to address certain of the industry's questions, comments and concerns, and the COUNTY provided multiple drafts of this AGREEMENT to these representatives.

WHEREAS, the FRANCHISEE has set its compensation (the Customer Service Charges) through competitive procurement. The COUNTY issued a Request for Proposals to provide services under this AGREEMENT, and private waste hauling companies submitted proposals, including their proposed schedule of rates and charges. The COUNTY selected FRANCHISEE based, *inter alia*, on FRANCHISEE'S price proposal. Under this AGREEMENT, the FRANCHISEE cannot charge more than the Customer Service Charges, which it bills and collects from its customers.

WHEREAS, the FRANCHISEE is awarded this AGREEMENT. The Board of Supervisors determines and finds pursuant to California Public Resources Code § 40059, that the public health, safety, and welfare require that FRANCHISEE be awarded this AGREEMENT for Franchise Services pursuant to Chapter 20.70 of the County Code.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

## **SECTION 1 - GRANT OF RIGHT AND PRIVILEGE TO PROVIDE FRANCHISE SERVICES**

- A. Grant of Franchise.** COUNTY grants to FRANCHISEE the right and privilege described in this Section. COUNTY'S grant is conditioned on FRANCHISEE being at all times ready, willing, and able to fully and timely meet all of its Performance Obligations. FRANCHISEE accepts this Franchise subject to all of the terms and conditions in this AGREEMENT and the exclusions in subsection B.
1. **Grant of Exclusive Franchise for Collection in Carts.** COUNTY grants to FRANCHISEE the exclusive right and privilege together with the obligation to make and enter into independent arrangements with Customers for the provision of Franchise Services to Residential Premises, subject to the exclusions in subsection B.
  2. **Grant of Nonexclusive Franchise.**
    - a. ***Recyclables.*** COUNTY grants to FRANCHISEE the nonexclusive right and privilege together with the obligation to arrange to provide Franchise Services with respect to Recyclables discarded by

Customers if prescribed in Exhibit 3A. Notwithstanding the foregoing, however, Customers may donate or sell any or all of their Recyclables to Persons other than FRANCHISEE.

**B. Exclusions from Franchise.**

1. **Customer Self-Haul.** This Franchise excludes the right and privilege to Collect self-hauled Solid Waste. Owners and occupants of Residential Premises and other Persons performing services other than MSW Management Services (such as roofers and gardeners) at those Premises may collect in receptacles other than Containers provided by FRANCHISEE, transport in their own vehicles, and themselves dispose of some or all of the Solid Waste generated at those Premises.
2. **COUNTY and Third-Party Agencies.** This Franchise excludes the right and privilege to arrange to provide Franchise Services to Premises owned or controlled by any of the following entities:
  - a. COUNTY or any other entity governed by the Board of Supervisors;
  - b. The State of California;
  - c. Any school district;
  - d. Any entity that is excluded by law from the obligation to subscribe to Franchise Services under this AGREEMENT.

This Franchise does not prohibit FRANCHISEE from executing separate agreements with those entities to provide MSW Management Services.

3. **Collection of Solid Waste in Bins at Residential Premises.** This Franchise excludes the right and privilege to provide Collection of Solid Waste in Carts for any Residential Customer requesting Bins instead of Carts. That Customer may arrange with FRANCHISEE or another Person to provide MSW Management Services in Bins.
4. **Collection of Solid Waste in Carts at Commercial Premises and Multifamily Premises.** As provided in Section 1A2b, this Franchise excludes the exclusive right and privilege to provide Collection of Solid Waste in Carts at Commercial Premises and Multifamily Premises.
5. **Rights Under California Public Resources Code § 49520.** This Franchise excludes the right and privilege to arrange for provision of Franchise Services with any Person who is receiving solid waste handling services from a solid waste enterprise that has the statutory right to continue to provide solid waste handling services to that Person in accordance with California Public Resources Code § 49520 *et seq.* This Franchise does not prohibit FRANCHISEE from executing separate agreements with those Persons to provide Franchise Services.

- C. Definition of Rights.** FRANCHISEE acknowledges having received a timely notice from COUNTY under California Public Resources Code § 49520 before entering into this AGREEMENT, which notice precludes FRANCHISEE from asserting the right to continue to provide MSW Management Services in the Service Area without a franchise agreement as may be required by COUNTY, now or in the future.

FRANCHISEE further acknowledges that the signing of this AGREEMENT does not confer on FRANCHISEE any rights under California Public Resources Code § 49520 and that FRANCHISEE does not have the right to make any claim under California Public Resources Code § 49520 but only under the terms of this AGREEMENT. Notwithstanding the foregoing, in accordance with California Public Resources Code § 49523, COUNTY and FRANCHISEE agree, based on the mutually satisfactory terms of providing Franchise Services set forth in this AGREEMENT and receipt of compensation therefor, that FRANCHISEE shall cease providing MSW Management Services in the Service Area on the Termination Date even if that Termination Date should occur before the expiration of the period described in California Public Resources Code § 49520. FRANCHISEE'S agreement and acknowledgments in this AGREEMENT do not foreclose COUNTY from reprocurring agreements for MSW Management Services, including from FRANCHISEE, after termination of this AGREEMENT, by exclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise, with or without competitive bidding.

- D. Franchise Fee.** In consideration for this Franchise, FRANCHISEE shall pay COUNTY the Franchise Fee at the time and in the amount and manner established from time to time by COUNTY ordinance or resolution of the Board of Supervisors. FRANCHISEE shall not separately identify the Franchise Fee in correspondence with Customers, including in Subscription Orders, bills, or invoices. FRANCHISEE'S fees, charges, and other compensation from providing MSW Management Services to Residential Premises in Bin, as authorized but not required in Exhibit 3A, will not be included in the calculation of the Franchise Fee.

## **SECTION 2 – TERM**

- A. Term.** This AGREEMENT commences on the date both parties have executed this AGREEMENT and expires on the Termination Date provided in Exhibit 3A.
- B. Obligations Upon Expiration or Termination of AGREEMENT.** The following provisions will survive the expiration or termination of this AGREEMENT:
1. All acknowledgments, including those in the following Sections:
    - Section 1C with respect to inapplicability of cited California Public Resources Code provisions
    - Section 3A with respect to COUNTY responsibility

- Section 11A with respect to COUNTY'S need for Record maintenance
  - Section 12A with respect to AB 939 compliance
  - Section 21F with respect to FRANCHISEE choice and initiative
  - Section 23C3 with respect to child support
  - Section 23A with respect to a legal day's work
2. All representations and warranties, including those made in accordance with the following Sections:
    - Section 21F with respect to review of this AGREEMENT
    - Section 24B, Authority to Execute
    - Exhibit 20H, FRANCHISEE'S Representations and Warranties
  3. All Indemnities
  4. All obligations to pay any due and payable monetary amounts, or claims for those amounts, including:
    - Any Franchise Fees
    - Payment of Transfer Deposits and Transfer Costs defined in Section 19C
    - Damages under Section 18D
  5. All obligations to maintain and submit Records and Reports, including:
    - The final Annual Report
    - Information with respect to Solid Waste Facilities
    - Copies of certificates of insurance or other evidence of coverage and
    - Records of Disposal
    - Notice of destruction of Records of Disposal
    - Inspection and audit
  6. Any other provisions of this AGREEMENT and rights and obligations of the Parties stated to survive the Termination Date, including this subsection B with respect to removal of Containers.

If FRANCHISEE is not awarded an agreement to allow FRANCHISEE to continue to provide MSW Management Services substantially similar to Franchise Services in the Service Area after the expiration or termination of this AGREEMENT, FRANCHISEE shall cooperate fully with COUNTY and the succeeding franchisee, licensee, permittee or other provider of MSW Management Services to assure a smooth, efficient, orderly, timely, and effective transition and continued delivery of MSW Management Services to FRANCHISEE'S former Customers. FRANCHISEE shall not remove a Container from any Premises until the earlier of: (1) the date any replacement Containers are provided to the Customer, or (2) two weeks after the Termination Date. FRANCHISEE'S OBLIGATIONS AND COUNTY'S RIGHTS IN THIS SUBSECTION B SURVIVE THE TERM.



- C. **Undepreciated Assets.** If any of FRANCHISEE'S assets remain undepreciated upon the expiration or earlier termination of this Franchise, FRANCHISEE has no right to recover amounts equal to the undepreciated asset value from COUNTY or Customers, and neither COUNTY nor Customers are obligated to compensate FRANCHISEE for any undepreciated asset value.

### SECTION 3 - SCOPE OF SERVICES AND SPECIFICATIONS

- A. **Prescribed Scope.** FRANCHISEE shall arrange to provide Franchise Services to Premises in the Service Area with any Person who requests them. Notwithstanding the foregoing, subject to meeting the minimum required scope of Franchise Services and Service Specifications and Service Standards, FRANCHISEE has the freedom and discretion to determine the means, manner, or method of providing Franchise Services. FRANCHISEE acknowledges that in entering into this AGREEMENT, COUNTY is not responsible for supervising FRANCHISEE or for performance of any Franchise Services. FRANCHISEE is solely responsible for choosing the Solid Waste Facilities. In addition, County is not the owner or titleholder of any material Collected, transported, Disposed of or otherwise handled by FRANCHISEE.
- B. **County Notice.** Upon Notice of request by the Director, FRANCHISEE shall use its best efforts to promptly provide Franchise Services to any Premises, as the Director deems necessary to protect public health or safety.
- C. **Change in Scope of Services.** COUNTY may change the scope of Franchise Services and Services Standards, subject to any Rate adjustment agreed to with FRANCHISEE in accordance with Section 10A.
- D. **Franchisee Documentation.**
1. **FRANCHISEE'S Compliance with Franchisee Documentation.** FRANCHISEE shall provide Franchise Services in compliance with the Franchisee Documentation attached as Exhibit 3D.
  2. **Changes in Franchisee Documentation.**
    - a. ***Notice to COUNTY.*** FRANCHISEE shall give the Director prompt Notice of any changes in Franchisee Documentation listed in Section A of Exhibit 3D Franchisee Documentation, after the Execution Date. The Director's receipt of those changes will be evidenced by the following acknowledgment appended to the changed Franchisee Documentation:

**"Acknowledgment:** FRANCHISEE has submitted the attached Franchisee Documentation listed below as of the following date:

Date: 4/3/08 Director: Thomas W. Hoagland

- b. **COUNTY Consent.** FRANCHISEE shall submit to the Director for review and consent any changes occurring in Franchisee Documentation listed in Section B of Exhibit 3D Franchisee Documentation, after the Execution Date. The Director's approval will be evidenced by the following acknowledgment appended to the changed Franchisee Documentation:

**"Acknowledgment:** I have reviewed and approved the attached Franchisee Documentation submitted by FRANCHISEE as of the following date:

Date: 4/3/08 Director: Thomas W. Hoagland "

#### **SECTION 4 - SERVICE STANDARDS**

##### **A. Public Health and Safety; Nuisances**

1. **Litter.** FRANCHISEE shall clean up all litter caused by FRANCHISEE. When Collecting any Bulky Item, FRANCHISEE shall also clean up all litter within a 10-foot radius of the site from which FRANCHISEE Collected the Bulky Item. FRANCHISEE shall ensure that each Vehicle is properly staffed and equipped at all times for this purpose.
2. **Spills.** FRANCHISEE shall enclose or cover Solid Waste that it transports in Vehicles, debris boxes, hoppers, compactors, or any other containers. FRANCHISEE shall prevent Solid Waste from escaping, dropping, spilling, leaking, blowing, sifting, falling, or scattering from Vehicles ("**Spills**") during Collection and transportation. FRANCHISEE shall not transfer loads from one Vehicle to another Vehicle unless necessitated by mechanical failure or accidental damage to a Vehicle. FRANCHISEE shall immediately clean up any Solid Waste that it Spills onto any alley, street, or public place.
3. **Leaking.** FRANCHISEE shall prevent oil, hydraulic fluid, paint, or other liquid from leaking from its Vehicles. FRANCHISEE shall ensure that each Vehicle carries petroleum absorbent agents, and other appropriate cleaning agents and if any liquid leaks from a Vehicle, FRANCHISEE shall immediately cover, treat, or remove the liquid materials from the ground, as necessary, and apply the necessary cleaning agent to minimize the adverse impact of the liquid materials.
4. **Noise.** FRANCHISEE shall conduct Collection as quietly as possible, in compliance with noise levels prescribed by Applicable Law, including County Code § 12.08.520 - Refuse Collection Vehicles. FRANCHISEE shall perform Franchise Services so as to cause the least possible obstruction and inconvenience to public traffic or disruption to the peace and quiet of the area within which it performs Franchise Services.

5. **Emergency Telephone Number.** FRANCHISEE shall maintain a local emergency telephone number disclosed to the Director for use by the Director outside Franchisee Office Hours. FRANCHISEE shall make a representative available at the emergency number outside Franchisee Office Hours who will return any emergency call as soon as possible, and in any event within one hour.
- B. **Streets and Alleys.** FRANCHISEE shall use its best efforts to prevent damaging alleys, streets, and parking lots over which its Vehicles operate. FRANCHISEE shall obtain all approvals required to operate Vehicles on private alleys, streets, and parking lots. Subject to COUNTY review and approval and to Section 20C, FRANCHISEE may require Customers to sign a Subscription Order containing a waiver of liability and/or an indemnification in connection with subscribing for Franchise Services on private driveways or pavement.
- C. **Non-Collection Notice.** FRANCHISEE is not obligated to Collect in any of the following events:
1. FRANCHISEE observes the presence of Unpermitted Waste at the Set-Out Site other than any Unpermitted Waste that Franchisee Collects as Bulky Items, E-waste or CEDs;
  2. FRANCHISEE observes an unsafe condition at the Set-Out Site;
  3. Solid Waste is not placed in a Container, *except* for uncontainerized materials set out as part of any on-call Collection of Bulky Items, E-waste and CEDs and annual cleanup campaigns, and uncontainerized Green Waste prescribed as part of Franchise Services;
  4. Containers, Bulky Items, E-waste or CEDs are not placed at the Set-Out Site;
  5. A Container exceeds any weight limitations described in Subscription Orders;
  6. The Customer has not timely paid FRANCHISEE'S invoice for Franchise Services;
  7. The Premises are not safely accessible to Vehicles;
  8. FRANCHISEE observes the presence of Refuse or Green Waste in a Recyclables Container or the presence of Refuse or Recyclables in a Green Waste Container.

If FRANCHISEE determines not to provide Collection as provided above, FRANCHISEE shall complete and leave a Non-Collection notice, substantially in the form included in Franchisee Documentation, securely attached to a

Container, describing the reason the Customer's Solid Waste was not Collected, how the Customer can correct the problem, and how the Customer may contact FRANCHISEE. FRANCHISEE shall Collect the Customer's Solid Waste without surcharge to the Customer no later than 6 p.m. on the day it left the Non-Collection notice, if the Customer notifies Franchise by 3 p.m. that day that the Customer has corrected the condition justifying non-collection.

**D. Subscription Order.** Before commencing Franchise Services for an individual Customer, FRANCHISEE shall provide a Subscription Order to that Customer, substantially in the form included in Franchisee Documentation, which must include at a minimum, all of the following items:

1. The scope of Franchise Services, including size and number of Containers, subscription date, and Set-Out Site;
2. Customer Service Charges, which may be in the form of a general fee schedule, clearly marked to indicate the fees that are specifically applicable to the Customer but which may not separately indicate Rates attributable to Solid Waste materials type, such as Refuse, Green Waste, Recyclables or manure;
3. FRANCHISEE'S billing procedures, including payment due and delinquency dates, FRANCHISEE'S right to terminate Franchise Services for delinquent payments, and, in accordance with Section 10B, the Customer's refund rights after termination of Franchise Services;
4. Holiday schedules;
5. Delivery, pick up, exchange and replacement of Containers;
6. Any weight limitations of Containers;
7. Customers' privacy rights in accordance with Section 5;
8. Nondiscrimination information in accordance with subsection F;
9. Term of the Subscription Order and the Customer's termination rights in accordance with Section 20I;
10. Franchisee Office Hours and toll-free Customer service telephone number;
11. Notice that the Customer's subscription is subject to FRANCHISEE'S execution of this AGREEMENT and will be terminated if this AGREEMENT is terminated;

12. The Customer's right to donate or sell any or all of their Recyclables to Persons other than FRANCHISEE as set forth in Section 1A2a above;
13. The Customer's right to self-haul as set forth in Section 1B1 above;
14. The Customer's rights in the event of property damage or personal injury as described in Section 20C;
15. COUNTY'S telephone number, which the Customer may call after contacting FRANCHISEE if the Customer's service complaint is not satisfactorily resolved; and
16. Any other information requested by the Director.

FRANCHISEE shall annually distribute to Customers a summary approved by COUNTY of the Customer's Subscription Order containing the general information described in items 1 through 15, and describing where a Customer can contact FRANCHISEE to obtain a copy of that Customer's Subscription Order. FRANCHISEE may distribute that summary together with other correspondence from FRANCHISEE to all Customers, such as Customer outreach and educational materials.

The Director may change the form and content of Subscription Order from time to time after Notice to FRANCHISEE. FRANCHISEE may change the form of Subscription Order only with the Director's prior written consent in accordance with Section 3D.

- E. Exceptions to Performance Obligations.** No exceptions to Performance Obligations described in the text of this AGREEMENT are permitted unless they are specifically identified in Section A2 of EXHIBIT 3A.
- F. Nondiscrimination.** FRANCHISEE shall comply with Subchapter VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e-2000e(17), to the end that no Customer or any other Person will, on the grounds of race, creed, color, sex, gender, national origin, ancestry, religion, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- G. FRANCHISEE Waste Reduction Practices.** Consistent with the Board of Supervisors' policy to reduce the amount of Solid Waste that is disposed of at landfills within the COUNTY, FRANCHISEE shall implement waste reduction practices and procurement policies, including use of recycled-content paper, to the maximum extent possible in providing Franchise Services and maintaining Records. All recycled-content paper that is distributed to Customers must be labeled to indicate recycled content.

H. **Customer Correspondence and Other Materials.** FRANCHISEE shall submit to the Director for approval at least five County Business Days before printing, distributing, or mailing forms of written materials sent or given to Customers (other than with respect to a particular Customer's Subscription Order or Franchise Services complaints).

I. **Publicity and News Media Relations.**

1. **Publicity.** Unless otherwise required by subsection H or subsection I.2, FRANCHISEE and its Affiliates, employees, consultants, agents, or subcontractors may, without COUNTY consent, publicize its Franchise Services or indicate in its proposals and sales materials that it has been awarded this AGREEMENT to provide Franchise Services, if FRANCHISEE develops that publicity, proposals, or sales materials in a professional manner.

Neither FRANCHISEE nor any of its Affiliates, employees, consultants, agents, or subcontractors may publish or disseminate commercial advertisements, news or press releases, opinions or feature articles using the name of COUNTY without the prior written consent of COUNTY'S Chief Administrative Officer and County Counsel. COUNTY shall not unreasonably withhold written consent. COUNTY consent will be deemed given if COUNTY does not submit to FRANCHISEE any adverse comments within two weeks after FRANCHISEE submitted the publicity material to COUNTY.

2. **News Media Relations; Trade Journal Articles.** FRANCHISEE shall notify COUNTY by telephone followed by facsimile or e-mail, if possible, of all requests for news media interviews related to the Franchise Services (and not other communities) within 24 hours of FRANCHISEE'S receipt of the request. Before responding to requests involving issues other than those relating to descriptions of Collection programs and scope of Franchise Services, FRANCHISEE shall discuss FRANCHISEE'S proposed response with COUNTY.

FRANCHISEE shall submit copies of FRANCHISEE'S draft news releases or proposed trade journal articles related to Franchise Services to County for prior review and approval at least five County Business Days in advance of release.

FRANCHISEE shall provide to County, within five days after publication, copies of articles related to Franchise Services resulting from media interviews or news releases.

- J. **Responsiveness to County.** FRANCHISEE shall return telephone calls from COUNTY to the individual who made that call during County Office Hours no later than the next County Business Day. FRANCHISEE shall meet with

COUNTY during County Office Hours within one week of COUNTY'S oral or written request at COUNTY offices or other location directed by COUNTY. FRANCHISEE shall respond to all e-mails from COUNTY within two County Business Days of receipt and shall respond to other written correspondence from COUNTY within one week of receipt thereof.

- K. **No Commingling of Interjurisdictional Materials.** FRANCHISEE may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with any other materials that it collects in cities, without the express prior written consent of the Director, who may require documentation such as records of customers, including container capacities, in cities and in the Service Area, respectively. FRANCHISEE shall maintain Records with respect to Solid Waste separately from weight and records with respect to those other materials.
- L. **Key Personnel.** FRANCHISEE acknowledges that it identified certain personnel and described their professional experience and qualifications in the proposal it submitted to the COUNTY in connection with the procurement of this AGREEMENT, and that COUNTY awarded this AGREEMENT to FRANCHISEE based in part on those individuals' experience and qualifications. FRANCHISEE shall identify those personnel ("**Key Personnel**") in Franchisee Documentation. FRANCHISEE shall provide COUNTY at least 30 days' Notice of changes in Key Personnel, including the professional experience and qualifications of the individual FRANCHISEE proposes to serve in place of a departing Key Personnel, unless a Key Personnel gives FRANCHISEE less than 30 days' notice of resignation, in which case FRANCHISEE shall provide COUNTY prompt Notice. During that 30-day period, COUNTY may request FRANCHISEE to propose an alternative individual to serve in the position of the departing Key Personnel.

## **SECTION 5 - PRIVACY**

- A. **General.** FRANCHISEE shall strictly observe and protect the trade secrets and rights of privacy of Customers. FRANCHISEE shall not reveal to a Person other than COUNTY any information identifying individual Customers or the composition or contents of a Customer's Solid Waste to any Person unless under Section 11 or upon the authority of law or upon valid authorization of the Customer. This provision may not be construed to excuse FRANCHISEE from its obligations to assist COUNTY in the preparation of Solid Waste characterization studies or waste stream analyses, keeping Records, making Reports, or assisting COUNTY on meeting any of the requirements of AB 939.
- B. **Mailing Lists.** FRANCHISEE shall not market or distribute mailing lists with the names and addresses of Customers.
- C. **Privacy Rights Cumulative.** FRANCHISEE'S obligations in this Section are in addition to any other privacy rights accorded Customers under Applicable Law.

## **SECTION 6 - UNPERMITTED WASTE SCREENING AND REPORTING**

- A. Protocol.** FRANCHISEE shall develop and implement the Unpermitted Waste Screening Protocol included in Franchisee Documentation, in compliance with Applicable Law and including, at a minimum, the following provisions:
1. Ongoing employee training in identification, safety and notification procedures, including leaving Non-Collection notices, when safe;
  2. Means of driver inspection, such as visual inspection during tipping of Containers into Vehicles;
  3. Immediate driver response, such as load segregation;
  4. Driver notification, such as calling FRANCHISEE'S dispatcher or field supervisor;
  5. Notification of appropriate local agency or department;
  6. Appropriate action, such as segregation and containerization for manifesting and transport for disposal in accordance with Applicable Law or securing services of permitted handling and transport company;
  7. Compliance with Applicable Law, including regulations of the federal Department of Transportation (DOT) (Title 49 CFR) and of the United States Environmental Protection Agency (Title 40 CFR); and
  8. Form and content of labels described in subsection D.
- B. Prohibition on Collection.** FRANCHISEE is prohibited, unless licensed in accordance with Applicable Law, from Collecting any Unpermitted Waste observed by FRANCHISEE other than in connection with providing Collection of Bulky Items. FRANCHISEE shall notify all Persons required by Applicable Law of Unpermitted Waste that FRANCHISEE finds or observes in Solid Waste.
- C. Reports to Director.** If FRANCHISEE observes that any substance it reasonably believes or suspects to contain Unpermitted Waste has been disposed of or released on any COUNTY or any other public property, including storm drains, streets, or other public rights of way, FRANCHISEE shall use Reasonable Business Efforts to report its observation to the Director in addition to notifying Persons as required by Applicable Law.
- D. Labels.** FRANCHISEE shall conspicuously label Containers with stickers, embossing, or other secure means, prohibiting Customers from discarding Unpermitted Waste and including illustrative examples.



- E. **Safe Disposal Customer Education Program.** As part of its Unpermitted Waste Screening Protocol, FRANCHISEE shall develop and implement a Customer educational program to maximize exclusion of Unpermitted Waste from Disposal and promote safe handling of Unpermitted Waste. FRANCHISEE shall include a copy of its program in Franchisee Documentation. At least once each calendar year, FRANCHISEE shall distribute flyers, pamphlets, brochures, or other written information describing the safe disposal Customer education program. FRANCHISEE shall submit the materials to COUNTY at least one month before mailing them, and COUNTY may comment on them. FRANCHISEE may combine this distribution with its Customer outreach for the Waste Diversion Program as provided in Section B2b of Exhibit 3A.

## **SECTION 7 - CUSTOMER SERVICE**

- A. **Office.** FRANCHISEE shall maintain an Office and Vehicle maintenance yard at the address provided in Franchisee Documentation, which FRANCHISEE may change following COUNTY consent in accordance with Section 3D2b.
- B. **Telephone Service.** FRANCHISEE shall maintain a toll-free telephone number. FRANCHISEE shall list the telephone number under FRANCHISEE'S name in at least two telephone directories (white pages and yellow pages) available in the Service Area, including English and Spanish or other language as required by the Director. FRANCHISEE'S choice of directories must be approved by the Director before printing. FRANCHISEE shall be available during Franchisee Office Hours at that number to receive calls (including from the Director, Customers, and the public) with respect to its Performance Obligations or Franchise Services (including Subscription Orders, Franchise Services payments, and complaints). FRANCHISEE shall provide an answering machine or answering service at that number to take reports of missed pick-ups and other complaints that are received outside of Franchisee Office Hours and otherwise provide Customer services in accordance with County Code § 20.72.160 and any additional provisions in Exhibit 3A.
- C. **Bilingual.** FRANCHISEE shall respond to Customers in English and Spanish and/or any alternative or additional language prescribed in Exhibit 3A, as requested by a Customer.
- D. **Customer Complaints; Missed Collections.**
1. **Resolution of Complaints.** The protection of public health, safety, and well-being require that Customer complaints be acted on promptly and that a record be maintained in order to permit COUNTY and FRANCHISEE to identify potential public health and safety problems. Accordingly, FRANCHISEE'S Subscription Order shall direct Customers to make all complaints to FRANCHISEE at the telephone number identified in subsection B.

FRANCHISEE shall address all Customer complaints by the end of the next Service Day following Customer contact.

If the Director or a Customer notifies FRANCHISEE that FRANCHISEE has missed Collecting from any Container that it should have Collected, Franchisee shall Collect from that Container:

- a. No later than 6 p.m. on the day it receives the complaint, if it receives the complaint by 3 p.m.; or
- b. On the next day, if it receives the complaint after 3 p.m. Franchisee shall promptly resolve all other complaints.

2. **Complaint Logs.** FRANCHISEE shall enter, log and maintain Records of all complaints and their resolution in computerized format and in accordance with County Code § 20.72.160. At COUNTY'S request, FRANCHISEE shall immediately e-mail the following to COUNTY during County Office Hours: (1) those Records and (2) the complaining Customer's Customer Service Charge and Subscription Order. FRANCHISEE shall include a copy or summary of this log for the applicable month in its Monthly Report.

3. **County's Reimbursement Costs.** If COUNTY employees or agents spend either: (1) more than two hours in the aggregate resolving complaints from any single Customer that the Customer states have previously been filed with FRANCHISEE, or (2) more than one hour in any work week (Monday through Friday) resolving complaints from different Customers; then FRANCHISEE shall reimburse COUNTY its County's Reimbursement Costs incurred to resolve the complaint, as evidenced by an invoice indicating the name and address of the Customer, nature of complaint, amount of time spent, and hourly fees for employees involved and materials or other disbursements, including phone and postage costs.

## **SECTION 8 - OWNERSHIP OF SOLID WASTE**

This AGREEMENT does not purport to grant FRANCHISEE ownership over Solid Waste. The right to possession or ownership of Solid Waste placed at the Set-Out Site for Collection, including Green Waste and Recyclables, will be determined in accordance with Applicable Law and not as a result of this AGREEMENT. COUNTY acknowledges that it has no ownership rights in Solid Waste and that FRANCHISEE may provide for transfer of ownership in the Subscription Order.

## **SECTION 9 - DIVERSION**

FRANCHISEE agrees to use Reasonable Business Efforts to Divert all Recyclables, Green Waste (including holiday trees), Bulky Items, E-waste, and CEDs that it Collects, including implementing its Waste Diversion Program.

## **SECTION 10 - RATES AND CUSTOMER BILLING**

- A. Rates.** FRANCHISEE shall charge Customers no more than the Customer Service Charges provided in Attachment 2 (Rate Schedule) of Exhibit 10, and FRANCHISEE shall charge the same, uniform rates to all Customers receiving the same services listed in Attachment 2 of Exhibit 10.
- B. Billing.** FRANCHISEE shall include in its form of Customer invoice the following information:
1. Set-out times and places for Containers as required by the County Code and other County Code requirements as may be requested by County; and
  2. Franchisee's telephone number and address for Customer complaints and questions.

At COUNTY'S request, FRANCHISEE shall promptly submit its form of Customer invoice to COUNTY. FRANCHISEE shall itemize costs in accordance with service options itemized on the Rate Schedule. FRANCHISEE shall not separately segregate, separate, or designate that portion of a Customer's bill attributable to the Franchise Fee or identify it to Customers. FRANCHISEE may bill Customers monthly, bimonthly, or quarterly as the Customer and FRANCHISEE may agree.

At COUNTY'S request, FRANCHISEE shall use Reasonable Business Efforts to enclose with Customer bills all inserts promoting recycling and waste reduction prepared and provided by COUNTY.

FRANCHISEE shall refund any overcharges to a Customer (including advance payments for Franchise Services that are subsequently canceled) within 30 days after collection thereof. FRANCHISEE shall pay the Customer interest on overcharges (other than advance payments for subsequently canceled services) with interest thereon at 10 percent per annum from the date originally overcharged until the date refunded.

## **SECTION 11 - FRANCHISEE RECORDS; AUDITS**

FRANCHISEE'S OBLIGATIONS AND COUNTY'S RIGHTS IN THIS SECTION SURVIVE THE TERM.

### **A. Record Maintenance and Retention.**

1. **All Records.** FRANCHISEE shall prepare and maintain all Records during the Term and for an additional period of not less than three years after the Termination Date or any longer period required by Applicable Law.

**2. Disposal Records.** FRANCHISEE acknowledges:

- a. That COUNTY may need to respond to claims under CERCLA or similar claims with respect to Disposal of Solid Waste; and
- b. COUNTY'S need to determine the quantity of FRANCHISEE'S Disposal of Solid Waste.

Therefore, FRANCHISEE shall establish and maintain a protocol for the retention and preservation of those Records, for a period of five years after the Termination Date or any longer period required by Applicable Law, which protocol will document where FRANCHISEE Disposed of Solid Waste that it Collected (whether landfilled, incinerated, composted, otherwise processed or marketed).

**3. Notification.** FRANCHISEE shall give Notice to the Director at least 30 days before destroying Records of Disposal at any time after the retention period referred to in subsection A2.

**B. County Custody.** If the Director has reason to believe that Records may be lost, discarded, or destroyed for any reason, the Director may require that FRANCHISEE give COUNTY custody of any or all Records in which event access to those Records is granted to any Person duly authorized by FRANCHISEE.

**C. Inspection and Audit.** Upon five Service Days' advance notice by telephone or writing, or a lesser amount of time in the event of extraordinary circumstances, COUNTY and its auditors may inspect, audit (including using outside auditors), and copy all Records at FRANCHISEE'S Office during Franchisee Office Hours. FRANCHISEE may maintain Records outside of the COUNTY if it promptly provides copies thereof to COUNTY at COUNTY'S offices. COUNTY will bear the expense of the audit and of obtaining a copy of Records; however, within 30 days of COUNTY Notice, FRANCHISEE shall reimburse COUNTY for County's Reimbursement Cost of the expenses if the audit reveals a discrepancy of the lesser of 3 percent or \$2,500 between:

1. The amount contained in the Records (e.g., the amount of Solid Waste Collected or Diverted or the amount of Gross Receipts received), and
2. Any representation or Report that FRANCHISEE made to COUNTY; Franchise Fee or other money paid to COUNTY; or information that FRANCHISEE submitted to COUNTY.

The Director may give Notice to FRANCHISEE identifying any shortfall, and if FRANCHISEE does not pay that shortfall within 30 days, including fees and

charges for the late payment of Franchise Fees, that failure to pay will constitute a Franchisee Default in accordance with Section 17.

- D. **Copies.** Franchise shall provide copies of Customers' names, addresses, and Franchise Services subscription levels to COUNTY upon request.

## **SECTION 12 - PROGRAM IMPLEMENTATION AND REPORTING REQUIREMENTS**

- A. **Programs.** FRANCHISEE acknowledges that one of COUNTY'S primary reasons for entering into this AGREEMENT with FRANCHISEE is to assist COUNTY in complying with AB 939. FRANCHISEE shall implement its Waste Diversion Program. FRANCHISEE shall use its best efforts to implement measures intended to achieve COUNTY'S source reduction, recycling and waste stream diversion goals for Solid Waste it Collects. FRANCHISEE shall further use its best efforts to cooperate with COUNTY in conducting Solid Waste characterization studies and waste stream audits.
- B. **Submission of Records.** FRANCHISEE shall submit to the Director, without charge to COUNTY or surcharge to Customers, any Records relating to Diversion requested by COUNTY to assist COUNTY in meeting obligations imposed by AB 939. FRANCHISEE shall submit those Records in a format compatible with COUNTY'S computers (such as by e-mail or on computer discs or hard copy) as requested by the Director.

## **SECTION 13 - REPORTS**

### **A. Types and Content.**

1. **Monthly.** Within 45 days after the end of each calendar month, FRANCHISEE shall submit the Monthly Report for that calendar month to COUNTY in a form satisfactory to COUNTY, including the following information:
  - a. The total number of Commercial Premises, Multifamily Premises, and Residential Premises, respectively, at which FRANCHISEE provided for regularly scheduled Collection of Refuse or other measurement requested by COUNTY concerning these items;
  - b. The respective total **quantities** of:
    - Refuse (in Tons), Recyclables (in Tons), and any Green Waste (in Tons or, if not weighed at the Solid Waste Facility where it is delivered, in cubic yards) Collected by FRANCHISEE,
    - Materials recovered from those Recyclables and residual Refuse remaining after processing of Recyclables,

- The final destination of that Refuse, and
  - Where FRANCHISEE delivered those Recyclables;
- c. The estimated **number of holiday trees**, bushes, and biomass Collected by Franchisee and their final destination;
  - d. Using Reasonable Business Efforts, the estimated number and **Tons of Bulky Items**, E-waste and CEDs Collected by FRANCHISEE (such as major appliances/white goods and metallic discards, used tires and other Solid Waste recovered by FRANCHISEE during any annual cleanup campaigns), and final destination thereof;
  - e. The **Collection route maps and schedule** with a complete map of the Service Area if any map or schedule has changed during the prior month; and
  - f. Any other information compiled from Records or formatting of that information requested by the Director.
2. **Quarterly Reports.** Within 45 days after the last day of each March, June, September, and December FRANCHISEE shall submit the Quarterly Report for the preceding three calendar months ending with that month to COUNTY in a form satisfactory to COUNTY, including the following information:
- a. A narrative description of efforts made to deter and prevent unauthorized removal or scavenging of Recyclables;
  - b. The number of Tons of any type of Recyclables rejected for sale after Processing together with the reason for rejection and place at which the rejected materials were Disposed;
  - c. A report of Waste Diversion Program promotional activities, including materials distributed by FRANCHISEE to its Customers;
  - d. The total number of Commercial Premises, Multifamily Premises, and Residential Premises, respectively, at which Customers set out Recyclables and Green Waste Containers, respectively, together with Tonnage of Recyclables and Green Waste or other measurement of participation requested by COUNTY concerning these items; and
  - e. The Collection route maps and schedule with a complete map of the Service Area.

- f. A summary of the number of Non-Collection notices issued and the reasons for issuance.
- 3. **Annual Report.** On or before each February 28, FRANCHISEE shall submit the Annual Report to COUNTY in a form satisfactory to COUNTY, for the preceding calendar year, including the following information:
  - a. General information about FRANCHISEE, including a list of its respective officers, principals, major shareholders, general and limited partners, limited liability company members, and member of its boards of directors or governing board as the case may be;
  - b. A copy of the most recent annual public financial reports and other periodic public financial reports of FRANCHISEE and, at the Director's request, each of its Affiliates and other entities, if any, performing Franchise Services or providing Goods or Services; provided however, that if FRANCHISEE did not submit its own financial reports before the Execution Date of this AGREEMENT, it must provide a guaranty in the form provided by the Director, by a guarantor satisfactory to the Director, which guarantor must provide its own audited financial reports;
  - c. A report of FRANCHISEE'S compliance with its Performance Obligations with respect to Waste Diversion Program implementation during the preceding calendar year;
  - d. An updated inventory of Service Assets in accordance with Section 16A3;
  - e. A copy of the telephone directories described in Section 7B;
  - f. A description of contamination audits of Recyclables Containers in accordance with Service Specifications; and
  - g. An updated list naming all Subcontractors, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor (including ownership interests) in accordance with Exhibit 3A.
- 4. **Reports of Violators.** If FRANCHISEE discovers that any Person is providing MSW Management Services in the Service Area that are not authorized by COUNTY or are in Violation of Applicable Law, then FRANCHISEE shall use Reasonable Business Efforts to promptly provide COUNTY with a written report containing at least the following:
  - a. The identity and address of the Person ("Violator"), if known;

- b. The facts and documentation supporting FRANCHISEE'S report; and
- c. Any other information or documentation in connection with the Violator and FRANCHISEE'S report that COUNTY may reasonably request.

COUNTY acknowledges that FRANCHISEE may seek legal or injunctive relief against the Violator in accordance with Applicable Law to cease providing those MSW Management Services. Notwithstanding the foregoing, COUNTY is not liable to FRANCHISEE, and FRANCHISEE hereby releases COUNTY in connection with any act of a Violator.

**B. Format.** FRANCHISEE shall submit Reports in a format compatible with COUNTY'S computers (such as by e-mail or on computer discs or printed copy) as determined by the Director.

**C. Reporting Adverse Information.** FRANCHISEE shall provide the Director copies of all reports, pleadings, applications, notifications, notices of violation, communications or other material directly relating to its Performance Obligations submitted by FRANCHISEE to, or received by FRANCHISEE from, any of the following:

- 1. The United States or California Environmental Protection Agency;
- 2. The California Integrated Waste Management Board;
- 3. The Securities and Exchange Commission;
- 4. Any other Regulatory Agency;
- 5. Any federal, state, or county court.

Franchisee shall submit copies to the Director simultaneously with FRANCHISEE'S submission of those materials to those entities. At COUNTY'S request, FRANCHISEE shall promptly make available to COUNTY any other correspondence between FRANCHISEE and those entities.

**D. Submission of Reports.** FRANCHISEE shall submit Reports to the Director at COUNTY'S address provided for Notices.

**E. County's Right to Request Information.** At the Director's request, FRANCHISEE shall promptly provide to County additional information reasonably and directly pertaining to this AGREEMENT (including substantiation of information submitted in Reports).



- F. Reporting Requirements for Improper Solicitations.** FRANCHISEE shall immediately report any attempt by a COUNTY officer or employee to solicit improper consideration. FRANCHISEE shall make the report either to COUNTY manager charged with the supervision of the employee or to the COUNTY Fraud Hotline at (800) 554-6861 or [www.lacountyfraud.org](http://www.lacountyfraud.org). Among other items, improper consideration may take the form of cash; discounts; service; or the provision of travel, entertainment, or tangible gifts.

## **SECTION 14 - INDEMNIFICATION AND INSURANCE**

- A. Indemnification and Release of County.** FRANCHISEE shall release, indemnify, defend, and hold harmless COUNTY and County's Related Parties from and against any and all Liabilities arising from, connected with, or relating to all of the following:
- 1. Operations.** FRANCHISEE'S and Franchisee's Related Parties' operations or any of their respective services on or after the date of this AGREEMENT, including the Franchise Services and Liabilities further detailed in the following Indemnifications contained in subsections A2 through 5, but excluding any Liabilities arising from the following:
    - a. The sole active negligence of COUNTY, or
    - b. RCRA, CERCLA (specifically 42 U.S.C. § 9607(3)), or California Health and Safety Code § 25364.
  - 2. Cal/OSHA.** Without limiting the operations Indemnity in subsection A1, employer sanctions and any other Liabilities that may be assessed against FRANCHISEE or COUNTY or both in connection with any alleged act or omission of FRANCHISEE or any of Franchisee's Related Parties that is in violation of any Cal/OSHA regulation. This obligation includes all investigations and proceedings associated with purported violations of 8 CCR 336.10 pertaining to multi-employer work sites. FRANCHISEE shall not be obligated to so release, indemnify, defend, and hold harmless COUNTY from and against any Liabilities arising from the active negligence of COUNTY.
  - 3. Immigration.** Without limiting the operations Indemnity in subsection A1, employer sanctions and any other Liabilities that may be assessed against FRANCHISEE, any of Franchisee's Related Parties or COUNTY or any one or all of them in connection with any alleged violation of federal Applicable Law (including the Immigration Reform and Control Act of 1986 (PL. 99-603) pertaining to the eligibility for employment of individuals performing Franchise Services. FRANCHISEE shall not be obligated to so indemnify, release, defend, and hold harmless COUNTY from and against any Liabilities arising from active negligence of COUNTY.

4. **Enforcement of AGREEMENT or Applicable Law.** Without limiting the operations Indemnity in subsection A1, any Liabilities that may be assessed against FRANCHISEE, any of Franchisee's Related Parties or COUNTY or any one or all of them in connection with any alleged failure of COUNTY to exercise COUNTY's rights under this AGREEMENT or to enforce provisions of this AGREEMENT or of Applicable Law as permitted under Section 22A4.
5. **Disposal.** The presence, Disposal, escape, migration, leakage, spillage, discharge, release, or emission of Unpermitted Waste or petroleum to, in, on, at or under at any place, site, or facility where FRANCHISEE or any of Franchisee's Related Parties delivers, stores, processes, Recycles, composts or Disposes of Solid Waste to the extent that Liabilities are caused indirectly or directly by any of the following:
- a. ***FRANCHISEE Negligence or Misconduct.*** The wrongful, willful or negligent act, error or omission, or the misconduct of FRANCHISEE or any of Franchisee's Related Parties;
  - b. ***Non-Customer Materials.*** The collection, delivery, handling, recycling, processing, composting or disposal by FRANCHISEE or any of Franchisee's Related Parties of any materials or waste, including Unpermitted Waste, that are generated by Persons other than Customers or collected from premises other than Premises;
  - c. ***Failure to Comply with Unpermitted Waste Screening Protocol.*** The failure of FRANCHISEE or any of Franchisee's Related Parties to undertake Unpermitted Waste training procedures required by Applicable Law or the Unpermitted Waste Screening Protocol, whichever is more stringent; or
  - d. ***FRANCHISEE-Identified Unpermitted Waste.*** The improper or negligent collection, handling, delivery, processing, recycling, composting or disposal by FRANCHISEE or any of Franchisee's Related Parties of Unpermitted Waste that FRANCHISEE or any of Franchisee's Related Parties inadvertently collects from Customers and that FRANCHISEE or any of Franchisee's Related Parties identifies as Unpermitted Waste before its delivery, processing, recycling, composting, or disposal whether:
    - (i) In one or more occurrence;
    - (ii) Threatened or transpired;
    - (iii) FRANCHISEE or any of Franchisee's Related Parties is negligent or otherwise culpable; or

- (iv) Those Liabilities are litigated, settled or reduced to judgment.

For purposes of this Indemnity, "**Liabilities**" includes Liabilities arising from or attributable to any operations, repair, cleanup, or detoxification, or preparation and implementation of any removal, remedial, response, closure, postclosure, or other plan, regardless of whether undertaken due to government directive or action, such as remediation of surface or ground water contamination and replacement or restoration of natural resources.

The mere presence of household hazardous waste in the Solid Waste that is Collected by FRANCHISEE or any of Franchisee's Related Parties under this AGREEMENT will not constitute negligence and in and of itself create any liability on the part of FRANCHISEE or any of Franchisee's Related Parties absent any of the circumstances described in items a through d in this subsection A5.

COUNTY reserves the right to retain co counsel at its own cost and expense and FRANCHISEE shall direct FRANCHISEE'S counsel to assist and cooperate with COUNTY'S co counsel with respect to COUNTY'S defense.

The foregoing indemnity is intended to operate as an agreement under 42 U.S.C. § 9607(e) and California Health and Safety Code § 25364, to insure, protect, hold harmless, and indemnify COUNTY from liability in accordance with this Section.

FRANCHISEE hereby releases and shall not seek contribution or compensation of any nature from COUNTY for Liabilities relating to Unpermitted Waste, including relating to RCRA, CERCLA, or the California Health and Safety Code. FRANCHISEE shall not make any claims against or assert an interest in any account, fund, or reserve that COUNTY may establish or set aside from the proceeds of the Franchise Fee or otherwise or maintains to cover Liabilities relating to Unpermitted Waste, which established fund or reserve COUNTY is under no obligation to establish or maintain.

- B. Insurance.** Without limiting its Indemnities, FRANCHISEE shall provide and maintain throughout the Term, the following programs of insurance. All insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY and FRANCHISEE shall provide and maintain it at FRANCHISEE'S own expense. If FRANCHISEE does not provide and maintain those programs of insurance, COUNTY may elect to purchase required insurance coverage without further notice to FRANCHISEE, and COUNTY may charge from sums due to FRANCHISEE any premium costs advanced by COUNTY for that insurance and draw on the performance bond, letter, of credit, or other form of performance assurance provided by FRANCHISEE.

1. **Evidence of Insurance.** On or before the Execution Date and thereafter prior to individual policy expiration and also within two business days of any COUNTY request, FRANCHISEE shall deliver a certificate or certificates of insurance or other evidence of coverage acceptable to the Director at the address provided for Notices. Certificates or other evidence must:
  - a. Specifically identify this AGREEMENT;
  - b. Clearly evidence all coverage required in this AGREEMENT, including policy forms or their equivalent;
  - c. Contain the express condition that COUNTY is to be given written notice by mail at least 30 days (10 days for nonpayment of premium) in advance of cancellation for all policies evidenced on the certificate of insurance;
  - d. Include a copy of the additional insured endorsements to the general liability policy, adding COUNTY, its Special Districts, its officers, and its employees as insured for all activities arising from this AGREEMENT;
  - e. Identify any deductibles or self-insured retention for COUNTY'S approval. COUNTY retains the right to require FRANCHISEE to reduce any deductibles or self-insured retention as they apply to COUNTY or to require FRANCHISEE to provide a bond, guaranteeing payment of all retained losses and related costs, including expenses, or both, related to investigations, claims administrations, and legal defense. The bond or letter of credit must be executed by a corporate surety licensed to transact business in the State of California; and
  - f. At COUNTY'S request, include documentation acceptable to COUNTY verifying that the individual signing or countersigning the certificates, policies, endorsements, or other evidence of coverage is authorized to do so and identifies his or her company affiliation and title. COUNTY may require complete, certified copies of FRANCHISEE'S insurance policies at any time.
2. **Insurer Financial Rating.** FRANCHISEE shall secure insurance provided by an insurance company acceptable to COUNTY with a rating by A.M. Best Company of not less than A: VII, unless otherwise approved by COUNTY.
3. **Notification of Incidents, Claims, or Suits.** FRANCHISEE shall promptly report the following in writing to the Director:

- a. Any accident or incident relating to the Franchise Services involving injury or property damage that may result in the filing of an insurance claim, its legal claim, or lawsuit against FRANCHISEE and/or COUNTY;
- b. Any third-party claim or lawsuit filed against FRANCHISEE arising from or related to Franchise Services; or
- c. Any injury to a FRANCHISEE employee that occurs on COUNTY property. FRANCHISEE shall submit its report on a COUNTY "Nonemployee Injury Report" form available on COUNTY'S website at <http://cao.co.la.ca.us/RMB/pdf/NonEmployeeInjuryReport.pdf>.

4. **Insurance Coverage Requirements.** FRANCHISEE shall secure and maintain insurance coverage meeting the following requirements:

- a. ***General Liability Insurance*** (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$4 million
Products/Completed Operations Aggregate:	\$4 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$2 million

- b. ***Pollution Liability Coverage*** for pollution conditions resulting from transported cargo, with annual limits of not less than \$2 million per occurrence and \$4 million aggregate, covering loss (including cleanup costs) that FRANCHISEE becomes legally obligated to pay as a result of claims for bodily injury, property damage, and cleanup costs (including expenses required by environmental laws or incurred by federal, state, or local governments or third parties) resulting from pollution conditions caused by transported cargo (including waste). For the purpose of this subsection 14B5b, "pollution conditions" includes the dispersal, discharge, release, or escape of any solid, liquid, gaseous or thermal irritant or contaminant (such as smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste, and waste materials) into or upon land, any structure on land, the atmosphere, or any watercourse or body of water (including groundwater), provided the conditions are not naturally present in the environment in the amounts or concentrations discovered. The pollution liability coverage must provide contractual liability coverage, by endorsement, if necessary, for FRANCHISEE'S indemnification of COUNTY. As an alternative to such a policy, FRANCHISEE'S general liability policy may be endorsed to provide the above described pollution liability coverage.

- c. **Automobile Liability Coverage** (written on ISO policy forms CA 00 12 or CA 00 20 or their equivalent) with a limit of liability not less than \$2 million for each accident and endorsed to include pollution liability (written on form CA 99 48 or its equivalent). The insurance must cover all vehicles used by FRANCHISEE pursuant to its operations and services and the terms of this AGREEMENT. FRANCHISEES subject to federal regulations also shall maintain any other coverage necessary to satisfy state or federal financial responsibility requirements.
- d. **Workers' Compensation and Employers' Liability** insurance providing workers' compensation benefits required by the California Labor Code or by any other state labor law, and for which FRANCHISEE is responsible. In all cases, this insurance must also include Employers' Liability coverage with limits of not less than the following:
  - i. Each accident: \$1 million
  - ii. Disease - policy limit: \$1 million
  - iii. Disease - each employee: \$1 million

C. **Compensation for County Costs.** If FRANCHISEE fails to comply with any of the Indemnification or insurance requirements of this AGREEMENT and that failure results in any costs to COUNTY, FRANCHISEE shall pay full compensation for all County's Reimbursement Costs.

## SECTION 15 - PERFORMANCE ASSURANCE

FRANCHISEE shall secure and maintain throughout the Term a faithful performance bond, in a form satisfactory to COUNTY or, at COUNTY'S sole and absolute discretion, any alternative security acceptable to the Director, including cash, certified check payable to COUNTY, certificate of deposit, or letter of credit (together, "**Performance Assurance**"). During the first Contract Year, the amount of the Performance Assurance must be in the sum established by COUNTY (see Exhibit 3A) to secure full and timely satisfaction of Performance Obligations, including payment of Franchise Fees, and any liquidated damages. In all subsequent Contract Years, that amount must be not less than the sum of:

1. 15 percent of FRANCHISEE'S Gross Receipts minus Franchise Fees for the prior Contract Year;
2. 110 percent of the Franchise Fees paid by FRANCHISEE during the first six months of the prior Contract Year;
3. 110 percent of any liquidated damages assessed FRANCHISEE by COUNTY during the first six months of the prior Contract Year;

4. Up to \$50,000, at the discretion of the Director; and
5. Any additional amounts provided in Exhibit 3A.

A performance bond must be payable to COUNTY and executed by a corporate surety licensed to transact business ("admitted") as a surety in the State of California. The corporate surety must have an A.M. Best Rating of not less than A:VII, unless otherwise approved by COUNTY. The form of performance bond may not allow the bond surety to substitute another Person to perform Franchise Services but must provide for payment of moneys to COUNTY to secure substitute Franchise Services, remedy damages incurred, and ensure satisfaction of all Performance Obligations, including payment of Franchise Fees or liquidated damages to COUNTY, if recovered from COUNTY in any bankruptcy or similar proceedings relating to FRANCHISEE. The performance bond must be conditioned on faithful performance by FRANCHISEE of all the terms and conditions of this AGREEMENT, including payment of Franchise Fees and any liquidated damages.

Each Performance Assurance must be renewed to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. On or before the Execution Date and promptly upon any renewal of the Performance Assurance, FRANCHISEE shall deliver the Performance Assurance to COUNTY.

COUNTY may verify the accuracy and authenticity of the Performance Assurance submitted.

## **SECTION 16 - EMERGENCY SERVICE**

### **A. COUNTY Right to Provide MSW Management Services.**

1. **Events.** COUNTY may perform, or contract for the performance of, any or all of FRANCHISE Services, including the collection of Solid Waste or any portion thereof and the transportation and delivery to a solid waste facility, upon the occurrence of either of the following events, determined by County in its sole discretion:
  - a. FRANCHISEE, due to Uncontrollable Circumstances or for any reason whatsoever, fails, refuses, or is unable for a period of 48 hours to collect and/or at any time to transport Solid Waste or any portion thereof to a Solid Waste Facility and the Director determines there is danger to the public health, safety, or welfare; or
  - b. COUNTY suspends or terminates this AGREEMENT.

If COUNTY contracts for the performance of any or all of Franchise Services, it will consider contracting with other COUNTY franchisees. COUNTY has no obligation to continue providing Franchise Services and

may at any time, in its sole discretion, cease to provide Franchise Services. However COUNTY'S right to provide Franchise Services will continue until FRANCHISEE can demonstrate to COUNTY'S satisfaction that FRANCHISEE is ready, willing, and able to resume timely and full Franchise Services or until COUNTY can make alternative arrangements for providing MSW Management Services comparable to Franchise Services in scope and price, which may include contracting with another service provider.

2. **Notice.** COUNTY may give FRANCHISEE oral notice that COUNTY is exercising its right to perform Franchise Services, which notice is effective immediately, but must confirm oral notice with a Notice within 24 hours thereafter.
3. **Service Assets.**
  - a. ***COUNTY Possession.*** Upon giving FRANCHISEE oral notice, COUNTY may take possession of any or all Service Assets necessary or convenient in providing Services, and FRANCHISEE shall fully cooperate with COUNTY to transfer possession of Service Assets to COUNTY. Customers' possession of Containers will be deemed possession by COUNTY if necessary to exercise this right.
  - b. ***Service Assets Document.*** Any document that encumbers or limits FRANCHISEE'S interest in Service Assets, including a lease, financing contract, acquisition over time, mortgage, or other instrument establishing a security interest to or by FRANCHISEE, must allow COUNTY to assume FRANCHISEE'S obligations and to continue use of Service Assets in performing MSW Management Services.
  - c. ***Updated Inventory.*** In each Annual Report and at any other time requested by COUNTY, FRANCHISEE shall update its inventory of Service Assets included in Franchisee Documentation to reflect acquisition or replacement of Service Assets or additional service asset document described in Section 16A3b, or change in any service asset described in Section 16A3b, accompanied by a certification signed by FRANCHISEE that all Vehicles meet any specifications provided in this AGREEMENT and all Carts meet the specifications described in Franchisee Documentation.
  - d. ***County Use.*** COUNTY may use Service Assets to provide all or a portion of Franchise Services. COUNTY shall have absolute and exclusive control over Service Assets as though COUNTY were the absolute owner thereof. However, at COUNTY'S request, FRANCHISEE shall keep Service Assets in good condition. Unless



Franchisee repairs and maintains them, COUNTY shall assume complete responsibility for use of Service Assets while they are in its possession and shall maintain Service Assets in the same condition as they were in when FRANCHISEE transferred possession thereof to County. Subject to repair and maintenance by FRANCHISEE, COUNTY shall return Service Assets to FRANCHISEE in the same condition as received, normal wear and tear excepted.

FRANCHISEE shall maintain in full force and effect all insurance required in accordance with Section 14 during COUNTY'S possession of Service Assets. By granting COUNTY the right to possession and use of FRANCHISEE'S Service Assets, FRANCHISEE declares as follows:

- i. COUNTY and Customers are permitted users for purposes of liability insurance policies that FRANCHISEE must procure and maintain under this AGREEMENT; and
- ii. COUNTY'S and Customers' use and possession is not intended to be and is not transfer of ownership for purposes of any liability policies.

Furthermore, if COUNTY has possession and/or use of FRANCHISEE'S Service Assets, FRANCHISEE shall execute whatever documentation its liability insurers require to ensure that COUNTY and Customers are protected and covered by FRANCHISEE'S general and automobile policies, including requesting and executing endorsements to those policies. FRANCHISEE hereby gives COUNTY the right to call and confer with FRANCHISEE'S insurance broker to determine what, if any, documentation or actions are necessary to achieve protection satisfactory to COUNTY. FRANCHISEE hereby gives COUNTY the right to pay for any endorsements, additional premiums, or other costs. By executing this AGREEMENT, FRANCHISEE authorizes its insurance broker to cooperate with and respond to requests from COUNTY, which authorization FRANCHISEE may not rescind without COUNTY consent.

4. **FRANCHISEE'S Personnel.** Upon giving FRANCHISEE oral notice in accordance with subsection A2, COUNTY may immediately engage personnel necessary or convenient for providing all or a portion of Franchise Services, including employees previously or then employed by FRANCHISEE. However COUNTY shall not be obligated to hire FRANCHISEE'S employees and may use municipal employees or other individuals to provide all or a portion of Services, including driving Vehicles. At COUNTY'S request, FRANCHISEE shall promptly make

available to COUNTY all FRANCHISEE'S management and office personnel necessary or convenient for providing Franchise Services (including Customer services) and billing at the cost, if any, provided in subsection A8.

5. **Records and Reports.** At COUNTY'S request, FRANCHISEE shall promptly provide COUNTY with immediate access to or possession of Records, including those related to routing and billing. Without limiting its available remedies provided elsewhere in this AGREEMENT, COUNTY may seek specific performance of this obligation.
6. **Reimbursement.** FRANCHISEE shall reimburse COUNTY for County's Reimbursement Costs incurred in taking over possession and use of Service Assets in accordance with subsection A3 and in providing MSW Management Services in amounts exceeding Rates.
7. **Stipulations.** FRANCHISEE stipulates that COUNTY'S exercise of rights under this Section does not constitute a taking of private property for which COUNTY must compensate FRANCHISEE, shall not create any liability on the part of COUNTY to FRANCHISEE, and does not exempt FRANCHISEE from any Indemnities, which Parties acknowledge are intended to extend to circumstances arising under this Section. However, FRANCHISEE is not required to indemnify COUNTY against claims and damages arising from the negligence or misconduct of COUNTY officers and employees (other than employees of Franchisee at the time COUNTY began performing Services) and agents driving Vehicles. COUNTY shall indemnify FRANCHISEE, its Affiliates and its and their officers, directors, employees, and agents from and against damages, costs, or other expenses or losses they incur arising out of or relating to that negligence or misconduct.
8. **Rental and Other Compensation.**
  - a. ***Uncontrollable Circumstances.*** If an event enumerated in item a or b in subsection A1 is due to Uncontrollable Circumstances, then COUNTY shall pay FRANCHISEE the following Direct Costs of FRANCHISEE that FRANCHISEE is not then being compensated for through charging and collecting Rates:
    - (i) Rental fees for COUNTY'S use and possession of Service Assets equal to fair market value thereof as determined by an independent appraiser selected by the Parties as provided in this subsection A8a.
    - (ii) FRANCHISEE'S Direct Costs of providing Vehicles with fuel, oil, and other maintenance in accordance with subsection A3d.

- (iii) FRANCHISEE'S Direct Costs of making FRANCHISEE'S personnel available to COUNTY in accordance with subsection A4.

The Parties shall select an appraiser as follows: within 10 days after FRANCHISEE requests payment of rental fees in events described in item (i) of this subsection 8a, each Party will prepare a separate list of five Persons who do not work for either Party having experience in solid waste equipment appraisal, in numerical order with the first preference at the top, and exchange and compare lists. The Person ranking highest on the two lists by having the lowest total rank order position on the two lists is the appraiser. In case of a tie in scores, the Person having the smallest difference between the rankings of the two Parties is selected; other ties are determined by a coin toss. If no Person appears on both lists, this procedure is repeated. If selection is not completed after the exchange of three lists or 60 days, whichever comes first, then each Party will select one Person having the qualifications and experience described above and those two Persons will together select an appraiser.

- b. ***Other Than Uncontrollable Circumstances.*** If an event enumerated in item a or b in subsection A1 is not due to Uncontrollable Circumstances, then COUNTY will not be obligated to pay the compensation enumerated in subsection A8a, and FRANCHISEE shall pay County's Reimbursement Costs in accordance with subsection A6 within 10 days of COUNTY'S submitting an invoice therefor. If FRANCHISEE does not so timely pay, COUNTY may draw upon any performance bond, letter of credit, or other security provided under this AGREEMENT.

- B. **Disaster Assistance.** FRANCHISEE shall make Reasonable Business Efforts to assist County in the event of major disaster, such as an earthquake, storm, riot, or civil disturbance, by providing Vehicles and drivers normally assigned to the Service Area to Collect any Solid Waste as requested by COUNTY, at Customer Service Charges no greater than the Rates, unless the Director provides authorization based on information provided by FRANCHISEE substantiating the need for an increase. FRANCHISEE shall cooperate with COUNTY, State of California, and federal officials in filing information related to a regional, state, or federally-declared state of emergency or disaster as to which FRANCHISEE has provided equipment and drivers under this AGREEMENT.

## **SECTION 17 - DEBARMENT BREACHES AND DEFAULTS; SUSPENSION; TERMINATION**

**A. Notice of Breach; Franchisee Cure.** If the Director determines that FRANCHISEE is in Breach, the Director may give Notice to FRANCHISEE identifying and describing the Breach, including any of the following:

1. Failure to keep Records required by this AGREEMENT;
2. Failure to file any Reports at the time, in the manner, and containing the information required in Section 13;
3. Failure to timely provide COUNTY with complete information (including any test results such as prescribed noise levels in accordance with Section 4A4) required by this AGREEMENT or requested by the Director in good faith in accordance with this AGREEMENT;
4. Failure to timely pay the Franchise Fee; or
5. Failure to timely pay an Indemnification.

FRANCHISEE shall remedy the Breach within 30 days from the receipt of Notice (or with respect to a Breach of the Child Support Compliance Program described in Section 22B, 90 days after notice by the Los Angeles County's Child Support Services Department) unless COUNTY determines that the public health and safety require a shorter period of time in which Franchisee must remedy the Breach. COUNTY will hold a conference with Franchisee within 30 days of Franchisee request. Franchisee may request additional time to correct the Breach, but COUNTY may accept or reject that request in its sole discretion.

**B. Franchisee Default.** The following constitute Franchisee Defaults:

1. **Fraud, Misrepresentation, or Breach of Warranties.** FRANCHISEE committed any fraud or deceit or made any intentional misrepresentations in the procurement of this AGREEMENT; commits, or attempts to commit, any fraud or deceit upon COUNTY after the Execution Date of this AGREEMENT; makes any material misrepresentations or breaches any warranties in this AGREEMENT (including Exhibit 20H); or includes any materially false or misleading statement, representation, or warranty in any Record or Report.
2. **Insolvency or Bankruptcy.** FRANCHISEE becomes insolvent or files a voluntary petition to declare bankruptcy; a receiver or trust is appointed for FRANCHISEE; or 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.

3. **Failure to Provide Insurance, Bonds.** FRANCHISEE does not provide or maintain in full force and effect all insurance and other assurances of its Performance Obligations, including as required under Sections 14 and 15, or provide evidence of insurance coverage acceptable to COUNTY.

4. **Material or Repeated Violation of Applicable Law.**

- a. Any material Violation of Applicable Law that is not cured to the satisfaction of COUNTY or applicable Regulatory Agency within 30 days of the notice, assessment, or determination of that Violation of Applicable Law; or
- b. Any repeated Violation of Applicable Law.

If FRANCHISEE is entitled to and does contest a notice, assessment, or determination of Violation of Applicable Law by proceedings conducted in good faith, no Franchisee Default will be deemed to have occurred until a final decision adverse to FRANCHISEE is entered.

5. **Failure to Collect for Seven Days.** Unless due to Uncontrollable Circumstances, FRANCHISEE fails to Collect for a period of either:

- a. Seven consecutive days; or
- b. Seven days in the aggregate from the Execution Date.

6. **Failure to Collect for More Than Seven Days.** Whether or not due to Uncontrollable Circumstances, FRANCHISEE fails to Collect for a period of more than seven consecutive days.

7. **Payments to County.** FRANCHISEE does not timely and fully make any payment to COUNTY required under this AGREEMENT (including payment of Franchise Fees):

- a. More than twice in any calendar year;
- b. Within 30 days of Notice by COUNTY that payment is due; or
- c. With respect to payment of a shortfall in Franchise Fees, within 30 days of Notice in accordance with Section 11C.

8. **Specified Franchisee Defaults.** FRANCHISEE Breaches any of the following Sections:

- a. Section 22B Child Support Compliance Program (if not cured within 90 days of Notice as described in Section 17A);
  - b. Section 23D1 Compliance with ILO Convention Concerning Minimum Age for Employment;
  - c. Section 23E Nondiscrimination; or
  - d. Section 23G County Lobbyist Ordinance.
9. **Uncured or Repeated Breach.** FRANCHISEE does not timely cure any other Breach in accordance with subsection A or FRANCHISEE Breaches any of its Performance Obligations repeatedly or habitually, as determined by the Director in his or her sole discretion, whether or not a specific instance of failure or refusal has been previously cured. However, this Franchisee Default will be excused for a period of seven days beginning on the first occurrence of that Franchisee Default in the event of Uncontrollable Circumstances, if the event materially affects FRANCHISEE'S ability to provide Franchise Services. Nevertheless, if Uncontrollable Circumstances interrupt Collection, Customers may take actions and COUNTY may exercise any of its rights under Section 16. This Franchisee Default will not be excused if it continues for a period of more than seven days beginning on the first occurrence of this Franchisee Default.
10. **Improper Consideration.** COUNTY finds that consideration, in any form, was offered or given by FRANCHISEE either directly or through an intermediary to any COUNTY officer, employee, or agent with the intent of securing this AGREEMENT or securing favorable treatment with respect to the award, amendment, or extension of this AGREEMENT or the making of any determinations with respect to FRANCHISEE'S performance under this AGREEMENT where that consideration may take any form including cash; discounts; service; or the provision of travel, entertainment, or tangible gifts.
11. **Default Under Guaranty.** A default exists under the guaranty, if any, provided in accordance with Section 13A3b.

**C. Notice of Franchisee Default.**

1. **Effective Immediately.** The Director may terminate this AGREEMENT effective immediately after Notice by COUNTY to FRANCHISEE of any of the following Franchisee Defaults:
- a. Any Franchisee Default, if the Director determines that protection of public health and safety requires immediate suspension or termination;

- b. A Franchisee Default in subsection B3 (failure to provide insurance, bonds);
  - c. A Franchisee Default described in subsection B4 (material or repeated Violation of Applicable Law, including the County Lobbyist Ordinance);
  - d. A Franchisee Default described in subsection B10 (improper consideration).
2. **Effective 30 days.** The Director may terminate this AGREEMENT effective 30 days after Notice by COUNTY to FRANCHISEE of any Franchisee Defaults other than the Franchisee Defaults listed in subsection C1 or termination events listed in subsection D.
  3. **Effective 15 days.** The Director may terminate this AGREEMENT effective 15 days after Notice by COUNTY to FRANCHISEE of COUNTY'S right to terminate this AGREEMENT in the event of Criminal Activity in accordance with Section 20J and subsection D2c.

#### **D. Suspension or Termination of AGREEMENT**

1. **Suspension.** Together with any other rights COUNTY may have under this AGREEMENT (including the right to use and possession of Service Assets under Section 16), the Director may suspend this AGREEMENT, in whole or in part, for a period of 45 days effective immediately upon Notice to FRANCHISEE in any of the following events:
  - a. A Franchisee Default; or
  - b. COUNTY exercise of its right to suspend this AGREEMENT under Section 20J in the event of Criminal Activity of FRANCHISEE.

During that 45-day period FRANCHISEE shall have the opportunity to demonstrate to COUNTY that FRANCHISEE can once again fully perform Franchise Services in accordance with this AGREEMENT. If FRANCHISEE so demonstrates, COUNTY'S right to suspend this AGREEMENT will cease and FRANCHISEE may resume providing services. If FRANCHISEE does not so demonstrate, COUNTY may terminate this AGREEMENT and exercise any other rights and remedies under this AGREEMENT.

#### **2. Termination**

- a. ***Franchisee Default.*** The Director may terminate this AGREEMENT, in whole or in part, upon the occurrence of a

Franchisee Default and Notice to FRANCHISEE at the times provided in subsection C.

- b. **Failure to Agree on Rate Adjustments.** Notwithstanding the foregoing, the Director may terminate this AGREEMENT on six months' Notice if in the judgment of the Director, COUNTY and FRANCHISEE are unable to reach satisfactory agreement to adjust Rates in accordance with item d of Section A1 of Exhibit 10 for a Change in Law or changes in Service Specifications or Service Standards after good faith negotiations during a period of at least 30 days.
- c. **Criminal Activity.** The Director may terminate this AGREEMENT upon Notice required in Section 17C if County exercises its right to terminate this AGREEMENT under Section 20J in the event of Criminal Activity of FRANCHISEE.

E. **FRANCHISEE Responsibility and Debarment.** COUNTY may debar FRANCHISEE from doing business with COUNTY if COUNTY determines after giving notice and conducting a hearing in accordance with Chapter 2.202 of the County Code, which shall apply to this AGREEMENT, that FRANCHISEE (or any of its Subcontractors) is not responsible within the meaning of Chapter 2.202 and in accordance with COUNTY'S policy to do business with responsible contractors; Franchisee's failure to comply with the Child Support Compliance Program, as provided in Section 22B, may be cause for debarment in accordance with § 2.200.020 of the County Code.

## **SECTION 18 - ENFORCEMENT OF AGREEMENT**

- A. **As Provided by Law.** Either Party may avail itself of any remedy available under law.
- B. **County's Additional Remedies.** Without limiting COUNTY'S remedies otherwise available under this AGREEMENT in law or equity, at its option, COUNTY may enforce a Breach in any or all of the following ways:
  - 1. Execute alternative agreements for MSW Management Services in the event of Franchisee Default;
  - 2. Seek to obtain injunctive relief and/or damages; and
  - 3. Assess damages under subsection D.
- C. **Injunctive Relief.** FRANCHISEE acknowledges that COUNTY'S remedy of damages for a Breach may be inadequate for reasons including the following:



1. The urgency of timely, continuous and high-quality Franchise Services, including Collection, transportation, and/or transfer for Disposal of wastes which constitute a threat to public health;
2. The long time and significant commitment of money and personnel and elected officials (both COUNTY staff and private consultants, including engineers, procurement counsel, citizens, public agency colleagues, and elected COUNTY officials) invested in this AGREEMENT, including developing COUNTY'S Option Analysis dated February 2001 and implementing its recommendations through numerous meetings of a Working Group comprised of Solid Waste industry representatives from small and large businesses, requesting and evaluating qualifications and proposals for this AGREEMENT (including FRANCHISEE'S), reviewing and commenting on documentation submitted by FRANCHISEE in conjunction with execution of this AGREEMENT, and review of Franchisee Documentation;
3. The time and investment of personnel and elected officials described in the preceding item 2 to develop alternative Solid Waste services comparable to Franchise Services for the price provided under this AGREEMENT, and to negotiate new agreements therefor; and
4. COUNTY'S reliance on FRANCHISEE'S technical Solid Waste management expertise.

Consequently, COUNTY is entitled to all available equitable remedies, including injunctive relief.

#### **D. Recovery of Damages**

1. **Compensatory.** COUNTY may seek compensatory damages, including the following:
  - a. Amounts equal to any Franchise Fees, liquidated damages, or other amounts that FRANCHISEE has previously paid to COUNTY but are subsequently recovered from COUNTY by a trustee in bankruptcy as preferential payments or otherwise;
  - b. If COUNTY terminates this AGREEMENT for a Franchisee Default or in the event of Criminal Activity in accordance with Section 17D2a or c, respectively, costs incurred by COUNTY to provide or reprocore MSW Management Services in lieu of Franchise Services; and
  - c. If COUNTY terminates this AGREEMENT before expiration for a Franchisee Default or in the event of Criminal Activity in accordance with Section 17D2a or c, respectively, costs of MSW

Management Services provided or reprocurd in lieu of Franchise Services in excess of Customer Service Charges for the balance of the Term remaining if this AGREEMENT had not been terminated.

COUNTY may draw upon the performance bond, letter of credit, certificate of deposit, or other form of performance assurance provided by FRANCHISEE in accordance with Section 15 to pay compensatory damages.

For FRANCHISEE'S misrepresentation regarding contingent fees in Exhibit 20H, in addition to terminating this AGREEMENT, COUNTY may recover from FRANCHISEE the full amount of the proscribed commission, percentage, brokerage, or contingent fee.

2. **Liquidated.** The Parties acknowledge that COUNTY incurred considerable time and expense procuring this AGREEMENT in order to secure an improved level of Collection quality and increased Customer satisfaction. Therefore, consistent and reliable Services are of the utmost importance to COUNTY and Customers. COUNTY has considered and relied on FRANCHISEE'S representations as to its quality of service commitment in entering into this AGREEMENT, and FRANCHISEE'S Breach represents a loss of bargain to COUNTY. The Parties further recognize that quantified standards of performance are necessary and appropriate to ensure quality, consistent, and reliable Collection, and if FRANCHISEE fails to meet its Performance Obligations, COUNTY will suffer damages (including its Customers' inconvenience; anxiety, frustration, potential political pressure, criticism, and complaint by Customers; lost Supervisors and staff time; deprivation of the benefits of this AGREEMENT and loss of bargain) in subjective ways and in varying degrees of intensity that are incapable of measurement in precise monetary terms, and that it is and will be impracticable and extremely difficult to ascertain and determine the value thereof. In addition, in the event of Breach or Franchisee Default, urgency of protecting public health and safety may necessitate that COUNTY enter into emergency or short-term arrangements for services without competitive procurement at prices substantially greater than under this AGREEMENT, and the monetary loss resulting there from is impossible to precisely quantify. Lastly, termination of this AGREEMENT for Franchisee Default and other remedies provided in this AGREEMENT are, at best, a means of future correction and not remedies that make COUNTY whole for past Breaches and Franchisee Defaults. Therefore, the Parties agree that the liquidated damages listed in Exhibit 18D2 represent a reasonable estimate of the amount of damages, considering all of the circumstances existing on the date of this AGREEMENT, including the relationship of the sums to the range of harm to COUNTY that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing this AGREEMENT, each Party specifically confirms the accuracy of the

statements made above and the fact that each Party had ample opportunity to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this AGREEMENT was made.

- E. **County's Reimbursement Costs.** FRANCHISEE shall pay COUNTY promptly upon request County's Reimbursement Costs of conducting a nonroutine investigation of any alleged Breach, when appropriate in judgment of the Director. FRANCHISEE shall reimburse COUNTY for County's Reimbursement Costs incurred as a consequence of FRANCHISEE'S Breach, including failure to maintain insurance.
- F. **Waiver.** No waiver by COUNTY of any breach of any provision of this AGREEMENT constitutes a waiver of any other breach of that provision. Failure of COUNTY to enforce at anytime, or from time to time, any provision of this AGREEMENT will not be construed as a waiver thereof. The rights and remedies set forth in this subsection F are exclusive and are in addition to any other rights and remedies provided by law or under this AGREEMENT.

## **SECTION 19 - TRANSFER OF FRANCHISE**

- A. **Director Consent.** FRANCHISEE may not Transfer this AGREEMENT, the Franchise granted under it, or any rights or duties under it, in whole or in part, and whether voluntarily or involuntarily, without the Director's prior written consent, the exercise of which is in the Director's sole discretion. Any Transfer or attempted Transfer of this AGREEMENT, the franchise granted under it or any rights and duties under it, made without the Director's consent, at COUNTY'S option, will be null and void. The Director may condition consent on payment of amounts specified in Exhibit 3A in consideration for the value of good will and intangibles that accrued to COUNTY and Customers in the award of this AGREEMENT to FRANCHISEE.
- B. **Franchisee Demonstration.** Without obligating the Director to give consent, FRANCHISEE shall demonstrate to the Director's satisfaction that the proposed transferee has the operational and financial ability to satisfy FRANCHISEE'S Performance Obligations.
- C. **Payment of County's Transfer Costs.**
  - 1. **Transfer Deposit.** FRANCHISEE must make any request for the Director's consent to a Transfer in the manner prescribed by the Director. FRANCHISEE shall pay COUNTY a Transfer Deposit before the Director's consideration of FRANCHISEE'S request. COUNTY will return to FRANCHISEE any amounts paid in excess of the Transfer Costs incurred.
  - 2. **Additional Transfer Costs.** In the course of COUNTY'S processing FRANCHISEE'S request for Transfer, FRANCHISEE shall further pay COUNTY its additional Transfer Costs in excess of the Transfer Deposit

within 30 days of the Director's request therefor, whether or not the Director approves the Transfer. At FRANCHISEE'S request, COUNTY will provide FRANCHISEE access to all records evidencing the Transfer Costs incurred.

- D. County's Reimbursement Costs of Enforcement.** In addition, Franchise shall pay County's Reimbursement Costs for fees and investigation costs as COUNTY may deem necessary to enjoin the Transfer or to otherwise enforce this provision within 30 days of COUNTY'S request therefor.

## **SECTION 20 - GENERAL PROVISIONS**

- A. Exercise of Options.** Parties will exercise any approval, disapproval, consent, judgment, option, discretion, election, opinion, or choice under this AGREEMENT, make a requirement under this AGREEMENT or interpret this AGREEMENT ("**Discretionary Action**") reasonably. Any mediator, arbitrator, or court must find the Party's exercise to be reasonable. Recognizing the essential public health and safety protections this AGREEMENT serves where this AGREEMENT specifically provides that the exercise of any Discretionary Action is in either Party's independent, sole, exclusive or absolute discretion, control or judgment, the other Party will not question or challenge the first Party's exercise thereof. Parties will nevertheless exercise their rights and remedies in good faith in accordance with Applicable Law.
- B. Independent Status.** FRANCHISEE is an independent entity and not an officer, agent, servant, or employee of COUNTY. This AGREEMENT is between COUNTY and FRANCHISEE and is not intended, and will not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association between COUNTY and FRANCHISEE, including for purposes of workers' compensation. FRANCHISEE is solely responsible for the acts and omissions of its officers, agents, employees, and any Subcontractors. Nothing in this AGREEMENT will be construed as creating an arrangement for handling Unpermitted Waste. FRANCHISEE bears the sole responsibility and liability for furnishing workers' compensation and all other benefits required by law to any individual for injuries arising from or connected with Franchise Services performed on behalf of FRANCHISEE under this AGREEMENT.
- C. Damage to Property and Personal Injury.** FRANCHISEE shall not cause damage to property or personal injury. At its sole expense, FRANCHISEE shall repair or replace to the satisfaction of the owner of damaged property, any physical damage to public or private property and shall reimburse to the satisfaction of an injured individual, the cost of any personal injury caused by the negligent or willful acts or omissions of FRANCHISEE. COUNTY may refer all complaints of damage or injury to FRANCHISEE as a matter within FRANCHISEE'S sole responsibility. Notwithstanding any rights COUNTY has for breach of contract, disputes between FRANCHISEE and Persons as to damage to private pavement or other property or to injury are civil matters between

FRANCHISEE and that Person, and the Person may institute suits with respect thereto as allowed by law.

- D. Venue.** In the event of litigation between the Parties, venue in State of California trial courts will lie exclusively in the COUNTY. In the event of litigation in a United States District Court, exclusive venue will lie in the Central District of California.

**E. Amendments and Changes.**

1. **Director's Changes.** The following changes in this AGREEMENT after the Execution Date will be effective after Notice from the Director to FRANCHISEE (or with respect to certain changes referenced in item b, from FRANCHISEE to the Director, in accordance with Section 3D2a) as consented to by FRANCHISEE:

- a. Changes in the scope of Franchise Services and Service Specifications and minimum Service Standards that do not result in a Rate adjustment in accordance with Section 3C;
- b. Changes to Exhibit 3D Franchisee Documentation;
- c. Changes to Exhibit 20G Authorized Representative of Director;
- d. Immaterial changes to immaterial Performance Obligations.

2. **Board's Amendments.** The following changes in this AGREEMENT after the Execution Date will be effective only upon execution of a written amendment to this AGREEMENT, including warranties by the Parties in accordance with Section 24B:

- a. Changes in the scope of Franchise Services and Service Standards that result in a Rate adjustment in accordance with Section 3C; and
- b. Material changes to material Performance Obligations (such as the period of performance, payments, or any material term or condition included in this AGREEMENT).

- F. Notices.** All Notices required or permitted to be given under this AGREEMENT must be in writing and must be personally delivered or sent by telecopier or registered or certified mail, return receipt requested. All Notices to COUNTY must be addressed to the Director as provided in Exhibit 20G. All Notices to FRANCHISEE must be addressed to the authorized representative of FRANCHISEE named in Franchisee Documentation (who will be FRANCHISEE'S primary contact under this AGREEMENT), except for Notices of suspension or termination of this AGREEMENT, which Notices may be

personally delivered to any individual whose actual knowledge of suspension or termination would be sufficient notice to FRANCHISEE, including:

1. An individual, if FRANCHISEE is a sole proprietor;
2. Copartner, if FRANCHISEE is a partnership; or
3. The president, vice president, secretary, or general manager, if FRANCHISEE is a corporation.

Notice is deemed effective:

1. On the date personally delivered or sent by telecopier, with evidence of receipt; or
2. Three days after the date of mailing.

**G. Authorized Representative of Director.** COUNTY authorizes the Director to make requests or requirements of FRANCHISEE or give approvals under this AGREEMENT. The authorized representative of the Director named in Exhibit 20G is FRANCHISEE'S primary contact under this AGREEMENT and can be contacted as provided in Exhibit 20G. FRANCHISEE shall give that authorized representative a copy of all Notices in accordance with Section 20F. From time to time, COUNTY may change Exhibit 20G by Notice to FRANCHISEE.

**H. Authority and Representations; COUNTY Disclaimer.**

1. **COUNTY.** COUNTY represents and disclaims as follows:
  - a. **Status.** COUNTY is a political subdivision of the State of California.
  - b. **Authority and Authorization.** COUNTY has full legal right, power, and authority to execute and deliver this AGREEMENT and perform its obligations under this AGREEMENT. This AGREEMENT has been duly executed and delivered by COUNTY and constitutes a legal, valid, and binding obligation of COUNTY enforceable against COUNTY in accordance with its terms.
  - c. **No Warranty Regarding Waste Characterization.** COUNTY makes no representations or warranties with respect to the waste characterization within the COUNTY, any waste disposal characterization study, or projections by material type with respect to waste in the COUNTY. COUNTY expressly disclaims any representations and warranties, either express or implied, as to the merchantability or fitness for any particular purpose of Solid Waste or any portion thereof.

2. **FRANCHISEE.** FRANCHISEE represents and warrants as provided in Exhibit 20H.

I. **Limitation on Subscription Orders.** FRANCHISEE shall limit the terms of Subscription Orders to no longer than the remaining period of the Term. FRANCHISEE shall give each Customer the option to terminate its Subscription Order without cause on 90 days notice. FRANCHISEE shall also give each Customer the right to terminate service immediately in the event of emergency in accordance with Section 16A, or within 30 days if FRANCHISEE:

1. Fails to provide Franchise Services in accordance with the Terms of this AGREEMENT (including missed Collections, failure to timely repair or replace Containers, or failure to provide Collection or Recyclables) or the Subscription Order; or
2. Bills the Customer for amounts not provided in the Subscription Order or in excess of Rates.

FRANCHISEE may not include in the terms of Subscription Orders any automatic renewals or extensions, colloquially referred to as "evergreen" clauses, which obligate a Customer to take affirmative, prescribed action (such as written notice within a specified time period before the stated expiration of the Subscription Order) in order to terminate the Subscription Order.

J. **Criminal Activity**

1. **Notice.** FRANCHISEE shall immediately give Notice to COUNTY on the occurrence of any convictions of a Criminal Activity or any pleas of "guilty," "nolo contendere," or "no contest" to a Criminal Activity with respect to FRANCHISEE or any of its Franchisee Managers (except for Franchisee Managers in a Position of Influence). FRANCHISEE shall use Reasonable Business Efforts to immediately give Notice to COUNTY on the occurrence of any convictions or any pleas with respect to FRANCHISEE or any of its Franchisee Managers in a Position of Influence.
2. **Franchisee Cure.** Upon the occurrence of any conviction or any plea described in subsection J1, FRANCHISEE immediately shall do or cause to be done both of the following:
  - a. Terminate from employment or remove from office any offending Franchisee Manager who is an individual, or with respect to FRANCHISEE or an Affiliate, the individual or individuals responsible for the Criminal Activity; and
  - b. Eliminate the participation in management of FRANCHISEE by that Franchisee Manager who is an individual or, with respect to

FRANCHISEE or an Affiliate, the individual or individuals responsible for the Criminal Activity from any Position of Influence.

3. **County Remedies.** COUNTY may suspend or terminate this AGREEMENT or may impose other sanctions (which may include financial sanctions or any other condition deemed appropriate short of suspension or termination), as it deems proper, in either or both of the following events:
    - a. FRANCHISEE or any Affiliate fails to effectuate the cure described in subsection J2; or
    - b. The Criminal Activity is related to this AGREEMENT or occurring in the COUNTY.
  4. **Limitations on Franchisee Manager.** No Franchisee Manager may have previously been convicted of a Criminal Activity or any plea of "guilty," "*nolo contendere*," or "no contest" to a Criminal Activity.
  5. **Franchisee Documentation.** Franchisee shall list all Franchisee Managers in Franchisee Documentation.
- K. **Notice of Delay.** Within one day of learning that any actual or potential circumstance is delaying or threatening to delay the timely satisfaction of a Performance Obligation, FRANCHISEE shall give COUNTY a Notice of the delay, including all relevant information, such as identifying the particular Performance Obligation, circumstance, and duration of the delay, and whether or not FRANCHISEE believes that the delay is due to Uncontrollable Circumstances.
- L. **County's Quality Assurance Plan.** COUNTY or its agent will evaluate FRANCHISEE'S performance under this AGREEMENT on not less than an annual basis. The evaluation will include assessing FRANCHISEE'S compliance with all terms and performance standards of this AGREEMENT. FRANCHISEE deficiencies that COUNTY determines are severe or continuing and that may place performance of this AGREEMENT in jeopardy, if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by COUNTY and FRANCHISEE. If improvement does not occur consistent with the corrective action measures, COUNTY may terminate this AGREEMENT or impose other penalties as specified in this AGREEMENT.



## SECTION 21 - DEFINITIONS AND INTERPRETATION OF AGREEMENT

A. **Definitions.** Defined words in this AGREEMENT have the meanings given in Exhibit 21 and in some instances within Sections 1 through 24.

B. **Interpretation and Construction.**

1. **Gender and Plurality.** Words of the masculine gender include correlative words of the feminine and neuter genders and vice versa. Words importing the singular number include the plural number and vice versa unless the context demands otherwise. (For example, reference to a defined "Solid Waste Facility" may include reference to more than one facility identified by FRANCHISEE in Franchisee Documentation.)
2. **Headings; Font.** Any captions or headings following the Exhibit, Attachment, Section, subsection, paragraph, and other attachments and subdivisions of this AGREEMENT that precede the operative text of this AGREEMENT are for convenience of reference only and do not control or affect the scope, intent, meaning, construction, interpretation, or effect of this AGREEMENT. Any underlined, italicized, bold-faced, upper captioned or other font style is for ease of reading and contract administration only and does not imply relative importance or unimportance of any provision of this AGREEMENT.
3. **References to Parts.** References to Sections refer to Sections of this AGREEMENT, unless specified otherwise. References to Exhibits and Attachments refer to Exhibits and Attachments attached to this AGREEMENT. Reference to "subsections" refers to the subsection contained in the same Section in which the reference occurs, unless otherwise referenced.
4. **Examples.** Examples are for purpose of illustration only. If any example is ambiguous, inconsistent, or conflicts with the text that it illustrates, the text governs.
5. **Specifics No Limitation on Generalities.** The mention of any specific duty or liability imposed on FRANCHISEE may not be construed as a limitation or restriction of any general liability or duty imposed on FRANCHISEE by this AGREEMENT or Applicable Law.
6. **Exhibits.** The Exhibits to this AGREEMENT, including their attachments, are part of this AGREEMENT to the same extent and effect as if included in the text of Sections 1 through 24.

**7. Inconsistencies and Conflicts.**

- a. If any provision of Exhibit 3A is inconsistent or conflicts with Sections 1 through 24 of this AGREEMENT or any other any Exhibits or Attachments to this AGREEMENT, then the provisions of Exhibit 3A will govern, and
- b. If any provision of Sections 1 through 24 of this AGREEMENT is inconsistent or conflicts with any Exhibit (other than Exhibit 3A), including Franchisee Documentation, then the provision of Sections 1 through 24 of this AGREEMENT will govern unless the Director determines that is contrary to the interest of the Parties.

**C. Integration.** This AGREEMENT contains the entire agreement between the Parties with respect to the rights and responsibilities of the Parties under this AGREEMENT. This AGREEMENT completely and fully supersedes all prior oral and written understandings and agreements between the Parties with respect to those rights and responsibilities.

**D. Governing Law.** This AGREEMENT is governed by, and construed and enforced in accordance with, the law of the State of California, without giving effect to the State's principles of conflicts of laws.

**E. Severability.** If any clause, sentence, provision, subsection, or Section of this AGREEMENT or Exhibit to this AGREEMENT (an "Agreement Provision") is ruled illegal, invalid, nonbinding, or unenforceable by any court of competent jurisdiction, then the Parties will take the following actions:

- 1. Promptly meet and negotiate a substitute for the Agreement Provision and any related amendments, deletions, or additions to other provisions of this AGREEMENT, which together effect the Parties' original intent to the greatest extent allowable under Applicable Law; and
- 2. If necessary or desirable to accomplish preceding item 1, apply to the court that declared the invalidity for a judicial construction of the substituted Agreement Provision and any amendments, deletions, or additions to this AGREEMENT. Within ten days of County's request, Franchisee shall pay County an amount equal to the Direct Costs of the application or other amount provided in Exhibit 3A.

The illegality, invalidity, nonbinding nature or unenforceability of any Agreement Provision will not affect any of the remaining provisions of this AGREEMENT, and this AGREEMENT will be construed and enforced as if the Agreement Provision did not exist.

**F. Interpretation.** This AGREEMENT will be interpreted and construed neither for nor against either Party, regardless of the degree to which either Party

participated in its drafting. Franchisee acknowledges that it determined to provide Franchise Services in the Service Area and to execute this AGREEMENT upon FRANCHISEE'S own choice and initiative. Each Party represents and warrants that it and its counsel have reviewed this AGREEMENT, and the Parties agree that no provision in this AGREEMENT will be construed against the drafting Party.

## **SECTION 22 - COMPLIANCE WITH LAWS AND REGULATIONS**

### **A. Applicable Law.**

1. **Compliance.** FRANCHISEE shall comply with all Applicable Laws, including (as required by 13 CCR 2021.1) all applicable air pollution control laws such as Diesel Particulate Matter Control Measure of on-road heavy-duty diesel-fueled Residential and Commercial Solid Waste Collection Vehicles set forth in 13 CCR 2020 *et seq.*, and securing and maintaining all Permits. No obligation in this AGREEMENT may be construed to relieve FRANCHISEE of any obligations imposed by Applicable Law.
2. **Referenced Provisions.** References in this AGREEMENT to particular provisions or requirements of Applicable Law may not be construed to limit FRANCHISEE'S obligation to comply with all provisions of Applicable Law. Those references are intended to facilitate FRANCHISEE'S satisfaction of its Performance Obligations and COUNTY'S administration and specific enforcement of this AGREEMENT and may not be construed to constitute lack of obligation to comply with other provisions or requirements of Applicable Law not specifically referred to or cited in this AGREEMENT. If any provision of this AGREEMENT is more stringent than Applicable Law, FRANCHISEE shall comply with that provision.
3. **Fines and Penalties.** FRANCHISEE is solely liable for all fines and penalties that may be imposed on FRANCHISEE or may be due to FRANCHISEE'S actions, including fines and penalties that are the result of FRANCHISEE'S Violation of Applicable Law (including Permits). FRANCHISEE shall not seek reimbursement from COUNTY or Customers for any fines or penalties.
4. **Contractual Obligations.** Provisions of Applicable Law are incorporated in this AGREEMENT by reference as if set forth fully in this AGREEMENT as contractual obligations of FRANCHISEE to COUNTY.
  - a. **Breaches.** In addition to or in lieu of prosecuting violations of those provisions as misdemeanors, infractions, or otherwise in the manner provided under Applicable Law, COUNTY may enforce those provisions in the same manner as it may enforce FRANCHISEE'S other contractual obligations under this

AGREEMENT, including specific performance and as Breaches subject to cure in accordance with Section 17A. However, COUNTY has no obligation to enforce any Applicable Law.

- b. **Violation.** Violation of Applicable Law is a Franchisee Default subject to contest as provided in item 4 of Section 17B.

- 5. **County's Protection of Public Safety, Health, and Welfare.** FRANCHISEE acknowledges that COUNTY is authorized to make all necessary and reasonable rules and regulations regarding all aspects of MSW Management Services to protect the public's health, safety, and welfare.

No provision in this AGREEMENT is deemed to limit the power of COUNTY to regulate FRANCHISEE or to take any action as COUNTY deems appropriate or necessary in COUNTY'S sole and absolute discretion, under COUNTY'S police power, including to protect the public's safety, health, and welfare.

- 6. **Compliance with Applicable Law of County.** FRANCHISEE shall comply with Applicable Law of COUNTY subject to possible adjustments in the Rates in the event of Changes in Law in accordance with Section A1d of Exhibit 10.

- B. **County Child Support Compliance Program.** As required by COUNTY'S Child Support Compliance Program (County Code Chapter 2.200), FRANCHISEE shall fully comply with employment and wage reporting requirements under the federal Social Security Act (42 U.S.C. § 653(a) and California Unemployment Insurance Code § 1088.5. FRANCHISEE shall implement lawfully served wage and earnings withholding orders or COUNTY Child Support Services Department notices of wage earnings assignment for child, family, or spousal support issued in accordance with California Code of Civil Procedure § 706.031 and California Family Code § 5246(b).

## **SECTION 23 - LABOR-RELATED PROVISIONS REQUIRED IN COUNTY CONTRACTS**

- A. **Labor Code.** FRANCHISEE and its agents and employees are bound by and shall comply with all applicable provisions of the California Labor Code as well as all other Applicable Laws related to labor. FRANCHISEE acknowledges that 8 hours labor constitutes a legal day's work under Applicable Law. FRANCHISEE shall require work in excess of 8 hours a day or 40 hours during anyone week only as authorized by California Labor Code § 1815. By and through its execution of this AGREEMENT, FRANCHISEE represents and warrants that it is aware of and understands the provisions of California Labor Code § 3700, which requires every employer to be insured against liability of Workers' Compensation or to undertake self-insurance in accordance with those provisions before

commencing the performance of work under this AGREEMENT and agrees to fully comply with those provisions.

**B. Consideration of GAIN/GROW Participants for Employment.** Should FRANCHISEE require additional or replacement personnel after the Execution Date, FRANCHISEE shall give consideration for any of those employment openings to participants in COUNTY'S Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for Work (GROW) Program who meet FRANCHISEE'S minimum qualifications for the open position. COUNTY will refer GAIN/GROW participants, by job category, to FRANCHISEE. For this purpose, "consideration" means that FRANCHISEE shall interview qualified candidates.

**C. Notices to Employees.**

1. **Regarding the Federal Earned Income Credit.** FRANCHISEE shall notify its employees, and shall require each Subcontractor performing Franchise Services to notify its employees, that they may be eligible for the federal Earned Income Credit under the federal income tax laws. The notice must be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 that FRANCHISEE has attached as Franchisee Documentation.

2. **Regarding Safely Surrendered Baby Law.** FRANCHISEE acknowledges that COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law (SB 1368)

a. ***Fact Sheet.*** FRANCHISEE shall notify and provide to its employees and shall require each Subcontractor performing Franchise Services to notify and provide to Subcontractors' employees a fact sheet regarding the Safely Surrendered Baby Law, its implementation in the COUNTY, and where and how to safely surrender a baby. FRANCHISEE shall print and make available in every facility where its employees are present, including offices and operation yards, the fact sheet that is available at [www.babysafela.org](http://www.babysafela.org).

b. ***Poster.*** FRANCHISEE understands that it is COUNTY'S policy to encourage all COUNTY contractors to voluntarily post COUNTY'S "Safely Surrendered Baby Law" poster in a prominent position at the contractor's place of business. FRANCHISEE shall also encourage its Subcontractors to post this poster in a prominent position in the Subcontractors' place of business. COUNTY'S Department of Children and Family Services will supply FRANCHISEE with the poster to be used.

3. **Regarding Child Support.** FRANCHISEE acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. FRANCHISEE further acknowledges that it is COUNTY'S policy to encourage all COUNTY contractors to voluntarily post COUNTY'S "L.A.'s Most Wanted: Delinquent Parents List" supplied by COUNTY in a prominent position at their place of business.

**D. Prohibition Against Use of Child Labor.**

1. **Compliance with ILO Convention Concerning Minimum Age for Employment.** FRANCHISEE shall not knowingly sell or supply to COUNTY or Customers any products, goods, supplies, or other personal property manufactured in violation of child labor standards set by the International Labor Organization through its 1973 Convention Concerning Minimum Age for Employment (the "**Convention Concerning Minimum Age for Employment**"). If FRANCHISEE discovers that any products, goods, supplies, or other personal property sold or supplied by FRANCHISEE to COUNTY or any Customer are produced in violation of that Convention, FRANCHISEE shall immediately provide an alternative source of supply that complies with that Convention.
2. **Provide COUNTY with Records.** At COUNTY'S request, FRANCHISEE shall provide documentation satisfactory to COUNTY evidencing the country or countries of origin of any products, goods, supplies, or other personal property FRANCHISEE sells or supplies to COUNTY or any Customer in connection with Franchise Services.
3. **Provide COUNTY with Manufacturers' Certification.** At COUNTY'S request, FRANCHISEE shall provide to COUNTY the manufacturer's certification of compliance with the Convention Concerning Minimum Age for Employment or other all-international child labor conventions.

**E. Nondiscrimination.**

1. **Employees.** FRANCHISEE and its Affiliates shall employ qualified applicants and treat employees equally without regard to or because of race, color, national origin, ancestry, religion sex, age, physical or mental disability, marital status, or political affiliation and in compliance with all State of California and federal antidiscrimination laws, including in employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay, other forms of compensation, and selection of training (including apprenticeship).

2. **Subcontractors, Bidders and Vendors.** FRANCHISEE shall deal with its Subcontractors, bidders, and vendors without regard to or because of race, color, national origin, ancestry, religion, sex, age, physical or mental disability, marital status, or political affiliation.
3. **Certification.** FRANCHISEE shall comply with the provisions of FRANCHISEE'S EEO Certification (Form PW-7), attached as Franchisee Documentation.
4. **Inspection of Records.** At COUNTY'S request, FRANCHISEE shall promptly allow COUNTY and its auditors access to FRANCHISEE'S employment records at FRANCHISEE'S Office during Franchisee Office Hours to verify compliance with the provisions of this subsection E.
5. **Remedies for Discrimination.** If COUNTY finds that FRANCHISEE has violated any provisions of this subsection E, that violation constitutes a Franchisee Default. While COUNTY reserves the right to determine independently that the antidiscrimination provisions of this subsection E have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that FRANCHISEE has violated State of California or federal antidiscrimination laws will constitute a finding by COUNTY that FRANCHISEE has violated the antidiscrimination provisions of this subsection E.

**F. Safety**

1. **Services Safety Official.** FRANCHISEE shall designate in Franchisee Documentation a Services Safety Official who shall be thoroughly familiar with FRANCHISEE'S Injury and Illness Prevention Program (IIPP) and Code of Safe Practices (CSP). FRANCHISEE shall ensure that the Services Safety Official is available at all times Franchise Services are provided to abate any potential safety hazards. FRANCHISEE shall give the Services Safety Official the authority and responsibility to cease performing any service if necessary to abate any potential safety hazard. If FRANCHISEE fails to designate or make available the Services Safety Official, COUNTY may direct the Franchise to cease providing Franchise Services at no cost to COUNTY until FRANCHISEE is in compliance with this Section.
2. **Safety Responsibilities.** FRANCHISEE is responsible for the safety of equipment, material, and personnel under FRANCHISEE'S control or authority during performance of Franchise Services. FRANCHISEE is solely responsible for ensuring that all work performed under this AGREEMENT is performed in strict compliance with all Applicable Laws with respect to occupational safety regulations. FRANCHISEE shall provide at its expense all safeguards, safety devices, protective





IN WITNESS WHEREOF, COUNTY has by order of its Board of Supervisors caused this AGREEMENT to be signed by the Director of Public Works, and FRANCHISEE has caused this AGREEMENT to be signed by its duly authorized officers, as of the date first written above.

COUNTY OF LOS ANGELES

By Thomas W. Hoagland  
for Acting Director of Public Works

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
County Counsel

By Lois E. Doherty  
Deputy

BURRTEC WASTE INDUSTRIES, INC.

By [Signature]  
President For Cold Born

MICHAEL ARREGUIN  
Type or Print Name

[Signature]  
Secretary For Terry Born

MICHAEL ARREGUIN  
Type or Print Name

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Los Angeles

On April 01, 2008 before me, Angelica Castaneda, Notary Public  
(Here insert name and title of the officer)

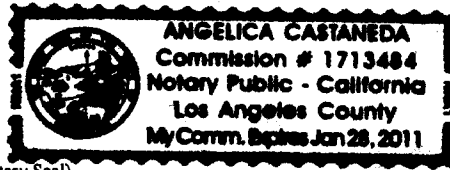
personally appeared Michael Arrequin

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Angelica Castaneda  
Signature of Notary Public



(Notary Seal)

## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

\_\_\_\_\_  
(Title or description of attached document)

\_\_\_\_\_  
(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

\_\_\_\_\_  
(Additional information)

### CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)  
☐ Corporate Officer

\_\_\_\_\_  
(Title)

- ☐ Partner(s)  
☐ Attorney-in-Fact  
☐ Trustee(s)  
☐ Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

## EXHIBIT 3A - FRANCHISE SERVICES AND SERVICE SPECIFICATIONS

**A. Provisions Cross-Referenced in the Body of AGREEMENT.** The following provisions are referenced in the body of this AGREEMENT and provided in this Exhibit:

1. **Section 2A Termination Date.** The Termination Date is **March 31, 2015**. The Director in his or her sole discretion may extend the Termination Date for up to three one-year periods after Notice to FRANCHISEE no later than 90 days before the Termination Date. FRANCHISEE acknowledges that in exercising its option to extend the Termination Date, COUNTY need not consider whether any Service Assets are not fully depreciated as of the Termination Date and that FRANCHISEE invested in and depreciated those Service Assets in FRANCHISEE'S sole discretion.
2. **Section 4E Exceptions to Performance Obligations.** The Parties agree to the following exceptions to Performance Obligations described in Sections 1 through 24 of this AGREEMENT: none.
3. **Section 7B Telephone Service.** The Parties agree to the following additional service obligations:
  - a. FRANCHISEE shall use Reasonable Business Efforts to broadcast public education messages to Customers while they are placed on hold waiting to talk to a Customer service representative;
  - b. FRANCHISEE shall require no more than two recorded options on a telephone tree before the Customer speaks to a live Customer service representative (for example, English/Spanish and residential/commercial service choices); and
  - c. FRANCHISEE shall answer the telephone within five rings. Upon the Director's determination that the telephone is not answered within five rings based on at least three calls within one week or ten calls within one month made and certified by the Director, the Director may require that FRANCHISEE install additional telephone lines, hire additional operators and make other Customer service improvements without increasing Rates.
4. **Section 7C Bilingual.** FRANCHISEE shall respond to Customers in English and Spanish, as the Customer requests.

5. **Section 15 Amount of Performance Assurance.** FRANCHISEE shall provide performance assurance in the following amount: **\$779,000.**
6. **19A Director's Consent to Transfer.** The Director may condition consent to any Transfer, other than an Assignment to an Affiliate, on FRANCHISEE'S payment to COUNTY of \$5.00 per Customer.
7. **21E Allocable Share of Direct Costs of Application with Respect to Severability of Agreement Provision.** FRANCHISEE'S share is 100 percent.

**B. General Specifications.**

1. **Collection Commencement Date and Hours of Collection.** FRANCHISEE shall begin Collection on **April 1, 2008**, and Collect from all Customers during the succeeding week. Franchise shall Collect only between the hours of 6 a.m. and 6 p.m., Monday through Saturday, except that FRANCHISEE may Collect from Commercial Premises that are not located within 500 feet of Residential Premises at other times agreed to between FRANCHISEE and the Commercial Customer in accordance with the County Code, including § 12.08.520 Refuse Collection Vehicles. FRANCHISEE shall use Reasonable Business Efforts to adjust the early morning start point of Collection routes to address and minimize Customer complaints. FRANCHISEE shall Collect from Premises that were scheduled for Collection on a Holiday on the day before or after the scheduled Service Day that is a Holiday, and shall Collect from all other Premises in the Service Area on their regularly scheduled Collection day or one day later than their regularly scheduled Collection day. FRANCHISEE shall indicate the option it has selected in Franchisee Documentation. *FRANCHISEE shall pay liquidated damages for Breach under this subsection B1 in accordance with Exhibit 18D2 Liquidated Damages.*
2. **Waste Diversion Program.** FRANCHISEE shall develop and implement a Waste Diversion Program for all Residential Premises and Multifamily Premises, including Collection of Recyclables, Green Waste, Bulky Items, E-waste and CEDs; Customer education and outreach; Record keeping; and submission of Reports. FRANCHISEE shall include a copy of its program in Franchisee Documentation. The Waste Diversion Program must include, at a minimum, all of the following items:
  - a. **Customer Recyclables Diversion Education Program.** As part of its Waste Diversion Program, FRANCHISEE shall develop and implement a Customer educational program to maximize Diversion of Recyclables, Green Waste, Bulky Items, E-waste and CEDs. The Customer educational program must include, at a minimum, all of the following items:

- (i) Recycling and Diversion goals, including method and calculations used and measures that will be used to determine how successful FRANCHISEE is in meeting its waste diversion goals;
- (ii) Identifying Recycling and Diversion strategies and Customer options, including efforts to increase participation of Customer food retailers;
- (iii) Establishing program tasks, such as meeting with managers of Multifamily Premises, visiting schools, speaking at Chambers of Commerce, informing Customers of on-line recycling and diversion information sites, and mailing quarterly newsletters;
- (iv) Timetable for program implementation; and
- (v) Developing and distributing literature in the form of fliers, cards, stickers, or otherwise as FRANCHISEE determines to be the most effective means of increasing Recycling and Diversion by Customers.

FRANCHISEE shall use Reasonable Business Efforts to participate in other promotional activities to increase Diversion, including participation in local fairs, parades and civic events.

- b. ***Distribution of Promotional Materials.*** At least once each calendar year, FRANCHISEE shall distribute flyers, pamphlets, brochures, or other written information describing FRANCHISEE'S Recyclables services and other opportunities for Customers to reduce, reuse, recycle, and divert Solid Waste. FRANCHISEE shall submit the materials to COUNTY at least one month before mailing them for COUNTY review and approval. FRANCHISEE may combine this distribution with its Customer outreach for the Unpermitted Waste Screening Protocol as provided in Section 6E.
- c. ***Diversion.*** FRANCHISEE shall use Reasonable Business Efforts to Divert all materials that it Collects in accordance with this subsection B2, including the following:
  - i. Holiday trees that it Collects in accordance with subsection F1;
  - ii. Bulky Items and excess Solid Waste, E-waste and CEDs that it Collects in accordance with subsection F2; and

- iii. Refuse and Recyclables that it Collects at special events in accordance with subsection F3.

FRANCHISEE shall transport those materials only to the facility or facilities, including Solid Waste Facilities, that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing, or Diversion and shall Dispose of those materials that it does not Divert to the Solid Waste Facility that FRANCHISEE designates in Franchisee Documentation for Disposal. *FRANCHISEE shall pay liquidated damages for Breach under this subsection F6 in accordance with Exhibit 18D2 Liquidated Damages.*

3. **Containers.** *FRANCHISEE shall pay liquidated damages for Breach under this subsection B3 in accordance with Exhibit 18D2 Liquidated Damages.*

- a. ***Delivery and Exchanges.*** Within seven days after receiving a Customer's request for commencement or changes in Collection of Refuse, Recyclables, or Green Waste, FRANCHISEE shall deliver Containers of the Customer's requested capacity or replace existing Containers with substitute Containers of the Customer's requested capacity.
- b. ***Removal.*** On a regularly scheduled Collection day, no later than 8 days after receiving notice from a Customer to discontinue Collection in accordance with the Customer's rights under a Subscription Order, FRANCHISEE shall remove its Containers from the Customer's Premises.
- c. ***Repair and Replacement.*** FRANCHISEE shall repair or replace Containers on or before the next Service Day after COUNTY'S or a Customer's request for repair or replacement, including providing and maintaining operable lids. FRANCHISEE shall repair or replace Containers, including Containers that are stolen, without surcharge, except that if the Customer does not report the theft of a Container to the police, FRANCHISEE may charge the Customer the actual cost of replacement.
- d. ***Specifications.*** FRANCHISEE shall procure, provide to Customers, maintain, and Collect using fully automated, wheeled Carts having the specifications described in Franchisee Documentation and without surcharge to Customers unless otherwise provided on the Rate Schedule. Reference in this AGREEMENT to "96 gallons" includes substantially similar capacity upon approval of the Director.

- e. **Upright.** FRANCHISEE shall return Carts upright.
  - f. **Inventory.** FRANCHISEE shall maintain a Cart inventory of at least 10% of the total number of Carts of each type and capacity provided to all Customers
  - g. **Graffiti.** FRANCHISEE shall remove graffiti from Containers within 5 days (weekends excepted) of identification by FRANCHISEE or oral or written notice by COUNTY or a Customer or, if the graffiti is comprised of pictures or written obscenities, within 48 hours (weekends excepted).
  - h. **Alternatives to Fully Automated 96-Gallon Carts.** In place of fully automated 96-gallon Carts, FRANCHISEE may Collect Refuse, Recyclables and/or Green Waste in the type of Containers and in the manner described in Franchisee Documentation, at any Premises that is difficult to service with automated collection Vehicles if approved by the Director, or at any Premises if requested by the Customer. FRANCHISEE shall provide the alternative Containers having the same aggregate capacity, as FRANCHISEE would have provided to that Customer in Carts for the Rate surcharge provided in the Rate Schedule.
  - i. **Alternatives to 96-Gallon Carts due to Space Restrictions.** If a Customer requests Containers other than 96-gallon Carts due to space restrictions for Cart storage or at the Set-Out Site, FRANCHISEE shall provide the type of Containers and method of Collection described in Franchisee Documentation. FRANCHISEE shall provide alternative Containers having the same aggregate capacity as FRANCHISEE would have provided to that Customer in Carts, without Rate discount or surcharge, if the Customer requests the same aggregate capacity.
  - j. **32-Gallon Cart Alternatives to 96-Gallon Carts for elderly.** If an elderly Residential Customer described in Subsection G requests a 32-gallon Cart, FRANCHISEE shall provide a 32-gallon Cart so long as the elderly Customer can dispose of all or his or her Refuse inside the 32-gallon Cart and does not commingle Refuse in his or her Recyclables or Green Waste Carts.
4. **Vehicles.** Vehicles used for Collection must be fully automated unless permitted in subsection B3h.
5. **Subcontractors.** FRANCHISEE shall not engage any Subcontractor in an amount exceeding \$50,000 for any individual Subcontractor without prior COUNTY approval of the Subcontract and Subcontractor. FRANCHISEE is responsible for directing the work of FRANCHISEE'S

Subcontractors and any compensation due or payable to FRANCHISEE'S Subcontractors is the sole responsibility of FRANCHISEE. FRANCHISEE shall remove any approved Subcontractor for good cause at COUNTY'S request. FRANCHISEE shall identify all Subcontractors in Franchisee Documentation. In its Annual Report, FRANCHISEE shall disclose to COUNTY the name of all Subcontractors, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor (including ownership interests).

6. **Routing and Container Placement.** FRANCHISEE shall provide to the Director route maps and schedules indicating the day and approximate time of day (morning or afternoon) of Collection and Customers' names and addresses. FRANCHISEE shall schedule Collection one to two Service Days before streets are swept as provided in COUNTY'S schedule for street sweeping in the Service Area unless otherwise approved by the Director. For the convenience of the Parties, COUNTY'S current street sweeping schedule is attached as Attachment 1 of Exhibit 3A, and the schedule may be amended by COUNTY after the Execution Date. Franchise shall use Reasonable Business Efforts to implement the Director's requests for route and schedule changes. FRANCHISEE shall return empty Containers to their Set-Out Sites or site nearest Set-Out Site that does not impede pedestrian or vehicular traffic. The Set-Out Site must be located at the curb or as otherwise provided in County Code § 20.72.100.
7. **Collection Frequency.** In order to protect the public health and safety and control the spread of vectors, FRANCHISEE shall Collect all Refuse at least once per week.

**C. Refuse Collection, Transportation, and Disposal.**

1. **Scope of Franchise Services and Specifications.** FRANCHISEE shall arrange to provide for fully automated Collection, transportation and Disposal of Refuse discarded by any Customer that requests FRANCHISEE to Collect its Refuse in Carts and agrees to pay Customer Service Charges. FRANCHISEE shall provide to each of those Customers the following for Collection of Refuse:
  - a. One 96-gallon Cart without surcharge; and
  - b. At the Customer's request, any number of additional 96-gallon Carts for the surcharge provided on the Rate Schedule.

FRANCHISEE shall Collect, transport and Dispose of Refuse discarded in tagged bags set next to a Customer's Refuse Cart without surcharge. Within one week of Customer request,



FRANCHISEE shall provide that Customer two tags per Contract Year, substantially in the form included in Franchisee Documentation.

2. **FRANCHISEE-Designated Solid Waste Facility.** FRANCHISEE shall transport Refuse only to the Solid Waste Facility or Facilities that FRANCHISEE has designated in Franchisee Documentation for Disposal. FRANCHISEE shall use Reasonable Business Efforts to designate a Solid Waste Facility or Facilities that utilizes Conversion technology or provides feedstock to Conversion facilities. *FRANCHISEE shall pay liquidated damages for Breach under this subsection C2 in accordance with Exhibit 18D2 Liquidated Damages.*

**D. Recyclables Collection, Transportation, Processing and Diversion.**

1. **Scope of Franchise Services and Specifications.** FRANCHISEE shall arrange to provide for fully automated Collection, transportation, processing and marketing of Recyclables discarded by any Customer for whom FRANCHISEE provides Collection of Refuse on the same day that FRANCHISEE Collects the Refuse. FRANCHISEE shall provide to each of those Customers the following for Collection of Recyclables:
  - a. One 96-gallon Cart and, at the Customer's request, one additional 96-gallon Cart (for a total of two 96-gallon Carts) without surcharge; and
  - b. At the Customer's request, any number of additional 96-gallon Carts for the surcharge provided on the Rate Schedule.

FRANCHISEE may not reduce Customer Service Charges for Customers that do not discard Recyclables.

2. **FRANCHISEE-Designated Facility.** FRANCHISEE shall transport Recyclables only to the facility or facilities that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing or Diversion, including Solid Waste Facilities, materials brokers and beneficiaries. *FRANCHISEE shall pay liquidated damages for Breach under this subsection D2 in accordance with Exhibit 18D2 Liquidated Damages.*
3. **Purchase of Recyclables.** FRANCHISEE'S obligation to provide Recyclables services described in this Section D does not preclude FRANCHISEE from purchasing Recyclables from its Customers separate from Franchise Services.
4. **Scavenging - Discouragement.** FRANCHISEE shall use Reasonable Business Efforts to enforce anti-scavenging laws, including the following:

- a. Instituting civil actions against a Person alleged to have violated California Public Resources Code § 41950 for treble damages, as measured by the value of the material removed, or a civil penalty of not more than \$1,000.00, whichever is greater, for each unauthorized removal, in accordance with California Public Resources Code § 41953; and
- b. Taking actions under County Code § 20.72.196 to discourage Scavenging.

**5. Prohibition on Mixing Recyclables and Green Waste with Refuse or Disposing of Recyclables or Green Waste.** Unless FRANCHISEE is obligated under this AGREEMENT to process Refuse for recovery of Recyclables, or unless as otherwise approved by the Director, FRANCHISEE shall not:

- a. Mix Recyclables or Green Waste that it Collects with Refuse; or
- b. Dispose of Recyclables or Green Waste that it Collects in a Disposal site or transformation facility, **except for:**
  - (i) Incidental amounts of Recyclables or Green Waste that a Customer commingles with discarded Refuse;
  - (ii) Green Waste used as alternate daily cover that is considered Diversion; or
  - (iii) Contaminated Recyclables or Green Waste that cannot be Diverted using Reasonable Business Efforts as long as FRANCHISEE has previously exercised Reasonable Business Efforts to provide Customer education with respect to reducing that contamination.

*FRANCHISEE shall pay liquidated damages for Breach under this subsection D5 in accordance with Exhibit 18D2 Liquidated Damages.*

FRANCHISEE may transport residual Solid Waste remaining after processing at Solid Waste Facilities to maximum possible recovery levels and Diversion to facilities other than the Solid Waste Facility or Facilities that FRANCHISEE designates for Disposal in Franchisee Documentation. However, FRANCHISEE shall use Reasonable Business Efforts to Divert or provide for the Diversion of residual Solid Waste remaining after processing at a materials recovery facility at Conversion facilities.

6. **Contamination Audits.**

- a. **Initial.** Within the first six months of commencing Franchise Services, Franchise shall check all Customers' Recyclables Containers and Green Waste Containers) once to ascertain whether Customers are discarding only Recyclables in their Recyclables Containers and only Green Waste in Green Waste Containers. Checking must include, at a minimum, manually opening the lid of Carts or Bins and visually inspecting the contents of the Cart or Bin to identify contamination.
- b. **Annual Spot Checks.** After the first six months of commencing Service, Franchise shall check Recyclables Containers of 20 percent of its Customers annually on a rotating basis, such that all Customers' Recyclables Containers are spot checked at least once every five years.
- c. **Non-Collection Notices.** If FRANCHISEE observes materials other than Recyclables during an initial or spot check, it shall not Collect that Container and it shall leave a Non-Collection notice at the Premises.
- d. **Follow-Up.** Within two months, FRANCHISEE shall recheck Containers set out at Premises that received a Non-Collection notice.
- e. **Reports.** In its Monthly Report FRANCHISEE shall summarize the results of its spot checks.
- f. **Additional Spot Checks.** After the first six months of commencing Service, if the Director determines that Customers are discarding a significant amount of Refuse and/or Green Waste in their Recyclables Containers or Refuse and/or Recyclables in their Green Waste Containers, then the Director may direct FRANCHISEE to check additional Containers and leave Non-Collection notices as provided in subsection D6c.

E. **Green Waste Collection, Transportation, Processing, and Diversion.**

- 1. **Scope of Franchise Services and Specifications.** FRANCHISEE shall arrange to provide for fully automated Collection, transportation, processing and marketing of Green Waste discarded by any Customer for whom FRANCHISEE provides Collection of Refuse on the same day FRANCHISEE Collects the Refuse. FRANCHISEE shall provide to each of those Customers the following for Collection of Green Waste:

- a. One 96-gallon Cart and, at the Customer's request, one additional 96-gallon Cart (for a total of two 96-gallon Carts) without surcharge; and
- b. At the Customer's request, any number of additional 96-gallon Carts for the surcharge provided on the Rate Schedule.

In addition, FRANCHISEE shall Collect, up to four times each year without surcharge, Green Waste that a Customer discards in bags at the Set-Out Site on that Customer's next regularly scheduled Collection day after 24 hours advance notice by the Customer or other date agreed to between that Customer and FRANCHISEE.

FRANCHISEE may not reduce Customer Service Charges for Customers that do not discard Green Waste.

2. **FRANCHISEE-Designated Facility.** FRANCHISEE shall transport Green Waste only to the facility or facilities that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing or Diversion, including Solid Waste Facilities. *FRANCHISEE shall pay liquidated damages for Breach under this subsection E2 in accordance with Exhibit 18D2 Liquidated Damages.*

F. **Special Services.** FRANCHISEE shall provide the Services prescribed in this Section F without surcharge to Customers or charge to COUNTY except for subsection F2d Additional On-Call Pickup with Surcharge.

1. **Holiday Tree Collection.** During the period beginning December 26 and ending January 14, or another period established by COUNTY not to exceed three weeks, and at a Customer's request, FRANCHISEE shall Collect, transport, process, and Divert all holiday trees, such as Christmas trees and Hanukkah bushes stripped of ornaments, garlands, tinsel, flocking, and stands, placed for Collection at the Set-Out Site, on or before the Customer's next regularly scheduled Collection day.

2. **Bulky Items, Excess Solid Waste, E-waste and CEDs Collection.**

- a. ***Annual Curbside Cleanup Event.*** FRANCHISEE shall Collect unlimited amounts of Residential Customers' Bulky Items, excess Solid Waste, E-waste and CEDs discarded at each Set-Out Site once each calendar year on a day approved by COUNTY, after no less than two weeks advance written notice to Residential Customers, without surcharge.
- b. ***Two On-Call Pickups Per Year without Surcharge for Residential Customers.*** In addition to the annual curbside cleanup event described in subsection F2a, FRANCHISEE shall

Collect twice each calendar year unlimited amounts of Residential Customers' Bulky Items, E-waste and/or CEDs discarded at the Set-Out Site of a Residential Customer on that Customer's next regularly scheduled Collection day after 24 hours advance notice by the Customer or other date agreed to between that Customer and FRANCHISEE, without surcharge.

- c. **Four On-Call Pickups Per Year without Surcharge for Multifamily Customers.** FRANCHISEE shall Collect four times each calendar year a maximum of two items per pickup of Multifamily Customers' Bulky Items, E-waste and/or CEDs discarded at the Set-Out Site of a Multifamily Customer on that Customer's next regularly scheduled Collection day after 24 hours advance notice by the Customer or other date agreed to between that Customer and FRANCHISEE, without surcharge.
- d. **Additional On-Call Pickup with Surcharge.** In addition to Collection described in subsections F2a and b, at the request of a Residential Customer in excess of twice annually, as provided in subsection F2b, or at the request of a Multifamily Customer in excess of four times annually, as provided in subsection F2c, on 24 hours advance notice, FRANCHISEE shall Collect unlimited amounts of that Customer's Bulky Items, E-waste and CEDs discarded at that Customer's Set-Out Site on that Customer's next regularly scheduled Collection day or other date agreed to between that Customer and FRANCHISEE at surcharges for additional calls listed on the Rate Schedule and surcharge for items listed in Franchisee Documentation.
- e. **Number of Workers.** FRANCHISEE shall supply at least two workers for each Collection Vehicle during the annual curbside Cleanup event described in subsection F2a. FRANCHISEE shall also supply at least two workers for each Collection Vehicle dispatched for on-call pickup described in subsections F2b, c and d unless FRANCHISEE determines at the time a Customer orders on-call pickup that the Customer's discarded Bulky Items will not require at least two workers to load them safely onto the Collection Vehicle.
- f. **Required Registrations and Permits.** FRANCHISEE shall secure and maintain valid waste and used tire hauler registration therefor in accordance with California Public Resources Code § 42950 *et seq.* and any Permit required by Applicable Law for handling CEDs. FRANCHISEE shall transport tires to and Dispose of them at a facility authorized and permitted in accordance with Applicable Law to accept tires. FRANCHISEE shall comply with all applicable regulations governing the recovery of ozone-depleting refrigerants

during the Disposal of air conditioning or refrigeration equipment, including 40 C.F.R. Part 82.

- g.** ***Annual Customer Notice.*** At least annually, FRANCHISEE shall provide Customers notice of available Franchise Services for Collection of Bulky Items, excess Solid Waste, E-waste and CEDs, and FRANCHISEE'S charges for those Franchise Services.
      - h.** ***FRANCHISEE-Designated Facility.*** FRANCHISEE shall transport Bulky Items, E-waste and CEDs only to the facility or facilities that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing or Diversion, including Solid Waste Facilities. *FRANCHISEE shall pay liquidated damages for Breach under this subsection F2 in accordance with Exhibit 18D2 Liquidated Damages.*
  - 3. Special Events Cleanup Services.** At the Director's request, FRANCHISEE shall provide Bins or portable containers in type, number, and capacity (such as up to 80 cubic yards) specified by the Director for discards of Solid Waste (including Bulky Items), E-waste and CEDs at each of up to four community cleanup projects or public events located throughout the Service Area during any 12-month period. FRANCHISEE shall Collect filled Bins or portable containers immediately and partially full Bins or portable containers no later than the day after the termination of the project or event. FRANCHISEE shall provide all the necessary labor, vehicles, Bins or portable containers and other equipment, and materials or supplies (such as plastic bags in portable containers).
  - 4. Vehicle Billboards.** FRANCHISEE shall equip Vehicles on at least one side with frames capable of securing signs measuring 29 3/16 inches by 93 3/16 inches or other dimension approved by the Director. FRANCHISEE shall prepare and install signs promoting Recycling, Diversion and safe handling of Unpermitted Waste, with text, graphics and design approved by the Director.
- G. Roll-Out Services.** FRANCHISEE shall manually provide Cart roll-out, carry-out or push services for all or a portion of Collection at the request of any Residential or Multifamily Customer for the surcharge provided in the Rate Schedule. These services include the following:
1. Dismounting from the Collection Vehicle, moving Containers from their storage location to the Collection Vehicle and returning them to their storage location; and
  2. Carrying Bulky Items from adjacent to a dwelling out to the curb.

FRANCHISEE shall provide these services without additional charge or surcharge to Residential Customers who are elderly or disabled and who meet both of the following qualifications:

1. The Customer is a head of household as evidenced by his or her name on utility or telephone bills for the involved premises, and
2. The Customer certifies that there is no able-bodied individual in the Customer's household who can roll out Carts to the curb.

As used in this Exhibit and in Attachment 2 to Exhibit 10, "**elderly**" means age 62 or older as evidenced by a driver's license or other document issued by a governmental entity, and "**disabled**" means Customers who suffer from a disability as evidenced by a letter from their medical physician.

FRANCHISEE shall describe the Customer's storage location in that Customer's Subscription Order.

**H. Senior Discount.** FRANCHISEE shall provide 25 percent discounts in Customer Service Charges to elderly Residential Customers meeting all of the following requirements:

1. The Customer is age 62 or older as evidenced by a driver's license or other document issued by a governmental entity;
2. The Customer is a head of household as evidenced by his or her name on utility or telephone bills for the involved premises; and
3. The Customer either (1) qualifies for discounted utility rates based on financial need (such as those referred to as "life-line" rates) as evidenced by water, power, or telephone bill for the involved premises, or (2) generates small amounts of waste and uses 32-gallon containers.

**I. Transition Roll-Out Plan.** FRANCHISEE shall provide a start-up transition and Cart roll-out plan, including both time line and tasks, such as:

1. Ordering Vehicles and/or Containers;
2. Vehicle and/or Container delivery from manufacturer;
3. Container (such as Cart) assembly;
4. Distributing Containers to Customers;
5. Public outreach and education activities;
6. Determining routes;

7. Training route drivers;
8. Collecting old Containers;
9. Commencement date of Collection.

FRANCHISEE shall use its best efforts to cooperate and work with providers of MSW Management Services before the date that FRANCHISEE commences Collection as provided in Section B1 of this Exhibit in order to ensure a smooth transition. Prior to that commencement date, Franchisee shall use its best efforts to provide MSW Management Services to Customers who do not receive MSW Management Services from other providers.

- J. **FRANCHISEE Commitments Made in Its Proposal to COUNTY for Procurement of This AGREEMENT.** FRANCHISEE shall fully and timely satisfy any additional Performance Obligations set forth in item 20 of Section B of Exhibit 3D.
- K. **MSW Management Services to Residential Premises and Multifamily Premises in Bins.** This Franchise does not prohibit FRANCHISEE from executing separate agreements with any Customer to provide MSW Management Services in Bins to Residential Premises for any Residential Customers and to Multifamily Premises for any Multifamily Customers who request FRANCHISEE to provide Bins for Refuse (including source-separated manure), Recyclables and/or Green Waste. In that event:
  1. FRANCHISEE shall also provide all other Franchise Services (except Collection of Refuse, Recyclables, or Green Waste, as the case may be in Bins) to that Customer, including Collection of Recyclables and Green Waste and Customer service, in accordance with this AGREEMENT, without surcharge; and
  2. FRANCHISEE shall enter into a commercial franchise with COUNTY, if required in the Service Area.

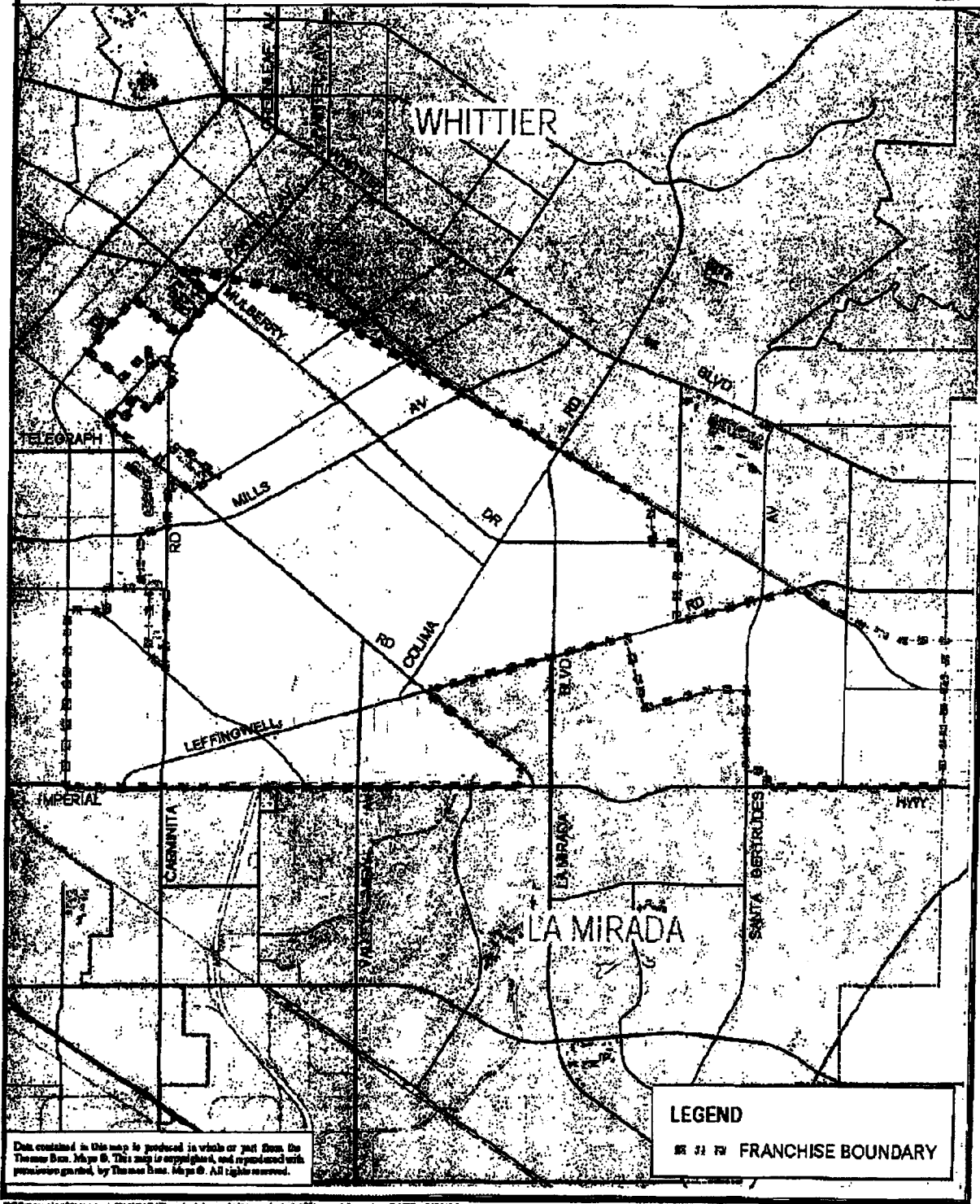


**ATTACHMENT 1 - SERVICE AREA AND STREET SWEEPING SCHEDULE  
(Section B6)**

**[INSERT APPROVED MAP OF SERVICE AREA AND SCHEDULE HERE]**



# SOUTH WHITTIER



## LEGEND

--- FRANCHISE BOUNDARY

UNIVERSITY CITY

SWEEPING SCHEDULE

TUE / WED

THU / FRI

FRI / MON

MON / TUE

WED / THU

**TUE / WED**

THU / FRI

**FRI / MON**

**MON / TUE**

**WED / THU**

**WED / THU**

**EXHIBIT 3D - FRANCHISEE DOCUMENTATION**

**[All documentation listed below to be attached to AGREEMENT as Exhibit 3D]**

**A. Notice to COUNTY Required.**

1. **FRANCHISEE'S PERMIT AND PERMIT APPLICATION**, including all permits required by the County Code (such as a waste collector permit from the Los Angeles County Department of Health Services) or other Applicable Law.
2. **INVENTORY OF SERVICE ASSETS**, including all documents that encumber or limit FRANCHISEE's interest in Service Assets as described in Section 16A3b (Section 16A3c).
3. **ALL FRANCHISEE MANAGERS** (Section 20J5; see definition of "Franchisee Manager" in Exhibit 21).
4. **AUTHORIZED REPRESENTATIVE OF FRANCHISEE**, with Notice contact information (name, address, phone numbers, fax numbers, e-mail address).
5. **SERVICES SAFETY OFFICIAL** (Section 23F1).
6. **FACILITIES AND SOLID WASTE FACILITIES** designated by FRANCHISEE (Sections C2 Refuse, D2 Recyclables, E2 Green Waste, F2 Bulky Items of Exhibit 3A), including the following information:
  - a. Name, location, owner and operator, with telephone contact;
  - b. Types of materials accepted and rejected;
  - c. If applicable, methodology used by each Processing facility for allocating materials, including Disposed residue, to the Service Area, with sample reports.
7. **SUBCONTRACTORS**, including Subcontractors' names, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor, including ownership interests; but excluding COUNTY-approved Subcontractors (Section B5 of Exhibit 3A).

**B. COUNTY Consent Required.**

1. **NON-COLLECTION NOTICE** (Section 4C).
2. **FORM OF SUBSCRIPTION ORDER** (Section 4D) and summary thereof for annual distribution (Section 4D).


3. **KEY PERSONNEL** (Section 4L).
4. **UNPERMITTED WASTE SCREENING PROTOCOL** (Section 6; Section F4 of Exhibit 3A).
5. **OFFICE** address (Section 7A) and Franchisee Office Hours.
6. **ACKNOWLEDGMENT** of receipt of fact sheet relating to form of Non-employee Injury Report (Section 14B3).
7. **INSURANCE AND PERFORMANCE ASSURANCE** (Sections 14 and 15).
8. **INTERNAL REVENUE SERVICE NOTICE 1015** (Section 23C1).
9. **ACKNOWLEDGMENT** of receipt of fact sheet relating to Safely Surrendered Baby Law (Section 23C2).
10. **FRANCHISEE'S EEO CERTIFICATION (FORM PW-7)** (Section 23E3).
11. **HOLIDAY COLLECTION SCHEDULE** (Section B1 of Exhibit 3A).
12. **WASTE DIVERSION PROGRAM, including Customer Recyclables Diversion Education Program** (Sections B2 and F4 of Exhibit 3A).
13. **CART SPECIFICATIONS**, including Cart capacity options, container color distinctions, identifying serial numbers, manufacturer's orders and invoices, label content and placement, and any documentation described in Section 16A3b. (Section B3d of Exhibit 3A).
14. **ALTERNATIVES TO FULLY AUTOMATED OR 96-GALLON CARTS** (Sections B3h, B3i and B3j of Exhibit 3A).
15. **COUNTY-APPROVED SUBCONTRACTORS**, including Subcontractors' names, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor, including ownership interests (Section B5 of Exhibit 3A).
16. **FORM OF TWICE ANNUAL BAGGED REFUSE TAGS** (Section C1 of Exhibit 3A).
17. **COUNTY-APPROVED GREEN WASTE EXCLUSIONS** (Section E of Exhibit 3A; see definition of "Green Waste" in Exhibit 21).
18. **CHARGES FOR ADDITIONAL ON-CALL PICKUP OF BULKY ITEMS, E-WASTE AND CEDs** (Section F2d of Exhibit 3A).

19. **TRANSITION ROLL-OUT PLAN** (Section I of Exhibit 3A).
20. **ADDITIONAL FRANCHISEE COMMITMENTS MADE IN ITS PROPOSAL FOR PROCUREMENT OF THIS AGREEMENT** (Section J of Exhibit 3A).

Exhibit 3D – Franchisee Documentation

**Item A.1 – FRANCHISEE’S PERMIT AND PERMIT APPLICATION**

This item consist of 7 pages (including this page).

Initials:  Dated: 4/3/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY



State of California  
**California Integrated Waste Management Board**  
Tire Program Identification Number

**1433165-01**

Burtec Waste  
1250 East Holt Ave  
Pomona, CA 91767

SITE ADDRESS:  
1250 East Holt Ave  
Pomona, CA 91767

Do not copy or reproduce  
lost this certificate to a...



# California Department of Toxic Substances Control

## Handler Certification Page (Signature Required)


Name: Burrtec Waste Industries, Inc., ID: 3430

\* (Required)

\* Reporting Year

\* I, the CRT and/or UWED handler, am ☐ the property owner ☒ the operator of the facility.

I certify under penalty of the law that the facility, named in Section A, generates or accepts from off site, but does not treat or recycle, universal waste electronic devices and/or CRT materials. The information contained in this notification is true, correct and complete to the best of my knowledge.

  
Signature (non-black ink)

Director Municipal Services

\* Title (please type in)

Richard Nino

\* Printed Name (please type in)

04/02/2008



\* Date signed (mm/dd/yyyy - please type in)

Notifications must be submitted to DTSC by certified mail, return receipt request.


Before submitting this page,  it out, so you can sign and send it to address below.

Mail to: Department of Toxic Substance Control  
Hazardous Waste Management Program  
Regulatory Program Development Division  
P.O. BOX 806  
Sacramento, CA 95812-0806  
Attention: UWED/CRT Materials Handling Activities

Your application will not be accepted if you do not complete and send in this page.

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# COUNTY OF LOS ANGELES

Department of Health Services - Solid Waste Management Program

## Waste Collector Permit

Under Provisions of County Ordinance Title 20

### 2008

COMPANY ID: # 90637

PERMIT TYPE \$1,000.00

VERIFIED/EXEMPTED: 9

DATE OF ISSUE 02/13/2008

EXPIRATION DATE 12/31/08

**BUNNELL WASTE INDUSTRIES, INC.**  
 5650 CHERRY AVE  
 PONTANA, CA 92353

*[Signature]*

CHIEF SOLID WASTE MANAGEMENT PROGRAM

**EXHIBIT 3D**

**Exhibit 3D – Franchisee Documentation**

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**EXHIBIT 3D**

**Exhibit 3D – Franchisee Documentation**

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**Exhibit 3D – Franchisee Documentation**

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**Exhibit 3D – Franchisee Documentation**

**Item A.2 – INVENTORY OF SERVICE ASSETS**

This item consists of 4 pages (including this page).

Initials: AAA Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

By July 15, 2008, Franchisee will provide an updated vehicles list with Vehicle Identification Numbers of the nine new CNG vehicles for the South Whittier area.

In the event that all vehicles not received by June 30, 2008 Franchisee will provide an updated timeline indicating the date by which all vehicles will be received by.

## EXHIBIT 3D – FRANCHISEE DOCUMENTATION

A. Notice to COUNTY Required.

## 2. INVENTORY OF SERVICE ASSETS

Nine new alternative fuel, CNG powered, vehicles have been ordered to perform services in the South Whittier service area. Based on chassis receipt from the factory, body construction and installation and fueling systems installations, we anticipate having the first alternative fueled vehicle ready to operate May 12<sup>th</sup>. Thereafter, subsequent vehicles are expected to be ready at a rate of one per week (barring any manufacturing delays) with all trucks received by June 30, 2008. Once received and prepared for operations, these vehicles will be installed into the South Whittier service area. Updates including the new vehicle numbers will be provided to the County as the vehicles are installed. All vehicles will be in operation by July 15, 2008.

A copy of the executed purchase order is provided. In the interim, Burrtec Waste Industries will use existing diesel vehicles. A detailed list of vehicles to be used for the South Whittier, County of Los Angeles franchise area is included below. All vehicles are owned by Burrtec Waste Industries, Inc.

	TRK#	YEAR	MAKE & MODEL	TYPE	VEHICLE I.D. #
<b>Interim</b>					
1	1356	2000	Peterbilt	AUTO	712192
2	1357	1999	Peterbilt	AUTO	711561
3	1358	1999	Peterbilt	AUTO	711560
4	1359	1999	Peterbilt	AUTO	711540
5	1360	1999	Peterbilt	AUTO	711535
6	1361	1997	Peterbilt	AUTO	717852
7	1362	1997	Peterbilt	AUTO	717859
8	1363	1996	Peterbilt	AUTO	713089
<b>Permanent</b>					
1		2008	Autocar WXR64	AUTO	
2		2008	Autocar WXR64	AUTO	
3		2008	Autocar WXR64	AUTO	
4		2008	Autocar WXR64	AUTO	
5		2008	Autocar WXR64	AUTO	
6		2008	Autocar WXR64	AUTO	
7		2008	Autocar WXR64	AUTO	
8		2008	Autocar WXR64	AUTO	
9		2008		FLATBED	

Below please find the total number of all carts on handed and received on March 3, 2008. Cart deliveries to individual residences are scheduled to be completed by March 28, 2008.

- 13,600 95 Gallon Black
- 13,600 95 Gallon Blue
- 13,600 95 Gallon Green
- 650 65 Gallon Black
- 650 65 Gallon Blue
- 650 65 Gallon Green
- 650 35 Gallon Black
- 650 35 Gallon Blue
- 650 35 Gallon Green



**DIVERSIFIED**

Exhibit 3D – Franchisee Documentation

**Item A.3 – ALL FRANCHISEE MANAGERS**

This item consists of 2 pages (including this page).

Initials: MM Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**3. ALL FRANCHISEE MANAGERS**

Parent Company – Burrtec Waste Group, Inc

Edward G. Burr, Owner (BWI/BWS/BWG)  
Cole Burr, Owner (BWI/BWS/BWG)  
Tracy Burr, Owner (BWI/BWS/BWG)  
Sandra Burr, Owner (BWI/BWS/BWG)

Directors

Edward G. Burr, Owner (BWI/BWS)  
Cole Burr, Owner (BWI/BWS)  
Tracy Burr, Owner (BWI/BWS)  
Sandra Burr, Owner (BWI/BWS)

Officers

Edward G. Burr, Chairman (BWI/BWS)  
Cole Burr, President and Chief Executive Officer (BWI/BWS)  
Tracy A. Burr, Vice President (BWI/BWS)  
Tracy A. Sweeney, Vice President/Chief Operating Officer (BWI/BWS)  
Michael Arreguin, Vice President (BWI/BWS)  
Robert Coon, Chief Financial Officer (BWI/BWS)

Authorized Representatives

Richard Niño, Director, Municipal Services (BWI/BWS)  
David Jappert, Regional Manager (BWI/BWS)

Position of Influence

Felipe Fregoso, Division Manager, (BWS)  
Manuel Zumaya, Route Supervisor, (BWS)  
Dan Valdez, Customer Service Manager, (BWS)

BWI: Burrtec Waste Industries  
BWS: Burrtec Waste Services  
BWG: Burrtec Waste Group

Exhibit 3D – Franchisee Documentation

**Item A.4 – AUTHORIZED REPRESENTATIVE OF FRANCHISEE**

This item consists of 2 pages (including this page).

Initials: ~~HA~~ Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**4. AUTHORIZED REPRESENTATIVE OF FRANCHISEE**

Richard Niño  
Burrtec Waste Industries, Inc.  
9890 Cherry Ave  
Fontana, CA 92335  
(909) 429-4200  
(909) 429-4290 – fax  
mino@burrtec.com (email)

Exhibit 3D – Franchisee Documentation

Item A.5 – SERVICES SAFETY OFFICIAL

This item consists of 2 pages (including this page).

Initials: ~~MM~~ Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**5. SERVICES SAFETY OFFICIAL**

**Felipe Fregoso, Service Safety Official.** Mr. Fregoso is responsible for the day-to-day operations of the Azusa Hauling Yard. This encompasses fostering a work environment based on teamwork and open communication for 20+ employees. Maintain organization of the division and determine the allocation of duties for Service Routes. Ensure Customer Service department provides resolution to incoming calls while providing highest level of service. Oversee Shop Supervisors to ensure timely resolution to fleet vehicles to minimize down time and maintaining the lawful condition of company vehicles. Monitor and control administrative costs and oversee all functional areas to exceed goals. Conduct quarterly employee reviews and ensure adherence to procedures and franchise agreements are maintained. In addition Mr. Fregoso is responsible for all safety related issues at the Burrtec facility located in Azusa. These responsibilities include, but are not limited to the following:

- \* Injury and Illness Prevention Program
- \* Code of Safe Work Practices
- \* Abatement of Safety Hazards
- \* Facility Safety Inspections
- \* Monthly Safety Meetings
- \* Safety Bonus Incentive Program
- \* Biennial Inspection of Terminals
- \* Driver Route Audits

Mr. Fregoso can be reached at the following Address:

Felipe Fregoso  
Division Manager  
Burrtec Waste Industries, Inc.  
1017 W. Gladstone St  
Azusa, CA 91702  
Phone: (800) 325-9417  
Email: felipe@burrtec.com

Exhibit 3D – Franchisee Documentation

**Item A.6 – FACILITIES AND SOLID WASTE FACILITIES**

This item consists of 10 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWA Dated: 4/3/08  
FRANCHISEE COUNTY



**FACILITIES AND SOLID WASTE FACILITIES****Introduction**

Burrtec Waste will utilize fully permitted disposal and recycling processing facilities for the South Whittier contract. Puente Hills Landfill will be the primary outlet for trash disposal and green waste processing while Allan Company will be the primary curbside recyclables processor. Burrtec currently utilizes both facilities for disposal and processing within the execution of other solid waste and recyclables collection and disposal agreements. Grand Central Recycling and Transfer Station, Inc. (GCR) will be used only if Puente Hills Landfill reaches daily capacity. GCR will temporary store refuse and green waste overnight and transfer refuse by roll-off containers the next business day to Puente Hills Landfill.

**Puente Hills Landfill:**

The Puente Hills Landfill is conveniently located in unincorporated Los Angeles County, next to the City of Whittier. The landfill is south of the intersection of the Pomona (60) and San Gabriel (605) Freeways and is the largest recipient of municipal solid waste in the region. This is a publicly owned facility under the direction of the Los Angeles County Sanitation District. Burrtec maintains no financial interest in this facility. The landfill is open to the public from 6:00 a.m. to 5:00 p.m., Monday through Saturday except holidays. The landfill has a daily permitted capacity of 12,000 tons. Due to County imposed capacity limitations, the landfill may close early necessitating the use of a local transfer facility. On these occasions, Burrtec will deliver solid waste to Grand Central Recycling and Transfer Station, Inc. in the City of Industry. The solid waste will then be transported to Puente Hills Landfill the following day.

Green waste material will also be taken to Puente Hills Landfill where it is processed and used as Alternative Daily Cover. Puente Hills Landfill accepts trash, dirt, asphalt, green waste, and tires.

The procedure for participating in the green waste program at the landfill is as follows:

- Trucks entering the site containing "clean" green waste will be charged the hard-to-handle tipping fee.
- The trucks will be directed to the green waste unloading area where they will be inspected by Sanitation Districts' personnel. If the load is acceptable, the Sanitation Districts' inspector will give the driver an approval stamp on the receipt.

- If the load is accepted, the driver must return to the scale house with the stamped receipt before exiting the site to have the transaction revised to reflect the significantly discounted tipping fee.
  - Rejected loads will remain at the hard-to-handle tipping fee.
1. Puente Hills Sanitary Landfill (Disposal of Solid Waste)  
13130 Crossroads Parkway South  
City of Industry, California 91746  
  
Owner/Operator  
Sanitation Districts of Los Angeles County of Los Angeles  
1955 Workman Mill Road  
Whittier, California 90601  
Contact Nancy Hayes  
Office 562-699-7411
  2. Puente Hills MRF – (Disposal of Green Waste)  
Sanitation Districts of Los Angeles County  
1955 Workman Mill Road  
Whittier, California 90601  
Contact Nancy Hayes  
Office 562-699-7411

**Grand Central Recycling and Transfer Station Inc**

3. Grand Central Recycling and Transfer Stations, Inc. (Alternative for disposal of Solid Waste )  
999 South Hatcher Ave.  
City of Industry, Ca 91748  
General Manger – Mr. Peter Perez  
Office 626-855-5556

Grand Central Recycling and Transfer Station, Inc. is a regional recycling and transfer facility located in the City of Industry. Grand Central is a private California Corporation registered under number C2102461 and Tax ID # 95-4734219. Neither Burrtec nor its principles maintain any financial interest in this facility. It is located north of the Pomona (60) Freeway east of Azusa Avenue approximately 8 miles northeast of the Puente Hills Landfill. The facility will be used as an alternative to Puente Hills Landfill in instances where the landfill closes early. Grand Central is open Monday through Friday from 7:00 a.m. to 4:00 p.m. and Saturday from 7:00 a.m. to 2:00 p.m. and accepts municipal solid waste, green waste, source separated recyclables and mixed recyclables. This facility is permitted to receive up to 5,000 tons of material per day.

Grand Central Recycling and Transfer Station, Inc. accepts and processes the materials listed below:

Municipal solid waste	Source Separated Recyclables
Green Waste	Mixed Recyclables

Grand Central does not accept Asbestos Containing Materials, Concrete Filled Steel Pipe, Dirt, Hazardous Materials, Liquids, or Reinforced Concrete Pipe.

Grand Central will only be used for trash and green waste so there is no allocation methodologies applied. Trash and green waste is weighed when it is brought into the facility with jurisdiction information provided at time of delivery then it is transferred and processed at the Puente Hills Landfill.

### ***Allan Company Recycling Facility***

Allan Company is one of the largest independently owned broker, packer, and exporter of recovered fiber in the Western United States and handles over one million tons of recovered fiber annually both domestically and overseas. It has operated in the recycling industry since 1963 and offers extensive curbside recyclables processing services for many municipalities throughout Los Angeles County. It is located in the City of Baldwin Park where it also operates a buyback and recycling center for the general public. Burrtec maintains no financial interest in this facility as it is independently owned and operated by the Young family with Stephen Young as the majority stakeholder.

The Company maintains a broad base of supply and sales outlets allows it to capitalize and respond quickly to global supply shortages. In addition, this global market leverage insures consistent flow of local materials at preferred market pricing levels. The scope of services includes routine detailed waste characterizations to monitor recycling and diversion efforts within participating communities.

The waste characterizations will also be used to identify quantities of recyclable commodities and corresponding residue. These allocation statistics will be applied to incoming South Whittier loads for purposes of recording recyclable material tonnages by type and corresponding residues. An initial waste characterization will be conducted within the first month of beginning collection services in South Whittier to establish a baseline. A second waste characterization will be conducted after the first series of contamination audits planned for the June-July timeframe. These waste characterizations will measure effective community participation in the curbside recycling program as well as to reinforce and focus public education on the curbside recyclables program.

1. Allan Company (Recyclable Materials)  
14618 Arrow Hwy.

Baldwin Park, CA 91706  
Contact Jason Young  
Office: 626-962-4047

Allan Company accepts and rejects the following materials listed below:

**Accepted materials –**

- a. Paper – Newspaper, Magazines, Computer paper, White and color paper, Envelopes, Catalogs, Telephone books, paper bags
- b. Cardboard boxes and chipboard - Cereal and cracker boxes, Corrugated cardboard
- c. Aluminum, tin, metal, an bi-metal cans - Aluminum pie plates, Aluminum foil
- d. Glass bottles and jars – Glass bottles (clear, green, and amber), Glass jars, Soda/juice/water bottles (glass)
- e. Empty plastic bottles and containers numbered #1-7, Soda/juice/water bottles ( plastic), Plastic grocery bags

**Rejected materials:**

Carpet, Ceramics, Clothes, Clothes hangers, Diapers, Dishes, Drywall, Foam packaging, Glass- Pyrex, Glass- window, auto, and tinted, Green waste and dirt, Hazardous waste, Light bulbs, Mirrors, Paint cans, Paper towels, napkins, and facial tissue, Styrofoam, Tires, Toys, Trash, Universal waste, Unmarked plastics, Window glass, No recyclables containing food waste

**CED's**

Allan Company will also be used as the e-waste collection facility for television sets, computers and monitors.

1. Allan Company (CED's)  
14618 Arrow Hwy.  
Baldwin Park, CA 91706  
Office 626-962-4047  
Contact Jason Young

These items will be processed by one of the following e-waste processors used by Allan Company.

Computer Circulation Center  
2618 Temple Heights Dr.,  
Oceanside, CA  
Office 760-732-1449  
Fax :760- 732-1460

Electronic Recyclers  
2860 S. East Ave.,  
Fresno, CA  
Office 559-442-3960 800-884-8466

IMS Electronics  
12455 Kerran ST #300,  
Poway, CA  
Office: 858-679-1555  
Fax: 858-679-7196

AMI Recycling  
1225 E. Artesia Blvd,  
Carson, CA  
Office: 310-537-5420  
Fax: 310-537-2880

## SAMPLE INVOICE - TRASH - PUENTE HILLS LANDFILL

## REFUSE DISPOSAL SYSTEM

## Account Transaction Summary

NOVEMBER 2007

Report R03226  
Page 5 of 22  
Date: 12/01/2007

## 10143 - BURRTEC WASTE SERV LLC

Facility	Transaction Date/Time	Transaction	Vehicle ID	Refuse Type	2004 Weight	Net Weight	Net Volume
Puente Hills	11/20/2007 11:52 AM	105952081	5354113	Refuse	24.40	15.45	9.04
Puente Hills	11/20/2007 11:51 AM	105951906	7C47440	Refuse	24.88	16.76	7.92
Puente Hills	11/20/2007 10:57 AM	105951906	5G54037	Refuse	26.21	15.13	11.08
Puente Hills	11/20/2007 10:36 AM	105951874	7H34149	Refuse	26.71	16.08	9.65
Puente Hills	11/20/2007 09:22 AM	105951740	8M20416	Refuse	20.97	15.49	5.48
Puente Hills	11/20/2007 08:17 AM	105951730	7H16062	Refuse	18.13	13.00	5.13
Puente Hills	11/20/2007 07:02 AM	105951463	8M20416	Refuse	19.88	13.60	2.33
Puente Hills	11/20/2007 05:47 AM	105951423	7S46032	Greenwaste	21.27	17.84	6.59
Puente Hills	11/20/2007 03:34 AM	105951395	7C47440	Refuse	26.11	16.75	9.26
Puente Hills	11/20/2007 04:04 PM	105951157	5L80554	Greenwaste	27.21	18.04	5.17
Puente Hills	11/20/2007 04:04 PM	105951150	7Y78577	Greenwaste	28.54	15.08	4.90
Puente Hills	11/20/2007 02:53 PM	105951083	5G54113	Refuse	24.06	15.45	8.91
Puente Hills	11/20/2007 02:41 PM	105951052	5G54037	Refuse	24.66	15.13	9.53
Puente Hills	11/20/2007 02:08 PM	105951024	7N94149	Refuse	23.58	18.06	7.52
Puente Hills	11/20/2007 02:03 PM	105950978	5L80554	Refuse	21.84	18.42	5.42
Puente Hills	11/20/2007 01:16 PM	105950847	7F78620	Refuse	24.13	17.42	6.71
Puente Hills	11/20/2007 11:37 AM	105950589	7Y78577	Greenwaste	21.41	15.15	6.26
Puente Hills	11/20/2007 11:30 AM	105950584	7G47440	Refuse	27.02	16.78	10.27
Puente Hills	11/20/2007 11:26 AM	105950476	8M20416	Refuse	18.54	13.90	5.04
Puente Hills	11/20/2007 10:15 AM	105950221	5G54037	Refuse	26.58	15.13	10.45
Puente Hills	11/20/2007 09:08 AM	105950080	8M20416	Refuse	21.53	13.80	8.03
Puente Hills	11/20/2007 08:26 AM	105950022	7E78577	Refuse	24.63	17.42	7.41
							\$195.55

County Sanitation Districts of Los Angeles County

## SAMPLE INVOICE – RECYCLING – ALLAN COMPANY

[illegible]

## SAMPLE INVOICE - GREEN WASTE - PUENTE HILLS LANDFILL

## REFUSE DISPOSAL SYSTEM

## Account Transaction Summary

NOVEMBER 2007

Report K0X026

Page 5 of 22

Date: 12/09/2007

## 10143 - BURRTEC WASTE SERV LLC

Facility	Transaction Date/Time	Transaction#	Vehicle ID	Refuse Type	Capac Weight	Yess Weight	Net Weight	Yess Amount
Puente Hills	11/30/2007 11:32 AM	10892001	5G54113	Refuse	24.49	15.40	9.04	\$236.94
Puente Hills	11/30/2007 11:01 AM	105891598	7G47440	Refuse	24.08	16.78	7.30	\$207.58
Puente Hills	11/30/2007 10:57 AM	108901898	5G54037	Refuse	28.21	15.43	11.08	\$288.41
Puente Hills	11/30/2007 10:08 AM	10891874	7N84149	Refuse	26.71	18.05	8.66	\$222.93
Puente Hills	11/30/2007 09:22 AM	105891740	6M20415	Refuse	20.87	15.40	5.47	\$143.83
Puente Hills	11/30/2007 09:17 AM	108901730	7H18082	Refuse	18.13	13.00	5.13	\$134.46
Puente Hills	11/30/2007 07:02 AM	108901463	6M20415	Refuse	15.88	13.50	2.38	\$62.38
Puente Hills	11/30/2007 06:47 AM	108901423	7G47440	Greenwaste	23.22	17.84	5.38	\$67.52
Puente Hills	11/30/2007 06:34 AM	108901596	7G47440	Refuse	28.11	18.78	9.33	\$243.00
Puente Hills	11/30/2007 04:04 PM	108901537	5102064	Greenwaste	21.21	16.04	5.17	\$62.56
Puente Hills	11/29/2007 04:04 PM	108901155	7Y18917	Greenwaste	20.04	15.05	4.99	\$60.02
Puente Hills	11/29/2007 02:53 PM	108901003	5G54113	Refuse	24.08	15.45	8.63	\$223.67
Puente Hills	11/29/2007 02:41 PM	108901051	5G54037	Refuse	24.88	15.13	9.75	\$249.76
Puente Hills	11/29/2007 02:05 PM	108901004	7N84149	Refuse	23.59	16.06	7.53	\$197.10
Puente Hills	11/29/2007 02:03 PM	108900978	6H89864	Refuse	21.84	18.42	3.42	\$84.06
Puente Hills	11/29/2007 01:15 PM	108900847	7E75620	Refuse	24.13	17.42	6.71	\$176.67
Puente Hills	11/29/2007 11:57 AM	108900560	7Y18917	Greenwaste	21.41	15.15	6.26	\$76.75
Puente Hills	11/29/2007 11:38 AM	108900604	7G47440	Refuse	27.05	16.78	10.27	\$259.18
Puente Hills	11/29/2007 11:25 AM	108900476	6M20415	Refuse	18.54	13.50	5.04	\$132.10
Puente Hills	11/29/2007 10:15 AM	108900224	5G54037	Refuse	25.08	15.13	9.95	\$273.89
Puente Hills	11/29/2007 09:05 AM	108900960	6M20415	Refuse	21.83	13.50	8.33	\$213.47
Puente Hills	11/29/2007 08:28 AM	108900882	7E75620	Refuse	24.88	17.42	7.46	\$188.53

County Sanitation Districts of Los Angeles County



## SAMPLE INVOICE - RECYCLABLES - GRAND CENTRAL

9/7/09/3701 YBD 5103 FILE 6268355037

2/10/002

Receipt  
 Customer: BURRTEC  
 Site ID: All  
 Grand Central Recycling & Transfer Station  
**Customer Report**  
 Transfer Station From 12/01/2007 Through 12/31/2007  
 Inbound and Outbound Tires  
 Third Party and Inland Company Containers  
 Recycle and Disposal Material  
 Full Details

Page 1 of 1  
 12/2008  
 8:05AM  
 User ID: PHILIP PEREZ

Taker	Date	Ticks	In / Out	Yards	Units	Tons	Estimated Tons	Tax
<b>BURRTEC - BURRTEC WASTE INDUSTRIES</b>								
60779	12/01/07	34922	I	0.00	0.00	2.51	0.00	
61015	12/31/07	42734	I	0.00	0.00	6.74	0.00	
61062	12/31/07	44631	I	0.00	0.00	1.45	0.00	
61063	12/31/07	52233	I	0.00	0.00	9.66	0.00	
<b>BURRTEC - BURRTEC WASTE INDUSTRIES</b>								
<b>Grand Total</b>								
				0.00	0.00	24.96	0.00	
				0.00	0.00	24.96	0.00	

Report Grand Totals  
 9/10/09 and 4/10/09/09

Exhibit 3D – Franchisee Documentation

**Item A.7 – SUBCONTRACTORS (Excluding those listed in Item B.15)**

This item consists of 2 pages (including this page).

Initials: HA Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**7. SUBCONTRACTORS**

Burrtec Waste Services will not use non-County approved subcontractors but will use County approved subcontractors as listed in Exhibit B-15 in performance of the franchise agreement

Exhibit 3D – Franchisee Documentation

Item B.1 – NON-COLLECTION NOTICE

This item consists of 4 pages (including this page).

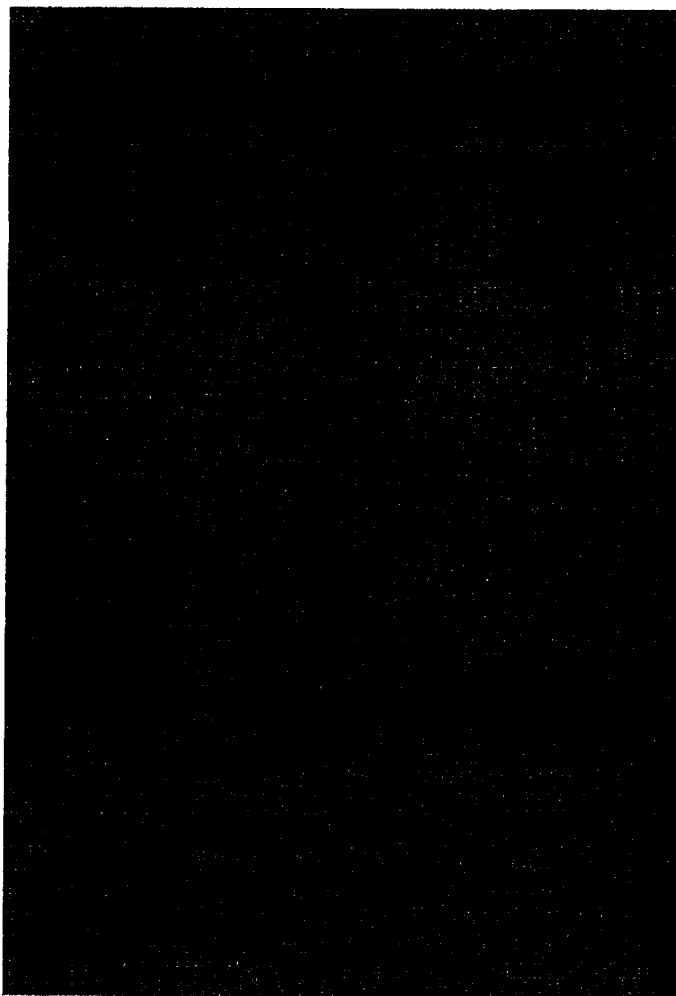
Initials: HA Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**1. NON-COLLECTION NOTICE**

Following please find Burrtec's proposed Non-Collection Notice in compliance with Section 4C of the Exclusive Franchise Agreement.



**NON- COLLECTION NOTICE**

**BURRTEC WASTE INDUSTRIES, INC.**

**"We'll Take Care Of It!"**

**Customer Service/Servicio al Cliente**

**(800) 325-9417**

**Monday/Lunes – Friday/Viernes 8 am to 5 pm**

**IMPORTANT! / IMPORTANTE!**

**PLEASE HELP US! / POR FAVOR AYUDANOS!**

We were unable to provide collection service for you today for one of the reasons checked below.  
Thank you.

Customer satisfaction is our goal, but we do need your cooperation in complying with our collection policies. If the below is corrected by 3 pm today, please call our Customer Service Department at (800) 325-9417 and we will return and collect before 6 pm today at no extra charge.

No podíamos proporcionar al servicio de la colección por usted hoy por una de las razones abajo.  
Gracias.

La satisfacción de cliente es nuestra meta, pero necesitamos su cooperación en la conformación con nuestras políticas de la recolección. Si corrige el problema hoy, antes de las 3 p.m., llame a nuestro departamento de Servicio al Cliente al (800) 325-9417 y regresaremos hoy antes de las 6 p.m. para recolectar sin costo adicional.

1. Your Green Waste cart is contaminated with trash and/or recycling.

Recipiente para los DESECHOS VERDES esta contaminado con basura y/o materiales reciclables.

2. Your Blue Recycling cart is contaminated with trash and/or green waste.

Recipiente para los MATERIALES RECICLABLES esta contaminado con basura y/o desechos verdes

3. All trash, green waste and recyclables must be placed in the provided carts.

Toda la basura, desecho verde y materiales reciclables deben ser colocados en sus carritos proporcionados.

4. Please place containers in street with wheels next to the curb/property line and to one side of driveway and three feet from parked vehicles or other obstructions

Por favor ponga los barriles en la calle con las ruedas al lado de la banqueta a un lado de la entrada de coches y tres pies retirados de cualquier objeto cercano o vehiculo.

5. Please contact our office regarding your account.

Por Favor llame a nuestra oficina con respecto a su cuenta.

6. Cart exceeds weight limitations.

El carrito excede limitaciones de peso.

7. Bulky item and certain electronic devices (i.e. tires, e-waste) collection needed. Please contact our office to schedule pickup.

Recolección de artículos voluminosos y ciertos aparatos electrónicos (i.e. llantas y desechos electrónicos). Por favor llame a nuestra oficina para programar la recolección

8. Unpermitted waste such as: tires, household hazardous waste, electronic waste, batteries, and fluorescent tubes were placed in the containers. Call the L.A. County Hazardous Hotline at (888) CLEAN LA (253-2652) for more information.

Su recipiente contiene desechos que no son permitidos – llantas, desechos tóxicos/peligrosos, desechos electrónicos, baterías, o focos/tubos fluorescentes.

Llame al Condado de Los Angeles para información sobre recolección de desechos tóxicos al (888) CLEAN LA (253-2652)

9. Unsafe conditions at set out site/ Condiciones peligrosas en el conjunto fuera el sitio.

10. Other / Otros \_\_\_\_\_

Thank you for your cooperation  
BURRTEC WASTE INDUSTRIES

Address:

1 2 3 4 5 6 7 8 9 10 11 12 13

**Exhibit 3D – Franchisee Documentation**

**Item B.2 – FORM OF SUBSCRIPTION ORDER AND ANNUALLY DISTRIBUTED SUMMARY**

This item consists of 4 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY



**2. FORM OF SUBSCRIPTION ORDER**

Following please find Burrtec's proposed Subscription Order Form.

Effective April 1, 2008

**Subscription Order**

To Our Valued Burrtec Customer:

The County of Los Angeles Board of Supervisors awarded Burrtec Waste Industries, Inc. (Burrtec) a franchise to provide trash collection services in the South Whittier unincorporated communities commencing on April 1, 2008 and ending March 31, 2015. Burrtec takes great pride in the work we do to keep the environment clean and protected for our future. Your participation in waste reduction practices and buying products made from recycled content are integral components of a sustainable society, and we thank you for your efforts.

We will charge all our customers the rates shown on this subscription order. Please take a moment to note the rates and services you will be offered below. The standard services and corresponding rates listed below are for services for which you are subscribed (on or after April 1, 2008). To request additional services or if you have any questions or concerns, please do not hesitate to call Burrtec customer service department, Monday thru Friday 8am to 5pm at 1-800-325-9417.

The term of your subscription order is 7 years from April 1, 2008 through March 31, 2015, unless it is terminated earlier as described in the enclosed Customer Bill of Rights or the franchise is terminated by the County. Your subscription is subject to the County's execution of the franchise agreement with Burrtec and it cannot be automatically renewed or extended.

**STANDARD SERVICES / billed quarterly:**

**\$53.01/quarter (\$17.67/month)**

**25% Senior Discount:** For qualifying heads of household over 62:

**\$39.75/quarter (\$13.25/month)**

- ✓ For residents who meet the following criteria: head of household, over 62 and qualify for utility rate discounts based on financial need OR
- ✓ For residents who meet the following criteria: head of household, over 62 and generate a small amount of waste and uses 32-gallon carts

**Standard household family services include:**

- ✓ Once-a-week automated trash and recycling collection service
- ✓ One 96 gallon refuse cart
- ✓ One 96 gallon green waste cart
- ✓ One 96 gallon commingled recyclables cart
- ✓ One extra green waste cart or one extra recyclables cart, or both, free of charge upon request
- ✓ Free Holiday Tree Collection Services
- ✓ Annual curbside clean-up events (including certain electronic devices)
- ✓ On-call collection of bulky items and certain electronic devices in unlimited quantities (twice per year)
- ✓ Unlimited on-call bagged green waste collections in unlimited quantities
- ✓ Four special community clean-up events per year
- ✓ Alternative to 96 gallon carts- Upon request, if you have space limitations, you may receive either 65 or 32 gallon carts
- ✓ Roll-out service- upon request, for qualifying elderly and disabled customers
- ✓ Multi Family Customers(3 or more units, Condominiums and Town Homes): On-call collection of bulky items and certain electronic devices with a 2 item per collection limit (four times per year total)

**ADDITIONAL SERVICES Available Upon Request**

**Additional Carts, Each:**

**\$15.00/quarter (\$11.25/quarter with senior discount)**

**Additional (more than two/year) on-call collection of bulky items and certain electronic devices:**

**\$25.00 per collection (\$18.75 with senior discount)**

**Scooter Service:** For any customer who requests this service or for difficult-to-service residential premises (such as some hills or cul-de-sacs where collection vehicles cannot safely drive):

**\$13.28/quarter (\$9.94 with senior discount)**

**Roll-out/backyard service:** This service means Burrtec brings carts to the curb to be serviced by collection vehicle and returned to the back yard or other designated location for an additional fee of:

For qualifying customers: **free**  
For all other customers: **\$26.52/quarter (\$19.89 with senior discount)**

**Residential Bin Rentals and Temporary Roll-Off Services:** Available upon request by calling our customer service department at 1-800-325-9417.

## CUSTOMER BILL OF RIGHTS

**What We Will Collect.** We will collect residential refuse, green waste and commingled recyclables in carts we provide, within one week of your requesting services. You must place refuse, recyclable materials, and green waste in the appropriate carts. Materials placed outside of carts will not be picked up unless previous arrangements have been made as described below. Please remember that the County requires you to put out carts for collection no earlier than 5:00 pm on the day before scheduled collection and retrieve them no later than 8:00 pm on the day of collection or 2 hours after collection, whichever is later.

**We Will Not Collect Hazardous Waste.** *State law prohibits disposal of hazardous materials and certain electronic devices in your trash.* These include: most paints, pesticides, petroleum derivatives such as motor oil and solvents, electronic devices such as cathode ray tubes (as in TV and computer monitors), LCD and plasma screens. Other items banned from disposal include batteries, thermostats, computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, videocassette players/recorders, calculators, aerosol cans, fluorescent lights, and certain mercury-containing devices. If these items are identified in your trash, your cart will be tagged and not collected. Certain electronic devices may be separately collected as described below. For additional safe and legal disposal options, call the HAZWASTE HOTLINE at (888) CLEAN-LA or visit [www.cwmb.ca.gov/HHW/info](http://www.cwmb.ca.gov/HHW/info).

**When We Will Collect.** We will make collections once a week between the hours of 6:00 a.m. to 6:00 p.m. on the same day of the week indicated on your invoice (Monday through Friday) each week. If your scheduled collection day falls on or after a holiday, during a holiday week, collection will be delayed by one day (Friday customers will have their collection on Saturday). The holidays we observe are Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas and New Year's Day. Should there be a permanent change in your scheduled collection day, we will notify you in advance. If we miss your collection, please call us and we will return to pick it up, without charge, on the same day if you call before 3:00 p.m. or on the next collection day if you call after 3:00 p.m. We will resolve any other complaints within the same time period.

**Where We Will Pick Up.** You must set your carts at the curb unless you have roll-out service. If we agreed to collect on private driveways or pavement, we will ask you to sign a waiver of damage liability and/or indemnification. We must repair or replace, to your satisfaction, damaged property, and reimburse you for cost of personal injury, caused by our negligence or willful acts or omissions. In addition to enforcing your rights under the franchise agreement, you may institute civil suits allowed under law.

**We Can Bring Your Carts Out To The Pickup Point (Roll-Out Service).** At no additional charge, for residential customers who certify they are not able-bodied or are elderly (over the age of 62) and have no able-bodied person residing in their household, we will provide roll-out services (on-premise collection) of all weekly collection services: refuse, recyclable materials, and green waste collection, as well as the annual curbside clean-up event, holiday tree pick-ups, and additional on-call pickups. These services are also available to any other customer upon request at the charge listed on your subscription order.

**Alternatives To Fully Automated Carts (Scooter Service).** If you have space restrictions at your cart storage or set-out site, you may request alternatives to 96 gallon carts free of charge. For difficult to service areas, such as cul-de-sacs or hills, where automated collection vehicles cannot safely drive, we will provide manual scooter service and carts that are of the same aggregate capacity at the charge listed on your subscription order. We will also provide this service to any other customer upon request.

**Weight Limitations of Carts.** The weight limit for each automated cart is as follows: 96 gallon Cart = 330 lbs., 65 gallon cart = 225 lbs., 32 gallon cart = 120 lbs.

**Replacement/Removal/Repair.** At no additional charge, we will deliver, exchange or remove carts within 7 days of your request, including damaged or stolen carts. We will remove graffiti from carts within 5 days of your request, or within 48 hours if the graffiti consists of picture or written obscenities, weekends excepted.

**Annual Curbside Clean-Up Event.** We will conduct a Clean-Up Event once a year. We will collect unlimited amounts of bulky items, excess solid waste, up to 2 passenger car or pickup truck tires, and certain electronic devices free of charge. We will notify you of the annual Clean-Up Event two weeks in advance with a description of the types of items that will be collected.

**Holiday Tree Pickups.** At your request, we will collect your holiday trees (such as Christmas trees and Hanukkah bushes) placed at the curb on your regularly scheduled collection day between December 26<sup>th</sup> and January 14<sup>th</sup>. You must strip them of ornaments, garlands, tinsel, flocking and stands.

**Unlimited On-Call Bagged Green Waste Pickups:** We will collect extra green waste set out at the curb in bags at no additional charge, on your regularly scheduled pickup day, 24-hour minimum advance notice required.

**Two On-Call Pickups of Bulky Items and certain electronic devices:** You may request 2 pickups of bulky items and certain electronic devices each year at no charge on your next regularly scheduled pickup day if you call us at least 24 hours in advance. Multi-family customers (3 or more units, Condominiums and Town Homes) will receive 4 total on-call bulky item collections, with a 2 item per collection limit. Examples of bulky items include discarded furniture (such as chairs, sofas, mattresses, box springs, and rugs); appliances (such as refrigerators, range, washers, dryers, water heaters, dishwashers, plumbing, and other similar items). We will accept the following electronic devices: cathode ray tube (CRT) devices (including televisions and computer monitors); LCD devices (desktop monitors, laptop computers and televisions); plasma televisions.

**Additional On-Call Pickups of Bulky Item and certain electronic devices:** You may also request pickups of bulky items and electronic devices, as described above, in excess of twice a year on your next regularly scheduled pickup day, at the charges listed on your subscription order, if you call us at least 24 hours in advance.

**Additional Customer Options Regarding Recyclables:** Customers may donate or sell any or all of their recyclables to persons other than Burretec.

**When You Must Pay.** Burretec bills residential services three-months in advance. We will mail your bill on or before the 1<sup>st</sup> day of your billing period, for example, on April 1<sup>st</sup> for the billing period of April, May and June. Your bill is due no later than the last day of the first month, for example on April 30<sup>th</sup>. If we do not receive payment by the last day of the second month, for example, May 31<sup>st</sup>, your bill will become delinquent and an additional 10% per annum fee will be added to the balance. We may terminate your service if you do not pay your service fees by the end of the billing cycle, for example, June 30<sup>th</sup>. There will be a charge of \$25 to restart the service after a service interruption and a \$25 fee on returned checks.

**Customer Termination Rights And Right To Self-haul.** You may terminate service without cause at any time by giving us 90 days notice. You may also terminate service immediately in the event of certain emergencies or by giving us 30 days notice, if we fail to provide service (such as missing pickup or failing to timely repair or replace carts) or we bill you incorrectly. You also have the right to self-haul all or some of your waste in addition to, or instead of, subscribing to our service.

**We will refund any overcharges (including advance payments for services that you subsequently cancel) within 30 days after we receive them.** We will pay you interest on overcharges (other than advance payments for subsequently canceled services) at 10% per annum from the date of the overcharge until the date refunded.

**Where You Can Contact Us.** You may call us regarding service or complaints toll free at 1-800-325-9417 between 8am and 5pm weekdays, except holidays. You may come to our office located at 1017 W. Gladstone St, Azusa, CA 91702, mail correspondence to our office address or via e-mail at [bws@burretec.com](mailto:bws@burretec.com). If we do not satisfactorily resolve any complaint, you may call the County at 1-800-993-5844.

**We Do Not Discriminate.** If you are entitled to service, we will not discriminate against you on account of race, creed, color, sex, gender, national origin, ancestry, religion, age, physical or mental disability, marital status, or political affiliation.

**Rights Of Privacy.** We will observe and protect your rights of privacy and trade secrets. Unless you give us permission, we will not reveal any information identifying you or the composition or contents of your solid waste to any person except the County or if required by law.

Thank You For Allowing Burretec To Serve You!

Exhibit 3D – Franchisee Documentation

**Item B.3 – KEY PERSONNEL**

This item consists of 7 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**3. KEY PERSONNEL**

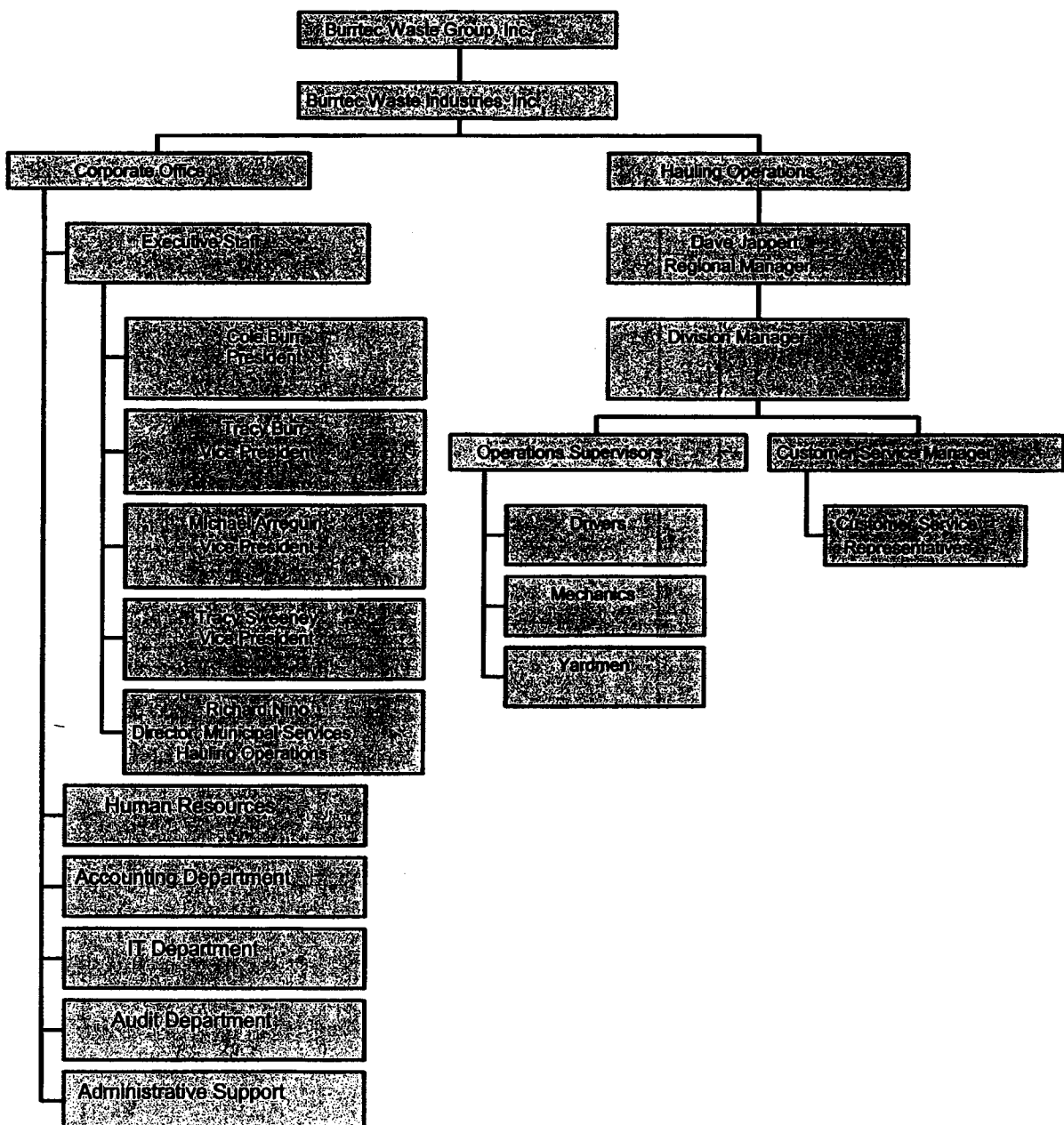
Tracy Sweeney – Vice President and Chief Operating Officer (BWI/BWS)  
Michael Arreguin – Vice President (BWI/BWS)  
Richard Niño – Director, Municipal Services (BWI/BWS)  
David Jappert – Regional Manager (BWI/BWS)  
Felipe Fregoso – Division Manager (BWS)  
Dan Valdez – Customer Service Manager (BWS)  
Manuel Zumaya – Route Supervisor (BWS)

BWI: Burrtec Waste Industries  
BWS: Burrtec Waste Services

## Organization

Burrtec Waste Industries, Inc. is the main operating subsidiary of the Burrtec Waste Group. Burrtec Waste Industries incorporated on July 7, 1978 as a California Corporation doing business in Southern California. Burrtec Waste Group is family owned and operated. All companies are owned and operated by the Burr Family. Ed Burr is Chairman of the Board of Directors and leads the organization as it continues to grow through the acquisition of city franchises and private disposal companies as well as project development. Burrtec is currently ranked in the top 17 of America's 100 largest private or publicly held solid waste management companies.

The following is a brief organization structure. Each department interacts and supports the other departments insuring the best possible service to the customer at all times.



## **Resumes**

The resumes of Burrtec's leadership team are presented below. The resources and expertise of our entire company are available to assist key management in the transition, implementation and day-to-day operations of the proposed services.

***Edward G. Burr, Chairman.*** After entering the industry in 1954 as an owner/operator of a single truck, Mr. Burr has developed EDCO Disposal Corporation and its sister company Burrtec Waste Industries, into one of the largest family owned and operated waste collection and recycling firms in the United States. He and his wife Sandra remain active in the family business and reside in Southern California.

In serving five Southern California counties, Mr. Burr has emerged as an innovative leader in developing efficient methods of source separated automated collection and material recovery facility operations and marketing. Most importantly, as the both the waste collection and recycling industry evolved, he has ensured that all employees share his genuine commitment to provide superior customer service.

In serving as the Chairman of the Board of all Burr family of companies, Mr. Burr oversees the integrated waste management needs of a number of Southern California communities.

***Cole Burr, Chief Executive Officer.*** Representing the second generation of Burr's involved in the company, Cole Burr began his career in solid waste industry in 1966 when he was just 11 years old. He got his start at ABCO in Gardena, where his father was a partner. Since that time, Mr. Burr has learned every aspect of the industry through hands-on experience.

Before founding Burrtec Waste Industries, Inc., with his father Edward Burr, Mr. Burr worked at SCA Services and at EDCO. He also was Transfer Operations Leader at American Waste Systems Action Transfer Center, where he specialized in solid waste collections and transfer, and in marketing recyclables.

Mr. Burr is very active in the Burrtec organization and maintains his office at the Corporate Office in Fontana. He makes a regular practice of visiting the various hauling yards and transfer facilities to discuss operational issues and develop strategy with Division management. He is also quite accessible to all employees and maintains a high profile in the communities Burrtec serves.

***Tracy Burr, Vice President.*** Tracy Burr began her career in solid waste industry in 1978. Together with her husband Cole, she has worked at all the operations in Los Angeles and San Bernardino Counties and also in Burrtec's sister company, EDCO in San Diego and Orange Counties. Throughout the years, she has worked on the development of the waste hauling infrastructure, by implementing computerized routing programs that integrate accounts receivables with the drivers' daily route sheets.

Ms. Burr is very involved in the daily activities at Burrtec. She conducts meetings on a regular basis with key management personnel that represent every facet of the business. With her

specialized “team approach” to management she focuses her efforts on both employee and customer satisfaction.

In addition, Ms. Burr oversees the Quality Control/Audit Department, the Human Resources Department and manages all corporate legal affairs.

**Michael Arreguin, Vice President.** Mr. Arreguin is responsible for Burrtec’s hauling operations and franchise administration. He acts as the primary government liaison between the Cities we service and Burrtec, ensuring open communication.

Mr. Arreguin received his Associate of Science degree in Agricultural Business and has more than 25 years experience in sales and marketing. He entered the Solid Waste industry in 1988 when he joined Burrtec as Sales Manager. He has held increasingly responsible positions at Burrtec ever since, including Sales and Operations Manager, General Manager, Corporate Contract Renewal, and Community Relations Manager. He has been Vice President, since 1997.

In his career at Burrtec, Mr. Arreguin has modernized a number of systems and spearheaded Burrtec’s move to become one of the first in California to offer a commingled recycling program. He has been directly involved in many aspects of the industry, including collection, recycling, maintenance, marketing, and customer service.

Mr. Arreguin directs a very extensive community involvement program, including active participation on Chamber of Commerce committees and boards, working with local charities and youth groups, and membership in organizations committed to improving the quality of life for the communities we serve.

**Tracy Sweeney, Vice President.** Before joining Burrtec as Chief Accountant in 1991, Ms. Sweeney was Assistant Controller for two major restaurant chains, managing accounting functions for more than 35 restaurants. In 1997 Ms. Sweeney was promoted to Controller. In 2005 she was named Vice President of Burrtec Waste Industries, Inc.

In her duties, Ms. Sweeney is responsible for Burrtec and its affiliates financial reporting, accounting functions and rate matters to include rate increases, franchise fee administration and diversion reporting. Her background in accounting, finance and management information systems has resulted in improvements in cost reporting and controls.

Since joining Burrtec, she has streamlined financial statements, taking them in-house. Ms. Sweeney also provides high-level support and guidance to local management teams including annual business plan development and financial trending.

Ms. Sweeney was instrumental in the development of Burrtec’s Disposal Reporting System that identifies, records, and tracks valuable solid waste collection and disposal information. This Disposal Reporting System allows Burrtec to provide the cities we service with accurate and up-to-date information required to meet all AB 939 and landfill-related reporting requirements.

**Richard Niño, Director Municipal Services (Hauling Operations).** Mr. Niño serves as a government liaison with the Cities/Counties we service. His role includes developing programs,



monitoring program results, and working to further the waste reduction and diversion goals for many of our municipal customers. Mr. Niño is instrumental as part of the bid proposal team as well as in implementing and transitioning into new contract transitions. He participates in local public education events and recycling workshops to promote recycling and waste diversion efforts. Mr. Niño has a Bachelor's of Arts in Economics from Pomona College in Claremont.

**David Jappert, Regional Manager (Hauling Operations).** With over 20 years of experience in the solid waste industry, Mr. Jappert is responsible for the direction and oversight of company's hauling division. This hauling division is comprised of nine (9) geographical locations throughout Southern California. In addition, Mr. Jappert is instrumental in developing strategic personnel development plans to help promote employees from within the organization, a mainstay philosophy of Burrtec. He also provides resources to help the operating divisions achieve objectives in accordance with company policies and business plans. Mr. Jappert interfaces with County/City staff to assure continual high standards of service.

**Felipe Fregoso, Service Safety Official.** Mr. Fregoso is responsible for the day-to-day operations of the Azusa Hauling Yard. This encompasses fostering a work environment based on teamwork and open communication for 20+ employees. Maintain organization of the division and determine the allocation of duties for Service Routes. Ensure Customer Service department provides resolution to incoming calls while providing highest level of service. Oversee Shop Supervisors to ensure timely resolution to fleet vehicles to minimize down time and maintaining the lawful condition of company vehicles. Monitor and control administrative costs and oversee all functional areas to exceed goals. Conduct quarterly employee reviews and ensure adherence to procedures and franchise agreements are maintained. In addition Mr. Fregoso is responsible for all safety related issues at the Burrtec facility located in Azusa. These responsibilities include, but are not limited to the following:

- \* Injury and Illness Prevention Program
- \* Code of Safe Work Practices
- \* Abatement of Safety Hazards
- \* Facility Safety Inspections
- \* Monthly Safety Meetings
- \* Safety Bonus Incentive Program
- \* Biennial Inspection of Terminals
- \* Driver Route Audits

**Customer Service Manager** will provide direction, guidance and supervision to the Customer Service Representatives while ensuring exceptional customer service levels. Initiates monthly and quarterly billing and monitors credits and debits on all accounts. The Customer Service Manager assists in implementing various programs and facilitating efforts of other employees, provides assistance to a variety of municipalities, ensures staff is properly training, and makes recommendations to improve administrative and operational efficiencies.

**Route Supervisor** coordinate and directs the activities of drivers; ensure efficient route management and excellent customer service; handles and resolve a variety of issues including

**customer complaints; performs accident investigations and monitors driver safety compliance; and works on special assignments as needed.**

Exhibit 3D – Franchisee Documentation

**Item B.4 – UNPERMITTED WASTE SCREENING PROTOCOL**

This item consists of 3 pages (including this page).

Initials: ~~TH~~ Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**4. UNPERMITTED WASTE SCREENING PROTOCOL**

Hazardous materials inadvertently collected along with municipal solid waste are a persistent problem facing our industry. Drivers are trained to avoid accidental collection of hazardous materials; and, whenever possible, front or side loading vehicles are used to allow drivers to easily spot hazardous materials. If hazardous waste is found in the container, or if recyclables are contaminated with refuse, the customer is notified in writing with a tag attached to the container.

Burrtec Waste Industries' drivers and Route Supervisors conduct routine waste audits and carefully inspect containers before they are serviced. These inspections include visual inspections upon tipping the cart and can include a physical inspection in cases where the cart is overflowing with unpermitted materials. If non-permitted waste is found, written notification is attached to the container. Burrtec's written notification system has been in place for many years and it is viewed as an education process for the customer and a safety measure for the both driver and the County of Los Angeles.

Additionally, during the initial recyclables and green waste contamination audits, Burrtec staff will also audit the trash carts for nonpermitted waste. The first audit will be done within six months of commencing the franchise. Thereafter, 20% of the customers will be re-inspected on an annual basis.

Burrtec has successfully implemented the following system to address this problem:

- Continual education and identification to the customers regarding the dangers of improperly disposed of hazardous materials and locations where this material can be taken for proper management. The continual education includes quarterly newsletter information that is included with the billings.
- The Non-Collection Tags will be filled out and attached to customer's container indicating what hazardous materials have been identified in the container and to call Household Hazardous Waste for proper disposal methods.
- Driver training on the identification of hazardous materials that have been combined with municipal solid waste. Driver training includes awareness of commonly found household hazardous waste items that are toxic, poisonous, corrosive, flammable, or combustible. Such items typically include paint, pesticides, cleaning solutions, automotive fluids, weed killers, sharps, medications, fluorescent bulbs, aerosols, batteries, etc.

In the even hazardous materials do appear in the waste stream, Burrtec has established the following procedures:

- Collectors receive safety training regarding hazardous waste identification, inadvertent contact and notification procedures.
- Once the collector identifies a suspected hazardous waste situation, the local supervisor is contacted to isolate the area or load. The material will be manifested and transported for property disposal by a licensed hazardous waste hauler contracted by Burrtec. Removal of hazardous material will be in accordance with all local, stated and federal laws and regulations.
- The local Department of Environmental Health of Los Angeles County is contacted and steps are taken to properly clean-up and dispose of the material.
- Investigative efforts are made to establish the source of the material and the individual(s) involved.

Exhibit 3D – Franchisee Documentation

**Item B.5 – OFFICE**

This item consists of 2 pages (including this page).

Initials: TH Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**5. OFFICE ADDRESS AND FRANCHISEE OFFICE HOURS**

Address: 1017 W. Gladstone St, Azusa, CA 91702

Hours: Monday – Friday, 8am – 5pm and Saturday following an observed holiday

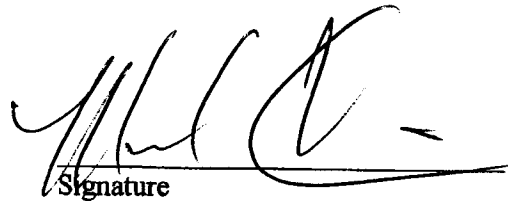
Exhibit 3D – Franchisee Documentation

**Item B.6 – ACKNOWLEDGMENT** of receipt of fact sheet relating to form of Non-employee Injury Report

This item consists of 1 pages (including this page).

Initials: TH Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

Burrtec Waste Industries, Inc. acknowledges receipt of fact sheet relating to the Non-Employee Injury Report form that is available on the County's website at: [http://ceo.lacounty.gov/RMB/pdf/Forms/cms1\\_044804.pdf](http://ceo.lacounty.gov/RMB/pdf/Forms/cms1_044804.pdf)

  
Signature



**Exhibit 3D – Franchisee Documentation**

**Item B.7 – INSURANCE AND PERFORMANCE ASSURANCE**

This item consists of 19 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**7. INSURANCE AND PERFORMANCE ASSURANCE**

Following are the Insurance Certificates and Performance Bond as specified in the Exclusive Franchise Agreement.

<b>ACORD. CERTIFICATE OF LIABILITY INSURANCE</b>		OP ID JM BURRT-2	DATE (MM/DD/YYYY) 03/19/08
<b>PRODUCER</b> Alliant Insurance Services, Inc (Lic-0C36861) P O Box 3280 San Bernardino CA 92413-3280 Phone: 909-886-9861 Fax: 909-886-2013		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
<b>INSURED</b> Burrtec Waste Industries Inc See Addn'l Named Insured In Notes Section 9890 Cherry Avenue Fontana CA 92335		<b>INSURERS AFFORDING COVERAGE</b>	<b>NAIC #</b>
		INSURER A: Lexington Insurance Company	
		INSURER B: New Hampshire Insurance Co	
		INSURER C: New Hampshire Insurance Co	
		INSURER D:	
		INSURER E:	

**COVERAGES**


THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	1260408	03/01/08	03/01/09	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ Excluded PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000
B	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CA5456148	03/01/08	03/01/09	COMBINED SINGLE LIMIT (Ea accident) \$ 3,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WC1894400	03/01/08	03/01/09	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Re: The exclusive franchise agreement for the area of South Whittier. County of LA, its Special Districts, its Officers and its employees are add'l insd/prim wrdg as respects gen'l liab per end'l LX9466 10/03; Auto Liability Coverage Ded \$250,000 per accident, Aggregate Ded \$2,000,000, \*SEE ATTACHED ADDITIONAL NOTES\*\*

**CERTIFICATE HOLDER****CANCELLATION**

Bryce Tyler County of Los Angeles; Dept of Public Works 900 S. Fremont Ave Annex 3rd FL Alhambra CA 91803	BRYCET1 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, <del>_____</del> AUTHORIZED REPRESENTATIVE 
---	---

**NOTEPAD:**

HOLDER CODE BRYCET1

BURRT-2

PAGE 4

INSURED'S NAME Burrtec Waste Industries Inc

OPID JN

DATE 03/19/08

Pollution Liab Applies per CA9948 for all activities arising from this Agreement; General Liab SIR \$100,000 each occurrence; Workers' Compensation Bodily Injury by Accident: \$250,000 Ded each occurrence, Bodily injury By Disease \$250,000 Ded each claim, All Covered Bodily Injury \$3,000,000 Ded policy aggregate. \*30 day N O C except 10 day for non-payment of premium. XX-LTR  
Replaces prior certificate issued 03/13/08.

**NOTEPAD:**

INSURED'S NAME Burrtec Waste Industries Inc

BURRT-2

OPID JM

PAGE 2

DATE 03/19/08

## Named Insured Cont.-

Agua Mansa MRF, LLC

AVCO Disposal, Inc.

Burr Group LP

Burr Group, Inc.

Burr Properties, G.P.

Burrline LLC

Burrtec Environmental, LLC

Burrtec Recovery &amp; Transfer, LLC

Burrtec Waste Group, Inc.

Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)

Burrtec Waste Industries, Inc. DBA: Agua Mansa Recycling &amp; Transfer Co.

Burrtec Waste Industries, Inc. DBA: Burrtec Recycling &amp; Transfer Co.

Burrtec Waste Industries, Inc. DBA: Burrtec Recycling Center

Burrtec Waste Industries, Inc. DBA: Inland Empire Recycling

Burrtec Waste &amp; Recycling Services, LLC

Burrtec Waste Services, LLC

Coachella Valley Transfer Station

Crestline Disposal

## Named Insured Cont.-

Currans Rubbish Disposal, Inc.

Desert Disposal

E. Cole Burr, individually and as Trustee of the Burr Family Trust

EDCO Disposal Corp (but only as respects to vehicles registered in their name)

Edward G. Burr, Sandra L. Burr, Cole Burr and Tracy A. Burr, Individually and Burr Properties: 9910, 9934, 9930, 9964, 9820, 9890, 9982 Cherry Ave, Fontana, CA and 17000 Abbey Lane, corner of Abbey Lane and Bimini (5 acres), and 18997 Abbey Lane, Victorville California

Edom Hill Transfer Station

Empire Disposal, LLC

Fontana Rubbish Collectors, Inc.

Jack's Disposal Service, Inc.

Kaiser Recycling Corporation

Lake Arrowhead Disposal

Lucerne Valley Disposal, Inc.

Mark's Disposal - a division of Burrtec Waste Industries, Inc.

## Named Insured Cont.-

Monarch Construction Services, Inc. (but only as respects vehicles registered in their name)

Monarch Concrete Washout, Inc. (but only as respects vehicles registered in their name)

Monte Vista Disposal, Inc.

Mountain Disposal

Norcal/San Bernardino (but only as respects to vehicles registered in this name)

Rancho Disposal Service, Inc.

Running Springs Disposal

System Disposal (but only as respects to vehicles registered in this name)

T/M 403 INV (but only as respects to vehicles registered in this name)

TECMEC Maintenance Enterprise, Inc.

Tracy A. Burr, individually and as Trustee of the Burr Family Trust

Tri-County Disposal, Inc.

Tri-County Disposal, Inc. DBA: Gary's Disposal (but only as respects to vehicles registered in this name)

**NOTEPAD:**

INSURED'S NAME Burrtec Waste Industries Inc.

BURRT-2

PAGE 3

OP:ID JM

DATE 03/19/08

Named Insured Cont.-

Universal Waste System (but only as respects to vehicles registered in this name)

Victor Valley MRF

Victorville Disposal, Inc.

West Valley MRF, LLC

West Valley Recycling and Transfer, Inc.

Yucaipa Disposal, Inc.

Yukon Disposal

<b>ACORD CERTIFICATE OF LIABILITY INSURANCE</b>		OP ID KG <b>BURRT-2</b>	DATE (MM/DD/YYYY) <b>03/19/08</b>
<b>PRODUCER</b> Alliant Insurance Services, Inc (Lic-0C36861) P O Box 3280 San Bernardino CA 92413-3280 Phone: 909-886-9861 Fax: 909-886-2013		<b>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.</b>	
<b>INSURED</b>  Burrtec Waste Industries Inc See Addn'l Named Insured In Notes Section 9890 Cherry Avenue Fontana CA 92335		<b>INSURERS AFFORDING COVERAGE</b> INSURER A: Everest National Insurance Co INSURER B: INSURER C: INSURER D: INSURER E:	<b>NAIC #</b>     

**COVERAGES**


THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/PO/ AGG \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A	<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  DEDUCTIBLE RETENTION \$	71G3000010-081	03/01/08	03/01/09	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$ \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATO-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	<b>OTHER</b>				

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**

Re: The exclusive franchise agreement for the area of South Whittier.  
 County of LA, its Special Districts, its Officers and its employees  
 \*30 day N O C except 10 day for non-payment of premium. XX-LTR  
 Replaces prior certificate issued 03/18/08.

**CERTIFICATE HOLDER****CANCELLATION**

COLA001  Bryce Tyler County of Los Angeles Dept. of Public Works 900 S. Fremont Ave 3rd FL Alhambra CA 91803	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL <del>SEND BY MAIL</del> <b>30*</b> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, <del>WHICH SHALL BE THE LAST NOTICE OF CANCELLATION OR LACK OF RENEWAL OF THE INSURER, ITS AGENT OR</del> AUTHORIZED REPRESENTATIVE 
--	---

**NOTEPAD:**

INSURED'S NAME Burrtec Waste Industries Inc

BURRT-2

OP 10 KG

PAGE 2

DATE 03/19/08

## Named Insured Cont.-

Agua Mansa MRF, LLC

AVCO Disposal, Inc.

Burr Group LP

Burr Group, Inc.

Burr Properties, G.P.

Burrline LLC

Burrtec Environmental, LLC

Burrtec Recovery &amp; Transfer, LLC

Burrtec Waste Group, Inc.

Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)

Burrtec Waste Industries, Inc. DBA: Agua Mansa Recycling &amp; Transfer Co.

Burrtec Waste Industries, Inc. DBA: Burrtec Recycling &amp; Transfer Co.

Burrtec Waste Industries, Inc. DBA: Burrtec Recycling Center

Burrtec Waste Industries, Inc. DBA: Inland Empire Recycling

Burrtec Waste &amp; Recycling Services, LLC

Burrtec Waste Services, LLC

Coachella Valley Transfer Station

## Named Insured Cont.-

Crestline Disposal

Currans Rubbish Disposal, Inc.

Desert Disposal

E. Cole Burr, individually and as Trustee of the Burr Family Trust

EDCO Disposal Corp (but only as respects to vehicles registered in their name)

Edward G. Burr, Sandra L. Burr, Cole Burr and Tracy A. Burr, Individually and Burr Properties: 9910, 9934, 9930, 9964, 9820, 9890, 9982 Cherry Ave, Fontana, CA and 17000 Abbey Lane, corner of Abbey Lane and Bimini (5 acres), and 18997 Abbey Lane, Victorville California

Edom Hill Transfer Station

Empire Disposal, LLC

Fontana Rubbish Collectors, Inc.

Jack's Disposal Service, Inc.

Kaiser Recycling Corporation

Lake Arrowhead Disposal

Lucerne Valley Disposal, Inc.

## Named Insured Cont.-

Mark's Disposal - a division of Burrtec Waste Industries, Inc.

Monarch Construction Services, Inc. (but only as respects vehicles registered in their name)

Monarch Concrete Washout, Inc. (but only as respects vehicles registered in their name)

Monte Vista Disposal, Inc.

Mountain Disposal

Norcal/San Bernardino (but only as respects to vehicles registered in this name)

Rancho Disposal Service, Inc.

Running Springs Disposal

System Disposal (but only as respects to vehicles registered in this name)

T/M 403 INV (but only as respects to vehicles registered in this name)

TECMEC Maintenance Enterprise, Inc.

Tracy A. Burr, individually and as Trustee of the Burr Family Trust

Tri-County Disposal, Inc.



**NOTEPAD:**

INSURED'S NAME Burrtec Waste Industries Inc

BURRT-2

PAGE 3

OPID KG

DATE 03/19/08

Named Insured Cont.

Tri-County Disposal, Inc. DBA: Gary's Disposal (but only as respects to vehicles registered in this name)

Universal Waste System (but only as respects to vehicles registered in this name)

Victor Valley MRF

Victorville Disposal, Inc.

West Valley MRF, LLC

West Valley Recycling and Transfer, Inc.

Yucaipa Disposal, Inc.

Yukon Disposal

<b>ACORD. CERTIFICATE OF LIABILITY INSURANCE</b>		OF ID NG BURR-1	DATE (MM/DD/YY) 03/25/08
<b>PRODUCER</b> Wells Fargo of California(onc) Ins Services, Inc. Lic#0352275 4141 Inland Empire Blvd #341 Ontario CA 91764 Phone: 909 484-1007 Fax: 909-980-1961		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
<b>INSURED</b>  Burrtec Waste Industries, Inc. 9890 Cherry Avenue Fontana CA 92335-5202		<b>INSURERS AFFORDING COVERAGE</b>	<b>NAIC #</b>
		INSURER A: American Int'l Specialty Lines	
		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSR		TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	NOT APPLICABLE			EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	\$ \$ \$ \$ \$
		<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident)  BODILY INJURY (Per person)  BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	\$  \$  \$ \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	\$ \$ \$
		<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE RETENTION \$	NOT APPLICABLE			EACH OCCURRENCE AGGREGATE     WC STATU-TORY LIMITS OTH-ER	\$ \$ \$ \$ \$ \$ \$
		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	NOT APPLICABLE			E L. EACH ACCIDENT E L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	\$ \$ \$
A		<b>POLLUTION LEGAL Liability</b>	PLS 1180798	10/31/07	10/31/08	B, C, E & F Ded	\$5,000,000 \$25,000

[illegible]

\*10 day notice of cancellation for non payment of premium applies;

The exclusive franchise agreement for the area of South Whittier County of LA, its Special Districts, its Officers and its employees;

<p><b>CERTIFICATE HOLDER</b></p> <p>County of Los Angeles  Dept of Public Works  Bryce Tyler 900 S Fremont Ave  Annex, 3rd Floor  Alhambra CA 91803</p>	<p><b>CANCELLATION</b></p> <p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF THE ISSUING INSURER WILL <del>ADVANCE TO MAIL</del> <u>*30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT <del>BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER OR AGENT OR REPRESENTATIVE.</del></p> <p>AUTHORIZED REPRESENTATIVE: <i>William H. Hooper</i></p>
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**IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**Schedule of Named Insured**

**BURRTEC WASTE GROUP, INC.  
BURRTEC WASTE INDUSTRIES, INC.  
BURRTEC RECYCLING & TRANSFER, LLC  
WEST VALLEY MRF, LLC  
WEST VALLEY RECYCLING & TRANSFER, INC.  
KAISER RECYCLING CORP, but only as respects their interest  
AGUA MANSA MRF, LLC  
AGUA MANSA RECYCLING TRANSFER CO.  
COACHELLA-INDIO WASTE TRANSFER STATION AUTHORITY  
INDIO/COACHELLA RECYCLING / TRANSFER STATION  
EDOM HILL TRANSFER STATION**

Policy Number: CA5456148  
Policy Holder: Burrtec Waste Industries Inc

COMMERCIAL AUTO  
CA 99 48 03 06

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **POLLUTION LIABILITY – BROADENED COVERAGE FOR COVERED AUTOS – BUSINESS AUTO, MOTOR CARRIER AND TRUCKERS COVERAGE FORMS**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Liability Coverage is changed as follows:**

1. Paragraph a. of the Pollution Exclusion applies only to liability assumed under a contract or agreement.
2. With respect to the coverage afforded by Paragraph A.1. above, Exclusion B.6. Care, Custody Or Control does not apply.

**B. Changes in Definitions**

For the purposes of this endorsement, Paragraph D. of the Definitions Section is replaced by the following:

- D. "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraphs a. and b. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

County of LA, its Special Districts, its Officers and its employees

## ENDORSEMENT

This endorsement, effective 12:01 AM 03/01/2008

Forms a part of policy no.: 1260408

Issued to: BURRTEC WASTE INDUSTRIES, INC.

By: LEXINGTON INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### ADDITIONAL INSURED REQUIRED BY WRITTEN CONTRACT

- A. Section II - Who Is An Insured is amended to include any person or organization you are required to include as an additional insured on this policy by a written contract or written agreement in effect during this policy period and executed prior to the "occurrence" of the "bodily injury" or "property damage."
- B. The insurance provided to the above described additional insured under this endorsement is limited as follows:
  1. COVERAGE A BODILY INJURY AND PROPERTY DAMAGE (Section I - Coverages) only.
  2. The person or organization is only an additional insured with respect to liability arising out of "your work" or "your product" for that additional insured.
  3. In the event that the Limits of Insurance provided by this policy exceed the Limits of Insurance required by the written contract or written agreement, the insurance provided by this endorsement shall be limited to the Limits of Insurance required by the written contract or written agreement. This endorsement shall not increase the Limits of Insurance stated in the Declarations under Item 3. Limits of Insurance pertaining to the coverage provided herein.
  4. The insurance provided to such an additional insured does not apply to "bodily injury" or "property damage" arising out of an architect's, engineer's or surveyor's rendering of or failure to render any professional services including:
    - i The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
    - ii Supervisory, inspection, architectural or engineering activities.
  5. This insurance does not apply to "bodily injury" or "property damage" arising out of "your work" or "your product" included in the "products-completed operations hazard" unless you are required to provide such coverage by written contract or written agreement and then only for the period of time required by the written contract or written agreement and in no event beyond the expiration date of the policy.

6. Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance apply on a primary or non-contributory basis.
- D. In accordance with the terms and conditions of the policy and as more fully explained in the policy, as soon as practicable, each additional insured must give us prompt notice of any "occurrence" which may result in a claim, forward all legal papers to us, cooperate in the defense of any actions, and otherwise comply with all of the policy's terms and conditions.
- C. Subparagraph (1)(a) of the Pollution exclusion paragraph 2.f., Exclusions of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages) does not apply to you if the "bodily injury" or "property damage" arises out of "your work" or "your product" performed on premises which are owned or rented by the additional insured at the time "your work" or "your product" is performed.

County of LA, its Special Districts, its Officers and its employees

\_\_\_\_\_  
Authorized Representative OR  
Countersignature (In states where applicable)

LX9466 (10/03)

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Page 2 of 2



Annual Performance Bond

Bond No. K06954868

KNOW ALL MEN BY THESE PRESENTS, that we, Burtec Waste Industries, Inc., as Principal, (hereinafter called the "Principal"), and WESTCHESTER FIRE INSURANCE COMPANY, (hereinafter called the "Surety"), are held firmly bound unto County of Los Angeles as Oblige, (hereinafter called the "Obligee"), in the maximum penal sum of Seven Hundred Seventy-nine Thousand and no/100 Dollars, (\$ 779,000.00), good and lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, administrators, executors, successors, assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal has entered into a certain written contract with the above mentioned Oblige described as: Exclusive Franchise Agreement for the Area of South Whittier dated \_\_\_\_\_, contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITIONS OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden Principal shall well and truly keep, do and perform, each and every, all and singular, the matters and things in said contract set forth and specified to be by the said Principal kept, done and performed, at the time and in the manner in said contract specified during the term of this bond, and shall pay over, and make good and reimburse to the above named Oblige, all loss and damage which said Oblige may sustain by reason of failure or default on the part of Principal, then this obligation shall be void otherwise to be and remain in full force and effect.

PROVIDED, HOWEVER, that:

1. The term of this bond is for the period commencing April 1, 2008 and expiring on April 1, 2009, unless released in writing by the Oblige prior thereto. However, the term of this bond may be renewed for an additional one-year period(s) by the issuance of a Continuation Certificate by the Surety.
2. Neither nonrenewal by the Surety nor failure of the Principal to provide the Oblige with a replacement bond shall constitute default under this bond.
3. In the event the Principal shall be declared by the Oblige to be in default under the Contract, the Oblige shall provide the Surety with a written statement setting forth the particular facts of said default as soon as practical from the date of said default, which notice shall be sent to the Surety by registered mail to the address in stated in Section 6 herein.
4. In the event of default the Surety's sole responsibility under this bond will be to tender to the Oblige funds sufficient to pay the cost of completion by substitute performance secured by County less the balance of the Contract price up to an amount not to exceed the penal sum of the bond including franchise fees and liquidated damages. The Surety under no circumstances will assume performance of the contract.
5. The Oblige's acceptance of this bond and reliance upon it as security constitutes its acknowledgement and agreement as to the terms under which it is offered and issued by the Surety.
6. All notices, demands and correspondence with respect to this bond shall be in writing and addressed to:

The Surety at: 436 Walnut Street WA10F, Philadelphia, PA 19106

The Principal at: 9890 Cherry Avenue - Fontana, CA 92335

The Oblige at: 900 S. Fremont Avenue Annex - 3<sup>rd</sup> Floor - Alhambra, CA 91803

SIGNED, SEALED AND DATED this 31st day of March, 2008.

Principal: Burtec Waste Industries, Inc.

By: \_\_\_\_\_

Title: President

Surety: WESTCHESTER FIRE INSURANCE COMPANY

By: \_\_\_\_\_

Attorney-In-Fact

John Kookoosides

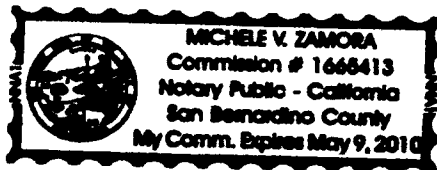


**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of SAN BERNARDINO

On 3/31/08 before me, Michele V. Zamora Notary Public  
Here Insert Name and Title of the Officer  
 personally appeared COLE BURN  
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**Title or Type of Document: Annual Performance BondDocument Date: 4-1-08 Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

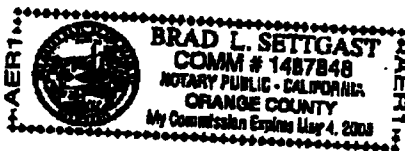
Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
 County of Orange }

On March 31, 2008 before me, Brad L. Settgast, Notary Public  
 personally appeared John Kookootzedes



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]  
 Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name:

- ☐ Individual  
☐ Corporate Officer – Title(s): \_\_\_\_\_  
☐ Partner - ☐ Limited ☐ General  
☐ Attorney-in-Fact  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signature of Signer

\_\_\_\_\_

Signer's Name:

- ☐ Individual  
☐ Corporate Officer – Title(s): \_\_\_\_\_  
☐ Partner - ☐ Limited ☐ General  
☐ Attorney-in-Fact  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signature of Signer

\_\_\_\_\_

**Power of Attorney**

271812

WESTCHESTER FIRE INSURANCE COMPANY



1200301

Know all men by these presents: That **WESTCHESTER FIRE INSURANCE COMPANY**, a corporation of the State of New York, having its principal office in the City of Atlanta, Georgia, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on December 11, 2006, to wit:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognitions, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

- (1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.
- (2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, in that extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.
- (3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
- (4) Each of the Chairman, the President and Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
- (5) The signature of any officer or other person executing any Written Commitment in accordance with delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile to such Written Commitments or other documents or delegations.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested.

FURTHER RESOLVED, that the Resolution of the Board of Directors of the Company adopted at the meeting held on November 8, 1999 relating to the authorization of certain persons to execute, for and on behalf of the Company, Written Commitments and appointments and delegations, is hereby rescinded.

Does hereby nominate, constitute and appoint **JAMES BRAKKE** and **JOHN KOOKOOTSEDES** both of the City of Laguna Niguel, State of California, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognitions, contracts and other writings in the nature thereof in penalties not exceeding Ten Million Dollars (\$10,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and as much as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said Stephen M. Haney, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **WESTCHESTER FIRE INSURANCE COMPANY** this 30th day of March 2007.



WESTCHESTER FIRE INSURANCE COMPANY

Stephen M. Haney, Vice President

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF PHILADELPHIA

On this 30th day of March, A.D. 2007, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia, came Stephen M. Haney, Vice-President of the **WESTCHESTER FIRE INSURANCE COMPANY** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



NOTARIAL SEAL  
Kathleen Tiri, Notary Public  
Philadelphia, Philadelphia County  
My commission expires September 22, 2007

Notary Public

I, the undersigned Assistant Secretary of **WESTCHESTER FIRE INSURANCE COMPANY**, do hereby certify that the original **POWER OF ATTORNEY**, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of the Corporation, this 31st day of March, 2008



William L. Kelly, Assistant Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER March 30, 2009

Exhibit 3D – Franchisee Documentation

**Item B.8 – INTERNAL REVENUE SERVICE NOTICE 1015**

This item consists of 3 pages (including this page).

Initials: TW Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**8. INTERNAL REVENUE SERVICE NOTICE 1015**

Burrtec Waste Industries, Inc. will notify its employees and will require its subcontractors to notify their employees that they may be eligible for the federal earned income credit under federal income tax laws and will provide a copy of Internal Revenue Service Notice 1015.



**Department of the Treasury  
Internal Revenue Service**

**Notice 1015**

(Rev. December 2005)

**Have You Told Your Employees About the  
Earned Income Credit (EIC)?**

**What is the EIC?**

The EIC is a refundable tax credit for certain workers.

**Which Employees Must I Notify About the EIC?**

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

**Note.** You are encouraged to notify each employee whose wages for 2005 are less than \$37,283 that he or she may be eligible for the EIC.

**How and When Must I Notify My Employees?**

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2006.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3576, or from the IRS website at [www.irs.gov](http://www.irs.gov).

**How Will My Employees Know If They Can  
Claim the EIC?**

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2005 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

**How Do My Employees Claim the EIC?**

Eligible employees claim the EIC on their 2005 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2005 and owes no tax but is eligible for a credit of \$799, he or she must file a 2005 tax return to get the \$799 refund.

**How Do My Employees Get Advance EIC  
Payments?**

Eligible employees who expect to have a qualifying child for 2006 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 1015 (Rev. 12-2005)  
Cat. No. 205991

## Exhibit 3D – Franchisee Documentation

**Item B.9 – ACKNOWLEDGEMENT** of receipt of fact sheet relating to Safely Surrendered Baby Law

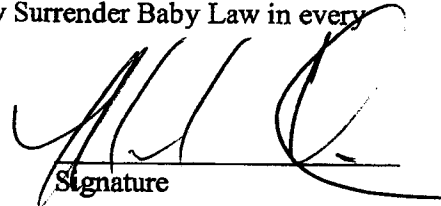
This item consists of 5 pages (including this page).

Initials: HW Dated: 4/1/08 Initials: TWA Dated: 4/3/08  
 FRANCHISEE COUNTY

Burrtec Waste Industries, Inc. acknowledges that it has read and completely understands the program(s) related to the Safely Surrender Baby Law as articulated in the bid documents and the County of Los Angeles website [www.babysafela.org](http://www.babysafela.org).

Burrtec Waste Industries, Inc. agrees to provide each employee involved with the contract a copy of the "No Shame. No Blame. No Names." County program documentation, in both English and Spanish, as provided in the downloadable version on the County of Los Angeles website.

Burrtec Waste Industries, Inc. and its contractors will post posters of copies of County of Los Angeles posters regarding the Safely Surrender Baby Law in every facility where their employees are present.

  
 Signature

# No shame. No blame. No names.

**Newborns can be safely given up  
at any Los Angeles County  
hospital emergency room or fire station.**



**In Los Angeles County**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**State of California**  
Gray Davis, Governor

**Health and Human Services Agency**

Richard J. Carls, Secretary

**Department of Social Services**

John J. Goss, Director



**Los Angeles County Board of Supervisors**

Gloria Molina, Supervisor, First District

Yvonne Brathwaite Burke, Supervisor, Second District

Zev Yaroslavsky, Supervisor, Third District

Don Knabe, Supervisor, Fourth District

Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by the LA and INE of Los Angeles.



**What is the Safely Surrendered Baby Law?**

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

**How does it work?**

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

**What if a parent wants the baby back?**

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

**Can only a parent bring in the baby?**

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

**Does the parent have to call before bringing in the baby?**

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

**Does a parent have to tell anything to the people taking the baby?**

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

**What happens to the baby?**

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

**What happens to the parent?**

Once the parent(s) has safely turned over the baby, they are free to go.

**Why is California doing this?**

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

**A baby's story**

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

---

**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

---

*It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.*

# Sin pena. Sin culpa. Sin peligro.

Los recién nacidos pueden ser entregados  
en forma segura en la sala de emergencia de  
cualquier hospital o en un cuartel de bomberos  
del Condado de Los Angeles.



En el Condado de Los Angeles

1-877-BABY SAFE

1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



Estado de California  
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos

William E. Miller, Director Asesor  
Stanford L. Green, Secretario

Departamento de Servicios Sociales

Thomas J. O'Connell, Director  
Linda S. Brown, Directora



Consejo de Supervisores del Condado de Los Angeles

Edith M. Linn, Supervisora, Primer Distrito

Yvonne B. Hancock, Supervisora, Segundo Distrito

Michael J. Davis, Supervisora, Tercer Distrito

Michael J. Davis, Supervisora, Cuarto Distrito

Michael J. Davis, Supervisora, Quinto Distrito

Esta iniciativa también es financiada por First 5 LA y INFOLINE de Los Angeles.

**¿Qué es la Ley de Entrega de Bebés Sin Peligro?**

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

**¿Cómo funciona?**

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

**¿Qué pasa si el padre/madre desea recuperar a su bebé?**

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

**¿Sólo los padres podrán llevar al recién nacido?**

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

**¿Los padres deben llamar antes de llevar al bebé?**

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

**¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?**

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

**¿Qué ocurrirá con el bebé?**

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

**¿Qué pasará con el padre/madre?**

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

**¿Por qué California hace esto?**

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

**Historia de un bebé**

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

---

**Cada recién nacido merece una  
oportunidad de tener una vida saludable.  
Si alguien que usted conoce está pensando  
en abandonar a un recién nacido, infórmele  
qué otras opciones tiene.**

---

*Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.*

Exhibit 3D – Franchisee Documentation

**Item B.10 – FRANCHISEE’S EEO CERTIFICATION (FORM PW-7)**

This item consists of 2 pages (including this page).

Initials: HT Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

## EXHIBIT 3D – FRANCHISEE DOCUMENTATION

B. County Consent Required.

## 10. FRANCHISEE'S EEO CERTIFICATION (FORM PW-7)

A copy of the EEO certification from our proposal is attached as Exhibit 6.

FORM PW-7

## PROPOSER'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Proposer's Name <u>Burtec Waste Industries, Inc.</u>		
Address <u>9890 Cherry Ave, Fontana, CA 92335</u>		
Internal Revenue Service Employer Identification Number <u>95-3396612</u>		
<p>In accordance with Los Angeles County Code Section 4.32.010, the Proposer certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.</p>		
1.	The proposer has a written policy statement prohibiting any discrimination in all phases of employment.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
2.	The proposer periodically conducts a self-analysis or utilization analysis of its work force.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
3.	The proposer has a system for determining if its employment practices are discriminatory against protected groups.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
4.	Where problem areas are identified in employment practices, the proposer has a system for taking reasonable corrective action to include establishment of goals and timetables.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

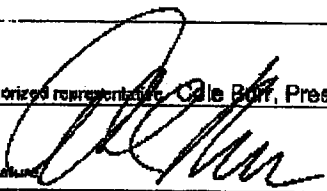
Authorized representative <u>Calle Borr, President</u>	
Signature 	Date <u>August 27, 2007</u>

Exhibit 3D – Franchisee Documentation

**Item B.11 – HOLIDAY COLLECTION SCHEDULE**

This item consists of 2 pages (including this page).

Initials: HA Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**11. HOLIDAY COLLECTION SCHEDULE**

Burrtec will be closed on the following six holidays. Monday through Thursday trash service will be picked up on the following business day. Trash scheduled to be picked up on Friday will be picked on Saturday. If the holiday falls on a weekend (Saturday or Sunday) there will be no service delays.

New Year's Day  
Memorial Day  
Independence Day

Labor Day  
Thanksgiving Day  
Christmas Day

Exhibit 3D – Franchisee Documentation

**Item B.12 – WASTE DIVERSION PROGRAM, INCLUDING CUSTOMER RECYCLING  
AND SAFE DISPOSAL EDUCATION PROGRAM**

This item consists of 8 pages (including this page).

Initials: HS Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY



**EXHIBIT 3D – FRANCHISEE DOCUMENTATION****B. County Consent Required.****12. WASTE DIVERSION PROGRAM****Customer Recyclables Diversion Education Program**

Burrtec is committed to the County's achievement of its waste diversion goals. Our development and implementation of waste diversion programs has been the key to our success in the many communities we serve throughout Southern California. By targeting select materials in the residential, multi-family, commercial and industrial waste streams, we have increased diversion percentages and avoided disposal at local landfills.

**Residential and Multi-Family Premises**

Our proposed residential program will include the basic services requested by the County Franchise Agreement. All single-family services and selected multi-family services include one 96-gallon cart identified for recyclables collection only. Residents will receive initial information on acceptable recyclables in addition to periodic updates and reminders. The acceptable material list will also be labeled/hot-stamped on the container itself. Additional recycling carts will be available on request.

Residents will also receive one 96-gall cart identified for green waste collection only. Residents will receive initial information on acceptable green waste in addition to periodic updates and reminders. The acceptable green waste material list will also be labeled/hot-stamped on the container itself. Additional green waste carts are available upon requests.

As per the Franchise Services Specification, bulky items, e-waste and CEDs will also be collected and processed to achieve the maximum diversion. These items will be collected by a Burrtec truck and taken to respective facilities for processing and/or disposal. E-waste and CED's will be taken to Allan Company while bulky items that are not readily recyclable will be taken to Puente Hills Landfill for disposal.

**Customer Recyclables Diversion Education Plan**

At a minimum the diversion goal for the residential and multi-family solid waste collections program will reflect the current State requirements. Currently at 50%, this number may increase in future years and our programs and processes must meet that demand.

Burrtec records all solid waste tonnage collection on a daily basis. Our methodology includes categorizing the tonnage by material type, route and collection day. This information allows us to target participation, contamination, and overall waste generation. Our efforts can be focused on any and all areas in need of improvement as well as reinforcing positive results from good recycling practices.

At the end of each month this information cumulates in a Waste Generation and Diversion Report that specifies total tons by material type. All diverted materials tonnage (recyclables, green waste, metals, wood, e-waste, CEDs, etc) is totaled and compared to total solid waste collected. A diversions percentage is established at that time for that month.

Another tool used in the establishing of the monthly diversion number is the waste characterization report received from the material recovery facility that is used to process the collected recyclables. By periodic sampling the facility determines the average commodity markup of the recyclables that are collected in a commingled or mixed fashion. It also reveals the amount of contamination or non-recyclable material that is present in the total tonnage collected.

Source separated material that does not have mixed commodities such as green waste is weighed, cleaned from contaminants and then processed.

All clean processes material tonnage is calculated and used to develop the diversion percentage. Through up-to-date collection methods, processing and detailed recordkeeping of all information, all programs can be evaluated for effectiveness and productivity. These results determine once again, where we focus our operational and educational efforts and the overall success in meeting our diversion goals.

Our approach to successful recycling and diversion programs is simple:

- Provide a wide selection of acceptable materials
- Offer a simple yet complete collection program
- Implement a public education plan that encourages participation and diversity

An important component of diversion education is community outreach. Burrtec proposed to identify community outreach efforts based on an annual calendar of events. In addition to meetings and presentations to key accounts such as property managers and site managers of multi-family facilities, an ongoing schedule of presentations to local chambers of commerce, school districts and service clubs will be developed. A quarterly newsletter will also be mailed to all accounts giving the most up-to-date information regarding recycling information, community information and diversion related articles.

Public education and community relations are vitally important during the transition period and throughout the term of the Agreement. Burrtec Waste Industries, Inc., has successfully implemented a variety of solid waste transition and collection programs, each of which has included a complete community education element. One of the most important elements of this transition for the County of Los Angeles will be extensive public education activity and hands-on community involvement.

Burrtec Waste Industries, Inc., in association with the County, will develop a community education plan with the following objectives:

- Maximize Diversion and Recycling Tonnage
- Reduce Source Waste
- Buy Recycled-Content Products
- Spread Anti Scavenging Messages
- Increase Recycling Participation

The plan will incorporate the following components:

- An Expanded Recycling Program
- Praise for Residents for Reaching AB 939 Goals
- Raise Public Awareness – “The New Program is the Next Step to Success”
- Support and Expand the Existing Recognition Techniques
- Coordinate Education Programs with All Groups in the County
- Maintain Program Information in English and Spanish

The program will be updated each year and will focus on these areas below.

**Service Brochures**

These brochures will describe the County's solid waste collection, recycling and green waste programs and will be mailed or delivered to each residential and multi-family customer before transition begins.

**Fliers**

Burrtec will develop and distribute information flyers on an “as needed basis,” with County's approval, to further educate residents and reinforce recycling programs.

**Quarterly Inserts**

Quarterly, Burrtec will develop and distribute to residential and multi-family customers a newsletter containing timely information on services provided, recycling, community events, holiday schedule, bulky items, e-waste, and proper disposal of hazardous waste.

**School District Solid Waste Recycling and Diversion Program**

This program will be designed to complement the school curriculum and increase County's diversion. It will be implemented at all schools in the County serviced by Burrtec. Highlights include:

1. Display Materials for School Assemblies
2. Participation at School Assemblies
3. Guest Speaker Programs
4. Judging at Science Fairs
5. Educational Handouts
6. Classroom Activities

Burrtec has always taken an active role in community service and events. Our presence and involvement at events lets residents know we are committed to the County of Los Angeles. The Burrtec presence also reminds residents to think about their refuse and recycling practices, whether or not the event is tied to solid waste.

Burrtec will provide personnel, equipment, collection services, promotional items, and cardboard trash boxes, at no charge, in a continuing effort to educate the public, promote solid waste awareness, and support the County. Following are examples of community services and events in which Burrtec will participate:

1. Chamber of Commerce
2. Service Clubs & Activities
3. Youth Organizations
4. School Sports
5. Community Meetings
6. County Celebrations - Parades, Pageants, Fairs

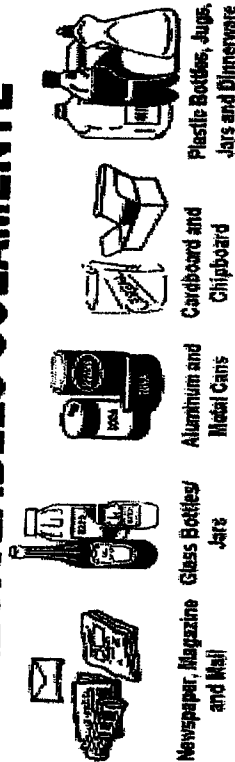
Source reduction is a constant public information and education effort. Through all of the items outlined above, Burrtec will continue to improve source reduction and encourage residents to "Reduce, Reuse, Recycle."

This is a brief overview of our public education and community relations program. Greater detail regarding public education efforts during the transition period, are provided in the sub-section Transition Plan. Burrtec pledges that all objectives, components and materials, outlined in Agreement will be included in the program for the County of Los Angeles.

# **RECYCLABLES ONLY** **RECICLABLES SOLAMENTE**

## ACCEPTABLE/ACEPTABLE

- Paper/Papel
- Aluminum and Metal
- Cans/Latas de Aluminio y de Metal
- Cardboard/Carton
- Plastic Bottles/Botellas de Plastico
- Glass/Vidrio



NO HAZARDOUS, LIQUID OR ELECTRONIC WASTE

DESECHOS TOXICOS, PELIGROSOS Y LIQUIDOS NO SERAN RECOLECTADOS

For More Information about how to dispose of Household Hazardous Waste Material call:

Para mas informacion de desechos domesticos peligrosos por favor llame a:

1-(888)-CLEAN-LA

## NOT ACCEPTABLE/NO ACEPTABLE

- Garbage/Sasura
- Fluids/Liquidos
- Batteries/Baterias
- Diapers/Pañales
- Green Waste/Desechos Verdes

# TRASH ONLY/BASURA SOLAMENTE

ACCEPTABLE/ACEPTABLE

Palm Fronds/Hojas de Palmeras  
Normal Household Waste/Desechos Domesticos Normal  
Animal Waste/Desechos de Animal

NOT ACCEPTABLE/NO ACEPTABLE

Rocks, Dirt/Piedras, Tierra  
Green Waste/Desechos Verdes  
Recyclables/Reciclables  
Concrete/Concreto  
Construction Debris/Residuos de Construcción  
\*Hazardous Waste\*/Desechos Peligrosos

THE FOLLOWING HAZARDOUS WASTE MATERIALS ARE NOT ACCEPTABLE:

\*Antifreeze, Household Cleaners, Motor Oil, Paint Thinner, Paints, latex or oil-based)  
FOR MORE INFORMATION ABOUT HOUSEHOLD HAZARDOUS WASTE MATERIALS CALL 1 (888) CLEAN LA

DESECHOS PELIGROSOS DOMESTICOS INCLUYE TODO LO CLASIFICADO COMO TOXICO, FLAMABLE OR IRRITANTE:  
\*(Anticongelantes, Líquidos para Limpieza Domesticos, Aceite de Automóviles, Disolvente de Pintura, Pinturas, látex y a base de aceite)

PARA MAS INFORMACION DE DESECHOS DOMESTICOS PELIGROSOS POR FAVOR LLAME A 1 (888) CLEAN LA

To Request Replacement and/or Additional Container(s) Contact: Burttec (800) 325-9417  
Para Reemplazar y/o pedir Bote(s) Adicionales Llame: Burttec (800) 325-9417

Exhibit 3D – Franchisee Documentation

**Item B.13 – CART SPECIFICATIONS**

This item consists of 4 pages (including this page).

Initials: HA Dated: 4/1/08 Initials: TWA Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**13. CART SPECIFICATIONS**

Burrtec proposes 35-gallon, 65-gallon and 96-gallon carts for residents in the South Whittier Service Area. Rehrig Pacific will manufacture carts by injection or rotational molding with a minimum of 30% recycled content. As of March 12, 2008, all carts have been received.

Cart Colors. The refuse, recycling and green waste carts will be differentiated by color. The colors will be colorfast and resistant to fading as a result of weathering or ultraviolet degradation. Refuse carts will be black; recycling carts blue, and green waste carts green.

HuskyLite® Warranty. Rehrig Pacific offers a full warranty for 10 years. When the body of the cart breaks, the body and both the wheel and lid assemblies are replaced. The conditions of this warranty include failure of the cart body, lid, lid attachments, wheels, axle, and all hardware.



# Rehrig Pacific Company

January 11, 2008

Richard Nino  
Burrtec Waste Industries  
9890 Cherry Avenue  
Fontana, CA 92335

*RE: Los Angeles County Franchise Areas - South Whittier*

Dear Mike:

This letter confirms that Rehrig Pacific Company will supply all residential containers needed for Burrtec Waste Industries within the South Whittier franchise area of Los Angeles County. Rehrig Pacific Company will begin production shortly to ensure that all carts are produced and delivered to the residents of South Whittier before March 31, 2008.

Burrtec is a long-term, valued partner of Rehrig Pacific Company and we are looking forward to a successful cart distribution. Please let me know if there are any questions or concerns. I can always be reached at (323) 228-5757

Sincerely,

Blair Chastain  
Rehrig Pacific Company

4010 EAST 26<sup>th</sup> ST. • LOS ANGELES, CALIF. 90023 • 323-262-5145 • FAX 323-260-8506  
QUALITY CONTAINERS FOR INDUSTRY SINCE 1913



March 6, 2008

Richard Nino  
Burrtec Waste Industries  
9890 Cherry Avenue  
Fontana, CA 92335

*RE: Los Angeles County Franchise Area – South Whittier Delivery Status*

Dear Richard:

This letter confirms that Rehrig Pacific Company has manufactured and delivered all containers requested by Burrtec Waste for use in South Whittier. We began the distribution and removal of all carts on March 5, 2008 and will be completed by March 28, 2008. The cost of said services totals \$2.5 million.

I have included the breakdown of cart sizes and colors that have been delivered and received at the designated staging yard.

- o 13,600 95 Gallon Black
- o 13,600 95 Gallon Blue
- o 13,600 95 Gallon Green
- o 650 65 Gallon Black
- o 650 65 Gallon Blue
- o 650 65 Gallon Green
- o 650 35 Gallon Black
- o 650 35 Gallon Blue
- o 650 35 Gallon Green

Please let me know if you have any questions or concerns. I can always be reached at (323) 228-5757.

Sincerely,

Blair Chastain

Rehrig Pacific Company

4810 EAST 26<sup>th</sup> ST. • LOS ANGELES, CALIF. 90023 • 323-262-5145 • FAX 323-268-8506

QUALITY CONTAINERS FOR INDUSTRY SINCE 1913

Exhibit 3D – Franchisee Documentation

**Item B.14 – ALTERNATIVES TO FULLY AUTOMATED OR 96-GALLON CARTS**

This item consists of 2 pages (including this page).

Initials: TH Dated: 4/1/08 Initials: TWH Dated: 4/3/03  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**14. ALTERNATIVES TO FULLY AUTOMATED OR 96-GALLON CARTS.**

Locations that are difficult to service with automated curbside collection vehicles will be offered manual collection scooter service with the same aggregate capacity as the 96-gallon containers. This service will be provided at a surcharge as provided in the rate schedule.

Customers with space restrictions for cart storage or at the set-out site will be offered alternatives to the 96-gallon cart. Burrtec will provide alternatives containers having the same aggregate capacity of 96-gallons. These alternatives will include a 65-gallon and a 35-gallon containers.

If a qualifying, elderly residential customer requests a 35-gallon container, Burrtec will provide said container so long as the customers can dispose of all his or her refuse inside the 35-gallon container.

Exhibit 3D – Franchisee Documentation

**Item B.15 – COUNTY-APPROVED SUBCONTRACTORS**

This item consists of 4 pages (including this page).

Initials: ~~W/A~~ Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**15. COUNTY-APPROVED SUBCONTRACTORS**

Burrtec will utilize the services of the following County-approved subcontractors in and for the South Whittier Franchise Area:

**Residential Carts**

Burrtec will not utilize subcontractors in the performance of the day-to-day operations within the context of this franchise agreement. Rehrig is a subcontractor and has agreed to supply Burrtec with automated carts as presented in the RFP. Per the attached letter with Rehrig, carts will be manufactured and supplied to Burrtec.

The information for the container manufacturer/vendor is listed below:

Rehrig Pacific Company  
Blair Chastain  
4010 East 26<sup>th</sup> St  
Los Angeles, CA 90023  
(323) 262-5145  
(323) 269-8506 – fax

Burrtec has no ownership interest in Rehrig Pacific

**Refuse Collection Vehicles**

AutoCar, Mira Loma division is a County-approved subcontractor is that Burrtec has purchased nine new alternative fuel, CNG powered, refuse collection trucks for the South Whittier Area. Burrtec has purchased these alternative fuel vehicles and will not lease or finance but be property owners of these new vehicles.

Burrtec does not have any ownership interest in AutoCar.

The purchase order for the nine refuse collection vehicles can be found in Exhibit A.2 – Inventory of Service Assets.

AutoCar  
3777 De Forest Circle  
Mira Loma, Ca 91752  
909-685-3456 – 800-909-8785 – Fax 909-685-2788



March 6, 2008

Richard Nino  
Burrtec Waste Industries  
9890 Cherry Avenue  
Fontana, CA 92335

*RE: Los Angeles County Franchise Area – South Whittier Delivery Status*

Dear Richard:

This letter confirms that Rehrig Pacific Company has manufactured and delivered all containers requested by Burrtec Waste for use in South Whittier. We began the distribution and removal of all carts on March 5, 2008 and will be completed by March 28, 2008. The cost of said services totals \$2.5 million.

I have included the breakdown of cart sizes and colors that have been delivered and received at the designated staging yard.

- o 13,600 95 Gallon Black
- o 13,600 95 Gallon Blue
- o 13,600 95 Gallon Green
- o 650 65 Gallon Black
- o 650 65 Gallon Blue
- o 650 65 Gallon Green
- o 650 35 Gallon Black
- o 650 35 Gallon Blue
- o 650 35 Gallon Green

Please let me know if you have any questions or concerns. I can always be reached at (323) 228-5757.

Sincerely,

Blair Chastain  
Rehrig Pacific Company

4010 EAST 28<sup>TH</sup> ST • LOS ANGELES, CALIF. 90023 • 323-262-5145 • FAX 323-263-8506  
QUALITY CONTAINERS FOR INDUSTRY SINCE 1913



Classic Quality.  
Legendary Performance.



14315 Valley View Blvd. • Fontana, CA 92335  
(909) 355-5555 • Fax: (909) 355-0150  
3777 De Forest Circle • Mira Jomo, CA 91752  
(909) 685-3456 • (800) 909-8785 • Fax (909) 685-2788

DATE 11/9/2008  
PURCHASER BURTEC WASTE, LTD.  
STREET ADDRESS 9890 CHERRY AVE  
CITY FONTANA STATE CA ZIP 92335  
RESIDENCE PHONE BUSINESS PHONE

PLEASE ENTER MY ORDER FOR THE FOLLOWING

☒ NEW ☐ USED ☐ TRUCK ☐ OTHER

YEAR 08 MAKE AUTOCAR MODEL BOX QUANTITY 9  
CHASSIS NO. 131859 SERIAL NO. 131859  
STOCK NO. SALES REPRESENTATIVE J. DAKTON CREDIT FINANCING

#### DESCRIPTION OF TRADE-IN

YEAR	MAKE	MODEL	SERIAL NO.	ALLOW
<u>NO</u>	<u>TRADE</u>			

\* Trade-in(s) subject to standard Trade-in condition terms, including Dynamometer testing. Subject to approval and acceptance by used truck sales manager.

TRADE-IN

LIENHOLDER

ADDRESS

#### BASE PRICE

#### OPTIONAL EQUIPMENT, ACCESSORIES & ADDITIONS:

ORDER 80009657 AS PER SPEC

#### INSPECTION FEE

#### DOC FEE

#### TOTAL CASH PRICE

#### FEDERAL EXCISE TAX

#### SALES SALES TAX

☐ (LICENSE) ☐ (OUT OF STATE DUTY) ☐ (TITLE) ☐ (REGISTRATION)

#### 1. TOTAL CASH PRICE DELIVERED

CASH  
2. DOWN  
PAYMENT

DEPOSIT ON ORDER  
CASH ON DELIVERY

#### 3. TRADE-IN ALLOWANCE \*

LESS BALANCE DUE TO

#### 4. TOTAL DOWN PAYMENT (2-3)

#### 5. UNPAID BALANCE OF CASH PRICE (1-4)

6. OTHER INSURANCE

#### 7. UNPAID BALANCE DUE ON DELIVERY 9X (5-6)

#### 8. DEPOSIT CHECK RECEIPTS

#### DELIVERY INSTRUCTIONS

Payment date on truck's will be

LIENHOLDER

CONTACT

ADDRESS

TELEPHONE

11/9/2008  
AFTER 10/16/08 2000 Per Day Per Truck

Thank you for your order

**DIVERSIFIED TRUCK CENTER**

X

Purchaser agrees that this Order includes all of the terms and conditions on both the face and reverse side hereof; that this Order cancels and supersedes any prior agreement; and as of the date hereof comprises the complete and exclusive statement of the terms of the agreement relating to the subject matters covered hereby, and that this order shall not become binding until accepted by dealer or his authorized manager and in the event of a line sale, dealer shall not be obligated to sell until approval of the terms hereof is given by a bank or finance company willing to purchase a retail installment contract between the parties hereto based on such terms. This sales order may be terminated by seller at any time at its sole discretion. ALL WARRANTIES, IF ANY, BY A MANUFACTURER OR SUPPLIER OTHER THAN DEALER ARE THEIRS, NOT DEALER'S, AND ONLY SUCH MANUFACTURER OR OTHER SUPPLIER SHALL BE LIABLE FOR PERFORMANCE UNDER SUCH WARRANTIES UNLESS DEALER FURNISHES BUYER WITH A SEPARATE WRITTEN WARRANTY OR SERVICE CONTRACT MADE BY DEALER ON ITS OWN BEHALF. DEALER HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (A) ON ALL GOODS AND SERVICES SOLD BY DEALER; AND (B) ON ALL USED VEHICLES WHICH ARE HEREBY SOLD "AS IS - NOT EXPRESSLY WARRANTED OR GUARANTEED." Purchaser by his execution of this Order certifies that he is of legal age to execute binding contracts in the State and acknowledges that he has read its terms and conditions and has received a true copy of this Order.

REPRESENTATIVE <u>Jimmy Watson</u>	DATE <u>11/9/2008</u>	PURCHASER <u>[Signature]</u>	DATE <u>11/10/08</u>
ACCEPTANCE BY DEALER <u>[Signature]</u>	CO-PURCHASER/TITLE <u>[Signature]</u>	DATE	
MANAGER			



Exhibit 3D – Franchisee Documentation

**Item B.16 – FORM OF TWICE ANNUAL BAGGED REFUSE TAGS**

This item consists of 2 pages (including this page).

Initials: TW Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**16. FORM OF TWICE ANNUAL BAGGED REFUSE TAGS**

Within 24 hours after a Customer request, Burrtec shall collect; transport and dispose of refuse discarded in bags set next to a Customer's refuse carts without surcharge.

Exhibit 3D – Franchisee Documentation

**Item B.17 – COUNTY-APPROVED GREEN WASTE EXCLUSIONS**

This item consists of 2 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWH Dated: 4/8/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION**

**B. County Consent Required.**

**17. COUNTY-APPROVED GREEN WASTE EXCLUSIONS**

The following items should not be included in the green waste barrel:

Animal Waste  
Dirt  
Palm fronds  
Concrete  
Stumps

Cactus  
Rock  
Bird of Paradise  
Branches exceeding 4" in diameter  
or 4' in length

Exhibit 3D – Franchisee Documentation

**Item B.18 – CHARGES FOR ADDITIONAL ON-CALL PICKUP OF BULKY ITEM, E-WASTE AND CEDs**

This item consists of 2 pages (including this page).

Initials: HA Dated: 4/1/08 Initials: TWH Dated: 4/8/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION****B. County Consent Required.****18. CHARGES FOR ADDITIONAL ON-CALL PICKUP OF BULKY ITEMS, E-WASTE AND CEDS**

The following are charges for additional services:

	<u>Rate</u>	<u>Senior Rate</u>
Each additional on-call pickup in excess of twice each Year for Residential Premises (per item)	\$25.00	\$18.75
Each additional on-call pick-up in excess of four times each year for Multi-Family Premises (per item)	\$25.00	\$18.75

Exhibit 3D – Franchisee Documentation

**Item B.19 – TRANSITION ROLL-OUT PLAN**

This item consists of 21 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

**EXHIBIT 3D – FRANCHISEE DOCUMENTATION****B. County Consent Required.****19. TRANSITION ROLL-OUT PLAN**

Burrtec Waste Industries, Inc. knows that a timely, efficient, and orderly transition to new collection services is vital to the County of Los Angeles. This comprehensive transition plan has been developed to successfully accomplish this goal.

Beginning on the date the contract is awarded, Burrtec will begin the implementation phase. This will include organizing staff, equipment and containers, developing routes and schedules, and implementing education and program information plans. The primary focus is to prepare residents for their new collection services.

Our transition plan highlight is a "Kick Off Celebration" scheduled for the end of February. With the County's approval, Burrtec will host a refuse and recycling program celebration to debut:

- New Equipment
- New Containers
- Services Programs
- Collection Methods

Burrtec staff will be on hand to meet and greet residents, answer questions and receive comments regarding the new residential and multi-family service program.

**Transition Team Approach**

Burrtec proposes to approach the County of Los Angeles contract with the same methodology used in the successful development and acquisition of Burrtec's other municipal solid waste collection contracts and operating companies. Specifically, Burrtec uses its senior management team and operating managers to cover all of the technical and managerial issues. The team is lead by the Company's President and Chief Executive Officer, Cole Burr.

The balance of the senior management team includes: Mike Arreguin, Vice President; Tracy Sweeney, Vice President; Richard Niño, Regional Manager; Les Jones, Information Technology Director; Krista Johnson, Audit Manager; and Debbie Hansen, Administrative Project Manager. All of these individuals were heavily involved in the preparation of this Proposal. The team is very knowledgeable on operations and requirements.



Our approach is divided into scheduled phases. These phases are discussed in more detail in the following paragraphs and shown on the following timeline.

- Proposal/Negotiation Phase

The Burrtec senior management team will work together throughout the proposal and contract negotiation phase of the contract. All contract negotiation sessions will be lead by Mr. Burr and Mr. Arreguin, who have full authority to commit the company to contractual obligations. One or more of the other team members will be involved depending upon the issues involved.

- Start-Up/Transition Phase

Once the contract is authorized, Burrtec will immediately go into a start-up/transition phase. The same members of the senior management team will work on the implementation of their respective areas. All equipment will be ordered with delivery commitments consistent with the start-up schedule.

The senior management team has developed numerous detailed plans and procedures for past transitions with no service or operational issues for the jurisdiction, its businesses, or residents.

- Contract Phase

Once the transition phase is complete the organization quickly settles into a more traditional line organization.

The facility's general manager will be the key day-to-day contact and will be responsible for daily operating decisions. The senior management team will remain in an advisory role to the general manager to insure all contract compliance and company plans and procedures are fully implemented.

Daily, weekly and monthly communications, reports, and meetings serve to coordinate this relationship. Burrtec successfully manages nine operating locations and understands the organizational issues. Burrtec has effective and proven management systems in place. These successful management systems will also be used in serving the County of Los Angeles.

#### Transition Activities

- Vehicle and Container Purchase Orders

Refuse, recycling and green waste collection vehicles will be performed by eight (8) new 2008 Autocar CNG powered automated sideloaders model

WRXR64. These vehicles have a 38 cubic yard volume capacity with a maximum payload of ten (10) tons. We have found that the right hand drive configuration is the safest most cost effective means of providing automated residential collection services.

Burrtec has assessed equipment needs for the County of Los Angeles and is prepared to order as soon the contract is awarded. If unforeseen delays are encountered in receiving our equipment, the backup plan is to designate equivalent equipment owned by Burrtec that can be used temporarily. Burrtec proposes utilizing alternative fuel vehicles .

Based on past experience, Burrtec has ordered collection containers to be delivered as soon as we give the go ahead. The containers will begin to be delivered in February 2008 with container assembly to begin upon receipt. All containers will be received and assembled by mid-March for scheduled delivery to residents the last week in March.

- Coordinated Customer Service Data

Shortly after the contract is awarded, Burrtec staff will begin to coordinate with the current hauler for the transfer of all pertinent customer service data. The specific requests will be to solicit and obtain general customer contact information, billing information, and specific special service requirements where applicable. This can include gate and access codes, rollout services or specific containers access information. This information will assist in customer notifications, routing, recordkeeping and reporting. We have made many previous conversions and have developed procedures that will assure a smooth transition for the residents of the County. All accounts will be added to our existing routing/Geographic Information System. By tying our routing information to the billing information, errors or confusion about service and billing is minimized.

For those customers not currently receiving municipal solid waste collection, Burrtec will utilize a property parcel information database to identify those non-subscribing residences. Service information will be forwarded to both the service address as well as the known property owner address in an effort to establish said residents with the County approved residential municipal solid waste collection program.

- Route Evaluations

One of the first steps in preparing for a smooth and thorough service transition is to understand the current service process. This includes being familiar with routes and the related specific service needs of the community. One way to accomplish this is by working with the current haulers and reviewing the details. However, under these circumstances the current haulers may be reluctant to share information or cooperate in the transition process.

Burrtec has encountered situations in the past when a hauler would not cooperate in the transition process. We responded by gathering the necessary information through County staff, public surveys, field audits, and in-house expertise. These efforts resulted in a smooth service transition that was welcomed and appreciated by the community we served. We are prepared to evaluate the County's service areas with or without current hauler cooperation. The evaluation will result in the development of detailed route maps and a collection schedule, which will be provided to the County for review and approval within the appropriate timeframe.

- An Updated Burrtec Web Site with the County of Los Angeles Program

Burrtec's web site at [www.burrtec.com](http://www.burrtec.com) will be updated with the County's new collection program. It will contain the various schedules, notices, program descriptions and activities designed for the County's residents and businesses. On-going updates will be one way of keeping the community informed on program productivity and future enhancements.

- Activated Phone Lines

A toll-free phone number is already in place for the proposed area to respond to any questions or concerns the residents may have during the transition process.

Experienced Burrtec customer service staff with bilingual skills will be prepared to answer all questions in a helpful, courteous manner.

Any questions that Customer Service Representatives cannot answer will be referred to the appropriate Burrtec staff person so that every caller's questions are answered. Staff will make customer follow-up calls within 24 hours of that customer's first contact.

During the transition period and over the life of the contract, the phones shall be staffed between the 8:00am-and 5:00pm, Monday- Friday and on Saturdays following recognized holidays. A telephone answering machine with a recording will take messages from callers outside these hours. Customer Service will follow up on each message the following business day.

All Burrtec staff members who are providing services to the County of Los Angeles will receive special information and training to prepare them for the transition. This will enable Burrtec to provide a high level of service from the first day.

- Community Relations Activities

It is Burrtec's belief that the best way to build positive customer relations is to communicate, in a clear and helpful way, the changes that are taking place and the service improvements that will result. Each customer will be mailed material that explains the changes, describes Burrtec and our services, lists other satisfied customers, and provides a toll-free phone number to answer any questions.

Other promotional activities shall be used as appropriate. These include direct mail, newspaper and Chamber of Commerce newsletter announcements, a booth at local events, and door hangers.

#### Public Education Transition Plan

A key to overall customer satisfaction and participation in waste diversion activities is providing education programs and information for our customers. Gearing information to groups with varying needs in the community enables us to provide information that is relevant and interesting.

As a part of the transition we will identify these groups and gear our Public Awareness Campaign material to each one. These customer groups will include single-family and multi-family residents, and schools. Other groups may be added as identified in the billing information.

The primary focus of public education during the transition period is to clearly communicate changes that will take place when the current collection operation converts to a new, upgraded program and a new service provider. Burrtec's goal is to address any concerns customers have about this change and communicate the advantages of the change to the customers.

Burrtec's in-house capability to produce educational and promotional material in a bilingual format, if needed, is an asset for this transition period. Customized, timely promotional and educational material is critical. As with all promotional and educational material produced for customers, designated County staff or representatives will be asked to review and approve the content.

- Meetings with School Districts

Burrtec will meet with school district officials to learn about their current solid waste and recycling practices. We will then offer to develop and implement classroom programs to complement their current practices, while developing a comprehensive program to increase diversion and participation. We will suggest incentive programs and contests, sponsored by Burrtec, to increase community involvement and continue to educate our youth about the environment. Such programs and incentives have been very successful in many other communities and school districts we serve.

- Meetings with County Staff

Regular meetings with Burrtec and County staff are essential to this transition program and throughout the term of the agreement. Coordination of activities, reporting, and customer service issues will be routinely discussed to develop action plans that work.

- Residential Information Notices

Residents will receive several notices and updates throughout the transition period. General information about Burrtec and the change in service plan will be one of the first pieces. Invitations to the community kick-off celebration, container delivery schedule, and collection day schedule will follow. All of this will help keep the community informed and prepared.

Container Delivery Program

Beginning March 10 through March 31<sup>st</sup>, containers will be delivered to all residents on their new service day. As part of the barrel delivery, Burrtec provides an informational package, which includes detailed information on the services, offered, information on recyclables and green waste, bulky item collections, and proper disposal methods of household hazardous waste. Residents have the option of keeping their old trash containers for excess green waste, or putting out for removal by Burrtec during the first two weeks of April.

Burrtec is committed to working with the County and the current haulers to make this transition as smooth and uncomplicated as possible.

### Transition Timeline

February 1, 2008	Begin receipt of automated barrels
February 4, 2008	Announcement Letters from County
February 5, 2008	Newspaper Publications
February 11, 2008	Customer Service Training Session
February 14, 2008	Mail Burrtec Welcome Letter with Collection Schedule
February 21, 2008	Community Meeting (1 of 2)
February 23, 2008	Community Meeting (2 of 2)
March 10, 2008	Barrel deliveries begin

<b>March 15, 2008</b>	<b>Driver hiring completed</b>
<b>March 31, 2008</b>	<b>Barrel deliveries completed</b>
<b>April 1, 2008</b>	<b>Collection programs begin</b>



Dear Customer:

Burrtec Waste Industries is pleased to announce that effective Tuesday, April 1, 2008, we will begin providing your new automated trash and recycling collection services. This new service program is the result of an exclusive franchise agreement that was awarded to Burrtec by the County of Los Angeles Board of Supervisors through a competitive bid process.

Your services will include three new 96-gallon carts: one black cart for household trash, one blue cart for recyclables and one green cart for green waste. As a Burrtec customer you are also entitled to free on-call bulky item collections twice per year. Senior residents are eligible for a 25% discount if they meet the criteria. For more information about our services or to request a senior application please contact our Customer Service Department.

Additionally, we will be phasing in a new fleet of low emission alternative fuel collection vehicles to help reduce air pollution in your community. Burrtec along with the County of Los Angeles Department of Public Works will distribute educational materials, highlighting the importance of recycling and meeting state waste diversion mandates.

New carts will be delivered beginning March 5, 2008, through March 31, 2008. You will receive additional cart delivery information in the mail as part of the new/old cart/container exchange coordination. Your current hauler will service these new carts through March 31<sup>st</sup>. Beginning April 1<sup>st</sup> Burrtec will begin servicing these carts under the new franchise agreement.

Please refer to the enclosed collection schedule map for your new collection day beginning April 1<sup>st</sup>. Postcards confirming your new collection day will be mailed out prior to April 1<sup>st</sup>.

Burrtec is a local, family owned and operated solid waste and recycling collection company servicing communities throughout Los Angeles County. We pride ourselves on our commitment to customer service and to providing the very best in solid waste collection to the communities we serve.

Should you have any questions or concerns, please do not hesitate to contact us, toll-free at 800-325-9417

Sincerely,

Burrtec Waste Industries  
*"We'll Take Care Of It"*



Estimado Cliente:

Burrtec Waste Industries se complace en anunciar que, a partir del martes, 1° de abril de 2008, Burrtec empezará a proveer su nuevo servicio de recolección automatizada de basura y reciclaje. Este nuevo servicio es el resultado de un acuerdo de franquicia exclusivo otorgado a Burrtec por la Junta de Supervisores del Condado de Los Angeles, después de un proceso competitivo de licitación pública.

Sus servicios incluirán tres nuevos carritos de 96 galones: un carrito negro para la basura, un carrito azul para materiales reciclables y un carrito verde para desechos verdes. Como cliente de Burrtec, usted también tendrá el derecho a recolecciones gratuitas de artículos voluminosos dos veces al año. Residentes mayores de 62 años podrían calificar para un descuento del 25% si cumplen con ciertos requisitos. Para más información acerca de nuestros servicios o para pedir una solicitud de descuento para personas mayores de 62 años, por favor comuníquese con nuestro Departamento de Servicio al Cliente.

Adicionalmente, comenzaremos a utilizar nuevos camiones con baja emisión de gases que utilizan combustibles alternativos, lo cual ayudará a reducir la contaminación atmosférica. Burrtec y el Departamento de Obras Públicas del Condado de Los Angeles, enviarán información educativa, recalcando la importancia del reciclaje para cumplir con las metas establecidas por el Estado.

Los carritos para el nuevo servicio de recolección serán repartidos a partir del 5 de marzo de 2008, concluyendo el 31 de marzo de 2008. Usted recibirá más información, por correo, sobre la transición del servicio de recolección de basura y reciclaje. Su compañía actual de basura utilizará nuestros nuevos carritos hasta el 31 de marzo. Empezando el 1° de abril Burrtec empezará a prestar el servicio.

Refiérase al mapa y horario de recolección, incluido en esta carta, para conocer su nuevo día de servicio de recolección, el cual empezará a partir del 1° de abril. Tarjetas postales que confirman su nuevo día de recolección serán enviadas antes del 1° de abril de 2008.

Burrtec es una compañía de recolección de basura y reciclaje operada por una familia, la cual sirve a numerosas comunidades en el Condado de Los Angeles. Nos enorgullecemos de nuestro esmero en atender al cliente y proporcionar el mejor servicio de recolección en las comunidades que servimos.

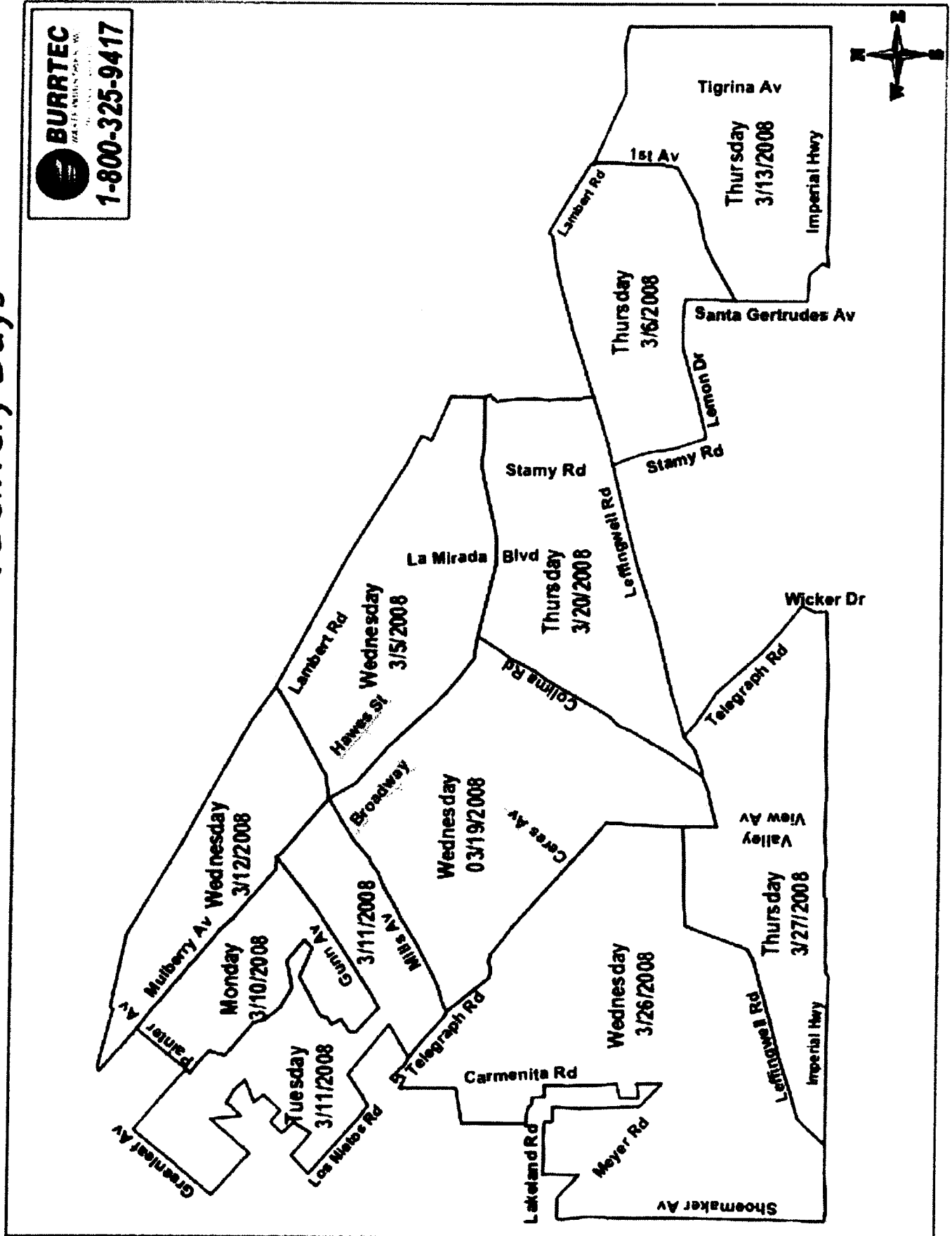
Si usted tiene alguna pregunta, por favor llámenos al (800) 325-9417.

Sinceramente,

Burrtec Waste Industries  
*"Nos encargaremos de ello "*



# South Whittier Cart Delivery Days





# **BURRTEC**

**WASTE INDUSTRIES, INC.**

*"We'll Take Care Of It"*

**1-800-325-9417**

**EXHIBIT 3D**

## **Cart Delivery and Removal**

Burrtec Waste Industries, Inc. will deliver new carts to your community March 5<sup>th</sup> through March 31<sup>st</sup> as shown on the Cart Delivery Schedule (see reverse).

### Waste Management Customers

Waste Management carts and containers will be picked up by Burrtec at time of new cart delivery. On your cart delivery day, please leave all Waste Management carts and containers out so they can be collected. You may use the new carts once you have received them. Your current trash collection service provider will continue to service your residence until March 31<sup>st</sup>

### CR&R Customers

CR&R customers are asked to not use the new carts until April 1, 2008. CR&R will begin removing their carts on your regular service day beginning Tuesday, March 25<sup>th</sup> through Monday, March 31<sup>st</sup>.

### Customer owned containers

If you have your own containers and wish to dispose of them, please place them upside down at the curb from April 1<sup>st</sup> through April 8<sup>th</sup>. Burrtec will pick these up for disposal.

### Cart Size or Service Changes

Cart size change requests due to senior discounts or space constraints and extra cart requests will begin to be processed effective April 1<sup>st</sup>. Please contact the Customer Service Department to request these changes.

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## **La Entrega y Recolección de Carritos**

Burrtec Waste Industries, Inc. entregará nuevos carritos a su comunidad al partir del 5 de marzo y concluyendo el 31 de marzo como indicado en el horario de entrega (vea el otro lado de este boletín).

### Clientes Actuales de Waste Management

Sus carritos/recipientes actuales de basura y reciclaje serán recogidos por Burrtec el mismo día de la entrega de sus nuevos carritos. Por favor coloque los carritos/recipientes de su proveedor actual de recolección en la acera para el intercambio. Usted puede usar los nuevos carritos en cuanto los reciba. Su transportista actual de recolección de basura seguirá dando servicio a su residencia hasta el 31 de marzo.

### Clientes Actuales de CR&R

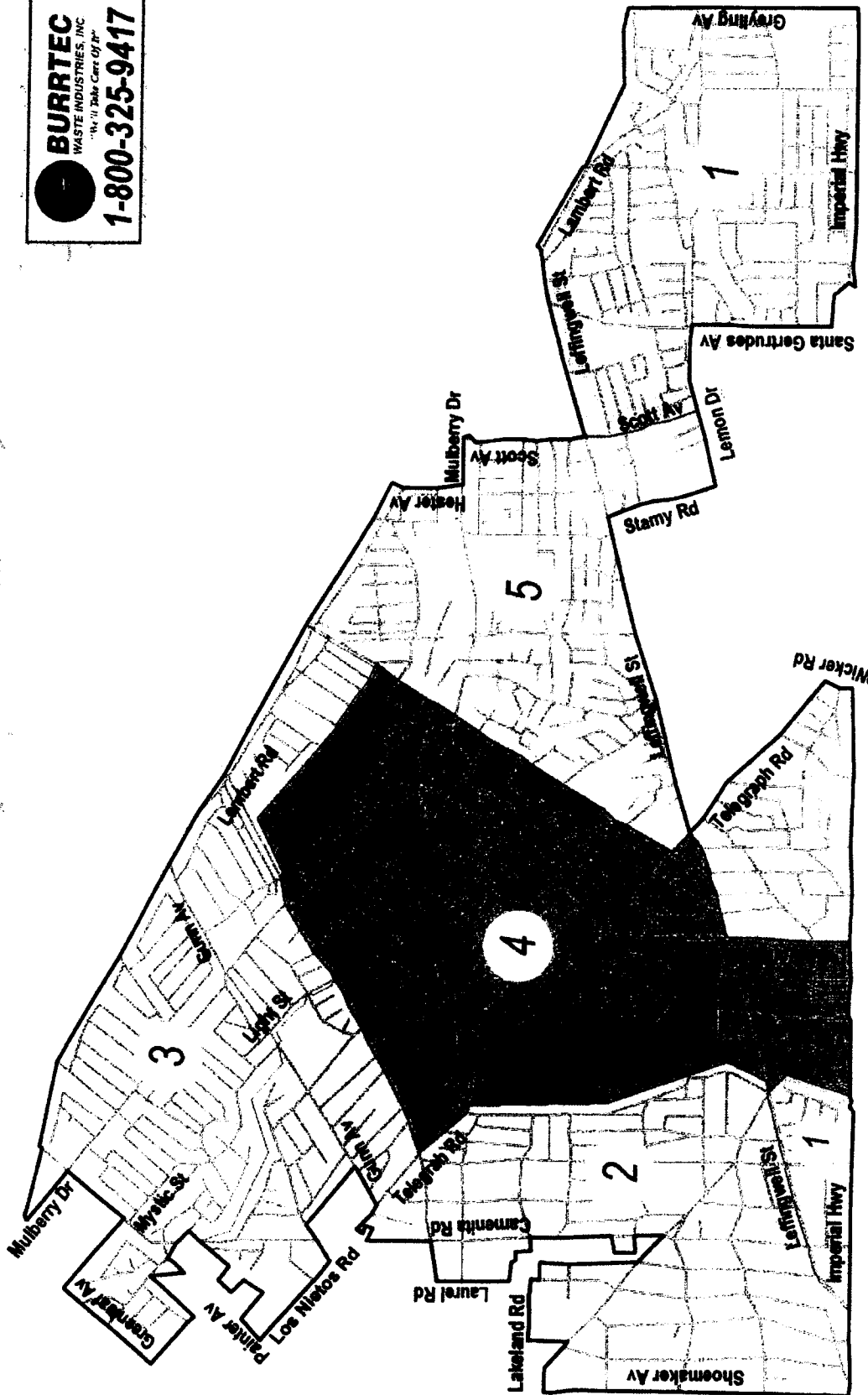
Se pide que los clientes actuales de CR&R no utilicen los nuevos carritos hasta el 1° de abril de 2008. CR&R empezará a recolectar sus carritos en su día regular de servicio empezando el martes, 25 de marzo hasta el lunes, 31 de marzo.

### Recipientes del Cliente

Si usted tiene recipientes propios y desea deshacerse de ellos, por favor coloque los boca bajo (si es posible) en la acera durante el 1° de abril y el 8 de abril y Burrtec los recogerá.

### Cambio de Carritos o Servicios

Si usted tiene restricciones de espacio en su sitio de almacenamiento o acomodo de carritos, usted puede solicitar alternativas a los carritos de 96 galones sin costo adicional. Solicitaciones para carritos adicionales tomaran a cabo el 1° de abril. Llame al Departamento de Servicio al Cliente para solicitar estos cambios.



Collection Schedule				
Area Number	1	2	3	5
Pick-Up-Day	Mo	Tu	We	Fr

## **Important Phone Numbers and Hours of Operation**

### **Burrtec Waste Industries (800) 325-9417**

1017 W. Gladstone Street, Azusa 91702  
Monday - Friday, 8:00 a.m. to 5:00 p.m.

### **For Information on Household Hazardous Waste: 1 (888) Clean LA (253-2652)**

### **County of Los Angeles Department of Public Works (800) 993-5844**

Monday - Thursday 7:00 a.m. to 5:00 p.m.

**BURRTEC**  
WASTE INDUSTRIES, INC.

## **Residential Trash and Recycling Collection Programs**

**SOUTH WHITTIER**



## Collection Information

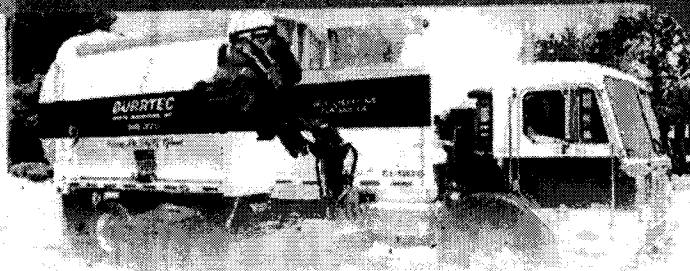
*Burrtec Waste Industries provides the following services to residents within the South Whittier Community. For service subscription, fee information, questions or comments, please call the Customer Service Department at (800) 325-9417*

**Holiday Schedule** Burrtec Waste Industries observes the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. If the holiday falls on a weekday, services will be delayed by one day for that week only. Your regular schedule will resume the following week. There is no interruption in service if the holiday is on Saturday or Sunday. For example if the holiday falls on Thursday then Thursday services will be provided on Friday and Friday services on Saturday, etc.

**Discounts** If you are a senior who is 62 years of age or older you could be eligible for a 25% senior discount. Please contact our Customer Service Department for additional information and/or application.

**Bulky Item Pick-Up** You may request two pick-ups of bulky items and certain electronic devices each year at no additional charge. These items will be collected on your next regularly scheduled collection day. Please call Customer Service at least 24 hours in advance to arrange for a pick up.

**Holiday Trees** We will collect your holiday trees placed at the curb on your regularly scheduled collection day between December 26th and January 14th on your regular collection day. Trees longer than 6' must be cut in half. Please remove ornaments, tinsel, flocking, and stands before placing at curbside. Flocked trees cannot be recycled and need to be cut up and placed in your black trash cart.



**Rent-a-Bin** Burrtec Waste Industries offers a three cubic yard "rent-a-bin" for residential clean-up and special projects. Larger bins are also available.

### Roll-Out or Back-Yard Services

Residents who are physically unable to take their carts to the curb are eligible for roll-out or back-yard service at no additional charge. Contact Burrtec's Customer Service Department at (800) 325-9417 for additional information.

### Additional Carts are Available

Residents can request one additional recycling cart or one additional green waste cart, or both, at no additional cost. Additional trash carts are available for low monthly fee of \$5.00 per month per cart.

**WARNING!** Please do not expose your trash collector or landfill to dangers such as: EXPLOSIVES, LIQUIDS THAT ARE TOXIC, HIGHLY FLAMMABLE, OR RADIOACTIVE, OR ANY OTHER HAZARDOUS MATERIALS INCLUDING PAINT, PESTICIDES and CLEANERS. **Do NOT** place these items in your cart. For more information on Household Hazardous Waste disposal please call 1-(888) CLEAN LA.

# It's as Easy as...

## Trash & Recyclables Collection Program

*The residential automated solid waste collection program provided for the South Whittier community is designed to efficiently collect trash, and recyclables. Your support and participation in this program is appreciated.*

**Residential Service** consists of one time per week automated collection of household trash, recyclables and green waste. Please place carts at curbside the night before or no later than 6:00 a.m. on the day of collection. If the carts are not placed on the curbside at the time of collection call our Customer Service Department to schedule a pick up. As a courtesy to your neighbor, promptly remove carts after service.

Please place containers in street with wheels next to the curb/property line and to one side of the driveway and three feet from parked vehicles or other obstructions.

**CAUTION** Please keep children from playing near carts at all times.

### Questions?

Please call Burrtec Waste Customer Service Department, between 8:00 a.m. and 5:00 p.m. Monday through Friday at (800) 325-9417.



### Black cart is for Trash

Your 96 gallon **BLACK** Cart is for Trash collection. Do not place trash in the Blue Recycling or Green Waste cart or it will not be collected. Additional trash carts may be ordered for an extra fee of \$5 per month per cart, by calling the Customer Service Department. If your cart is damaged it will be repaired or replaced at no charge. Residents are responsible for those carts damaged due to negligence or abuse.

### DO NOT Place the following materials in carts...

Hazardous Waste (products labeled toxic, poison, corrosive, flammable, or irritant)	Electronic Waste (electronic equipment such as computers, TV's, cell phones, microwave ovens, etc)
Fluorescent bulbs	Automotive batteries
Machinery	Tires
Paint	Infectious waste (including used needles)
Hot ashes	Dead animals (weighing more than 10 lbs)
Pesticides	
Oil	

Call **1-(888) CLEAN LA** for hazardous waste disposal information.



### **Blue cart is for Recyclables**

Your 96 gallon **BLUE** Cart is for recyclable materials (please see the list below of acceptable items). One additional Recyclable cart is available upon request, at no additional charge. Don't forget that every ounce counts!

#### **Recyclable items include...**

Aluminum cans	Mixed paper
Aluminum foil	Newspaper
Brochures	Paper tubes
Catalogs	Phone Books
Cardboard	#1 - #7 Plastic bottles
Computer paper	Plastic soda or water bottles
Glass bottles & jars	Tissue boxes
Junk mail	Used envelopes
Magazines	

**PLEASE do not put trash into the Blue or Green Carts.**

### **Green cart is for Green Waste**

Your 96 gallon **GREEN** Waste Cart is to be used for green waste material (please see the list of acceptable items). Green waste is recycled into compost and mulch. One additional Green Waste cart is available upon request, at no additional charge.

#### **DO NOT USE PLASTIC OR PAPER BAGS FOR GREEN WASTE**

All materials must be placed within the cart. **Plastic or paper bags are not acceptable.** Branches and tree trimmings may be placed at curbside in tied bundles no larger than 4ft. in length and 2ft. in diameter.

#### **Green Waste items include...**

Grass clippings	Brush & shrub trimmings
Tree clippings	Twigs & small branches (cut down to fit cart)
Tree trimmings	
Prunings	
Weeds & leaves	

#### **Non-acceptable materials...**

Palm fronds	Cactus plants
Animal waste	Food waste
Dirt & rock	Bird of Paradise plants
Concrete	



**BURRTEC**  
WASTE INDUSTRIES, INC.

## Programa de Recolección de Basura y Reciclaje Residencial

**SOUTH WHITTIER**

## Información sobre la Recolección

*Burrtec Waste Industries proveerá los servicios siguientes a los residentes de South Whittier. Para la suscripción del servicio, información sobre tarifas, preguntas o comentarios, por favor llame al Departamento de Servicio al Cliente al 1-800-325-9417.*

**Días Festivos Observados** Los días festivos que observamos son: Año Nuevo, Día de Conmemoración, Día de la Independencia, Día del Trabajo, Acción de Gracias, Día de Navidad. Si su día programado para la recolección cae en o después de un día festivo, durante la semana de ese día festivo la recolección se retrasará por un día, los clientes del jueves los tendrán su recolección el viernes y la recolección del viernes será el sábado. A la siguiente semana la recolección se hará en su día regular programado. No habrá interrupción en el servicio si el día festivo cae en sábado o domingo.

**Descuentos** Si usted es mayor de 62 años, usted podría ser elegible para un descuento de 25%. Para más información o para pedir una solicitud, llame a nuestro Departamento de Servicio al Cliente.

**Recolección de Artículos Voluminosos** Usted puede solicitar recolecciones de artículos voluminosos y de ciertos aparatos electrónicos dos veces al año sin costo adicional. Estos artículos serán recolectados en su próximo día programado de recolección. Llame al Departamento de Servicio al Cliente con 24 horas de anticipación para una cita de recolección.

**Árboles Festivos** - Nosotros recolectaremos sus árboles festivos colocados en la acera en su día de recolección programado entre el 26 de diciembre y el 14 de enero. Los árboles que sean más largos de 6' deben ser cortados por la mitad. Por favor remueva todo tipo de adornos y bases. Los árboles con nieve artificial no pueden





ser reciclados y necesitan ser cortados y colocados en su carrito negro de basura.

### **Contenedores Para Alquilar**

Burretec Waste Industries tienen disponible contenedores "rent-a-bin" de tres yardas cúbicas para la limpieza residencial y proyectos especiales. Contenedores más grandes también están disponibles.

**Servicio de traspaso** Los residentes que no puedan físicamente sacar sus carros a la acera, son elegibles para el servicio de traspaso sin costo adicional. Llame al Departamento de Servicio de Cliente de Burretec a (800) 325-9417 para más información.

### **Carritos adicionales están disponibles**

Residentes pueden solicitar un carrito adicional para los materiales reciclables o un carrito para los desechos verdes o ambos, sin costo adicional. Los carritos adicionales para la basura están disponibles al costo de \$5.00 mensuales por cada carrito solicitado.

**¡ADVERTENCIA!** Por favor no exponga a su recolector de basura o relleno sanitario a materiales peligrosos tales como: EXPLOSIVOS, LÍQUIDOS TÓXICOS, INFLAMABLE, O RADIOACTIVO, O CUALQUIER OTRO MATERIAL PELIGROSO QUE INCLUYENDO PINTURA, PESTICIDAS y LIMPIADORES. No coloque estos artículos en su carrito. Para más información sobre como deshacerse de Desechos Tóxicos del Hogar, llame al 1-(888) CLEAN LA.

## **Teléfonos Importantes y Horas de Operación**

### **Burretec Waste Industries**

**(800) 325-9417**

1017 W. Gladstone Street, Azusa 91702  
Lunes a viernes, de 8:00 a.m. a 5:00 p.m.

### **Para Información sobre Desechos Tóxicos del Hogar**

**1 (888) Clean LA (253-2652)**

### **Condado de Los Angeles Departamento de Obras Públicas**

**(800) 993-5844**

Lunes a Jueves 7:00 a.m. a 5 p.m.

# Es tan fácil como...

# 1

## El Programa de Recolección de Basura y Reciclables

*El programa de recolección automatizada de basura y reciclables para la comunidad de South Whittier está diseñado a recoleccionar de una manera eficiente. Le agradecemos su apoyo y participación en estos programas.*

**El Servicio Residencial** consiste en la colección una vez a la semana de basura de casa, reciclables y desecho verde. Por favor ponga los carritos en la acera la noche antes de su colección o a las 6:00 de la mañana el día de su colección. Si los carritos no fueron colocados en la acera para la recolección, llame al Departamento de Servicio al Cliente para una cita de recolección. Como cortesía hacia sus vecinos, remueva sus carritos después del servicio.

Por favor ponga los barriles en la calle con las ruedas al lado de la acera a un lado de la entrada de coches y tres pies retirados de cualquier objeto cercano o vehículo.

**¡PRECAUCION!** Para la seguridad de todos, por favor no permita que los niños jueguen cerca de los carritos.

### ¿Preguntas?

Por favor comuníquese con el Departamento de Servicio al Cliente de Burrtec Waste, de lunes a viernes de 8:00 a.m. a 5:00 p.m., al 1-800-325-9417.



## El carrito Negro es para Basura

Su carrito de 96 galones es para la recolección de Basura. No coloque basura dentro del carrito para el Reciclaje (color azul) o dentro del carrito para los desechos verdes (color verde). Carritos adicionales para la basura pueden ser solicitados llamando al Departamento de Servicio al Cliente, el costo adicional por cada carrito solicitado es de \$5.00 al mes por cada carrito. Si su carrito es dañado será reparado o será reemplazado a ningún costo. Los clientes serán responsables por los carritos dañados debido a la negligencia o abuso.

## No Coloque los siguientes materiales en sus carritos:

Desechos tóxicos del hogar (productos tóxicos, venenosos, corrosivos, inflamables, o irritantes)	Desechos electrónicos (aparatos electrónicos como computadoras, televisores, teléfonos celulares, microondas, etc.)
Focos fluorescentes	Baterías de automóvil
Maquinaria	Neumáticos
Pintura	Desechos infecciosos (incluyendo agujas usadas)
Cenizas calientes	Animales muertos (que pesen más de 10 libras)
Pesticidas	
Aceite	

Llame a: **1-(888) CLEAN LA** para información sobre la disposición de estos productos.



### **El carrito Azul es para los Reciclables**

Su carrito de 96 galones es para los materiales reciclables (por favor vea la lista siguiente de materiales aceptables para el Reciclaje). Usted puede obtener un carrito adicional para los materiales Reciclable sin costo adicional. ¡No se olvide, que cada onza cuenta!

#### **Los artículos reciclables incluyen...**

Latas de aluminio	Papel mezclado / Periódico
Papel de aluminio	Tubos de Papel
Folletos	Guías telefónicas
Catálogos	Recipientes de plástico (#1 a #7)
Cartón	Botellas de plástico de soda o agua
Papel de computadora	Cajas de pañuelos faciales
Botellas y envases de vidrio	Sobres
Correo no solicitado	
Revistas	

**POR FAVOR no coloque basura dentro de los Carritos Azules o Verdes.**

### **El carrito Verde es para los Desechos Verdes**

Su carrito verde de 96 galones debe ser utilizado para los desechos verdes (por favor vea la lista de materiales aceptables siguiente). Los desechos verdes son reciclados para hacer compost. Usted puede obtener un carrito adicional para los desechos verdes sin costo adicional, a la orden.

#### **NO USE BOLSAS DE PLÁSTICO O DE PAPEL PARA LOS DESECHOS VERDES**

Todo material debe ser colocado dentro del carrito. Bolsas de plástico o de papel no son aceptables. Las ramas y los recortes de árbol pueden ser colocados en la acera en bultos atados que no excedan 4 pies de largo y 2 pies de diámetro.

#### **Los artículos de Desechos verdes incluyen...**

Césped	Arbusto
Recortes de Árbol	Ramitas y pequeñas ramas (reducido para encajar en el carrito)
Ramas de Árbol	
Hierbajos y hojas	

#### **Materiales que no son aceptables...**

Palmeras	Nopal
Heces de Animal	Desechos de comida / desperdicios
Tierra y piedras	Plantas de Paraíso
Concreto	

Exhibit 3D – Franchisee Documentation

**Item B.20 – ADDITIONAL FRANCHISEE COMMITMENTS MADE IN ITS PROPOSAL  
FOR PROCUREMENT OF THIS AGREEMENT**

This item consists of 9 pages (including this page).

Initials: [Signature] Dated: 4/1/08 Initials: TWH Dated: 4/3/08  
FRANCHISEE COUNTY

## 20. Franchise Commitments Made in Proposal



(909) 483-3434 - (909) 903-8783 • Fax (909) 643-2711  
 1/9/2008  
 PUNCHCARD  
 BUBBLE WASTE TID  
 WAREHOUSE ADDRESS  
 8890 CHEROKEE AVE  
 ZIP  
 FONTANA CA 92335  
 PUNCHCARD PHONE  
 PUNCHCARD PHONE

PLEASE ENTER MY ORDER FOR THE FOLLOWING

☒ NEW ☐ USED ☒ TRUCK ☐ OTHER

YEAR 1988 MAKE Catco MODEL 1200 SERIAL NO. 1200 CHASSIS 1200

DATE ORDERED 12/28/88 ORDER NO. 1200 OFFER PRICE 1200

DESCRIPTION OF TRADE IN				
YEAR	MADE	MODE	SERIAL NO.	A
1972	1972	1972	1972	1972
1973	1973	1973	1973	1973
1974	1974	1974	1974	1974
1975	1975	1975	1975	1975
1976	1976	1976	1976	1976
1977	1977	1977	1977	1977
1978	1978	1978	1978	1978
1979	1979	1979	1979	1979
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2036	2036	2036	2036	2036
2037	2037	2037	2037	2037
2038	2038	2038	2038	2038
2039	2039	2039	2039	2039
2040	2040	2040	2040	2040
2041	2041	2041	2041	2041
2042	2042	2		

- Trade-In(s) subject to standard Trade-In condition letter including Dynamometer testing. Subject to approval & acceptance by used truck sales manager.

TRADE-IN  
LENNHOLDER  
ADDRESS

[illegible]

CONTRACTOR NAME <i>Jerry Walton</i>	DATE <i>4/9/2005</i>	PURCHASE # <i>5</i>	DATE <i>11/10/08</i>
RECEIPTED BY (NAME) _____	_____	CO-PURCHASER'S SIGN <i>[Signature]</i>	CASE # _____

<b>BASE PRICE</b>			
<b>OPTIONAL EQUIPMENT, ACCESSORIES &amp; ADDITIONS</b>			
SALES TAX <b>28266 20009657 A 5200L SPEC I</b>			
<b>INSPECTION FEE</b>			
<b>GDC FEE</b>			
		<b>TOTAL CASH PRICE</b>	
		<b>FEDERAL EXCISE TAX</b>	
		<b>SALES SALES TAX</b>	
<b>1. LICENSE</b>	<b>1) OUT OF STATE PLV</b>	<b>TITLE</b>	<b>REGISTRATION</b>
<b>1. TOTAL CASH PRICE DELIVERED</b>			
CASH	DEPOSIT ON ORDER		
DOWN PAYMENT	CASH ON DELIVERY		
<b>2. TRADE-IN ALLOWANCE *</b>			
LESS      FINANCE CHARGES			
<b>A. TOTAL DOWN PAYMENT (2 - 3)</b>			
<b>B. UNPAID BALANCE OF CASH PRICE (1 - 4)</b>			
<b>E. OTHER</b>		<b>INSURANCE</b>	
<b>UNPAID BALANCE DUE ON DELIVERY * (B + D)</b>			
<b>&amp; DEPOSIT CHECK RECEIVED</b>			
<b>DELIVERY INSTRUCTIONS</b>			

**Payment date on truck's will be**  
**AS APPLIED TO THE**  
*AY Truck Will Be \$0 per Day Per Truck*  
**Thank you for your order**  
**DIVERSIFIED TRUCK CENTER**  
*Kearney*

~~Payment date on truck's will be~~

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED  
DATE 11/11/2013 BY 60322 UCBAW

**THANK YOU for your order**

DIVERSIFIED TRUCK CENTER

**TRUCK CENTER**

**Unlimited on-call bagged/bundles of excess green waste**

Unlimited on-call pick-up of excess green waste – Burrtec will collect extra green waste set-out at the curb in bags and/or bonds at no additional charge. Customer needs to request this collection at least 24-hours in advance of their regular schedule pick-up day.



**Every day is trash day**





## Autocar Xpeditor Complete refuse solutions from the innovation leader

Few jobs match the demands placed on refuse and recycling trucks—starts and stops, short runs, big loads, rough terrain, tight turns, heavy hydraulics demand, heavy traffic, weather—not to mention operator comfort and productivity.

It's no wonder the *average* refuse truck only lasts 8 to 10 years before it becomes what it hauls.

But, the Autocar Xpeditor is definitely not your average refuse truck.

Low Cab Forward (LCF) configurations—like the Xpeditor WX and WXLL (with Low Cab Entry)—are best-suited to the business of waste. And, Xpeditors are more than "refuse trucks," they become *complete refuse solutions* defined by your individual applications and your needs.

### ***A comfortable, productive cab design protected by the strength of steel.***

No other LCF truck offers you and your operators a tougher cab. Other LCF manufacturers choose to rely on

aluminum or even fiberglass, but Xpeditor cabs—including doors—are built from weld-bonded, lap joint galvanized steel with comprehensive corrosion protection.

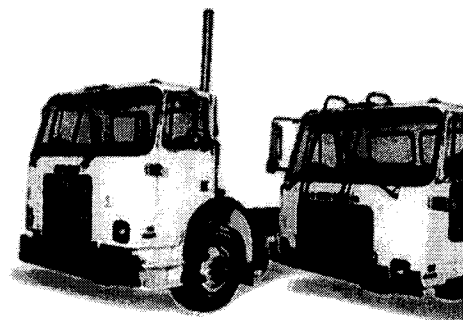
Our newly re-designed operator environment offers more space and better ergonomics, including broader visibility forward and to the curb.

A full complement of integrated controls and gauges put complete control within easy eyesight and comfortable reach of drivers. Plus, our high-performance HVAC system provides superior air circulation resulting in more comfort and quick defrosting, heating and cooling cycles.

### ***Functional, flexible cab configurations.***

The Xpeditor provides more choices in LCF cab configurations from our standard wide-cab design so you can match it exactly to your operation's needs.

Whatever configuration you choose, the WX and WXLL provide a comfortable, productive environment for operators.



### ***Xpeditor WX configuration options:***

- Lefthand Steer
- Dual Steer
- Righthand Steer

### ***Xpeditor WXLL configuration options:***

- Lefthand Steer
- Lefthand Steer, Righthand Standing
- Dual Steer
- Dual Steer, Righthand Standing

### ***In addition, the WXLL offers:***

- True low-entry cab access
- 17-inch step height for frequent degress/egress
- Better visibility
- Factory stand-up configurations available for all refuse applications
- Superior front corner approach angle to prevent damage from curbs or other obstacles





### **Hendrickson HAULMAX™ Suspension**

Standard, factory-installed suspension adds strength, stability and superior off-road traction yet weighs hundreds of pounds less than spring suspensions.

### **Better frame construction**

Heat-treated variable drop rail with 14.5-inch section at back of cab provides increased strength to handle heavy loads and improve stability.

### **Steel cab strength**

All-steel, weld-bonded cab with multi-step corrosion protection provides tougher, longer-lasting finish and reduced damage potential vs. aluminum and fiberglass.

### **Engine options**

Our exclusive agreement with Cummins offers power choices from 275 to 385 horsepower. 8.3 to 11 liter engines are available, as are alternative fuel and diesel options.

### **More strength, less weight**

In addition to more powertrain choices, Xpeditor models offer low tare weights and industry-leading strength-to-weight ratios.

## **The inside story on Xpeditor's re-designed cab**

### **More driver comfort and improved cab interior ergonomics**

- More knee room, belly room, foot room
- Easy to read individual analog gauges and illuminated switches
- 28 percent better airflow, heating and cooling with fully-blended, automotive style electronically controlled system
- Quieter interior and better thermal insulation with new "soft-touch" composite interior panels and dash
- More convenient driver access to dash integrated body controls and joystick
- Enhanced personal comfort with integrated console armrest and available highback seats

### **Better functionality**

- Greatly improved forward visibility
- "Black box" eliminated and controls now integrated into the dash
- Overhead console supports gauges, radio, and digital system with room for additional accessories and controls
- Two additional accessory power points and cup holders

### **Easier serviceability**

- Improved electrical and pneumatic service point accessibility due to repositioning of components and removable access panels

- Easier body integration and attachment of add-on components due to simplified electrical system
- Illuminated switches are standardized and individual analog gauges are "pop-in, pop-out" style

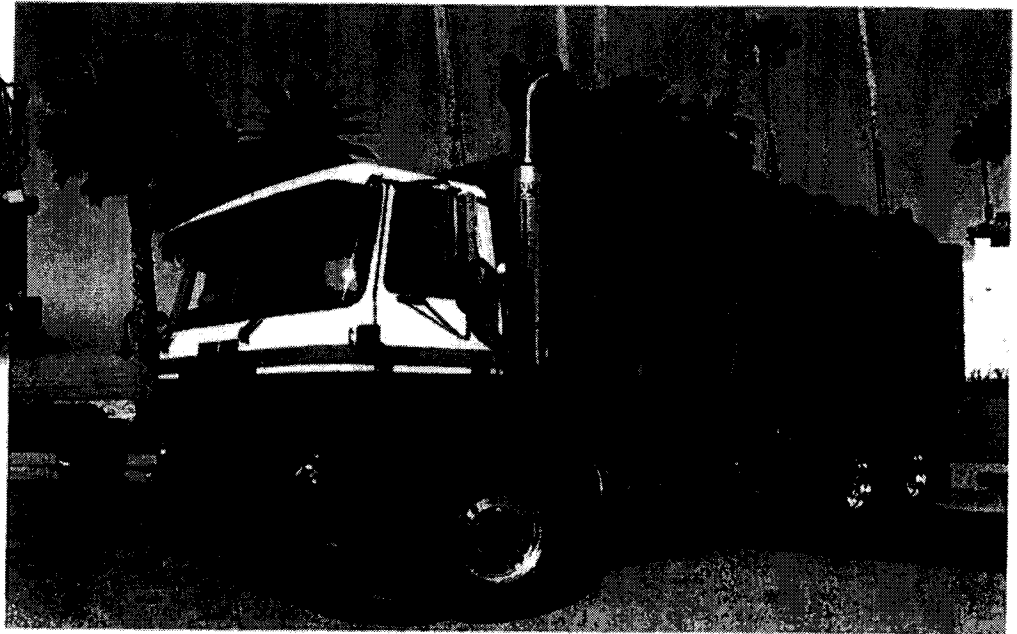
**Comfort,  
Functionality,  
Serviceability**







***Autocar's manufacturing and engineering expertise provide the best foundation for refuse configurations . . . Make the comparison.***



#### ***Cab and operator environment***

- New, roomier cab with well-placed doors and steps for easy entry/exit
- Weld-bonded, galvanized steel cab with multi-step corrosion inhibitor and paint process plus premium topcoat finishes
- Door hinges are 6-way adjustable and concealed from the elements
- Big, curved windshield with "A" pillars set back for wide view from road to curb
- Largest selection of cab configurations—Seven total in WX (standard entry) and WXL (low entry) models including left, right and dual steer
- Powerful HVAC system with optimum cab venting for rapid heating and cooling, defrost and defog cycles

#### ***Chassis, frame and suspension***

- Heat-treated variable drop steel frame provides for low engine position and easier serviceability
- Factory installed auxiliary axles available

- Standard Hendrickson HAULMAAX™ suspension adds strength, stability and superior off-road traction
- Hydraulic, air and electrical lines are carefully routed to avoid wear and damage
- Numerous weight-saving options
- Front axles: 12,000 to 20,000 lb. capacity
- Rear axles: 21,000 to 70,000 lb. capacity
- Available factory drop frame to accommodate side loaders
- Improved wheel cut for unsurpassed short-radius turning

#### ***Engine and powertrain***

- Most powertrain choices of any LCF truck
- Most rear axle and suspension combinations
- Largest offering of "refuse application" brake packages
- Factory installed Telma driveline retarder available
- Optional driver-controlled differential lock to deliver equal power to all wheels when needed

#### ***Maintenance and serviceability***

- 60-degree cab tilt for best service access to engine and transmission
- Wiring marked at regular intervals for easy identification
- Air lines color coded for easy troubleshooting and maintenance
- Provision for body builder electrical hookups
- Convenient electrical centers for easy troubleshooting
- All daily service points accessible from ground level





# EVERY ALTERNATIVE.

**NEXT GENERATION NATURAL GAS ENGINES  
FOR TRUCK AND BUS**

# NEXT GENERATION NATURAL GAS ENGINES FOR TRUCK AND BUS.

## ISL G

### Lower Emissions, Improved Performance, Lower Costs.

The 2007 ISL G is the newest evolution of alternative fuel engine technology, combining all the advantages of clean-burning natural gas engines with "no compromise" power and torque for shuttle bus, urban transit, vocational and urban truck/tractor pickup-and-delivery applications.

It combines high displacement and superior horsepower with proven wastegate turbo technology for impressive low-end torque and transient response, with an increase in fuel efficiency. It also meets U.S. EPA and CARB 2010 emissions standards – three years ahead of schedule.

The ISL G features a proven block that is shared with the rugged Cummins ISL diesel – a full-skirted block for increased rigidity and strength. The design provides superior piston ring and bearing life, improved coolant flow and targeted piston cooling for greater reliability and superior durability. Life-to-rebuild and rebuildability are the same as diesel.

The 8.9-liter ISL G uses stoichiometric cooled-Exhaust Gas Recirculation (EGR) combustion, leveraging Cummins proven EGR technology to create a high-performance natural gas engine.

The cooled-EGR system takes a measured quantity of exhaust gas, passes it through a cooler to reduce temperatures before mixing it with the incoming air charge to the cylinder. The use of cooled EGR (in place of large amounts of excess air) not only lowers combustion temperatures like our current lean-burn technology, it also allows the creation of oxygen-free exhaust, which in turn allows for the use of a Three-Way Catalyst (TWC). TWCs are simple passive devices that are maintenance-free and have been commonly used in passenger cars since the 1970s.

Stoichiometric cooled-EGR combustion improves power density as well as fuel economy – important benefits that fleets enjoy every day. In fact, low-speed torque is improved by over 30% compared to previous engines.



### Ratings

ENGINE MODEL	ADVERTISED HP(KW) @ RPM	PEAK TORQUE LB-FT (N•M) @ RPM	GOVERNED SPEED
ISL G 320	320 (239) @ 2000	1000 (1356) @ 1300	2200 RPM
ISL G 300	300 (224) @ 2100	860 (1186) @ 1300	2200 RPM
ISL G 280	280 (209) @ 2000	900 (1220) @ 1300	2200 RPM
ISL G 250	250 (186) @ 2200	660 (895) @ 1300	2200 RPM

### Specifications

MAXIMUM HORSEPOWER	320 HP	239 KW
PEAK TORQUE	1000 LB-FT	1356 N•M
GOVERNED SPEED	2200 RPM	
CLUTCH ENGAGEMENT TORQUE	650 LB-FT	746 N•M
TYPE	4-CYCLE, SPARK-IGNITED INLINE 6-CYLINDER, TURBOCHARGED, CAC	
ENGINE DISPLACEMENT	540 CU IN	8.85 LITERS
BORE AND STROKE	4.49 X 5.69 IN	114 X 144.5 MM
OPERATING CYCLES	4	
OIL SYSTEM CAPACITY	7.3 U.S. GAL	27.8 LITERS
COOLANT CAPACITY	13.1 U.S. QT	12.4 LITERS
SYSTEM VOLTAGE	12 V	
NET WEIGHT (DRY)	1,500 LB	680 KG

## Every Alternative.

Leveraging the proven technology of current engines, the ISL G for 2007 features full electronics provided by a new state-of-the-art Electronic Control Module (ECM) that controls the fuel system, engine sensors and an advanced Cummins high-energy ignition system – a system designed for better performance and longer service intervals, improved spark plug and coil durability, as well as self-diagnostics.

The ISL G natural gas engine not only meets 2010 EPA and CARB emissions levels, it also sets a new benchmark for lower alternative fuel vehicle life cycle costs. In high fuel use applications, the lower alternative fuel costs, improved fuel economy and lower incremental maintenance costs of the ISL G make it possible to save valuable fleet dollars.

Enhanced electronics provide the ability to compensate for variations in fuel quality and operating conditions, providing every alternative in fuel choices. The ISL G is capable of operating on compressed or liquid natural gas (CNG, LNG) and even landfill gas (LFG) or hydrogen compressed natural gas (HCNG) that meets Cummins minimum fuel quality specifications.

## Features And Benefits.

- **Common Cummins Components** – Built on the same assembly line as Cummins diesels, the ISL G shares many components and parts with Cummins L Series diesels, inheriting the simplicity the engines are known for.
- **Air/Fuel Regulation** – Cummins closed-loop electronic control system based on Cummins Interact™ System. Sensors for engine parameters, including: intake manifold pressure and temperature, fuel inlet pressure, knock detection, air/fuel ratio and fuel mass flow. Electronically controlled turbocharger wastegate.
- **Air Intake System** – Charge air cooling reduces emissions by lowering intake manifold air temperatures.
- **Accessory Belt Drive System** – Self-tensioning serpentine polyvee belt accessory drive system for water pump, engine-mounted fan hub and most alternators. Gear-driven air compressor with provision for gear-driven hydraulic pump.
- **Three-Way Catalyst** – Required for all models. Certified to U.S. EPA 2010 standard and California Air Resources Board standard at 0.2 g/bhp-hr of NOx and 0.01 g/bhp-hr of PM. Meets EPA useful-life requirement of 290,000 miles (464,000 km) and is maintenance-free.
- **High-Energy Ignition System** – Provides better performance and longer service intervals, improved spark plug and coil durability, plus self-diagnostics.
- **High-Efficiency Lube Cooler** – Lowers oil temperatures for longer engine life.
- **Control System** – Full drive-by-wire. New ECM provides full monitoring and control of engine sensors, fuel system and ignition system. Full interface capability to Cummins INSITE™ and diagnostic service tools. Electronic Control Module provides OEMs and end users with the ability to tailor performance of the engine to fit the vehicle mission. Electronic features include:
  - Operating capability on a wider range of fuel quality
  - Road speed governing
  - Accelerator interlock
  - SAE J1587/J1939 data links
  - PTO control
  - Cruise control
  - Engine protection system
- **Crankshaft** – Eight counterweight, fully balanced, high tensile strength steel forging with induction-hardened fillets and journals for outstanding durability.
- **Oil Filter** – The combination full-flow and bypass oil filter improves filtration while minimizing oil filter replacement and disposal costs.
- **Parts Simplicity** – Enables most engine service and repair operations with common tools.
- **Wastegated Turbocharger** – With electronic control for precise air handling. Water-cooled bearing housing for durability.

## EXHIBIT 10 - RATES

### A. Rates.

1. **Rate Schedule and Rate Adjustments.** FRANCHISEE shall charge Customer Service Charges in amounts less than or equal to the Rates set forth in the Rate Schedule. These Rates will be adjusted at FRANCHISEE'S request, submitted at least 60 days in advance, or at the Director's option, as the case may be, in any of the following events:

- a. Annual changes in the CPI or DOE Diesel in accordance with the Rate adjustment protocol in subsection A2 and example in Attachment 1A of this Exhibit 10;
- b. Change in FRANCHISEE'S costs of Disposal of Refuse at the Solid Waste Facility it has designated in Franchisee Documentation as provided in the Rate adjustment protocol in subsection A3 and example in Attachment 1B of this Exhibit 10; or
- c. Change in FRANCHISEE'S Direct Costs of providing Franchise Services due to Changes in Law or changes in Franchise Services or Franchise Standards as agreed to between FRANCHISEE and the Director.

All calculations are rounded to the nearest 1/100<sup>th</sup> decimal place (for example, 101.96% or 0.0196). The decimal 5 is rounded down (for example, 101.965% to 101.96%).

Adjustments in Customer Service Charges are rounded to the nearest penny (for example, \$25.34).

If any adjustments are made to Net Rates, then the amount of the Franchise Fee in effect at the time of adjustment will be re-calculated and added to the adjusted Net Rates.

No adjustment will be effective until notice thereof has been provided to the Board of Supervisors. Net Rates will be adjusted only if there are no Breaches that have not been cured after Notice from the Director in accordance with Section 17A and no Franchisee Defaults.

FRANCHISEE shall provide all Customers a minimum of 30 days' advance written notice of the implementation of changes in any Customer Service Charges or other notices directed by COUNTY.

Rates will not otherwise be adjusted, including for actual changes in the price of fuel or increases in Disposal tipping fees other than as described in the preceding items a and b, respectively, of this subsection A1. If

FRANCHISEE and the Director fail to reach agreement to adjust the Rates as a result of Changes in Law or changes in Franchise Services or Franchise Standards as described in preceding item c of this subsection A1, COUNTY will have the option to terminate this AGREEMENT in accordance with Section 17D.

**2. Rate Adjustment for Annual Increase or Decrease in CPI or DOE Diesel.**

a. ***Adjustment Due to Change in CPI.*** Beginning on July 1 of the second calendar year of the Term and thereafter on each succeeding July 1, the Service Component will be adjusted by 75 percent of the average percent change, if any, in the CPI during the period commencing April 1 of the previous year to March 31 of the current year, no greater than 5 percent, as confirmed by COUNTY'S Auditor-Controller.

b. ***Adjustment Due to Change in DOE Diesel.*** Beginning on July 1 of the second calendar year of the Term and thereafter on each succeeding July 1, the Fuel Component will be adjusted by the percent change, if any, between the DOE Diesel for the previous calendar year and the for the calendar year prior to that year, as confirmed by COUNTY'S Auditor-Controller.

c. ***Rate Adjustment Definitions.***

"CPI" means the Consumer Price Index for all Urban Consumers (Los Angeles-Riverside-Orange County) as published by the United States Department of Labor, Bureau of Labor Statistics.

"Disposal Component" means 30 percent of the Net Rate shown on the Rate Schedule.

"Fuel Component" means 5 percent of the Net Rate shown on the Rate Schedule.

"Net Rate" means Rate minus Franchise Fee.

"DOE DIESEL" means annual Diesel (On Highway) price published in the Official Energy Statistics from the United States Department of Energy website, [http://tonto.eia.doe.gov/dnav/pet/pet\\_pri\\_gnd\\_dcus\\_sca\\_m.htm](http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm)

"Service Component" means 65 percent of the Net Rate shown on the Rate Schedule.

**"Weighted Rate Adjustment Percentage"** means sum of the adjustments due to changes in the CPI and the PPI and disposal tipping fees calculated as provided in subsections A2a, A2b and 4A3, respectively.

- d. **Net Rate Adjustment Calculation.** The Weighted Rate Adjustment Percentage, times the prior Net Rate, is added to the prior Net Rate to yield the adjusted Net Rate. A sample calculation is included in Section D of Attachment 10A.

- 3. **Rate Adjustment for Changes in Disposal Facility Fees.** Beginning on July 1 in the second full calendar year of the Term and thereafter on each July 1, the Disposal Component of Net Rates will be adjusted for any change in Disposal tipping fees charged FRANCHISEE by the Solid Waste Facility designated by FRANCHISEE in Franchisee Documentation. FRANCHISEE must substantiate to the satisfaction of the Director that FRANCHISEE is experiencing that change in Disposal tipping fees. (For example, FRANCHISEE may have independently contracted for Disposal at a cost lower than posted tipping fees at the Solid Waste Facility designated by FRANCHISEE in Franchisee Documentation, or FRANCHISEE may own the Solid Waste Facility it designated for Disposal and consequently internalize Disposal costs lower than posted tipping fees at the Solid Waste Facility designated by FRANCHISEE in Franchisee Documentation. If FRANCHISEE does not substantiate to the satisfaction of the Director that FRANCHISEE is experiencing that change in Disposal tipping fees, FRANCHISEE'S Net Rates will not be adjusted.)

A sample calculation is attached in Section B of Attachment 1.

**ATTACHMENT 1 - RATE ADJUSTMENT EXAMPLES****A. Section A1/A2 of Exhibit 10: Annual increase or decrease in CPI or DOE Diesel.****Table 1- Adjustment Due to Change in CPI (Section A2a of Exhibit 10).**

Calculate percent change in CPI (12-month average, not month-to-month)	April 1, 2003 - March 31, 2004	173.5
	April 1, 2004 - March 31, 2005	177.0
	Percent Change	2.0% (not more than 5%)
Relative weight of Net Rate	75% of percent change in CPI	<b>1.5%</b>

**Table 2 - Adjustment Due to Change in PPI (Section A2b of Exhibit 10).**

Calculate percent change in DOE Diesel (12-month average, not month-to-month)	April 1, 2003 - March 31, 2004	86.2
	April 1, 2004 - March 31, 2005	90.5
	Percent Change	5.0%
Relative weight of Net Rate	100% of percent change in DOE Diesel	<b>5.0%</b>



**Table 3 - Weighted Rate Adjustment Percentage (Section A2a, b and c of Exhibit 10).**

Rate Component	Relative weight of Net Rate	Adjustment due to change in indices/change in disposal tipping fees	Weighted Rate Adjustment Percentage
Service Component	65% of Net Rate	1.5% (CPI)	0.975%
Fuel Component	5% of Net Rate	5.0% (PPI)	0.25%
Disposal Component	30% of Net Rate	45.8%	13.74%
Weighted Rate Adjustment Percentage			14.96%

**B. Section A1/A3 of Exhibit 10: Changes in Disposal tipping fees.**

Disposal tipping fee charges on Execution Date or last prior adjustment date	\$24.00
Disposal tipping fee charges on adjustment date	\$35.00
Percent change	45.8%

**C. Adjusted Net Rate / Rate: Section A1, 2 and 3 (Annual increase or decrease in CPI /DOE Diesel), (Changes in Disposal tipping fees).**

If the Weighted Rate Adjustment Percentage is 14.96 percent, then a hypothetical net Rate of \$15.00 would be adjusted as follows:

$$\begin{aligned} \$15.00 + [0.1396 \times \$15.00] &= \$15.00 + \$2.24 = \\ \mathbf{\$17.24} &= \text{adjusted Net Rate} \end{aligned}$$

If the Franchise Fee is a hypothetical 7 percent, the adjusted Rate would be:

$$\begin{aligned} \text{adjusted Net Rate} / [100\% - \text{Franchise Fee \%}] &= \$17.24 / [100\% - 7\%] = \\ \$17.24 / 0.93 &= \\ \mathbf{\$18.54} &= \text{adjusted Rate} \end{aligned}$$

**ATTACHMENT 2 - RATE SCHEDULE (Customer Service Charges)**

	RATE/NET RATE
MONTHLY RATE PER CUSTOMER FOR RESIDENTIAL PREMISES <sup>1</sup> AND MULTIFAMILY PREMISES:	\$17.67/\$15.90
1. One 96-gallon Refuse Cart, and	
2. Up to two 96-gallon Recyclables Carts, and	
3. Up to two 96-gallon Green Waste Carts.	
4. Senior Basic Service (25 percent discount)	\$13.25/\$11.92
ADDITIONAL SERVICE:	
1. Additional 96-gallon Carts in excess of Basic Service: \$5/Cart	\$5.00/\$4.50
SURCHARGES:	
1. Alternatives to fully automated Carts for difficult-to-service Residential Premises (B3h of Exhibit 3A): 25 percent of Customer's monthly Net Rate.	\$4.42/\$3.98
2. Each additional on-call pickup in excess of twice each year (F2c of Exhibit 3A): \$25	\$25.00
3. Manual Cart roll-out (other than elderly or disabled) (G of Exhibit 3A): 50 percent of Customer's monthly Net Rate.	\$8.84/\$7.96
4. CEDs on-call pickup in excess of twice	\$25.00

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<sup>1</sup> For each single-family home or unit in a duplex.

**EXHIBIT 18D2 - LIQUIDATED DAMAGES**

Reference to "failure" refers to each occurrence of specified Breach (such as for each Customer and each Customer's Collection site, Record entry, or complaint) and not for aggregate occurrences of those Breaches (such as for all Customers on a given route or day).

1	For each failure over five during any Contract Year (1) to clean up litter in accordance with Section 4A1 or (2) comply with Section 4A2 (spills) or A3 (liquid leaks), respectively.	\$150
2	For each occurrence over 12 occurrences during any Contract Year of excessive noise in contravention of Section 4A4.	\$300
3	Failure to maintain an emergency number or make staff available thereat in accordance with Section 4A5.	\$75/day
4	Failure to provide documentation for review or comment by COUNTY or obtain any approval, consent or other permission of COUNTY required under this AGREEMENT, including any failure to timely submit, <ul style="list-style-type: none"> <li>• Customer correspondence under Section 4H</li> <li>• Publicity materials under section 4I1;</li> <li>• News releases and trade journal articles related to Franchise Services, under Section 4I2</li> <li>• Customer outreach materials under Section 6E and Exhibit 3A, Section B2b.</li> </ul>	\$300 for each failure per occurrence or each day before retraction or correction of misinformation identified by COUNTY
5	Each failure over one during any calendar month to return COUNTY calls in accordance with Section 4J.	\$500
6	Each failure over one during any Contract Year to timely meet with COUNTY in accordance with Section 4J.	\$500
7	Commingling materials from outside the Service Area with Solid Waste that FRANCHISEE Collects inside the Service Area, in contravention of Section 4K.	\$400/ Vehicle- occurrence
8	For each failure to follow its Unpermitted Waste Screening Protocol in accordance with Section 6A.	\$500
9	For each failure to mark any Container with discard prohibitions in accordance with Section 6D.	\$50
10	Failure to maintain telephone service in accordance with Section 7B.	\$75/day
11	For each failure to timely address Customer complaints in accordance with Section 7D1.	\$100

12	For each failure over five occurrences during any Contract Year to timely Collect from missed Containers in accordance with Section 7D1.	\$300
13	For each failure to enter log of and maintain and supply Records of complaints in accordance with Section 7D2.	\$100
14	For each failure over 5 occurrences during any Contract Year to E-mail complaint information to COUNTY in accordance with Section 7D2.	\$100
15	For each occurrence of charging any Customer more than the Customer owes for Franchise Services (such as for the wrong level of Franchise Services) or charging any Customer in excess of scheduled Rates (such as the incorrect dollars/Container), in Breach of Section 10.	\$100
16	Failure to timely allow COUNTY to inspect, audit or copy Records in accordance with Section 11C.	\$150
17	Failure to timely submit AB 939 Records in format required by COUNTY in accordance with Section 12B.	\$150
18	For each occurrence over five occurrences during any Contract Year of damage to private property in contravention of Section 20C.	\$150
19	If FRANCHISEE violates the nondiscrimination provisions of this AGREEMENT, including Section 23E.	\$500
20	Failure of any Vehicle to deliver Solid Waste to the Solid Waste Facilities designated by FRANCHISEE in accordance with Exhibit 3A and Franchisee Documentation.	\$300/ Vehicle-day
21	For each occurrence over five occurrences during any Contract Year of Collecting any Solid Waste during unauthorized hours prohibited under Section B1 of Exhibit 3A.	\$250
22	For each failure over 5 occurrences during any Contract Year to timely respond to Container service requests (including delivery and exchanges, removal, repair and replacement) in accordance with Section B3a, b, and c of Exhibit 3A.	\$300
23	For each failure over 12 occurrences during any Contract Year to equip Carts with operable lids or return Carts upright in breach of Section B3c and e of Exhibit 3A.	\$150
24	For each failure to timely remove graffiti in accordance with Section B3g of Exhibit 3A.	\$150
25	For each failure to timely repair or replace carts in accordance with Section B3c of Exhibit 3A.	\$35
26	For each occurrence over 10 during any Contract Year of failing to return emptied Containers to their Set-Out Sites, or placing Containers in site that impedes pedestrian or vehicular traffic in contravention of Section B6 of Exhibit 3A.	\$150
27	For each failure over 3 during any Contract Year to provide Recyclables or Green Waste services to any Customer in accordance with Sections D and E of Exhibit 3A.	\$100

28	For each occurrence of disposing of Recyclables or mixing Recyclables with Refuse in Breach of Section D6 in Exhibit 3A.	\$100
29	Any other liquidated damage in Exhibit 3A.	As scheduled in Exhibit 3A

**Reporting.** If FRANCHISEE does not timely submit the applicable information, documentation or complete report or incorporate comments, additions and corrections made by COUNTY within five days of receipt of those comments, additions and corrections, it shall pay the following liquidated damages. COUNTY may assess the following amounts of liquidated damages for each late day.

1	Monthly reports in accordance with Section 13A1, B, D, and E.	\$100/day
2	Quarterly reports in accordance with Section 13A2, B, D, and E.	\$200/day
3	Annual reports in accordance with Section 13A3, B, D, and E	\$300/day
4	Failure to report adverse information in accordance with Section 13C, B, D, and E.	\$300/occurrence
5	Failure to deliver Route maps and schedules in accordance with Section B6 of Exhibit 3A.	\$100/ day

By placing initials below at the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of liquidated damage provisions of the time that this AGREEMENT was made.

FRANCHISEE

Initial Here:                     

COUNTY

Initial Here:

**EXHIBIT 20G - AUTHORIZED REPRESENTATIVE OF  
COUNTY'S DIRECTOR OF PUBLIC WORKS**

Name: Virginia Maloles

Telephone Number: (626) 458-3562

Facsimile Number: (626) 458-3593

E-mail Address: vmaloles@dpw.lacounty.gov

Address for Notices by Mail:

County of Los Angeles Department of Public Works  
Environmental Programs Division  
900 South Fremont Avenue  
Alhambra, California 91803  
Facsimile Number: (626) 458-3593  
E-mail:

County Office Hours: 7:00 a.m. to 5:30 p.m.

Established by Director:

Signature: Thomas W. Hoagland

Printed Name: Thomas W. Hoagland

Date: 4/3/08

Acknowledged by FRANCHISEE:

Signature: 

Printed Name and Title: MICHAEL ARREGUIN - Vice Pres.

Date: 4/1/08

## **EXHIBIT 20H - FRANCHISEE'S REPRESENTATIONS AND WARRANTIES**

1. **Status.** FRANCHISEE is California Corporation duly organized, validly existing and in good standing under the laws of and is qualified to do business in the State of California with full power and authority to execute and deliver this AGREEMENT and to perform the its Performance Obligations. This AGREEMENT has been duly executed and delivered by FRANCHISEE and constitutes a legal, valid and binding obligation of FRANCHISEE enforceable against FRANCHISEE in accordance with its terms.
2. **Statements and Information.** All information and documentation compiled, drafted, made or otherwise delivered to COUNTY by or on behalf of FRANCHISEE in connection with this AGREEMENT, including its procurement, is correct and complete in all material respects as of the Execution Date and at the time originally submitted by FRANCHISEE to COUNTY.
3. **No Conflicts.** Neither the execution or delivery by FRANCHISEE of this AGREEMENT, the performance by FRANCHISEE of Franchise Services, nor the fulfillment by FRANCHISEE of the terms and conditions of this AGREEMENT: (1) conflicts with, violates or results in a breach of any Applicable Law; (2) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency or other governmental authority, or any agreement or instrument to which FRANCHISEE is a party or by which FRANCHISEE properties or assets are bound, or constitutes a default thereunder.
4. **No Approvals Required.** FRANCHISEE has obtained and maintains all Permits in full force and effect during the Term. No other approval, authorization, license, permit, order, or consent of, or declaration, registration, or filing with any governmental or administrative authority, commission, board, agency or instrumentality is required for the valid execution and delivery of this AGREEMENT by FRANCHISEE, except those as have been duly obtained from its governing body, FRANCHISEE shall immediately provide Notice to the Director of any notice of violation, revocation or suspension of any permit.
5. **No Litigation.** As of the Execution Date, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality pending or, to the best of FRANCHISEE'S knowledge, threatened, against FRANCHISEE wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by FRANCHISEE of its obligations under this AGREEMENT or in connection with the transactions contemplated by this AGREEMENT, or which, in any way, would adversely affect the validity or enforce ability of this AGREEMENT or any other agreement or instrument entered into by FRANCHISEE in connection with the transactions contemplated by this AGREEMENT.



6. **Due Diligence.** As of the Execution Date, FRANCHISEE has made an independent investigation, examination and research satisfactory to it of the conditions and circumstances surrounding this AGREEMENT and best and proper method of providing Franchise Services (including Franchise Services types) and labor, equipment, and materials for the volume of Franchise Services to be provided. FRANCHISEE agrees that it shall make no claim against COUNTY based on any estimates, statements or interpretations made by any officer, employee, agent, or consultant of COUNTY in connection with the procurement of this AGREEMENT, which proves to be in any respect erroneous.
7. **Compliance with Applicable Law.** As of the Execution Date, FRANCHISEE has fully complied with all Applicable Law, including law relating to conflicts of interest and County Lobbyist Ordinance, in the course of procuring this AGREEMENT.
8. **Ability to Perform.** FRANCHISEE possesses the business, professional and technical capabilities to provide Franchise Services; and possesses the equipment, facility and employee resources required to fully and timely perform Franchise Services.
9. **Contingent Fees.** No Person, including a selling agency, has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by FRANCHISEE for the purpose of securing business.
10. **Opportunity to Comment.** FRANCHISEE had the opportunity to submit comments and recommended changes during the procurement process, during meetings convoked by COUNTY with the denominated "Working Group" whose members received copies of the drafts of the form of agreement or during the procurement of this AGREEMENT.
11. **Solid Waste Facilities.**
  - a. The Solid Waste Facility or Facilities that FRANCHISEE designates in Franchisee Documentation for Disposal is a disposal facility that is permitted to accept and process Refuse in accordance with Applicable Law.
  - b. The facility or facilities that FRANCHISEE designates in Franchisee Documentation for delivery of Recyclables is a materials recovery facility that is permitted to accept and process Recyclables in accordance with Applicable Law.
  - c. The facility or facilities that FRANCHISEE designates in Franchisee Documentation for delivery of Green Waste is a facility that is permitted to accept and process Green Waste in accordance with Applicable Law.

12. **Franchisee Documentation.** As of the Execution Date, the Franchise has submitted all Franchisee Documentation in accordance with Exhibit 3D.
13. **Personnel.** FRANCHISEE fully complies with all federal and state statutes and regulations regarding employment of aliens and others, and all of its employees performing Franchise Services meet the citizenship or alien status requirements set forth in federal and state statutes and regulations.

## EXHIBIT 21 - DEFINITIONS

**AB 939** means the California Integrated Waste Management Act of 1989, California Public Resources Code § 40000 *et seq.*

**Affiliate** means a Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with FRANCHISEE. For the purpose of this definition, the meaning of the term "control" will be governed by Rule 144 of the Securities Act of 1993.

**AGREEMENT** means this agreement, including all exhibits and other attachments, which exhibits and other attachments are incorporated in this agreement by reference.

**Annual Report** is described in Section 13A3.

**Applicable Law** means all laws, statutes, rules, regulations, guidelines, Permits, actions, determinations, orders, or requirements of the United States, State of California, COUNTY (including its County Code together with rules and regulations promulgated thereunder and COUNTY'S Integrated Waste Management Plan), the Local Enforcement Agency, California Highway Patrol, South Coast Air Quality Management District, and other regional or local government authorities, agencies, boards, commissions, courts, or other bodies having applicable jurisdiction, that from time to time apply to or govern Franchise Services or the performance of the Parties' respective obligations under this AGREEMENT, including those that concern health, safety, fire, mitigation monitoring plans, building codes, and zoning, and further including the following:

1. **Vehicles:**

- a. California Health and Safety Code § 43000 *et seq.*, with respect to air emissions (smog checks);
- b. California Vehicle Code § 27456b, with respect to tires;
- c. California Vehicle Code § 34500 *et seq.*, with respect to documentation through its maintenance log or otherwise of a safety compliance report issued under Division 14.8 of the California Vehicle Code as applicable to each Vehicle, including bi-annual "BIT" inspections conducted by the California Highway Patrol;
- d. Rules and regulations promulgated under the California Vehicle Code with respect to Vehicle highway lighting, flashing and warning lights, clearance lights, and warning flags;
- e. Rules and regulations of the California Department of Motor Vehicles with respect to Vehicle registration;

- f. Vehicle weight limits;
- g. The appropriate class of drivers' licenses issued by the California Department of Motor Vehicles;
- h. Control Measure for Diesel Particulate Matter from On-road Heavy- Duty Residential and Commercial Solid Waste Collection Vehicles, 13 CCR 2020 *et seq.*; and
- i. 14 CCR 17341, 17342, 17343 and 17344, with respect to equipment construction, safety, and parking and identification of operating equipment;

**2. Containers:**

- a. 14 CCR 17314, with respect to maintenance and placement of containers; and
- b. 14 CCR 17317, with respect to placing identifying name and telephone number on containers;

**3. Labor:**

- a. Drug and alcohol testing;
- b. Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), including the Solid Waste Disposal Facility Criteria promulgated by the U.S. EPA on October 9, 1991 (40 C.F.R., Parts 257 and 258); and California Occupational Safety and Health Act (California Labor Code, Division 5, Parts 1-10, § 6300 *et seq.*), and rules and regulations of California Division of Occupational Safety and Health; and
- c. Immigration Reform and Control Act of 1986 (PL.99-603);

**4. Environmental Protection:**

- a. CERCLA;
- b. RCRA;
- c. Clean Air Act (42 U.S.C. § 1351 *et seq.*, 42 U.S.C. §§ 7401-7642); and California Clean Air Act (California Health and Safety Code § 39000 *et seq.*);
- d. California Hazardous Waste Control Act (California Health & Safety Code § 25100 *et seq.*);

- e. California Hazardous Materials Release Response Plan and Inventory Act (California Health & Safety Code, Division 20, Chapter 6.95, § 25500 *et seq.*);
- f. Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health & Safety Code § 25300 *et seq.*); and
- g. Emergency Planning and Community Right to Know Act (42 U.S.C. § 11001 *et seq.*); and

**5. Miscellaneous:**

- a. County Lobbyist Ordinance;
- b. Civil Rights Act of 1964 (Sub chapter VI of Chapter 21 of Title 42); and
- c. AB 939.

Reference to Applicable Law includes future amendments and supplements to or replacement, restatement or recodification thereof.

**Assign or Assignment** means any of the following:

- 1. Selling, exchanging, or otherwise transferring Ownership or control of FRANCHISEE (through sale, exchange, or other transfer of outstanding stock, equity interest, or otherwise);
- 2. Issuing new stock or selling, exchanging, or otherwise transferring 20 percent or more of the then outstanding common stock of or equity interest in FRANCHISEE;
- 3. Any dissolution, reorganization, consolidation, merger, recapitalization, stock issuance, or reissuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other transaction, which results in a change of Ownership or control of FRANCHISEE;
- 4. Any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment of an execution, or appointment of a receiver taking possession of any of FRANCHISEE'S tangible or intangible property;
- 5. Any sale or other transfer of 50 percent or more of the value of assets of FRANCHISEE except for sales or transfers to parents, grandparents, siblings, children, and grandchildren of individuals having a shareholder or other equity interest in Franchise as of the date of this AGREEMENT ("Immediate Family") or trust created primarily to benefit members of the Immediate Family;

6. Substitution by a surety company providing any performance bond in accordance with Section 15 of another Person for FRANCHISEE to perform Franchise Services; or
7. Any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any transfer or change of Ownership or control of FRANCHISEE or the assumption, assignment, delegation, takeover or performance of any of FRANCHISEE'S Performance Obligations, duties, or responsibilities by any Person other than FRANCHISEE, whether through assignment, subcontract (except as provided in Exhibit 3A), delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever.

**Bin** means any container capable of Collection with front end loading vehicles, such as those having a 3- to 8-yard capacity.

**Board of Supervisors** means the Board of Supervisors of the County of Los Angeles.

**Breach** means FRANCHISEE'S failure to fully and timely meet one or more Performance Obligations.

**Bulky Item** means any large item of Solid Waste that can be safely lifted by two individuals using a dolly, including the following:

1. Discarded furniture (such as chairs, sofas, mattresses, and rugs);
2. Appliances (such as refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, and other similar items commonly known as "white goods"); and
3. Up to two tires per Set-Out Site from passenger cars or pickup trucks.

Notwithstanding the foregoing, **Bulky Item** does not include tires from semi-trucks or Universal Waste.

**Cart** means any wheeled container capable of Collection by either semi or fully automated vehicles.

**CED** means any of the following:

1. Cathode ray tube (CRT) device (including television and computer monitor);
2. LCD desktop monitor;
3. Laptop computer with LCD display;
4. LCD television;
5. Plasma television;
6. Any other consumer electronic devices listed under Applicable law.

**CERCLA** means the Comprehensive Environmental Response, Compensation and Liability Act of 1982 (42 U.S.C. § 9601 et seq.).

**Change in Law** means the occurrence of any event or change in Applicable Law as follows:

1. The adoption, promulgation, modification, or change in Applicable Law or in judicial or administrative interpretation thereof occurring after the Execution Date other than laws with respect to taxes based on or measured by net income, or any unincorporated business, payroll, franchise taxes levied by any tax board (other than Franchise Fees levied by COUNTY) or employment taxes;
2. Any order or judgment of any federal, state, or local court or Regulatory Agency issued after the Execution Date hereof if:
  - a. That order or judgment is not also the result of the willful misconduct or negligent action or inaction of the Party relying thereon or of any third party for whom the Party relying thereon is directly responsible; and
  - b. The Party relying thereon, unless excused in writing from so doing by the other Party, will make or have made, or will cause or have caused to be made, Reasonable Business Efforts to contest that order or judgment (it being understood that the contesting in good faith of that an order or judgment will not constitute or be construed as a willful misconduct or negligent action of that Party);
3. The imposition by a Regulatory Agency of any new or different material conditions in connection with the issuance, renewal, or modification of any Permit after the Execution Date; or
4. The failure of a Regulatory Agency to issue or renew, or delay in the issuance or renewal of, or the suspension, interruption or termination of, any Permit after the Execution Date; provided that the failure to issue or the suspension or termination of any Permit is not the result of the willful misconduct or negligent action or inaction of the Party relying thereon or any third party for whom the Party relying thereon is directly responsible.

**Collect, Collection, or Collecting** means Solid Waste pickup(s) made by FRANCHISEE required by and in accordance with this AGREEMENT.

**Commercial** means Person or thing that is not Residential or Multifamily.

**Commercial Customer** means Customer who owns or occupies Commercial Premises.

**Commercial Premises** means Premises that are not Residential Premises or Multifamily Premises, including stores; offices; industrial plants; private schools;

restaurants; rooming houses; hotels; motels; manufacturing, processing, or assembly shops or plants; and hospitals, clinics, convalescent centers and nursing homes (with respect to nonmedical waste only).

**Container** means any Bin, Cart, compactor or other receptacle used to provide Collection.

**Contract Year** means each year or portion of a year during the Term commencing July 1 and ending June 30.

**Conversion** means an array of emerging technologies capable of converting the organic or carbon-containing materials portion of post-recycling residual solid waste and turning it into useful products, including renewable and environmentally benign fuels, chemicals, and other sources of clean energy.

**COUNTY** means the County of Los Angeles.

**County Business Day** means any day on which COUNTY'S Department of Public Works is open to do business with the public.

**County Code** means the Los Angeles County Code.

**County Lobbyist Ordinance** means County Code Chapter 2.160.

**County Office Hours** means hours that COUNTY is open to do business as indicated in Exhibit 20G.

**County's Reimbursement Costs** means Direct Costs of COUNTY plus 35 percent thereof.

**County's Related Parties** means political subdivisions, agencies, entities, or organizations for which the Board of Supervisors is the governing body, their agents, officers, and employees, elected officials, assigns, volunteers, and special districts (including Garbage Disposal Districts) and each and every one of them. County's Related Parties are third party beneficiaries of provisions in this AGREEMENT that reference them.

**Criminal Activity** means any of the following:

1. Fraud or criminal felony offenses in connection with obtaining, attempting to obtain, procuring, or performing a public or private agreement related to recyclables, green waste or MSW Management Services of any kind (including collection, hauling, transfer, processing, composting, or disposal), including this AGREEMENT;
2. Bribery or attempting to bribe a public officer or employee of a local, state, or federal agency;



3. Embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification or destruction of records, obstruction of justice, knowingly receiving stolen property, theft, or misprision (failure to disclose) of a felony;
4. Unlawful disposal of hazardous, designated or other waste; or
5. Violation of securities laws or antitrust laws, including laws relating to price-fixing, bid rigging and sales and market allocation, and of unfair and anticompetitive trade practice laws, including with respect to inflation of waste collection, hauling or disposal fees.

**Customer** means a Person who subscribes for Collection from FRANCHISEE.

**Customer Service Charge** means the rates, fees, charges, and other compensation that FRANCHISEE bills a Customer for providing Collection.

**day** means calendar day.

**Debarment** or **Debar** has the meaning assigned in County Code § 2.202.020.

**Direct Costs** means the sum of the following:

1. Payroll costs directly related to the performance, management or supervision of any obligation under this AGREEMENT, comprised of compensation and fringe benefits, including vacation, sick leave, holidays, retirement, workers compensation insurance, federal and state unemployment taxes and all medical and health insurance benefits, plus;
2. The costs of materials, services, direct rental costs and supplies, plus;
3. Travel and subsistence costs, plus;
4. The reasonable costs of any payments to Subcontractors (with respect to FRANCHISEE) or contractors (with respect to COUNTY) or third parties necessary to and in connection with Performance Obligations, plus;
5. Any other cost or expense which is directly or normally associated with the task performed; which Direct Costs are substantiated by (i) a certificate signed by the principal financial officer of FRANCHISEE or the authorized representative of COUNTY, as the case may be, setting forth the amount of that cost and the reason why that cost is properly chargeable to COUNTY or FRANCHISEE, as the case may be, and stating that the cost is a competitive price, if there are competitive prices, secured in an arm's length transaction for the service or materials supplied; and (ii) if COUNTY or FRANCHISEE, as the case may be, requests that additional backup documentation as may be available to reasonably substantiate any Direct Costs, including invoices from suppliers, Subcontractors and contractors.

**Direct Costs** excludes profit or return on investment.

**Director** means the County of Los Angeles Director of Public Works or his or her authorized representative, including the authorized representative named in Exhibit 20G.

**disposal** or **dispose** means disposal, as defined in California Public Resources Code § 40192, of refuse at a solid waste facility.

**Disposal** or **Dispose** means disposal, as defined in California Public Resources Code § 40192, at a Solid Waste Facility of Refuse that FRANCHISEE has collected.

**diversion** or **divert** means activities that reduce or eliminate the amount of solid waste from disposal for the purposes of Division 13 of the California Public Resources Code, including Article 1 (commencing with § 41780).

**Diversión** or **Divert** means activities that reduce or eliminate the amount of Solid Waste from Disposal for the purposes of Division 13 of the California Public Resources Code, including Article 1 (commencing with § 41780).

**E-waste** means waste that is powered by batteries or electricity, such as computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, videocassette players/recorders, compact disc players/recorders, and calculators.

**Execution Date** means the date this AGREEMENT is signed by FRANCHISEE.

**Franchise** means the right and privilege granted by this AGREEMENT in Section 1.

**FRANCHISEE** means the Person executing this AGREEMENT and any assignee of FRANCHISEE consented to by COUNTY in accordance with Section 19. **FRANCHISEE** includes FRANCHISEE'S Subcontractors unless explicitly provided otherwise. References to all FRANCHISEE'S actions and Performance Obligations under this AGREEMENT include reference to Subcontractors' actions under this AGREEMENT, as applicable, without specifying in each instance that FRANCHISEE shall directly take those actions itself, or cause its Subcontractors to take those actions on FRANCHISEE'S behalf.

**Franchisee Default** is described in Section 17.

**Franchisee Documentation** means Exhibit 3D.

**Franchisee Manager** means any of the following:

1. FRANCHISEE'S officers and directors;

2. The officers and directors of FRANCHISEE'S parent corporation and of each successive parent corporation's parent corporation;
3. The authorized representative of FRANCHISEE named in Franchisee Documentation; and
4. Any other Persons, including Affiliates and FRANCHISEE'S or Affiliates' employees, officers or directors, in a Position of Influence.

**Franchisee Office Hours** means 8:00 a.m. to 5:00 p.m. Monday through Friday, and 8:00 a.m. to 12:00 noon on Saturdays, Holidays excepted.

**Franchise Fee** means the fee described in Section 1D.

**Franchise Services** means all Performance Obligations prescribed in Exhibit 3A, Section 4D, E, and F, and Section 7.

**Franchisee's Related Parties** means FRANCHISEE'S partners, officers, directors, agents, employees, Subcontractors, consultants, licensees, invitees, and Affiliates.

**Garbage Disposal District** means a district created under County Code Chapter 20.90.

**Goods or Services** means goods or services used in providing Franchise Services, including labor; leases; subleases; equipment; supplies; capital; insurance, bonds or other performance security if the insurer, surety or other provider is an Affiliate or a captive of FRANCHISEE or any Affiliate; and legal, risk management, general, and administrative services.

**green waste** means solid waste comprised of leaves, grass clippings, brush, branches, and other forms of organic matter generated from landscapes and gardens and separated from other forms of solid waste.

**Green Waste** means Solid Waste comprised of leaves, grass clippings, brush, branches, and other forms of organic matter generated from landscapes and gardens and separated from other forms of Solid Waste, including holiday trees and bushes, but excluding:

1. Stumps or branches exceeding 4 inches in diameter or 4 feet in length; and
2. Yucca or palm fronds, unless FRANCHISEE is able to Divert those excluded materials that may not be suitable for composting.
3. Other items listed in Section B16 of Exhibit 3D, Franchisee Documentation.

**Gross Receipts** means fees, charges, and other compensation that FRANCHISEE or Franchisee's Related Parties receive directly or indirectly from Customers in connection with Franchise Services before any deduction for costs or expenses such as the

**Franchise Fee.** **Gross Receipts** does not mean fees, charges, and other compensation that FRANCHISEE or Franchisee's Related Parties receive in connection with the sale of Recyclables.

**Holidays** means January 1, Memorial Day, 4th of July, Labor Day, Thanksgiving, and December 25 and any other holidays designated by COUNTY in Notice to FRANCHISEE.

**including** or **include** or variations thereof, when used in this AGREEMENT, means "including without limitation", "including, but not limited to," and "including, at a minimum."

**Indemnities** or **Indemnification** means all defenses, indemnities, and releases under this AGREEMENT, including under Section 14A (generally, and with respect to the Immigration Reform and Control Act and Cal/OSHA).

**Liabilities** means any of the following:

1. Liabilities;
2. Lawsuits;
3. Claims;
4. Complaints;
5. Cause of actions;
6. Citations;
7. Investigations;
8. Judgments;
9. Demands;
10. Cleanup orders;
11. Damages (whether in contract or tort, including:
  - a. Personal injury to or death of, at any time, FRANCHISEE'S employees, Subcontractors, COUNTY employees or third parties; and
  - b. Property damage of FRANCHISEE, Subcontractors, COUNTY employees or third parties);
12. Costs and expenses, (including all costs and expenses of litigation, mediation or arbitration, attorneys fees, whether COUNTY'S or FRANCHISEE'S staff attorneys or outside attorneys, and court costs);
13. Losses;
14. Fines;
15. Penalties; and
16. Other detriments of every nature and description whatsoever, whether under State of California or federal law.

**Local Enforcement Agency** means the enforcement agency defined in County Code § 20.56.030.

**Monthly Report** is described in Section 13A1.

**MSW Management Services** means any of the following:

1. Collection, transportation, storage, transfer, or processing of:
  - a. solid waste; or
  - b. Unpermitted Waste that is handled in accordance with Applicable Law (such as tires in excess of load limits certain E-waste or CEDs collected as part of a Collection program for Bulky Items described in Exhibit 3A); or
2. Arranging for disposal of that solid waste or Unpermitted Waste.

**Multifamily** means related to dwellings with three or more dwelling units (such as apartments, condominiums, and town homes), each with separate cooking and bathing facilities.

**Multifamily Customer** means Customer who owns or occupies Multifamily Premises.

**Multifamily Premises** means Premises containing a Multifamily building.

**Non-Collection notice** means the notice in the form included in Franchisee Documentation in accordance with Section 4C.

**Notice** means notice given in accordance with Section 20F.

**Office** means FRANCHISEE'S offices required by Section 7A to be identified in Franchisee Documentation.

**Ownership** has the meaning provided in the constructive ownership provisions of the Internal Revenue Code of 1986 § 318(a) as in effect on the Execution Date, except that (1) 10 percent is substituted for 50 percent in § 318(a)(2)(C) and in § 318(a)(3)(C) thereof; (2) § 318(a)(5)(C) is disregarded, and (3) ownership interest of less than 10 percent is disregarded and percentage interests is determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

**Party** or **Parties** means COUNTY and FRANCHISEE, individually and together, respectively.

**Performance Obligations** means each and every obligation and liability of FRANCHISEE under this AGREEMENT.

**Permit** means any federal, state, county, other local, and any other governmental unit permit, order, license, approval, authorization, consent, or entitlement of whatever kind and however described that Applicable Law requires to be obtained or maintained with respect to the satisfaction of Performance Obligations, as renewed or amended from

time to time, including the waste collector permit issued by the Los Angeles County Department of Health Services.

**Person** means any individual, firm, association, organization, partnership, corporation, trust, joint venture, state, county, municipality, special purpose district, the United States or any other entity.

**Position of Influence** means a position of authority or responsibility to directly or indirectly administer, manage, direct, supervise or oversee the Franchise Services or this AGREEMENT, including the following: (1) serving as director of the board of directors of FRANCHISEE or an Affiliate, (2) serving as an officer of FRANCHISEE or an Affiliate, (3) reviewing or negotiating FRANCHISEE'S contracts (including this AGREEMENT), (4) providing in-house legal services, and (5) providing insurance or other performance security if the provider is an Affiliate or is a captive of FRANCHISEE or an Affiliate; but excluding the following: (1) monitoring FRANCHISEE'S performance, (2) supervising FRANCHISEE'S finance and capital budget decisions, and (3) articulating general policies and procedures not related to a Criminal Activity.

**Premises** means a tract of land with habitable buildings located in the Service Area and which is safely accessible by Vehicles.

**processing** means the reduction, separation, recovery, conversion or Recycling of Solid waste, including creating "compost" as defined in California Public Resources Code § 40116.

**Processing** means the reduction, separation, recovery, conversion or Recycling of Solid Waste, including creating "compost" as defined in California Public Resources Code § 40116.

**prompt** or **promptly** means as soon as practicable, but in no event more than two days.

**Quarterly Report** is described in Section 13A2.

**Rates** means the amounts listed on the Rate Schedule.

**Rate Schedule** means Attachment 2 to Exhibit 10.

**RCRA** means the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*).

**Reasonable Business Efforts** means those good faith efforts a reasonably prudent business Person would expend under the same or similar circumstances in the exercise of that Person's business judgment, intending to take steps calculated to satisfy the obligation, which that Person has undertaken to satisfy.

**Records** means documentation relating to Franchise Services and other Performance Obligations, including ledgers, books of account, invoices, vouchers, canceled checks,

logs, correspondence, computations, files, plans, correspondence, reports, drawings, designs (other than those respecting facilities or facility operations not involving Collection), data and photographs prepared by or possessed by FRANCHISEE, including the following:

1. Customer Subscription Order and Franchise Services information (including Customers' names and addresses), billing records, complaint logs, route maps, schedules, and correspondence with Customers;
2. Weight tickets, invoices, bills of lading, and receipts from Solid Waste Facilities for types and amounts of Solid Waste that FRANCHISEE Collects, transports and delivers to those Solid Waste Facilities;
3. AB 939 records, including documentation from Recyclables and Green Waste transporters, shippers, brokers, beneficiators, remanufacturers, and purchasers or other users of Recyclables and Green Waste; any reports on Processing of Recyclables or Green Waste residual that Solid Waste Facilities may make to the California Integrated Waste Management Board;
4. Vehicle maintenance, driver Permits and driver testing records;
5. Gross revenues and receipts, including Gross Receipts;
6. Franchise Fees paid to COUNTY; and
7. Records that may be relevant in the event of an action under CERCLA or similar claims.

**recyclables** means Solid Waste that may potentially be diverted for disposal.

**Recyclables** means any of the following materials:

1. Aluminum and metal cans;
2. Newspaper;
3. Glass jars and bottles;
4. Tin cans;
5. Plastic soda bottles;
6. Plastic milk and water jugs;
7. Plastic bags (e.g., bread, frozen food, grocery bags);
8. Type No. 1 plastic containers (PET-polyethylene terephthalate);

9. Type No. 2 plastic containers (HDPE-high density polyethylene);
10. All types of paper (e.g., office paper, junk mail, magazines, telephone books);
11. Corrugated cardboard;
12. White goods (such as those listed in the definition of **Bulky Items**); or
13. Additional (or deleted) items that COUNTY directs after Notice to FRANCHISEE, without adjustment of Rates unless the modification requires Franchise Services at the Set-Out Sites separate and distinct from previously Collected Recyclables.

**recycle or recycling** means the process of collecting, sorting, cleansing, treating, and reconstituting materials (including recyclables and green waste) that would otherwise become solid waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the market place. **Recycling** does not include transformation, as defined in California Public Resources Code § 40201.

**Recycle or Recycling** means the process of collecting, sorting, cleansing, treating, and reconstituting materials (including Recyclables and Green Waste) that would otherwise become Solid Waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the market place. **Recycling** does not include transformation, as defined in California Public Resources Code § 40201.

**refuse** means solid waste that is not diverted.

**Refuse** means Solid Waste that FRANCHISEE does not Divert.

**Regulatory Agency** means any federal, state or local governmental agency that regulates Collection and transportation of Solid Waste (including California Department of Transportation, California Department of Motor Vehicles, EDD, U.S. Immigration and Naturalization Services, or other health and safety department thereof; COUNTY; and Local Enforcement Agency applicable to Franchise Services).

**Report** means Monthly Report, Quarterly Report, Annual Report and any AB 939 or other report FRANCHISEE is required to submit in accordance with this AGREEMENT.

**Residential** means related to detached, single family homes or duplexes.

**Residential Customer** means Customer who owns or occupies a detached, single family home or a unit in a duplex.

**Residential Premises** means Premises containing a Residential building.

**Service Area** means the area described on Attachment 1 of Exhibit 3A.



**Service Assets** means all property of FRANCHISEE used directly or indirectly in performing Franchise Services, including Vehicles, Containers, maintenance equipment and facilities, and administrative equipment and software, both tangible and intangible (such as facility leases or equipment installment purchase agreements).

**Service Day** means any day Monday through Saturday, Holidays excepted.

**Service Specifications** means Performance Obligations prescribed in Exhibit 3A.

**Service Standards** means each and every obligation of FRANCHISEE prescribed in Section 4.

**Set-Out Site** means the place designated in the Subscription Order in accordance with Section 4D and County Code § 20.72.100, where Customers must place their Solid Waste for Collection.

**solid waste** means solid waste as defined in California Public Resources Code § 40191, including green waste, recyclables and refuse, but excluding Unpermitted Waste.

**Solid Waste** means solid waste as defined in California Public Resources Code § 40191 that is Collected in the Service Area, including Green Waste, Recyclables and Refuse, but excluding Unpermitted Waste.

**solid waste facility** means solid waste facility as defined in California Public Resources Code § 40194 (and any other types of facilities named by COUNTY).

**Solid Waste Facility** means solid waste facility as defined in California Public Resources Code § 40194 (and any other types of facilities named by COUNTY) and designated by FRANCHISEE in Franchisee Documentation.

**Subscription Order** is described in Section 4D.

**Subcontractor** means any Person that provides Goods or Services related to Collection, transportation or storage of Solid Waste or related to Service Assets, including their operation, maintenance and repair, to or on behalf of FRANCHISEE whether pursuant to any arrangement, formal or informal, written or merely in practice. **Subcontractor** does not include a Person that provides Goods or Services related to Processing, Diversion or Disposal.

**Term** means the period determined under Section 2 of this AGREEMENT.

**Termination Date** means the date this AGREEMENT expires as provided in Exhibit 3A in accordance with Section 2A or as earlier terminated in accordance with Section 17D.

**Ton or Tonnage** means a short ton of 2,000 pounds avoirdupois.

**Transfer** means Assign, transfer, convey, sublet, license, hypothecate, encumber, or otherwise transfer or dispose of.

**Transfer Costs** means County's Reimbursement Costs of considering and reviewing FRANCHISEE'S request for Transfer, investigating the suitability of the transferee, and determining whether or not to give consent to the Transfer, including fees of consultants and attorneys necessary to analyze the application and to prepare documents to effectuate the Transfer as well as COUNTY staff costs.

**Transfer Deposit** means the amount equal to COUNTY'S anticipated Transfer Costs.

**Uncontrollable Circumstances** means any of the following events:

1. Riots, war, or emergency affecting the Country declared by the President of the United States or Congress of the United States, the Governor of California, or the Board of Supervisors;
2. Sabotage, civil disturbance, insurrection, explosion;
3. Natural disasters such as floods, earthquakes, landslides and fires;
4. Strikes, lockouts and other labor disturbances; or
5. Other catastrophic events that are beyond the reasonable control of FRANCHISEE despite FRANCHISEE'S exercise of due diligence, excluding (i) the financial inability of FRANCHISEE to satisfy its Performance Obligations, or (ii) failure of FRANCHISEE to obtain any necessary Permits or the right to use the facilities of any public entity.

**Universal Waste** means hazardous waste that the California Department of Toxic Substances Control considers universal waste, including materials listed in 22 CCR 66261.9, such as batteries, thermostats, lamps, cathode ray tubes, computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, video cassette players/recorders, compact disc players/recorders, calculators, some appliances, aerosol cans and certain mercury-containing devices.

**Unpermitted Waste** means:

1. Materials that are not Solid Waste, including Universal Waste, household hazardous waste and other hazardous waste, medical waste, radioactive waste;
2. Waste tires in excess of the limitations prescribed in 14 CCR 17355(b) or reduced in volume as required in 14 CCR 17355(A);
3. Any other materials that cannot be Disposed of in class II sanitary landfills described in 27 CCR 20250.

**Unpermitted Waste Screening Protocol** means the protocol prescribed in Section 6 and included in Franchisee Documentation.

**Vehicle** means any truck used by FRANCHISEE to provide Franchise Services.

**Violation of Applicable Law** means any noncompliance with Applicable Law as evidenced by notice, assessment or determination of any Regulatory Agency to FRANCHISEE, whether or not a fine or penalty is included, assessed, levied or attached.

**Waste Diversion Program** means that program required by Section B2 of Exhibit 3A and included in Franchisee Documentation.

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