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"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: **BRC-1**

REQUEST FOR PROPOSALS – ADDENDUM 3 EXCLUSIVE FRANCHISE CONTRACTS FOR THE AREAS OF SOUTH WHITTIER, AVOCADO HEIGHTS, AND SANTA MONICA MOUNTAINS (2017-FA033)

Thank you for attending our mandatory Proposers' Conference for Exclusive Franchise Contracts for the Areas of South Whittier, Avocado Heights, and Santa Monica Mountains (2017-FA033) held on Friday, November 3, 2017.

Please note that the deadline for Proposal submission is **Monday, December 4, 2017, at 9 a.m.**

All addenda and informational updates will be posted at <http://dpw.lacounty.gov/brcd/servicecontracts>. Please check the website frequently for any changes to this solicitation.

Highlights of Changes/Adjustments to Request for Proposals (RFP):

The County has made numerous changes to the contract provisions that are responsive to proposers' questions, comments and requests. Many of these relate directly to rates. Here is a list of some of the changes:

1. **100% CPI:** Rate adjustment from 75% to 100% of the CPI.
2. **Current Adjustments:** Adjustment of the rate when an increase occurs due to changes in law or changes in services requested by the County rather than waiting for annual adjustments.
3. **Increased Cap:** Increased the rate cap for increased costs and excluded those costs related to changes in law from the cap:
30% to 35% during the initial 7-year term of the contract
35% to 45% during any first 2-year extension of the contract, totaling 9 years
45% to 55% during any second 2-year extension of the contract, totaling 11 years
4. **West Coast CNG Index:** Changed the DOE CNG index from Nationwide Average Price for Fuel -Compressed Natural Gas) to West Coast Average.

5. **Weighted Adjustment Flexibility:** The Director now has flexibility in changing the 30% disposal/diversion weighted adjustment ratios, raising or lowering the current 20% disposal and 10% green waste, but they must still add up to 30%.
6. **Bulky Item Collection.** Deleted the requirement to sweep bulky items every collection day in the South Whittier. All abandoned waste-collection services will be by three on-call pickups following customer notice.
7. **64 & 32 Gallon Discount:** Deleted discount for 64 and 32 gallon carts, except for qualified Seniors.
8. **Smart e-club Discount:** Deleted Smart e-club 5% discount.
9. **Collection Times:** Returned to collection hours to 6 A.M. to 6 P.M.
10. **Recyclables Diversion Flexibility:** The Director may delete hard-to-divert materials from the list of defined "recyclables" that contractor must divert.
11. **Diesel Fuel:** The use of diesel fuel is allowed for special Collection Vehicles in the Santa Monica Mountains and a rate adjustment for diesel fuel is now included.

A. Addendum

Please take note of the following revisions to the Request for Proposals (RFP). Section A is the Addendum and Section B is the Questions and Answers. (Please note that the changes that have been added are in **boldface** and deleted languages are ~~strikethrough~~.)

1. Part I, Section 3.A.6. Work Plan, Item m. Special Services has been revised as follows:

Discuss in detail all of the items listed in Part II, Sample Contract, Exhibit 3A1, Item H, Special Services. **The Proposer is encouraged to submit an alternative plan for conducting the annual curbside clean-up event for the Santa Monica Mountains area.**
2. Forms PW-4.2.1 (Task 1 Service Fees South Whittier), PW-4.2.2 (Task 1 Service Fees Avocado Heights) and PW-4.2.3 (Task 1 Service Fees Santa Monica Mountains) of the RFP are deleted in their entirety and replaced with revised forms entitled Form PW-4.2.1 Revised (Task 1

Service Fees South Whittier), PW-4.2.2 Revised (Task 1 Service Fees Avocado Heights), and PW-4.2.3 Revised (Task 1 Service Fees Santa Monica Mountains). Please use the revised Forms entitled Form PW-4.2.1 Revised (Task 1 Service Fees South Whittier), PW-4.2.2 Revised (Task 1 Service Fees Avocado Heights), and PW-4.2.3 Revised (Task 1 Service Fees Santa Monica Mountains), attached hereto as Enclosure A, when submitting your proposal.

3. Item 16.C.6 (Tonnages) of the RFP is deleted in its entirety and replaced with revised Item 16.C.6 Revised (Tonnages) attached hereto as Enclosure D.
4. Due to the numerous changes to the contract provisions, red-line versions of the sample contract and exhibits are attached for your reference as Enclosure B and C. (Please note that the changes that have been added are in red and deleted languages are red and ~~striketrough~~.) In addition, the RFP posted at the following link has been updated with the revised sample contract and exhibits:

<http://dpw.lacounty.gov/brcd/servicecontracts/>

B. Question and Answer to Exclusive Franchise Contracts for the Areas of South Whittier, Avocado Heights, and Santa Monica Mountains

The following answers are in response to the request for information and clarification and other questions submitted by Proposers for the Exclusive Franchise Contracts for the Areas of South Whittier, Avocado Heights, and Santa Monica Mountains (2017-FA033). Questions presented in this Addendum represent the questions asked by the Proposers in the form and context submitted.

1. **Question:** Are clearer maps available for South Whittier's hot zones and alleys: Item 16.A.2.3 and 16.A.5.3?

Response: Yes. A clearer map was included in Information Update 2.

2. **Question:** Will the County consider revisions to the franchise agreement requested by proposers?

Response: Yes, changes have been made.

3. **Question:** How many Smart e-club subscribers in each Service Area?

Response: This information not available since this is a new requirement. Please note that the 5% discount previously associated with the Smart eClub has been eliminated.

4. **Question:** Is the Smart e-club sponsored by the County of Los Angeles? Are haulers expected to join an online service that is managed by the County, or will haulers use their own resources to set up an e-based communication program and call it Smart e-club?

Response: Contractor will be required to use their own resources to comply with this requirement.

5. **Question:** How many customers receive senior discount in each Service Area?

Response: Please refer to the table below. This information is also available in a table found under Item 16.C.5 of Attachment 16.

Name of Residential Franchise Area	Customers with Senior Discount
Avocado Heights	0
Santa Monica Mountains	140
South Whittier	1,316

6. **Question:** For purposes of the pricing guarantee (Agreement, page 7-41), what factors are considered in determining “substantially same services”? (such as geographic location and proximity to processing and disposal facilities, topography and density)

Response: All factors may be considered including but not limited to those mentioned above. Please also note this provision only applies to Task 2 Services.

7. **Question:** Would the County allow a rate adjustment based on changes in recyclable material commodity values. Exhibit 7, p, 120, Section 7 suggests “Yes”, while Exhibit 7, p.124, Section F says “No”).

Response: No, the contract does not contain any rate adjustments for recyclables. The language has been revised to reflect this.

8. **Question:** Please confirm that the franchise fee for Task 1 will be 10%.

Response: The franchise fee only applies to Task 1 and will be 10% of contractor's gross receipts.

9. **Question:** Would the County consider having the annual clean-up events at a centralized location, rather than the current curbside collection method?

Response: For Avocado Heights and South Whittier, the contract requires that the contractor collect bulky items or bagged/bundled solid waste from the set-out site during the annual cleanup events. On the other hand, due to safety reasons, the contractor is encouraged to submit an alternative plan of conducting this event for the Santa Monica Mountains.

10. **Question:** Maximum Cumulative Service Fee Adjustment (Exhibit 7.4) We noticed the annual increases in years 8-11 are capped at an amount lower than the increases in years 1-7. Is there a reason it was done this way?

Response: The maximum cumulative service fee adjustment has been revised. The initial 7-year term will have a 35% cap, while each 2-year extension will have an additional cap of 10%. The total cumulative cap will not exceed 55% throughout the possible 11 year term.

11. **Question:** We could not find the list of difficult to service customers, as described in Exhibit 3A1.0. May we have item C2 of Exhibit 16?

Response: Such a list is currently unavailable. We encourage all proposers to independently investigate service conditions in the service areas prior to proposal submission.

12. **Question:** Exhibit 3A1, section O allows for alternative vehicles for collecting in hard to service areas. Will the County allow for any adjustments to the fuel CPI component to align with the alternative vehicle that may be proposed?

Response: Yes. However, any vehicle that uses fuel other than alternative fuel must receive approval from the Director prior to its use.

13. **Question:** The rate for difficult to service customers is listed at 50% of Basic Services Total. Does this mean that difficult to service customers should be charged 50% more than the basic service rate? For example, if the basic rate is \$20 per month, would difficult to service customers be \$30 per month.

Response: Yes, that is correct.

14. **Question:** Attachment 7-3.1 – Task 2 service fees: The service fee for abandoned waste weekly collections for South Whittier is only billable by the mile, while the service fees for Avocado Heights and Santa Monica Mountains are both billable by the incident. Is there a reason that the measurement criteria for this service differs between the franchises?

Response: The form in Attachment 7-3.1 - Task 2 Service Fees has been revised to reflect the same measure of unit as in the other two franchise areas, number of incidents.

15. **Question:** Link <http://dpw.lacounty.gov/brcd/contracts> takes you to a non-working web page. When will this site become available?

Response: This was addressed in Addendum 1. The revised link is:

<http://dpw.lacounty.gov/brcd/servicecontracts/>

16. **Question:** We are having difficulty reconciling the customer counts and cart counts provided on Item 16.C.5. For example, Santa Monica Mountains lists 3,344 customers, 5,082 refuse carts, 5,324 recyclable carts, and 5,897 green waste carts. However, only 333 customers are listed as having one extra cart, and only 1 customer is listed as having 2 or more extra carts. Is there a way we can get a breakdown of the number of customers with 1 extra cart and with 2 or more extra carts that reconciles back to the total reported number of customers and carts?

Response: A breakdown of that detail is not available. Please note that the number of existing customers is reported by the incumbent contractor. The amount reflects the number of customers that were billed and paid for service.

17. **Question:** Item 16.C.5: The estimated number of customers for condominiums, and for 3, 4 and 5+ units is blank for all three franchises. Are these multi-family residences excluded from the RFP?

Response: The estimated number of customers provided in this attachment represents the number of current cart customers being serviced by the current franchise contractor for the area. The parcel count for multifamily properties are included in this attachment to provide a number of potential customers that the next contractor may provide cart services to granting the property owners or occupants of these properties choose to switch to cart collection.

18. **Question:** Exhibit 3A1: Page 17, section 3: Can you provide the total number of tons and bulky item pickups that took place in each franchise zone in 2016?

Response: The information regarding the total number and tonnage of bulky item pickups in 2016 is unavailable. However, a portion of the refuse tonnage includes the disposed portion of the bulky items collected.

19. **Question:** Video Monitoring – Exhibit 3A1, Section 9: Is it acceptable for trucks to be equipped with cameras but that only record when a significant jarring of the vehicle takes place?

Response: The primary reason for the video monitoring requirement is to validate service complaints, which include missed collection, collection outside of required hours, etc. As such, video monitoring is required continuously from the time the truck leaves the yard during days of operation.

20. **Question:** Special Clean-up events: Exhibit 3A1: page 18 – up to six community cleanup projects or public events during any 12-month period. Do you have frequency of these events and total tons collected each year?

Response: Community cleanup projects under this requirement refer to various events that are randomly scheduled based on requests received from the Board of Supervisors, community leaders, etc. As such, information regarding the frequency of events and tons collected are not available.

21. **Question:** For purposes of calculating the Service Fee Adjustments, can "DOE CNG" refer to the West Coast Average Price for Fuel – Compressed Natural Gas Average Prices by Region from Clean Cities Sources?

Response: Yes, that index has replaced the existing one.

22. **Question:** PW Form 4.2.1 provides different information from Attachment 7-2.1 under the Discounts Subtracted From Monthly Rate. Attachment 7-2.1 only has the discount for Smart E-Club and Senior while PW Form 4.2.1 has the Smart E-Club, Senior along with the 64 & 32-gallon refuse cart discounts. Which form reflects the correct Discounts?

Response: PW Form 4.2 has been updated. See addendum section, Item 2.

23. **Question:** Do Refuse tons listed on Item 16.C.6 include the bulky-item collection tons (i.e. 19,703.07 tons for South Whittier)? If so, how many of those reported tons are from bulky-items?

Response: Yes, the refuse tons include the bulky item collection tons but only the portion of the bulky items that were disposed. The breakdown for bulky item tons is not available, it is an unknown part of the refuse tons.

24. **Question:** For Avocado Heights and Santa Monica Mountains, how much of the reported green waste tons are made up of manure? 2,300 tons of green waste that were reported are made up of manure? Avocado Heights reported a total of 2,319.28 tons of green waste and Santa Monica Mountains reported 1,391.49 tons of green waste; however, there is no tonnage breakdown for manure.

Response: Manure customers in Avocado Heights have bin service where manure and trash are commingled. As such, separate manure tonnage for Avocado Heights is not available. Manure customers in the Santa Monica Mountains have a dedicated cart for manure. The manure tonnage for Santa Monica Mountains during the last 12-month period (July 2016 through June 2017) is 1,079.70.

25. **Question:** Tipping fee rate adjustment only implemented in second year and only 75% reimbursement. This 75% reimbursement cap is unfair and unwarranted. The adjustment should be changed to a 100% pass-thru,

beginning in the first year, or within 60-days of the Contractor's increase. Tipping fees at area County landfills are rising now. In part because of increased costs due to regulatory oversight, declining permitted capacity, and increasing local fees and regulations. The recent County C.U.P. approval for Chiquita Canyon Landfill contains new fees and restrictions that is raising the tipping fee at the landfill by \$5-\$6-a-ton. Much of the County residential waste goes to this landfill. Any increase in tipping fee will likely ripple across the County to other facilities. Another tipping fee increase may occur next year due to a legislative measure that calls for a State fee increase from \$1.40-a-ton to \$4.50-a-ton, as asked for by CalRecycle.

Response: The disposal component in the rate adjustment is adjusted to 100%. Also, a revision has been made to allow adjustments due to changes in law from on annual basis to anytime during the year as approved by the Director.

26. **Question:** Current contract limits total franchise increases for service fees to just 30% over the 11-year contract period. There should be No Limit to the total franchise increases as this is controlled by specific cost increase approvals. With AB 341 calling for 75% waste diversion by 2020, and this is becoming the State "standard" objective, and with recycling markets moving from positive value to a negative value avenues must be retained in the Contract for the Contractor to recoup unknown future expenses.

Response: The maximum cumulative service fee adjustment has been revised. The initial 7-year term will have a 35% cap, while each 2-year extension will have an additional cap of 10%. The total cumulative cap will not exceed 55% throughout the possible 11 year term.

27. **Question:** No Recycling Adjustments are given in the Contract. Recycling adjustments must be given covering the negative tipping fee charged by processors receiving the recycled Material. As mentioned above, with recycling markets moving into the negative range recycling adjustments are vital to this contract. The promise of a "maybe" adjustment is not adequate. As stated in the Contract, "A reason for an adjustment may include a significant change in the value of a commodity."

What is significant? It would seem a "significant" change has already occurred, and is continuing to occur.

Response: No, currently, the contract does not contain any rate adjustments for recyclables.

28. **Question:** Contract only allows an increase for CPI adjustment of 75% of the calculated amount. All CPI adjustments should be 100% of the amount. Why does the contract state that the CPI amount is limited to 75% of the calculated amount, and base this on "county estimates that the CPI for labor is higher than actual labor expenses for this contract". There is no substantiation to back this claim.

Response: The 75% weight has been changed to the full 100%.

29. **Question:** Bulky Item Collection frequency and amount is excessive. Contract change to no advance request for service and collection day service. Number of items per collection should be reduced from the maximum of ten items per pickup, and reduced excess refuse from five bags per pickup and in some cases, such as a move in-move out 20 bags of bulky items is excessive. Customers or Occupants should continue to be required to request bulky item service in advance. In case of evictions how is the hauler supposed to know this?

Response: This is the desired level of service for bulky item collection and the proposed price should consider this. The eviction language has been removed from the sample contract.

- Annual Curbside Cleanup Event for bulky items, "excess refuse", and "excess green waste" should signify limited amounts for disposal and NOT unlimited amounts. Composition-Construction materials, as classified under C & D collection, should be prohibited from bulky item collection. This is in part a Safety Issue, broken glass, hazardous waste, etc. often is set out for collection. The amounts of materials for these collection services has become a concern due to the increased amounts of waste being discarded, and residents bringing in waste from outside areas for collection day.

Response: The sweep bulky item collection method has been replaced in the South Whittier service area with the 2 on-call bulky item collections just like for the other two areas. Please note that the bulky item collection service in the previous contracts for these areas require the franchise hauler to provide 2 on-call collections of unlimited amounts as well as an annual curbside clean up event in unlimited amounts. The new contracts have limited the amounts to 10 per on-call and 20 for the annual clean up event. C & D collections have been changed from unlimited amounts in the existing contract to two 70 pound bags, containers, or bundles as set forth in Section 20.72.090 C of the Los Angeles County Code of Ordinances.

30. **Question:** 1 November 2017 information update no. 1: Did the existing contractor for Santa Monica Mountains and South Whittier receive the annual increases after the second year? If not, why were they denied? Additionally, were there formal requests after the second year for both franchise areas and, if so, can those requests be provided as part of this RFP process?

Response: Yes, annual rate increases were granted for the Santa Monica and South Whittier areas after the second year. Since these rate adjustment requests are processed upon receiving a request from the franchisee, there were formal requests received that initiated the process. Copies of the formal letters may be obtained through the public records request process.

31. **Question:** Why does the County of Los Angeles have no recognition under the County's preference programs for women owned business enterprises (WBE)? This remains vital to the City of Los Angeles and Los Angeles County Metro.

Response: Thank you for your concern, however, there is no recognition under the County's preference programs for women owned business enterprises (WBE) at this time.

32. **Question:** Section 3A4, support documents: Does the County of Los Angeles realize there isn't enough time to secure the Certificate of Good Standing with the Secretary of State's office by 28 November 2017? Does

the County of Los Angeles realize proposers can't secure this document at the Secretary of State's office in Los Angeles, but must obtain it from Sacramento?

Response: All companies should have a copy of "Certificate of Good Standing" with the State or state of incorporation and their most recent "Statement by Domestic (or Foreign) Stock Corporation" and can submit those copies with their proposal.

33. **Question:** PW forms: Can the County of Los Angeles provide the forms either via .pdf or Microsoft Word or Excel?

Response: Forms PW-3.1 A, B, C (Net Rate Proposal) and Forms PW-3.2 A, B C (Cost Substation of Net Rate) are available in Excel, however the remaining forms are only available as PDFs.

34. **Question:** Form PW 4.2: The County of Los Angeles should eliminate the monthly discounts for the 64g and 32g refuse carts as this will encourage residents to subscribe to less service. Additionally, it will lead providers to securing potentially wrong allocations of carts during the transition period. It remains easier to provide 96g carts, which seem especially suited for the three franchise areas. This requirement along with the variable rate reductions for smaller carts is a problem.

Response: The smaller cart discounts (except for seniors that generate small mounts of waste and use a 32 gallon trash cart) have been removed.

35. **Question:** Form PW 4.2: The annual curbside clean up event cost should be part of the basic rate and included as part of the monthly rate per customer.

Response: Agreed. To clarify, the cost for the annual clean-up event should be part of the basic monthly rate for Task 1. As stated in the footnote, the requested cost regarding this item on PW 4.2 is for informational purposes only for the Director.

36. **Question:** Form PW 4.2.2: What is the rationale to expand the current bulky item collection program from twice per year without surcharge to four?

Response: The previous and current residential franchise contracts require the contractor to collect 2 on-call bulky item collections in unlimited quantities per calendar year. Many contractors expressed concerns with the unlimited quantity allowance for each bulky item collection. Therefore, the new requirement allows for 3 on-call collections however, it limits the number of items (10 total) that can be set out for each bulky item collection.

37. **Question:** Form PW 9: If a proposer is a certified WBE, what does that entitle the proposer as part of this process?

Response: There is no preference program for WBE certified companies at this time.

38. **Question:** Form PW 24: What current collection schedule changes does the Department envision as part of this process for each of the three franchise areas? Can the Department confirm the existing collection schedules will remain in effect upon service transition?

Response: The County does not expect to make any changes to the current collection schedule at this time and therefore expects for this schedule to remain in effect upon service transition.

39. **Question:** Contract Section 1B1: Residents who choose to self haul should be required to prove to the County of Los Angeles of their efforts to recycle both single stream and green waste and those diversion statistics should be made available to the provider as part of monthly reporting.

Response: Currently, there is no ordinance in place regarding mandatory solid waste collection outside of the Antelope Valley.

40. **Question:** Draft franchise agreement, page 7-37: What is the rationale for the expansion of the delinquent account situation from the existing franchise agreements? Why must the solid waste management enterprise

provide a quarter's worth of service at no charge to the resident with a finance charge that won't cover the mailing or the stamps?

Response: The billing policy has not changed from the previous contract. The expectation is that bills are sent at the beginning of the quarter and due in 30 days. The delinquent policy for each franchise waste haulers varied significantly. In order to make them uniform and consistent, this delinquency provision was included. Also, please note the timeline is intended as a "not more than" deadline.

41. **Question:** Draft franchise agreement Page 7-38: Why is there a maximum, not to exceed per contract year fee for Task 2 services? Additionally, what is the process on Page 7-40 if there's a reduction in the maximum contract sum for Task 2 if there's a reduction as specified? What work will not be performed? How will the contract be notified? Will the County direct the contractor to pick up Task 2 materials at no charge to the County?

Response: The not to exceed amount per contract year for Task 2 is approved by the County of Los Angeles Board of Supervisors and Public Works is not authorized to approve work beyond this amount. If there is a budget reduction as stated under Section 7, Item C.7., a Director's notice will be provided to the contractor within 30 calendar days of the Board's approval of such action. In accordance with Item C.7, the County will not direct the contractor to pick up Task 2 materials at no charge to the County.

42. **Question:** Draft franchise agreement, page 11-56: Why is it important to report unused cart inventory on a monthly report? Should this be an item only for the annual report? If not, why not?

Response: The existing contract required a 10% inventory of carts which is not required in this contract, however, the language in this contract is important to ensure that contractor maintains an adequate inventory of carts at all times in order to avoid delay in cart delivery when customer requests additional carts or for cart replacement. Also, the requirement to submit the cart inventory in the annual report has been removed.

43. **Question:** Exhibit 3A1, hours of collection: What is the rationale for the change in collection hours from 06:00am-06:00pm to 07:00am-06:00pm? This does have a significant impact in terms of providing service, especially when coupled with the no collection in school zones as indicated in said section.

Response: The hours of collection has been changed to 6 a.m. to 6 p.m.

44. **Question:** Exhibit 3A1, manure transport: This section assumes it remains possible to divert manure collected in Avocado Heights. What is the County of Los Angeles' role in making that happen with residents in said community? Does the County believe this can transpire without significant County involvement?

Response: The contract requires the contractor to divert the manure collected in the separate containers. The Director will work with the haulers in providing education and outreach to the residents that have subscribed to the manure collection service.

45. **Question:** Exhibit 3A1, vehicle billboards: What is the rationale for the expanded billboard requirement from the existing contracts? Does the County of Los Angeles believe this remains the most effective form of public education and outreach to residents?

Response: The billboard requirement was expanded to require signs on both sides of the truck and include different messages. Billboards may not reach the largest audience but they are an inexpensive method of promoting environmental messages.

46. **Question:** Exhibit 3A1, annual clean up event: How does the County of Los Angeles intend on monitoring the 20 item limit as part of the annual clean up event?

Response: The contractor is responsible in ensuring all services performed are in accordance with the requirements of the contract. The County will assist in working with the contractor to inform and educate the customers on the appropriate rules of the event through the newsletters prior to said event.

47. **Question:** Why has construction and demolition materials been added as collectible items in the annual clean up event, which is a major change over the existing agreements? This provides an unwarranted safety issue to drivers and helpers to clean up this material. Perhaps offering a discounted container rate would be a safer solution and more economical.

Response: Collection of construction and demolition debris during annual cleanup events is required in existing contracts, wherein the franchisee is required to collect unlimited amounts of solid waste. Solid waste is defined in the California Resources Code 40191 as including construction and demolition waste. The language in the proposed contract was merely expanded for clarity and to provide a limit on the volume that the contractor is required to collect, which was changed from unlimited amounts in the existing contract to two 70 pound bags, containers, or bundles as set forth in Section 20.72.090 C of the Los Angeles County Code of Ordinances.

48. **Question:** Exhibit 3A1, SHARPS collection: Why is the County of Los Angeles mandating one gallon SHARPS containers? Would the 1.4 quart containers be more appropriate? Most residents cannot store a one gallon container easily?

Response: The Sharps program requires the contractor provide a one-gallon container up to 4 times a year. A one gallon container typically lasts 3 months before it gets full.

49. **Question:** Exhibit 3A1, mulch program: Please provide the necessary contacts and information regarding the County's giveaway mulch program at County parks so that the contractor may obtain them through the Department of Parks and Recreation.

Response: The County will work with the winning proposer in securing reservations at County parks, including providing contacts, and assist with securing these reservations by contacting the Department of Parks and Recreation, if necessary.

50. **Question:** Exhibit 3A3.2, Avocado Heights bulky items: Is it three or four bulky item collection pick ups per annum? Why is the move in/out not included as part of the bulky item collection program? What is the rationale for separating this from the bulky item collection program?

Response: The requirement is for three on-call collections per year. The move in/move out bulky item collection service was included as a separate item based on multiple complaints and observations of items being left behind when tenants/owners left and also to assist in ensuring these items do not end up being illegally dumped. This is the level of service that County desired for its residents.

51. **Question:** Exhibit 7: The effective start date should be 1 July.

Response: The existing contract specifically states that its termination date is March 31, 2015. It allows for a three 1-year extension making the maximum term of the contract to be up to March 31, 2018. Therefore, the start date of the new contract can only be on April 1.

52. **Question:** Exhibit 7, maximum rate adjustment: Total Service Fee limit is unacceptable. Should not be a fixed limit because of the potential for extraordinary costs and fees caused by circumstances beyond the control of the CONTRACTOR.

Response: The maximum cumulative service fee adjustment has been in residential solid waste contracts awarded since 2010. The language was revised to increase the limit. The initial 7-year term will have a 35% cap, while each 2-year extension will have an additional cap of 10%. The total cumulative cap will not exceed 55% throughout the possible 11 year term.

53. **Question:** Exhibit 7, maximum rate adjustment: There appears to be no language in the draft contract to address extraordinary cost impacts such as fuel, negative recyclable value, government law and fees, and other items that may arise through the course of the contract term.

Response: Please see the response above. The cumulative cap has been increased. Additionally, changes in State law will not be included in the maximum adjustment.

54. **Question:** Exhibit 7, CPI: The contractor should receive 100% of the CPI increase. Additionally, the last paragraph in Section C should be deleted in its entirety. The County should provide its rationale as to why the contractor should only be entitled to 75% of the CPI.

Response: The 75% weight has been changed to the full 100%.

55. **Question:** Exhibit 7, Section F: Adjustments for RECYCLABLES should not be at the sole discretion of the Director but rather a component of the normal and/or extraordinary rate increases each year. In some cases, there could be circumstances, based on the materials required to be diverted, that materials may have negative value, hence become a cost to divert. The language on Exhibit 7 page 124 should be stricken or modified to allow for such circumstances.

Response: The existing language has been removed.

56. **Question:** Attachment 7.2.2: Bin service in Avocado Heights may be twice per week. Does the new franchise agreement limit that offering to residents of that community?

Response: No, there is no limit.

57. **Question:** Does the County wish for each area application to be submitted under separate cover? Or can a single document be submitted with the appropriate information organized by area (e.g., separate workplan for each area)?

Response: As stated in Part I, Section 3.A.6. Work Plan, Proposers may submit one proposal package for multiple Service Areas. However, the Work Plan must be customized for each Service Area.

58. **Question:** For the past 10 years there has never been a cancelation for convenience clause in the agreement. It is concerning that it is now added. I have the following questions:

- Why did the County now decide to add this clause?

Response: The language regarding the termination for convenience is not in the older residential franchise agreements and is only for the County Services, Task 2. This language was added to the residential franchise agreements that commenced service in 2011 and has been included in residential franchise agreements for various areas that followed. It is a requirement in all County service contracts.

- **What assurances can we as haulers have that if we propose on this agreement you will not arbitrarily use this clause to cancel our contracts?**

Response: The County is not likely to terminate for convenience unless there are egregious examples. If the County was to terminate contracts whenever it did not like the price, for example, private contractors would not propose on County contracts, or proposed prices would be higher to cover the risk of early termination.

- **What protest process do we as haulers have given the language appears to be at your sole discretion?**

Response: The termination for convenience language has been modified to only be applicable to County Services, Task 2. This is a standard provision required in all County service contracts. If the County was to terminate a contract, it would require the Board of Supervisor's approval.

59. **Question:** Exhibit 3A3 B: Page 39 Bulky Item and Excess Solid Waste Collection. Paragraph B1 Weekly Service:

- Would the county consider removing the requirement to sweep the route on their collection days?

Response: Yes, the sweep bulky item collection method has been replaced with the 2 on-call bulky item collections just like for the other two areas.

- This requirement along with the variable rate reductions for smaller carts is a problem.

Response: The smaller cart discounts (except for seniors that generate small amounts of waste and use a 32 gallon trash cart) have been removed.

60. **Question:** Paragraph B2-Intended Discard:

- Would the county consider removing this requirement? The liability of the drivers to determine what is of value and not exposes the haulers to undo liabilities.

Response: Due to the change to three on-call collections, this provision has been removed.

- Customers should be notified on quarterly newsletters and welcome packets that they should not place valuable items or donations at curbside on collection day.

Response: The sweep method has been changed to the three on-call bulky collections, however, the quarterly newsletters are intended to be used to educate residents on trash and recycling matters. As such, an article regarding this matter may be included in the newsletter, if needed.

61. **Question:** Paragraph B3- Evictions. Would the county consider removing this requirement? The liability of the drivers to determine what is of value and not exposes the haulers to undo liabilities.

Response: Yes, this has been removed.

62. **Question:** Exhibit 3A3.2 – Additional Services Avocado Heights. Item B second paragraph states on line 1 that there would be three times per contract year and line 4 states that there will be 4 collections. Please correct.

Response: The bulky item requirement is for collection of up to three times per contract year. The information regarding four collections per contract year was corrected and included as part of the addendum.

63. **Question:** Item B: there are 3 different services out lined 1) bulky item 2) excess refuse, and 3) excess green waste. Can you please confirm that there are only a TOTAL of 3 collections per year for Bulky Items, excess refuse, and excess green waste? NOT 3 per collection type.

Response: Yes, all these three services (bulky items, excess refuse, and excess green waste) shall be collected up to a total of three times per contract year, as prescribed under this section. This limits the waste hauler's trips to a resident to three times regardless of the type of waste (bulky items, excess, or green), significantly reducing the number of trips from the previous generation of contract from 2014 that required two bulky, four excess, and eight excess waste; and thus a potential of 14 trips per year to a customer.

64. **Question:** Exhibit 3A3.3 D Manure Services.
- In both the Avocado Heights and Santa Monica Mountain agreements it says that the contractor shall provide either a 64 gallon or a 2 cyd dumpster for manure. It states that the customer can put MANURE and GREEN WASTE in the containers. However, earlier in the contract we mention that customers can't put manure in their green waste.

Response: Exhibit 3A3.3 D Manure Services describes the services the contractor must provide regarding manure collection and therefore for the fee the proposer is proposing for manure service. Any reverence to containers in this section is related to manure containers, not green waste containers. Therefore, customers are allowed to place manure and green waste into these containers.

- Please remove GREEN WASTE from the manure containers. We will have customers complaining that they have to pay extra for the manure service why can't they just put manure in with their green waste cart.

Response: The placement of solid waste into containers is not interchangeable. Customers may place green waste into their refuse containers but not refuse into their green waste containers (they are discouraged from throwing away their green waste). Same is true for

green waste and manure. They are allowed to place green waste into the manure container but not manure into the green waste container. Furthermore, customers are not allowed to place excess refuse into there green waste containers to avoid paying for an additional refuse container and they are also not allowed to place manure into a green waste container to avoid paying for manure service.

- Why can't we charge customers to scout out manure bins? There is an extra cost for scouting or hard to service residential customers. What is the reasoning for not charging to scout manure carts or bins. To add the cost of scout to all manure customers in the base rates will only negatively effect customers that don't require these services. This is an extra service and should have an extra service cost.

Response: Language was revised to allow for an additional charge in Santa Monica Mountains. Avocado Heights must include the service in the Manure fee.

- You mentioned that companies must use the same collection vehicle to collect 96 gallon carts and 2 yd containers for manure. Is the County suggesting that all manure should be collected using rear load containers? Can we propose another method of collection in the proposal?

Response: The intent is to minimize truck traffic and not have two, half full vehicles, with one for Carts and one for dumpsters. It specifically allows two different types of full trucks.

65. **Question:** Exhibit 3A3.3 Santa Monica Mountains Item C Annual Curbside Cleanup Events Services.

- The contract requires the contractor to provide roll off containers for collection. There are very few places in the canyons that would have a safe location for lines and to set these containers. This appears to be a safety issue.

Response: The requirement regarding the Annual Curbside Cleanup Event states that the contractor shall submit an alternative plan that may include either or both of the following methods: roll-off bins and/or increased bulky item and excess waste collection. As such, if placement of roll-off bins is not feasible, then the alternative plan may not include this option.

- Would the County consider alternative approaches for example additional bulky items per collection event or possible additional collection events to compensate?

Response: Please refer to response #65 above.

- If not will there be a limit to the amount of time that the roll off containers need to be onsite? For example, 7 a.m. to 12 p.m.

Response: Please refer to response #65 above.

- Will there be a limit to how many items each resident can dispose of and how many times they can come back?

Response: Please refer to response #65 above.

- Will there be a limit to how many roll offs the company is required to provide during the event? For example, if there are four locations throughout the canyons will we have to continually dump the containers if they get full and how many times.

Response: Please refer to response #65 above.

- What will happen if there are still customers in line when the event is over or the required number of roll off bins is exceeded for the event?

Response: Please refer to response #65 above.

66. **Question:** Exhibit 3A3.3 Santa Monica Mountains Item E Carts. Will the carts for the Santa Monica Mountains be one base color and different lids like the other areas, or are we to use the same color containers that are in the community currently?

Response: Either one will be acceptable pursuant to the approval of the Director. Item D9a (1) of Exhibit 3A1 mentions this alternative.

67. **Question:** Exhibit 3A3.3 Santa Monica Mountains Item H Solid Waste Transportation, Processing, Diversion, and Disposal.

- The requirement to use the Calabasas Landfill may cause for even the existing rates to increase due to their tipping fees. Is the County willing to change this requirement?

Response: No, the requirement is to use the Calabasas Landfill.

- What would the Director consider reasonable justification to utilize a different disposal facility?

Response: A different disposal facility may be used upon the approval of the Director for emergency or extenuating circumstances.

68. **Question:** Exhibit 3A1 Section F Number 4 Pg. 16 Recycling Recyclables

- The County states that all items in the definition of recyclables must be diverted even those which may COST money to recycle. How will the County insure that haulers are properly compensated for the cost to process these materials?

Response: The County will not ensure the compensation. Proposers are to consider decreasing recycling values in their bids.

- What if as the recycling market continues to spiral out of control there isn't an end market for the items that you define as "recyclable"?

Response: Removal from the list of recyclables is at the Director's discretion.

- At what point will an item be removed from your definition if there truly isn't a market for the material?

Response: Removal from the list of recyclables is at the Director's discretion.

69. **Question:** Exhibit 3A1 Section Pg 12 Video Monitoring.

- GPS monitoring in residential franchises is very difficult. The GPS units don't pin point every single address. What will happen if the director requests the GPS records, and due to the fact that there are so many carts on the street it doesn't pick up the exact address in questions?

Response: The data will be used to confirm a truck passed along a certain route, not that it stopped at specific addresses. It is unlikely that a collection vehicle will drive so quickly along a street that it never pings any location on that street.

- Has the county considered the alleys that are collected? GPS technology doesn't always pick up the correct address when you are collected in an alley with a house on both sides of the alley?

Response: The data will be used to confirm a truck passed along a certain route, not that it stopped at specific addresses.

- Has the county considered in the Santa Monica Mountain contract that most homes put all of their containers in one place and aren't necessarily collected at the actual address? A lot of residents bring their carts and or trash sometimes a mile or more away from their actual home for collection. How will the County handle this? 90% of this community will not be accurately reported.

Response: Similar to the previous response, the data is to confirm the truck passed along a route to the set-out site, not a billing address.

- While we understand the concept our experience with this technology is not going to give you the answers that you are looking for if the goal is to see that each and every individual house is collected.

Response: The goal of the GPS data was not to provide a virtual log of a truck's day. It is a fairly inexpensive requirement with very little inconvenience to the waste hauler but may provide excellent data that would not otherwise be available. If a customer complains that the waste hauler did not service them and the GPS log shows the truck never traveled along the street in questions, then the data is adequate.

70. **Question:** Exhibit 3A1 Section Pg. 12 Video Monitoring.

- What is the county hoping to see with this technology?

Response: The primary reason for the video monitoring requirement is to validate service complaints, which include missed collection, collection outside of required hours, etc.

- At the meeting it was mentioned that this could be as simple as a dash cam. We don't believe that this simple method will necessarily provide what the County is looking for. If in fact it doesn't provide the right information the upgraded industry specific equipment is extremely expensive and will increase the cost of collection. We would request that the County consider exactly what they are going to be looking for an requesting so that we can budget for the proper equipment.

Response: The intent of using technology to monitor the collection vehicles is to obtain more data than otherwise available, at a fairly inexpensive capital investment and an insignificant cost to the customers. It is acknowledged that the video quality will not be as clear as from a passenger vehicle but even shaky video is better than no video. If the vibration of the trucks cause frequent breakage of the passenger vehicle versions of the equipment, the County will work with the waste hauler for a reasonable solution, such as fewer, more expensive cameras.

71. **Question:** Exhibit 3A1 Pg. 10 Recyclables Cart with Gravity Lock

- Has the county ever had a request in any of the 3 franchise areas being proposed for this type of containers?

Response: No requests have been received in any of the three franchise areas. However, recognizing the issue of scavenging, the County would like to have this type of container be available.

- Item 14 2nd paragraph states that if we are unable to collect the cart due to lock failure there are 3 options the customer needs to repair it, we can repair it at a reasonable charge, or we have to replace it at NO CHARGE. With language like this the customer is just going to request that we replace it at no charge. I think this needs to be looked at and corrected.

Response: The section regarding this requirement states that the contractor may replace the cart with a standard non-locking cart at no additional charge. There is no language requiring the contractor to replace the cart with a cart with gravity lock at no additional charge.

- Paragraph 3 states that we must deliver these containers within 21 days. We would request that customers not be able to request these carts for 90 days after the start of the contract.

Response: Comment noted.

72. **Question:** Exhibit 3A1 Pg 11 Fuel/ Power.

- The Santa Monica Contract may be difficult to use all CNG collection vehicles. The low trees and steep roads and dirt roads make it difficult to locate the CNG tanks. On top they hit the trees, and on the bottom the trucks bottom out at most streets. Also, the hills and canyons use a lot of CNG fuel and require the drivers to have to fuel at least once during the collection day. There are very few options for CNG and cause a lot of route time delays. Is the County willing to make an exception for this contract to allow diesel trucks?

Response: The contract for Santa Monica Mountains includes a provision regarding the option to use alternative size or types of vehicles, as necessary. Please refer to Exhibit 3A3.3.F and G.

- Would the County be willing to research this more prior to the proposal being submitted? The cost difference is substantial and we will need to know exactly what you are willing to allow for this requirement prior to submitting a proposal.

Response: Please see the response above.

73. **Question:** Exhibit 3A1 Pg. 9 Bear Resistant Carts.

- Has the County ever had a bear issue in any of the contract being proposed?

Response: Bear resistant carts are not required in these contracts.

- Has the County ever had a request for bear resistant carts in these franchise zones?

Response: Please see the response above.

- Has the County ever required bear resistant carts in other franchise areas? If so can you recommend what has worked and what has not worked?

Response: Please see the response above.

74. **Question:** Exhibit 3A1 Pg 2 Collection Frequency

- This section states that the County can adjust the collection frequency of refuse container and or recycling containers to every other week. What will the rate adjustments be for this type of change?

Response: No rate adjustments are being proposed for this type of change.

- Will the county provide their reasoning for such a change?

Response: In anticipation of food waste collection, an option for this program could be mixing food waste with green waste or having a separate container for food waste. Either way, food will no longer go in the trash so there is a possibility that there will not be a need to service the trash carts on a weekly basis. Recyclable carts contain clean commodities and there may not be a need to service these carts weekly either. Potentially, collection routes would alternate refuse 1 week and recycling the other.

- How will the County ensure that the hauler will remain whole in terms of revenue if this type of a change is made?

Response: A new negotiated rate would be required for this significant change in service.

75. **Question:** The contract allows for a 5% discount for customers who sign up for the electronic billing, payment, and newsletters. The average rate of all contracts in the County is approximately \$67.00 per month. This discount would be a reduction in rate using the average quarterly billing in the County of \$3.35. This seems to be a large discount just for electronic invoicing and payments. In addition to all electronic payments cost the hauler additional money to process those charge with credit card fees etc.

- Is the County willing to remove this requirement?

Response: The 5% discount for Smart e-club membership has been removed.

- Is the County willing to possible change to provide for a 1 time discount if they sign up for this service?

Response: Please see the response above.

- Would the County consider a flat fee discount for customers that use this service?

Response: Please see the response above.

- Would the discount be on the base rate or the rate including franchise fees?

Response: Please see the response above.

76. **Question:** At the Preproposals meeting it was stated that there were issues in the contract that there wasn't time to properly address for example the cost of processing recyclables is not included in the rate adjustment factor and considerably affects the costs of the proposals if you have to assume that risk. The County states that at the Directors sole discretion this maybe approved, but there is still a substantial risk.

Response: The recycling adjustment language has been removed.

- Is the County willing to provide language in the agreement to ensure that the haulers are compensated for increasing costs?

Response: The recycling adjustment language has been removed.

77. **Question:** The County has proposed to allow residents to reduce the size of their solid waste container in order to receive a discount of between 10% and 20%. While we believe the intention was in the right place, the fact that the County allows for illegal dumping removal, sizeable bulky item requests, and the ability for customers to request free recycling and green waste containers the system is flawed. The fact that customers can reduce their trash bin and order additional blue bins for no charge will encourage customers to save the money and contaminate the blue containers. This process along with the fact that the recycling market is in a serious downward spiral will most certainly effect countywide diversion programs and drastically impact the rates to the residents in the County, or provide for a huge loss to the service provider.

- Is the County willing to remove this from the contract?

Response: This has been removed.

- If not is the County willing to limit customers who take advantage of these discounts to only receiving 1 blue and 1 green cart?

Response: Please see the response above.

- How will the County assist in enforcement for customers that contaminated their blue containers?

Response: Please see the response above.

- Would the County be willing to force customers to go back to 96 gallon containers if their blue or green are contaminated more than a certain number of times in a 12-month period?

Response: Please see the response above.

78. **Question:** Rate increase month. The contract currently only allows increases one time per year in July. However, the contract allows for an annual increase every 12 months. The increase month should be consistent with the start date of each contract. For example a contract that starts in November has to wait 12 months for an increase which is after the July increase date. So you lose your first rate increase year and can't recoup the costs for that year. Specifically for this contract the haulers will be required to wait 15 months for our increase, rather than the 12 months outlined in the RFP based on the way your rules are written. Is the County willing to change the language to allow for the rate increase to be on the 12 month anniversary?

Response: No, as outlined in the contract, a rate adjustment for CPI will be effective July 1, however, 6 months must elapse from the commencement date. For example, if the start date is November 2018, it will be eligible to receive a rate adjustment starting on July 1, 2019. For the disposal component, 12 months must elapse between the start

date and July 1. Please note the current contracts have a 24-month waiting period which has been shortened for these contracts.

79. **Question:** Exhibit 7 Section 4 on page 119 The County has capped that rate increases on this contract which doesn't provide us with the ability to guarantee that over the next 11 years we can recoup the cost increases we receive. The County is already restricting the increases dramatically by only providing 75% of the CPI change, reducing the solid waste increase from 30% to 20%, and not guaranteeing a rate increase on recycling.

Response: The 75% weight has been changed to the full 100%.

- There are many changes coming in regard to disposal rates at landfills. Specifically, the County has recently applied increase host fees at one of the only two local landfills that have increased costs by almost 30% in one year. Calrecycle is looking at additional taxes and fees on landfills that have the ability to increase those costs by between 20 and 30% as well. These increases could use up the caps in the first few years, and will have a dramatic impact on the rates to the customers if you have to try to predict those increases up front and charge them now rather than allow justified increase to be approved throughout the term of the contract. Is the County willing to remove the cap on rate increases?

Response: The maximum cumulative service fee adjustment has been increased. The initial 7-year term will have a 35% cap, while each 2-year extension will have an additional cap of 10%. The total cumulative cap will not exceed 55% throughout the possible 11-year term.

- In addition, we feel that the preproposal meeting gave unclear instructions on this specific issue as it was explained that this language was in the old contracts as well. To our knowledge and the best of our due diligence I don't see any reference to a rate increase cap. The fact that this was mentioned at the meeting could put us at a disadvantage as the incumbent that other haulers will think this will not affect our pricing matrix. Will the County please

provide the section and page number in the old contracts that capped the rate increases?

Response: The language regarding the rate cap is only in the newer residential franchise agreements. This language was added to the residential franchise agreements that commenced service in 2011 and has been included in residential franchise agreements for various areas that followed. This language can be found under Exhibit 10-Rates of these agreements.

80. **Question:** Specific to page 76 Exhibit 5 Section 4 a. and e. - This clause allows the County of Los Angeles to cancel this contract in part or in whole with a 10 day notice. These contracts are extremely high in upfront capital that is amortized over the term of the contract. The County having the right to cancel at their sole discretion with or without cause dramatically impacts our ability to bid on this contract, and I imagine would impact other haulers as well.

- Is the County willing to remove this clause?

Response: The language has been revised to be only applicable to County Service, Task 2.

- Can the County please explain why they feel this clause is necessary in this contract and what the intent in adding it was?

Response: The language regarding the termination for convenience is not in the older residential franchise agreements. It is applicable to County Service, Task 2 service and the language has been revised accordingly. This language was added to the residential franchise agreements that commenced service in 2011 and has been included in residential franchise agreements for various areas that followed.

- In addition we feel that the preproposal meeting gave unclear instructions on this specific issue as it was explained that this language was in the old contracts as well. To our knowledge and the best of our due diligence I do not see any reference to a cancellation for cause clause in the previous contract. The fact that this was mentioned at the meeting could put us at a disadvantage as the incumbent that other haulers will think this will not affect our

pricing matrix. Will the County please provide the section and page number in the old contracts that allowed for the County to cancel the contract without cause and for convenience?

Response: Please see the response above.

81. **Question:** The County has reduced the landfill portion of the rate increase from 30 percent in the old contracts to 20 percent in the new contracts. The County has added a 10 percent weighted value for green waste. We believe that the problem with the old contract was that the rate increase formula didn't allow for the contractor to recoup our costs for increases on green waste processing. The County didn't solve this problem by reducing the increase on trash and moving an equal increase to the green waste. Will the County consider increasing the weighted value of the solid waste back to 30 percent and all for an additional 10 percent weighted value for the change of cost to process green waste? Again, at the end of the day there is no increase using the proposed method.

Response: The County will annually revise the disposal/diversion ratio during the rate adjustment for July 1 but the 20 percent disposal and 10 percent diversion will be that starting point. The sample contract language was revised accordingly. Proposers should consider this when estimating their rates.

82. **Question:** Would the County consider an extension of the time frame to submit these proposals?

Response: Yes, as stated in this addendum the due date for proposals has been extended to December 4, 2017, at 9 a. m.

83. **Question:** Would the County consider holding another meeting with the participants of the original meeting to discuss and put together a working group to discuss alternatives to the items in the proposal?

Response: No, since these contracts are in the open solicitation stage, additional meetings will not be held.

84. **Question:** Given the extension discussions at the mandatory pre-bid meeting and the likelihood of significant questions posed by all participants is the due date going to be changed?

Response: Yes, the deadline has been changed to Monday, December 4, 2017 at 9 am.

85. **Question:** Have the current haulers of the subject franchise areas been contacted to establish their willingness of extending services beyond the franchise term to allow sufficient time to address questions?

Response: Extending services under the existing contract is not allowed since the extension options have all been exhausted.

86. **Question:** While the contractor is allowed to designate the disposal site, the RFP makes it clear County has retained flow control. County dictated disposal sites could have a significant impact on the rates. Can the County reconcile this discrepancy?

Response: The contract allows the Director to reserve the right to direct Solid Waste to a specific site or facility upon CONTRACT with the CONTRACTOR. Furthermore, for the Santa Monica Mountains, the disposal facility must be the Calabasas Landfill and proposers must consider this in the rates without additional compensation. For any further flow control, COUNTY will compensate the CONTRACTOR for any direct costs, if any, such as increased tipping fees and transportation costs which the CONTRACTOR incurs following delivery of materials to a County-designated Solid Waste Facility instead of a CONTRACTOR-selected Solid Waste Facility.

87. **Question:** [1G] The contract does not grant contractor title to the waste set out for collection, which leads to scavenging. Can County transfer ownership to hauler when material is placed in the cart at curbside for collection?

Response: The contract does not change or otherwise affect the ownership of solid waste in accordance with existing law.

88. **Question:** [6D4] There is an obligation to reimburse the County for resolution of customer complaints. These costs appear to be covered through the franchise fees and potential liquidated damages. Why would this be included?

Response: This provision is standard language from existing contracts.

89. **Question:** [7C10] Contains a Most Favored Public Entity provision. What is the definition of "substantially the same"? At the very least the provision should only apply to comparable services, comparable waste streams, disposal/processing rates, disposal sites, and comparable volumes.

Response: All factors may be considered including but not limited to those mentioned above. Please also note this provision only applies to Task 2 Services.

90. **Question:** [11A4] Grants the County the right to use our equipment and employees. This provisions creates significantly liability and insurance issues. How is a contractor to determine costs for this provision in its residential rates?

Response: As stated, if the County exercises this provision, the County will compensate the contractor by paying the direct costs for the use of equipment and/or employees.

91. **Question:** Section H 4 - Requires contractor to collect unlimited amounts of solid waste at Director's request twenty times per year within 24 hours and ten times per year on the same day. What is to prevent this provision from being used on large, schedules events rather than emergency clean ups? Will you change this language to limit these clean ups to illegal dumping with a maximum tonnage or yardage to prevent abuse of this section and accurate cost recovery?

Response: This provision is intended to be exercised only for rare occasions, such as special requests from the Board of Supervisor offices and special events, such as grand openings of parks, libraries, hospitals, parades, etc.

92. **Question:** Exhibit 5, Part 4, A1-5 - The contractor is required to provide indemnity except for "active negligence" or "sole active negligence". Passive negligence is no less culpable than active negligence and sole negligence means it can be 99 percent the fault of the County and we would still need to indemnify. Can this language be adjusted to be fair to both parties?

Response: This language will not be modified.

93. **Question:** 1Part 6D3 - In this section the County has the right to terminate for non-appropriation of funds. Does this apply to Task 2 only? With the large capital and labor investment by the Contractor, it seems appropriate that cancellation of the contract should result in payment or stranded investment and lost profits. Will the cancellation only apply to Task 2 and Task 1 services remain in affect?

Response: Yes, the termination for convenience clause only applies for Task 2.

94. **Question:** Part D4 - In this section the County has the right to terminate for convenience. With the large capital and labor investment by the Contractor, it seems appropriate that cancellation of the contract should result in payment for stranded investment and lost profits. Since the actual payment arrangements are between the Contractor and the Customer will the County consider deleting or modifying this section so that there is a cost recovery mechanism?

Response: The language regarding the termination for convenience was intended only for the Task 2 service. The language has been revised.

95. **Question:** Part 9C - This section requires the Contractor to repair or replace property damage "to the satisfaction of the owner". This is an unreasonable requirement. What if the owner will only be happy if you buy them a new car even though you only scratched the fender? Will you consider changing this section to "make reasonable repairs"?

Response: This provision is standard language within the existing contracts. Disputes between the contractor and persons as to damage to private pavement or other property or to injury are civil matters between the contractor and that person.

96. **Question:** Part 9J - Gives the customer the ability to opt out of Service on 21 days notice. What prevents all customers for opting out and merely putting their trash out for unlimited bulky item collection or unlimited right of Way clean up?

Response: The 21 day notice is intended for customers who are terminating or discontinuing their service, specifically for those that are moving out.

97. **Question:** What are the descriptive parameters to be used to distinguish evicted bulky item materials from regular bulky item materials? Can the County eviction information for the past 3 years for the subject franchise areas?

Response: The eviction provision has been removed.

98. **Question:** Property owner information is not routinely available as it is not required for residential services subscription making the suggested evicted bulky item materials confirmation process difficult. How can the County assist with this process? Will the County consider requiring property owners to subscribe to the services rather than tenants?

Response: The eviction provision has been removed.

99. **Question:** The County's solid waste diversion and recycling goals remain an important element in the residential franchises. Using solely a red tag notification system is not sufficient to reduce materials contamination and modify behavior. What monetary penalties are available to help modify residential behaviors in cases of ongoing green waste and recycling contamination?

Response: Penalties cannot be imposed unless existing laws allow us to. In this case, there is no law that makes it illegal to contaminate green waste and recyclables, therefore, penalties cannot be imposed. A provision is included in this sample contract to request contractor to contact customers with solid waste behavior issues, as described in this question.

100. **Question:** County reports require submittal of rejected green waste and recycling loads. Can this information be provided for the subject franchise areas for the last 3 years?

Response: The table below includes rejected tonnage as reported by the franchise hauler for each service area.

Rejected Recyclables and Green Waste (in tons)			
	2015	2016	2017
Avocado Heights	0	0	0
South Whittier	0	7.55 (GW)	0
Santa Monica Mountains	0	0	0

101. **Question:** The variable size cart option requires engaged and conforming participation to prevent contamination and misuse of the green waste and recycling carts for trash. Given that some residents do not adhere to basic program provisions such as calling in bulky item service requests, how can one expect that the green waste and recycling carts will not be used for trash?

Response: The smaller cart discounts (except for seniors that generate small mounts of waste and use a 32 gallon trash cart) have been removed.

102. **Question:** What is the reasoning and calculations for the discounted rates for the variable cart size options particularly since there is a provision for excess trash requirements?

Response: The smaller cart discounts (except for seniors that generate small mounts of waste and use a 32 gallon trash cart) have been removed.

103. **Question:** What is the intent of providing a variable cart and pricing discount when excess trash is allowed at every collection (South Whittier)?

Response: The smaller cart discounts (except for seniors that generate small mounts of waste and use a 32 gallon trash cart) have been removed.

104. **Question:** The annual clean-up day second pass requirement will result in increased truck traffic, out of area imported trash disposal and increased costs. What provisions are in place to promote customer compliance with the set out time provisions? What is in place to prevent a potential third pass requirement? What is the collector expected to do in cases where additional materials are set out after two passes?

Response: The contractor is required to only return one time, prior to the end of the event, to ensure that all materials placed at the set- out site have been collected. In addition, the Director will work with the contractor to provide education and outreach to the customers.

105. **Question:** Can the 2017 annual clean-up tonnages be provided?

Response: The table below includes the annual clean-up tonnage for 2015-2017 as reported by the contractor for each service area.

Annual Clean Up	2015	2016	2017
Avocado Heights	91. 44	105. 46	143. 32
South Whittier	165. 11	187. 73	593. 17
Santa Monica Mountains **	0	0	0

* This information represents tonnage reported by the current franchisee for YTD September 2017.

** Due to safety concerns, the current contractor has provided additional number of bulky item collections as an alternative to the Annual Cleanup Event.

106. **Question:** Please clarify the bulky item parameters for Avocado Heights. The RFP says 3 times per year, but 2 mattresses & 5 bags of trash counts as one of the 4 times. Is it 3 or 4 times?

Response: Bulky item collection is up to 3 times per year, not 4 times.

107. **Question:** Will annual clean-up debris that is tagged with a non-collection notice and left out by the resident be considered illegal dumping and be considered part of Task 2? Or will it be one of the go-back collection requests from the Director?

Response: The example provided in this question is unclear to why it was tagged. The contractor is not required to collect unpermitted waste but rather must notify the Director of the waste.

108. **Question:** Does the expiration of a contract, or an annexation constitute a termination that provides the County with the Purchase Option for barrels?

Response: The contract does include the purchase of containers at the expiration. You should consult your counsel regarding annexation.

109. **Question:** What provisions are in place to prevent bulky item set outs from adjacent multi-family complexes becoming the responsibility of the residential franchise hauler when those items are clearly part of the commercial franchise?

Response: The sweep bulky item collection method has been replaced in the South Whittier service area with the three on-call bulky item collections just like for the other two areas. Customers can only set out 10 items per collection which they will need to call in advance to arrange. Based on the description provided by the customer, the driver should know what items to expect to collect. In addition, if the items are clearly part of the commercial franchise, the Director will coordinate the removal with the commercial franchise staff, but the items may ultimately become abandoned waste if the commercial franchise customer denies placing the items there.

110. **Question:** What is the reason for the County to not include the cart body colors (black, blue & green) as part of the RFP rather than an alternative approved by the Director? This is a significant cost factor that can alter the proposal rates significantly and an undue unforeseeable cost factor that can easily be addressed as part of the RFP process.

Response: The Director will consider alternative proposals for cart colors. The cart color requirement was changed to all black with color-coded lids to assist contractor for inventory and delivery purposes. By keeping an inventory of all black containers, this will provide the contractor the convenience of having to only maintain one colored container, rather than maintaining an inventory of three different colored containers. In doing so, containers will always be available providing for prompt delivery to residents requesting for additional carts or cart replacement.

111. **Question:** What is the County's objection to requiring mandatory service with a specific self-haul exception process?

Response: Currently, there is no ordinance in place regarding mandatory solid waste collection outside of the Antelope Valley.

112. **Question:** The unlimited bulky item set out and annual clean-up are duplicate services in South Whittier. Why not remove one or the other?

Response: The unlimited bulky item collection present in the existing contract was not in this contract. There is a limit of 10 items. The annual cleanup events are a level of service desired by the County for the residents and proposers must bid accordingly.

113. **Question:** What County efforts are in place to prevent illegal dumping? How many illegal dumping citations have been issued in the last 3 years?

Response: DPW does not issue citations of this nature and therefore information regarding the number of citations issued is not available.

114. **Question:** Given the significant changes taking place in the regulatory environment related to diversion, processing requirements, AB32 (Global Warming Initiative Compliance) and the significant number of unknown costs associated with complying with the regulations, can the County please provide the reasoning for the 30 percent maximum rate adjustment during the term of the agreement?

Response: The maximum cumulative service fee adjustment has been increased. The initial 7-year term will have a 35 percent cap, while each 2-year extension will have an additional cap of 10 percent. The total cumulative cap will not exceed 55 percent throughout the possible 11-year term.

115. **Question:** Given the Contactor's labor component of the weighted rate adjustment has no correlation to the County's fiscal circumstance, why does the County impose a further limitation (beyond the 75% reduction of the CPI) on that component such that it cannot exceed the general salary increase given to County employees? If the County is having fiscal difficulties, limiting the service fee adjustment will further exacerbate the situation by reducing the potential for increased franchise fee revenue.

Response: The 75 percent weight has been changed to the full 100 percent. The County's general salary movement cap applies to both Task 1 and Task 2.

116. **Question:** Can the County please explain the Monthly Rate requested for Task 2 Services in Form PW-2.1 - specifically the \$50 charge per month? Are the first four cubic yards of collection included in the per mile rate and then \$50 for every four cubic yards collected after the first four cubic yards? Can you also explain the \$30,000 annual total amount?

Response: This form has been revised.

117. **Question:** Form PW 4.2.2 asks for weekly collection rates for manure for a 64-gallon cart and a 2-cubic yard bin. However, the customer information provided in Item 16.C.5 indicates Avocado Heights has 18 customers with 96-gallon carts and 94 customers with 3-cubic yard bins. Is it the County's intent to only offer 64-gallon carts and 2-cubic yard bins for manure since these are the only rates requested in the form?

Response: Yes, that is correct.

118. **Question:** The rate adjustment methodology does not allow for direct pass through costs for trash, green waste, recycling or bulky items given that the percentage allocation are dictated in the proposal and that recycling and bulky items are entirely absent. What are the County's reasons for not providing a direct pass through methodology in order to prevent up-front, overstated rates to the residents?

Response: The County's method does allow for a pass through for disposal costs. The disposal/diversion component is calculated in one step and takes the cost into consideration in the form of the 30 percent weight based on 30 percent of expenses are estimated to be for disposal/diversion.

119. **Question:** Can the County provide all the PW Forms in Word/Excel version?

Response: Forms PW-3. 1 A, B, C (Net Rate Proposal) and Forms

PW-3.2 A, B, C (Cost Substation of Net Rate) are available in Excel, however the remaining forms are only available as PDFs.

120. **Question:** What was the motivation for changing the start time from 6:00 am to 7:00 am? This change will result in extended hours due to traffic congestion.

Response: The hours of collection has been changed back to 6 a.m. to 6 p.m.

121. **Question:** How many anti-scavenging citations were issued by the County in the franchise areas for the past 2 years?

Response: DPW does not issue citations of this nature and therefore information regarding the number of citations issued is not available.

122. **Question:** Re-routing collection schedules provide an opportunity to further reduce labor cost impacts and improve efficiencies. This can have a direct impact to proposed rates. Re-routes are very common when trying to maximize efficiencies and reduce truck traffic. Why is the County not allowing modifications to the collection schedules, taking into account street sweeping parameters, in order to provide potential reduced rates to the residents? Can this change be allowed as part of the RFP so the proposed rates reflect re-route efficiency savings?

Response: Re-routes have been done in the past, with the approval from the Director, but only after the contract has been awarded.

123. **Question:** If the current hauler is the successful bidder, can a decal be utilized to comply with the cart labeling requirements rather than replacing all lids?

Response: It would depend on the differences between the labeling requirements and the existing labels. Alternatives to the cart requirements need approval from the Director.

124. **Question:** What is the intent of processing the residuals when the readily recoverable material has already been separated? Is it the intent that there are secondary recovery processing implemented which would require additional cost recovery?

Response: The intent is to ensure the maximum possible recovery levels are reached. Please note the contractor is asked to use Reasonable Business Efforts to divert the residuals. Also, any State law that requires

additional diversion may be subject to a service fee rate adjustment due to changes in law.

125. **Question:** Can additional information be provided for the Hot Zone clean-ups to include specific locations and distances from street centerlines?

Response: A list of specific locations for hot zones is available in a map found under Item 16. A.2.

126. **Question:** Can Task 2 service costs be provided with a per mile rate and a disposal rate as a pass through to eliminate inaccurate and potentially overstated program costs?

Response: The Task 2 form and language for South Whittier has been revised.

127. **Question:** What is the customer cost for repeated late set-outs that may require one or all three trucks to return to that location to provide services? It is reasonable to allow some cost recovery to dissuade repeated late set-outs and reinforce program collection time requirements.

Response: There are no monetary fines for customers that repeatedly set out their carts late. The contract requires that the contractor contact and educate the resident regarding the proper time and placement of their carts. Also, the Director will continue to work with the contractor in education and outreach through the newsletters, etc.

128. **Question:** Will the County consider abandoned waste cost components to include a service per mile factor and a pass through on disposal based on actual tonnage collected and applicable/processing fees?

Response: No, the proposer should base their proposal on the data provided and independently investigate service conditions in the service areas prior to proposal submission.

129. **Question:** Will the County consider extending the due date of the proposal by at least 1 month to allow for changes as discussed during the pre-bid?

Response: Yes, the deadline has been changed to Monday, December 4, 2017, at 9 a.m.

130. **Question:** Will the County consider changing the start date to July 1 2018 to allow for the above mentioned change in due date of the RFP and to insure a clean start up in the event of a change in vendor?

Response: The existing contracts for all three areas have a 7-year initial term and three 1-year renewal options for a potential maximum term of 10 years. These three contracts commenced service on April 1, 2008, and with all three 1-year renewal options exhausted, the start date of the new contracts must be on April 1, 2018.

131. **Question:** Will the County consider leaving the bulk requirements as currently contracted in South Whittier? Industry research has shown that the changes as proposed in the RFP will substantially increase the amount of illegal dumping within the boundaries of South Whittier.

Response: The sweep bulky item collection method has been replaced in the South Whittier service area with the three on-call bulky item collections just like for the other two areas.

132. **Question:** Will the city consider changing the rate increase index to Water, Sewer, Trash Index to more closely align the rate adjustments to the change in costs experienced in the industry? This will allow proposers to give the County the best possible first year rate.

Response: The County will not use the proposed nationwide index and will continue to use the existing local CPI index.

133. **Question:** Please clarify the following on Form PW-23: are we required to submit a written statement securing a performance bond in addition to a written statement securing a letter of credit? Or, are we required to submit only one of these items?

Response: As stated in Part I, Section 3.A.10, paragraph 3: "the Proposer shall submit two of the following items to demonstrate financial resources and viability."

134. **Question:** At section 7, page 41, the agreement has a preferential price provision. Is the County willing to eliminate this provision, or in the alternative limit it to the relevant area of unincorporated Los Angeles County?

Response: This provision is applicable to Task 2 only and will remain. The sample contract language has been revised.

135. **Question:** On Section 7A3 – you indicate a discount subtracted from the monthly rate of 5% - Would the County consider decreasing the percentage to 2% of the Monthly Rate to qualified customers which is more in line with actual processing cost.

Response: The 5 percent discount for Smart e-club membership has been removed.

136. **Question:** Will you consider delaying the start date of these contracts in order to allow for LA County Staff and the haulers to meet and discuss corrections and changes to the draft contract?

Response: The existing contracts for all three areas have a 7-year initial term and three 1-year renewal options for a potential maximum term of 10 years. These three contracts commenced service on April 1, 2008, and with all three 1-year renewal options exhausted, the start date of the new contracts must be on April 1, 2018.

137. **Question:** Will you consider using an index for rate adjustments that is more specific to the trash and recycling industry?

Response: The County will not use the proposed nationwide index and will continue to use the existing local CPI index.

138. **Question:** Will you consider allowing for 100% of the rate adjustment index instead of 75%? All of our costs increase every year more than 75% of CPI.

Response: The 75 percent weight has been changed to the full 100 percent.

139. **Question:** Will you consider removing the 36 percent cumulative rate adjustment cap in the contract? Especially with all of the new assembly bills that have passed, specifically that ADC will not be allowed to be counted as diversion effective January 1, 2020. We will then have to take the LA County green waste to a composting facility in order to continue to get 100 percent diversion after 1/1/20, which will be a large cost increase to the hauler. We will need to pass those cost increases along to the rate via the rate adjustment. If LA County does not want the diversion from green waste, the haulers can continue taking green waste to landfills as ADC, but it will not be given diversion credit.

Response: The maximum cumulative service fee adjustment has been increased. The initial 7-year term will have a 35 percent cap, while each 2-year extension will have an additional cap of 10 percent. The total cumulative cap will not exceed 55 percent throughout the possible 11-year term.

140. **Question:** Will you please consider changing the annual rate adjustment to be 12 months after the start date of the contract, as opposed to July 1 of every year? This will allow the hauler to adjust rates every year instead of waiting more than 12 months for the first adjustment.

Response: No. As outlined in the contract, a rate adjustment for CPI will be effective July 1, however, 6 months must elapse from the commencement date. For example, if the start date is November 2018, it will be eligible to receive a rate adjustment starting on July 1, 2019. For the disposal component, 12 months must elapse between the start date and July 1. Please note the current contracts have a 24 month waiting period for the disposal component which has been shortened for these contracts.

141. **Question:** Will you consider adding a recycling component to the rate adjustment to account for the large changes in the recycle commodities market? Recycle values are trending down and we do not know when they will rise again, so a recycle component tied to a proper index would be appropriate.

Response: A separate recycling component is not included in the rate adjustment calculations.

142. **Question:** Will you consider removing separate rates for the 64 gallon or 34 gallon barrel option and just use the same rate regardless of the size chosen by the resident? Offering lower prices for decreased size barrels will lead to residents who will throw trash into the green and recycle barrels (which are free) in order to reduce the size of their trash barrel for a lower rate. This will lead to contamination and lower diversion for LA County.

Response: The smaller cart discounts (except for seniors that generate small mounts of waste and use a 32 gallon trash cart) have been removed.

143. **Question:** Can you please provide the forms in Excel format?

Response: Forms PW-3.1 A, B, C (Net Rate Proposal) and Forms PW-3.2 A, B, C (Cost Substation of Net Rate) are available in Excel, however the remaining forms are only available as PDFs.

144. **Question:** Form 3.2A, 3.2B and 3.2C Cost Substantiation of Net Rate. Is this form available in Excel as it references formulas (one form for each bid Area)?

Response: Forms PW-3.1 A, B, C (Net Rate Proposal) and Forms PW-3.2 A, B, C (Cost Substation of Net Rate) are available in Excel. Please use the following link: <http://dpw.lacounty.gov/brcd/servicecontracts/>.

145. **Question:** What would the difference be between items 10 and 11 (homes per week and stops per week)?

Response: Homes per week refers to the number of customers while stops per week refers to the number of carts set out by customers.

146. **Question:** There is a footnote (a) for Special Services that references oil collection. Is this part of the RFP and if so, what section defines the scope of services?

Response: That reference has been removed.

147. **Question:** Task 1 Services Fees PW 4.2.1, 4.22 and 4.23. For each Area, how many customers currently receive discounts by each type?

Response: Only senior discount is available in the existing contracts. Please refer to the table within Item 16.C.5 Customer Information of Part II Sample Contract for the number of customers receiving this discount.

148. **Question:** How many rollouts in current service?

Response: Please refer to the table within Item 16.C.5 Customer Information of Part II Sample Contract.

149. **Question:** What is "Difficult to Service" (Exhibit 3A1 and Section 7A2d)?

Response: The definition was provided in the sample contract. It includes areas with narrow streets, alleys and bridges, one-way narrow streets, steep roadway gradients, limited roadway curve radii (tight curve), thin pavement thickness, unimproved (dirt) roadway surfaces, and variable vertical and horizontal clearances that prevent the use of a standard automated collection vehicle in the collection of refuse, recyclables, and green waste.

150. **Question:** Attachment 7.4.1 Form PW-4.1.1. Where do we enter the proposed rolloff rates?

Response: Roll-Off containers are considered part of the Commercial Franchise system and not reported as part of this contract.

151. **Question:** Exhibit 3A1 Page 3 of the Sample Contract Section C 1 Diversion b. Is eWaste only collected as part of bulk services or are there eWaste events?

Response: There are no e-waste events in these new contracts. E-wastes will be collected as part of bulky item collection and during the annual cleanup events.

152. **Question:** EXHIBIT 3A3.1 ADDITIONAL SERVICES – SOUTH WHITTIER. Item B1 states bulk service is weekly on the regularly scheduled day? (Current contract requires call in). Service fee sheet 7. 2. 1 notes “additional on call pickups beyond 3 per year? Which is correct?

Response: The sweep bulky item collection method has been replaced in the South Whittier service area with the three on-call bulky item collections just like for the other two areas.

153. **Question:** EXHIBIT 3A3.2 ADDITIONAL SERVICES – AVOCADO HEIGHTS. Item B states On Call next scheduled day. Language says “three times per contract year” but last sentence says “one of four times”. (Same language for Santa Monica Mountains). Is Bulk Service three or four times per year for Avocado Heights and Santa Monica Mountains? County letter on ten pages from the end references 4x per year.

Response: Bulky item collection is up to 3 times per year, not 4.

154. **Question:** Item B. 2 notes also must collect up to five excess bags. Is this weekly or part of on call bulk service? (Same for Santa Monica Mountains).

Response: The new contract will require up to 5 bags of refuse per pick up under this requirement.

155. **Question:** PW-3. 1A. What’s the difference between Reported Number of Customers as of Q4-16 (far right column) Item 16. C. 5 vs From PW-3. 1B and which figures are correct?

Response: The reported number of customers are the amount of customers reported by the incumbent contractor of those who have been billed and paid for services. The estimated number of customers is all single family and duplex parcels within the service area provided by the Assessor's office. Both are provided for your reference, however, please follow the number within the Form PW - 3. 1.

- Avocado Heights 3,238 Reported Number of Customers per Item 16C. 5 vs 3,747 on form PW-3. 1B.

Response: Same as above.

- South Whittier 14,316 Reported Number of Customers per Item 16C. vs 13,585 on form PW-3.1A

Response: Same as above.

- Santa Monica Mountains 3,334 Reported Number of Customers per Item 16 C.5. vs 4,722 on form PW-3.1C.

Response: Same as above.

156. **Question:** PW 4.2.2. Avocado Heights on Item 16.C.5 shows 16-2 yard and 94-3 yard container service but PW 4. 2. 2 only has a price for the 2-yard service. Is there a price for the 3-yard service?

Response: The dumpsters within Item 16.C.5 are for the current services in Avocado Heights which allow comingled collection of manure and refuse. The 2 yard dumpster in the new contract is exclusively for separate manure. There is no requirement to provide a separate 3 yard manure dumpster in this contract.

157. **Question:** Tons Item 16.C.6. Where are bulk pickups tons. Are they included in refuse tons?

Response: The disposed portion of the bulky item tonnage is included in the refuse tonnage.

158. **Question:** Athens Services also requests to extend the start date of service to allow time to discuss the following points in more detail:

- Delaying the start date to July 1, 2018 or shortly thereafter
- Use a different index for rate adjustments that is closely related to this industry
- Remove the rule that only allows 75 percent of CPI on the rate adjustment
- Remove the 36 percent cumulative rate adjustment cap
- Allow for the first annual rate adjustment 12 months after the start date
- Remove reduced pricing for the 64 gallon and 32 gallon barrel options

- Add a recycling component to the annual rate adjustment formula
- Provide for tighter bulky item and abandoned item services

Response: These have all been answered elsewhere.

159. **Question:** I have a question regarding the Smart-e-Club. Does the owner and/or occupant need to sign up to receive electronic outreach material, electronic billing (paperless billing) AND on-line payments to qualify for the 5 percent discount or does just one of these two options need apply?

Response: There are four options under the Smart eClub requirement, which are receiving service information electronically, electronic billing, electronic requests for services, and contacting contractor electronically. The owner and/or applicant need not have to subscribe to all in order to sign up or remain a Smart eClub member. Subscription to at least one of these options will suffice. Also, the 5 percent discount has been removed.

160. **Question:** How does the CONTRACTOR determine whether a customer continues to qualify for the discount? Would we have to manually run a report monthly/quarterly to determine if a Smart-e-Club "member" maintains their "membership" to continue to receive the 5% discount for the months that are to be billed? Currently with our on-line options for residents, one can sign up or remove themselves for automatic payment and make payments on line without our knowledge.

Response: The 5 percent discount for Smart e-Club membership has been removed.

161. **Question:** If you could please explain how one qualifies for the Smart-e-Club in detail?

Response: There are four options under the Smart e-Club requirement, which are receiving service information electronically, electronic billing, electronic requests for services, and contacting contractor electronically. The owner and/or applicant need not have to subscribe to all in order to sign up or remain a Smart e-Club member. Subscription to at least one of these options will suffice.

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If you have questions concerning the above information, please contact Mr. David Pang at (626) 458-7167 or Ms. Anna Leung at (626) 458-4072, Monday through Thursday, 7 a.m. to 5 p.m.

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Very truly yours,

MARK PESTRELLA
Director of Public Works


for JOSE M. QUEVEDO

Assistant Deputy Director
Business Relations and Contracts Division

DP

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ATTACHMENT 7-2.1 – Task 1 Service Fees **South Whittier**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Amount of fees billed to Customer listed below are to include the franchise fees.

Services	Monthly Rate Per Customer (Billed to Customer)
MONTHLY RATE	
Monthly Rate for Cart Basic Services (Exhibit 3A1) <ul style="list-style-type: none"> • One 96-gallon (0.5 cu yd) Refuse Cart • One or two 96-gallon (0.5 cu yd) Recyclables Cart(s) • One or two 96-gallon (0.5 cu yd) Green Waste Cart(s) Sum of Refuse, Recyclables, and Green Waste	\$ ____ \$ ____ \$ ____ \$ ____ (Total)
DISCOUNTS SUBTRACTED FROM MONTHLY RATE	
Monthly Discounts (Section 7A3) <ul style="list-style-type: none"> • Senior 	-25% of Basic Services Total
SURCHARGES ADDED TO MONTHLY RATE	
Additional Containers beyond Basic Services , which is 1 Refuse, 2 Recyclables, and 2 Green Waste (Exhibit 3A1 D2 and Section 7A2b) <ul style="list-style-type: none"> • One 96-gallon Refuse Cart (beyond 1 basic) • One 96-gallon Recyclables Cart (beyond 2 basic) • One 96-gallon Green Waste Cart (beyond 2 basic) 	\$10 \$6 \$8
Additional On-Call Pickups beyond 3 per year (Exhibit 3A1 H3 and Section 7A2e) <ul style="list-style-type: none"> • Bulky Items, excess waste, or Green Waste (per visit to Collect all items) 	\$ ____ (on-time charge equal to 75% of Basic Service Rate)
Container Size Exchange beyond 1 per year (Exhibit 3A1 D3) <ul style="list-style-type: none"> • Each additional exchange 	\$ ____
Roll-Out Service for non-Elderly/Disabled (Exhibit 3A1 I and Section 7A2d) <ul style="list-style-type: none"> • Mandatory Minimum Service (Up to 10 feet) • Full Service (Up to 50 feet) • Extended Full Service (Over 100 feet) 	+5% of Basic Services Total \$ ____ (25% of Basic Services Total) Negotiated with Customer
Difficult to Service (Exhibit 3A1 O and Section 7A2c) <ul style="list-style-type: none"> • Cost per Customer 	If applicable to Service Area \$ ____ (50% of Basic Services Total)

Services	Monthly Rate Per Customer (Billed to Customer)
Manure Service per collection each week (Exhibit 3A1 D13 and Section 7A2g) <ul style="list-style-type: none"> 64-gallon Cart 2-cubic yard Dumpster (including Roll-Out) 	If applicable to Service Area
Bear Resistant Cart-fee per Cart (Exhibit 3A1 D12 and Section 7A2h) <ul style="list-style-type: none"> 96-gallon Cart (Rental with free replacement for Term) 96-gallon Cart (Purchase without free replacement) 	If applicable to Service Area
Locking Recyclables Cart (Exhibit 3A1 D14) <ul style="list-style-type: none"> 96-gallon Cart 	
Billing Fees (Section 7B7) <ul style="list-style-type: none"> Late fee Interruption of service Returned checks 	

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

ATTACHMENT 7-2.2 – Task 1 Service Fees **Avocado Heights**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Amount of fees billed to Customer listed below are to include the franchise fees.

Services	Monthly Rate Per Customer (Billed to Customer)
MONTHLY RATE	
Monthly Rate for Cart Basic Services (Exhibit 3A1) <ul style="list-style-type: none"> One 96-gallon (0.5 cu yd) Refuse Cart One or two 96-gallon (0.5 cu yd) Recyclables Cart One or two 96-gallon (0.5 cu yd) Green Waste Cart Sum of Refuse, Recyclables, and Green Waste	\$ _____ \$ _____ \$ _____ \$ _____ (Total)
DISCOUNTS SUBTRACTED FROM MONTHLY RATE	
Monthly Discounts (Section 7A3) <ul style="list-style-type: none"> Senior 	-25% of Basic Services Total
SURCHARGES ADDED TO MONTHLY RATE	
Additional Containers beyond Basic Services , which is 1 Refuse, 2 Recyclables, and 2 Green Waste (Exhibit 3A1 D2 and Section 7A2b) <ul style="list-style-type: none"> One 96-gallon Refuse Cart (beyond 1 basic) One 96-gallon Recyclables Cart (beyond 2 basic) One 96-gallon Green Waste Cart (beyond 2 basic) 	\$10 \$6 \$8
Additional On-Call Pickups beyond 3 per year (Exhibit 3A1 H3 & Section 7A2e) <ul style="list-style-type: none"> Bulky Items, excess waste, or Green Waste (per visit to Collect all items) 	\$_____ (on-time charge equal to 75% of Basic Service Rate)
Container Size Exchange beyond 1 per year (Exhibit 3A1 D3) <ul style="list-style-type: none"> Each additional exchange 	\$_____
Roll-Out Service for non-Elderly/Disabled (Exhibit 3A1 I and Section 7A2d) <ul style="list-style-type: none"> Mandatory Minimum Service (Up to 10 feet) Full Service (Up to 50 feet) Extended Full Service (Over 100 feet) 	+5% of Basic Services Total \$_____ (25% of Basic Services Total) Negotiated with Customer
Difficult to Service (Exhibit 3A1 O and Section 7A2c) <ul style="list-style-type: none"> Cost per Customer 	If applicable to Service Area

Services	Monthly Rate Per Customer (Billed to Customer)
	\$____ (50% of Basic Services Total)
Manure Service per collection each week (Exhibit 3A1 D13 and Section 7A2g) <ul style="list-style-type: none"> 64-gallon Cart 2-cubic yard Dumpster (including Roll-Out/Scout Service) 	If applicable to Service Area \$____ \$____
Bear Resistant Cart-fee per Cart (Exhibit 3A1 D12 and Section 7A2h) <ul style="list-style-type: none"> 96-gallon Cart (Rental with free replacement for Term) 96-gallon Cart (Purchase without free replacement) 	If applicable to Service Area \$n/a \$n/a (one-time)
Locking Recyclables Cart (Exhibit 3A1 D14) <ul style="list-style-type: none"> 96-gallon Cart 	\$____ (one-time)
Billing Fees (Section 7B7) <ul style="list-style-type: none"> Late fee Interruption of service Returned checks 	10% \$25 \$25

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

ATTACHMENT 7-2.3 – Task 1 Service Fees
Santa Monica Mountains

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Amount of fees billed to Customer listed below are to include the franchise fees.

Services	Monthly Rate Per Customer (Billed to Customer)
MONTHLY RATE	
Monthly Rate for Cart Basic Services (Exhibit 3A1) <ul style="list-style-type: none"> One 96-gallon (0.5 cu yd) Refuse Cart One or two 96-gallon (0.5 cu yd) Recyclables Cart One or two 96-gallon (0.5 cu yd) Green Waste Cart Sum of Refuse, Recyclables, and Green Waste	\$ ____ \$ ____ \$ ____ \$ ____ (Total)
DISCOUNTS SUBTRACTED FROM MONTHLY RATE	
Monthly Discounts (Section 7A3) <ul style="list-style-type: none"> Senior 	-25% of Basic Services Total
SURCHARGES ADDED TO MONTHLY RATE	
Additional Containers beyond Basic Services , which is 1 Refuse, 2 Recyclables, and 2 Green Waste (Exhibit 3A1 D2 and Section 7A2b) <ul style="list-style-type: none"> One 96-gallon Refuse Cart (beyond 1 basic) One 96-gallon Recyclables Cart (beyond 2 basic) One 96-gallon Green Waste Cart (beyond 2 basic) 	\$10 \$6 \$8
Additional On-Call Pickups beyond 3 per year (Exhibit 3A1 H3 and Section 7A2e) <ul style="list-style-type: none"> Bulky Items, excess waste, or Green Waste (per visit to Collect all items) 	\$ ____ (on-time charge equal to 75% of Basic Service Rate)
Container Size Exchange beyond 1 per year (Exhibit 3A1 D3) <ul style="list-style-type: none"> Each additional exchange 	\$ ____
Roll-Out Service for non-Elderly/Disabled (Exhibit 3A1 I and Section 7A2d) <ul style="list-style-type: none"> Mandatory Minimum Service (Up to 10 feet) Full Service (Up to 50 feet) Extended Full Service (Over 100 feet) 	+5% of Basic Services Total \$ ____ (25% of Basic Services Total) Negotiated with Customer
Difficult to Service (Exhibit 3A1 O and Section 7A2c) <ul style="list-style-type: none"> Cost per Customer 	If applicable to Service Area \$ ____ (50% of Basic Services Total)

Services	Monthly Rate Per Customer (Billed to Customer)
Manure Service per collection each week (Exhibit 3A1 D13 and Section 7A2g) <ul style="list-style-type: none"> • 64-gallon Cart • 2-cubic yard Dumpster • Roll-Out/Scout Service 	If applicable to Service Area \$ _____ \$ _____ Negotiated with Customer
Bear Resistant Cart-fee per Cart (Exhibit 3A12 D1 and Section 7A2h) <ul style="list-style-type: none"> • 96-gallon Cart (Rental with free replacement for Term) • 96-gallon Cart (Purchase without free replacement) 	If applicable to Service Area \$n/a \$n/a (one-time)
Locking Recyclables Cart (Exhibit 3A1 D14) <ul style="list-style-type: none"> • 96-gallon Cart 	 \$ _____ (one-time)
Billing Fees (Section 7B7) <ul style="list-style-type: none"> • Late fee • Interruption of service • Returned checks 	 10% \$25 \$25

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

SAMPLE
CONTRACT

BETWEEN

COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

AND

name of waste hauler

FOR PROVISION OF

REFUSE, RECYCLABLES, AND GREEN WASTE CART SERVICES
TO OCCUPANTS AT RESIDENTIAL PREMISES AND
CERTAIN MULTIFAMILY AND COMMERCIAL PREMISES
(TASK 1)

AND

ABANDONED WASTE COLLECTION SERVICES
AND MAINTENANCE OF PUBLIC RECEPTACLES
(TASK 2)

FOR THE SERVICE AREAS OF

Avocado Heights, Santa Monica Mountains, and South Whittier

WITH A SERVICE COMMENCEMENT DATE AS EARLY AS
APRIL 1, 2018

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THIS CONTRACT is made and entered into on _____, 2018, by and between COUNTY of Los Angeles Board of Supervisors, acting in their capacity as the governing body COUNTY of Los Angeles (COUNTY), and _____, a Corporation or Limited Liability Company registered in the State of _____ (CONTRACTOR).

RECITALS:

Purpose. To limit the wear and tear on COUNTY streets, reduce pollution from Collection Vehicle exhaust, increase customer service accountability, ensure compliance with Federal, State, and local laws, including Assembly Bill (AB) 939, by improving program implementation performance and reporting accuracy, and facilitate more efficient CONTRACT administration and enforcement by COUNTY staff.

Solid Waste Haul Permits. County of Los Angeles Department of Public Health 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. CONTRACTOR shall continue to obtain that permit and comply with all its provisions; and

Mandatory Solid Waste Diversion. 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 land filling 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 COUNTY to Divert 50 percent of all solid waste through source reduction, recycling, and composting activities. The California Department of Resources Recycling and Recovery (CalRecycle) had granted COUNTY a time line to achieve compliance with the AB 939 Diversion requirements to which COUNTY had met. Continued compliance is based in part on executing and implementing this CONTRACT to secure cooperation with CONTRACTOR'S AB 939 waste Diversion programs, record keeping, and reporting; and

County Waste Management Plan. COUNTY Board of Supervisors adopted the Roadmap to a Sustainable Waste Management Future in 2015. It is a comprehensive plan for a waste free future, and is a proactive approach to developing innovative policies for managing waste that further reduces COUNTY's reliance on landfills. It established the following intermediate and long-term disposal reduction targets: 80 percent Diversion from landfills by 2025, 90 percent Diversion from landfills by 2035, and at least 95 percent Diversion from landfills by 2045; and

Task 1: Waste Discarded in Containers. COUNTY'S Director has determined to provide for Municipal Solid Waste (MSW) Management Services in portions of COUNTY under the terms of this CONTRACT for reasons including the following:

- To assist residents and certain businesses located in the Service Area that discard solid waste in carts to receive quality MSW Management Services, and
- To provide COUNTY with programs, records, and reports that will help COUNTY comply with AB 939 and other laws.

COUNTY issued a 5-year notice under California Public Resources Code (PRC) Section 49520 of COUNTY'S intent to authorize, among other options, the exclusive franchising of MSW Management Services in portions of COUNTY; and

Task 2: Abandoned Waste Collection. COUNTY'S Director has also determined to contract for collection of Abandoned Waste in this CONTRACT to efficiently remove it and prevent the illegal dumping from becoming a community eyesore, decreasing neighborhood property values, posing a safety hazard, providing a breeding ground for disease carrying rodents, insects and other vermin, and in general, lowering the quality of life for residents.

Compliance with Law. CONTRACTOR shall perform Contract Services in accordance with all the laws governing the safe collection, transport, recycling, and disposal of Residential and Commercial Solid Waste, including but not limited to AB 939 and AB 1826, Recovered Conservation and Recovery Act (RCRA), and Comprehensive Environmental Response Compensation and Liability Act (CERCLA).

CONTRACTOR / "Arranger". Under this Contract, COUNTY may exercise control over the disposal or other disposition of the Solid Waste handled by the CONTRACTOR. It may designate or determine the use of any given Solid Waste Facility. Although minimum scope of Contract Services, Service Specifications, and Service Standards are set forth in this CONTRACT, COUNTY has not, and by this CONTRACT does not, supervise Contract Services or assume title to Solid Waste; and

Competitive Procurement. COUNTY issued a Request for Proposals (RFP) or Invitation For Bids (IFB) to provide Contract Services under this CONTRACT. Private waste hauling companies submitted proposals or bids, including their proposed schedule of rates and charges. For franchised services, COUNTY selected a CONTRACTOR based, among other things, on CONTRACTOR'S price proposal and work plan for Contract Services.

Compensation. The following describes the compensation allowed under this CONTRACT:

- Exhibit 7 provides for CONTRACTOR'S compensation under Task 1 Services. Under this CONTRACT, the CONTRACTOR cannot charge its Customers more than the Customer Service Fees in the Customer Fee Schedule in Attachment 7-2 Task 1 Service Fees in Exhibit 7.
- Exhibit 3A2 provides for CONTRACTOR's compensation under Task 2 Services and COUNTY Service Fees in Attachment 7-3 Task 2 Service Fees in Exhibit 7.

Franchise Authorization. California PRC Section 40059 specifically authorizes COUNTY to prescribe the terms and conditions of aspects of solid waste management services, including:

- The nature, location, and level/extent of services;
- The frequency of collection;

- The means of collection and transportation;
- The Service Fees and fees; and
- Whether the services are to be provided by means of nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise.

County Code Chapter 20.70 authorizes Director to require franchises in any part of the unincorporated territory of COUNTY that is not served by a Garbage Disposal District.

Franchise Development. COUNTY consulted with representatives of waste haulers in developing the original agreement. 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 the industry's questions, comments, and concerns.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

This CONTRACT applies to both Contract Services (Task 1 Services and Task 2 Services), unless specifically indicated otherwise. However, Exhibits 3A1 and 3A3 applies only to Task 1 Services, and Exhibit 3A2 applies only to Task 2 Services.

SECTION 1 - GRANT OF RIGHTS AND PRIVILEGES TO PROVIDE TASK 1 SERVICES

See Attachment 5-10A for a more complete list of definitions.

“Performance Obligations” means all CONTRACTOR'S obligations and liabilities under this CONTRACT.

“Contract Services” means both Task 1 Services and Task 2 Services.

“Task 1 Services” means all Performance Obligations prescribed in Exhibits 3A1 and 3A3 for Refuse, Recyclables, and Green Waste Container Services to Occupants at Residential Premises and Certain Multifamily and Commercial Premises.

“Task 2 Services” means all Performance Obligations prescribed in Exhibit 3A2 Abandoned Waste Collection Services and Public Receptacle Collection Services.

A. Grant of Rights

1. Grant of Rights and Privileges

COUNTY grants CONTRACTOR the right and privilege, together with the Performance Obligations, to provide Contract Services.

a. Conditions

- CONTRACTOR is ready, willing, and able to provide Contract Services;
- CONTRACTOR meets all its Performance Obligations, no CONTRACTOR Default has occurred; and
- CONTRACTOR fully and timely pays applicable Franchise Fees.

b. CONTRACTOR Acceptance

CONTRACTOR accepts these rights and privileges, together with Performance Obligations, subject to all terms and conditions in this CONTRACT and the exclusions in subsections B (Exclusions from Service) and C (Exclusions from Exclusivity) of this Section.

2. Grant of Exclusive Franchise for Collection in Carts

COUNTY grants to CONTRACTOR and CONTRACTOR accepts the exclusive right and privilege together with the obligation to provide franchise services, by making independent arrangements with customer, with respect to solid waste discarded in Carts and within the Service Area, subject to all the terms and conditions in this CONTRACT and the exclusions in subsections B (Exclusions from Service) and C (Exclusions from Exclusivity) of this Section.

B. Exclusions from Service

1. Solid Waste to be Self-Hauled

This CONTRACT excludes the right and privilege to Collect, transport, and Divert/Dispose Solid Waste that Persons self-haul. Anyone, including Persons performing services other than MSW Management Services (such as roofers and gardeners) at those Premises, may collect in receptacles other than Container provided by CONTRACTOR, transport in their own Vehicles, and themselves Dispose of some or all the Solid Waste generated at those Premises

2. COUNTY and Third-Party Agencies

This CONTRACT excludes the right and privilege to arrange to provide Task 1 Services to Premises owned or controlled by any of the following entities:

- County or any other entity governed by the Board of Supervisors;
- State of California;
- Federal government;
- Any city;
- Any public-school district; or
- Any entity that is excluded by Applicable Law from the obligation to subscribe to Task 1 Services under this CONTRACT.

This CONTRACT does not prohibit CONTRACTOR from executing separate contracts with those entities to provide MSW Management Services.

3. Rights Under California Public Resources Code Section 49520

a. Exclusion

This CONTRACT excludes the right and privilege to arrange for providing Contract 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 under PRC Section 49520 *et seq.*

b. Acknowledgement

CONTRACTOR acknowledges:

(1) No Statutory Rights

This CONTRACT does not grant CONTRACTOR any rights under PRC Section 49250 *et seq.*

(2) *Expired Term*

This CONTRACT is an exclusive franchise. Upon expiration of this CONTRACT, no unexpired Term will remain. CONTRACTOR will have no right to continue providing Contract Services, MSW Management Services, or Solid Waste handling services under PRC Section 49250 *et seq.*

(3) *Terminated CONTRACT*

If COUNTY exercises its remedy to terminate this CONTRACT for CONTRACTOR fault, CONTRACTOR will not be in compliance with the terms and conditions of this CONTRACT. In that event, CONTRACTOR will have no right to continue providing Contract Services, MSW Management Services, or Solid Waste handling services under PRC Section 49251.

(4) *Contract Claims*

CONTRACTOR does not have the right to make any claim under PRC Section 49520, but only under this CONTRACT.

c. Stop Contract Services / Procure New Services

Upon expiration or termination of this CONTRACT, CONTRACTOR shall stop providing Contract Services even if the expiration or termination occurs before the end of the period described in PRC Section 49520. After expiration or termination of this CONTRACT, COUNTY may reprocurer one or more agreements for MSW Management Services with CONTRACTOR or other Persons. Those agreements may be exclusive, partially exclusive, or wholly exclusive franchises, contracts, licenses, permits or otherwise, with or without competitive bidding.

4. Donation or Selling of Recyclables

This CONTRACT excludes the right and privilege to Collect Recyclables that Occupant donates or sells to Persons other than CONTRACTOR.

5. Collection of Food Waste or Recyclables from Commercial Franchise Carts

This CONTRACT excludes the right and privilege to Collect Food Waste that is separated from other Solid Waste subject to COUNTY's Non-Exclusive Commercial Franchise Agreements. For example, CONTRACTOR cannot Collect Food Waste or Recyclables from Carts provided under the Commercial Franchise agreement with COUNTY.

C. Exclusions from Exclusivity

1. Task 2 Services – Abandoned Waste and Litter Collection Services

This CONTRACT excludes the exclusive right and privilege to Collect Abandoned Waste. COUNTY reserves the right to use its own forces or to contract with any company to Collect Abandoned Waste or empty public receptacles.

2. Emergency Services

This CONTRACT excludes the exclusive right and privilege to perform Solid Waste services during emergencies described in Section 11. Under this Section, CONTRACTOR may be requested to perform work in other COUNTY Franchise areas, Garbage Disposal Districts, cities, or Counties. Likewise, other waste haulers may be requested to perform Solid Waste services within this Service Area.

3. Food Waste

This CONTRACT excludes the right and privilege to provide Collection, transportation and Diversion of Food Waste. Commencing upon the Commencement Date, CONTRACTOR shall Collect Food Waste discarded with Refuse.

At any time after the Commencement Date, in its sole discretion, COUNTY may do either of the following with respect to Collection, transportation, and Diversion of Food Waste that is discarded separately from Refuse:

- Renegotiate a change to this CONTRACT or enter a separate contract with the CONTRACTOR; or
- Enter a contract with another Person.

4. Collection of Solid Waste in Dumpsters

This CONTRACT excludes the right and privilege to provide Collection, transport, and Disposal/Diversion of Solid Waste in Dumpsters, including Manure-only Dumpsters. Persons may arrange with any COUNTY Authorized Commercial Waste Hauler to provide MSW Management Services in Dumpsters. Persons may have Carts with exclusive Collection services from CONTRACTOR and have a Dumpster with service from another waste hauler.

D. Definition of Rights

In accordance with PRC Section 49523, based on the mutually satisfactory terms of providing Task 1 Services set forth in this CONTRACT and receipt of compensation therefore, that CONTRACTOR shall cease providing Contract Services on the

Expiration Date even if that Expiration Date should occur before the expiration of the period described in PRC Section 49520. This CONTRACT and acknowledgments in this CONTRACT do not foreclose COUNTY from re-procuring contracts for MSW Management Services, including from CONTRACTOR, after termination of this CONTRACT, by nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise, with or without competitive bidding.

E. Fees to COUNTY

In consideration for this exclusive franchise, rights granted under this Contract, CONTRACTOR 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. CONTRACTOR shall not separately identify the Franchise Fee in correspondence with Customers, including in Terms and Conditions, bills, or invoices.

CONTRACTOR acknowledges the following:

- The elimination of competition with private persons for Contract Services under this exclusive franchise has significant monetary value to CONTRACTOR, and the franchise fee is consideration for that exclusivity.
- The franchise fee is a cost of doing business, like capital, fuel and labor costs.
- Paying COUNTY the franchise fee is an obligation of CONTRACTOR and not an obligation of Customers.

F. Privacy (Contract Services)

1. General

CONTRACTOR shall strictly observe and protect rights and privacy of Customers and Occupants. CONTRACTOR shall not reveal to a Person other than COUNTY any information identifying individual Customers and Occupants or the composition or contents of a Customer's Solid Waste to any Person unless under Section 9 or upon the authority of law or upon valid authorization of the Customer. This provision may not be construed to excuse CONTRACTOR 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 Federal, State, and local requirements.

2. Mailing Lists

CONTRACTOR shall not market or distribute mailing lists with the names and addresses of Customers and Occupants.

3. Privacy Rights Cumulative

CONTRACTOR'S obligations in this Section are in addition to any other privacy rights accorded Customers and Occupants under Applicable Law.

G. Ownership of Solid Waste

This CONTRACT does not purport to grant CONTRACTOR ownership over Solid Waste. The right to possession or ownership of Solid Waste placed at the Set-Out Site for Collection, including Green Waste, Recyclables, and Abandoned Waste, will be determined in accordance with existing law and is not affected by this CONTRACT. COUNTY acknowledges that it has no ownership rights in Solid Waste and that CONTRACTOR may provide for transfer of ownership in the Terms and Conditions.

SECTION 2 - TERM OF CONTRACT

A. Term of Contract Services

This CONTRACT is effective and binding on the Execution Date. The Term of this CONTRACT begins on the Execution Date and expires on the Expiration Date, March 31, 2025, subject to extensions described in the following subsection A1. Certain Performance Obligations survive expiration or termination of this Contract under subsection B. below.

“Execution Date” is the date both COUNTY and CONTRACTOR sign this CONTRACT.

“Expiration Date” means the date this CONTRACT expires as provided in accordance with item A of Section 2, or as earlier terminated in accordance with Part 6D of Exhibit 5.

1. Extensions of the CONTRACT Term

Director shall have the sole option to extend the initial Term of this CONTRACT under the following subsections A2, A3, and A4.

2. Two, 2-Year Extensions

Director may extend the Term of this CONTRACT for up to two additional two-year periods.

3. Six, 1-Month Extensions

Director may extend the Term of this CONTRACT up to six times, each time in an increment of one to six months for a total of no more than six months. For example, the Director may first extend the Term for three months, subsequently extend it for two more months, and lastly extend it for one more month.

4. Contract Extension Cumulative

The contract extensions are cumulative and may be exercised in any order. For example, after the end of the initial Term, Director may issue two 2-year extensions, one 3-month extension, followed by one 1-month extensions.

5. Transition to Next Waste Hauler

Certain obligations of CONTRACTOR survive the termination of this CONTRACT as provided under subsection B6 below.

6. Notification to CONTRACTOR

Director will Notify CONTRACTOR of the intent to extend or not extend this CONTRACT no later than the following:

- 90 calendar days before a 2-year extension begins
- 10 calendar days before a 30-day extension begins

B. Obligations Upon Expiration or Termination of CONTRACT

The following provisions will survive the expiration or termination of this CONTRACT:

1. Acknowledgements

All acknowledgments, including those in the following Sections:

- Item D of Section 1 (inapplicability of PRC 49520)
- Item C of Section 2 (no recovery of undepreciated asset value)
- Item A of Section 3 (no COUNTY responsibility for supervising or performing Task 1 Services)
- Item A of Section 9 (Record maintenance)
- Part 10 of Exhibit 5 (interpretation of this CONTRACT)

2. Representations and Warranties

All representations and warranties, including those made in accordance with the following Sections:

- Part 10 of Exhibit 5 with respect to review of this CONTRACT
- Item B of Section 14, Authority to Execute
- Attachment 5-9H, CONTRACTOR'S Representations and Warranties

3. Indemnities

All Indemnities.

4. Payments

All obligations to pay any due and payable monetary amounts or claims for those amounts, including:

- Payment of Transfer Deposits and Transfer Costs
- Damages under item D of Section 12
- Payment of County Service Fees under Exhibit 3A2
- Refund due to Customers that pay Customer Service Fees in advance of Customer Service
- Any Franchise Fees

5. Records and Reports

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
- Records of Disposal
- Notice of Destruction of Records of Disposal
- Inspection and audit
- Records of Abandoned Waste Collection including supporting documentation

6. Provisions Surviving Expiration Date

Any other provisions of this CONTRACT and rights and obligations of the Parties stated to survive the Expiration Date, including:

- This subsection B6 (cooperation during transition; removal of Carts), and
- Subsection C (no recovery of undepreciated asset value).

a. Cooperation During Transition

If CONTRACTOR is not awarded a new CONTRACT to allow CONTRACTOR to continue to provide MSW Management Services substantially similar to Contract Services in this Service Area after the expiration or termination of this CONTRACT, CONTRACTOR shall cooperate fully with Director and the succeeding contractor, licensee, permittee, or other provider of MSW Management Services to assure a smooth, efficient, orderly, timely, and effective transition.

b. Removal of Carts

With respect to Task 1 Services, CONTRACTOR shall not remove a Container from any Premises until the earlier of:

- The date any replacement Containers are provided to the Customer by succeeding contractor, or
- 2 weeks after the Expiration Date.

7. Container Purchase Option

COUNTY may purchase Containers as specified in item D11 of Exhibit 3A1.

C. Undepreciated Assets

If any of CONTRACTOR'S Service Assets remain undepreciated upon the expiration or earlier termination by COUNTY of this CONTRACT, CONTRACTOR

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 CONTRACTOR for any undepreciated asset value.

CONTRACTOR acknowledges that when exercising its option to extend the Expiration Date, COUNTY need not consider whether any Service Assets are not fully depreciated as of the Expiration Date, and that CONTRACTOR invested in and depreciated those Service Assets in CONTRACTOR'S sole discretion.

SECTION 3 - SCOPE OF SERVICES AND SPECIFICATIONS (Contract Services)

A. Prescribed Scope

1. Task 1 Services

With respect to Task 1 Services, CONTRACTOR shall arrange to provide services to Premises in the Service Area in accordance with Exhibit 3A1 to both the following:

- Any Person who was receiving service immediately prior to the Commencement Date from COUNTY's contractor under a previous contract with COUNTY, and
- Any Person who request Task 1 Services.

2. Task 2 Services

With respect to Task 2 Services, CONTRACTOR shall provide services in the Service Area to Director in accordance with Exhibit 3A2.

3. Additional Contract Services Requirements

With respect to additional Contract Services, CONTRACTOR shall provide services in the Service Area to Director in accordance with Exhibit 3A3.

CONTRACTOR must provide Contract Services in accordance with Service Specifications and Service Standards. Nevertheless, CONTRACTOR has the freedom and discretion to determine the means, manner, or method of providing Contract Services. CONTRACTOR acknowledges that in entering into this CONTRACT, COUNTY is not responsible for supervising CONTRACTOR or for performance of any Contract Services. CONTRACTOR is responsible for choosing the Solid Waste Facilities, unless otherwise directed by COUNTY. In addition, COUNTY is not the owner or titleholder of any material Collected, transported, Disposed of, or otherwise handled by CONTRACTOR.

Any work performed outside the Performance Specifications without Director's prior written approval will be deemed to be a gratuitous effort by CONTRACTOR. CONTRACTOR shall have no claim against COUNTY for any consequential or related liabilities.

B. Change in Scope of Services

1. Task 1

Director may change the scope of Task 1 Services and Service Standards in accordance with Part 9 of Exhibit 5, subject to any adjustment in the Customer Service Fees in accordance with item A of Section 7.

2. Task 2

Director may change the scope of Task 2 Services and Service Standards in accordance with Part 9 of Exhibit 5, subject to any adjustment in COUNTY Service Fees in accordance with Attachment 7-3 Task 2 Service Fees.

C. **CONTRACTOR Documentation (Contract Services)**

1. CONTRACTOR'S Compliance with CONTRACTOR Documentation

CONTRACTOR shall provide Task 1 and Task 2 Services in compliance with the CONTRACTOR Documentation attached as Exhibit 3D.

2. Changes in CONTRACTOR Documentation

a. Notice to Director

CONTRACTOR shall give Director prompt Notice of any changes in CONTRACTOR Documentation listed in item A of Exhibit 3D CONTRACTOR Documentation, after the Execution Date. CONTRACTOR shall follow Notice procedure in Part 9F of Exhibit 5. Director's receipt of those changes will be evidenced by the following acknowledgment, appended substantially this form to the changed CONTRACTOR Documentation:

From: Director Designee
Sent: Tuesday, May 09, 2017 4:55 PM
To: waste hauler
Cc: Business Relations and Contracts Division
Subject: Service Area Name - Acknowledgement of Notice

Acknowledgment: CONTRACTOR has submitted the attached CONTRACTOR Documentation.

Director Designee
Senior Civil Engineer
Los Angeles County Public Works
Office: 626-458-3573

b. Director Consent.

CONTRACTOR shall submit to Director for review and consent any changes occurring in CONTRACTOR Documentation listed in item B of Exhibit 3D CONTRACTOR Documentation, after the Execution Date. CONTRACTOR shall follow Notice procedure in Part 9F of Exhibit 5. Director's approval will be evidenced by the following acknowledgment, appended substantially the following form to the changed CONTRACTOR Documentation:

From: Director Designee
Sent: Tuesday, May 09, 2017 4:55 PM
To: waste hauler
Cc: Business Relations and Contracts Division
Subject: Service Area Name - Acknowledgement of Consent

Acknowledgment: I have reviewed and approved the attached CONTRACTOR Documentation

Director Designee
Senior Civil Engineer
Los Angeles County Public Works
Office: 626-458-3573

SECTION 4 - SERVICE STANDARDS

A. Public Health and Safety; Nuisances (Contract Services)

1. Litter

CONTRACTOR shall immediately clean up all litter it caused. If CONTRACTOR services an over-filled Container where the lid cannot be closed, any litter must be cleaned.

When Collecting any Bulky Item or Abandoned Waste, CONTRACTOR shall also clean up all litter within a 3-foot radius of the site from which CONTRACTOR Collected the Bulky Item or Abandoned Waste. CONTRACTOR shall ensure that each Vehicle is properly staffed and equipped for this purpose.

2. Spills

CONTRACTOR shall enclose or cover Solid Waste that it transports in Vehicles, debris boxes, hoppers, compactors, or any other containers. CONTRACTOR shall prevent Solid Waste from escaping, dropping, spilling, leaking, blowing, sifting, falling, or scattering from Vehicles ("Spills") during Collection and transportation. CONTRACTOR shall not transfer loads from one Vehicle to another Vehicle unless necessitated by mechanical failure or accidental damage to a Vehicle. CONTRACTOR shall immediately clean up any Spills on any alley, street, or public place.

3. Leaking

CONTRACTOR shall prevent oil, hydraulic fluid, paint, or other liquid from leaking from its Vehicles. CONTRACTOR shall ensure that each Vehicle carries petroleum absorbent agents and other appropriate cleaning agents and if any liquid leaks from a Vehicle, CONTRACTOR 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

CONTRACTOR shall conduct Collection as quietly as possible, in compliance with noise levels prescribed by Applicable Law, including County Code Section 12.08.520-Refuse Collection Vehicles. CONTRACTOR shall cause the least possible obstruction and inconvenience to public traffic or disruption to the peace and quiet of the Service Area.

B. Private Property (Task 1 Services)

CONTRACTOR shall obtain property owner consent to enter private driveways, alleys, streets, and parking lots in cases such as:

1. Private Property

a. Acknowledgements

CONTRACTOR acknowledges the following: Although there may be an implied waiver to access the front of Premises, a written consent may be advisable to access a side or rear yard. Additionally, private streets and driveways may not meet COUNTY's design standards and may not adequately withstand the weight of a Collection Vehicle.

b. Damage to Pavement: Waiver

If CONTRACTOR operates Vehicles on private property, following Director approval, CONTRACTOR may require the property owner to allow CONTRACTOR'S entry and waive liability for CONTRACTOR'S damage to driveways or other pavement. CONTRACTOR is not obligated to require a waiver. A waiver will not relieve CONTRACTOR of its obligation to repair or replace damaged pavements if it caused the damage by its negligent or willful acts or omissions under Part 9C of Exhibit 5.

c. Personal Injury: Indemnity

If CONTRACTOR enters private property whether in a Vehicle or by foot (for example to provide roll-out service), following Director approval, CONTRACTOR may require the property owner to hold harmless and indemnify CONTRACTOR. In that event, CONTRACTOR shall also require the property owner to hold harmless and indemnify COUNTY.

d. CONTRACTOR Indemnifies COUNTY

Despite receiving COUNTY approval, CONTRACTOR shall indemnify and hold COUNTY harmless from liabilities related to entering Customers' Premises, whether CONTRACTOR acts in compliance or noncompliance with this Contract. This indemnification is in addition to CONTRACTOR'S other Indemnifications.

2. Single-Pass Collection

If Customers request single-pass Collection (commingling of Refuse, Recyclables, and Green Waste) on private alleys, streets, and parking lots, CONTRACTOR shall submit a request to Director; in accordance with item M of Section 4, Single-Pass Collection.

C. **Non-Collection (Contract Services)**

CONTRACTOR is not obligated to Collect in any of the following events:

1. **Unpermitted Waste**

CONTRACTOR observes the presence of Unpermitted Waste at the Set-Out Site other than any Unpermitted Waste that CONTRACTOR Collects as Bulky Items.

2. **Unsafe Condition**

CONTRACTOR observes an unsafe condition at the Set-Out Site.

3. **Not Bagged or Bundled**

Solid Waste not placed in a Container, bags or bundles. Bulky Items do not need to be placed in a Container, bag, or bundled.

4. **Not At Set-Out Site**

A Container or a Bulky Item that is not placed at the Set-Out Site, except if a Customer has Roll-Out Service.

5. **Exceed Weight Limitations**

A Container exceeds any weight limitations described in Terms and Conditions.

6. **Delinquent Payment**

The Customer has not timely paid CONTRACTOR'S invoice for Task 1 Services in accordance with item B7 of Section 7. One week prior to removing a Container for nonpayment of Customer Service Fees, CONTRACTOR shall also leave a notice for Occupants on and Container and e-mail or text Customer stating the deadline for payment.

7. **Inaccessible Premises**

The Premises are not accessible to Vehicles.

8. **Contamination**

a. Recyclables Containers

Refuse, Green Waste, or Manure in a Recyclables Container.

b. Green Waste Containers

Refuse, Recyclables, or Manure in a Green Waste Container unless Manure is specifically allowed.

c. Refuse Containers

Manure in a Refuse Container.

d. Manure Containers

Refuse, Recyclables, or Green Waste in a Manure Container unless Green Waste is specifically allowed.

9. Unscheduled (For Avocado Heights and Santa Monica Mountains only; not applicable to South Whittier)

Unscheduled excess Refuse, Green Waste, Bulky Items, and E-waste in areas requiring advanced scheduling for collection under Exhibit 3A1. CONTRACTOR shall call, email, or text Occupant by next Service Day to:

- Notify of the non-collection,
- Educate and explain the issue, and
- Schedule the Collection.

If CONTRACTOR does not Collect Occupant's discarded Solid Waste, it shall complete a non-Collection notice and leave it securely attached to Occupant's Container or Bulky Items unless it is unsafe to do so. CONTRACTOR will use the form of non-Collection notice approved by Director in CONTRACTOR Documentation. The form must describe all the following:

- The reason CONTRACTOR did not Collect Occupant's Solid Waste,
- How the Customer can correct the problem, and
- How the Customer can contact CONTRACTOR.

Additionally, if the Occupant of the serviced Premises has signed up for electronic messages, such as the Smart-eClub, CONTRACTOR shall send a text or e-mail to the Occupant.

~~One week prior to removing a Container for nonpayment of Customer Service Fees, CONTRACTOR shall also leave a notice for Occupants on and Container and e-mail or text Customer stating the deadline for payment.~~

CONTRACTOR shall Collect the Customer's Solid Waste without additional cost to the Customer at the following times:

- **Same day:** no later than 6 p.m. on the day CONTRACTOR left the Non-Collection notice, if the Customer notifies CONTRACTOR before 12 p.m. that same day or
- **Next day:** on the next day, if the Customer notifies CONTRACTOR after 12 p.m. that same day.

D. Nondiscrimination

CONTRACTOR shall comply with Subchapter VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000e-2000e(17). CONTRACTOR shall not exclude any Customer from receiving Contract Services on the grounds of race, creed, color, sex, gender, national origin, ancestry, religion, age, physical or mental disability, marital status, or political affiliation. It shall not exclude them from participating in, deny them the benefits of, or otherwise subject them to discrimination under this CONTRACT or under any project, program, or activity supported by this CONTRACT.

E. CONTRACTOR Waste Reduction Practices (Contract Services)

Consistent with the Board of Supervisors' policy to reduce the amount of Solid Waste that is Disposed in landfills within COUNTY, CONTRACTOR shall use best efforts to practice waste reduction and implement procurement policies in providing Contract Services, including maintaining Records. In written correspondence with Customers and Director, CONTRACTOR shall use recycled paper that is labeled to indicate its recycled content.

CONTRACTOR shall offer Customers the option to go paperless by joining the Smart-eClub in item C2 of Section 6.

F. Customer Correspondence and Other Materials (Task 1 Service)

CONTRACTOR shall submit to Director for approval, written materials CONTRACTOR intends to distribute to Customers at least eight County Business Days before printing, texting, e-mailing, or mailing the materials.

At Director's request CONTRACTOR shall distribute written information to its Customers and Occupants by including it within CONTRACTOR's mailings or by separate electronic distribution.

G. Publicity and News Media Relations

1. Publicity

Unless otherwise required by subsection F or subsection G.2, CONTRACTOR and its Affiliates, employees, consultants, agents, or subcontractors may, without Director consent, publicize its Contract Services or indicate in its proposals and sales materials that it has been awarded this CONTRACT to provide Contract Services, if CONTRACTOR

develops that publicity, proposals, or sales materials in a professional manner.

Neither CONTRACTOR 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 Executive Officer and County Counsel.

2. News Media Relations; Trade Journal Articles

CONTRACTOR shall notify Director by telephone followed by e-mail of all requests for news media interviews related to the Contract Services (and not other communities) within 24 hours of receiving the request. Before responding to requests involving matters other than the Collection programs and scope of Contract Services, CONTRACTOR shall discuss CONTRACTOR'S proposed response with Director.

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

CONTRACTOR shall give Director copies of media interviews and news releases related to Contract Services within four County Business Days of their occurrence.

H. Responsiveness to County (Contract Services)

CONTRACTOR shall meet the following standards:

1. Normal

Respond to COUNTY communications such as telephone messages, text messages, and e-mails no later than the next COUNTY Business Day. Acknowledge, at a minimum, that the CONTRACTOR has received the communication and provide an estimated time for a full response if the communication's issue cannot be immediately resolved.

2. Special Events

Respond to telephone message within one hour during special events, such as Mulch and Compost Giveaway Events and Annual Cleanup Events.

3. Emergency Telephone Messages

Respond to any telephone message within one hour in cases of emergencies as required under item J1 of Section 4.

4. Written Correspondence

Respond to written correspondence from Director within one week of receipt.

5. Meetings

Meet with Director during Director's Office Hours within one week of Director's oral or written request at Director's offices or other location requested by Director.

I. No Commingling of Solid Waste

1. No Commingling Between Areas (Contract Services)

CONTRACTOR may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with the Service Area with any other Solid Waste that it Collects outside the Service Area in cities or other unincorporated areas, without prior written consent of Director.

For example, Director may allow Food Waste to be Collected from multiple jurisdictions to make Collection routes more efficient and therefore more cost effective.

Director may require documentation such as records of Customers, including Container capacities, in cities and in the Service Area, respectively. CONTRACTOR shall maintain Records with respect to Solid Waste Collected in the Service Area separately from records with respect to Solid Waste Collected outside the Service Area, including its weight.

2. No Commingling of Different Materials (Task 1 Service)

CONTRACTOR may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with any other Solid Waste that it Collects, without prior written consent of Director, as detailed in item M of this Section.

J. Key Personnel (Contract Services)

CONTRACTOR acknowledges that it identified certain personnel and described their professional experience and qualifications in the proposal it submitted to Director about the procurement of this CONTRACT, and that COUNTY awarded this CONTRACT to CONTRACTOR based in part on those individuals' experience and qualifications. CONTRACTOR shall identify those personnel ("Key Personnel") in CONTRACTOR Documentation, Exhibit 3D.

CONTRACTOR shall notify Director immediately of changes or upcoming changes in Key Personnel, including the professional experience and qualifications of the individual CONTRACTOR proposes to serve in place of a departing Key Personnel. Director may request CONTRACTOR to propose an alternative individual to serve in the position of the departing Key Personnel.

1. Emergency Telephone Number

CONTRACTOR shall maintain a local emergency telephone number disclosed to Director for use by Director outside CONTRACTOR Office Hours. CONTRACTOR shall make a representative available at the emergency number outside CONTRACTOR Office Hours who will return any emergency call as soon as possible and in any event within one hour.

2. Lead Person

CONTRACTOR shall assign a lead person(s), such as a route supervisor, to this Service Area. The lead person shall be responsible for ensuring that CONTRACTOR meets Performance Obligations. They shall spend as much time as possible in the Service Area. They shall act as a liaison between field crew and Director.

K. Uniforms (Contracts)

CONTRACTOR shall require its field employees to wear uniforms and prohibit them from removing any portions of their uniforms while providing Contract Services. Uniforms must meet the following specifications:

- Bear the CONTRACTOR's name, or other name approved by Director (for example, a DBA instead of a corporate name), and
- CONTRACTOR'S logo.

L. Confidentiality (Contracts)

CONTRACTOR shall maintain the confidentiality of all records obtained from Director under this CONTRACT in accordance with all Applicable Law. CONTRACTOR shall inform all its officers, employees, agents, and Subcontractors providing Contract Services of this confidentiality obligation. CONTRACTOR acknowledges that these records may be subject to a Public Records Request made to COUNTY.

M. Single-Pass Collection (Task 1)

CONTRACTOR shall obtain Director's approval prior to implementing single-pass service. "Single-pass service" means that Customers may commingle and discard

Refuse, Recyclables, and Green Waste, and CONTRACTOR may Collect them in the same Container.

After Collection, CONTRACTOR must separate those commingled Solid Waste materials at a materials recovery facility, and Divert them. Director may approve alternative MSW Management based upon documentation such as Customer records, and Container capacities in the Service Area. CONTRACTOR shall maintain weight Records of commingled Solid Waste separately from weight Records of source-separated Solid Waste.

Customers may request single-pass service on private alleys, streets, and parking lots. CONTRACTOR may request single-pass service on extremely narrow or steep roads and other places where it is difficult to Collect with Collection Vehicles used elsewhere in the Service Area. Requests must include the following:

- Proposed addresses.
- Written consent from most Customers affected by the single-pass.
- Notification to Customers residing on the Premises being serviced.
- Single-type (Refuse) Containers without Recycling and Green Waste Containers.

SECTION 5 - ADDITIONAL PERFORMANCE OBLIGATIONS

Exhibit 5 contains additional Performance Obligations of a general nature, not necessarily directly related to providing daily Collection. Exhibit 5 includes the following parts:

- Part 3 General CONTRACT Requirements
- Part 4 Indemnifications and Insurance
- Part 6 Debarment Breaches and Defaults; Suspensions; Termination
- Part 8 Transfer of CONTRACT
- Part 9 General Provisions
- Part 10 Definitions and Interpretations of CONTRACT
- Part 11 Compliance with Laws and Regulations
- Part 12 Labor-Related Provisions Required in County Contracts

SECTION 6 - CUSTOMER SERVICE (Task 1 Services)

A. Facilities

CONTRACTOR shall maintain both the following:

- A Vehicle maintenance yard, and
- Office at the address provided in CONTRACTOR Documentation.

CONTRACTOR may change the address by notifying Director in accordance with item A6 of Exhibit 3D.

B. Telephone Service

CONTRACTOR shall maintain a toll-free telephone number and meet the following criteria:

1. Office Hours

CONTRACTOR shall provide a customer service representative to personally answer all calls to the toll-free number during CONTRACTOR Office Hours, including calls from Director, Customers, Occupants, and the public.

2. After Hours

CONTRACTOR shall provide an answering machine to answer all calls to the toll-free number outside of CONTRACTOR Office Hours that allows callers to leave messages, such as reporting missed pick-ups and other complaints. CONTRACTOR shall further comply with County Code Section 20.72.160.

3. On Hold Messaging

CONTRACTOR shall use Reasonable Business Efforts to broadcast public education messages while Customers are waiting on hold to talk to a customer service representative.

4. Telephone Tree

CONTRACTOR shall require no more than two recorded options on a telephone tree before the caller speaks to a live customer service representative (for example, English/Spanish and residential/commercial service choices).

5. Answer Speed

CONTRACTOR shall use Reasonable Business Efforts to answer the telephone within four rings. CONTRACTOR shall answer 90 percent of all calls within the first 4 rings.

CONTRACTOR shall not leave the Customer on hold for more than ten minutes.

If Director determines that CONTRACTOR does not meet these Service Standards, Director may require that CONTRACTOR install additional telephone lines, hire additional customer service representatives, and make other customer service improvements without increasing Service Fees. Their determination will be based on whether the CONTRACTOR answers calls:

- Within five rings, based on at least three calls within one week, or
- 10 calls within one month.

6. Bilingual

CONTRACTOR shall respond to Customers and Occupants in English or Spanish as requested by the Customer or Occupant.

C. Paperless/Electronic Information and Services

1. Website

CONTRACTOR shall develop and maintain a website that includes the following information and Service options:

a. Service Information

Information such as Terms and Conditions form or service information, service brochures, newsletters, FAQ's, Holiday schedules, holiday tree pick-up information, service changes, invoice explanations, allowable and forbidden discards, list of recyclable materials, educational and outreach materials, notifications, alerts, and other information requested by Director.

b. Bill Payment

The ability for Customers to review and pay their bills under item B3 of Section 7, if they subscribe to Smart-eClub.

c. Service Requests

Requests for service collection that is not regularly scheduled, including on-call bulky waste collection, requests for extra pickups, and service cancellations.

d. *Contact Us*

CONTRACTOR's contact information where Customers can register complaints and follow-up on complaint resolution.

e. *Link*

Link to Director's website, CleanLA.com.

2. Smart-eClub

To reduce paper waste and reach more readers, CONTRACTOR shall offer both the owners and occupants of serviced Premises the option to join the Smart-eClub. CONTRACTOR shall offer Customers the following Smart-eClub options:

- Receiving service information described in preceding item C1a electronically, subsequently switching back to paper;
- Electronic billing under preceding item C1b;
- Making service requests under preceding item C1c; and
- Contacting CONTRACTOR under preceding item C1d.

CONTRACTOR shall give all educational messages and the template for service messages to Director for approval prior to sending to Customers. Upon Director's request, CONTRACTOR shall send messages provided by Director.

3. E-mail Address

CONTRACTOR shall maintain an e-mail address for use by Customers and Occupants.

D. Responses to Customer Complaints and Other Correspondence

1. Resolution of Complaints

a. *Call/E-mail for Service*

CONTRACTOR shall maintain an e-mail address under preceding subsection C3 and telephone service under subsection B of this Section.

A call or e-mail from a Customer or Occupant to request a service or report an issue, such as a damaged container, is not considered a complaint.

b. First Complaint

CONTRACTOR shall address all Customer and Occupant complaints immediately and resolve them by the end of the next Service Day following Customer or Occupant contact or any reasonable time agreed upon between Customer or Occupant and CONTRACTOR. A Customer or Occupant should not have to call or e-mail to complain on the same issue because CONTRACTOR did not resolve it as previously committed by CONTRACTOR, such as a damaged container was not repaired or replaced as committed.

c. Second and Subsequent Complaints

A Customer or Occupant should never have to call or e-mail to complain a second time on the same issue because CONTRACTOR did not resolve it as previously committed by CONTRACTOR such as a damaged container was not repaired or replaced and the Customer or Occupant previously called or e-mailed to complain.

2. Communications Log

CONTRACTOR shall enter, log, and maintain Records of all communications and their resolution, in computerized format and in compliance with County Code Section 20.72.160. CONTRACTOR shall maintain that log. CONTRACTOR shall submit the log for the applicable quarter to Director with CONTRACTOR'S Quarterly Report under item A2 of Section 10.

3. Missed Collections

If Director, a Customer, or an Occupant notifies CONTRACTOR that CONTRACTOR has not Collected an Occupant's Solid Waste and not met its Performance Obligation, CONTRACTOR shall Collect at no additional charge:

- No later than 6 p.m. on the day of service, if it receives the complaint by 12 p.m.; or
- On the next day, if the complaint is received after 12 p.m. on the day of service.

4. County's Reimbursement Costs

If COUNTY employees or their contractors spend more than either of the following times resolving Customer complaints, then CONTRACTOR shall reimburse COUNTY the its Reimbursement Costs that COUNTY incurred to resolve the complaint:

- Two hours in the aggregate resolving complaints from any single Customer that the Customer states have previously been filed with CONTRACTOR, or
- More than one hour in any work week (Monday through Friday) resolving complaints from different Customers.

The invoice for Reimbursement Costs should include all the following information:

- The address of the Premises being serviced,
- Customer who complained,
- Nature of complaint,
- Amount of time spent,
- Costs, including hourly fees for employees, agents or contractors who addressed the complaints, and
- Expenses, including phone and postage costs.

E. Service Interruption

CONTRACTOR shall monitor the Department of Public Works Road Closure website (<http://dpw.lacounty.gov/roadclosures/>) for conditions that may cause service interruptions. CONTRACTOR shall not alter or interrupt its service schedule without Director consent.

CONTRACTOR shall alert all Customers and Occupants of any Director-approved interruption in service and when service will resume. CONTRACTOR may use any type of communication, including phone blast, e-mail blast, and text messaging. Examples of interruption include various reasons, such as road closures, extreme weather conditions, or breakdown of CONTRACTOR equipment.

F. Responsiveness to Customer

Respond to communications such as telephone messages, text messages, and e-mails to the source that made contact no later than the next business day. If CONTRACTOR is unable to directly address the issue, CONTRACTOR shall respond with an acknowledgement to confirm receipt of message and indicate when the issue will be addressed.

Respond to United States Postal Service, Federal Express, or other courier provided correspondence from Customers or Occupants within one week of receipt.

G. Setting Up or Terminating Service

1. New Customers

- Obtain contact and service location information
- Explain services and charges

- Mail brochure
- Offer Bulky Item Collection

2. Terminating Service

- Offer Bulky Item Collection
- Explain what to do with Containers
- Explain refund procedure for any prepaid services

SECTION 7 - SERVICE FEES AND BILLING

Basic Service Fee means the monthly charges for that CONTRACTOR bills a Customer for providing Collection with respect to Task 1 Services, without additional optional services.

County Service Fee means the fees that CONTRACTOR bills COUNTY for providing Collection with respect to Task 2 Services.

Customer Service Fee means the Basic Service Fee and Customer Surcharges in the Customer Service Fee Schedule, Attachment 7-2, Task 1 Service Fees.

Customer Surcharges means the amounts listed as “Surcharges” on the Service Fee Schedule.

A. Customer Service Fees

CONTRACTOR shall charge Customers no more than the Customer Service Fees in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

1. Uniform Fees

CONTRACTOR shall charge the same, uniform Customer Service Fees for the same Task 1 Services listed in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

2. Surcharges

Surcharges will be added to the Basic Service Fee. See Attachment 7-2, Task 1 Service Fees of Exhibit 7.

a. *Billing Fees*

- 10 percent late fee
- \$25.00 for interruption of service
- \$25.00 fee on returned checks

b. *Extra Containers*

c. *Difficult to Service*

(1) *Non-Elderly or Non-Disabled*

(2) *Elderly or Disabled*

CONTRACTOR shall provide this service, without additional charge to Customer, for Occupants who are Elderly or

Disabled and certify to the CONTRACTOR that there is no able-bodied individual in the household who can roll-out Cart to the Set-Out Site.

- d. Roll out Service*
- e. Additional Bulky Item Collection*
- f. Excessive Container Exchanges*
- g. Manure Service*
- h. Bear Resistant Carts*
- i. Recyclables Cart with Gravity Lock*

3. Basic Service Fee Discounts

CONTRACTOR shall subtract the following discounts to the Basic Service Fee. CONTRACTOR shall add together all discounts Multiple discounts will be an aggregate total prior to applying to Basic Service Fee (25 percent senior + 5 percent Smart-eClub = 30 percent discount). CONTRACTOR is not to charge more than the amounts in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

a. Senior Discount (25 percent)

CONTRACTOR shall discount the Basic Service Fee by 25 percent for Elderly Customers at Residential Premises meeting all the following requirements:

(1) 62 or Older

The Customer is age 62 or older as evidenced by a driver's license or other document issued by a governmental entity.

(2) Head of Household

The Customer is a head of household as evidenced by his or her name on utility or telephone bills for the involved premises.

(3) Life-Line or Low Refuse Generator

The Customer either: (a) 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 (b) generates small amounts of waste and for Refuse, uses only one 32-gallon Cart.

b. Smart-eClub (5 percent)

CONTRACTOR shall discount the total for Basic Service Fee for Customers that are Smart-eClub members by 5 percent. Customers must be Smart-eClub members during the entire applicable billing period. See Smart-eClub details in item C2 of Section 6.

c. No Service

CONTRACTOR shall not discount the total for Basic Service Fees for Customers that do not use any or Task 1 Services, such as not separating Recyclables and Green Waste from Refuse and do not use Containers for Recycling or Green Waste discard.

B. Customer Invoice and Payment

1. Invoice Content

CONTRACTOR shall include in its Customer invoice the following information:

a. Contact Information

CONTRACTOR's telephone number, Office address, website and e-mail address for Customer complaints and questions.

b. Itemized Costs

Itemize costs in accordance with services. CONTRACTOR shall not identify that portion of a Customer's invoice attributable to a Franchise Fee.

c. Paperless Option

A message promoting its website-based invoicing and payment system on all paper invoices sent to Customers.

At Director's request, CONTRACTOR shall promptly submit a copy of a Customer's invoice to Director.

2. Frequency

CONTRACTOR shall invoice Cart Customers quarterly following the Calendar Year quarter and Dumpster Customers (if applicable) monthly, or an alternate frequency as approved by Director.

Task 1 Services including any surcharges are to be billed to Cart Customers quarterly, three months in advance. Bills shall be sent on or after the first day

of the billing period. Payment in full is due no later than the last day of the first month. For example, bills are sent on April 1 for the billing period of April, May, and June and due on April 30.

If Customer fails to pay bill in full, see item B7 of this Section for actions to be taken.

3. Electronic Invoicing

To reduce paper waste, CONTRACTOR shall make available to all Customers an electronic invoicing system at no additional charge. CONTRACTOR shall ensure that the electronic invoicing and payment website conforms to industry-standard practices for electronic commerce security. CONTRACTOR must ensure that these Customers receive invoice inserts such as newsletters either electronically or paper copies, as requested by Customer. Through CONTRACTOR'S website, Customers may request to cease paper invoices and receive all invoices through e-mail or access them on CONTRACTOR'S website.

4. Inserts

At Director's request, CONTRACTOR shall include a message and/or enclose with Customer's invoice all inserts prepared and provided by Director.

5. Electronic Payment

CONTRACTOR shall make available to all Customers an electronic payment system at no additional charge. This system will be website based and allow Customers to pay invoices through CONTRACTOR'S website, both one-time and reoccurring. CONTRACTOR must allow credit card payments and may include direct bank routing or other payment methods.

6. Refunds

CONTRACTOR shall refund any overcharges to a Customer (including advance payments for Task 1 Services that are subsequently canceled) within 30 days after collection thereof. CONTRACTOR 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.

7. Late Payment

Customer payment of bills are due to CONTRACTOR no later than the last day of the first month of the calendar quarter. The following are the required warning notices and maximum allowable penalties for late payment. CONTRACTOR may be more lenient.

If payment is not received after 1.5 month, a reminder shall be sent to Customer indicating missed payment, balance due, and warning of ten percent late fee. If payment is not received by the last day of the second month, the account will become delinquent and an additional ten percent fee may be added to the balance. If payment is not received after 2.5 months, a second reminder shall be sent to Customer indicating missed payment, balance due including ten percent late fee, and warning of stopping service and Container removal. If payment is not received after 3 months, Task 1 Collection Service may be stopped. If payment is not received after 3.5 months, Task 1 Collection Service may be interrupted by removing the Containers from the premises and a \$25 interruption fee may be charged upon returning Containers to Premises. CONTRACTOR is to abide by any trespassing laws while removing Containers.

If Customer fails only to pay for surcharges for any or all special services in item A2 of Section 7, those special services shall be stopped without affecting other services. For example, if a Customer has an extra Refuse Container but is not paying the fee for the Container, the extra Container should not be Collected but all other Task 1 Services shall be provided.

A \$25.00 fee on returned checks (insufficient funds) may be charged to Customer.

Plain Language Table

Elapsed Time	Action
1st day of quarter	Bill sent to Customer
1 month	Bill due to CONTRACTOR
1.5 months	Reminder sent with warning of late fee
2 months	Unpaid bill delinquent, ten percent late fee added
2.5 months	Reminder sent with warning of stop service, container removal, and interruption fee
3 months	Service stopped
3.5 months	Containers removed, \$25 interruption fee

a. Partial Payment

If Customers fails only to pay for surcharges for any or all special services in item A2 of Section 7, those special services shall be stopped without affecting other services. For example, if a Customer has an extra Refuse Container but is not paying the fee for the Container, the extra Container should not be Collected but all other Task 1 Services shall be provided.

b. Returned Check Fee

A \$25.00 fee on returned checks (insufficient funds) may be charged to Customer.

C. County Service Fees

1. County Service Fees and Maximum Contract Sum

COUNTY agrees, in consideration of satisfactory performance of Task 2 Services in Sections A and B of this exhibit, in strict accordance with the service specifications set forth herein, to the satisfaction of Director, to pay the CONTRACTOR County Service Fees at the fee specified in Attachment 7-3, Task 2 Service Fees of Exhibit 7 for Disposal that CONTRACTOR Collects, **not to exceed \$[REDACTED]** per Contract Year or a greater amount as the Board may approve. This is referred to as the "Maximum Contract Sum" for Task 2 Services.

a. Abandoned Waste Not Commingled

If CONTRACTOR does not commingle Abandoned Waste in the same Vehicle with other Refuse, and the facility weighs Abandoned Waste that CONTRACTOR delivers, CONTRACTOR shall report that weight to Director in the Monthly Report and keep copies of all weigh receipts. If a facility does *not* weigh those materials, CONTRACTOR shall calculate the weight of allocated Abandoned Waste in accordance with Cal Recycle weight conversion standards <http://www.calrecycle.ca.gov/LGCentral/Library/dsg/Appendix1.htm>, or other method satisfactory to Director.

b. Abandoned Waste Commingled

If CONTRACTOR *does* commingle Abandoned Waste in the same Vehicle as other Refuse, CONTRACTOR shall allocate the proportion of Abandoned Waste to other Refuse in a formula approved by Director, and weigh or calculate the weight of the Abandoned Waste as set forth in the preceding paragraph.

2. Special Fund Obligation

COUNTY will pay County Service Fees from COUNTY'S Road Fund or other sources. CONTRACTOR acknowledges that it will not be compensated for providing County Service under Task 2 Services from Customer Service Fees under Task 1 Services. Customers or Occupants do not pay County Service Fees.

3. Billing

CONTRACTOR shall bill COUNTY monthly for COUNTY Services performed during the preceding month by invoice (original and a copy) in a form satisfactory to Director. COUNTY will pay County Service Fees to the CONTRACTOR within 30 days of receipt and approval of a properly completed and undisputed invoice. If CONTRACTOR is certified by

COUNTY as a Local Small Business Enterprise, COUNTY will pay CONTRACTOR in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program.

The itemized invoice shall contain a reference to the name of Service Area and Environmental Programs Division, Residential Franchise/Garbage Disposal District Section. CONTRACTOR shall submit invoices to:

County of Los Angeles Department of Public Works
Attention: Fiscal Division, Accounts Payable
P.O. Box 7508
Alhambra, CA 91802-7508

For weekly or daily Abandoned Waste Collection, CONTRACTOR shall bill COUNTY based on ~~either per incident, foot or per mile, or receptacle collection~~, as indicated in Attachment 7-3 Task 2 Service Fees of Exhibit 7. ~~The rate — If CONTRACTOR encounters more than four cubic yards of Abandoned Waste at a single location, CONTRACTOR may take photos of the waste and claim a higher fee for that location. These special circumstances must be itemized separately on the invoice. The higher fee shall be calculated as follows:~~

a. Volume of Solid Waste at an Incident During Weekly or Hot Zone Daily Collection

(1) Up to Four Cubic Yards

CONTRACTOR shall claim a fee equal to the expected incident rate for four cubic yards of volume. CONTRACTOR is not required to provide evidence of Abandoned Waste removal unless Director requests.

(2) More than Four Cubic Yards

CONTRACTOR may claim a fee equal to the more than four cubic yards rate for a volume greater than four cubic yards. CONTRACTOR shall take and submit photos of the waste to claim a higher fee for that location. These special circumstances must be itemized separately on the invoice.

a.b. Number of ~~Per~~ Incidents During Weekly Collection

(1) Expected Number

CONTRACTOR ~~may shall~~ claim a fee equal to the expected single incident rate for ~~each~~ four cubic yards of volume. CONTRACTOR is not required to provide evidence of Abandoned Waste removal, unless requested by Director. ~~For~~

~~example, a pile that extends across a home's entire front yard may be 12 cubic yards and therefore eligible for three times the normal rate for an incident.~~

(2) More Than Expected Number

CONTRACTOR may claim a fee equal to the more than expected incident rate. CONTRACTOR shall take and submit photos of the waste to claim a higher fee for that location. These special circumstances must be itemized separately on the invoice.

c. Public Receptacles

CONTRACTOR shall claim a fee equal to the number of Collection made from Public Receptacles during the month.

~~(1) — Per Mile~~

~~CONTRACTOR may claim a fee equal to \$50 for every four cubic yards of volume beyond the initial four cubic yards. For example, a pile that extends across a home's entire front yard may be 12 cubic yards and therefore eligible for an additional \$100.~~

4. Payment Exceeding Maximum Contract Sum

In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed Maximum Contract Sum.

5. Request Work

The CONTRACTOR understands and agrees that only Director is authorized to request or order work under this CONTRACT. The CONTRACTOR acknowledges that the designated authorized representative is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation more than this CONTRACT's Maximum Contract Sum.

6. Performing Work to Exceed Maximum Contract Sum

The CONTRACTOR shall not perform or accept work requests from the designated authorized representative or any other person that will cause the Maximum Contract Sum to be exceeded. CONTRACTOR shall monitor the balance of the Maximum Contract Sum. When the total of the CONTRACTOR's paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the authorized representative in writing.

7. Budget Reduction

If the Board of Supervisors adopts a budget for any Fiscal Year that reduces the salaries or benefits paid to most COUNTY employees and imposes similar reductions with respect to COUNTY Contracts, COUNTY reserves the right to correspondingly reduce the following:

- The County Service Fees for that Fiscal Year and any subsequent Fiscal Year during the Term of this CONTRACT (including any extensions), and
- The Maximum Contract Sum.

Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all the services set forth in this CONTRACT. Director's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions.

8. Deductions

COUNTY may deduct from any payment due CONTRACTOR any incurred or anticipated County Reimbursement Costs, including legal fees and staff costs, associated with any investigation or enforcement proceeding brought by Cal/OSHA arising out of COUNTY Service.

9. No Payment Following Expiration/Suspension/Termination of CONTRACT

CONTRACTOR shall make no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any County Service that CONTRACTOR provides after the expiration, suspension, or other termination of this CONTRACT. If CONTRACTOR receives any such payment, it shall immediately inform Director and repay all that payment to COUNTY. Payment by COUNTY for County Services rendered after expiration, suspension, or termination of this CONTRACT shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration, suspension, or termination of this CONTRACT.

10. Most Favored Public Entity

If the CONTRACTOR's prices decline, or if CONTRACTOR, at any time during the term of this CONTRACT, provides services substantially the same as County Services to anyone else, including the State of California or any County, municipality, or district of the State at prices below those set forth in this CONTRACT, then CONTRACTOR shall immediately reduce the County Service Fees to match those lower prices.

11. Change in Service Area

It is understood that the monthly compensation to be paid to the CONTRACTOR may be increased in proportion to the enlargement of the boundaries of the Service Area or to expansion of the area to be served, and the monthly compensation may be decreased if the area to be served decreases such as diminution of the size of the Service Area. This also included a change in the number of public receptacles and a change in the number or length of Hot Zones.

12. Dissolution of Service Area

It is understood that in the event of the dissolution of the Service Area, this CONTRACT and all obligations of either of the parties thereto shall be at an end, whether such dissolution results from proceedings under the provisions of the act pursuant to which the Service Area was created, by operation of law, or resulting from municipal annexation or incorporation, except for record retention requirements.

13. Adjustment to Service Fee

Throughout the Term of the CONTRACT, COUNTY may adjust the Service Fee in Attachment 7-3, Task 2 Service Fees of Exhibit 7, per the conditions set forth in Exhibit 7.

SECTION 8 - WASTE CHARACTERIZATION STUDY

A. Participate with County Study

CONTRACTOR shall cooperate with Director in conducting Solid Waste characterization studies and waste stream audits. Cooperation includes all the following:

- Diverting Collection Vehicles from their regular route to alternate locations;
- Emptying all Solid Waste from Collection Vehicles; and
- Providing Collection, transportation, and Disposal of Solid Waste remaining after the study or audit.

B. Perform Study

CONTRACTOR shall perform Solid Waste generation and Disposal characterization studies to assist County in compliance with State laws and goals. CONTRACTOR's study shall also include collecting data and preparing reports, as needed and as directed by Director, to determine weights and volumes of Solid Waste that is Collected and to characterize Solid Waste that is generated, Disposed, transformed, Diverted, or otherwise processed, by Customer type (such as Single-Family, Multi-Family, Commercial). CONTRACTOR shall follow all guidelines and sampling methodology established by CalRecycle when conducting the study. CONTRACTOR shall perform the required studies during the first Contract Year and every other year thereafter.

SECTION 9 - RECORDS

CONTRACTOR'S obligations and COUNTY'S rights in this Section survive the term.

A. Record Maintenance and Retention

1. All Records

CONTRACTOR shall prepare and maintain all Records in accordance with generally accepted auditing principles during the Term and for an additional period of not less than five years after the Expiration Date or any longer period required by Applicable Law.

2. Disposal Records

CONTRACTOR acknowledges:

a. Claims

That COUNTY may need to respond to claims under CERCLA or similar applicable laws with respect to Disposal of Solid Waste.

b. Quantity

COUNTY'S need to determine the quantity, location, and date of CONTRACTOR'S Disposal of Solid Waste.

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

3. Notification

CONTRACTOR shall give Notice to Director at least 30 days before destroying Records of Disposal at any time after the retention period referred to in item A1 of Section 9.

B. County Custody

If Director has reason to believe that Records may be lost, discarded, or destroyed for any reason, Director may require that CONTRACTOR give COUNTY custody of any or all Records. Access to those Records will be granted to any Person duly authorized by CONTRACTOR. CONTRACTOR shall pay for storage cost.

C. Inspection and Review of Records

Upon five Service Days' notice by telephone or writing, or a lesser amount of time in the event of extraordinary circumstances, Director and/or its contractor may inspect, review (including using outside contractor), excerpt, transcribe, and copy all Records at CONTRACTOR'S Office during CONTRACTOR Office Hours. CONTRACTOR may maintain Records outside of COUNTY (1) if it promptly provides copies thereof to Director at Director's offices, (2) if Director, in its sole discretion, agrees to travel outside COUNTY and CONTRACTOR pays COUNTY's Reimbursement Costs.

In addition to travel costs, COUNTY will bear the expense of the review and of obtaining a copy of Records; however, within 30 days of Director Notice, CONTRACTOR shall reimburse COUNTY for COUNTY'S Reimbursement Cost of the expenses for the review if the review reveals a discrepancy of the lesser of 3 percent or \$2,500 between:

- The amount contained in the Records (e.g., the amount of Solid Waste Collected or Diverted), and
- Any representation or Report that CONTRACTOR made to COUNTY; Franchise Fee or other money paid to COUNTY; County Service Fees paid by COUNTY, or information that CONTRACTOR submitted to Director.

Director may give Notice to CONTRACTOR identifying any discrepancy.

CONTRACTOR shall pay any discrepant shortfall in Franchise Fee or other payments due COUNTY, or excess of County Service Fees, upon Director demand, including fees and charges for the late payment of Franchise Fees. Failure to make those payments will constitute a CONTRACTOR Default in accordance with Part 6 of Exhibit 5. In lieu of payment, Director in its sole discretion may (1) deduct that shortfall from amounts that COUNTY owes CONTRACTOR under this CONTRACT, other contracts, or any other obligation, or (2) draw that shortfall from the performance bond, letter of credit, certificate of deposit, or other form of performance assurance provided by CONTRACTOR in accordance with Section 15.

COUNTY will pay any discrepant shortfall in County Service Fees due CONTRACTOR up to COUNTY'S maximum obligation for County Service Fees appropriated by COUNTY for purpose of this CONTRACT.

D. Copies of Audits

If anyone, including Federal or State auditors and auditors or accountants employed by CONTRACTOR or others, conducts an audit of CONTRACTOR specifically regarding this CONTRACT, then within 30 days of the audit report, CONTRACTOR shall file a copy of the audit report with County's Auditor-Controller and notify Director of the filing, unless otherwise provided by Applicable Law. Subject to Applicable Law, COUNTY shall make a reasonable effort to maintain the confidentiality of such audit report(s)

E. Submission of Records

CONTRACTOR shall submit to Director, without charge to COUNTY or charge to Customers, any Records relating to Diversion requested by Director to assist COUNTY in meeting obligations imposed by Federal, State, and local laws. CONTRACTOR shall submit those Records using COUNTY's Solid Waste Information Management System (SWIMS) forms or as requested by Director.

F. Public Record Request

1. Exclusive Property

The following become the exclusive property of COUNTY:

- Any Record or other document that CONTRACTOR gives Director, including about the procurement of this CONTRACT (such as proposals);
- Any Record or other document that Director obtains about Director's audit or inspection under this CONTRACT, including books and accounting records.

The above Records or other documents become a matter of public record and shall be regarded as public records, *except* if CONTRACTOR marks them as a "trade secret," "confidential," or "proprietary," they will be deemed excluded from disclosure under Government Code 6250 et seq. (Public Records Act). However, if a requestor seeking records marked "trade secret," "confidential," or "proprietary" does not agree that the records are exempt, then COUNTY will notify the CONTRACTOR that such records will be produced, unless the CONTRACTOR intercedes and files an injunction or other action to legally prevent disclosure.

CONTRACTOR agrees that COUNTY shall not in any way be liable or responsible for the disclosure of any such records including, with limitation, those so marked, if law requires disclosure, or by an order issued by a court of competent jurisdiction.

2. Defend, Indemnify and Hold COUNTY Harmless

CONTRACTOR shall defend, indemnify and hold harmless County from all costs and expenses, including reasonable attorney's fees, in connection with any requested action or liability arising under the Public Records Act, including request for any of the Records or other documents marked "trade secret," "confidential," or "proprietary." CONTRACTOR releases COUNTY from liability or responsibility for disclosing Records or other documents including those so marked, if Applicable Law require disclosure, including an order issued by a court of competent jurisdiction.

SECTION 10 - REPORTS

A. Types and Content

1. Monthly Data

Within 30 days after the end of each calendar quarter, CONTRACTOR shall complete and submit the data electronically for each individual calendar month. Upon Director request, monthly data shall be submitted as soon as possible. CONTRACTOR shall complete and submit SWIMS Forms C, L, T, and V accessible through SWIMS and e-mail Collection route maps and schedule if any map or schedule has changed during the prior month. See sample in item E of Exhibit 16.

2. Quarterly Reports

Within 30 days after the end of each calendar quarter, CONTRACTOR shall submit the Quarterly Report for the preceding three calendar months ending with that month to Director using the form provided by Director, which includes the following information:

a. Rejected Recyclables and Green Waste

Number of loads and tons of materials in Recycling or Green Waste loads rejected for Processing together with the reason for rejection and facility at which the rejected materials were Disposed.

b. Educational Materials

A report of educational materials distributed, events held, and any events attended by CONTRACTOR to its Customers.

c. Non-Collection Notices

The number of Non-Collection notices issued and the reasons for issuance.

d. Customer List

CONTRACTOR customer service list (a SWIMS form), which includes a list of all current and closed accounts, account numbers, name associated with each account, customer addresses, level of service provided at each address, services provided that are not Contract Services, billing and payment dates, payment received from each Customer, and any other information associated with Task 1 Services as requested by Director.

e. Contamination Audit

Contamination audit results, if applicable.

3. Annual Report

On or before each February 28, CONTRACTOR shall submit the Annual Report to Director in a form satisfactory to Director, for the preceding Calendar Year, including the following information:

a. Waste Diversion Program Implementation

A report of CONTRACTOR'S compliance with its Performance Obligations with respect to Waste Diversion Program implementation during the preceding Calendar Year.

b. Subcontractors

An updated list naming all Subcontractors, the amount of Goods or Services that each Subcontractor provides to CONTRACTOR, and a description of CONTRACTOR'S relationships to each Subcontractor (including ownership interests) in accordance with item 9M of Exhibit 5.

c. South Coast Air Quality Management District Rule 1193

Each Vehicle's compliance with South Coast Air Quality Management District Rule 1193, Clean On-Road Residential and Commercial Collection Vehicles, and Diesel Particulate Matter Control Measures (13 California Code of Regulations 202 et seq.).

d. Task 2 Services Information

Information relating to Task 2 Services requested by Director.

e. Scavenging

A narrative description of efforts made to deter and prevent unauthorized removal or scavenging of Recyclables.

f. Vehicles

An inventory of Vehicles assigned to the service area and information on each Vehicle including its number, fuel type, year, make, model, license plate number, VIN number, assigned route with start and finish points, days of service, type of material collected, and number of accounts being serviced. CONTRACTOR shall update and submit immediately if any Vehicle, route or information has changed during the prior year.

4. Reports of Violators

If CONTRACTOR discovers that any Person is providing MSW Management Services in the Service Area that are not authorized by Director or are in Violation of Applicable Law, then CONTRACTOR shall promptly e-mail Director with the following:

- The identity and address of the Person ("Violator"), if known;
- The facts and documentation supporting CONTRACTOR'S report; and
- Any other information or documentation about the Violator and CONTRACTOR'S report that Director may reasonably request.

COUNTY acknowledges that CONTRACTOR 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 CONTRACTOR, and CONTRACTOR hereby releases COUNTY about any act of a Violator.

B. Submission of Reports

CONTRACTOR shall submit Reports in a format compatible with COUNTY'S computers and shall submit reports using the following methods:

1. Monthly Reports

Submitted electronically by using forms available through SWIMS, in accordance with this Section.

2. Quarterly Reports and Annual Report

Submitted via e-mail or printed copy, as determined by Director, in accordance with this Section.

C. Reporting Adverse Information

CONTRACTOR shall provide Director copies of all reports, pleadings, applications, notifications, and notices of violation, communications or other material directly relating to its Performance Obligations submitted by CONTRACTOR to, or received by CONTRACTOR from Regulatory Agencies, including any of the following:

- The United States or California Environmental Protection Agency;
- CalRecycle;
- The Securities and Exchange Commission;
- Any other Regulatory Agency;
- Any Federal, State, or County court.

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

D. County's Right to Request Information

At Director's request, CONTRACTOR shall promptly provide to Director additional information reasonably and directly pertaining to this CONTRACT (including substantiation of information submitted in Reports).

SECTION 11 - SUBSTITUTE, EMERGENCY AND BACK-UP SERVICE

A. Director's Right to Provide Contract Services

1. Events

COUNTY may provide, or contract with a third party to provide, for the performance of, any or all Customers services in either of the following events, determined by Director in its sole discretion:

a. Unable for a Period of 48 Hours to Collect

- For 48 consecutive hours CONTRACTOR does not Collect and Dispose of any type of Solid Waste for any reason, including Uncontrollable Circumstances, or
- Director determines there is danger to public health, safety, or welfare.

b. COUNTY Suspends or Terminates CONTRACT

County suspends or terminates all or a portion of the CONTRACT.

COUNTY has no obligation to continue providing any or all Contract Services. It may stop providing them at any time, in its sole discretion. However, COUNTY may continue to provide those Contract Services until either of the following occurs:

- CONTRACTOR demonstrates to Director's satisfaction that CONTRACTOR is ready, willing, and able to resume providing timely and full Contract Services, or
- Director can make alternative arrangements for providing MSW Management Services comparable to Contract Services in scope and price. Alternative arrangements may include contracting with another, third-party service provider.

2. Notice

Director may give CONTRACTOR oral notice that Director is exercising its right to perform Task 1 and Task 2 Services, which notice is effective immediately, but must confirm oral notice with a Notice within 24 hours thereafter.

3. Stipulations

CONTRACTOR stipulates that COUNTY'S exercise of rights under this Section does not constitute a taking of private property for which COUNTY must compensate CONTRACTOR, shall not create any liability on the part

of COUNTY to CONTRACTOR, and does not exempt CONTRACTOR from any Indemnities, which Parties acknowledge are intended to extend to circumstances arising under this Section. However, CONTRACTOR 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 CONTRACTOR at the time COUNTY began performing Task 1 and Task 2 Services) and agents driving Vehicles. COUNTY shall indemnify CONTRACTOR, 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.

4. Rental and Other Compensation

a. *Uncontrollable Circumstances*

If an event enumerated in items A1a or A1b in Section 11 is due to Uncontrollable Circumstances, then COUNTY shall pay CONTRACTOR the following Direct Costs of having CONTRACTOR's personnel operate CONTRACTOR's equipment or vehicles, of CONTRACTOR that CONTRACTOR is not ~~then~~ being compensated for through charging and collecting Rates:

(1) *Rental Fees*

Rental fees for the use of equipment equal to fair market value thereof as determined by an independent appraiser selected by the Parties.

(2) *Vehicles*

CONTRACTOR'S Direct Costs of providing Vehicles with fuel, oil, and other maintenance.

(3) *Personnel*

CONTRACTOR'S Direct Costs of making CONTRACTOR'S personnel available to COUNTY.

The Parties shall select an appraiser as follows: within ten days after CONTRACTOR 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; a coin toss determines other ties. 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 items A1a or A1b in Section 11 is not due to Uncontrollable Circumstances, then COUNTY will not be obligated to pay the compensation and CONTRACTOR shall pay County's Reimbursement Costs within 10 days of COUNTY'S submitting an invoice therefore. If CONTRACTOR does not so timely pay, COUNTY may draw upon any performance bond, letter of credit, or other security provided under this CONTRACT.

B. Emergency Assistance (Contract Services)

CONTRACTOR shall provide MSW Management Services requested by County in the following circumstances:

- Solid Waste in any part of the unincorporated area of COUNTY is not collected, and
- In the judgment of Director, the uncollected creates a danger to public health, safety, or welfare.

Reasons for non-collection include earthquake, fire, mudslide, storm, riot, or civil disturbance, and terminated hauler contracts.

- An example of MSW Management Services is providing Vehicles and staff to cleanup, Collect, transport, and Dispose/Divert any Solid Waste, such as rubble, mud, and fallen trees, from the public right-of-way.
- Another example is holding a drop-off event for County residents to bring Solid Waste when their hauler is not providing service.

CONTRACTOR acknowledges that under emergency circumstances, CONTRACTOR may be required to Collect Solid Waste from another waste hauler's Containers. Also, another waste hauler may Collect Solid Waste from CONTRACTOR's Containers.

Prior to performing any work, CONTRACTOR is to consult with Director regarding the number of Vehicles and staff, and duration of cleanup. This includes vehicle certification discussed in more detail below. CONTRACTOR shall charge COUNTY for requested MSW Services in amounts no greater than the following:

1. Task 1 Services

Fees with respect to Solid Waste discarded in Containers. Examples include:

- Provide an additional day of service to Occupants; or
- Provide service to Persons outside the Service Area such as to the City of Glendora residents if their waste hauler is unable to Collect Refuse after a major earthquake and the city has an agreement with COUNTY for assistance. If location is not near Service Area, COUNTY will pay a fair price for additional transportation or Disposal costs based on comparable MSW Management Services.

2. Solid Waste Not Discarded in Containers

Fees per ton for Disposal* (with respect to Solid Waste, including Abandoned Waste, not discarded in Containers) as provided in Attachment 7-2, Task 1 Service Fees of Exhibit 7. Director may require CONTRACTOR to obtain consent or acknowledgement from property owners prior to removal of Solid Waste or debris. This may be in the form of an agreement to pay for such services.

3. Roll-Off Containers or Drop-Off Events

Fees the CONTRACTOR charges for comparable MSW Management Services (with respect to Solid Waste not discarded in Containers) such as roll-off containers or drop-off events.

4. Palm Frond Collection

Fees per hour per vehicle* as proposed in Attachment 7-4, Emergency Service Fees of Exhibit 7 if significant amounts of palm fronds fall from trees, CONTRACTOR shall Sweep areas requested, Collect from right-of-way, and Dispose of palm fronds.

* Dollar amounts are subject to an annual Cost of Living Adjustment using the Consumer Price Index identified in item C of Exhibit 7.

None of these fees can be greater than the limits Most Favored Public Entity, unless Director, at his sole discretion, provides authorization based on information provided by CONTRACTOR substantiating the need for an increase.

CONTRACTOR shall cooperate with all Regulatory Agencies, including 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 CONTRACTOR has provided equipment and drivers under this CONTRACT. Each vehicle used to transport Solid Waste must be assigned a unique number for

tracking and invoice reconciliation. CONTRACTOR shall keep records of relative information, found on a typical weigh ticket, including the location of the source of Collection, location of Disposal/Diversion, vehicle number, tonnages, and type of material. CONTRACTOR shall have any vehicles used during an emergency certified for compliance with Federal Emergency Management Agency (FEMA) requirements for reimbursement. Additionally, if Director has directed residences or businesses to place their debris in the public right-of-way outside the terms of Contract Services, including bulky items, excess solid waste, or Construction and Demolition in quantities that exceeds the limit of two 70-pound containers, Director may request CONTRACTOR to take geotagged photographs of the debris that include adequate background to provide evidence of the location.

Director may direct CONTRACTOR to deliver Solid Waste to any specified location, including a materials recovery facility, landfill, sediment placement site, or a debris placement sight. Upon Director request, CONTRACTOR shall deliver Solid Waste to any location determined by CONTRACTOR.

CONTRACTOR shall give first consideration to COUNTY in the event of a major disaster such as an earthquake, fire, mudslide, storm, riot, or civil disturbance as declared by the President of the United States, Governor of California, or the Board of Supervisors.

C. Backup Service Plan

CONTRACTOR shall implement its Backup Service Plan within seven days of Director request if Customer's Solid Waste is not Collected at Customer's Set-Out Site or Abandoned Waste is not Collected for any reason, including uncontrollable circumstances. An example is if CONTRACTOR'S drivers strike or it is not possible to provide Contract Services in difficult to service areas due to severe weather conditions, especially on hillsides. CONTRACTOR shall include the provisions:

1. Dumpsters or roll-off containers

Provide conveniently located Dumpsters or roll-off containers where Customers may discard Solid Waste.

2. Self-hauling Solid Waste

Offer Customers the option of self-hauling Solid Waste to a transfer station or disposal facility.

3. Inform Customers

Inform Customers of procedures for handling Solid Waste, preventing litter and discouraging vectors (such as keeping Carts in their storage place and not at Set-Out Sites, discarding excess Solid Waste in closed plastic bags and not loose in Carts).

4. Customer Service Fee Refund Policy

Describe any Customer Service Fee refund policy for missed Task 1 Services.

5. Replacement Drivers

Provide replacements for drivers and other employees who are not providing Collection or other Contract Services (such as supervisory personnel or management, or employees of Affiliates or other solid waste management companies), in cases of strikes of CONTRACTOR drivers, and security for those drivers and other employees.

6. Priority Service Customers

Identify customers that require priority service.

D. Use of Goods, Services and Property

1. Cart Acquisition Contracts

CONTRACTOR acknowledges that COUNTY must have full use and possession of Carts to secure its rights under this Contract, including both the following:

- Providing substitute franchise service in accordance with its remedies under Part 6 of Exhibit 5 for Breach or default, and
- Purchasing Carts upon termination of this Contract.

Therefore, if CONTRACTOR does not own Carts outright without encumbrance, any Cart Acquisition Contract must allow the Guarantor, COUNTY or COUNTY designee to do all the following:

- Assume CONTRACTOR's obligations under the Cart Acquisition Contract,
- Take use and possession of the Carts, and
- Obtain the benefits of any outstanding Cart warranties.

“Cart Acquisition Contract” means an instrument establishing a security interest in the Carts or that otherwise encumbers or limits CONTRACTOR's interest in Carts, including any of the following:

- Lease or lease-purchase agreement,
- Installment sales or other financing contract, or
- Note or other loan documentation.

2. Inventory

CONTRACTOR shall store unused Carts in a secure location. CONTRACTOR shall update its Cart inventory at both following times:

- In each Monthly Report and Annual Report, and
- Within one week of COUNTY request

3. Insurance

If COUNTY or Customers have possession and use of Goods, Services and Property, CONTRACTOR shall execute whatever documentation its liability insurers require to ensure that COUNTY and Customers are protected and covered by CONTRACTOR's general and automobile policies, including requesting and executing endorsements to those policies. CONTRACTOR is not obligated to pay any additional cost of those endorsements unless COUNTY reimburses CONTRACTOR for those costs. COUNTY may pay for any endorsements, additional premiums or other costs. CONTRACTOR authorizes COUNTY to call and confer with CONTRACTOR's insurance broker to determine what, if any, documentation or actions are necessary to achieve protection satisfactory to COUNTY. Upon COUNTY REQUEST, CONTRACTOR shall direct its insurance broker to cooperate with and take direction from COUNTY. CONTRACTOR may not rescind that authorization without COUNTY consent.

4. Vehicle Certification for FEMA

CONTRACTOR shall cooperate with COUNTY to certify all Vehicles to be used for emergency work. CONTRACTOR shall not use non-certified Vehicles unless approved by Director.

SECTION 12 - ENFORCEMENT OF CONTRACT

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 CONTRACT in law or equity, at its option, COUNTY may enforce a Breach in any or all the following ways:

- Execute alternative CONTRACTs for MSW Management Services in the event of CONTRACTOR Default
- Seek to obtain injunctive relief and/or damages
- Assess damages under item D of this Exhibit
- With respect to a CONTRACTOR Default under Part 6B3 of Exhibit 5 (Failure to Provide Insurance, Bonds), immediately withhold payments due CONTRACTOR
- Draw on Performance Assurance / Letter of Credit under Section 15

C. Injunctive Relief

CONTRACTOR acknowledges that COUNTY'S remedy of damages for a Breach may be inadequate for reasons including the following:

- The urgency of timely, continuous, and high-quality Task 1 and Task 2 Services, including Collection, transportation, and/or transfer for Disposal of wastes which constitute a threat to public health;
- 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 CONTRACT, 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 CONTRACT (including CONTRACTOR'S), reviewing and commenting on documentation submitted by CONTRACTOR in conjunction with execution of this CONTRACT, and review of CONTRACTOR Documentation;
- The time and investment of personnel and elected officials described in the preceding paragraph to develop alternative Solid Waste services comparable to Task 1 and Task 2 Services for the price provided under this CONTRACT, and to negotiate new contracts therefore; and
- COUNTY'S reliance on CONTRACTOR'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, but not limited to the following:

- Amounts equal to any Franchise Fees, liquidated damages, or other amounts that CONTRACTOR has previously paid to COUNTY but are subsequently recovered from COUNTY by a trustee in bankruptcy as preferential payments or otherwise;
- If COUNTY terminates this CONTRACT for a CONTRACTOR Default or in the event of Criminal Activity in accordance with Part 6D2 of Exhibit 5, costs incurred by COUNTY to provide or reprocore MSW Management Services in lieu of Task 1 and Task 2 Services;
- If COUNTY terminates this CONTRACT before expiration for a CONTRACTOR Default or in the event of Criminal Activity in accordance with Part 6D2 of Exhibit 5, costs of MSW Management Services provided or reprocored in lieu of Task 1 and Task 2 services more than Customer Service Fees/County Service Fees for the balance of the Term remaining if this CONTRACT had not been terminated; and
- In the event of CONTRACTOR DEFAULT under Part 6B3 of Exhibit 5 (Failure to Provide Insurance, Bond), in COUNTY'S sole discretion, obtain damages resulting from that DEFAULT.

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

For CONTRACTOR'S misrepresentation regarding contingent fees in Attachment 5-9H, in addition to terminating this CONTRACT, COUNTY may recover from CONTRACTOR the full amount of the proscribed commission, percentage, brokerage, or contingent fee.

2. Liquidated Damages

COUNTY may seek liquidated damages listed in Exhibit 12-D2.

The Parties have set these liquidated damages in recognition of the following circumstances existing at the time of the formation of this CONTRACT:

- a.** COUNTY incurred considerable time and expense procuring this CONTRACT to secure an improved level of Collection quality and increased Customer and Occupant satisfaction. Therefore, consistent and reliable Task 1 and Task 2 Services are of the utmost importance to COUNTY and Customers and Occupants.
- b.** COUNTY has considered and relied on CONTRACTOR'S representations as to its quality of service commitment in entering into this CONTRACT, and CONTRACTOR'S Breach represents a loss of bargain to COUNTY. CONTRACTOR is experienced in providing services like Task 1 and Task 2 Services.
- c.** Quantified standards of performance are necessary and appropriate to ensure quality, consistent, and reliable Collection, and if CONTRACTOR fails to meet its Performance Obligations, COUNTY will suffer damages (including its Customers and Occupants' inconvenience; anxiety, frustration, potential political pressure, criticism, and complaint by Customers and Occupants; lost Supervisors and staff time; deprivation of the benefits of this CONTRACT 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. It would be difficult for COUNTY to prove its loss resulting from CONTRACTOR'S Breaches and nonperformance or untimely, negligent, or inadequate performance of County Services.
- d.** The CONTRACT contains a reasonable statement of Task 1 and Task 2 Services in order that the Parties will realize their expectations. COUNTY expects that CONTRACTOR shall perform Task 1 and Task 2 Services with due care in a workmanlike, competent, timely, and cost-efficient manner. CONTRACTOR expects to realize a profit by performing Task 1 and Task 2 Services in accordance with the terms and conditions of the CONTRACT for County Service Fees.
- e.** In addition, in the event of Breach or CONTRACTOR 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 CONTRACT, and the monetary loss resulting there from is impossible to precisely quantify. Time is of the essence.
- f.** The CONTRACTOR accepts COUNTY'S assessment of liquidated damages for certain Breaches as part of the consideration CONTRACTOR offers to COUNTY for the award of this CONTRACT to CONTRACTOR.

- g.** Lastly, termination of this CONTRACT for CONTRACTOR Default and other remedies provided in this CONTRACT are, at best, a means of future correction and not remedies that make COUNTY whole for past Breaches and CONTRACTOR Defaults.

Therefore, the Parties agree that the liquidated damages listed in Exhibit 12-D2 represent a reasonable estimate and fair approximation of the amount of damages COUNTY would incur as a consequence of CONTRACTOR'S Breach corresponding to each item of specified liquidated damages, considering all the circumstances existing on the date of this CONTRACT, 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 CONTRACT, each Party specifically confirms the following:

- the accuracy of the statements made above, and
- the fact that each Party had many opportunities to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this CONTRACT was made.

E. County's Reimbursement Costs

CONTRACTOR shall pay COUNTY promptly upon request, COUNTY'S Reimbursement Costs of conducting a nonroutine investigation of any alleged Breach, when appropriate in judgment of Director. CONTRACTOR shall reimburse COUNTY for COUNTY'S Reimbursement Costs incurred because of CONTRACTOR'S Breach, including failure to maintain insurance.

F. Waiver

No waiver by County of any Breach of any provision of this CONTRACT constitutes a waiver of any other Breach of that provision. Failure of COUNTY to enforce at any time, or from time to time, any provision of this CONTRACT will not be construed as a waiver thereof. The rights and remedies set forth in this item F are exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT.

SECTION 13 - UNPERMITTED WASTE SCREENING AND REPORTING (Contract Services)

A. Protocol

CONTRACTOR shall develop and implement the Unpermitted Waste Screening Protocol in compliance with Applicable Law and including the following provisions:

- Ongoing employee training in identification, safety and notification procedures, including leaving Non-Collection notices, when safe;
- Means of driver inspection, such as visual inspection during tipping of Carts into Vehicles;
- Immediate driver response, such as load segregation;
- Driver notification, such as calling CONTRACTOR'S dispatcher or field supervisor;
- Notification of appropriate local agency or department;
- 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;
- Compliance with Applicable Law, including regulations of the United States Department of Transportation (DOT) (Title 49 CFR) and of the United States Environmental Protection Agency (Title 40 CFR); and
- Labels on Containers, described in item D of this Section.

B. Prohibition on Collection

CONTRACTOR shall not Collect any Unpermitted Waste that it finds in Refuse, Recyclables, or Green Waste unless it is licensed under Applicable Law. If CONTRACTOR finds Unpermitted Waste it shall notify all Persons in compliance with Applicable Law.

C. Notice to Director

If CONTRACTOR sees anything that it reasonably believes or suspects may be Unpermitted Waste on any public property in COUNTY, CONTRACTOR shall immediately notify Director and all Persons in compliance with Applicable Law. Public property includes storm drains, streets, and other public rights of way.

D. Labels

CONTRACTOR shall conspicuously label Containers with embossing or other secure means prohibiting Customers from discarding Unpermitted Waste. CONTRACTOR shall submit the label and text for Director approval prior to placing any purchase order for Containers. Item D9 of Exhibit 3A1 contains additional Container requirements.

SECTION 14 - EXECUTION OF CONTRACT

A. Execution in Counterparts

This CONTRACT, including dated signatures on amended Exhibits and attachments to those Exhibits, may be signed in any number of original counterparts. All counterparts constitute the same CONTRACT.

B. Authority to Execute

COUNTY warrants that the individual signing this CONTRACT has been duly authorized by COUNTY to sign this CONTRACT on behalf of COUNTY and has the full right, power, and authority to bind COUNTY to this CONTRACT. CONTRACTOR warrants that the individual signing this CONTRACT below has been duly authorized by CONTRACTOR to sign this CONTRACT on behalf of CONTRACTOR and has the full right, power, and authority to bind CONTRACTOR to this CONTRACT.

SECTION 15 - PERFORMANCE ASSURANCE

A. Performance Bonds, Other Securities

CONTRACTOR shall secure and maintain throughout the Term and until CONTRACTOR has complied with all its obligations that survive the Expiration Date a faithful performance bond, approved by COUNTY. The performance bond must be in a form satisfactory to COUNTY or, at COUNTY'S sole and absolute discretion, any alternative security acceptable to Director, including cash, certified check payable to COUNTY, certificate of deposit, or letter of credit (together, "**Performance Assurance**"), in the amount not less than \$50,000.

The Performance Assurance secures full and timely satisfaction of Performance Obligations for both Task 1 and Task 2 services.

CONTRACTOR shall provide a Performance Assurance in the amount listed in the table below for the period beginning on the Execution Date and ending on the last day of the first Contract Year.

Service Area	Amount of Performance Assurance
[Name of Contract Area]	[Amount]

Beginning on the first day of the next Contract Year, and in all subsequent Contract Years, that amount must be not less than the sum of:

	15 percent of CONTRACTOR'S Gross Receipts from Task 1 Services minus any Franchise Fees for the prior Contract Year;
+	15 percent of CONTRACTOR'S Gross Receipts from Task 2 Services for the prior Contract Year
+	110 percent of any Franchise Fees paid by CONTRACTOR during the first six months of the prior Contract Year;
+	110 percent of any liquidated damages assessed CONTRACTOR by COUNTY during the first six months of the prior Contract Year; and
+	Up to \$50,000, at the discretion of Director;
=	SUM OF PERFORMANCE ASSURANCE (\$50,000 MINIMUM)

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 Director. The form of performance bond may not allow the bond surety to substitute another Person to perform Task 1 and Task 2 services but must provide for payment of moneys to COUNTY to: (1) secure substitute Task 1 and Task 2 services; (2) remedy damages incurred by COUNTY, including reasonable expenses, attorney's fees, and liquidated and compensatory damages; (3) ensure satisfaction of all Performance Obligations, including

payment of Franchise Fees; and, (4) repay any money recovered from COUNTY in any bankruptcy or similar proceedings relating to CONTRACTOR. The performance bond must be conditioned on faithful performance by CONTRACTOR of all the terms and conditions of this CONTRACT, 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. At least 30 days prior to the Execution Date and 30 days prior to any renewal of the Performance Assurance, CONTRACTOR shall deliver the Performance Assurance to Director.

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

B. Further Assurances

In addition to all other rights and remedies it may have, within five days of County request CONTRACTOR will provide reasonable assurances that it can timely and fully meet its obligations under this CONTRACT in any or all of in the following events:

1. Labor

CONTRACTOR is the subject of any labor unrest (including work stoppage or slowdown, sick-out, picketing and other concerted job actions).

2. Tipping Fees

CONTRACTOR does not pay an Identified Solid Waste Facility for services.

3. Employee Wages

CONTRACTOR does not pay wages to its employees, provide workers' compensation insurance required by law, or pays employment-related taxes or fees.

4. County

CONTRACTOR does not pay COUNTY any amount that COUNTY has charged CONTRACTOR.

5. Meet Obligation

In the COUNTY's judgment, the occurrence of either of the following events jeopardizes CONTRACTOR's ability to timely and fully meet its obligations under this CONTRACT:

- CONTRACTOR does not regularly pay its bills when due, or
- The entering of any judgment against CONTRACTOR or any Guarantor with respect to Criminal Conduct by CONTRACTOR or Guarantor.

“Assurance of Performance” means any or all of the following actions, as COUNTY requests:

- reduction or elimination of insurance deductibles or self-insured retention,
- providing or increasing the size of a letter of credit, or
- providing an additional performance bond, certificate of deposit or other instrument.

SECTION 16 - CONTRACT SERVICE AREA INFORMATION

CONTRACTOR is to use and follow the information below provided by Director. Not every Service Area has a sample of every item as it may not be applicable. For example, East Los Angeles has no history of bears opening Refuse Containers so a Bear Map will not be included. Many of the required documents in Exhibit 3D will have a sample listed below.

A. Maps

1. **Service Area and Collection Schedule**
2. **Hot Zones**
3. **Difficult to Service**
4. **Bear Zone**
5. **Alleys**
6. **Public Receptacles**
7. **Roll-Out Minimum Service**

B. Sample Graphics

1. **Cart Lid Labels**
2. **Dumpster Labels**
3. **Vehicle Billboards**

C. Data

1. **Street and Alley Miles**
2. **Difficult to Service Addresses**
3. **Public Receptacles Locations**
4. **Roll-Out Minimum Service Locations**
5. **Customer Information**
 - Number of Customers
 - Number of Containers of each Size
 - Number of Senior Discounts
 - Number of Extra Services (Manure, Bear Cart, Roll-Out, etc.)
 - Number of Extra Containers
6. **Tonnages**
7. **Item Typical Weights**
 - CalRecycle Conversion Factor
 - FRN

D. Outreach

1. **COUNTY and CONTRACTOR Letters**
2. **Non-Collection Notice**
3. **Customer Terms and Conditions**
4. **Service Brochure**

5. Rate Sheet

E. SWIMS

1. Form C
2. Form L
3. Form T
4. Form V Vehicle List

[illegible]

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

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

County Counsel

By _____
Deputy

By _____
President

Type or Print Name

Secretary

Type or Print Name

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EXHIBIT 3A1 - Task 1 Services

Refuse, Recyclables, and Green Waste Container Services to Occupants at Residential Premises and Certain Multifamily and Commercial Premises

A. General

Contract Services include providing Goods, Services, and Property necessary to meet Performance Obligations, including:

- Labor and supervision;
- Software and hardware, including records of Customer subscription and complaints, billing and routing
- Leases; subleases; installment purchase agreements, including with respect to Vehicles and Carts,
- Equipment, including Vehicles, Carts or other Containers (such as for special events);
- Supplies;
- Insurance, bonds or other performance security if the insurer, surety or other provider is an Affiliate or a captive of CONTRACTOR or any Affiliate;
- Maintenance and office-administration facilities, and their contents,
- Legal, risk management, general, and administrative services.

B. Solid Waste Collection Requirements

CONTRACTOR shall Collect Refuse, Recyclables, and Green Waste in the Service Area from Containers, Bulky Items, and Excess Solid Waste, as provided in this Exhibit.

Collect, Collection, or Collecting means Solid Waste pickup(s) made by CONTRACTOR required by and in accordance with this CONTRACT, including Abandoned Waste.

1. Days Authorized to Collect

Residential Collection is only permitted Monday through Friday, except following a Holiday. Commercial Collection is permitted Monday through Saturday, except following a Holiday.

For each Occupant CONTRACTOR shall Collect Recyclables and Green Waste on the same day that CONTRACTOR Collects the Refuse.

2. Collection Hours

CONTRACTOR shall Collect only between the hours of ~~7~~6 a.m. and 6 p.m., except for Collection from Commercial Customers and Occupants in

accordance with COUNTY Code, including Section 12.08.520 Refuse Collection Vehicles.

If it becomes evident that CONTRACTOR may not be able to complete its scheduled work within the required hours, CONTRACTOR shall immediately notify Director and receive consent to Collect outside of regular hours. Director may request a proposal for measures to be taken to maintain the scheduled service without delay or interruption.

CONTRACTOR shall not Collect in School Zones 30 minutes prior to the school's starting time and 30 minutes after ending time, or at any time that children are present.

CONTRACTOR shall use Reasonable Business Efforts to adjust the early morning start point of Collection routes to address and minimize Occupant complaints.

3. Collection Frequency

CONTRACTOR shall Collect Solid Waste on the scheduled Collection Day, at least once per week from Occupants. The frequency of Collection may be reduced at the discretion of Director. For example, the Collection frequency of Refuse may be reduced if Food Waste is not allowed in the Refuse Container or Recyclables Containers Collection frequency may be reduced to every other week.

Customers may increase the frequency of their collection for an additional charge for the Customer Service Fees provided on Attachment 7-2, Task 1 Service Fees of Exhibit 7.

4. Collection Schedule

CONTRACTOR shall schedule Collection in the Service Area on the Service Days as indicated on the schedule in item A1 of Exhibit 16 (Collection Schedule), or other schedule approved by Director if it significantly improves efficiencies.

Any proposed changes in the Collection schedule shall have the Service Day be one to two Service Days before streets are swept as provided in Director's schedule for street sweeping in the Service Area. Director may amend this schedule at any time, and CONTRACTOR shall use Reasonable Business Efforts to implement this amendment. CONTRACTOR shall prepare a notice notifying the affected Customers and Occupants of the change and send such notice to these Customers and Occupants upon receiving approval from Director.

5. **Holidays**

CONTRACTOR shall observe the following Holidays:

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Christmas Day

Collection shall be delayed one day for the Holiday and the remainder of the Holiday week. CONTRACTOR may Collect on Saturday of the same week for Residential Customers and Occupants and on Sunday for Commercial Customers and Occupants.

C. **Diversion**

1. **Divert Materials**

a. Refuse Transport and Disposal.

CONTRACTOR shall transport all Refuse that it Collects to the Solid Waste Facility that it designates in CONTRACTOR Documentation in Exhibit 3D.

b. Recyclables Transport and Processing.

CONTRACTOR shall transport all Recyclables that it Collects from Recyclables Containers to the Processing facility that it designates in CONTRACTOR Documentation in Exhibit 3D, such as a materials recovery facility.

CONTRACTOR shall recycle and dismantle all E-waste that it collects into materials that meet commercial standards for marketable commodities such as metals, plastic, and glass in a facility that operates within the United States. CONTRACTOR shall not ship any other E-waste or E-waste components outside the United States. CONTRACTOR shall demonstrate compliance with this subsection in the form of an affidavit from the proposed E-waste recycler.

c. Green Waste Transport and Processing.

CONTRACTOR shall transport all Green Waste that it Collects from Green Waste Containers to the Processing Facility that it designates in CONTRACTOR Documentation in Exhibit 3D.

d. Manure Transport and Processing.

If a Service Area has Manure, CONTRACTOR must Collect and transport it to the Processing Facility that it designates in CONTRACTOR Documentation in Exhibit 3D.

2. Reasonable Business Efforts to Divert

CONTRACTOR shall use Reasonable Business Efforts to Divert the following materials that it Collects:

a. Bulky Items

Bulky Items including large appliances/white goods in accordance with item H3 of this Exhibit

b. Abandoned Waste

Abandoned Waste Collected in accordance with Exhibit 3A2

c. Excess Solid Refuse

Excess Solid Refuse Collected in accordance with item H3 of this Exhibit

d. Manure

Manure observed in Refuse Containers by offering Manure-only Containers

CONTRACTOR shall Dispose the items, listed in this subsection, collected from Customers and Occupants pursuant to this CONTRACT in accordance with the following hierarchy:

a. Reuse, as-is

b. Disassemble, for reuse or recycling

c. Recycle

d. Disposal

CONTRACTOR shall not Dispose of the items, listed in this subsection, in a landfill unless the items cannot reasonably be reused or recycled.

D. Containers

1. Standard Containers

CONTRACTOR shall provide to each Occupant the following:

- a. One 96-gallon Refuse Cart;*
- b. One 96-gallon Recyclables Cart;*
- c. One 96-gallon Green Waste Cart;*
- d. A second 96-gallon Recyclables Cart, upon Customer or Occupant request; and*
- e. A second 96-gallon Green Waste Cart, upon Customer or Occupant request.*

2. Extra or Larger Capacity Containers

If Customer requests an extra Container or larger capacity Container for Refuse, and/or request extra container for Recyclables or Green Waste beyond the carts as described above, the Customer shall pay CONTRACTOR the surcharge, as provided in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

3. Delivery, Removal, and Exchanges

Within seven calendar days after receiving a Customers or Occupant's request for commencement or changes in Collection of Solid Waste, CONTRACTOR shall deliver Container of the Customer or Occupant's requested capacity or replace existing Container with substitute Containers of the Customer or Occupant's requested capacity. CONTRACTOR shall charge a fee according to the following:

a. Starting or Stopping Service

CONTRACTOR shall not charge for delivery or removal of Containers upon starting or terminating service.

b. One Annual Exchange of Container Sizes

CONTRACTOR shall exchange one or more Containers for one or more Containers of a different size if requested by Customer or Occupant once each Calendar Year at no extra charge.

For example, a Customer or Occupant may ask CONTRACTOR to exchange its 96-gallon Refuse and Recyclable Containers for 64-gallon Containers at no charge.

c. Multiple Exchanges of Container(s)

If a Customer asks CONTRACTOR to exchange Container(s) more than once each Calendar Year as described in item b above, CONTRACTOR may charge the Customer the amount provided in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

CONTRACTOR shall inform the Customer of the fee prior to the exchange and give the Customer the option of waiting for the exchange until the next calendar year to avoid the charge.

4. Repair and Replacement

a. Identification/Reporting

CONTRACTOR shall repair or replace damaged Carts that it observes damage when providing service and upon request from Director, Customer, or Occupant.

b. Fee

CONTRACTOR will repair or replace Containers without cost except in the circumstances below. CONTRACTOR may charge the Containers' actual cost of repair or replacement:

- Customers or Occupants do not report the theft of the Container to the police.
- The Container is damaged due to Occupant negligence such as damage when picked up for emptying because of excess weight or melted due to hot ashes inside. Director's determination of Occupant negligence is final.

c. Repair or Replacement

CONTRACTOR shall repair or replace damaged Containers within two Service Days after CONTRACTOR observes the damaged Container or as requested by Director, Customer or Occupant. "Damage" includes missing or inoperable lids.

5. Placement (Set-Out Site)

CONTRACTOR shall arrange for the location of a Set-Out Site directly with Customer or Occupant. If no arrangement is made, then the default location is the curb of the street for the address of the Customer or Occupant or in the alley behind the Customer or Occupant's property. If CONTRACTOR Collects from any other location CONTRACTOR may be required to provide roll-out service under item I of this Exhibit.

CONTRACTOR shall return empty Containers upright and to their Set-Out Sites. CONTRACTOR shall not impede pedestrian or vehicular traffic. The Set-Out Site should be located at the curb or as otherwise provided in COUNTY Code Section 20.72.100, except during heavy rains when CONTRACTOR shall return Containers approximately two feet from the curb to keep the gutter unobstructed and prevent the Containers from being washed away.

6. Inventory

CONTRACTOR shall maintain an adequate inventory of Containers and lids of each type and capacity to provide to Customers and Occupants within two Service Days of request. When determining adequacy, CONTRACTOR shall consider the nature of Set-Out Sites. For example, Containers placed on unlevel Set-Out Sites, such as in mountainous areas without curb and gutter, may be damaged more frequently than those placed in level Set-Out Sites. Therefore, CONTRACTOR must maintain a larger inventory of Carts for those areas.

CONTRACTOR shall notify Director if inventory is inadequate, including an explanation of why inventory dropped below the two-Service Day standard. For example, CONTRACTOR might submit its timely order for Containers but receive them later than manufacturer originally represented due to manufacturer's backlog or other delay.

7. Graffiti

CONTRACTOR shall remove any graffiti and other markings that deface or detract from the aesthetic quality of the Containers within seven calendar days of its Vehicle drivers' or route supervisors' observation and report, or upon request of Director or any other person. If the graffiti is comprised of obscenities, removal shall be within two Service Days. Instead of removing graffiti or markings, CONTRACTOR may replace defaced Containers with clean Containers.

8. Alternative Container Sizes

If a Customer or Occupant requests alternate Container sizes, CONTRACTOR shall provide the type of Containers described in CONTRACTOR Documentation in Exhibit 3D. For the purposes of this CONTRACT, Carts with a capacity between 95 and 100 gallons are equivalent to 0.5 cubic yards. CONTRACTOR shall provide the number of alternative Containers having the same aggregate capacity as CONTRACTOR would have provided to that Occupant. For example:

- Three 32-gallon Carts instead of one 96-gallon Cart.
- One 64-gallon Cart and one 32-gallon Cart instead of one 96-gallon Cart.

9. Additional Specifications

CONTRACTOR shall provide to Occupant wheeled Containers compatible with automated collection vehicles having the specifications described in CONTRACTOR Documentation in Exhibit 3D.

a. **Carts**

(1) **Color**

Cart bodies must be one color, approved by Director, with color coded lids. Lid colors shall distinguish the type of materials that go in each Cart such as black or brown for the Refuse Cart, blue for the Recyclables Cart, and green for the Green Waste Cart. If a Food Waste Cart is to be used, Director shall approve the proposed color.

As an alternative with approval from Director, the Refuse Cart body may be black, the Recyclables Cart body may be blue, and the Green Waste Cart body may be green, or other Director approved color.

(2) **Capacity**

CONTRACTOR shall provide Carts of an approximate capacity of 96, 64, and 32 gallons. If a Food Waste Cart is to be used, Director shall approve the proposed size.

(3) **Labeling of Body**

Containers shall clearly display CONTRACTOR's name in a contrasting color or other name, as approved by Director.

(4) **Labeling of Lids**

Cart lids shall be labeled similar to the template in item B1 of Exhibit 16 and shall clearly display CONTRACTOR's phone number, website, and contents for which the Container is designated, a warning that the disposal of Unpermitted Waste in the Container is prohibited, and acceptable/not acceptable contents.

(5) **Recycled Content**

Each plastic Cart shall be constructed of recyclable content at a minimum of 25 percent post-consumer materials.

b. Dumpsters

The following conditions apply when dumpster service is provided.

(1) Lids

A lid shall prevent intrusion of rainwater, rodents, birds, and flies; shall prevent the contents from being carried or deposited by the elements onto the ground; and shall reduce the emission of odors.

(2) Labeling of Body

Dumpster bodies shall be labeled similar to template in item B2 of Exhibit 16 and shall clearly display CONTRACTOR's phone number, website, and contents for which the Container is designated, a warning that the disposal of Unpermitted Waste in the Container is prohibited, and acceptable/not acceptable contents. Examples of recyclables is an important part of educating Customers and Occupants.

10. Customer or Occupant Declines a Portion of Collection Service

A Customer or Occupant may decline Refuse, Recycling, or Green Waste Collection Services and therefore they may not need all three types of Containers, or may not need all the alternative Containers as provided for in Section D(1) of this Exhibit. Fees shall not be reduced for Customers declining a portion of the basic Collection services.

11. Container and/or Cart Lids Purchase Option

In the event of Breach or termination, COUNTY may purchase some or all Containers and/or Cart lids on the effective date of the contract termination Notice at a price equal to the then book value of Containers and/or Cart lids amortized straight-line over the initial seven-year Term of the CONTRACT. This includes Containers and/or Cart lids stored in CONTRACTOR's inventory for future use under the requirements of subsection 6 of this Section. CONTRACTOR shall transfer or assign to COUNTY all rights necessary to give COUNTY ownership, possession and use of Containers and/or Cart lids, including under any Containers and lid acquisition agreement.

12. Bear-Resistant Carts

If required under Exhibit 3A3, CONTRACTOR shall offer bear-resistant 96-gallon Carts.

13. Manure Service

If required under Exhibit 3A3, CONTRACTOR shall offer Manure Collection service from Manure-only Containers for the Customer Service Fees provided on the Attachment 7-2, Task 1 Service Fees of Exhibit 7.

14. Recyclables Cart with Gravity Lock

Upon Customer request, CONTRACTOR shall sell Customer, with no financial gain to CONTRACTOR, Recyclables Carts with gravity locks to prevent scavenging, to Customer at the price listed on Attachment 7-2, Task 1 Service Fees of Exhibit 7. After selling Carts and transferring ownership to Customer, CONTRACTOR is no longer responsible for repair or replacement of the Carts. CONTRACTOR shall disclose to Customer and receive written acknowledgement from Customer, CONTRACTOR is no longer responsible for the sold Carts. If CONTRACTOR cannot give Director evidence of Customer's acknowledgment, CONTRACTOR shall continue to be responsible for repair or replacement of the Carts.

If CONTRACTOR is unable to Collect from Cart due to failure of the lock, CONTRACT shall require Customer to repair it, offer to repair it for a reasonable charge, or replace Cart with standard non-locking Cart at no charge.

CONTRACTOR is not obligated to deliver Recyclables Carts with gravity locks within seven days of request under subsection 3, but CONTRACTOR must deliver those Carts within 21 days of request.

E. Vehicles

1. General

CONTRACTOR shall provide Vehicles of appropriate number, sizes, capacities, and functions required for the efficient Collection of different types of Solid Waste, such as Refuse, Recycling, Green Waste, Bulky Items, and Abandoned Waste. CONTRACTOR shall also provide non-compacting Vehicles for the collection of E-waste, white goods, and any other materials that contains chlorofluorocarbons. Vehicles shall be so constructed such that Solid Waste or liquids will not blow, fall, sift, or leak out of the truck into the street. CONTRACTOR shall equip Vehicles with a shovel, broom, and petroleum absorbent agents. CONTRACTOR shall comply with any additional requirements with respect to the Vehicles as set forth in Exhibit 3A3.

2. Automation

CONTRACTOR shall Collect Refuse, Recycling, and Green Waste in automated Collection Vehicles, except CONTRACTOR may Collect the following materials in non-automated Collection Vehicles for:

- a. Bulky Items including E-waste*
- b. Holiday trees*
- c. Solid Waste discarded at Set-Out Sites that are Difficult to Service*

3. Fuel/Power

Within the first six months after Execution, all Vehicles used for automated Collection must use Liquid Natural Gas or Compressed Natural Gas fuel, or other alternatives to diesel fuel, as approved by Director unless CONTRACTOR Documentation provides otherwise with respect to Collection at Premises that are difficult to serve as permitted in item O of this Exhibit.

4. Extra Vehicles

CONTRACTOR shall maintain enough back-up Vehicles to replace similar types of Vehicles in the event of breakdowns, complaints, and emergencies. Director may specify a minimum number of backup Vehicles.

5. Maintenance

CONTRACTOR shall maintain Vehicles reasonably clean, and in good mechanical condition, and well painted, all to the satisfaction of Director. CONTRACTOR shall maintain records of inspections and maintenance of all mechanical equipment that CONTRACTOR uses to provide Contract Services, including Vehicles. CONTRACTOR will use Vehicles that are safe to operate, in accordance with the requirements promulgated by COUNTY Department of Public Health, California Highway Patrol, South Coast Air Quality Management District, manufacturer, and all other applicable Federal, State, County, and local laws and regulations. CONTRACTOR shall allow Director to view all inspection and maintenance Records and shall provide Director with those records upon request.

CONTRACTOR is not required to provide new Vehicles on the Commencement Date or to retire Vehicles of any specified age. However, CONTRACTOR shall not operate Vehicles that repeatedly breakdown or leak. CONTRACTOR shall replace a Vehicle that Director determines to be of unsatisfactory operating condition, such as one that is frequently breaking down and delaying services, leaking fluids, making noise or exhibiting other significant issues identified by Director.

6. Vehicle List

CONTRACTOR shall use only those Vehicles that have been submitted to and approved by Director. CONTRACTOR shall submit a complete list of Vehicles, including back-up vehicles, using Form V, accessible through Director's Solid Waste Information Management System (SWIMS) and update it as Vehicles change.

7. Vehicle Billboards

CONTRACTOR shall equip automated Collection Vehicles with frames on both sides capable of securing signs measuring approximately 30 inches by 90 inches or other dimension approved by Director. CONTRACTOR shall design, print, and install signs on each frame promoting Recycling, Diversion and safe handling of Unpermitted Waste or other topics as requested by Director, with text, graphics, and design approved by Director, up to six times throughout the CONTRACT term. CONTRACTOR shall ensure that the appropriate Director-approved signs are affixed to the Vehicle always. Director reserves the right to interchange any of the six signs up to four times per Contract Year. CONTRACTOR shall not use the billboards for commercial advertising. Item B3 of Exhibit 16 includes examples of sign designs.

8. Company Name

CONTRACTOR'S name or other name, as approved by Director, and logo shall appear on all Vehicles.

9. Vehicle Monitoring

In all Vehicles used for Task 1 Services CONTRACTOR shall install devices to monitor Vehicles' operations, including Global Positioning Systems (GPS) that record Vehicle's location-route and at a minimum, a camera on the Vehicle's dashboard, unless Director consents otherwise.

CONTRACTOR'S failure to provide reports requested by Director within time specified by Director may be considered an admission of fault for the purposes of assessing Liquidated Damages. For example, if CONTRACTOR does not give Director a requested report, within a period specified by Director, to verify that a Vehicle Collected all Containers on an identified block, Director may assume that CONTRACTOR did not Collect those Containers and assess Liquidated Damages.

a. Video Equipment

CONTRACTOR'S automated Collection Vehicles shall be equipped with functioning, forward facing, or angled slightly to the right, video

recording equipment to validate service complaints such as missed collections and other items that may be of interest to Director.

Video equipment must be recording once a Vehicle leaves the yard during days of operation. Video must be geotagged for location, time/date stamped, and at a resolution adequate to clearly identify the location being serviced and typically not less than 1280 x 720 at 30 frames per second with a viewing angle approximately 129° diagonal, 103° horizontal, 77° vertical. CONTRACTOR shall retain all videos in an electronic format for a minimum of 14 calendar days, or other duration as requested by Director. CONTRACTOR shall provide copies of videos and/or screen captures of a specific day, time, or for a specific location, within 48 hours of receiving Director request.

b. Global Positioning System (GPS)

GPS data will be maintained by CONTRACTOR either directly or through a third-party service. The GPS shall be able to track a Vehicle's path-route with lines or dots superimposed on a map.

The GPS shall gather the following data: date, time, speed, direction, location (address) and shall be able to generate Reports. CONTRACTOR shall retain all data for a minimum of 14 calendar days or other duration approved by Director. CONTRACTOR shall provide copies of reports within two business days of receiving Director request. Request may be for a specific time or a geographic location (between 10:00 a.m. and 11:00 a.m., or 1200 block of Main St.).

The minimum locate schedule (ping frequency of occurrence that GPS data is received from the Vehicle) shall be at least every one minute for fully automated Collection and at least every ten seconds for other Collection Vehicles, when within the Service Area.

10. Special Vehicles

See Exhibit 3A3 for possible special Vehicle requirements in this Service Area. This is likely only for areas with significant mountainous terrain.

F. Solid Waste Transportation, Processing, Diversion, and Disposal

CONTRACTOR-Designated Solid Waste Facility. CONTRACTOR shall transport Solid Waste only to the Solid Waste Facility or Facilities that CONTRACTOR has designated in CONTRACTOR Documentation in Exhibit 3D for Processing, Diversion, or Disposal. CONTRACTOR may designate a Solid Waste Facility or Facilities that utilizes Conversion Technology or provides feedstock to Conversion Technology facilities. Prior to any change in designated

facilities, CONTRACTOR must provide Notification to Director for consent of change. Director will review information such as fees, distance, recycling rates, ability to Recycle Recyclables. Director may conditionally approve taking Solid Waste to a facility that charges more by not allowing the increased cost to be passed down to the Customer.

Director reserves the right to direct Solid Waste to a specific site or facility upon CONTRACT with CONTRACTOR. COUNTY will compensate CONTRACTOR for any direct costs, if any, such as increased tipping fees and transportation costs which CONTRACTOR incurs following delivery of materials to a COUNTY-designated Solid Waste Facility instead of to a CONTRACTOR-selected Solid Waste Facility.

Some Service Areas may require CONTRACTOR to use specific sites or facilities without additional compensation, as designated in Exhibit 3A3 if applicable to this CONTRACT.

G. Recyclables

Recyclables means Solid Waste that may potentially be Diverted from disposal (excluding Green Waste and Manure) including but not limited to any of the following materials:

- Aluminum and metal cans;
- Newspaper;
- Glass jars and bottles;
- Tin cans;
- Plastic soda bottles;
- Plastic milk and water jugs;
- Plastic bags (e.g., bread, frozen food, grocery bags);
- Type No. 1 plastic containers (PET-polyethylene terephthalate);
- Type No. 2 plastic containers (HDPE-high density polyethylene);
- Type No. 3 plastic (PVC-Vinyl or Polyvinyl Chloride);
- Type No. 4 plastic (LDPE-Low Density Polyethylene);
- Type No. 5 plastic (PP-Polypropylene);
- All types of paper (e.g., office paper, junk mail, magazines, telephone books);
- Corrugated cardboard;
- White goods (such as those listed in the definition of Bulky Items);
- Paper coated with plastic or aluminum foil (milk and juice cartons);
- Mattresses, excluding those made mostly of foam.

Additional (or deleted) items that Director directs after Notice to CONTRACTOR:

- Without adjustment of Service Fees **if the material has a value, or**
- **With a possible adjustment of Service Fees if the material has a cost of Diversion**

With a possible adjustment of Service Fees if~~unless~~ the modification requires Contract Services at the Set-Out Sites separate and distinct from previously Collected Recyclables, such as those requiring a separate Container.

1. Scavenging - Discouragement

CONTRACTOR shall use Reasonable Business Efforts to enforce the "Collection by Unauthorized Persons" law, pursuant to Public Resources Code Section 41950, et seq., and COUNTY Code Chapter 20.72.196 ("anti-scavenging laws"), including the following:

Marking recycle Containers with language that the materials are to only be picked up by CONTRACTOR as the "authorized agent" and that CONTRACTOR is picking up the material for recycling purposes.

Orally advising any person, other than CONTRACTOR, observed removing recyclable materials which have been segregated from Solid Waste materials and placed at a designated collection location for the purposes of collection and recycling that such conduct is a misdemeanor, per COUNTY Ordinance, and carries civil penalties.

Instituting civil actions against a Person alleged to have violated California Public Resources Code Section 41950 for treble damages, as measured by the value of the material removed, or a civil penalty of not more than \$2,000 whichever is greater, for each unauthorized removal, in accordance with California Public Resources Code Section 41953(a);

Instituting civil actions against a Person alleged to have violated California Public Resources Code Section 41950 for a second, or subsequent time in a 12-month period, for treble damages, as measured by the value of the material removed, or a civil penalty of not more than \$5,000, whichever is greater, for each unauthorized removal, in accordance with California Public Resources Code Section 41953(b); and

Taking actions under COUNTY Code Section 20.72.196 to discourage Scavenging.

2. Prohibition on Mixing Recyclables, Green Waste, and Refuse

Unless CONTRACTOR is obligated under this CONTRACT or approved by Director to conduct a single-pass for certain Occupants per Section 4B (such as on a private road) to process Refuse for recovery of Recyclables, or unless as otherwise approved by Director, CONTRACTOR shall not:

- a. **Mix the contents Collected from Recyclables, Green Waste, and Refuse Containers; or**
- b. **Dispose of Recyclables or Green Waste Collected, except for:**

- (1) Incidental amounts of Recyclables or Green Waste that an Occupant commingles with discarded Refuse;
- (2) Green Waste used as alternate daily cover that is considered Diversion; or
- (3) Contaminated Recyclables or Green Waste that cannot be Diverted using Reasonable Business Efforts if CONTRACTOR has previously exercised Reasonable Business Efforts to provide Occupant education with respect to reducing that contamination.

3. **Residuals**

CONTRACTOR shall use Reasonable Business Efforts to Divert or provide for the Diversion of residual Solid Waste remaining after processing ~~at a materials recovery facility or Conversion Technology facilities.~~

Residuals are not to include any significant number of Recyclables, as determined exclusively by Director considering operating and recovery efficiencies that CalRecycle may establish, such as performance that qualifies processing as Diversion.

4. **Recycling Diversion of Recyclables**

All items appearing in the definition of Recyclables must be diverted, even those which may cost money to RecycleDivert.

H. **Special Services**

CONTRACTOR shall provide the services prescribed in this Section without additional cost to Customers or charge to COUNTY except for subsection E of this Exhibit, Additional On-Call Pickup with Additional Cost.

1. **Holiday Tree Collection**

For a minimum of three weeks following December 25, or another period established by Director, CONTRACTOR 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 the Occupant's regularly scheduled Collection day. All materials collected shall be recycled to the maximum extent feasible.

2. **Annual Curbside Cleanup Event**

Once each Calendar Year, CONTRACTOR shall Collect up to 20 Bulky Items or bagged/bundled Excess Solid Waste, discarded at each Set-Out Site by the Occupant, including Construction and Demolition debris which is limited to two 70-pound bags, containers, or bundles. Any Construction and Demolition debris or other items not Collected shall be tagged with a Non-Collection Notice explaining the reason for it not being removed.

CONTRACTOR shall use Reasonable Business Efforts to ensure that this event is held the same weekends as previous year and no changes shall be made without Director's approval. The designated date is in item C of Exhibit 3A3. CONTRACTOR shall schedule events in succeeding Saturdays assigning one Service Day for each Saturday, except on a Holiday weekend and the following weekend if Collection service was delayed and Friday service is now on Saturday. CONTRACTOR shall avoid Holiday weekends and other weekends with celebrations or parades. Multiple Service Days may be combined into one Saturday upon approval by Director.

CONTRACTOR shall provide Director with information regarding the event such as route maps with starting and ending points, primary contact person, and other information requested by Director one week prior to the day of each event.

CONTRACTOR shall instruct Occupants to place their items at the Set-Out Site prior to 6 a.m. of the day of their event. CONTRACTOR shall start the event no earlier than 6 a.m. and end by 6 p.m. on the Saturdays during the event, or as instructed by Director.

CONTRACTOR is to anticipate that some Occupants will place items at the Set-Out Site after 6 a.m. and after CONTRACTOR has passed that Occupant's home. Therefore, prior to the end of each day's event, CONTRACTOR shall return to each street one time to ensure that all discarded materials placed at Set-Out Site were collected. CONTRACTOR is not required to use a Collection Vehicle for the second pass. For example, CONTRACTOR's route supervisor may check the Set-Out Sites. If any discarded material is found, CONTRACTOR shall collect it that same day. Any items in the public right-of-way after CONTRACTOR has returned one time are considered Abandoned Waste.

CONTRACTOR may be required, upon oral or text message request of Director to return to any event route and Collect discarded materials left out at the Set-Out Site. This shall be accomplished on the same day of the request. If Director makes such a request, it shall not be considered a violation of the service hours.

3. Bulky Item and Excess Solid Waste Collection

In addition to the Annual Curbside Cleanup Event described in item H2 of this Exhibit, CONTRACTOR shall Collect Bulky Items and excess waste discarded at the Set-Out Site as specified in item B of Exhibit 3A3.

4. Priority Pickups at Director's Request

a. ~~Within 24~~End of Next Service Day-Hours

CONTRACTOR shall Collect up to 20 times each Calendar Year unlimited amounts of Solid Waste in the Public Right-of-Way by the end of the next Service Day after ~~within 24 hours of~~ Director's request or other time agreed to between Director and CONTRACTOR.

b. Same Day

CONTRACTOR shall Collect up to ten times each Calendar Year unlimited amounts of Solid Waste in the Public Right-of-Way on the same day of Director's request.

5. Special Cleanup Events Services

At Director's request, CONTRACTOR shall provide Containers such as roll-offs, Bins, Carts, Dumpsters, Cardboard boxes in type, number, and capacity (up to 80 cubic yards) for discards of Solid Waste at up to six community cleanup projects or public events located throughout the Service Area during any 12-month period. CONTRACTOR may be required to replace filled Containers during the event if directed to do so by Director prior to the event, and shall be responsible for removing any Refuse that is left alongside of, rather than inside, the Containers. CONTRACTOR shall collect Containers at the end of the event, the next day, or other date agreed to between Director and CONTRACTOR. Event participants will be instructed to gather bags into piles at the end of the event. CONTRACTOR shall provide all the necessary staffing, labor, Vehicles, Containers, and other equipment, and materials or supplies (such as plastic bags in portable containers).

6. Sharps Collection

Within one week of a Customer or Occupant request, CONTRACTOR shall provide the Occupant, without charge, with the following:

a. Four Sharps Containers per Year

A Sharps Container that has at least a one-gallon capacity (up to four per Contract Year) for discard of Sharps in accordance with any Federal, State, and local laws and regulations; and,

b. Collect or Pre-Paid Mailer

CONTRACTOR shall also collect Sharps Container or provide a prepaid postage container for mailing back the approved Sharps Container in accordance with any Federal, State, and local laws and regulations.

CONTRACTOR shall collect, transport, and Dispose of materials, without charge, in accordance with any Federal, State, and local laws and regulations.

7. Mulch and Compost Giveaway Program

CONTRACTOR shall twice annually, publicize and offer Occupants Mulch (i.e., shredded bark and wood chips) and Compost (no tire shreds) at no additional charge to Customers, Occupants, or COUNTY. This shall occur once in the early Spring and again in the early Fall, or at alternate dates as requested or approved by Director. CONTRACTOR shall and use Reasonable Business Efforts to offer Mulch and Compost that were produced from Green Waste generated in the Service Area.

See Item A of Exhibit 3A3 for required minimum quantities of Mulch and Compost. CONTRACTOR shall comply with the California Department of Food and Agriculture's quarantine restrictions for the movement of the Green Waste. (<https://www.cdfa.ca.gov/plant/pe/InteriorExclusion/quarantine.html>)

a. Pickup Event

CONTRACTOR shall select a location, preferably within the Service Area (typically in the parking lot of a park or school) or other feasible areas approved by Director, and shall be responsible for planning and making all necessary arrangements. CONTRACTOR shall provide all the necessary staffing, Vehicles, containers, and other equipment, and materials or supplies (such as shovels and extra bags). CONTRACTOR shall help participants who request help and shall post a bilingual sign at the event offering assistance. Upon request of CONTRACTOR, Director may provide some assistance in securing COUNTY facilities.

b. Delivery

In lieu of a pickup event, CONTRACTOR may deliver bagged Mulch and Compost, with Director approval. CONTRACTOR shall provide all the necessary staffing, Vehicles, and bags. Within one week after Occupant request, CONTRACTOR shall deliver mulch and/or Compost to that Occupant's address.

I. Roll-Out Services for Containers

CONTRACTOR shall provide manual Container roll-out for all or a portion of Collection at the request of any Customer for the charge in Attachment 7-2, Task 1

Service Fees of Exhibit 7 and without additional charge for Elderly or Disabled Occupants. Elderly or Disabled Occupants must certify to CONTRACTOR that there is no able-bodied individual in the household who can move the Cart to the Set-Out Site. The roll-out service may be any one of the three services described below.

Subject to Director review and approval and further subject to CONTRACTOR'S obligations under Part 9C of Exhibit 5, CONTRACTOR may require those Customers and Occupants who subscribe to roll-out services to sign an agreement containing an indemnification of CONTRACTOR and COUNTY, for any claim related to, or arising from the roll-out service, other than the sole negligence of the indemnified party.

1. Full Service (Up to 50 feet) Carts

This service is for a typical urban Single-Family Home, or similar, to move the Carts from near the home, to the street, and back again. The roll-out shall be on paved, relatively flat surfaces at a distance up to approximately 50 feet from the Set-Out Site to the Occupant's on-site storage location, measured along the route the Container must travel. This service shall be for the charge in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

These services include the following:

a. *Move Carts*

Moving Carts from their storage location to the Collection Vehicle and returning them to their storage location. CONTRACTOR shall not leave Carts in the street for more than one hour; and

b. *Carry Bulky Items*

Carrying Bulky Items or E-waste from outside, adjacent to a building out to the curb that was called in for Collection by Customer or Occupant. CONTRACTOR shall not be required to remove Bulky Items or E-waste from inside a residence or business.

2. Extended Full-Service Carts

This service is the same as the services in Item 1, Full Service in this Section but with either of the extenuating circumstances below for the charge to be negotiated with Customer. If CONTRACTOR and Customer are unable to agree on a reasonable extra fee, Director shall determine the appropriate amount.

a. *Long Driveways.*

Driveways longer than 50 feet of distance between the Set-Out Site and the Occupant's on-site storage location.

b. Unpaved or Steep Driveways.

Conditions of the property such as the surface of the driveway is unpaved or very steep, prevents one person from safely rolling the Cart or two people from safely carry a Bulky Item.

J. Method of Payment for Task 1 Services

CONTRACTOR shall bill Customers directly for Task 1 Services in accordance with Section 7.

K. Transition Roll-Out Plan

At least 30 days Prior to the Execution Date, CONTRACTOR shall provide to Director for approval a start-up transition and Container roll-out plan, including both time line and tasks. CONTRACTOR shall submit a plan in accordance with item B19 of Exhibit 3D, and shall address items such as:

- Ordering Vehicles and/or Containers;
- Vehicle and/or Container delivery from manufacturer;
- Container assembly;
- Distributing Containers to Customers and Occupants;
- Public outreach and education activities;
- Determining routes;
- Training route drivers;
- Collecting old Containers; and
- Commencement date of Collection.

CONTRACTOR shall implement the approved start-up transition roll-out plan for an orderly transition of refuse services from one contractor to another.

CONTRACTOR shall cooperate and work with outgoing and future contractor of Task 1 Services to ensure a smooth transition. CONTRACTOR shall agree that if necessary for the orderly transition of Collection services to:

- Collect Solid Waste from outgoing contractor's Containers;
- Allow outgoing contractor to collect from Containers;
- Service, remove, and store outgoing contractor's Containers after transition;
- Allow future contractor to collect from Containers after the termination of Contract; and
- Continue Occupant's services, container quantity and sizes, and discounts from outgoing CONTRACTOR'S Customer service list, including not providing Containers to addresses not utilizing outgoing CONTRACTOR'S services.

Director shall have the final say to require transition services agreement between outgoing CONTRACTOR and future contractor.

L. Public Education and Outreach

CONTRACTOR shall develop, disseminate, and conduct comprehensive public education and outreach regarding services to maximize Diversion of Recyclables, Green Waste, Bulky items, Sharps, and E-Waste. The public education and outreach components shall include but not be limited to the following:

1. Customer Terms and Conditions

Before commencing Task 1 Services and annually thereafter by July 1, CONTRACTOR shall provide a Terms and Conditions to Customers and Occupants, substantially in the form included in Exhibit 16 and approved by Director.

CONTRACTOR shall distribute to Customers and Occupants a copy of the Terms and Conditions upon request.

Director may change the form and content of Terms and Conditions from time to time after Notice to CONTRACTOR. CONTRACTOR may change the form of Terms and Conditions only with Director's prior written consent in accordance with item L1.

2. Service Brochure(s)

Before commencing Task 1 Services and to each new Customer and Occupant, and annually throughout the CONTRACT term, CONTRACTOR shall provide a service brochure to Customers and Occupants, specifically in the form included in item D of Exhibit 16, which must include at a minimum, all the following items:

- The scope of Task 1 Services, including general information on size and number of Carts, where to get specific information about their Containers, and a general description of the Set-Out Site;
- Holiday schedules in accordance with item B5 of Exhibit 3A1;
- Delivery, pick up, exchange, and replacement of Carts;
- Any weight limitations of Carts;
- CONTRACTOR'S Office Hours, toll-free customer service telephone number, e-mail address, and website;
- Director's telephone number (888 CleanLA), which the Customers or Occupants may call after contacting CONTRACTOR if the Customer's or Occupant's service complaint is not satisfactorily resolved;
- Description of Green Waste and items (such as palm fronds) that do not comprise Green Waste, including items approved by Director;

- Description of the Recyclables; and
- Any other information requested by Director.

3. Community Meetings/Events

a. Prior to Start of Contract

Before beginning Task 1 Services, CONTRACTOR shall hold a minimum of two and up to six community meetings to explain hauler transition, if applicable, and new Task 1 Services to Customers and Occupants in the Service Area:

- Up to three on weekday evenings;
- Up to three on separate Saturdays; and
- Director may modify number, date, and time.

CONTRACTOR shall inform Director of the proposed meeting locations, setup, and arrangements at least three weeks prior to the proposed date. CONTRACTOR shall obtain Director's approval before holding any meeting.

CONTRACTOR shall notify all Customers and Occupants of the purpose, time, and place of each meeting at least two weeks prior to the scheduled community meetings. CONTRACTOR shall notify Customers and Occupants as set forth under item L4b(4) of this Exhibit. CONTRACTOR shall use address list provided by Director or a Director approved list provided by the previous contractor.

b. Upon Director Request

CONTRACTOR shall attend up to 20 community meetings/events per Contract Year upon Director's request. Examples include local fairs or civic events with individuals, Customers and Occupants, community organizations, city councils, town councils and any other groups named by Director. CONTRACTOR shall take any or all the following actions at the meetings/events, approved by Director:

(1) Operate Recycling Information Booths

CONTRACTOR shall operate recycling information booths and distribute colorful flyers, promotional items, have a minimum of 100 CONTRACTOR-provided reusable bags available, pamphlets, and other items that encourage participants to recycle, reduce, reuse, and/or Divert Solid Waste.

Additionally, upon Director request, CONTRACTOR shall order and provide up to \$500 worth of miscellaneous promotional items such as miniature recycling carts or magnets per Contract

Year. Director may request that CONTRACTOR give out these items at a special event or Director may distribute these items at any events.

(2) **Other Activities/Actions**

CONTRACTOR shall conduct other similar activities and take other similar actions requested by Director.

4. Written Notices and Outreach Materials

a. Prior to Beginning Task 1 Services

(1) **Letter From Director**

Within 30 days after the Award Date or other date designated by Director, CONTRACTOR shall print and mail letters written by Director, notifying Customers and Occupants that the CONTRACT was awarded to CONTRACTOR. CONTRACTOR shall be responsible to pay for the cost of producing and mailing these letters.

(2) **Letter From CONTRACTOR**

Within 60 days prior to the Commencement Date or other date designated by Director, CONTRACTOR shall prepare and mail a letter to all Customers and Occupants introducing themselves, explaining the transition, and announcing upcoming community meeting dates, and other pertinent information.

b. Upon Start of Task 1 Services and Annually

CONTRACTOR shall develop written educational materials and deliver them to Customers and Occupants. Historically this information was distributed using quarterly newsletters. To reach more people and reduce paper waste, it is desired to use new methodology to take advantage of technology, such as smartphones. Customers and Occupants are to be given a choice of how they want to receive the information, through traditional quarterly newsletters or via “monthly” text or e-mail messages. Such educational materials include:

(1) **Articles**

A minimum of four times and up to eight times per Contract Year, CONTRACTOR shall develop a bilingual article with color graphics containing information that encourages recycling and to educate Customers and Occupants of Task 1 Services available under this CONTRACT. Director may provide sample articles. Topics include the following examples:

- Placement of carts including during heavy rains
- Holiday Tree collection instructions
- Organics and/or Green Waste
- Bulky Items
- Illegal dumping
- Annual Curbside Cleanup Event Promotion
- Cleaning Containers
- Commingling of Solid Wastes
- 4 R's, reduce reuse recycle rethink
- Carts left in street
- Unpermitted Waste disposal
- New solid waste laws
- Articles specific to Service Area such as bear carts, palm fronds, or manure
- Other articles upon the request of Director

(2) ~~Special Event~~ Announcements

CONTRACTOR shall develop and deliver, as set forth in item L4b(4) of this Exhibit, outreach notices to Customers and Occupants on various events, upon receiving approval from Director, including and not limited to:

- Household Hazardous Waste Collection Events
- Annual Curbside Cleanup Event schedule
- Compost/Mulch Giveaway Event
- Smart Gardening Workshops
- Holiday Collection schedule
- Billing reminders, upon Customer request*
- Service interruptions*
- Non-collection notices*
- Sharps pickup
- Other notices upon the request of Director

* *These are limited to text or e-mail messages and are not applicable to newsletters.*

CONTRACTOR shall give between two and three weeks of events, or other time, as requested by Director, notice of each announcement to Customers and Occupants, except as related to billing reminders, service interruptions, and non-collection notices. Upon Director's request, CONTRACTOR shall use artwork, layout, or notices, provided by Director.

(3) Distribution

The articles and announcements will be disseminated in the following ways, as requested by Customers and Occupants:

(a) Newsletters

CONTRACTOR shall develop one-page (additional page(s) for Spanish, if required by Director) newsletters in color containing information upon receiving approval from COUNTY, CONTRACTOR shall deliver these newsletters to Customers and Occupants four times each Contract Year. Newsletters shall be available in electronic format such as PDF. CONTRACTOR shall make newsletters for 8.5-inch by 11-inch or 8.5-inch by 14-inch sized paper, whichever is appropriate, as requested by Director. Once per year, Director may request a second English page be added to newsletter.

(b) E-mail/Text Messages.

CONTRACTOR shall send brief electronic messages containing links to full articles, upcoming events, and/or newsletters for Customers and Occupants who request them. For example, in late December send a text worded, "Have a holiday tree to get rid of? [Click here.](#)", with a link to an article about holiday trees. When there is an HHW Collection Event nearby, send a text worded, "Leftover household chemicals, paint, or used oil to get rid of? [Click here.](#)" Messages shall be sent approximately monthly plus special announcements as necessary.

(4) Delivery of Written Materials to Customers and Occupants

CONTRACTOR shall deliver general materials (such as notices and newsletters) Customers and Occupants by any or all the following means approved by Director:

- U.S. Postal Service;
- Door-to-door delivery service;
- Insert in monthly Customer bills*;
- Electronic mail (E-mail)*;
- Text messages*;
- Other means approved by Director

* These methods individually are not adequate.

CONTRACTOR shall include Director in their mailing list and ensure that general materials are sent to Director the same time they are sent out to the Customers and Occupants.

CONTRACTOR shall submit proof of mailing within 7 days of mailing.

(5) Social Media

CONTRACTOR shall reach out to Customers and Occupants and make information available regarding Task 1 Services by current social media and the following means approved by" Director, such as: Facebook, Twitter, Instagram.

5. Additional Outreach

CONTRACTOR shall visit in-person, call, send an e-mail or text, or other means to inform a Customer or Occupant of services or issues, as requested by Director. For example, CONTRACTOR shall speak to an Occupant that contaminates a Container or frequently leaves a Bulky Item at the Set-Out Site without calling to request Collection.

6. Bilingual Correspondence

CONTRACTOR shall develop all written materials in both English and Spanish, if required by Director.

M. CONTRACTOR Commitments Made in Proposal

CONTRACTOR shall fully and timely satisfy any additional Performance Obligations set forth in item B18 of Exhibit 3D from its proposal to Director for procurement of this CONTRACT.

N. Additional Performance Obligations Specific to this Service Area

CONTRACTOR shall fully and timely satisfy any Performance Obligations specific to this Service Area that are listed in Exhibit 3A3.

O. Difficult to Service

If CONTRACTOR is unable to Collect Refuse, Recyclables, Green Waste, and/or Green Waste with a standard automated Collection Vehicle, CONTRACTOR shall use an alternative size or type of Vehicle as necessary including manual or other form of Collection to ensure Task 1 Services. Additionally, CONTRACTOR may be able to use a standard Collection Vehicle but the rate of Collection is significantly slower. Difficult to service areas include those with narrow streets, alleys and bridges, one-way narrow streets, steep roadway gradients, limited roadway curve radii (tight curve), thin pavement thicknesses, unimproved (dirt) roadway surfaces, and variable vertical and horizontal clearances.

A list of difficult to service addresses is in item C2 of Exhibit 16 and a map of the areas are in item A3 of Exhibit 16. The list is subject to change upon written notification by Director or upon request by CONTRACTOR and approval by Director. CONTRACTOR shall charge a difficult to service fee per rate schedule in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

See Exhibit 3A3 for possible additional details.

P. Organics

This CONTRACT includes the Collection of Food Waste as part of the Refuse. However, it is anticipated that prior to the termination of this CONTRACT, COUNTY will have a desire to Divert Organics. At that time, COUNTY may choose to do any of the following:

- Negotiate with CONTRACTOR for a mutually agreed fee to submit and implement a plan for approval and provide for the Collection, transportation, and Diversion of Organics, or
- Terminate CONTRACT if COUNTY and CONTRACTOR are unable to agree upon a fee for the service, or
- Keep CONTRACT with CONTRACTOR but solicit bids and authorize a new contract for the Collection, transportation, and Diversion of Food Waste.

EXHIBIT 3A2 -Task 2 Services
Abandoned Waste Collection Services
And
Public Receptacle Collection Services

A. Abandoned Waste Collection, Transportation, and Diversion/Disposal

1. Service Locations and Times.

CONTRACTOR shall keep the Public Right-of-Way in the Service Area free of Abandoned Waste. The goal is to have any Abandoned Waste for as short of a time as possible, using Reasonable Business Efforts, but never more than seven calendar days. CONTRACTOR shall do all of the following as further provided under this subsection, unless Director otherwise requires:

a. Monitor

CONTRACTOR shall monitor the Service Area for Abandoned Waste while providing all Contract Services, except for Hot Zones under subsection 5 which CONTRACTOR shall monitor daily. CONTRACTOR may use the drivers of its Refuse, Recyclables, and Green Waste Collection Vehicles; route supervisors, or a separate crew.

b. Document

CONTRACTOR is not required to provide evidence of Abandoned Waste removal unless requested by Director or additional compensation is requested by CONTRACTOR, under the following circumstances:

(1) More Than Four Cubic Yards

CONTRACTOR shall take and submit photos of the excess waste to claim the higher fee for that location.

(2) More Than Expected Incidents

CONTRACTOR shall take and submit photos of the waste collected at more than the expected incidents of pickups to claim a higher fee.

b.c. Remove

CONTRACTOR shall Collect, transport, and Divert or Dispose of all Abandoned Waste, in unlimited amounts, within the following times:

- On the same day as automated Collection specified in Task 1 Services, in item B4 of Exhibit 3A1, Sweep of the entire Service Area;
- By the end of the second Service Day after ~~Within two Service Days of~~ a request by Director or any Person;
- By the end of the next Service Day after ~~Within one Service Day of~~ observation by CONTRACTOR, or request by Director or any Person, for items blocking or hindering passage, or items posing a potential health and/or safety hazard;
- By the end of the next Service Day after ~~Within one Service Day of~~ Director's request for removal of Abandoned Waste at up to 250 locations each Calendar Year,
- By the end of the same Service Day of Director's request for removal of Abandoned Waste at up to five locations each Calendar Year,
- ~~Within the same Service Day of Director's request for removal of Abandoned Waste at up to 6 locations each Calendar year;~~
- Within any other time agreed upon Director and CONTRACTOR.
- With respect to Hot Zones, within the time required under Subsection A5.

c.d. **Clean**

CONTRACTOR shall sweep or otherwise clean and Collect all loose litter and debris within three feet of an item of Abandoned Waste.

"Service Area" means the area mentioned in the title of this CONTRACT, as described in described in item A (Maps) of Exhibit 16.

"Public Right-of-Way" includes all the following:

- all land and improvements on that land between the outer edge of a sidewalk (nearest to a private lot) on one side of the street and the outer edge of the sidewalk (nearest to a private lot) on the opposite side of the street, including:
 - sidewalks,
 - and between a sidewalk and street, and
 - median strips in the center of streets.
- Public streets;
- Public alleys, including land wall-to-wall and fence-to-fence, and
- Any other land described by COUNTY to CONTRACTOR.

"Abandoned Waste" means Solid Waste discarded or dumped on the Public Right-of-Way in the Service Area, including palm fronds, but excluding litter.

2. Miscellaneous Requirements

a. *Alternative Vehicles*

If obstacles impede the progress of Refuse Collection Vehicle such as low, hanging wires; protruding vegetation; and leaning fences, CONTRACTOR shall use alternative Vehicles and equipment.

b. *Unpermitted Wastes*

If CONTRACTOR identifies any Unpermitted Waste, CONTRACTOR shall immediately follow its Unpermitted Waste Protocol in accordance with item A of Section 13.

c. Very Large Items

If CONTRACTOR identifies any item of Abandoned Waste that is too large to Collect in its Refuse Collection Vehicles, it may ask Director for Road Maintenance Division's s for help.

d. *Comprehensive Service*

Service under this Section includes the furnishing of all labor, supervision, administration, material, and equipment.

3. No Longer Used Abandoned Waste Discarded by Tenants

~~If it appears to CONTRACTOR that Abandoned Waste was discarded by a former tenant evicted from the adjacent premises, CONTRACTOR shall not Collect it. CONTRACTOR shall notify Director of the address of the premises Waste and send Director a photo of the Abandoned Waste.~~

~~CONTRACTOR will use Reasonable Business Efforts to contact the owner or manager of the residence, confirm whether an evicted tenant discarded the Abandoned Waste, obtain contact information for that former tenant, and offer the owner to Collect the Abandoned Waste at charges agreed to between the owner and CONTRACTOR. CONTRACTOR shall use Reasonable Business Efforts to notify the tenant that CONTRACTOR will Collect Abandoned Waste in seven calendar days.~~

4. Abandoned Waste and Litter in Alleys

CONTRACTOR shall ensure that all alleys including but not limited to wall to wall and/or fence to fence within the Service Area are in a state of cleanliness.

If the Service Areas does not currently have any alleys requiring service, then the miles listed in item C1 of Exhibit 16 will be 0 or n/a. Director may add alleys.

5. Daily Clean up in Hot Zones

CONTRACTOR shall monitor, remove and clean up Abandoned Waste in Hot Zones daily, Monday through Friday (or the day after a Holiday) between the hours of 7 a.m. and 6 p.m. for the following locations:

- The locations of Hot Zone are shown in item A2 of Exhibit 16.
- If there are no Hot Zones, then the feet listed in item C2 of Exhibit 16 will be 0 or n/a. Examples of Hot Zones are areas where Abandoned Waste is dumped frequently, or areas Director deems important to keep free of Abandoned Waste.
- Director may amend item A2 and C1 of Exhibit 16 upon Notice to CONTRACTOR, including increasing the existing route length by up to 125 percent. Amendments are subject to agreement with CONTRACTOR on adjusting CONTRACTOR'S compensation, except for the rate per foot which will not be adjusted.

6. Payment

COUNTY will pay CONTRACTOR the fee for monitoring and Collecting Abandoned Waste as provided in item C of Section 7, even though under COUNTY Code the cost of removing Abandoned Waste is the responsibility of the person, if known, who discards the waste.

If CONTRACTOR believes that it knows the probable identity of the person who discarded the Abandoned Waste, it shall take a photograph of the Abandoned Waste and discard site. CONTRACTOR shall send the photo to Director along with other information on which it bases its belief. Even if CONTRACTOR identifies who discarded the Abandoned Waste it must nevertheless Collect that Abandoned Waste under this Exhibit.

B. Public Curbside Receptacles Collection Service

The work to be accomplished shall include the furnishing of all labor, supervision, administration, material, and equipment for the clean-up, Collection, transportation, Diversion/Disposal, and management of discards from designated public curbside receptacles, in unlimited quantities, in the Service Area. Item C3 of Exhibit 16 contains a list of the number of receptacles and item C3 of Exhibit 16 contains a map of the locations.

1. Collection

CONTRACTOR shall collect discards from public curbside receptacles by removing the plastic bag and its contents from the inner liner and replacing with a new plastic bag or removing the Refuse or Recyclables from the bag

if there were only a few items inside. CONTRACTOR shall supply and use its own plastic bags. The public curbside receptacles are furnished by COUNTY, located along business districts with high pedestrian activity. A public receptacle may include one intended for pet waste. The quantities and locations of the applicable public curbside receptacles are identified on item C3 of Exhibit 16 and may be subject to change by Director.

2. Maintenance

As needed, CONTRACTOR shall also clean and wipe down the outside and liner of the public curbside receptacles as well as clean and Collect, all loose litter and debris, within three feet of the base of the public curbside receptacles, such as paper, bottles, cans, dirt, organic material, and other incidental litter. The standard of cleanliness shall be that no odors once waste is removed and no visible spills, stains, markings, dust, or dirt on the inside or outside of the receptacles. At a minimum, receptacles are to be cleaned every two weeks. CONTRACTOR shall carry on each truck, rags and hand tools such as rakes, shovels, and brooms to aid with the clean-up of incidental litter and debris.

CONTRACTOR shall notify Director of the presence of any graffiti or other markings that deface or detract from the aesthetic quality of the public receptacles. If the graffiti is comprised of obscenities, notification shall be within 24 hours.

If any plastic liner is damaged beyond repair, such liner shall be replaced at CONTRACTOR's expense.

3. Collection Schedule

a. Standard Public Receptacles

CONTRACTOR shall collect discards from the non-compactor public curbside receptacles, twice per day, Monday through Saturday, with the first collection occurring between the hours of 7 a.m. and 9 a.m., and the second collection between the hours of 2 p.m. and 4 p.m. Director reserves the right to reduce the frequency of collection throughout the District at any time during the term of this CONTRACT at the sole discretion of Director. See Exhibit 3A3 for possible modifications to the days or times.

b. Solar Compacting Public Receptacles

CONTRACTOR shall collect discards from the solar compacting public curbside receptacles as-needed, Monday through Saturday, based on the need indicated on the Internet based monitoring

software. The schedule shall not be more frequent than twice per day or longer than seven days for receptacles with Refuse.

4. Other

a. Adjustments to Quantity and Location

In the event the quantities and locations of the public curbside receptacles or the type of Solid Waste discarded in those receptacles change during the term of this CONTRACT, Director will notify CONTRACTOR of such change in writing. Collections from any additional public curbside receptacle or reduction in public curbside receptacles will be adjusted at the Annual Total identified on Attachment 7-3 Task 2 Service Fees but the rate for individual receptacles will not be adjusted. The number of receptacles over the Term may be increased by up to 125 percent of the current number which includes doubling the number of receptacles at the time this CONTRACT is Executed, to add Recycling plus 25 percent more for new locations.

New or Additional Receptacles. If the Service Area does not have any designated public curbside receptacles as of the Execution Date, the number listed in item A6 of Exhibit 16 will be 0 or n/a.

CONTRACTOR will Collect Refuse in additional receptacles within two weeks of Director's request, subject to possible adjustment of the Service Fee for change orders under Section 3B.

b. Solar Refuse/Recyclables compactors

Director reserves the right to replace the current public curbside receptacles with solar Refuse/Recyclables compactors. In the event the current receptacles are replaced, the cost for servicing and maintaining cleanliness of each compactor shall remain the same as the current cost for servicing each public curbside receptacle.

c. Verification

If the public receptacles have a service log sheet inside, CONTRACTOR must sign, date, and record the time of collection service or indicate the receptacle was empty upon inspection and record when the receptacle was cleaned.

d. Receptacle Locks

CONTRACTOR shall keep all receptacles locked to prevent access by the public. Director shall furnish keys.

e. Damaged Receptacles

CONTRACTOR shall report damage to the receptacles with 48 hours of observing such damage. Damage includes but is not limited to missing components or malfunctioning parts. CONTRACTOR shall not attempt to repair any receptacles, except for plastic liners. Liners are CONTRACTORS responsibility to repair or replace regardless of the cause of damage.

f. Recyclables.

As of the Execution Date designated public curbside receptacles in the Service Area primarily contain Refuse. CONTRACTOR will Collect and Divert Recyclables discarded in existing or additional Recycling receptacles within two weeks of Director's request, subject to possible adjustment of the Service Fee for change orders under Section 3B.

C. Abandoned Cart, Dumpster, or Roll-Off Removal

At the request of Director, CONTRACTOR shall, at no charge to COUNTY:

- Remove any container, including cans, carts, dumpsters and roll-off bins that COUNTY deems abandoned, within two Service Days, whether they are CONTRACTOR'S Containers or third parties'.
- Arrange for the Disposal or Diversion of Solid Waste within the container.
- Reuse, recycle, or resell container.
- Notify Director to confirm removal.

D. Vehicles

1. General

CONTRACTOR shall be responsible for providing all Vehicles of appropriate sizes, capacities, and functions required for the Collection of Solid Waste and for ancillary services that are sufficient in number and capacity to efficiently perform the work required by this CONTRACT. CONTRACTOR shall also be required to provide non-compacting Vehicles for the collection of E-waste and white goods, which may contain chlorofluorocarbons. Vehicles shall be so constructed such that Solid Waste or liquids will not blow, fall, sift, or leak out of the truck into the street and shall be equipped with an adequate shovel, broom, and petroleum absorbent agents.

2. Fuel/Power

Vehicles used for Collection must use LNG (liquid natural gas) or CNG (compressed natural gas) fuel, or other alternatives to diesel fuel, as approved by Director unless CONTRACTOR Documentation provides otherwise with respect to Collection at Premises that are difficult to service as permitted in item O.

3. Extra Vehicles

CONTRACTOR shall have available sufficient back-up Vehicles for each type of Collection Vehicle used to respond to breakdowns, complaints, and emergencies. Director may specify a minimum level of backup equipment required.

4. Maintenance

CONTRACTOR Vehicles used in the Service Area shall, always, be kept reasonably clean, in good mechanical condition, and well painted, all to the satisfaction of Director. CONTRACTOR shall maintain records of inspections and maintenance of all mechanical equipment used in providing the required services in the Service Area to ensure that all collection Vehicles are safe to operate within the Service Area at all times in accordance with the requirements promulgated by COUNTY of Los Angeles Department of Public Health, California Highway Patrol, South Coast Air Quality Management District, manufacturer, and all other applicable Federal, State, County, and local laws and regulations. All inspection and maintenance records shall be open to inspection by Director and provided upon request. CONTRACTOR shall replace a Vehicle that Director determines to be of unsatisfactory operating condition such as one that is experiencing excessive breakdowns resulting in service delays, leaking fluids, or other significant issues.

5. Vehicle List

Only those Vehicles submitted to and approved by Director shall be used in the Service Area. CONTRACTOR shall submit a complete list of Vehicles using Form V, accessible through Director's Solid Waste Information Management System (SWIMS) and update it as Vehicles change. Extra Vehicles intended as a backup shall be included.

6. Company Name

CONTRACTOR'S name or other name, as approved by Director, and logo shall appear on all Vehicles.

7. Vehicle Monitoring

CONTRACTORS shall utilize appropriate technologies (software and hardware) to meet Director's requirements for field operations location reporting. All Vehicles used for collection for Task 2 Services (abandoned waste, public receptacles, etc.) shall be equipped with data recording capabilities to capture video and location-route data from global positioning system (GPS) devices. There are inexpensive consumer dashboard cameras on the market that will record video and GPS location to meet this requirement. The use of any Vehicles to Collect Solid Waste without monitoring equipment requires Director's consent.

Failing to provide requested reports for any reason will be considered an admission of guilt for the purposes of investigating CONTRACT service commitments. For example, if Director requests a report to verify Collection occurred on a certain block, Director will have no way of knowing if CONTRACTOR intentionally deleted data to not incriminate themselves and therefore, the block will be considered not serviced if documentation is not provided and the action will be subject to Liquidated Damages both the failed collection and for failure to submit the requested report.

a. Video Equipment

CONTRACTOR'S automated Collection Vehicles shall be equipped with functioning, forward facing, or angled slightly to the right, video recording equipment to validate service complaints such as missed collections, alley cleaning, and other items that may be of interest to Director.

Video equipment must be recording once a Vehicle leaves the yard during days of operation. Video must be geotagged for location, time/date stamped, and at a resolution adequate to clearly identify the location being serviced and typically not less than 1280 x 720 at 30 frames per second with a viewing angle approximately 129° diagonal, 103° horizontal, 77° vertical. CONTRACTOR shall retain all videos in an electronic format for a minimum of 14 calendar days, or other duration as requested by Director. CONTRACTOR shall provide copies of videos and/or screen captures of a specific day, time, or for a specific location, within 48 hours of receiving Director request.

b. Global Positioning System (GPS)

This data will be maintained by CONTRACTOR either directly or through a third party service. The GPS shall be capable of tracking a Vehicle's path-route with lines or dots superimposed on a map.

The GPS shall gather the following data: date, time, speed, direction, location (address) and shall generate reports. CONTRACTOR shall retain all data for a minimum of 12 calendar months or other duration approved by Director. CONTRACTOR shall provide copies of reports within two business days of receiving Director request. Request may be for a specific time or a geographic location (between 10:00 a.m. and 11:00 a.m., or 1200 block of Main St.).

The minimum locate schedule (ping frequency of occurrence that GPS data is received from the Vehicle) shall be every one minute for fully automated Collection and every ten seconds for other Collection Vehicles, when within the Service Area.

EXHIBIT 3A3 – Additional Services

For bidding purposes, this sample contract contains a separate exhibit for each Service Area. They will be referred to as:

- Exhibit 3A3.1 Additional Service
South Whittier
- Exhibit 3A3.2 Additional Services
Avocado Heights
- Exhibit 3A3.3 Additional Services
Santa Monica Mountains

EXHIBIT 3A3.1 – Additional Services South Whittier

If this Exhibit is inconsistent or conflicts with other provisions of this CONTRACT, this Exhibit governs as provided under Part 10 B7.

A. Mulch and Compost Giveaway Program (Item H7 of Exhibit 3A1)

CONTRACTOR shall offer at least 40 cubic yards of Mulch and 40 cubic yards of Compost at each event, or any volume requested by Director not to exceed 80 cubic yards of Mulch and 80 cubic yards of Compost per event.

B. Bulky Item and Excess Solid Waste Collection (Item H3 of Exhibit 3A1)

CONTRACTOR shall Collect Bulky Items and excess waste discarded at the Set-Out Site on next regularly scheduled collection day upon at least 24-hours advanced notice by the Customer or Occupant or other date agreed to between that Customer or Occupant and CONTRACTOR. CONTRACTOR shall not Collect without advanced notice but rather shall tag items with a Non-Collection Notice indicating proper requesting procedure and contact Occupant, as indicated in item C9 of Section 4.

CONTRACTOR shall Collect up to three times per Contract Year all the services prescribed below. For example, Occupant may place two mattresses and five bags of excess green waste out for collection and it will count as one of the three times.

1. Bulky Items

In addition to the Annual Curbside Cleanup Event described in item H2 of this Exhibit 3A1, CONTRACTOR shall Collect from each dwelling unit receiving service, a maximum of ten items per pickup.

2. Excess Refuse

CONTRACTOR shall Collect Refuse in bags, up to five bags per pickup.

3. Excess Green Waste

CONTRACTOR shall Collect Green Waste in bags or bound bundles less than four feet in length, up to ten bags/bundles per pickup.

Move-in/Move-Out. CONTRACTOR shall offer an additional Bulky Item Collection to Collect a maximum of 20 items of Bulky Items or bagged excess Refuse within 14 days of an account being opened or closed within the Service Area.

Additional On-Call Pickup with Additional cost. In addition to Collection described in item H3 of Exhibit 3A1, at the request of a Customer (not Occupant) more than three times annually for residential, upon 24-hours' notice, at charges for additional calls listed on the Attachment 7-3, Task 2 Service Fees of Exhibit 7 and charge for items listed in CONTRACTOR Documentation in Exhibit 3D.

1. Weekly Service

~~CONTRACTOR shall Sweep all Set-Out Sites and Collect Bulky Items and excess Refuse discarded by Customer or Occupant at their Set-Out Site on the regularly scheduled Collection day. Customer or Occupant is not required to request service in advance. However, CONTRACTOR may encourage Customers and Occupants to request service in advance.~~

2. Intended Discard

~~Prior to the Execution Date of this CONTRACT, Customers or Occupants were required to request this service in advance. Therefore CONTRACTOR is caution against Collecting items of apparent value as some may not be aware of this service change and leave valuable near the Set-Out Site. CONTRACTOR shall use Reasonable Business Efforts to confirm with Customer or Occupant that Customer or Occupant intended to discard items of apparent value, such as bicycles or boxes left near the curb, CONTRACTOR shall notify Director of contacts, or attempted contacts, with Customer or Occupant.~~

3. Evictions

~~If it appears to CONTRACTOR that the Bulky Items were discarded as a result of a former tenant evicted from the adjacent premises, CONTRACTOR shall not Collect it. CONTRACTOR shall notify Director of the address of the premises Waste and send Director a photo of the Abandoned Waste.~~

~~CONTRACTOR will use Reasonable Business Efforts to contact the owner or manager of the residence, confirm whether an evicted tenant discarded the Abandoned Waste, obtain contact information for that former tenant, and offer the owner to Collect the Bulky Items at charges listed in CONTRACTOR Documentation in Exhibit 3D. CONTRACTOR shall use Reasonable Business Efforts to notify the tenant that CONTRACTOR will Collect Abandoned Waste in seven calendar days.~~

C. Annual Cleanup Events Services (Item H2 of Exhibit 3A1)

CONTRACTOR shall conduct the Annual Cleanup Event each July, unless otherwise instructed Director or requested by CONTRACTOR and approved by Director.

EXHIBIT 3A3.2 – Additional Services Avocado Heights

If this Exhibit is inconsistent or conflicts with other provisions of this CONTRACT, this Exhibit governs as provided under Part 10 B7.

A. Mulch and Compost Giveaway Program (Item H7 of Exhibit 3A1)

CONTRACTOR shall offer at least 40 cubic yards of Mulch and 40 cubic yards of Compost at each event, or any volume requested by Director not to exceed 80 cubic yards of Mulch and 80 cubic yards of Compost per event.

B. Bulky Item and Excess Solid Waste Collection (Item H3 of Exhibit 3A1)

CONTRACTOR shall Collect Bulky Items and excess waste discarded at the Set-Out Site on next regularly scheduled collection day upon at least 24-hours advanced notice by the Customer or Occupant or other date agreed to between that Customer or Occupant and CONTRACTOR. CONTRACTOR shall not Collect without advanced notice but rather shall tag items with a Non-Collection Notice indicating proper requesting procedure and contact Occupant, as provided in item C9 of Section 4.

CONTRACTOR shall Collect up to three times per Contract Year all the services prescribed below. For example, ~~Customer or~~ Occupant may place two mattresses and five bags of excess green waste out for collection and it will count as one of the ~~three~~four times.

1. Bulky Items

In addition to the Annual Curbside Cleanup Event described in item H2 of this Exhibit 3A1, CONTRACTOR shall Collect from each dwelling unit receiving service, a maximum of ten items per pickup.

2. Excess Refuse

CONTRACTOR shall Collect Refuse in bags, up to five bags per pickup.

3. Excess Green Waste

CONTRACTOR shall Collect Green Waste in bags or bound bundles less than four feet in length, up to ten bags/bundles per pickup.

Move-in/Move-Out. CONTRACTOR shall offer an additional Bulky Item Collection to Collect a maximum of 20 items of Bulky Items or bagged excess Refuse within 14 days of an account being opened or closed within the Service Area.

Additional On-Call Pickup with Additional cost. In addition to Collection described in item H3 of Exhibit 3A1, at the request of a Customer (not Occupant) more than three times annually for residential, upon 24-hours' notice, at charges for additional calls listed on the Attachment 7-3, Task 2 Service Fees of Exhibit 7 and charge for items listed in CONTRACTOR Documentation in Exhibit 3D.

C. Annual Cleanup Events Services (Item H2 of Exhibit 3A1)

CONTRACTOR shall conduct the Annual Cleanup Event each April, unless otherwise instructed Director or requested by CONTRACTOR and approved by Director.

D. Manure Service (Item D13 of Exhibit 3A1)

1. Scope of Services and Specifications.

Upon Customer request, CONTRACTOR shall arrange to provide separate, automated Collection, transportation, and Diversion of Manure, on the Service Day or days agreed with Customer, at least weekly, from either the Set-Out Site or by scout service.

CONTRACTOR shall provide upon Customer request any of the following Containers for the Customer Service Fees provided on the Attachment 7-2, Task 1 Service Fees of Exhibit 7:

- One or more 64-gallon Carts (or other capacity Cart approved by Director) exclusively for Manure and Green Waste, or
- One or more two-cubic yard Dumpsters exclusively for Manure and Green Waste

CONTRACTOR shall provide Manure Dumpster scout services for no additional charge.

If CONTRACTOR observes Manure discarded in an Occupant's Refuse or Green Waste Cart, CONTRACTOR shall provide Notice explaining that Customer is responsible for any Cart damage due to discarded Manure. CONTRACTOR may charge Customer the cost to repair or replace such a Cart damaged by Manure.

While on residential streets, CONTRACTOR shall minimize the noise for horses in the public right-of-way. The Collection vehicle shall park and not operate the Collection arm or compact the load while within 100 feet of a horse that is walking in the public right-of-way.

To minimize traffic, emissions, and truck trips, CONTRACTOR shall use the same vehicle to service Manure Carts and Dumpsters, unless otherwise

approved by Director. The front/rear loading trucks must be capable of servicing both Carts and Dumpsters. CONTRACTOR shall not use a side loader Vehicle for Carts and a front or rear loader for Dumpsters unless there are sufficient accounts to fill each vehicle. For instance, if three Vehicles were required to service an area, two front loaders and one side loader could be used.

2. CONTRACTOR—Designated Facility.

CONTRACTOR shall transport Manure from Manure Container only to the facility or facilities that CONTRACTOR has designated in CONTRACTOR Documentation in Exhibit 3D for Solid Waste Facilities.

EXHIBIT 3A3.3 – Additional Services Santa Monica Mountains

If this Exhibit is inconsistent or conflicts with other provisions of this CONTRACT, this Exhibit governs as provided under Part 10 B7.

A. Mulch and Compost Giveaway Program (Item H7 of Exhibit 3A1)

CONTRACTOR shall offer at least 40 cubic yards of Mulch and 40 cubic yards of Compost at each event, or any volume requested by Director not to exceed 80 cubic yards of Mulch and 80 cubic yards of Compost per event.

B. Bulky Item and Excess Solid Waste Collection (Item H3 of Exhibit 3A1)

CONTRACTOR shall Collect Bulky Items and excess waste discarded at the Set-Out Site on next regularly scheduled collection day upon at least 24-hours advanced notice by the Customer or Occupant or other date agreed to between that Customer or Occupant and CONTRACTOR. CONTRACTOR shall not Collect without advanced notice but rather shall tag items with a Non-Collection Notice indicating proper requesting procedure and contact Occupant, as indicated in item C9 of Section 4.

CONTRACTOR shall Collect up to three times per Contract Year all the services prescribed below. For example, Customer or Occupant may place two mattresses and five bags of excess green waste out for collection and it will count as one of the ~~four~~ three times.

1. Bulky Items

In addition to the Annual Curbside Cleanup Event described in item H2 of this Exhibit 3A1, CONTRACTOR shall Collect from each dwelling unit receiving service, a maximum of ten items per pickup.

2. Excess Refuse

CONTRACTOR shall Collect Refuse in bags, up to five bags per pickup.

3. Excess Green Waste

CONTRACTOR shall Collect Green Waste in bags or bound bundles less than four feet in length, up to ten bags/bundles per pickup.

Move-in/Move-Out. CONTRACTOR shall offer an additional Bulky Item Collection to Collect a maximum of 20 items of Bulky Items or bagged excess Refuse within 14 days of an account being opened or closed within the Service Area.

Additional On-Call Pickup with Additional cost. In addition to Collection described in item H3 of Exhibit 3A1, at the request of a Customer (not Occupant) more than three times annually for residential, upon 24-hours' notice, at charges for additional calls listed on the Attachment 7-3, Task 2 Service Fees of Exhibit 7 and charge for items listed in CONTRACTOR Documentation in Exhibit 3D.

C. Annual Curbside Cleanup Events Services (Item H2 of Exhibit 3A1)

Because collecting unlimited amounts of Bulky Items, excess Refuse and excess Green Waste with large Collection Vehicles may be unsafe on the narrow, mountain roads in this Service Area, CONTRACTOR shall submit an alternative plan that may include either or both the following methods:

1. Roll-Off Bins

CONTRACTOR shall place bins at locations that will be temporarily available to Occupants for disposal of Bulky Items or excess waste. CONTRACTOR shall site locations that are conveniently located and safe to its Occupants and submit a list of these locations for Director's approval.

2. Increased Bulky Item and Excess Waste Collection (Item H3 of Exhibit 3A1 and above in Section B of this Exhibit 3A3.2)

D. Manure Service (Item D13 of Exhibit 3A1)

1. Scope of Services and Specifications.

Upon Customer request, CONTRACTOR shall arrange to provide separate, automated Collection, transportation and Diversion of Manure, on the Service Day or days agreed with Customer, at least weekly, from either the Set-Out Site or by scout service.

CONTRACTOR shall provide upon Customer request any of the following Containers for the Customer Service Fees provided on the Attachment 7-2, Task 1 Service Fees of Exhibit 7:

- One or more 64-gallon Carts (or other capacity Cart approved by Director) exclusively for Manure and Green Waste, or
- One or more two-cubic yard Dumpsters exclusively for Manure and Green Waste

CONTRACTOR shall ~~provide-offer~~ Manure Dumpster scout services when a larger Collection Vehicle is unable to access the Container at the Set-Out Site, for ~~an~~ additional charge.

If CONTRACTOR observes Manure discarded in an Occupant's Refuse or Green Waste Cart, CONTRACTOR shall provide Notice explaining that Customer is responsible for any Cart damage due to discarded Manure. CONTRACTOR may charge Customer the cost to repair or replace such a Cart damaged by Manure.

While on residential streets, CONTRACTOR shall minimize the noise for horses in the public right-of-way. The Collection vehicle shall park and not operate the Collection arm or compact the load while within 100 feet of a horse that is walking in the public right-of-way.

To minimize traffic, emissions, and truck trips, CONTRACTOR shall use the same vehicle to service Manure Carts and Dumpsters, unless otherwise approved by Director. The front/rear loading trucks must be capable of servicing both Carts and Dumpsters. CONTRACTOR shall not use a side loader Vehicle for Carts and a front or rear loader for Dumpsters unless there are sufficient accounts to fill each Vehicle. For instance, if three Vehicles were required to service an area, two front loaders and one side loader could be used.

2. CONTRACTOR—Designated Facility.

CONTRACTOR shall transport Manure from Manure Container only to the facility or facilities that CONTRACTOR has designated in CONTRACTOR Documentation in Exhibit 3D for Solid Waste Facilities.

E. Carts (Item D9a(1) of Exhibit 3A1)

The color of Carts for this area are not an ordinary black, blue, and green as the community has requested a less bright color. CONTRACTOR shall submit color samples to Director for approval prior to ordering Carts. The same colors shall be used for the duration of the term of the CONTRACT.

F. Difficult to Service (Item O of Exhibit 3A1)

CONTRACTOR should consider the entire area as difficult to service as it is likely that CONTRACTOR shall be unable to Collect with a standard automated Collection Vehicle, CONTRACTOR shall use an alternative size or type of Vehicle as necessary including manual or other form of Collection to ensure Contract Services are provided.

G. Vehicles (Item E of Exhibit 3A1)

Since safety is a concern due to the steep and narrow terrains in this Service Area, CONTRACTOR shall physically review the Service Area prior to the start of Contract Services and develop a plan that includes assigning vehicles bearing the appropriate specifications, such as type and size, and shall conduct

regular maintenance to ensure that these vehicles are functioning properly. CONTRACTOR shall also make necessary modifications on vehicles to ensure safety. A standard 25-cubic-yard automated Collection Vehicle will not be allowed to provide service to most of the area as the risk of a fully loaded truck on the hills would be too great of a risk to the public. In its plan, CONTRACTOR may include Vehicles fueled with diesel. CONTRACTOR shall conduct regular trainings to drivers to reinforce safety measures needed to ensure their safety and the safety of the Occupants.

H. Solid Waste Transportation, Processing, Diversion, and Disposal (Item F of Exhibit 3A1)

Director reserves the right to direct Solid Waste to a specific site or facility upon CONTRACT with CONTRACTOR. This Service Area requires CONTRACTOR to use a specific site or facility without additional compensation. CONTRACTOR must take all Refuse to the Calabasas Canyon Landfill. Refuse taken to any other facility requires Director consent.

EXHIBIT 3D – Contractor Documentation

All documentation listed below is to be attached to CONTRACT as Exhibit 3D. Use of Director provided templates is required where applicable.

A. Notice to Director Required

1. CONTRACTOR's Permit and Permit Application

Include all permits required by COUNTY Code (such as a waste collector permit from COUNTY Department of Public Health) or other Applicable Law.

2. Inventory of Service Assets

Include all documents that encumber or limit CONTRACTOR's interest in Service Assets, which includes identifying serial numbers on Carts promptly upon acquisition.

3. Container Specifications

Include Container capacity options, container color, manufacturer's orders and invoices, label content and placement (item D of Exhibit 3A1).

4. Vehicle Specifications

Include Vehicle identification number, model, make, year, purchase order (if applicable) and fuel type.

5. Subcontractors

Include Subcontractors' names, the amount of Goods or Services less than \$50,000 that each Subcontractor provides to CONTRACTOR, and a description of CONTRACTOR'S relationships to each Subcontractor, including ownership interests; but excluding Director-approved Subcontractors (Part 9M of Exhibit 5).

6. Office Address

See Section 6A and Section 6B1, CONTRACTOR Office Hours.

B. Director Consent Required

1. Form of Non-Collection Notice (Section 4C)

Include any Green Waste exclusions.

2. Form of Terms and Conditions (item L1 of Exhibit 3A1)

Include form of any waiver of liability (Section 4B1) and form of any indemnification (Part 4 of Exhibit 5)

3. **Terms and Conditions Summary (item L1 of Exhibit 3A1)**

4. **Unpermitted Waste Screening Protocol (Section 13)**

5. **Acknowledgment**

Receipt of fact sheets relating to form of Nonemployee Injury Report (Part 4B6 of Exhibit 5) and Safely Surrendered Baby Law (Part 12B2 of Exhibit 5).

6. **Insurance and Performance Assurance (Part 4 of Exhibit 5 and Section 15)**

7. **Internal Revenue Service Notice 1015 (Part 12B1 of Exhibit 5)**

8. **CONTRACTOR's EEO Certification (Part 12D3 of Exhibit 5)**

9. **Intentionally Omitted**

10. **Sharps Collection (item H6 of Exhibit 3A1)**

11. **Mulch and Compost Giveaway Program (item H7 of Exhibit 3A1)**

12. **Alternatives to Fully Automated Collection 96-Gallon Carts (item D9 of Exhibit 3A1)**

13. **Director-Approved Subcontractors**

Include Subcontractors' names, the amount of Goods or Services more than \$50,000 that each Subcontractor provides to CONTRACTOR, and a description of CONTRACTOR'S relationships to each Subcontractor, including ownership interests (Part 9M of Exhibit 5).

14. **Backup Service Plan (Section 11C)**

15. **Key Personnel (Section 4J)**

With contact information (name, address, office and mobile phone numbers, e-mail address)

a. ALL CONTRACTOR MANAGERS (see definition of "CONTRACTOR Manager" in Attachment 5-10A)

b. AUTHORIZED REPRESENTATIVE OF CONTRACTOR,

c. SERVICES SAFETY OFFICIAL (Part 12E1 of Exhibit 5)

16. **Route Maps**

Route maps are to indicate all starting and ending points.

17. Facilities and Solid Waste Facilities

Designated by CONTRACTOR (item F of Exhibit 3A1), including the following information:

- Name, location, owner, and operator, with telephone contact;
- Types of materials accepted and rejected;
- If applicable, methodology used by each Processing facility for allocating materials, including Disposed residue, to the Service Area, with sample reports; and
- Reasons for facility change;

If the facility is changed to one charging a higher fee, CONTRACTOR is not allowed to pass increased cost to Customer or COUNTY, as described in item E of Exhibit 7.

18. Additional CONTRACTOR Commitments

Those made in its proposal for procurement of this CONTRACT (item M of Exhibit 3A1).

19. Transition Roll-Out Plan (item K of Exhibit 3A1)

20. Difficult to Service Occupants (Item O of Exhibit 3A1)

CONTRACTOR must explain to Director:

- Why CONTRACTOR proposes changes Service Specifications for an address on Director's difficult-to-service list under Item O of Exhibit 3A1, and
- What changes CONTRACTOR will make for alternative Collection, such as different Collection Vehicle or manual collection.

21. Movement of Green Waste

CONTRACTOR shall comply with the California Department of Food and Agriculture's quarantine restrictions for the movement of the Green Waste (<https://www.cdfa.ca.gov/plant/pe/InteriorExclusion/quarantine.html>).
CONTRACTOR must submit a copy of either the CDFA agreement or evidence of application for the agreement.

EXHIBIT 5 – Additional Contract Language

PART 1 - Part no longer used.

PART 2 - Part no longer used.

PART 3 - GENERAL CONTRACT REQUIREMENTS

A. Employment Eligibility Verification

- 1.** CONTRACTOR warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this CONTRACT meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. CONTRACTOR shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603), or as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered employees for the period prescribed by law.
- 2.** CONTRACTOR shall defend and hold harmless, COUNTY, its Special Districts, Elected Officials, Officers, Agents, Employees, and Volunteers sanctions and any other liability which may be assessed against CONTRACTOR or COUNTY or both about any alleged violation of Federal or State statutes or regulations pertaining to the eligibility for employment of persons performing services under this CONTRACT.

B. Security and Background Investigations

Security and background investigations of CONTRACTOR's staff may be required at the discretion of COUNTY as a condition of beginning and continuing work under any resulting CONTRACT. The cost of background checks is the responsibility of CONTRACTOR.

C. Consideration of Hiring COUNTY Employees

Should CONTRACTOR require additional or replacement personnel after the effective date of this CONTRACT to perform the services set forth herein, CONTRACTOR shall give first consideration for such employment openings to qualified permanent COUNTY employees who are targeted for layoff or qualified, former COUNTY employees who are on a reemployment list during the life of this CONTRACT.

D. Conflict of Interest

No COUNTY employee whose position with COUNTY enables such employee to influence the award of this CONTRACT or any competing contract, and no spouse or economic dependent of such employee shall be employed in any capacity by CONTRACTOR or have any other direct or indirect financial interest in this CONTRACT. No officer or employee of CONTRACTOR who may financially benefit from the performance of the work hereunder shall in any way participate in COUNTY's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence COUNTY's approval or ongoing evaluation of such work.

CONTRACTOR represents and warrants that it is aware of, and its authorized officers have read, the provisions of COUNTY Code, Section 2.180.010, "Certain Contracts Prohibited," and that execution of this CONTRACT will not violate those provisions. CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this CONTRACT. CONTRACTOR warrants that it is not now aware of any facts that create a conflict of interest. If CONTRACTOR hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to COUNTY. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this CONTRACT subjecting CONTRACTOR to either contract termination for default or debarment proceedings or both. CONTRACTOR must sign and adhere to the "Conflict of Interest Certification" (Form PW-5).

E. Fair Labor Standards Act

CONTRACTOR shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless COUNTY, its Special Districts, Elected Officials, Officers, Agents, Employees, and Volunteers from all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including the Federal Fair Labor Standards Act, for work performed by CONTRACTOR's employees for which COUNTY may be found jointly or solely liable.

F. Consideration of GAIN/GROW Participants for Employment

COUNTY will refer GAIN and GROW participants by category to CONTRACTOR. If both laid-off COUNTY employees and GAIN and GROW participants in categories identified by COUNTY are available for hiring, CONTRACTOR shall give COUNTY employees priority.

G. Record Retention and Inspection/Audit Settlement

CONTRACTOR shall maintain accurate and complete financial records of its activities and operations relating to this CONTRACT in accordance with generally accepted accounting principles. CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this CONTRACT. CONTRACTOR agrees that COUNTY, or its authorized representatives, shall have access to and the right to examine, audit, review records, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this CONTRACT. All such material, including, but not limited to, all financial records, bank statements, cancelled checks, or other proof of payment, timecards, sign-in/sign-out sheets, and other time and employment records, and proprietary data and information, shall be kept and maintained by CONTRACTOR and shall be made available to COUNTY during the term of this CONTRACT and for a period of five years thereafter unless COUNTY's written permission is given to Dispose of any such material prior to such time. All such material shall be maintained by CONTRACTOR at a location in COUNTY, provided that if any such material is located outside COUNTY, then, at COUNTY's option, CONTRACTOR shall pay COUNTY for travel, per diem, and other costs incurred by COUNTY to examine, audit, review records, excerpt, copy, or transcribe such material at such other location.

1. If a review of records of CONTRACTOR is conducted specifically regarding this CONTRACT by any Federal or State auditor, or by any auditor, reviewer, or accountant employed by CONTRACTOR or otherwise, then CONTRACTOR shall file a copy of such review of records report with COUNTY's Auditor-Controller within 30 days of CONTRACTOR's receipt thereof, unless otherwise provided by applicable Federal or State law or under this CONTRACT. Subject to applicable law, COUNTY shall make a reasonable effort to maintain the confidentiality of such review of records report(s).
2. Failure on the part of CONTRACTOR to comply with any of the provisions of this paragraph shall constitute a material breach of this CONTRACT upon which COUNTY may suspend or terminate for default or suspend this CONTRACT.
3. If, at any time during the term of this CONTRACT or within five years after the expiration or termination of this CONTRACT, representatives of COUNTY conduct a review of records of CONTRACTOR regarding the work performed under this CONTRACT, and if such review of records finds that COUNTY's dollar liability for any such work is less than payments made by COUNTY to CONTRACTOR, then the difference shall be either: a) repaid by CONTRACTOR to COUNTY by cash payment upon demand or b) at the sole option of COUNTY's Auditor-Controller, deducted from any amounts due to CONTRACTOR from COUNTY, whether under this CONTRACT or otherwise. If such review of records finds that COUNTY's dollar liability for such work is more than the payments made by COUNTY to CONTRACTOR,

then the difference shall be paid to CONTRACTOR by COUNTY by cash payment, provided that in no event shall COUNTY's maximum obligation for this CONTRACT exceed the funds appropriated by COUNTY for this CONTRACT.

H. Compliance with COUNTY's Jury Service Program

1. Jury Service Program

This CONTRACT is subject to the provisions of COUNTY's ordinance entitled CONTRACTOR Employee Jury Service (Jury Service Program) as codified in Sections 2.203.010 through 2.203.090 of COUNTY Code.

2. Written Employee Jury Service Policy

- a.** Unless CONTRACTOR has demonstrated to COUNTY's satisfaction either that CONTRACTOR is not a "CONTRACTOR" as defined under the Jury Service Program (Section 2.203.020 of COUNTY Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (Section 2.203.070 of COUNTY Code), CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employee deposit any fees received for such jury service with CONTRACTOR or that CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.
- b.** For purposes of this Section, "CONTRACTOR" means a person, partnership, corporation, or other entity which has a contract with COUNTY or a subcontract with a COUNTY contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any Subcontractor to perform services for COUNTY under this CONTRACT, the Subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract CONTRACT and a copy of the Jury Service Program shall be attached to the CONTRACT.

- c. If CONTRACTOR is not required to comply with the Jury Service Program when this CONTRACT commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify COUNTY if CONTRACTOR at any time either comes within the Jury Service Program's definition of "CONTRACTOR" or if CONTRACTOR no longer qualifies for an exception to the Jury Service Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. COUNTY may also require, at any time during this CONTRACT and at its sole discretion, that CONTRACTOR demonstrate to COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "CONTRACTOR" and/or that CONTRACTOR continues to qualify for an exception to the Jury Service Program.
- d. CONTRACTOR's violation of this Section of this CONTRACT may constitute a material breach of this CONTRACT. In the event of such material breach, COUNTY may, in its sole discretion, suspend or terminate this CONTRACT and/or bar CONTRACTOR from the award of future COUNTY contracts for a period consistent with the seriousness of the breach.

I. CONTRACTOR's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring CONTRACTOR's to complete the Charitable Contributions Certification (Form PW-12), COUNTY seeks to ensure that all COUNTY CONTRACTOR's which receive or raise charitable contributions comply with California law to protect COUNTY and its taxpayers. A CONTRACTOR which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination for default or debarment proceedings or both. (COUNTY Code Chapter 2.202)

J. Social Enterprise Preference Program

CONTRACT is subject to the provisions of COUNTY's ordinance entitled Social Enterprise (SE) Preference Program, as codified in Chapter 2.205 of COUNTY Code.

CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.

CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.

If CONTRACTOR has obtained COUNTY certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, CONTRACTOR shall:

- Pay to COUNTY any difference between the CONTRACT amount and what COUNTY'S costs would have been if the CONTRACT had been properly awarded.
- In addition to the amount described in subdivision (1), be assessed a penalty in the amount of not more than ten percent of the amount of this CONTRACT.
- Be subject to the provisions of Chapter 2.202 of COUNTY Code (Determinations of Contractor Nonresponsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

K. Local Small Business Enterprise Preference Program

This CONTRACT is subject to the provisions of COUNTY's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of COUNTY Code.

CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

If CONTRACTOR has obtained COUNTY certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its

request for certification, and which by reason of such certification has been awarded this CONTRACT to which it would not otherwise have been entitled, shall:

- Pay to COUNTY any difference between this CONTRACT amount and what COUNTY's costs would have been if this CONTRACT had been properly awarded.
- In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten percent of the amount of this CONTRACT.
- Be subject to the provisions of Chapter 2.202 of COUNTY Code (Determinations of Contractor Nonresponsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

L. Disabled Veteran Enterprise Preference Program

This CONTRACT is subject to the provisions of COUNTY's ordinance entitled Disabled Veteran Business Enterprise (DVBE) Preference Program, as codified in Chapter 2.211 of COUNTY Code.

CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.

CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

If CONTRACTOR has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this CONTRACT to which it would not otherwise have been entitled, shall:

- Pay to COUNTY any difference between the CONTRACT amount and what COUNTY'S costs would have been if the CONTRACT had been properly awarded.
- In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten percent of the amount of the CONTRACT.

- Be subject to the provisions of Chapter 2.202 of COUNTY Code (Determinations of Contractor Nonresponsibility and Contractor Debarment).

Notwithstanding any other remedies in this contract, the above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

M. CONTRACTOR Responsibility and Debarment

1. Responsible CONTRACTOR

A responsible CONTRACTOR is a CONTRACTOR who has demonstrated the attribute of trustworthiness as well as quality, fitness, capacity, and experience to satisfactorily perform the CONTRACT. It is COUNTY's policy to conduct business only with responsible CONTRACTORS.

2. Chapter 2.202 of COUNTY Code

CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of COUNTY Code, if COUNTY acquires information concerning the performance of CONTRACTOR on this or other contracts which indicates that CONTRACTOR is not responsible, COUNTY may, in addition to other remedies provided in this CONTRACT, debar CONTRACTOR from bidding or proposing on, being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed 5 years but may exceed 5 years or be permanent if warranted by the circumstances, and suspend or terminate any or all existing contracts CONTRACTOR may have with COUNTY.

3. Nonresponsible CONTRACTOR

COUNTY may debar a CONTRACTOR if the Board finds, in its discretion, that CONTRACTOR has done any of the following: (1) violated any term of a contract with COUNTY or a nonprofit corporation created by COUNTY; (2) committed an act or omission which negatively reflects on CONTRACTOR's quality, fitness, or capacity to perform a contract with COUNTY, any other public entity, or a nonprofit corporation created by COUNTY, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against COUNTY or any other public entity.

4. Contractor Hearing Board

- a.** If there is evidence that CONTRACTOR may be subject to debarment, Public Works will notify CONTRACTOR in writing of the evidence which is the basis for the proposed debarment and will advise CONTRACTOR of the scheduled date for a debarment hearing before Contractor Hearing Board.
- b.** Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. CONTRACTOR and/or CONTRACTOR's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, Contractor Hearing Board will prepare a tentative proposed decision, which shall contain a recommendation regarding whether CONTRACTOR should be debarred, and, if so, the appropriate length of time of the debarment. CONTRACTOR and Public Works shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- c.** After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of Contractor Hearing Board shall be presented to the Board. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of Contractor Hearing Board.
- d.** If a CONTRACTOR has been debarred for a period longer than five years, that CONTRACTOR may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of COUNTY.
- e.** Contractor Hearing Board will consider a request for review of a debarment determination only where (1) CONTRACTOR has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, Contractor Hearing Board shall conduct a hearing where

evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by Contractor Hearing Board pursuant to the same procedure as for a debarment hearing.

- f.* Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of Contractor Hearing Board.

5. Subcontractors of CONTRACTOR

These terms shall also apply to Subcontractors of COUNTY CONTRACTORS.

N. Reporting Requirements for Improper Solicitations

CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit improper consideration. CONTRACTOR shall make the report either to COUNTY manager charged with the supervision of the employee or to COUNTY Fraud Hotline at (800) 544-6861 or 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.

O. COUNTY's Quality Assurance Plan

COUNTY or its agent will monitor CONTRACTOR's performance under this CONTRACT on not less than an annual basis. Such monitoring will include assessing CONTRACTOR's compliance with all this Contract's terms and conditions and performance standards. CONTRACTOR deficiencies which COUNTY determines are significant or continuing and that may place performance of this CONTRACT in jeopardy, if not corrected, will be reported to the Board. The report will include improvement/corrective action measures taken by COUNTY and CONTRACTOR.

If improvement does not occur consistent with the corrective action measures, COUNTY may suspend or terminate this CONTRACT for default or impose other penalties as specified in this CONTRACT.

P. Local Small Business Enterprise Utilization

When requested by COUNTY, CONTRACTOR shall provide to COUNTY via methods specified by COUNTY, such as submission of electronic live (or dynamic) data on invoices for the prime and all subcontractors using COUNTY-designated

third party software system or to a COUNTY approved website, or other means of submitting expenditure information on subcontractors, including but not limited to the following information: the name, business address and telephone number/email address of each subcontractor.

In addition, CONTRACTOR shall be required to provide each of the specified subcontractor Local Small Business Enterprise (SBE), Disabled Veteran Business Enterprise (DVBE), and Social Enterprise (SE) status (i.e., whether any of the listed subcontractors are Local SBE's) and the proposed monetary amount of the work the subcontractor will perform on each Notice to Proceed. At the time of submittal of each invoice, CONTRACTOR shall indicate, via methods specified by COUNTY, the actual dollar amounts paid to each listed subcontractor who performed work on the project. The subcontractor may be requested to confirm receipt of the actual payment to the subcontractor by the prime.

The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure to CONTRACTOR to comply with this Section. The parties will agree that under the current circumstances a reasonable estimate of such damages is specified in Exhibit F, Performance Requirements Summary, and that CONTRACTOR shall be liable to COUNTY for said amount.

If in the judgment of Director, or his/her designee, CONTRACTOR is deemed to be in non-compliance with the terms and obligations, Director or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided in Exhibit F, Performance Requirements Summary, may deduct and withhold liquidated damages from COUNTY's final payment to CONTRACTOR.

Q. Compliance with COUNTY's Zero Tolerance Human Trafficking

CONTRACTOR acknowledges that COUNTY has established a Zero Tolerance Human Trafficking Policy prohibiting contractors from engaging in human trafficking.

If a CONTRACTOR or member of CONTRACTOR's staff is convicted of a human trafficking offense, COUNTY shall require that CONTRACTOR or member of CONTRACTOR's staff be removed immediately from performing services under the Contract. COUNTY will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of CONTRACTOR's staff pursuant to this paragraph shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Contract.

PART 4 - INDEMNIFICATION AND INSURANCE

A. Indemnification and Release of COUNTY

CONTRACTOR shall release, indemnify, defend, and hold harmless COUNTY and COUNTY's Related Parties from and against all Liabilities arising from, connected with, or relating to all the following:

1. Operations

CONTRACTOR and CONTRACTOR's Related Parties' operations or any of their respective services on or after the date of this CONTRACT, including the Task 1 and Task 2 services and Liabilities further detailed in the following Indemnifications contained in Part 4A2 through Part 4A5 of this Exhibit 5, but excluding any Liabilities arising from the sole active negligence of COUNTY.

2. Cal/OSHA

Without limiting the operations Indemnification in Part 4A1 of Exhibit 5, employer sanctions and any other Liabilities that may be assessed against CONTRACTOR or COUNTY or both about any alleged act or omission of CONTRACTOR or any of CONTRACTOR'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 multiemployer work sites. CONTRACTOR 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 Indemnification in Part 4A1 of Exhibit 5, employer sanctions and any other Liabilities that may be assessed against CONTRACTOR, any of CONTRACTOR's Related Parties or COUNTY or any one or all of them about 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 Task 1 and Task 2 services. CONTRACTOR 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 CONTRACT or Applicable Law

Without limiting the operations Indemnification in Part 4A1 of Exhibit 5, any Liabilities that may be assessed against CONTRACTOR, any of CONTRACTOR's Related Parties or COUNTY or any one or all of them about any alleged failure of COUNTY to exercise COUNTY's rights under

this CONTRACT or to enforce provisions of this CONTRACT or of Applicable Law as permitted under Part 11A4 of Exhibit 5.

5. Disposal

The presence, Disposal, escape, migration, leakage, spillage, discharge, release, or emission of Unpermitted Waste or petroleum to, in, on, at, or under any Vehicle, place, site, or facility where CONTRACTOR or any of CONTRACTOR's Related Parties transports, 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. *CONTRACTOR Negligence or Misconduct*

The wrongful, willful, or negligent act, error or omission, or the misconduct of CONTRACTOR or any of CONTRACTOR's Related Parties;

b. *Non-Customer Materials*

The Collection, delivery, handling, Recycling, processing, composting or Disposal by CONTRACTOR or any of CONTRACTOR's Related Parties of any materials or waste, including Unpermitted Waste, that are generated by Persons other than Customers and Occupants or collected from premises other than Premises;

c. *Failure to Comply with Unpermitted Waste Screening Protocol*

The failure of CONTRACTOR or any of CONTRACTOR'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. *CONTRACTOR-Identified Unpermitted Waste*

The improper or negligent collection, handling, delivery, processing, recycling, composting, or disposal by CONTRACTOR or any of CONTRACTOR's Related Parties of Unpermitted Waste that CONTRACTOR or any of CONTRACTOR's Related Parties inadvertently collects from Customers and Occupants and that CONTRACTOR or any of CONTRACTOR's Related Parties identifies as Unpermitted Waste before its delivery, processing, recycling, composting, or disposal whether:

- (1) In one or more occurrence;
- (2) Threatened or transpired;
- (3) CONTRACTOR or any of CONTRACTOR's Related Parties is negligent or otherwise culpable; or
- (4) Those Liabilities are litigated, settled, or reduced to judgment.

For purposes of this item A5, "**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 foregoing Indemnification under this item A5 is intended to operate as a CONTRACT under 42 U.S.C. Section 9607(e) and California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify COUNTY from liability in accordance with this Section.

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

With respect to COUNTY's defense under this item A5, COUNTY reserves the right to retain co-counsel at its own cost and expense and CONTRACTOR shall direct CONTRACTOR'S counsel to assist and cooperate with COUNTY'S co-counsel.

CONTRACTOR 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. CONTRACTOR 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, and in the performance of this CONTRACT and until all its Performance Obligations pursuant to this CONTRACT have been met, CONTRACTOR shall provide and maintain the following programs of insurance at its own expense. Performance Obligations under this Section 4B are in addition to and separate from any other Performance Obligation in this CONTRACT. COUNTY reserves the right to review and adjust the insurance requirements in this Section 4B if COUNTY determines that there have been changes in risk exposures. COUNTY makes no warranty that the insurance coverage terms, types, and limits in this Part 4B is sufficient to protect CONTRACTOR for Liabilities that may arise from or in relation to this CONTRACT.

1. Primary, Excess, Non-Contributory

All CONTRACTOR'S insurance carried under this Part 4B shall be primary with respect to any other insurance or self-insurance programs available to COUNTY.

2. Cancellation notices

All insurance shall contain the express condition that COUNTY is to be given written notice by mail at least 30 days in advance of cancellation, or at least ten days in advance of cancellation for nonpayment of premium, for all policies evidenced on the certificate of insurance.

3. Noncompliance

Neither COUNTY'S failure to obtain, nor COUNTY'S receipt of, or failure to object to a noncomplying insurance certificate or endorsement or any other insurance documentation or information provided by CONTRACTOR, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any Performance Obligation under this Part 4B. If CONTRACTOR does not provide and maintain those programs of insurance, COUNTY may purchase required insurance coverage without further notice to CONTRACTOR, and COUNTY may charge CONTRACTOR any premium costs advanced by COUNTY for that insurance and draw on the Performance Assurance provided by CONTRACTOR.

4. Evidence of Insurance: COIs and copies of policies

At least 30 days prior to the Execution Date and thereafter 30 days prior to each policy renewal and within two business days of any Director request, CONTRACTOR shall deliver a certificate or certificates of insurance or other evidence of coverage acceptable to Director at the address provided for Notices. Certificates or other evidence must:

a. Specifically identify this CONTRACT by name or number

name the insured party that matches the name of CONTRACTOR executing this CONTRACT; provide the full name of each insurer providing coverage and the insurer's NAIC (National Association of Insurance Commissioners) identification number, and financial rating.

b. Types and limits

Clearly evidence all coverage, types, and limits required in this CONTRACT. Identify standard policy forms or their equivalent. Coverage may consist of a combination of primary and excess policies. Excess policies must provide coverage as broad as ("follow form" over) the underlying primary policies;

c. Cancellation notice

Contain the express condition that Director is to be given written notice by mail at least 30 days in advance of cancellation (ten days for nonpayment of premium) for all policies evidenced on the certificate of insurance;

d. List additional endorsements

- (1) Additional insured endorsements. Include copies of the additional insured endorsements to General Liability Policy which must add COUNTY and its Special Districts, elected officials, officers, agents, and employees as additional insureds with respect to liability arising out of ongoing and completed Task 1 and Task 2 services, and applicable with respect to liability and defense of suits arising out of CONTRACTOR'S acts or omissions, whether that liability is attributable to CONTRACTOR or COUNTY. The full policy limits and scope of protection must apply to each of those additional insureds even if those limits or scope exceed the minimum required insurance specifications in this CONTRACT. CONTRACTOR may use an automatic additional insured endorsement if the endorsements meet the requirements of this Part 4B.
- (2) Waiver of Subrogation Endorsements. Include copies of subrogation endorsements necessary to effect CONTRACTOR'S waiver of its and its insurer(s)' rights of recovery against COUNTY under all insurance under this Section 14B, to the fullest extent permitted by law.

e. Deductibles and SIRs

Identify any deductibles or self-insured retention ("SIR") exceeding \$50,000 for Director's approval. CONTRACTOR'S policies shall not obligate COUNTY to pay any portion of any CONTRACTOR deductible or SIR.

COUNTY retains the right to require CONTRACTOR to reduce any deductibles or self-insured retention as they apply to COUNTY or to require CONTRACTOR to provide a bond, letter of credit, or certificate of deposit guaranteeing payment of all retained losses and related costs, including expenses, or both, related to investigations, claims administrations, and defense. The bond must be executed by a corporate surety licensed to transact business in the State of

California; the letter of credit must be issued by a bank or other financial institution acceptable to Director.

If CONTRACTOR has not reached its SIR maximum, CONTRACTOR shall defend COUNTY in the same manner that insurers would have defended COUNTY under required insurance policies.

f. Signature verification

Include documentation acceptable to Director verifying that the individual signing or countersigning the certificates, and at Director's request, the policies, endorsements, or other evidence of coverage, is authorized to do so and identifies his or her company affiliation and title.

g. Certified Copies of any Policy

COUNTY'S request, CONTRACTOR shall promptly provide COUNTY with complete, certified copies of any policy of insurance that CONTRACTOR must secure and maintain under this CONTRACT.

h. Claims Made/Retroactive Date

The policy retroactive date, which can be identified on any insurance written on claims made basis, which must precede the Execution Date. CONTRACTOR shall maintain any claims made coverage for a period of not less than 3 years following expiration, termination, or cancellation of this CONTRACT.

i. Insured-vs.-insured

Clearly evidence that all liability policies provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured-versus-insured exclusions or limitations.

5. Insurer Financial Rating

CONTRACTOR 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.

6. Notification of Incidents, Claims, or Suits

CONTRACTOR shall promptly report the following in writing to Director:

- a.** Any accident or incident relating to the Task 1 and Task 2 services involving injury or property damage that may result in the filing of an insurance claim, its legal claim, or lawsuit against CONTRACTOR, any Subcontractor, and/or COUNTY;
- b.** Any third-party claim or lawsuit filed against CONTRACTOR arising from or related to Task 1 and Task 2 services;
- c.** Any injury to a CONTRACTOR employee that occurs on COUNTY property, or,
- d.** Any loss, disappearance, destruction, misuse, or theft of COUNTY property, money, or securities entrusted to CONTRACTOR.

CONTRACTOR 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>.

7. Insurance Coverage Requirements.

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

The general liability policy must provide contractual liability coverage for CONTRACTOR'S indemnification of COUNTY.

- 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 CONTRACTOR 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 Part 4B7b, "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 CONTRACTOR'S indemnification of COUNTY. CONTRACTOR'S general liability policy may be endorsed to provide the required 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 CONTRACTOR pursuant to its operations and services and the terms of this CONTRACT. CONTRACTORS 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 CONTRACTOR is responsible. In all cases, this insurance must also include Employers' Liability coverage with limits of not less than the following:

(1)	Each accident:	\$1 million
(2)	Disease - policy limit:	\$1 million
(3)	Disease - each employee:	\$1 million

8. **Insurance Coverage Requirements for Subcontractors**

CONTRACTOR shall ensure that all Subcontractors performing Task 1 and Task 2 services under this CONTRACT secure and maintain the insurance coverage required in Part 4B1 through B7 by providing evidence that either:

- CONTRACTOR is maintaining the required insurance covering the activities of Subcontractors, or
- Subcontractors are maintaining the required insurance coverage.

CONTRACTOR shall provide COUNTY with any Subcontractor request to modify that insurance coverage and get COUNTY approval prior to modification.

C. **Compensation for COUNTY Costs**

If CONTRACTOR fails to comply with any Performance Obligations, including Indemnification, insurance, and performance assurance and that failure results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all COUNTY's Reimbursement Costs.

D. Alternative Risk Financing Programs

COUNTY reserves the right to review and then approve CONTRACTOR'S use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements, and captive insurance to satisfy Performance Obligations under this Part 4B. COUNTY and Persons named as additional insureds under Part 4B4d shall be designated as an Additional Covered Party under any approved program.

PART 5 - Part no longer used

PART 6 - DEBARMENT BREACHES AND DEFAULTS; SUSPENSION; TERMINATION

A. Notice of Breach; CONTRACTOR Cure

If Director determines that CONTRACTOR is in Breach, Director may give Notice to CONTRACTOR identifying and describing the Breach.

CONTRACTOR shall remedy the Breach within 30 days from the receipt of Notice unless Director determines that the public health and safety require a shorter period. CONTRACTOR shall remedy a Breach or with respect to the Child Support Compliance Program described in Part 11B of Exhibit 5, 90 days after notice by COUNTY's Child Support Services Department. Director will hold a conference with CONTRACTOR within 30 days of CONTRACTOR request. CONTRACTOR may request additional time to correct the Breach, but Director may accept or reject that request at its sole discretion.

B. CONTRACTOR Default. The following constitute CONTRACTOR Defaults

1. Fraud, Misrepresentation, or Breach of Warranties

CONTRACTOR committed any fraud or deceit or made any intentional misrepresentations in the procurement of this CONTRACT; commits, or attempts to commit, any fraud or deceit upon COUNTY after the Award Date of this CONTRACT; makes any material misrepresentations or breaches any warranties in this CONTRACT (including Attachment 5-9H); or includes any materially false or misleading statement, representation, or warranty in any Record or Report.

2. Insolvency or Bankruptcy

CONTRACTOR becomes insolvent or files a voluntary petition to declare bankruptcy; a receiver or trust is appointed for CONTRACTOR; or CONTRACTOR executes an assignment for the benefit of creditors. CONTRACTOR 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 CONTRACTOR has committed an act of bankruptcy and whether CONTRACTOR is insolvent within the meaning of the Federal bankruptcy law or not.

3. Failure to Provide Insurance, Bonds

CONTRACTOR does not provide or maintain in full force and effect all insurance and other assurances of its Performance Obligations, including as required under Part 4 of Exhibit 5 and Section 15, or provide evidence of insurance coverage acceptable to Director.

4. Material or Repeated Violation of Applicable Law

a. Any material Violation of Applicable Law

That is not cured to the satisfaction of Director 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 CONTRACTOR is entitled to and does contest a notice, assessment, or determination of Violation of Applicable Law by proceedings conducted in good faith, no CONTRACTOR Default will be deemed to have occurred until a final decision adverse to CONTRACTOR is entered.

5. Failure to Collect for Seven Days

Unless due to Uncontrollable Circumstances or otherwise approved by Director, CONTRACTOR fails to Collect from all Occupants with respect to Task 1 or to provide Task 2 services for seven consecutive calendar days.

6. Failure to Collect for More Than Seven Days

With respect to Task 1 or Task 2 Services, if due to Uncontrollable Circumstances, CONTRACTOR fails to Collect from all Occupants or provide Task 2 Services for a period of more than seven consecutive calendar days.

7. Payments to COUNTY

CONTRACTOR does not timely and fully make any required payment to COUNTY required under this CONTRACT (including payments such as Franchise Fees, damages, or COUNTY's Reimbursement Costs):

a. More than twice in any Calendar Year;

b. Within 60 days of Notice by Director that payment is due; or

c. With respect to payment of a shortfall in Franchise Fees, within 60 days of Notice in accordance with Section 9C.

8. Specified CONTRACTOR Defaults

CONTRACTOR Breaches any of the following Sections:

a. Part 11B of Exhibit 5 Child Support Compliance Program
(if not cured within 90 days of Notice given as described in Part 6 of Exhibit 5);

- b. Part 12C1 of Exhibit 5 Compliance with ILO Convention Concerning Minimum Age for Employment;*
- c. Part 12D of Exhibit 5 Nondiscrimination;*
- d. Part 12F of Exhibit 5 COUNTY Lobbyist Ordinance; or*
- e. Part 6F of Exhibit 5 Termination for Breach of Warranty to Maintain Compliance with COUNTY's Defaulted Property Tax Reduction Program.*

9. Uncured or Repeated Breach

CONTRACTOR does not timely cure any other Breach in accordance with item A or CONTRACTOR Breaches any of its Performance Obligations repeatedly or habitually, as determined by Director at their sole discretion, if a specific instance of failure or refusal has been previously cured. However, this CONTRACTOR Default will be excused for a period of seven days beginning on the first occurrence of that CONTRACTOR Default in the event of Uncontrollable Circumstances, if the event materially affects CONTRACTOR'S ability to provide Task 1 and Task 2 services. Nevertheless, if Uncontrollable Circumstances interrupt, Collection, Customers and Occupants may take actions and COUNTY may exercise any of its rights under Section 11. This CONTRACTOR Default will not be excused if it continues for a period of more than seven days beginning on the first occurrence of this CONTRACTOR Default.

10. Improper Consideration

COUNTY finds that consideration, in any form, was offered or given by CONTRACTOR either directly or through an intermediary to any COUNTY officer, employee, or agent with the intent of securing this CONTRACT or securing favorable treatment with respect to the award, amendment, or extension of this CONTRACT or the making of any determinations with respect to CONTRACTOR'S performance under this CONTRACT 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 the most recent annual public financial reports and other periodic public financial reports of CONTRACTOR and, at Director's request, each of its Affiliates and other entities, if any, performing Contract Services or providing Goods or Services; provided however, that if CONTRACTOR did not submit its own financial reports before the Execution Date of this CONTRACT, it must provide a

guaranty in the form provided by Director, by a guarantor satisfactory to Director, which guarantor must provide its own audited financial reports;

C. Notice of CONTRACTOR Default

1. Effective Immediately

COUNTY may terminate this CONTRACT effective immediately after Notice by Director to CONTRACTOR of any of the following CONTRACTOR Defaults:

- a. Any CONTRACTOR Default, if COUNTY determines that protection of public health and safety requires immediate suspension or termination;*
- b. A CONTRACTOR Default in Part 6B3 of Exhibit 5 (failure to provide insurance, bonds);*
- c. A CONTRACTOR Default described in Part 6B4 of Exhibit 5 (material or repeated Violation of Applicable Law, including COUNTY Lobbyist Ordinance);*
- d. A CONTRACTOR Default described in Part 6B10 of Exhibit 5 (improper consideration).*

2. Effective 30 days

COUNTY may terminate this CONTRACT effective 30 days after Notice by Director to CONTRACTOR of any CONTRACTOR Default other than CONTRACTOR Defaults listed in this Part 6C1 of Exhibit 5 or termination events listed in Part 6D of Exhibit 5.

3. Effective 15 days

COUNTY may terminate this CONTRACT effective 15 days after Notice by Director to CONTRACTOR of COUNTY'S right to terminate this CONTRACT in the event of Criminal Activity in accordance with Part 9K of Exhibit 5 and Part 6D2c of Exhibit 5.

4. Effective Ten days

COUNTY may terminate this CONTRACT effective ten days after Notice given by Director for failure to comply with COUNTY Defaulted Property Tax Reduction Program in accordance Part 6F of Exhibit 5.

D. Suspension or Termination of CONTRACT

1. Suspension

Together with any other rights COUNTY may have under this CONTRACT, Director may suspend this CONTRACT, in whole or in part, for a period of

45 days effective immediately upon Notice to CONTRACTOR in any of the following events:

a. A CONTRACTOR Default

b. COUNTY Right

COUNTY exercise of its right to suspend this CONTRACT under Part 9K of Exhibit 5 in the event of Criminal Activity of CONTRACTOR; or

c. Other

Any other CONTRACTOR Default in Exhibits 3A1 or 3A2.

During that 45-day period CONTRACTOR shall have the opportunity to demonstrate to Director that CONTRACTOR can once again fully perform Task 1 and Task 2 Services in accordance with this CONTRACT. If CONTRACTOR so demonstrates, COUNTY'S right to suspend this CONTRACT will cease and CONTRACTOR may resume providing services. If CONTRACTOR does not so demonstrate, COUNTY may continue the suspension and terminate this CONTRACT and exercise any other rights and remedies under this CONTRACT.

2. Termination

a. CONTRACTOR Default

COUNTY may terminate this CONTRACT, in whole or in part, upon the occurrence of a CONTRACTOR Default and Notice to CONTRACTOR at the times provided in Part 6D3 of Exhibit 5.

b. Failure to Agree on Service Fee Adjustments

Notwithstanding the foregoing, COUNTY may terminate this CONTRACT on 6 months' Notice if in the judgment of Director, COUNTY and CONTRACTOR are unable to reach satisfactory CONTRACT to adjust Service Fees in accordance with items B, C, D, and E of Exhibit 7 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

COUNTY may terminate this CONTRACT upon Notice required in Part 6C of Exhibit 5 if COUNTY exercises its right to terminate this

CONTRACT under Part 9K of Exhibit 5 in the event of Criminal Activity of CONTRACTOR.

d. Annexation of Service Area

Upon request of Director, CONTRACTOR shall use Reasonable Business Efforts to cooperate with a local agency with respect to providing Task 1 and Task 2 Services or MSW Management Services, in the following events:

- (1) the Service Area is annexed by that local agency in accordance with applicable laws, and
- (2) the Parties agree to amend this CONTRACT to delete the annexed area from the definition of "Service Area".

3. Suspension/Termination for Nonappropriation of Funds

Notwithstanding any other provision of this CONTRACT, COUNTY shall not be obligated for CONTRACTOR's performance hereunder, with respect to County Services under this Exhibit during any of COUNTY's future Fiscal Years unless and until the Board appropriates funds for this CONTRACT in COUNTY's budget for each such future Fiscal Year. If funds are not appropriated for this CONTRACT, then this CONTRACT may be suspended or terminated as of June 30 of the last Fiscal Year for which funds were appropriated. Director will notify CONTRACTOR in writing of any such nonallocation of funds as soon as possible.

4. Suspension/Termination for Convenience (County Services Only)

a. COUNTY'S Best Interest

With respect to ~~this County Services only, COUNTY policy requires that this~~ CONTRACT may be suspended or terminated, in whole or in part, from time to time, when ~~Director-COUNTY~~ deems such action, at its sole discretion, to be in its best interest. Suspension or termination of work hereunder shall be affected by Notice of suspension or termination to CONTRACTOR specifying the extent to which performance of work is suspended or terminated and the date upon which such suspension or termination becomes effective. The date upon which such suspension or termination becomes effective shall be no less than ten days after the Notice is sent.

b. Stop Suspended/Terminated Work; Complete Non-Suspended/Terminated

After receipt of a Notice of suspension or termination and except as otherwise directed by Director, CONTRACTOR shall:

- (1) Stop work under this CONTRACT on the date and to the extent specified in such Notice; and
- (2) Complete performance of such part of the work as shall not have been suspended or terminated by such notice.

c. Records Retention

All material including books, records, documents, or other evidence bearing on the costs and expenses of CONTRACTOR under this CONTRACT shall be maintained by CONTRACTOR in accordance with Section 9A and Part 3G of Exhibit 5.

d. Completion of Work

If this CONTRACT is suspended or terminated, CONTRACTOR shall complete within Director's suspension or termination date contained within the Notice of suspension or termination, those items of work which are in various stages of completion, which Director has advised CONTRACTOR are necessary to bring the work to a timely, logical, and orderly end. Reports, samples, and other materials prepared by CONTRACTOR under this CONTRACT shall be delivered to Director upon request and shall become the property of COUNTY.

e. Suspension or Termination in Part

COUNTY may suspend or terminate part of this CONTRACT. An example of suspension or termination in part is suspending Task 1 Service but not Task 2 Service.

E. CONTRACTOR Responsibility and Debarment

1. Child Support Compliance Program

COUNTY may debar CONTRACTOR from doing business with COUNTY if COUNTY determines after giving notice and conducting a hearing in accordance with Chapter 2.202 of COUNTY Code, which shall apply to this CONTRACT, that CONTRACTOR (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; CONTRACTOR'S failure to comply with the Child Support Compliance

Program, as provided in Part 11B of Exhibit 5, may be cause for debarment in accordance with Section 2.200.020 of COUNTY Code.

2. COUNTY Defaulted Property Tax Reduction Program

COUNTY may debar CONTRACTOR from doing business with COUNTY as provided in item F2 of this Exhibit.

F. Termination For Breach Of Warranty To Maintain Compliance With County Defaulted Property Tax Reduction Program

1. CONTRACTOR Default

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Part 11C of Exhibit 5 shall constitute a CONTRACTOR Default under Part 6B of Exhibit 5

2. Termination/Debarment

Without limiting the rights and remedies available to COUNTY under any other provision of this CONTRACT, failure of CONTRACTOR to cure that CONTRACTOR Default within ten days of Notice shall be grounds upon which COUNTY may terminate this CONTRACT under Part 6D2 of Exhibit 5 and/or pursue debarment of CONTRACTOR pursuant to COUNTY Code Chapter 2.206 and Part 6E2 of Exhibit 5.

PART 7 - Part no longer used

PART 8 - TRANSFER OF CONTRACT

A. COUNTY Consent

CONTRACTOR may not Transfer this CONTRACT, any Franchise granted under it, or any rights or duties under it, in whole or in part, and whether voluntarily or involuntarily, without COUNTY'S prior written consent given at COUNTY'S sole discretion. Any Transfer or attempted Transfer of this CONTRACT, the franchise granted under it or any rights and duties under it, made without COUNTY'S consent, at COUNTY'S option, will be invalid. COUNTY'S consent must be a written amendment to this CONTRACT that is formally approved by the Board of Supervisors and executed by (1) CONTRACTOR and (2) the Board, or if delegated by the Board, Director. Any Transfer, with or without consideration for any reason whatsoever without COUNTY'S (or Director's, if applicable) express prior written approval, shall be a Breach of this CONTRACT, which may result in the termination of this CONTRACT. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by CONTRACTOR. COUNTY may condition consent on payment of amounts specified in Exhibit 3A1, Exhibit 3A2, and Exhibit 3A3 in consideration for the value of good will and intangibles that accrued to COUNTY and Customers and Occupants in the award of this CONTRACT to CONTRACTOR.

“Transfer” means an action (or inaction) that has any of the following direct (or indirect) effects:

1. Control or Ownership of CONTRACTOR

Changing any or all of the following:

- The effective control of CONTRACTOR, or
- Ownership interest of CONTRACTOR (including buyout, merger, acquisition, consolidation, reorganization, recapitalization, stock (re)issuance, voting trust, pooling agreement, escrow arrangement, dissolution, or liquidation (except to Immediate Family or a trust created primarily to benefit members of the Immediate Family) unless CONTRACTOR proves to satisfaction of COUNTY less than 25 percent of ownership interest has changed;

2. Control or Ownership of Contract Service Assets

Changing either or both of the following:

- The effective control.

- The ownership (actual or constructive) of Contract service assets (except for sales or Transfers to the Immediate Family or a trust created primarily to benefit the Immediate Family) unless CONTRACTOR proves to satisfaction COUNTY that less than 20 percent of the value of franchise service assets has changed ownership.

3. Someone Other Than CONTRACTOR Performing Contract Services

Resulting in someone other than CONTRACTOR performing contract services or assuming the obligation to provide contract services (including substitution of someone else by a surety company providing a performance bond, franchise assignment, transfer, conveyance, sublease, or licensing).

For purposes of this definition, an action (or inaction) includes assignment by operation of law, such as insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment of an execution levied against this Agreement, appointment of a receiver taking possession of any of CONTRACTOR's tangible or intangible property, or transfer occurring in a probate or other estate proceeding.

“Immediate Family” means parents, grandparents, siblings, children, and grandchildren of individuals having a shareholder or other equity interest in CONTRACTOR as of the franchise date.

“ownership” means the state or fact of being the direct (or indirect), actual (or constructive) owner of property, including a parent holding corporation owning stock of a subsidiary corporation that in turn owns stock in its own subsidiary corporation(s).

B. CONTRACTOR Demonstration

Without obligating Director to give consent, CONTRACTOR shall demonstrate to Director's satisfaction that the proposed transferee has the operational and financial ability to satisfy CONTRACTOR'S Performance Obligations.

C. Payment of COUNTY's Transfer Costs

1. Transfer Deposit

CONTRACTOR must make any request for Director's consent to a Transfer in the manner prescribed by Director. Director may condition consent to any Transfer, other than a Transfer to an Affiliate, on CONTRACTOR'S payment to COUNTY of \$5.00 per Customer. CONTRACTOR shall pay COUNTY a Transfer Deposit before Director's consideration of

CONTRACTOR'S request. COUNTY will return to CONTRACTOR any amounts paid more than the Transfer Costs incurred.

2. Additional Transfer Costs

While COUNTY'S processing CONTRACTOR'S request for Transfer, CONTRACTOR shall further pay COUNTY its additional Transfer more than the Transfer Deposit within 30 days of Director's request therefore, if Director approves the Transfer. At CONTRACTOR'S request, COUNTY will provide CONTRACTOR access to all records evidencing the Transfer Costs incurred.

D. COUNTY's Reimbursement Costs of Enforcement

In addition, CONTRACTOR 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 therefore.

Any payment by COUNTY to any approved delegate or transferee on any claim under this CONTRACT shall be deductible, at COUNTY's sole discretion, against the claims which CONTRACTOR may have against COUNTY.

PART 9 - GENERAL PROVISIONS

A. Exercise of Options

Parties will exercise any approval, disapproval, consent, judgment, option, discretion, election, opinion, or choice under this CONTRACT, make a requirement under this CONTRACT or interpret this CONTRACT ("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 CONTRACT serves, where this CONTRACT 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

CONTRACTOR is an independent entity and not an officer, agent, servant, or employee of COUNTY. This CONTRACT is between COUNTY and CONTRACTOR 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 CONTRACTOR, including for purposes of workers' compensation. CONTRACTOR is solely responsible for the acts and omissions of its officers, agents, employees, and any Subcontractors. Nothing in this CONTRACT will be construed as creating an arrangement for handling Unpermitted Waste. CONTRACTOR 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 Task 1 and Task 2 Services performed on behalf of CONTRACTOR under this CONTRACT.

C. Damage to Property and Personal Injury

CONTRACTOR shall not cause damage to property or personal injury. At its sole expense, CONTRACTOR 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 CONTRACTOR. COUNTY may refer all complaints of damage or injury to CONTRACTOR as a matter within CONTRACTOR'S sole responsibility. Notwithstanding any Rights COUNTY has for breach of CONTRACT, disputes between CONTRACTOR and Persons as to damage to private pavement or other property or to injury are civil matters between CONTRACTOR 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 COUNTY. In the event of litigation in a United States District Court, exclusive venue will lie in the Central District of California.

E. Changes and Amendments

1. Changes following Notice

The following changes in this CONTRACT after the Execution Date will be effective after Notice from Director to CONTRACTOR (or with respect to certain changes referenced in item b, from CONTRACTOR to Director, in accordance with Section 3D2a) as consented to by CONTRACTOR:

- a. Changes in the scope of Task 1 and Task 2 Services and Service Specifications and minimum Service Standards that do not result in a Customer Service Fee adjustment in accordance with Section 3C or change in County Service Fee*
- b. Changes to Exhibit 3D CONTRACTOR Documentation*
- c. Changes to Attachment 5-9G Authorized Representative of Director*
- d. Immaterial changes to immaterial Performance Obligations*

2. Written Amendments

The following changes in this CONTRACT after the Execution Date will be effective only upon execution of a written amendment to this CONTRACT, including warranties by the Parties in accordance with Section 14B:

- a. Changes in the scope of Task 1 and Task 2 Services and Service Standards that result in a Customer Service Fee adjustment in accordance with Section 3C or change in County Service Fee; and*
- b. Material changes to material Performance Obligations (such as the period of performance, payments, or any material term or condition included in this CONTRACT).*

F. Notices

All Notices required or permitted to be given under this CONTRACT must be in writing with proof of delivery and acknowledgment by recipient. All Notices to COUNTY must be addressed to Director as provided in Attachment 5-9G, on CONTRACTOR letterhead, and signed by authorized representative. All Notices to CONTRACTOR must be addressed to the authorized representative of

CONTRACTOR named in CONTRACTOR Documentation in Exhibit 3D (who will be CONTRACTOR'S primary contact under this CONTRACT).

COUNTY Notice to CONTRACTOR is deemed effective on the date delivered with evidence of receipt or three days after the date of mailing, as evidenced in proof of mailing and post-marked date on envelope.

Notices of suspension or termination of this CONTRACT may be personally delivered to any individual whose actual knowledge of suspension or termination would be sufficient notice to CONTRACTOR, including:

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

G. Authorized Representative of Director

COUNTY authorizes Director to make requests or requirements of CONTRACTOR or give approvals under this CONTRACT, excluding consents to Transfer or written amendments of this CONTRACT. The authorized representative of Director named in Attachment 5-9G is CONTRACTOR'S primary contact under this CONTRACT and can be contacted as provided in Attachment 5-9G. CONTRACTOR shall give that authorized representative a copy of all Notices in accordance with Part 9F of Exhibit 5. From time to time, Director may change Attachment 5-9G by Notice to CONTRACTOR.

H. Authority and Representations; COUNTY Disclaimer

2. 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 CONTRACT and perform its obligations under this CONTRACT. This CONTRACT 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 COUNTY, any waste disposal characterization study, or projections by material type with respect to waste in COUNTY. COUNTY expressly disclaims any representations and warranties, either express or implied, as to the merchantability or fitness for any purpose of Solid Waste or any portion thereof.

2. CONTRACTOR

CONTRACTOR represents and warrants as provided in Attachment 5-9H.

I. Limitation on Terms and Conditions

With respect to Task 1 only, CONTRACTOR shall limit the terms of terms and conditions to no longer than the remaining period of the Term. CONTRACTOR may not include in the terms of terms and conditions 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 before the stated expiration of the terms and conditions) to terminate the terms and conditions.

J. 21-Day Notice by Customer

CONTRACTOR shall give each Customer the option to terminate its terms and conditions without cause on 21-days' notice. CONTRACTOR shall refund any advanced payment for service after termination.

K. Criminal Activity

1. Notice

CONTRACTOR shall immediately give Notice to Director 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 CONTRACTOR or any of its CONTRACTOR Managers (except for CONTRACTOR Managers in a Position of Influence). CONTRACTOR shall use Reasonable Business Efforts to immediately give Notice to Director on the occurrence of any convictions or any pleas with respect to CONTRACTOR or any of its CONTRACTOR Managers in a Position of Influence, and any of its CONTRACTOR employees who come in direct contact with the residents.

2. CONTRACTOR Cure

Upon the occurrence of any conviction or any plea described in Part 9K1 of Exhibit 5, CONTRACTOR immediately shall do or cause to be done both of the following:

a. Terminate

Terminate from employment or remove from office any offending CONTRACTOR Manager who is an individual, or with respect to CONTRACTOR or an Affiliate, the individual or individuals responsible for the Criminal Activity; and

b. Eliminate

Eliminate the participation in management of CONTRACTOR by that CONTRACTOR Manager who is an individual or, with respect to CONTRACTOR 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 CONTRACT 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 the following events:

- a. CONTRACTOR or any Affiliate fails to effectuate the cure described in Part 9K2 of Exhibit 5; or*
- b. The Criminal Activity is related to this CONTRACT or occurring in COUNTY.*

4. Limitations on CONTRACTOR Manager

No CONTRACTOR 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. CONTRACTOR Documentation

CONTRACTOR shall list all CONTRACTOR Managers in CONTRACTOR Documentation in Exhibit 3D.

L. Delay of Performance Obligations

Immediately upon learning that any actual or potential circumstance is delaying or threatening to delay the timely satisfaction of a Performance Obligation,

CONTRACTOR shall give Director a Notice of the delay, including all relevant information, such as identifying the Performance Obligation, circumstance, and duration of the delay, and whether or not CONTRACTOR believes that the delay is due to Uncontrollable Circumstances. CONTRACTOR shall propose a solution for Director approval.

M. Subcontractors

CONTRACTOR shall not engage any Subcontractor in an amount exceeding \$50,000 for any individual Subcontractor without prior Director approval of the Subcontract and Subcontractor. CONTRACTOR is responsible for directing the work of CONTRACTOR'S Subcontractors and any compensation due or payable to CONTRACTOR'S Subcontractors is the sole responsibility of CONTRACTOR. CONTRACTOR shall remove any approved Subcontractor for good cause at Director's request. CONTRACTOR shall identify all Subcontractors in CONTRACTOR Documentation in Exhibit 3D. In its Annual Report, CONTRACTOR shall disclose to Director the name of all Subcontractors, the amount of Goods or Services that each Subcontractor provides to CONTRACTOR, and a description of CONTRACTOR'S relationships to each Subcontractor (including ownership interests).

PART 10 - DEFINITIONS AND INTERPRETATION OF CONTRACT

A. Definitions

Defined words in this CONTRACT have the meanings given in Attachment 5-10A.

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 CONTRACTOR in CONTRACTOR Documentation in Exhibit 3D.)

2. Headings; Font

Any captions or headings following the Exhibit, Attachment, Section, subsection, paragraph, and other attachments and subdivisions of this CONTRACT that precede the operative text of this CONTRACT are for convenience of reference only and do not control or affect the scope, intent, meaning, construction, interpretation, or effect of this CONTRACT. 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 CONTRACT.

3. References to Parts

References to Sections refer to Sections of this CONTRACT, unless specified otherwise. References to Exhibits and Attachments refer to Exhibits and Attachments attached to this CONTRACT. Reference to "subsections" refers to the subsections 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 CONTRACTOR may not be construed as a limitation or restriction of any general liability or duty imposed on CONTRACTOR by this CONTRACT or Applicable Law.

6. Exhibits

The exhibits to this CONTRACT, including their attachments, are part of this CONTRACT to the same extent and effect as if included in the text of Sections 1 through 16.

7. Inconsistencies and Conflicts

- a.** If any provision of Exhibits 3A1, 3A2, or 3A3 is inconsistent or conflicts with Sections 1 through 16 or Exhibit 5 of this CONTRACT or any other Exhibits or Attachments to this CONTRACT, then the provisions of Exhibits 3A1, 3A2, and 3A3 will govern, and
- b.** If any provision of Sections 1 through 16 or Exhibit 5 of this CONTRACT is inconsistent or conflicts with any Exhibit (other than Exhibits 3A1, 3A2, or 3A3), including CONTRACTOR Documentation, then the provision of Sections 1 through 16 or Exhibit 5 of this CONTRACT will govern unless Director determines that it is contrary to the interest of the Parties.

C. Integration

This CONTRACT contains the entire CONTRACT between the Parties with respect to the rights and responsibilities of the Parties under this CONTRACT. This CONTRACT completely and fully supersedes all prior oral and written understandings and contracts between the Parties with respect to those rights and responsibilities.

D. Governing Law

This CONTRACT 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 CONTRACT or Exhibit to this CONTRACT (an "CONTRACT 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 CONTRACT Provision and any related amendments, deletions, or additions to other provisions of this CONTRACT, 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 CONTRACT Provision and any amendments, deletions, or additions to this CONTRACT. Within ten days of Director's request, CONTRACTOR shall pay COUNTY an amount equivalent to 100 percent of the Direct Costs of the application.

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

F. Interpretation

This CONTRACT will be interpreted and construed neither for nor against either Party, regardless of the degree to which either Party participated in its drafting. CONTRACTOR acknowledges that it determined to provide Contract Services in the Service Area and to execute this CONTRACT upon CONTRACTOR'S own choice and initiative. Each Party represents and warrants that it and its counsel have reviewed this CONTRACT, and the Parties agree that no provision in this CONTRACT will be construed against the drafting Party.

PART 11 - COMPLIANCE WITH LAWS AND REGULATIONS

A. Applicable Law

1. Compliance

CONTRACTOR shall secure and maintain all permits, licenses, registration, agreements, and 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, and the Property Tax Reduction Ordinance. No obligation in this CONTRACT may be construed to relieve CONTRACTOR of any obligations imposed by Applicable Law.

CONTRACTOR shall be fully responsible for possessing and keeping current and/or obtaining any required licenses/permits from the appropriate Federal, State, or local authorities for work to be accomplished under this CONTRACT, including, but not limited to, a valid Waste Collector Permit issued by COUNTY Department of Public Health, Green Waste Quarantine Zone compliance agreement from California Department of Food and Agriculture, waste and used tire hauler registration from CalRecycle, and hazardous waste transportation permit from CalRecycle.

CONTRACTOR shall secure and maintain valid waste and used tire hauler registration therefore in accordance with California Public Resources Code Section 42950 *et seq.* and any Permit required by Applicable Law for handling E-waste. CONTRACTOR shall transport tires to and Dispose of them at a facility authorized and permitted in accordance with Applicable Law to accept tires. CONTRACTOR 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.

2. Referenced Provisions

References in this CONTRACT to provisions or requirements of Applicable Law may not be construed to limit CONTRACTOR'S obligation to comply with all provisions of Applicable Law. Those references are intended to facilitate CONTRACTOR'S satisfaction of its Performance Obligations and COUNTY'S administration and specific enforcement of this CONTRACT 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 CONTRACT. If any provision of this CONTRACT is more stringent than Applicable Law, CONTRACTOR shall comply with that provision.

3. Fines and Penalties

CONTRACTOR is solely liable for all fines and penalties that may be imposed on CONTRACTOR or may be due to CONTRACTOR'S actions, including fines and penalties that are the result of CONTRACTOR'S Violation of Applicable Law (including Permits). CONTRACTOR shall not seek reimbursement from COUNTY, Customers, or Occupants for any fines or penalties.

4. Contractual Obligations

Provisions of Applicable Law are incorporated in this CONTRACT by reference as if set forth fully in this CONTRACT as contractual obligations of CONTRACTOR 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 CONTRACTOR'S other contractual obligations under this CONTRACT, including specific performance and as Breaches subject to cure in accordance with Part 6A of Exhibit 5. However, COUNTY has no obligation to enforce any Applicable Law.

b. Violation

Violation of Applicable Law is a CONTRACTOR Default subject to contest as provided in Part 6B4 of Exhibit 5.

5. COUNTY's Protection of Public Safety, Health, and Welfare

CONTRACTOR 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 CONTRACT is deemed to limit the power of COUNTY to regulate CONTRACTOR or to take any action as COUNTY deems appropriate or necessary in Director's sole and absolute discretion, under COUNTY'S police power, including to protect the public's health, safety, and welfare.

6. Compliance with Applicable Law of COUNTY

CONTRACTOR shall comply with Applicable Law of COUNTY subject to possible adjustments in the Service Fees in the event of Changes in Law in accordance with items B, C, D, and E of Exhibit 7.

B. COUNTY Child Support Compliance Program

As required by COUNTY'S Child Support Compliance Program (COUNTY Code Chapter 2.200), CONTRACTOR shall fully comply with employment and wage reporting requirements under the Federal Social Security Act (42 U.S.C. Section 653(a) and California Unemployment Insurance Code Section 1088.5. CONTRACTOR 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 Section 706.031 and California Family Code Section 5246(b).

C. COUNTY Defaulted Property Tax Reduction Program

CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals and businesses that benefit financially from COUNTY through contract are current in paying their property tax obligations (secured and unsecured roll) to mitigate the economic burden otherwise imposed upon COUNTY and its taxpayers.

Unless CONTRACTOR qualifies for an exemption or exclusion, CONTRACTOR warrants and certifies to the best of its knowledge under Attachment 5-9H, that as of the Execution Date it complies with COUNTY Code Chapter 2.206. Unless CONTRACTOR qualifies for an exemption or exclusion, CONTRACTOR shall comply with COUNTY Code Chapter 2.206.

PART 12 - LABOR-RELATED PROVISIONS REQUIRED IN COUNTY CONTRACTS

A. Labor Code

CONTRACTOR 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. By and through its execution of this CONTRACT, CONTRACTOR represents and warrants that it is aware of and understands the provisions of California Labor Code Section 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 CONTRACT and agrees to fully comply with those provisions.

1. Consideration of GAIN/GROW Participants for Employment

Should CONTRACTOR require additional or replacement personnel after the Execution Date, CONTRACTOR 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 CONTRACTOR'S minimum qualifications for the open position. COUNTY will refer GAIN/GROW participants, by job category, to CONTRACTOR. For this purpose, "consideration" means that CONTRACTOR shall interview qualified candidates. If both laid-off COUNTY employees and GAIN and GROW participants in categories identified by COUNTY are available for hiring, CONTRACTOR shall give COUNTY employees first priority.

B. Notices to Employees

1. Regarding the Federal Earned Income Credit

CONTRACTOR shall notify its employees, and shall require each Subcontractor performing Task 1 and Task 2 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 CONTRACTOR has attached as CONTRACTOR Documentation.

2. Regarding Safely Surrendered Baby Law

CONTRACTOR acknowledges that COUNTY places a high-priority on the implementation of the Safely Surrendered Baby Law (SB 1368).

a. *Fact Sheet*

CONTRACTOR shall notify and provide to its employees and shall require each Subcontractor performing Task 1 and Task 2 Services

to notify and provide to Subcontractors' employees a fact sheet regarding the Safely Surrendered Baby Law, its implementation in COUNTY, and where and how to safely surrender a baby. CONTRACTOR 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.

b. Poster

CONTRACTOR 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 CONTRACTOR'S place of business. CONTRACTOR 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 CONTRACTOR with the poster to be used.

3. Regarding Child Support

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR 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.

4. Time Off for Voting

CONTRACTOR shall notify its employees, and shall require each Subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code, Section 14000). Not less than ten days before every Statewide election, every Contractor and Subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

C. Prohibition Against Use of Child Labor

1. Compliance with International Labor Organization Convention Concerning Minimum Age for Employment

CONTRACTOR shall not knowingly sell or supply to COUNTY or Customers and Occupants 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

CONTRACTOR discovers that any products, goods, supplies, or other personal property sold or supplied by CONTRACTOR to COUNTY or any Customer are produced in violation of that Convention, CONTRACTOR shall immediately provide an alternative source of supply that complies with that Convention.

2. Provide COUNTY with Records

At COUNTY'S request, CONTRACTOR shall provide documentation satisfactory to COUNTY evidencing the country or countries of origin of any products, goods, supplies, or other personal property CONTRACTOR sells or supplies to COUNTY or any Customer or Occupant relating to Task 1 and Task 2 Services.

3. Provide COUNTY with Manufacturers' Certification

At COUNTY'S request, CONTRACTOR 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.

D. Nondiscrimination

1. Employees

CONTRACTOR 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, Service Fees of pay, other forms of compensation, and selection of training (including apprenticeship).

2. Subcontractors, Bidders, and Vendors

CONTRACTOR 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

CONTRACTOR shall comply with the provisions of CONTRACTOR'S EEO Certification (Form PW-7), attached as CONTRACTOR Documentation.

4. Inspection of Records

At COUNTY'S request, CONTRACTOR shall promptly allow COUNTY and its auditors or reviewer access to CONTRACTOR'S employment records at

CONTRACTOR'S Office during CONTRACTOR Office Hours to verify compliance with the provisions of Part 12E of Exhibit 5.

5. Remedies for Discrimination

If COUNTY finds that CONTRACTOR has violated any provisions of this subsection D, that violation constitutes a CONTRACTOR Default. While COUNTY reserves the right to determine independently that the antidiscrimination provisions of this subsection D have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that CONTRACTOR has violated State of California or Federal antidiscrimination laws will constitute a finding by COUNTY that CONTRACTOR has violated the antidiscrimination provisions of Part 12D of Exhibit 5.

E. Safety

1. Services Safety Official

CONTRACTOR shall designate in CONTRACTOR Documentation in Exhibit 3D a Services Safety Official who shall be thoroughly familiar with CONTRACTOR'S Injury and Illness Prevention Program (IIPP) and Code of Safe Practices (CSP). CONTRACTOR shall ensure that the Services Safety Official is available always Task 1 and Task 2 Services are provided to abate any potential safety hazards. CONTRACTOR shall give the Services Safety Official the authority and responsibility to cease performing any service if necessary to abate any potential safety hazard. If CONTRACTOR fails to designate or make available the Services Safety Official, COUNTY may direct CONTRACTOR to cease providing Task 1 and Task 2 Services at no cost to COUNTY until CONTRACTOR complies with this Section.

2. Safety Responsibilities

CONTRACTOR is responsible for the safety of equipment, material, and personnel under CONTRACTOR'S control or authority during performance of Task 1 and Task 2 Services. CONTRACTOR is solely responsible for ensuring that all work performed under this CONTRACT is performed in strict compliance with all Applicable Laws with respect to occupational safety regulations. CONTRACTOR shall provide at its expense all safeguards, safety devices, protective equipment, and shall take all actions appropriate to providing a safe job environment.

F. COUNTY Lobbyists

CONTRACTOR and each COUNTY lobbyist or COUNTY lobbying firm as defined in COUNTY Code Section 2.160.010, retained by CONTRACTOR shall fully comply with COUNTY Lobbyist Ordinance.

ATTACHMENT 5-9G – Authorized Representative of COUNTY’s Director

Name: Steven E. Milewski

Telephone Number: (626) 458-3573

E-mail Address: SMilewski@DPW.LACounty.gov

Address for Notices by Mail:

County of Los Angeles Department of Public Works
Environmental Programs Division
900 South Fremont Avenue
Alhambra, CA 91803

Director’s Office Hours: 7 a.m. to 5:30 p.m. Monday - Thursday

Established by Director:

Signature: _____

Printed Name: _____

Date: _____

Acknowledged by CONTRACTOR:

Signature: _____

Printed Name: _____

Title: _____

Date: _____

ATTACHMENT 5-9H – CONTRACTOR’s Representations and Warranties

A. Status

CONTRACTOR is 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 CONTRACT and to perform its Performance Obligations. This CONTRACT has been duly executed and delivered by CONTRACTOR and constitutes a legal, valid, and binding obligation of CONTRACTOR enforceable against CONTRACTOR in accordance with its terms.

B. Statements and Information

All information and documentation compiled, drafted, made or otherwise delivered to COUNTY by or on behalf of CONTRACTOR relating to this CONTRACT, including its procurement, is correct and complete in all material respects as of the Execution Date and at the time originally submitted by CONTRACTOR to COUNTY.

C. No Conflicts

Neither the execution or delivery by CONTRACTOR of this CONTRACT, the performance by CONTRACTOR of Contract Services, nor the fulfillment by CONTRACTOR of the terms and conditions of this CONTRACT: (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 CONTRACT or instrument to which CONTRACTOR is a party or by which CONTRACTOR properties or assets are bound, or constitutes a default.

D. No Approvals Required

CONTRACTOR 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 CONTRACT by CONTRACTOR, except those as have been duly obtained from its governing body, CONTRACTOR shall immediately provide Notice to Director of any notice of violation, revocation, or suspension of any permit.

E. No Litigation

As of the Execution Date, disclose any 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 CONTRACTOR'S knowledge, threatened, against CONTRACTOR wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely

affect the performance by CONTRACTOR of its obligations under this CONTRACT or in connection with the transactions contemplated by this CONTRACT, or which, in any way, would adversely affect the validity or enforce ability of this CONTRACT or any other CONTRACT or instrument entered into by CONTRACTOR relating to the transactions contemplated by this CONTRACT.

F. Due Diligence

As of the Execution Date, CONTRACTOR has made an independent investigation, examination, and research satisfactory to it of the conditions and circumstances surrounding this CONTRACT and best and proper method of providing Contract Services and labor, equipment, and materials for the volume of Contract Services to be provided. CONTRACTOR 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 relating to the procurement of this CONTRACT, which proves to be in any respect erroneous.

G. Compliance with Applicable Law

As of the Execution Date, CONTRACTOR has fully complied with all Applicable Law, including (1) law relating to conflicts of interest and COUNTY Lobbyist Ordinance, while procuring this CONTRACT, and (2) COUNTY Defaulted Property Tax Reduction Program.

H. Ability to Perform

CONTRACTOR possesses the business, professional, and technical capabilities to provide Contract Services; and possesses the equipment, facilities, and employee resources required to fully and timely perform Contract Services.

I. Contingent Fees

No Person, including a selling agency, has been employed or retained to solicit or secure this CONTRACT upon a CONTRACT or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by CONTRACTOR for securing business.

J. Opportunity to Comment

CONTRACTOR 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 CONTRACT or during the procurement of this CONTRACT.

K. Solid Waste Facilities

1. The Solid Waste Facility or Facilities that CONTRACTOR designates in CONTRACTOR Documentation in Exhibit 3D for Disposal is a disposal facility that is permitted to accept and process Refuse in accordance with Applicable Law.
2. The facility or facilities that CONTRACTOR designates in CONTRACTOR Documentation in Exhibit 3D for delivery of Recyclables is a materials recovery facility that is permitted to accept and process Recyclables in accordance with Applicable Law.
3. The facility or facilities that CONTRACTOR designates in CONTRACTOR Documentation in Exhibit 3D for delivery of Green Waste is a facility that is permitted to accept and process Green Waste in accordance with Applicable Law.

L. CONTRACTOR Documentation

As of the Execution Date, CONTRACTOR has submitted all CONTRACTOR Documentation in accordance with Exhibit 3D.

M. Personnel

CONTRACTOR fully complies with all Federal and State statutes and regulations regarding employment of aliens and others, and all of its employees performing Contract Services meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations.

ATTACHMENT 5-10A - Definitions

Abandoned Waste means Solid Waste discarded or dumped at locations in Public Right of Way including palm fronds but excluding other materials occurred by natural causes and **is described in Section A of Exhibit 3A2.**

AB 939 means the California Integrated Waste Management Act of 1989, California Public Resources Code Section 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 CONTRACTOR.

Annual Report is described in item A3 of Section10.

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 there under 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 Contract Services or the performance of the Parties' respective obligations under this CONTRACT, including those that concern health, safety, fire, mitigation monitoring plans, building codes, and zoning, and further including the following:

- Vehicles:
 - California Health and Safety Code Section 43000 *et seq.*, with respect to air emissions (smog checks);
 - California Vehicle Code Section 27456b, with respect to tires;
 - California Vehicle Code Section 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;
 - Rules and regulations promulgated under the California Vehicle Code with respect to Vehicle highway lighting, flashing, and warning lights, clearance lights, and warning flags;
 - Rules and regulations of the California Department of Motor Vehicles with respect to Vehicle registration;
 - Vehicle weight limits;
 - The appropriate class of drivers' licenses issued by the California Department of Motor Vehicles;
 - Control Measure for Diesel Particulate Matter from On-road Heavy-Duty Residential and Commercial Solid Waste Collection Vehicles, 13 CCR 2020 *et seq.*; and
 - 14 CCR 17341, 17342, 17343 and 17344, with respect to equipment construction, safety, and parking and identification of operating equipment;

- Containers:
 - 14 CCR 17314, with respect to maintenance and placement of Containers; and
 - 14 CCR 17317, with respect to placing identifying name and telephone number on Containers;
- Labor:
 - Drug and alcohol testing;
 - Occupational Safety and Health Act (29 U.S.C. Section 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, Section 6300 *et seq.*), and rules and regulations of California Division of Occupational Safety and Health; and
 - Immigration Reform and Control Act of 1986 (PL.99-603);
- Environmental Protection:
 - CERCLA;
 - RCRA;
 - Clean Air Act (42 U.S.C. Section 1351 *et seq.*, 42 U.S.C. Section 7401-7642); and California Clean Air Act (California Health and Safety Code Section 39000 *et seq.*);
 - California Hazardous Waste Control Act (California Health and Safety Code Section 25100 *et seq.*);
 - California Hazardous Materials Release Response Plan and Inventory Act (California Health and Safety Code, Division 20, Chapter 6.95, Section 25500 *et seq.*);
 - Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code Section 25300 *et seq.*); and
 - Emergency Planning and Community Right to Know Act (42 U.S.C. Section 11001 *et seq.*); and
- Miscellaneous:
 - COUNTY Lobbyist Ordinance;
 - COUNTY Defaulted Property Tax Reduction Ordinance.
 - Civil Rights Act of 1964 (Subchapter VI of Chapter 21 of Title 42);
 - AB 939; and
 - AB 1826.

Reference to Applicable Law includes future amendments and supplements to or replacement, restatement, or recodification thereof.

Authorized Commercial Waste Hauler means a waste hauler that has signed a Commercial Franchise agreement with COUNTY and is currently in good standing.

Award Date means the date County of Los Angeles Board of Supervisors approves the CONTRACT.

Basic Service Fee means the monthly charges that CONTRACTOR bills a Customer for providing Collection with respect to Task 1 Services, without additional optional services.

Best efforts mean serious and sizeable efforts that a respectable person would take in the same (or similar) circumstances, using principles of impartiality of fairness. It will be presumed that the Person intends to meet its obligations in honesty and good faith. Compare "Reasonable Business Efforts", "Reasonable"

Bilingual means in the languages of English and Spanish.

Board of Supervisors means the Board of Supervisors of County of Los Angeles.

Breach means CONTRACTOR'S failure to fully and timely meet one or more Performance Obligations.

Bulky Item means any large item of Solid Waste that will not fit into the Container that can be safely lifted by two individuals using a dolly. A Bulky Item that has been placed at the Set-Out Site by the Occupant for Collection by CONTRACTOR, or for Customers with roll-out service, called in for Collection. A Bulky Item includes, but is not limited to the following:

- Discarded furniture (such as chairs, sofas, mattresses, and rugs);
- Large Appliances (such as refrigerators, ranges, washers, dryers, water heaters, dishwashers, and other similar items commonly known as "white goods");
- Up to two tires from passenger cars or pickup trucks;
- E-waste (such as computer, telephones, and televisions);
- Up to two bags/bundles of Construction and Demolition debris bound or in containers, not longer than four feet in length, up to 70 pounds in weight;
- Bagged reusable clothing;
- Palm fronds (not required to be cut to four foot lengths).

Bulky Items excludes items such as:

- Large truck tires;
- Unpermitted Waste;
- More than two bags/bundles of Construction and Demolition debris;
- Piles of debris.

Calendar Year means the months beginning January 1 and ending December 31.

Cart means a wheeled container provided by CONTRACTOR for storage of solid waste pending Collection, which is collected (semi) by automated Vehicle. Examples include 32, 64, and 96-gallon plastic Containers.

CERCLA means the Comprehensive Environmental Response, Compensation, and Liability Act of 1982 (42 U.S.C. Section 9601 et seq.).

Change in Law means the occurrence of any event or change in Applicable Law as follows:

- 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;
- Any order or judgment of any Federal, State, or local court or Regulatory Agency issued after the Execution Date if:
 - 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
 - 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);
- The imposition by a Regulatory Agency of any new or different material conditions about the issuance, renewal, or modification of any Permit after the Execution Date; or
- 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; if 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.

CNG Fuel Component means five percent of the Service Fee shown on the Customer Service Fee schedule times the percentage of Vehicles that use compressed natural gas.

Collect, Collection, or Collecting is defined in Exhibit 3A1 means Solid Waste pickup(s) made by CONTRACTOR required by and in accordance with this CONTRACT, including Abandoned Waste.

Commencement Date means the first day CONTRACTOR is scheduled to Collect Solid Waste under the Transition Plan.

Commercial means related to a Person or thing that is not Residential or Multifamily.

Commercial Occupant means Person within the Service Area that occupies a Commercial Premise and receives services from CONTRACTOR.

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).

Compost means a mixture of decayed or decaying organic matter (such as leaves and grass) used to amend or fertilize soil.

Construction and Demolition (C&D) means material, other than hazardous waste, radioactive waste, or medical waste, that is generated by or results from construction or demolition-related activities including, but not limited to: construction, deconstruction, demolition, excavation, land clearing, landscaping, reconstruction, remodeling, renovation, repair, and site clean-up, as defined in COUNTY Code 20.87.030. C&D debris includes, but is not limited to: asphalt, concrete, brick, lumber, gypsum wallboard, cardboard and other associated packaging, roofing material, ceramic tile, carpeting, plastic pipe, steel, rock, soil, gravel, tree stumps, and other vegetative matter.

Container means any Cart or Dumpster used to provide Collection service.

CONTRACT means this CONTRACT, including all exhibits and other attachments, which exhibits and other attachments are incorporated in this CONTRACT by reference.

Contract Services means Task 1 and Task 2 Services together and is also defined in Section 1.

Contract Year means each 12-month period commencing on the first day of the month in which CONTRACTOR Collects solid waste from any Occupant.

CONTRACTOR means the Person executing this CONTRACT and any assignee of CONTRACTOR consented to by COUNTY in accordance with Section 19. CONTRACTOR includes CONTRACTOR'S Subcontractors unless explicitly provided otherwise. References to all CONTRACTOR'S actions and Performance Obligations under this CONTRACT include reference to Subcontractors' actions under this CONTRACT, as applicable, without specifying in each instance that CONTRACTOR shall directly take those actions itself, or cause its Subcontractors to take those actions on CONTRACTOR'S behalf.

CONTRACTOR Default is described in Part 6 of Exhibit 5.

CONTRACTOR Documentation means Exhibit 3D.

CONTRACTOR Manager means any of the following:

- CONTRACTOR'S officers and directors;
- The officers and directors of CONTRACTOR'S parent corporation and of each successive parent corporation's parent corporation;
- The authorized representative of CONTRACTOR named in CONTRACTOR Documentation in Exhibit 3D; and
- Any other Persons, including Affiliates and CONTRACTOR'S or Affiliates' employees, officers, or directors, in a Position of Influence.

CONTRACTOR Office Hours means 8:00 a.m. to 5:00 p.m. Monday through Friday, except Holidays.

CONTRACTOR's Related Parties means CONTRACTOR'S partners, officers, directors, agents, employees, Subcontractors, consultants, licensees, invitees, and Affiliates.

Conversion Technology (CT) 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 government entity known as 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 Defaulted Property Tax Reduction Program or **COUNTY Defaulted Property Tax Reduction Ordinance** means COUNTY Code Chapter 2.206.

COUNTY Lobbyist Ordinance means COUNTY Code Chapter 2.160.

County Service means the Task 2 Services from CONTRACTOR to the COUNTY.

County Service Fee means the fees that CONTRACTOR bills COUNTY for providing Collection with respect to Task 2 Services.

County Service Fee Schedule means the rates for CONTRACTOR's compensation for providing Task 2 Services.

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 one of them. COUNTY's Related Parties are third party beneficiaries of provisions in this CONTRACT that reference them.

CPI means the Consumer Price Index for all Urban Consumers (Los Angeles-Riverside-Orange County) (Not Seasonally Adjusted) All items, Series ID CUURA421SA0, Base Period 1982-84=100, published by the United States Department of Labor, Bureau of Labor Statistics at <https://data.bls.gov/timeseries/CUURA421SA0>.

Criminal Activity means any of the following:

- Fraud or criminal felony offenses relating to obtaining, attempting to obtain, procuring, or performing a public or private CONTRACT related to recyclables, green waste or MSW Management Services of any kind (including collection, hauling, transfer, processing, composting, or disposal), including this CONTRACT;
- Bribery or attempting to bribe a public officer or employee of a local, State, or Federal agency;
- 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;
- Unlawful disposal of hazardous, designated, or other waste; or
- 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 pays either CONTRACTOR or COUNTY for Task 1 Services from CONTRACTOR.

Customer Service means the Task 1 Services from CONTRACTOR to the Customer.

Customer Service Fee Schedule means the rates for CONTRACTOR's compensation for providing Task 1 Services.

Day means calendar day, whether capitalized or lower case.

Debarment or **Debar** has the meaning assigned in COUNTY Code Section 2.202.020.

Diesel Fuel Component" means 5 percent of the Net Rate shown on the Rate Schedule times the percentage of Vehicles that use diesel.

Direct Costs means the sum of the following but excludes profit or return on investment:

- Payroll costs directly related to the performance, management, or supervision of any obligation under this CONTRACT, comprised of compensation and fringe benefits, including vacation, sick leave, holidays, retirement, Worker's Compensation insurance, Federal and State unemployment taxes and all medical and health insurance benefits, plus;
- The costs of materials, services, direct rental costs, and supplies, plus;
- Travel and subsistence costs, plus;
- The reasonable costs of any payments to Subcontractors (with respect to CONTRACTOR) or contractors (with respect to COUNTY) or third parties necessary to and about Performance Obligations, plus;
- Any other cost or expense which is directly or normally associated with the task performed; which Direct Costs are substantiated by:
 - A certificate signed by the principal financial officer of CONTRACTOR or the authorized representative of COUNTY, setting forth the amount of that cost and the reason that cost is properly chargeable to COUNTY or

CONTRACTOR 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

- If COUNTY or CONTRACTOR requests that additional backup documentation as may be available to reasonably substantiate any Direct Costs, including invoices from suppliers, Subcontractors, and contractors.

Director means COUNTY Director of Public Works or his or her authorized representative, including the authorized representative named in Attachment 5-9G.

Director's Office Hours means hours that Director is open to do business as indicated in Attachment 5-9G.

Disabled means Occupants who suffer from a disability as evidenced by a letter from their medical physician.

Disposal or **Dispose** means disposal, as defined in California Public Resources Code Section 40192, at a Solid Waste Facility of Refuse that CONTRACTOR has Collected.

Disposal Component means 20 percent of the Customer Service Fee shown on the Service Fee schedule.

District means Garbage Disposal District.

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 Section 41780).

Diversion Goal means the current State law requirement of 50 percent, the State goal of 75 percent Diversion by 2020, and future COUNTY goals including the Roadmap to a Sustainable Waste Management Future adopted by the Board of Supervisors on April 22, 2014. The Roadmap goals are 80 percent Diversion from landfills by 2025, 90% Diversion from landfills by 2035, and 95 percent or more Diversion from landfills by 2045, as calculated by Director using Director's methodology. State and COUNTY goals are subject to change.

DOE CNG means the West Coast Average Price for Fuel – Compressed Natural Gas Average Prices by Region from Clean Cities Sources, published quarterly in Energy Efficiency and Renewable Energy/Clean Cities Alternative Fuel Price Report from the United States Department of Energy website, www.afdc.energy.gov/fuels/prices.html or if that is permanently discontinued, another CNG price published by a State or the Federal government selected by Director.

DOE Diesel means the Diesel (On Highway) – Product / All Types for Area / California (Period: Annual) price published monthly 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, or if that is permanently

discontinued, Producers Price Index- Commodities Fuels and related products and power/No.2 diesel fuel Series Id: WPU057303 published by the United States Bureau of Labor Statistics at <http://data.bls.gov/cgi-bin/surveymost>.

Dumpster means a container for storage of solid waste that is usually collected with front end loading Vehicles, such as those having a 1- to 8-cubic yard capacity, commonly referred to as a dumpster.

EIA LNG means the average for fuel – Product/All Types for Area/California (Period: Annual) price published monthly in the Official Energy Statistics from the United States Energy Information Administration website, http://tonto.eia.doe.gov/dnav/ng/ng_pri_sum_dcu_SCA_m.htm, or if that is permanently discontinued, another CNG price published by the State of California or the Federal government selected by Director.

Elderly means a Person age 62 or older as evidenced by a driver's license or other document issued by a governmental entity.

E-waste means waste that is powered by batteries or electricity, such as computers, telephones, stereo equipment, DVD players/recorders, mp3 players, televisions, and calculators.

Excess Solid Waste means bagged, containerized, or bundled solid waste, not to exceed 4 feet in length or 70 pounds in weight.

Execution Date means the date this CONTRACT is signed by both COUNTY and CONTRACTOR and is also define in Section 2A

Expected Number means a quantity that Director anticipates during a future Contract Year plus 10 percent, based on the previous year's data.

Expiration Date means the date this CONTRACT expires as provided in accordance with item A of Section 2.

Fiscal Year means the 12-month period beginning July 1st and ending the following June 30th.

Food Waste means uneaten materials acquired for animal or human consumption.

Franchise Fee means the fee described in item E of Section 1.

Garbage Disposal District means a district created under COUNTY Code Chapter 20.90 and referred to as COUNTY in this Contract.

Goods or Services means goods or services used in providing Contract 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 CONTRACTOR or any Affiliate; and legal, risk management, general, and administrative services.

Green Waste means Solid Waste comprised of leaves, grass clippings, brush, branches, nonhazardous wood waste, 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:

- Stumps or branches exceeding four inches in diameter or four feet in length;
- Yucca or palm fronds, unless CONTRACTOR can Divert those excluded materials that may not be suitable for composting;
- Other COUNTY-approved items listed in the Terms and Conditions; and
- Food Waste.

Gross Receipts means fees, charges, and other compensation that CONTRACTOR or CONTRACTOR's Related Parties receive directly or indirectly from Customers and Occupants about Task 1 Services before any deduction for costs or expenses such as the Franchise Fee. Gross Receipts does not mean fees, charges, and other compensation that CONTRACTOR or CONTRACTOR's Related Parties receive about 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 CONTRACTOR.

Including or **Include** or variations thereof, when used in this CONTRACT, 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 CONTRACT, including under Part 4A of Exhibit 5 (generally), and with respect to the Immigration Reform and Control Act and Cal/OSHA (specifically).

Liabilities mean any of the following:

- Liabilities;
- Lawsuits;
- Claims;
- Complaints;
- Cause of actions;
- Citations;
- Investigations;
- Judgments;
- Demands;
- Cleanup orders;
- Damages (whether in contract or tort, including:
 - Personal injury to or death of, at any time, CONTRACTOR'S employees, Subcontractors, COUNTY employees or third parties; and

- Property damage of CONTRACTOR, Subcontractors, COUNTY employees or third parties);
- Costs and expenses, (including all costs and expenses of litigation, mediation or arbitration, attorneys' fees, whether COUNTY'S or CONTRACTOR'S staff attorneys or outside attorneys, and court costs);
- Losses;
- Fines;
- Penalties; and
- Other detriments of every nature and description whatsoever, whether under State of California or Federal law.

LNG Fuel Component means five percent of the Customer Service Fee shown on the Service Fee schedule times the percentage of Vehicles that use liquid natural gas.

Local Enforcement Agency means the enforcement agency defined in COUNTY Code Section 20.56.030.

Manure means Solid Waste comprised of animal dung or excrement, and may include straw or other absorbent.

Monthly Report is described in item A1 of Section 10.

More Than Expected Number means a quantity greater than what Director anticipates during a future Contract Year; it is the quantity between the Expected Number and up to double the Expected Number.

Mulch means organic materials commonly used for mulch including wood chips, ground up landscape trimmings, shredded bark, coarse compost material, and straw.

Multifamily means Person or thing related to (1) dwellings with three or more attached dwelling units (such as apartments), each with separate cooking and bathing facilities, (2) townhouses, and (3) condominiums, whether attached or detached.

Multifamily Occupant means Person within the Service Area who occupies a Multifamily Premises and receives services from CONTRACTOR.

Multifamily Premises means Premises containing a Multifamily building.

Municipal Solid Waste (MSW) Management Services means any of the following:

- Collection, transportation, storage, transfer, or processing of:
 - solid waste; or
 - Unpermitted Waste that is collected as part of a Collection program for Bulky Items, and E-waste described in Exhibit 3A1 and handled in accordance with Applicable Law (such as tires more than load limits, and certain E-waste); or
- Arranging for disposal of that solid waste or Unpermitted Waste.

Non-Collection nNotice means the notice in the form included in CONTRACTOR Documentation in Exhibit 3D in accordance with item C of Section 4.

Notice (when capitalized) means notice given in accordance with Part 9F of Exhibit 5.

Occupant means a Person within the Service Area that occupies a Residential or Commercial building and receives services from CONTRACTOR.

Office means CONTRACTOR'S offices required by item A of Section 6 to be identified in CONTRACTOR Documentation in Exhibit 3D.

Organic Waste or Organics means the waste defined in AB 1826 and Director may include portions of AB 1383, and includes:

- Food Waste, and
- Green Waste.

Party or **Parties** means COUNTY and CONTRACTOR, individually and together, respectively.

Performance Obligations means every obligation and liability of CONTRACTOR under this CONTRACT and is also defined in Section 1

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 COUNTY Department of Public Health.

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 Contract Services or this CONTRACT, including the following: (1) serving as director of the board of directors of CONTRACTOR or an Affiliate, (2) serving as an officer of CONTRACTOR or an Affiliate, (3) reviewing or negotiating CONTRACTOR'S contracts (including this CONTRACT), (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 CONTRACTOR or an Affiliate; but excluding the following: (1) monitoring CONTRACTOR'S performance, (2) supervising CONTRACTOR'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 located in the Service Area 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 Section 40116.

Prompt or **Promptly** means as soon as practicable, but in no event more than two days.

Public Right-of-Way is defined in Section A of Exhibit 3A2 and includes all the following:

- all land and improvements on that land between the outer edge of a sidewalk (nearest to a private lot) on one side of the street and the outer edge of the sidewalk (nearest to a private lot) on the opposite side of the street, including:
 - sidewalks,
 - and between a sidewalk and street, and
 - median strips in the center of streets.
- Public streets;
- Public alleys, including land wall-to-wall and fence-to-fence, and
- Any other land described by COUNTY to CONTRACTOR.

Quarterly Report is described in item A2 of Section 10.

RCRA means the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 *et seq.*).

Reasonable or **Reasonable Business Efforts** or **Reasonable Efforts** or **Reasonable Judgment** means practical actions a sensible person would do in the same (or similar) circumstances using sound judgment and principles of fairness. It will be presumed that the Person intends to meet its obligations in honesty and good faith. It does not mean pursuing every possible action.

Records means documentation relating to Contract 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 CONTRACTOR, including the following:

- Customer and Occupants Terms and Conditions and Task 1 Services information (including Customers and Occupants' names and addresses), billing records, call logs, route maps, schedules, and correspondence with Customers and Occupants;
- Weight tickets, invoices, bills of lading, and receipts from Solid Waste Facilities for types and amounts of Solid Waste that CONTRACTOR Collects, transports, and delivers to those Solid Waste Facilities;
- Records for AB 939 and other laws, including documentation from Recyclables and Green Waste transporters, shippers, brokers, beneficiaries, 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 CalRecycle;

- Vehicle maintenance, driver Permits and driver testing records;
- Gross revenues and receipts, including Gross Receipts;
- Franchise Fees paid to COUNTY; and
- Records that may be relevant in the event of an action under CERCLA or similar claims.

Recyclables is also defined in Item G of Exhibit 3A1 and means Solid Waste that may potentially be Diverted from disposal (excluding Green Waste and Manure) including but not limited to any of the following materials:

- Aluminum and metal cans;
- Newspaper;
- Glass jars and bottles;
- Tin cans;
- Plastic soda bottles;
- Plastic milk and water jugs;
- Plastic bags (e.g., bread, frozen food, grocery bags);
- Type No. 1 plastic containers (PET-polyethylene terephthalate);
- Type No. 2 plastic containers (HDPE-high density polyethylene);
- Type No. 3 plastic (PVC-Vinyl or Polyvinyl Chloride);
- Type No. 4 plastic (LDPE-Low Density Polyethylene);
- Type No. 5 plastic (PP-Polypropylene);
- All types of paper (e.g., office paper, junk mail, magazines, telephone books);
- Corrugated cardboard;
- E-waste;
- White goods (such as those listed in the definition of Bulky Items);
- Paper coated with plastic or aluminum foil (milk and juice cartons); and
- Mattresses, excluding those made mostly of foam.

Additional (or deleted) items that Director directs after Notice to CONTRACTOR, without adjustment of Service Fees unless the modification requires Contract 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 Section 40201.

Refuse means Solid Waste that CONTRACTOR 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 Contract Services).

Report means Monthly Report, Quarterly Report, Annual Report and any AB 939 or other report CONTRACTOR is required to submit in accordance with this CONTRACT.

Residential means Person or thing related to detached, single-family homes or duplexes, other than condominiums or townhouses.

Residential Occupant means Person within the Service Area who occupies a Residential Premises and receives services from CONTRACTOR.

Residential Premises means Premises containing a Residential building, such as a detached, single-family home or a duplex.

Service Area means the area mentioned in the title of this CONTRACT, as described in item A1 of Section 16.

Service Assets means all property of CONTRACTOR used directly or indirectly in performing Contract 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 contracts).

Service Day means any day Monday through Friday, excluding Holidays.

Service Component means 65 percent of the Service Fee shown on the Customer Service Fee schedule.

Service Fees means fees, charges, and other compensation that CONTRACTOR bills a Customer and/or COUNTY for providing Collection with respect to Contract (Task 1 and Task 2) Services; both:

- Customer Service Fees; and
- County Service Fees.

Service Fee Schedule means all the fees listed in Attachments 7-2 and 7-3 of Exhibit 7.

Service Specifications means Performance Obligations prescribed in Exhibit 3A1 and Exhibit 3A2.

Service Standards means each obligation of CONTRACTOR prescribed in Section 4.

Set-Out Site means the location where the Solid Waste is temporarily placed for Collection as mutually agreed upon by CONTRACTOR and Occupant.

Sharps means any item having corners, edges, or projections capable of cutting or piercing the skin to deliver injections or for medical purposes, such as needles

(hypodermic, pen or intravenous), needles with syringes, needles from vacutainers, needles with attached tubing, and lancets.

Sharps Containers means container approved by COUNTY for discard of Sharps.

Solid Waste means solid waste as defined in California Public Resources Code Section 40191 in the Service Area, excludes Unpermitted Waste but includes all the following:

- Green Waste,
- Recyclables,
- Refuse,
- E-Waste,
- Organic Waste,
- Manure, and
- Abandoned Waste,

Solid Waste Facility means the facility as defined in California Public Resources Code Section 40194 (and any other types of facilities named by Director) and designated by CONTRACTOR in CONTRACTOR Documentation in Exhibit 3D.

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 CONTRACTOR 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.

Sweep means to search the specified area; collect and Dispose of Solid Waste not in Containers.

Task 1 Services all Performance Obligations prescribed in Exhibit 3A1 for Refuse, Recyclables, and Green Waste Container Services to Occupants at Residential Premises and Certain Multifamily and Commercial Premises and is also defined in Section 1.

Task 2 Services means all Performance Obligations prescribed in Exhibit 3A2 Abandoned Waste Collection Services and Public Receptacle Collection Services is also defined in Section 1.

Term means the period determined under Section 2 of this CONTRACT.

Terms and Conditions means the CONTRACT details mailed to Customers and Occupants.

Ton or **Tonnage** means a short ton of 2,000 pounds avoirdupois.

Transfer is defined in Part 8 of Exhibit 5.

Uncontrollable Circumstances means any of the following events:

- 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;
- Sabotage, civil disturbance, insurrection, explosion;
- Natural disasters such as floods, earthquakes, landslides, and fires;
- Strikes, lockouts, and other labor disturbances; or
- Other catastrophic events that are beyond the reasonable control of CONTRACTOR despite CONTRACTOR'S exercise of due diligence, excluding:
 - The financial inability of CONTRACTOR to satisfy its Performance Obligations, or
 - Failure of CONTRACTOR 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

- Materials that are not Solid Waste such as Universal Waste, household hazardous waste and other hazardous waste, unauthorized medical waste, radioactive waste;
- Waste tires more than the limitations prescribed in 14 CCR 17355(b) or reduced in volume as required in 14 CCR 17355(A);
- 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 13, Item A of Exhibit 5, and included in CONTRACTOR Documentation in Exhibit 3D.

Vehicle means any truck used by CONTRACTOR to provide Contract Services.

Violation of Applicable Law means any noncompliance with Applicable Law as evidenced by notice, assessment, or determination of any Regulatory Agency to CONTRACTOR, whether a fine or penalty is included, assessed, levied, or attached.

Weighted Customer Service Fee Adjustment Percentage means sum of the adjustments due to changes in the CPI, DOE CNG, EIA LNG, and disposal tipping fees calculated as provided in items B, C, and D of Exhibit 7, respectively.

EXHIBIT 7 – Contract Services (Adjustment of Service Fees)

A. Service Fee Schedule

CONTRACTOR shall charge Customer Service Fees and County Service Fees in amounts less than or equal to the Service Fees set forth in the Service Fee Schedule in Attachments 7-2 and 7-3 of this Exhibit.

B. Service Fee Adjustments

1. Requirements

Upon CONTRACTOR's written request submitted by May 1, eEvery July 1, the ~~Customer~~ Service Fees may be adjusted by Director in any of the following events:

- Annual changes in the Consumer Price Index (CPI), Department of Energy (DOE) Compressed Natural Gas (CNG), or Energy Information Agency (EIA) Liquefied Natural Gas (LNG) in accordance with the Service Fee adjustment protocol in subsections B, C, and D and a minimum of six months has elapsed since Commencement Date; or
- Change in CONTRACTOR'S costs of Disposal of Refuse as shown on the public tipping fees on January 1 from the Solid Waste Facility it has designated in CONTRACTOR Documentation in Exhibit 3D and any other supporting documentation, submitted to Director by March 1 and a minimum of 12 months has elapsed since Commencement Date; or
- Change in CONTRACTOR'S costs of Disposal or Diversion of Green Waste as shown on the public tipping fees on January 1 from the Solid Waste Facility it has designated in CONTRACTOR Documentation in Exhibit 3D and any other supporting documentation, submitted to Director by March 1 and a minimum of 12 months has elapsed since Commencement Date; or

Upon CONTRACTOR's written request the Service Fees may be adjusted by Director in any of the following events and may occur anytime during the CONTRACT Term:

- Change in CONTRACTOR'S Direct Costs of providing Contract Services due to Changes in Law ~~or changes in Contract Services~~ as agreed to between CONTRACTOR and Director. Any resulting adjustment in the Service Fee due to a Change in Law by the State is not included in the Maximum Rate Adjustment in subsection 4 below.
- Change in CONTRACTOR'S Direct Costs up to ten percent due to changes in Contract Services.

- ~~• A minimum of six months has elapsed since Commencement Date for CPI, DOE CNG, or EIA LNG.~~
- ~~• A minimum of 12 months has elapsed since Commencement Date for Disposal/Diversion.~~

A sample calculation is attached in Attachment 7-1 of this Exhibit.

2. Rounding

All calculations are rounded to the nearest 1/100th decimal place (for example, 10.9656 percent to 10.97 percent, or 10.9637 percent to 10.96). The decimal 5 is rounded up (for example, 10.965 percent to 10.97 percent). Adjustments in Service Fees are rounded to the nearest penny (for example, \$25.34).

3. Weighted Adjustment

Based on an industry average, COUNTY has estimated CONTRACTOR's expenses on this CONTRACT as the following:

- 65 percent will be related to labor,
- 5 percent fuel, ~~and~~
- ~~3200~~ 20 percent Refuse Disposal,
- 10 percent/ Green Waste Diversion,
- 0 percent Organic Diversion (Green Waste + Food Waste),
- 0 percent Food Waste Diversion, and-
- 0 percent Recyclables Diversion.

Therefore, the monthly Service Fees for Contract Services will be adjusted per those proportions. ~~Furthermore, COUNTY estimates that the Consumer Price Index (CPI) for labor is higher than actual labor expenses for this CONTRACT and will therefore be limited to 75 percent of calculated amount.~~ A sample calculation is attached in Attachment 7-1 of this Exhibit.

Disposal/Diversion Ratio Modifications. The total expense for Disposal and Diversion is estimated to be 30 percent. COUNTY acknowledges that CONTRACTOR's expenses for Disposal and Diversion are likely to change significantly in the future. Therefore prior to each annual July 1 rate adjustment, Director will review data from all of its Solid Waste contracts with residential Cart Collection and adjust the industry average for 20 percent Refuse Disposal and 10 percent Green Waste Diversion, if appropriate. If insufficient data is available, an adjustment will not be made. Also, there will not be an adjustment specific to this CONTRACT. For example, if Green Waste Diversion costs were to rise, the current 10 percent could become 12 percent for both the Santa Monica Mountains and Avocado Heights regardless if actual Green Waste Diversion costs were different for the two Service Areas; and Disposal would decrease from 20 percent to 18 percent. All adjustments are at the Director's sole

discretion. There is no modification to the 65 percent labor or 5 percent fuel.

Note that for comparison purposes, COUNTY prepared a sample rate adjustment for a Service Areas using actual costs for labor, fuel, and disposal and comparing them from one year to the next and then divided by the number of Customers. The results were within \$0.01 of the method described in this Exhibit but without the need to disclose employees' salaries. Therefore, COUNTY believe its methodology results in a fair, pass-through of incurred expenses, such as an increase in disposal costs.

4. Maximum Rate Adjustment

Periods for six-month or one-month extensions are not eligible for any Service Fee adjustments. Cumulative adjustments to the Service Fees cannot exceed:

- 305 percent during the period commencing on date CONTRACTOR begins providing Contract Services, and ending on the initial Termination Date (for example, a year one Customer Service Fee of \$20 cannot exceed \$267 in year seven). No fee adjustment for CPI or fuel is allowed during the first six months after Commencement Date and no fee adjustment for Disposal/Diversion is allowed during the first 12 months after Commencement Date.
- 3345 percent during the period commencing on the initial Termination Date and ending two years thereafter on the first possible extended Termination Date.
- 3655 percent during the period commencing on the first possible extended Termination Date and ending two years thereafter on the second possible extended Termination Date.
- Total Service Fee of adjustment for CONTRACT can ~~never-only~~ exceed 3655 percent compared to year one Service Fees, for increases in direct costs due to Changes in promulgated by the State during the Term. For example, if fees were \$20 at the start of CONTRACT, the maximum rate after all extensions is \$3127.20.

Plain Language Table

Contract Period <u>(on July 1)*</u>	Maximum Cumulative Service Fee Adjustment**
Years <u>0 to 1</u>	0 percent
Years 2 to 7 (on July 1)	<u>350</u> percent
Years 8 to 9 (2-year extension)	<u>4533</u> percent
Years 10 to 11 (2-year extension)	<u>5536</u> percent
Six 1-month extension	0 percent <u>Not applicable</u>

* Rate adjustments due to Changes in Laws or Contract Services as indicated in subsection B1 above may be implemented at any time during the Term.

****** The maximum rate adjustment does not include any increased costs due to Changes in Lay promulgated by the State. For example, during the first seven years of the CONTRACT, the rate could increase 35 percent plus a \$4 per ton State-mandated disposal fee

5. Customer 30-Day Notice

CONTRACTOR shall provide all Customers a minimum of 30-days advance written notice of the implementation of changes in any Customer Service Fees or other notices directed by Director.

6. Adjustment Limitations

No adjustment will be effective until notice thereof has been provided to the Board of Supervisors. Service Fees will be adjusted only if there are no uncured Breaches.

While COUNTY will automatically adjust the CPI and fuel components, adjustments to the Disposal and Diversion components requires the submittal of documentation by March 1 of each year. Failure to submit data will result in no adjustment to either the Disposal or Diversion components, or both.

Service Fees 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 of this item B1 of this Exhibit.

If CONTRACTOR and Director fail to reach CONTRACT to adjust the Service Fees because of Changes in Law or changes in Contract Services or Standards described below, COUNTY will have the option to terminate this CONTRACT in accordance with Part 6D of Exhibit 5.

7. Services Eligible for Adjustment

a. Customer ~~Monthly Service Fee~~Rate (CPI, Fuel, and Disposal/Diversion)

Use methodology in items C, D, E, and F of Exhibit 7

~~b. Bear Resistant Cart Fee (CPI)~~

~~Use methodology in item C of Exhibit 7~~

c.b. Recyclables

There is no adjustment for Recyclables at this time. However, Director may include a Director determined adjustment at any time in the future, at Director's sole discretion. A reason for an adjustment may include a significant change in the value of a commodity.

c. Locking Recyclables Cart Fee (CPI)

Use methodology in item C of Exhibit 7

d. County Service Fee (Task 2)

Use methodology in items C, D, E, and F of Exhibit 7.

C. Service Fee Adjustment for Annual Increase or Decrease in CPI

Beginning on or after six months must elapse from the Commencement Date to July 1 of the current year, the CPI component of the Service Fee will be adjusted by 75 percent of the percent change, if any, between the following:

- The monthly average CPI during the 12-month period commencing March 1 of the previous year to the last day of February of the current year, and
- The monthly average CPI during the 12-month period commencing March 1 of the next previous year to the last day of February of the previous year.

For example, a contract that started April 1, 2018, will not be eligible for a rate adjustment for CPI on July 1, 2018. On July 1, 2019, the rate adjustment would compare March 1, 2018 through February 28, 2019, to March 1, 2017 through February 28, 2018.

However, per COUNTY regulations, any percentage change shall not exceed the general salary movement granted to COUNTY employees as determined by COUNTY's Chief Administrative Office as of July 1 for the prior Fiscal Year. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any change in COUNTY employee salaries; no cost-of-living adjustment will be granted.

D. Service Fee Adjustment for Annual Increase or Decrease in ~~CNG~~, or ~~LNG~~ Fuel

A minimum of six months must elapse between Commencement Date and July 1 of the current year. The DOE CNG component of the Service Fee adjustment will apply only to the percentage of Vehicles in a fleet that use compressed natural gas. The adjustment of the DOE LNG component will apply only to the percentage of Vehicles in a fleet that use ~~CNG or LNG~~. The adjustment of the DOE Diesel component will apply only to the percentage of Vehicles in a fleet that use diesel.

1. Adjustment Due to Change in DOE CNG

The CNG Fuel Component of the Service Fees will be adjusted by the percent change, if any, between the following:

- The DOE CNG quarterly averages commencing in January of the prior year and ending in December of the prior year (averages for the fourth quarter are not available early enough to be used), and
- The DOE CNG quarterly averages commencing January of the previous year through December of the prior previous year.

2. Adjustment Due to Change in Energy Information Administration (EIA) LNG

The EIA LNG Fuel Component of the Service Fees will be adjusted by the percent change, if any, between the following:

- The EIA LNG monthly average during the 12-month period commencing March 1 of the previous year to the end of February of the current year, and
- The EIA LNG monthly average during the 12-month period commencing March 1 of the prior previous year to the end of February of the previous year.

3. Adjustment Due to Change in DOE Diesel

Beginning on July 1 in the second Calendar Year after commencement of Collection and thereafter on each succeeding July 1, the Diesel Fuel Component will be adjusted by the percent change, if any, between the following:

- The DOE Diesel during the 12-month period commencing April 1 of the previous year to March 31 of the current year, and
- The DOE Diesel during the 12-month period commencing April 1 of the next previous year to March 31 of the previous year.

For example, a contract that started April 1, 2018, will not be eligible for a rate adjustment for CNG on July 1, 2018. On July 1, 2019, the rate adjustment would compare:

- January 2018 through December 2018, and
- January 2017 through December 2017.

The rate adjustment for LNG would also not be eligible on July 1, 2018. On July 1, 2019, the rate adjustment would compare:

- March 1, 2018 through February 28, 2019, and
- March 1, 2017 through February 28, 2018.

E. Service Fee Adjustment for Changes in Refuse Disposal and Green Waste Diversion Facility Fees

The Disposal and Diversion Components of Net Service Fees will be adjusted for any change in Refuse Disposal and Green Waste Diversion tipping fees charged CONTRACTOR by the Solid Waste Facility designated by CONTRACTOR in CONTRACTOR Documentation in Exhibit 3D. A minimum of 12 months must elapse between Commencement Date and July 1 of the current year. Director may conditionally approve changing the Solid Waste facilities to a more expensive facility by not allowing the increased cost to be passed down to the Customer.

1. Facilities Open to Public

The Refuse Disposal and Green Waste Diversion components of the Service Fees will be adjustment by the percent change, if any, between the following:

- The Refuse Disposal and Green Waste Diversion posted tipping fees on January 1 of the current year, and
- The Refuse Disposal and Green Waste Diversion posted tipping fees on January 1 of the previous year.

2. Facilities Not Open to Public

The Refuse Disposal and Green Waste Diversion components of the Service Fees will be adjustment by the percent change, if any, between the following:

- The cost for Refuse Disposal and Green Waste Diversion on January 1 of the current year, and
- The cost for Refuse Disposal and Green Waste Diversion on January 1 of the previous year.

CONTRACTOR must substantiate to the satisfaction of Director changes in tipping fees CONTRACTOR is paying at the Solid Waste Facility by submitting before March 1, monthly invoices from the Solid Waste Facility, showing the total tons and rate paid for Disposal/Diversion.

- If CONTRACTOR owns the Solid Waste Facility, it must show the posted gate rate paid by the public that has no financial agreement with CONTRACTOR, by contract or letter-of-agreement, unless there is no posted gate rate.
- If CONTRACTOR owns the Solid Waste Facility but has no posted gate rate, CONTRACTOR must substantiate changes in tipping fees by submitting other documentation acceptable to Director.

If CONTRACTOR does not substantiate to the satisfaction of Director that CONTRACTOR is experiencing that change in tipping fees, the Disposal/Diversion Component will not be adjusted.

For example, CONTRACTOR may own the Solid Waste Facility it designated for Disposal and consequently internalize Disposal costs at the Solid Waste Facility. The costs however must be adequately explained.

3. Transfer (Trans) Loading Plus Disposal/Diversion Elsewhere

The Refuse Disposal and Green Waste Diversion components of the Service Fees will be adjusted by the percent change, if any, between the following:

- The cost for Refuse and Green Waste transferring, transporting, and Disposal/Diversion on January 1 of the current year, and
- The cost for Refuse and Green Waste transferring, transporting, and Disposal/Diversion on January 1 of the previous year.

CONTRACTOR must substantiate to the satisfaction of Director fees CONTRACTOR is paying by submitting before March 1, invoices from the Solid Waste Facility, showing the total tons and rate paid for transfer loading, expenses for transporting to another facility, Disposal/Diversion at another facility, and any other documentation to support expenses. If CONTRACTOR does not substantiate to the satisfaction of Director that CONTRACTOR is experiencing that change in tipping fees, the Disposal/Diversion Component will not be adjusted.

For example, CONTRACTOR may be paying the Solid Waste Facility \$10 per ton to a Materials Recovery Facility but will have additional expenses to Transport the Refuse to another facility, plus the expense for Disposal at the second facility.

F. Future Service Fee Adjustment Components

As of the Commencement Date, certain expenses in item P of Exhibit 31A are zero because CONTRACTOR does not incur them. The weighted adjustments in subsection B3 above may be changed if CONTRACTOR incurs those expenses after the Commencement Date. For example, as of the Commencement Date CONTRACTOR has no expenses for Food Waste collection, as shown by zero in item P of Exhibit 3A1. If COUNTY converts the Green Waste Container to an organics Container for both Green Waste and Food Waste, or adds a separate Food Waste Container, those negotiated expenses discussed would no longer be zero.

Service Fee Adjustment for Changes in Recyclables Diversion Facility Rates

This CONTRACT has no rate adjustment for the Diversion of Recyclables to account for the increase or decrease in the value or liability of Recyclables.

F.G. Service Fee Adjustment Definitions

"CNG Fuel Component" means five percent of the Service Fee shown on the Customer Service Fee schedule times the percentage of Vehicles that use compressed natural gas.

"CPI" means the Consumer Price Index for all Urban Consumers (Los Angeles-Riverside-Orange County) (Not Seasonally Adjusted) All items, Series ID CUURA421SA0, Base Period 1982-84=100, published by the United States Department of Labor, Bureau of Labor Statistics at <https://data.bls.gov/timeseries/CUURA421SA0>.

"Diesel Fuel Component" means 5 percent of the Net Rate shown on the Rate Schedule times the percentage of Vehicles that use diesel.

"Disposal Component" means ~~32~~0 percent of the Customer Service Fee shown on the Service Fee schedule.

"DOE CNG" means the West Coast Average Price for Fuel – Compressed Natural Gas Average Prices by Region from Clean Cities Sources, published quarterly in Energy Efficiency and Renewable Energy/Clean Cities Alternative Fuel Price Report from the United States Department of Energy website, www.afdc.energy.gov/fuels/prices.html or if that is permanently discontinued, another CNG price published by a State or the Federal government selected by Director.

~~**"DOE CNG"** means the Nationwide Average Price for Fuel – Compressed Natural Gas Average Prices by Region from Clean Cities Sources, published quarterly in Energy Efficiency and Renewable Energy/Clean Cities Alternative Fuel Price Report from the United States Department of Energy website, www.afdc.energy.gov/fuels/prices.html or if that is permanently discontinued, another CNG price published by a State or the Federal government selected by Director.~~

"DOE Diesel" means the Diesel (On Highway) – Product / All Types for Area / California (Period: Annual) price published monthly 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, or if that is permanently discontinued, Producers Price Index- Commodities Fuels and related products and power/No.2 diesel fuel Series Id: WPU057303 published by the United States Bureau of Labor Statistics at <http://data.bls.gov/cgi-bin/surveymost>.

"EIA LNG" means the average for fuel – Product/All Types for Area/California (Period: Annual) price published monthly in the Official Energy Statistics from the United States Energy Information Administration website, http://tonto.eia.doe.gov/dnav/ng/ng_pri_sum_dcu_sca_m.htm, or if that is permanently discontinued, another CNG price published by the State of California or the Federal government selected by Director.

"LNG Fuel Component" means five percent of the Customer Service Fee shown on the Service Fee schedule times the percentage of Vehicles that use liquid natural gas.

"Service Component" means 65 percent of the Service Fee shown on the Customer Service Fee schedule.

"Weighted Customer Service Fee Adjustment Percentage" means sum of the adjustments due to changes in the CPI, DOE CNG, EIA LNG, and disposal tipping fees calculated as provided in items B, C, and D of Exhibit 7, respectively.

G-H. Temporarily Discontinued Indices

If a price or index is temporarily discontinued on the date of adjustment, the last available price or index for the required period (such as Calendar Year or another 12-month period) will be used.

ATTACHMENT 7-1 – Service Fee Adjustment Example

A. Annual increase or decrease in CPI Example (C of Exhibit 7)

Table 1–Adjustment Due to Change in CPI

Calculate percent change in CPI (12-month average, not month-to-month)	03/01/15-02/29/16	221.64
	03/01/16-02/28/17	228.59
	Percent change	3.14% (not more than COUNTY salary increase)
Adjustment to Service Fee	75.100 % of percent change in CPI	2.353.14 %

B. Annual increase or decrease in ~~DOE CNG~~, or ~~EIA LNG~~Fuel Example (D of Exhibit 7)

Table 2A–Adjustment Due to Change in DOE CNG

Calculate percent change in DOE CNG (average of quarters in year – which may vary, not quarter-to-quarter)	January, April, July, and October 2015	$(2.26+1.99+2.02+2.21)/4 = 8.48/4 = 2.12$
	January, April, July, and October 2016	$(2.29+2.33+2.44+2.35)/4 = 9.41/4 = 2.35$
	Percent Change	$(2.35-2.12)/2.12 = 0.23/2.12 = 0.1085=10.85\%$
Adjustment to CNG Fuel Component (% Fleet)	40% of fleet uses DOE CNG (Fleet=4 CNG Vehicles, 6 LNG Vehicles)	$0.40 \times 10.85\% = 4.34\%$

Table 2B - Adjustment Due to Change in EIA LNG

Calculate percent change in EIA LNG (12-month average, not month-to-month)	03/01/15-02/29/16	121.63
	03/01/16-02/28/17	153.01
	Percent Change	2.58%
Adjustment to LNG Fuel Component (% Fleet)	60% of fleet uses EIA LNG (Fleet=4 CNG Vehicles, 6 LNG Vehicles)	$0.60 \times 10.85\% = 6.51\%$

C. Changes in Disposal/Diversion Tipping Fees Example (E of Exhibit 7)

Table 3A–Adjustment Due to Change in Refuse Disposal Tipping Fees at Facility One

Calculate percentage change in Disposal tipping fees	01/01/14 (Contract started 9/1/14)	\$50.00
	01/01/15	\$52.00
	01/01/16	\$55.00
	Percent change (compare to 2014 since no adjustment allowed prior year)	10.00%
Adjustment to Disposal	45% of Disposal at this facility	$0.45 \times 10.00\% = 4.50\%$

Table 3B–Adjustment Due to Change in Refuse Disposal Tipping Fees at Facility Two

Calculate percentage change in Disposal tipping fees	01/01/14 (Contract started 9/1/14)	\$40.00
	01/01/15	\$43.00
	01/01/16	\$46.00
	Percent change (compare to 2014 since no adjustment allowed prior year)	15.00%
Adjustment to Disposal	55% of Disposal at this facility	$0.55 \times 15.00\% = 8.25\%$

Table 3C–Adjustment Due to Change in Green Waste Diversion Tipping Fees at Facility

Calculate percentage change in Diversion tipping fees	01/01/14 (CONTRACT started 9/1/14)	\$30.00
	01/01/15	\$30.00
	01/01/16	\$36.00

	Percent change (compare to 2014 since no adjustment allowed prior year)	20.00%
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D. Weighted Service Fee Adjustment Percentage Example (C, D, and E of Exhibit 7)

Table 4–Sum of Adjustments

Service Fee Component	Relative weight of Service Fee	Adjustment due to change in indices/ change in disposal tipping fees	Weighted Service Fee Adjustment Percentage
Service Component (CPI)	65% of Service Fee	23.3514% (CPI)	12.5305%
Fuel Component	5% of Service Fee	6.51% + 4.34%	0.54%
Refuse Disposal Component	20% of Service Fee	4.50% + 8.25%	2.55%
Green Waste Diversion Component	10% of Service Fee	20.00%	2.00%
Weighted Service Fee Adjustment Percentage			67.6214%

ATTACHMENT 7-2 – Task 1 Service Fees

For bidding purposes, this sample CONTRACT contains a separate table for each Service Area that must be completed for each Service Area that is being bid on. They will be referred to as:

- Attachment 7-2.1 Task 1 Service Fees
South Whittier
- Attachment 7-2.2 Task 1 Service Fees
Avocado Heights
- Attachment 7-2.3 Task 1 Service Fees
Santa Monica Mountains

PW-4.2.1

**ATTACHMENT 7-2.1 – Task 1 Service Fees
South Whittier**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Amount of fees billed to Customer listed below are to include the franchise fees.

Services	Monthly Rate Per Customer (Billed to Customer)
MONTHLY RATE	
Monthly Rate for Cart Basic Services (Exhibit 3A1) <ul style="list-style-type: none"> One 96-gallon (0.5 cu yd) Refuse Cart One or two 96-gallon (0.5 cu yd) Recyclables Cart(s) One or two 96-gallon (0.5 cu yd) Green Waste Cart(s) 	\$ _____ \$ _____ \$ _____ \$_____ (Total)
Sum of Refuse, Recyclables, and Green Waste	
Monthly Discounts (\$) <ul style="list-style-type: none"> Smart-eClub Senior 	
Additional Containers which is 1 Refuse, 2 Recyclables, and 1 Green Waste Cart (Exhibit 3A1 D2 & Section 7A2d)	
<ul style="list-style-type: none"> One 96-gallon Refuse Cart One 96-gallon Recyclables Cart (basic) One 96-gallon Green Waste Cart (basic) 	
Additional On-Call Pickups (Exhibit 3A1 H3 & Section 7A2d)	
<ul style="list-style-type: none"> Bulky Items, excess waste, or Green Waste (per visit to Collect all items) 	\$_____ (On-call charge equal to 75% of Basic Service Rate)
Container Size Exchange , beyond 1 <u>per year</u> (Exhibit 3A1 D3)	\$_____
<ul style="list-style-type: none"> Each additional exchange 	
Roll-Out Service for non-Elderly/Disabled (Exhibit 3A1 I & Section 7A2d)	
<ul style="list-style-type: none"> Mandatory Minimum Service (Up to 10 feet) Full Service (Up to 50 feet) Extended Full Service (Over 100 feet) 	+5% of Basic Services Total \$_____ (25% of Basic Services Total) Negotiated with Customer

**The information
provided on
Form PW-4.2.1, Task 1
Service Fees from Part I,
will be transferred onto
this attachment prior to
the execution of the
CONTRACT.**

Services	Monthly Rate Per Customer (Billed to Customer)
Difficult to Service (Exhibit 3A1 O & Section 7A2c) <ul style="list-style-type: none"> Cost per Customer 	If applicable to Service Area \$_____ (50% of Basic Services Total)
Manure Service , per collection each week (Exhibit 3A1 D13 & Section 7A2g) <ul style="list-style-type: none"> 64-gallon Cart 2-cubic yard Dumpster (including Roll-Out) 	If applicable to Service Area \$ <u>n/a</u> _____ \$ <u>n/a</u> _____
Bear Resistant Cart-fee per Cart (Exhibit 3A1 D12 & Section 7A2h) <ul style="list-style-type: none"> 96-gallon Cart (Rental with free replacement for Term) 96-gallon Cart (Purchase without free replacement) 	If applicable to Service Area \$ <u>n/a</u> _____ \$ <u>n/a</u> _____ (one-time)
Locking Recyclables Cart (Exhibit 3A1 D14) <ul style="list-style-type: none"> 96-gallon Cart 	\$_____ (one-time)
Billing Fees (Section 7B7) <ul style="list-style-type: none"> Late fee Interruption of service Returned checks 	10% \$25 \$25

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

PW-4.2.2

**ATTACHMENT 7-2.2 – Task 1 Service Fees
Avocado Heights**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Amount of fees billed to Customer listed below are to include the franchise fees.

Services	Monthly Rate Per Customer (Billed to Customer)
MONTHLY RATE	
Monthly Rate for Cart Basic Services (Exhibit 3A1) <ul style="list-style-type: none"> One 96-gallon (0.5 cu yd) Refuse Cart One or two 96-gallon (0.5 cu yd) Recyclables Cart One or two 96-gallon (0.5 cu yd) Green Waste Cart 	\$ _____ \$ _____ \$ _____ \$ _____ (Total)
Sum of Refuse, Recyclables, and Green Waste	
Monthly Discounts (\$) <ul style="list-style-type: none"> Smart-eClub Senior 	
Additional Containers which is 1 Refuse, 2 Recyclables, and 2 Green Waste (Exhibit 3A1 D2 & Section 7A2d)	
<ul style="list-style-type: none"> One 96-gallon Refuse Cart One 96-gallon Recyclables Cart (basic) One 96-gallon Green Waste Cart (basic) 	
Additional On-Call Pickups (Exhibit 3A1 H3 & Section 7A2d)	
<ul style="list-style-type: none"> Bulky Items, excess waste, or Green Waste (per visit to Collect all items) 	\$ _____ (On-call charge equal to 75% of Basic Service Rate)
Container Size Exchange , beyond 1 <u>per year</u> (Exhibit 3A1 D3)	\$ _____
<ul style="list-style-type: none"> Each additional exchange 	
Roll-Out Service for non-Elderly/Disabled (Exhibit 3A1 I & Section 7A2d)	
<ul style="list-style-type: none"> Mandatory Minimum Service (Up to 10 feet) Full Service (Up to 50 feet) Extended Full Service (Over 100 feet) 	+5% of Basic Services Total \$ _____ (25% of Basic Services Total) Negotiated with Customer

The information provided on Form PW-4.2.2, Task 1 Service Fees from Part I, will be transferred onto this attachment prior to the execution of the CONTRACT.

Services	Monthly Rate Per Customer (Billed to Customer)
Difficult to Service (Exhibit 3A1 O & Section 7A2c) <ul style="list-style-type: none"> Cost per Customer 	If applicable to Service Area \$_____ (50% of Basic Services Total)
Manure Service , per collection each week (Exhibit 3A1 D13 & Section 7A2g) <ul style="list-style-type: none"> 64-gallon Cart 2-cubic yard Dumpster <u>(including -(including</u> Roll-Out/<u>Scout Service)</u> 	If applicable to Service Area \$_____ \$_____
Bear Resistant Cart-fee per Cart (Exhibit 3A1 D12 & Section 7A2h) <ul style="list-style-type: none"> 96-gallon Cart (Rental with free replacement for Term) 96-gallon Cart (Purchase without free replacement) 	If applicable to Service Area <u>\$n/a_____</u> <u>\$n/a_____</u> (one-time)
Locking Recyclables Cart (Exhibit 3A1 D14) <ul style="list-style-type: none"> 96-gallon Cart 	 \$_____ (one-time)
Billing Fees (Section 7B7) <ul style="list-style-type: none"> Late fee Interruption of service Returned checks 	 10% \$25 \$25

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

PW-4.2.3

**ATTACHMENT 7-2.3 – Task 1 Service Fees
Santa Monica Mountains**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Amount of fees billed to Customer listed below are to include the franchise fees.

Services	Monthly Rate Per Customer (Billed to Customer)
MONTHLY RATE	
Monthly Rate for Cart Basic Services (Exhibit 3A1) <ul style="list-style-type: none"> One 96-gallon (0.5 cu yd) Refuse Cart One or two 96-gallon (0.5 cu yd) Recyclables Cart One or two 96-gallon (0.5 cu yd) Green Waste Cart Sum of Refuse, Recyclables, and Green Waste	\$ _____ \$ _____ \$ _____ \$ _____ (Total)
DISCOUNTS SUBTRACTED FROM MONTHLY RATE	
Monthly Discounts (Section 7A3) <ul style="list-style-type: none"> Smart-eClub Senior 	-5% of Basic Services Total -25% of Basic Services Total
Additional Containers which is 1 Refuse, 2 Recyclables, and 1 Green Waste Cart (Exhibit 3A1 D2 & Section 7A2d) <ul style="list-style-type: none"> One 96-gallon Refuse Cart One 96-gallon Recyclables Cart (basic) One 96-gallon Green Waste Cart (basic) 	
Additional On-Call Pick-Up (Exhibit 3A1 H3 & Section 7A2d) <ul style="list-style-type: none"> Bulky Items, excess (per visit to Collect) 	
Container Size Exchange (Exhibit 3A1 D3) <ul style="list-style-type: none"> Each additional exchange 	
Roll-Out Service for non-Elderly/Disabled (Exhibit 3A1 I & Section 7A2d) <ul style="list-style-type: none"> Mandatory Minimum Service (Up to 10 feet) Full Service (Up to 50 feet) Extended Full Service (Over 100 feet) 	+5% of Basic Services Total \$ _____ (25% of Basic Services Total) Negotiated with Customer

**The information
provided on
Form PW-4.2.3, Task 1
Service Fees from Part I,
will be transferred onto
this attachment prior to
the execution of the
CONTRACT.**

Services	Monthly Rate Per Customer (Billed to Customer)
Difficult to Service (Exhibit 3A1 O & Section 7A2c) <ul style="list-style-type: none"> Cost per Customer 	If applicable to Service Area \$_____ (50% of Basic Services Total)
Manure Service , per collection each week (Exhibit 3A1 D13 & Section 7A2g) <ul style="list-style-type: none"> 64-gallon Cart 2-cubic yard Dumpster -(including Roll-Out) <u>Scout Service</u> 	If applicable to Service Area \$_____ \$_____ <u>Negotiated with Customer</u>
Bear Resistant Cart-fee per Cart (Exhibit 3A12 D1 & Section 7A2h) <ul style="list-style-type: none"> 96-gallon Cart (Rental with free replacement for Term) 96-gallon Cart (Purchase without free replacement) 	If applicable to Service Area <u>\$n/a</u> <u>\$n/a</u> (one-time)
Locking Recyclables Cart (Exhibit 3A1 D14) <ul style="list-style-type: none"> 96-gallon Cart 	\$_____ (one-time)
Billing Fees (Section 7B7) <ul style="list-style-type: none"> Late fee Interruption of service Returned checks 	10% \$25 \$25

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

ATTACHMENT 7-3 – Task 2 Service Fees

For bidding purposes, this sample CONTRACT contains a separate table for each Service Area that must be completed for each Service Area that is being bid on. They will be referred to as:

- Attachment 7-3.1 Task 2 Service Fees
South Whittier
- Attachment 7-3.2 Task 2 Service Fees
Avocado Heights
- Attachment 7-3.3 Task 2 Service Fees
Santa Monica Mountains

PW-4.3.1

**ATTACHMENT 7-3.1 – Task 2 Service Fees
South Whittier**

Proposer must provide a **rate-Service Fee** for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Director will calculate the Annual Total based on the proposed Service Fee and the quantity.

Services	Service Fee	2016 Quantities	Annual Total
Abandoned Waste Weekly Collection (Exhibit 3A2 A <u>and Section 7 C</u>)			
Expected Number of incidents, up to 189 of up to 4 cu yds: <ul style="list-style-type: none"> Alleys (3.27 miles) Parkways, Sidewalks, Streets (137.87 miles) 	\$_____ (per incident)\$_____/mile	2017 18 tons 50 179 incidents 141.14 miles	\$_____
More Than Expected Number of incidents, between 190 and 344, of up to 4 cu yds: <ul style="list-style-type: none"> Alleys (3.27 miles), Parkways, Sidewalks, Streets (137.87 miles) 	\$_____ (per incident)	2016 17 tons 172 incidents 141.14 miles	\$_____
More than 4 cu yds, up to 172 incidents Alleys, Parkways, Sidewalks, or Streets	\$_____ (per incident)		\$_____
Abandoned Waste Weekly Collection (Exhibit 3A2 A5)			
Hot Zones Monitoring		tons	\$_____
		ys	\$_____
		et	\$_____
		s (est.)	\$_____
Waste Collection from yds total per day		ys	\$_____
Additional Hot Zones (more length)		et (25%	\$_____ (25% of above)
Additional Hot Zones V cu yds total per day		e) (est.)	\$_____ (25% of above)
Waste Collection from up to 130 days		ys	\$_____
<ul style="list-style-type: none"> Additional Hot Zones (25% more length) <ul style="list-style-type: none"> Monitoring Waste Col 		et (25% e)	\$_____ (25% of above)
			\$_____ (25% of above)
			\$_____ (25% of above)
Standard or Solar Compactors (assume Collection twice per day, 6 days per week)			\$0
Additional public receptacles in the future (up to 125% more receptacles)	\$_____/receptacle (per collection)	25	\$_____
Additional public receptacles in the future (up to 125% more receptacles)	\$_____/receptacle (per collection)	25	\$_____
Maximum COUNTY Services Sum:			\$_____

The information provided on Form PW-4.3.1, Task 2 Service Fees from Part I, will be transferred onto this attachment prior to the execution of the CONTRACT.

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

PW-4.3.2

ATTACHMENT 7-3.2 – Task 2 Service Fees Avocado Heights

Proposer must provide a rate-Service Fee for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Director will calculate the Annual Total based on the proposed Service Fee and the quantity.

Services	Service Fee	Quantities	Annual Total
Abandoned Waste Weekly Collection (Exhibit 3A2 A and Section 7 C)			
Expected Number of incidents, up to 15 of up to 4 cu yds: • Alleys (0 miles) • Parkways, Sidewalks, Streets (44.71 miles)	\$ _____ (per incident)	2017 5 tons 48 incidents 44.71 miles	\$ _____
More Than Expected Number of incidents, between 16 and 28, of up to 4 cu yds: • Alleys, Parkways, Sidewalks, Streets	\$ _____ (per incident)	2016 2.57 tons 14 incidents	\$ _____
More than 4 cu yds, up to 130 days Alleys, Parkways, Sidewalks, Streets	\$ _____	2016 2.57 tons 14 incidents	\$ _____
Abandoned Waste Weekly Collection (Exhibit 3A2 A5)			
Monitoring All Locations		ons	n/a
Waste Collection from _____ yds total per day		ys	n/a
Additional Hot Zones M		ys	\$ _____
Additional Hot Zones W		et	\$ _____
cu yds total per day		ys	\$ _____
Waste Collection from _____ up to 130 days			
Standard or Solar Com			n/a
Additional public recept			\$ _____
(assume Collection twice			
		Sum:	\$ _____

The information provided on Form PW-4.3.2, Task 2 Service Fees from Part I, will be transferred onto this attachment prior to the execution of the CONTRACT.

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date Signed

Services	2016 Quantities	Rate	Annual Total
Abandoned Waste Weekly Collection (Exhibit 3A2 A)			
• Alleys (0 miles)	2.57 tons 30 incidents	\$ _____/4 cu yds per incident	\$ _____
• Parkways, Sidewalks, Streets (44.71 miles)	44.71 miles		

		(>4 cu yds requires photos)	
Abandoned Waste Daily Collection (Exhibit 3A2-A5)	0 locations		
<ul style="list-style-type: none"> Hot Zones <ul style="list-style-type: none"> Monitoring All Locations Waste Collection Additional Hot Zones in the future (up to 25% more length) <ul style="list-style-type: none"> Monitoring All Locations Waste Collection 	0 feet 0 tons n/a n/a	n/a n/a n/a n/a	\$0 \$0 \$0 \$0
Public Receptacles (Exhibit 3A2-B)			
<ul style="list-style-type: none"> Standard or Solar Compactors (assume Collection twice per day, 6 days per week) Additional public receptacles in the future (up to 125% more receptacles) 	0 25	n/a \$____/receptacle (per collection)	\$0 \$_____
Maximum COUNTY Services Sum:			\$_____

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date
Signed

PW-4.3.3

**ATTACHMENT 7-3.3 Task 2 Service Fees
Santa Monica Mountains**

Proposer must provide a rate-Service Fee for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive. Director will calculate the Annual Total based on the proposed Service Fee and the quantity.

Services	Service Fee	Quantities	Annual Total
Abandoned Waste Weekly Collection (Exhibit 3A2 A and Section 7 C)			
Expected Number of incidents, up to 26 of up to 4 cu yds: • Alleys (0 miles) • Parkways, Sidewalks, Streets (508.93 miles)	\$ _____ (per incident)	2017 2 tons 16 incidents 508.93 miles	\$ _____
More Than Expected Number of incidents, between 27 and 48, of up to 4 cu yds: • Alleys, Parkways, Sidewalks, Streets	\$ _____ (per incident)	2016 2.57 tons 24 incidents	\$ _____
More than 4 cu yds, up to 24 incidents Alleys, Parkways, Sidewalks, Streets	\$ _____	_____ miles	\$ _____
Abandoned Waste Collection (Exhibit 3A5)			
Monitoring All Locations		_____ tons	n/a
Waste Collection from _____ _____ yds total per day		_____ yds	n/a
Additional Hot Zones M_____		_____ yds	\$ _____
Additional Hot Zones W_____		_____ yds	\$ _____
_____ cu yds total per day		_____ yds	\$ _____
Waste Collection from _____ up to 130 days			
Standard or Solar Comp_____			n/a
Additional public recepta_____			\$ _____
(assume Collection twice_____)			
		Sum:	\$ _____

**The information
provided on
Form PW-4.3.3, Task 2
Service Fees from Part I,
will be transferred onto
this attachment prior to
the execution of the
CONTRACT.**

Proposers are responsible for independently investigating service conditions in the Service Area prior to submission.

Proposer's Printed Name

Proposer's Signature

Date
Signed

ATTACHMENT 7-4 – Emergency Service Fees

For bidding purposes, this sample CONTRACT contains a separate table for each Service Area that must be completed for each Service Area that is being bid on. They will be referred to as:

- Attachment 7-4.1 Emergency Service Fees
South Whittier
- Attachment 7-4.2 Emergency Service Fees
Avocado Heights
- Attachment 7-4.3 Emergency Service Fees
Santa Monica Mountains

PW-4.4.1

**ATTACHMENT 7-4.1 – Emergency Service Fees
South Whittier**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive.

Services	Monthly Rate Per Customer (billed to COUNTY)
As-Needed Emergency (Section 11B) <ul style="list-style-type: none"> Task 1 Services Solid Waste not in Containers Roll-Off Containers or Drop-Off Events Palm Fronds 	Comparable Municipal Solid Waste fees \$____/ton and \$____/cubic yard Comparable Municipal Solid Waste fees \$____/hour per Vehicle

Proposers are responsible for the conditions in the Service Area.

Proposer's Printed Name

Date Signed

The information provided on Form PW-4.4.1, Emergency Service Fees from Part I, will be transferred onto this attachment prior to the execution of the CONTRACT.

PW-4.4.2

**ATTACHMENT 7-4.2 – Emergency Services Fees
Avocado Heights**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive.

Services	Monthly Rate Per Customer (billed to COUNTY)
As-Needed Emergency (Section 11B) <ul style="list-style-type: none"> Task 1 Services Solid Waste not in Containers Roll-Off Containers or Drop-Off Events Palm Fronds 	Comparable Municipal Solid Waste fees \$____/ton and \$____/cubic yard Comparable Municipal Solid Waste fees \$____/hour per Vehicle

Proposers are responsible for the conditions in the Service Area.

Proposer's Printed Name

Proposer's Signature

Date Signed

The information provided on Form PW-4.4.2, Emergency Service Fees from Part I, will be transferred onto this attachment prior to the execution of the CONTRACT.

PW-4.4.3

**ATTACHMENT 7-4.3 – Emergency Service Fees
Santa Monica Mountains**

Proposer must provide a rate for each item below. Failure to do so may result in the proposal/bid being rejected as nonresponsive.

Services	Monthly Rate Per Customer (billed to COUNTY)
As-Needed Emergency (Section 11B) <ul style="list-style-type: none"> Task 1 Services Solid Waste not in Containers Roll-Off Containers or Drop-Off Events Palm Fronds 	Comparable Municipal Solid Waste fees \$____/ton and \$____/cubic yard Comparable Municipal Solid Waste fees \$____/hour per Vehicle

Proposers are responsible for the conditions in the Service Area.

Proposer's Printed Name

Date Signed

The information provided on Form PW-4.4.3, Emergency Service Fees from Part I, will be transferred onto this attachment prior to the execution of the CONTRACT.

EXHIBIT 12-D2 – Liquidated Damages

Reference to "failure" refers to each occurrence of specified Breach (such as for each Occupant and each Occupant's Collection site, Record entry, or complaint) and not for aggregate occurrences of those Breaches (such as for all Customers and Occupants on a given route or day). Per day means each business day except as indicated.

If CONTRACTOR does not timely submit the applicable information, documentation or complete report or incorporate comments, additions and corrections made by Director within pay days of receipt of those comments, additions, and corrections, it shall pay the following liquidated damages.

No.	Description of Liquidated Damage	Amount
CUSTOMER SERVICE		
C01	For each failure to honor commitment to resolve Customer's or Occupant's first complaint in accordance with Section 6D1.	\$100
C02	For each failure to honor commitment to resolve Customer's or Occupant's same complaint, which generated a second complaint, in accordance with Section 6D1.	\$250
C03	For each failure to honor commitment to resolve Customer's or Occupant's same complaint, which generated a third or more complaint, in accordance with Section 6D1.	\$500 for each subsequent complaint
C04	For each failure to enter Customer or Occupant call or e-mail into log or maintain and supply Records of complaints in accordance with Section 6D2.	\$100
C05	For each occurrence of charging any Customer more than the Customer owes for Task 1 Services (such as for the wrong level of service) or charging any Customer more than Customer Service Fees.	\$100 to COUNTY per Customer plus returning 110% of overcharged amount payable to Customer
C06	If CONTRACTOR violates the nondiscrimination provisions of this CONTRACT, including Exhibit 5.	\$500
CONTRACT LANGUAGE		
L01	Failure to maintain an emergency number or make staff available thereat in accordance with item J1 of Section 4.	\$75 per day
L02	Failure to provide documentation for review or comment by Director or obtain any approval, consent or other permission of Director required under this CONTRACT, including: <ul style="list-style-type: none"> Customer and Occupant correspondence under item F of Section 4 Publicity materials under item G1 of Section 4; News releases and trade journal articles related to Solid Waste Collection Services, under item G2 of Section 4 Customer and Occupant outreach materials under item L of Exhibit 3A1. 	\$1,000 per occurrence and \$1,000 each calendar day before retraction or correction of misinformation identified by Director
L03	Failure to timely submit documentation for review or comment by Director.	\$300 per occurrence plus \$100 per day late
L04	Each failure during any calendar month to return Director calls or to timely meet with COUNTY in accordance with Section 4H.	\$500
L05	Each failure to timely submit satisfactory proof of notification (mailing) in accordance with item L4b(4) of Exhibit 3A1.	\$200

No.	Description of Liquidated Damage	Amount
L06	Marketing or distributing mailing lists with the names and addresses of Customers and Occupants, in accordance with Section 1F.	\$10 per Customer and Occupant per occurrence
L07	Failure to maintain telephone service in accordance with Section 6B.	\$75 per day
L08	Failure to maintain electronic/paperless service in accordance with Section 6C.	\$75 per day
L09	Failure to allow Director to inspect, audit, review records, or copy Records in accordance with Section 9C.	\$500
L10	Failure to timely submit AB 939 Records or other required Records in accordance with item E of Section 9.	\$100 per week late
REPORTING TO COUNTY		
R01	Failure to submit Monthly reports in accordance with items 10A1 and 10B1 of Exhibit 3D .	\$100 per day
R02	Failure to submit Quarterly reports in accordance with items 10A2 and 10B2 of Exhibit 3D.	\$200 per day
R03	Failure to submit Annual reports in accordance with items 10A3 and 10B2 of Exhibit 3D	\$300 per day
R04	Failure to report adverse information in accordance with items 10C, B, D, and E of Exhibit 3D.	\$300 per occurrence
R05	Failure to deliver Route maps and schedules in accordance with item B16 of Exhibit 3D.	\$100 per day
R06	Failure to submit GPS Reports or video in accordance with item E9 of Exhibit 3A1	\$100 per day per vehicle
SERVICES TO CUSTOMERS, OCCUPANTS, AND COUNTY		
S01	For each failure to Collect Solid Waste in accordance with Section 6D3 and item B of Exhibit 3A1.	\$500 per day plus \$10 for each missed Occupant per day
S02	Failure to immediately clean up litter, spills or liquid leaks in accordance with Section 4A1, 4A2 or 4A3, respectively.	\$150 per parcel per calendar day
S03	For each failure to prevent spills or liquid leaks in accordance with Section 4A2 and 4A3.	\$500
S04	For each failure to equip a Collection Vehicle with signs in accordance with item E9 of Exhibit 3A1.	\$100 per week
S05	For each occurrence of excessive noise in accordance with item A4 of Section 4.	\$300
S06	Commingling materials from outside the Service Area with Solid Waste that CONTRACTOR Collects inside the Service Area, in accordance with item I of Section 4.	\$500 per Vehicle-Occurrence
S07	For each failure to follow its Unpermitted Waste Screening Protocol in accordance with item A of Section 13.	\$500
S08	Failure to repair damage caused to private property in accordance with Part 9C of Exhibit 5.	\$150
S09	Failure of any Vehicle to deliver Solid Waste to the Solid Waste Facilities designated by CONTRACTOR in accordance with item F of Exhibit 3A1.	\$500 per Vehicle
S10	For each occurrence Collecting any Solid Waste during unauthorized hours prohibited under item B2 of Exhibit 3A1, without Director approval.	\$500 plus \$10 for each Container or Bulky Item Collected
S11	For each failure to timely provide, maintain, or repair Container in accordance with item D of Exhibit 3A1.	\$25 per day
S12	For each occurrence of failing to return emptied Container upright, or to their Set-Out Sites, or placing Container in a location that impedes pedestrian or vehicular traffic in accordance with item D5 of Exhibit 3A1.	\$250

No.	Description of Liquidated Damage	Amount
S13	For each use of an unapproved Container design including labeling, in accordance with Section 13D and item D of Exhibit 3A	\$50
S14	For each occurrence of disposing of Recyclables, or mixing Recyclables or Green Waste with Refuse in accordance with item G2 of Exhibit 3A1.	\$200 per Vehicle
S15	For each failure to maintain any Vehicle in accordance with Applicable Law	\$150 per Vehicle per day
S16	For each failure to tag uncollected Solid Waste and keep a record of reason, in accordance with Section 4C	\$150
S17	For each failure to Collect Abandoned Waste within 2 Service Days of Director request, in accordance with item A of Exhibit 3A2.	\$100 per day
S18	For failure to maintain an alley segment (1 block) or a Hot Zone (1 area) on the scheduled day, in accordance with items A5 of Exhibit 3A2.	\$250 per day
S19	For each failure to Collect Solid Waste from public receptacles on the scheduled day and time or failure to maintain (clean) receptacle, in accordance with item B of Exhibit 3A2.	\$50 per receptacle per missed collection
S20	Failure to maintain and operate GPS and Video Equipment in working order, in accordance with item E9 of Exhibit 3A1.	\$100 per Vehicle per 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 many opportunities to consult with legal counsel and obtain an explanation of liquidated damage provisions of the time that this CONTRACT was made.

CONTRACTOR

Initial Here: _____

COUNTY

Initial Here: _____

Enclosure D
Item 16.C.6 - Tonnages *
(Revised)

Name of Residential Franchise Area or Garbage Disposal District	Solid Waste (in tons) Collected in 2016			Annual Clean-Up Tonnage in 2016	Abandoned Waste Tonnage in 2016
	Refuse	Recyclables	Green Waste		
Avocado Heights	5,652.59	1,057.12	2,319.28	105.46	2.57
Santa Monica Mountains	2,760.89	1,508.81	2,351.40	N/A **	0.33
South Whittier	19,703.07	3,757.54	7,223.01	187.73	5.04

* The information contained in this table was reported by the current franchisee. However, the proposer is still responsible for independently investigating service conditions in these areas.

** Due to safety concerns, the current waste hauler has provided additional number of bulky item collections as an alternative to the Annual Cleanup Event.