



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE

August 02, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ENVIRONMENTAL SERVICES CORE SERVICE AREA
AWARD EIGHT EXCLUSIVE COMMERCIAL FRANCHISE CONTRACTS FOR COMMERCIAL
SOLID WASTE COLLECTION SERVICES IN
THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

SUBJECT

Public Works is seeking Board approval to award eight exclusive commercial franchise contracts to provide solid waste collection services for the following commercial franchise service areas: Foothills, Gateway, Puente Hills, San Gabriel Valley East, San Gabriel Valley West, Santa Clarita Valley, South Bay, and Westside. Solid waste collection services include the collection of refuse, recyclables, and organic waste from commercial, multifamily, and certain residential properties.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed actions are not a project under the California Environmental Quality Act, or in the alternative, that the actions are exempt for the reasons stated in this Board letter and the record.
2. Find that the health, safety, and welfare of the public require that the County award exclusive commercial franchise contracts for the collection of solid waste from commercial, multifamily, and certain residential properties within the unincorporated areas of Los Angeles County excluding the communities of Acton, Agua Dulce, and the Antelope Valley areas, and all existing and proposed Garbage Disposal Districts.

3. Award an exclusive commercial franchise contract to provide solid waste collection services to the following contractors: American Reclamation for Foothills Service Area; Valley Vista Services for Gateway, Puente Hills, and San Gabriel Valley East Service Areas; Ware Disposal for San Gabriel Valley West Service Area; Waste Management (USA Waste of California) for Santa Clarita and South Bay Service Areas; and Waste Management (GI Industries) for Westside Service Area. The contracts shall be effective upon execution by the County and each respective hauler. The solid waste collection services are planned to start as early as October 1, 2022, and will terminate on September 30, 2032, for a term of 10 years with three 3-year renewal options for a potential maximum contract term of 19 years. The service rates will be billed directly to customers by the contractors at an estimated total annual cost of \$50 million and will include a 14 percent franchise fee, which will generate an estimated \$7 million in revenues in Fiscal Year 2022-23 for the eight service areas combined.

4. Authorize the Director of Public Works or his designee to (1) execute eight exclusive commercial franchise contracts to provide solid waste collection services for the eight service areas; (2) take all of the necessary and appropriate steps to carry out the contracts; (3) renew the contracts for each additional renewal option at the discretion of the Director of Public Works or his designee; (4) approve and execute amendments to incorporate necessary changes within the contract services; (5) suspend work if, in the opinion of the Director of Public Works or his designee, it is in the best interest of the County to do so; and (6) terminate contract(s) for convenience if mutually agreed by both parties.

5. Authorize the Director of Public Works or his designee to adjust the monthly service rates and fees for collection services billed directly to the customers in accordance with the terms of the contracts.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions would provide solid waste collection services for the following commercial franchise service areas: Foothills, Gateway, Puente Hills, San Gabriel Valley East, San Gabriel Valley West, Santa Clarita Valley, South Bay, and Westside. The proposed contracts are to ensure all commercial customers in the unincorporated areas of Los Angeles County receive high-quality and cost-efficient refuse, recycling, and organic waste collection services.

Additionally, the exclusive commercial franchise contracts are necessary to ensure organic waste collection services for all commercial customers so that the County would be in compliance with Senate Bill (SB) 1383 (2016) organic waste regulations. These contracts will also assist the County in implementing programs and outreach and reporting the required organic waste regulations. These contracts will provide standardized high-quality refuse, recycling, and organic waste collection services to all commercial customers; increase hauler accountability for customer service; require the use of clean alternative fuel vehicles, uniform recordkeeping and reporting; and establish additional recycling, organic waste management, and educational programs. Additional benefits to the unincorporated communities and region include optimizing waste hauling route efficiency by no longer allowing multiple waste haulers to provide service in the same communities. Ultimately, this will lead to fewer collection trucks on the road, reduced traffic, reduced pollution, and reduced wear and tear on the roads.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Goal II, Foster Vibrant and Resilient Communities; Strategy II.3, Make Environmental Sustainability our Daily Reality; and Objective II.3.4, Reduce Waste Generation and Recycle and Reuse Waste Resources. The recommended actions improve the environment, economy, and social well-being of our communities by providing solid waste collection services, which includes the collection of refuse, recyclables, and organic waste, which protects the environment and improves the quality of life of the residents and businesses within the franchise and surrounding areas.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

Upon approval by the Board, the service rates will be billed to customers by the contractors and the 14 percent franchise fee paid to the County by the contractors will generate an estimated total annual revenue amount of \$7 million for the 8 service areas combined. The franchise fee will provide the necessary funds to administer the exclusive commercial franchise contracts and will fund enhanced programs and services for customers. Administration includes the solicitation process and award of the contracts, complaint resolution, outreach material creation and review, contamination monitoring, and contractor and customer compliance monitoring. Enhanced services include expanded educational outreach, community meetings regarding collection services, site visits to increase diversion from landfills, and customer service support. This revenue is included in the Solid Waste Management Fund (GD1) Fiscal Year 2022 23 Budget and will be included through the annual budget process for the remaining contract years.

The contract authorizes rate adjustments for customer service rates and fees as follows: The first rate adjustment will be on July 1, 2023, and annually thereafter based on annual changes in the Consumer Price Index for Trash and Garbage Collection. The contract authorizes rate adjustment increase of up to 5 percent per year over the maximum contract duration of 19 years. The contract also authorizes a rate adjustment increase due to applicable changes in law, changes in scope of services, and extraordinary circumstances up to 10 percent per year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Public Works is transitioning its existing non-exclusive commercial franchise to an exclusive commercial franchise in select County unincorporated communities.

Under the existing non-exclusive commercial franchise contracts, any private waste hauler that has a contract with Los Angeles County can offer solid waste collection and recycling services to businesses, multi-family complexes (of 5 units or more), and single-family residences that request dumpster service. There are 18 waste haulers with active contracts as of December 2021. Each waste hauler can offer different rates for different customers and schedule waste collection pickup at varying times and days, resulting in a lack of uniformity and potential disparity across the County.

The proposed exclusive commercial franchise contracts establish eight exclusive service areas that each allow a single-waste hauler to provide services in the respective service area. Under the exclusive franchise contracts, the selected waste haulers would provide waste management services

including default trash, recycling, and organic waste collection service with rates structured per a customer's service level needs.

Title 20, Section 20.70.020 of the Los Angeles County Code authorizes the Board to award a nonexclusive, partially exclusive, or wholly exclusive franchise for certain solid waste handling services for unincorporated County areas. The awarded contractor shall pay a monthly franchise fee to the County in such amount as may be determined by the Board, expressed as a percentage of the monthly gross receipts of the contractor arising from the use, operation, or possession of the franchise. The recommended contracts include a 14 percent franchise fee.

Additionally, the proposed exclusive commercial franchise contracts will allow the County to develop programs, records, and reports required under Assembly Bills 939 (1989) and 341 (2012), SB 1383 (2016), and other applicable laws and regulations.

Effective January 1, 2022, SB 1383 requires all jurisdictions in the State to provide organic waste collection services to residents and businesses and divert such materials from landfills. Transitioning to an exclusive commercial franchise is critical to the County's compliance with State law.

The exclusive commercial franchise contracts are effective upon execution by the County and each respective contractor. The solid waste collection services will start as early as October 1, 2022, and will terminate on September 30, 2032, for a term of 10 years with three 3-year renewal options for a potential maximum contract term of 19 years.

Prior to the Director of Public Works or his designee executing the enclosed contract, the contractor will sign, and County Counsel will review the contract as to form (Enclosure A) prior to approving. The recommended contracts for the eight service areas were solicited on an open-competitive basis and in accordance with applicable Federal, State, and County requirements.

The exclusive commercial franchise contracts contain terms and conditions consistent with the Board's programs and policies. The enclosed table (Enclosure B) reflects the selected contractors' minority participation. Data regarding the contractor's minority participation is on file with Public Works. The contractors were selected upon final analysis and consideration without regard to race, creed, gender, or color.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract. The eight exclusive commercial franchise contracts are not subject to Proposition A, as the Board's authority to award the franchise contracts for solid waste handling services is expressly provided by statute.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are either not subject to the California Environmental Quality Act (CEQA) because they are activities excluded from the definition of a project by Section 21065 of the California Public Resources Code and Section 15378, Subdivision (b) of the State CEQA Guidelines or, in the alternative, are exempt pursuant to Class 15061(b)(3) of the Guidelines because it can be seen with certainty that the actions will not have a significant adverse impact on the environment. The collection and disposal of solid waste is not only mandated and regulated by State law, but an essential service for the public health, safety, and welfare.

The proposed change in service providers or awarding of a new franchise agreement for existing services will not result in significant impacts on the environment.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Exemption with the County Clerk in accordance with Section 21152 of the California Public Resources Code.

CONTRACTING PROCESS

On November 10, 2021, a notice of the Request for Proposal (RFP) was placed on the County's "Doing Business with the County" website (Enclosure C), Public Works' "Business Opportunities" website, Twitter, and in advertisements placed in the Los Angeles Daily Journal and nine other newspapers. Also, Public Works informed 1,538 Local Small Business Enterprises, 179 Disabled Veteran Business Enterprises, 169 Social Enterprises, 801 Community Business Enterprises, and 195 independent contractors and community business enterprises about this business opportunity.

On February 1, 2022, 15 proposals were received for providing solid waste collection services for the exclusive commercial franchise service areas, see enclosed map (Enclosure D). The proposals were first reviewed to ensure that they met the minimum requirements in the RFP. One proposal did not meet the requirements and was disqualified. The 14 remaining proposals that met these requirements were then evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included proposed annual amount for providing collection services, experience, work plan, references, financial resources, history of disputes, actions, contests, debarments, and environmental history; and was conducted utilizing the Informed Averaging methodology for applicable criteria. Based on these evaluations, it is recommended that exclusive commercial franchise contracts be awarded to the highest-rated, apparent responsive, and responsible proposers for each service area.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These contracts will provide standardized high-quality solid waste collection services, which includes the collection of refuse, recycling, and organic waste collection services for the unincorporated areas of Los Angeles County. The award of these contracts will continue the services without disruption to the public and will not result in the displacement of any County employees as these services are presently contracted with the private sector.

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Environmental Programs Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is written in a cursive, flowing style.

MARK PESTRELLA, PE
Director

MP:ET:ak

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office

Enclosure A



Part I

Sample Contract

BETWEEN
COUNTY OF LOS ANGELES BOARD OF SUPERVISORS
AND

[name of waste hauler]

FOR PROVISION OF COMMERCIAL SOLID WASTE COLLECTION SERVICES

(2022-____)

FOR THE SERVICE AREA(S) OF

[name of service area]

WITH A SERVICE COMMENCEMENT DATE AS EARLY AS

[insert Commencement Date]

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[name of area(S)] (2022-___)**

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This exclusive franchise contract (CONTRACT) is made and entered into on _____, 2022, by and between COUNTY of Los Angeles Board of Supervisors, acting in their capacity as the governing body COUNTY of Los Angeles (COUNTY), and [Name of CONTRACTOR], a [State of Incorporation] [Form of Entity], located at [Full Address of the Contractor], (hereinafter referred to as CONTRACTOR).

SECTION 0 - RECITALS:

Purpose. To limit the wear and tear on COUNTY streets, reduce pollution from Collection and Vehicle exhaust, increase customer service accountability, ensure compliance with Federal, State, and local laws, including Assembly Bills (AB) 341, 939, 1826, and Senate Bill (SB) 1383, 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 issues 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 throughout the life of this CONTRACT; 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 timeline to achieve compliance with the AB 939 Diversion requirements to which COUNTY had met. Additionally, with the passage of Senate Bill 1383, COUNTY must comply with CalRecycle's requirements related to diversion of Organic materials such as Food Waste, Green Waste, and food-soiled paper, for the purpose of reducing short-lived climate pollutants such as methane and its impact on climate change. Non-compliance may subject the County to penalties and fines of up to \$10,000 per day. 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 Zero Waste Plan. COUNTY Board of Supervisors adopted the Roadmap to a Sustainable Waste Management Future in 2014. 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. The COUNTY updated the plan in 2021, referred to as the Zero Waste Plan; and

Municipal Solid Waste Discarded in Containers. The County has determined to provide for Municipal Solid Waste (MSW) Management Services in portions of Los Angeles County under the terms of this CONTRACT for reasons including the following:

- To enable businesses and residents located in the Service Area that discard Solid Waste in Dumpsters to receive quality MSW Management Services, and
- To provide COUNTY with programs, records, and reports that will help COUNTY comply with AB 939, AB 341, SB 1383, and other Laws.

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 AB 939 and AB 341, SB 1383, 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, commonly referred to as flow control. 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. COUNTY selected the CONTRACTOR based, among other things, on CONTRACTOR's price proposal and work plan for Collection Services.

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

- Exhibit 7 provides for CONTRACTOR's compensation under Collection Services. Under this CONTRACT, the CONTRACTOR cannot charge its Customers more than the Customer Service Rates as stipulated in Attachment 7-2 Service Rates in Exhibit 7.
- CONTRACTOR is not allowed to add any surcharges in addition to the fees that were entered on Form PW-2 and PW-3, Schedule of Prices. Any fuel, environmental, or other fees must be included in the original bid and may not be added later.

Franchise Authorization. PRC Section 40059 specifically authorizes COUNTY to prescribe the terms and conditions 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 Rates 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 and representatives of the private hauling industry met many times to discuss the scope of 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 all Contract Services, unless specifically indicated otherwise.

SECTION 1 - GRANT OF RIGHTS AND PRIVILEGES

A. Requirements/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 as indicated in Part 3 of Exhibit 5; 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 (Exceptions from Exclusivity) of this Section.

2. Grant of Exclusive Franchise for Collection Services

COUNTY grants to CONTRACTOR and CONTRACTOR accepts the exclusive right and privilege to provide Contract Services in accordance with its Performance Obligations, by making independent arrangements with County Commercial Franchise Customers as defined in item A1 of Exhibit 3A1, Collection may be primarily in Dumpster Containers, but may also include Carts and Roll-offs (excluding C&D) within the Service Area awarded to the CONTRACTOR as specified in this CONTRACT subject to all the terms and conditions in this CONTRACT and the exclusions in subsections B (Exclusions from Service) and C (Exceptions from Exclusivity) of this Section.

If a city annexes any portion of the Service Area, COUNTY shall replace the maps of the Service Area in item A1 of Exhibit 16 with new maps that reflect deletion of the annexed area on the date that the annexation becomes effective.

B. Exclusions from Service

Notwithstanding any provision to the contrary contained herein, the following are excluded from the right and privilege granted to CONTRACTOR under this Contract:

1. Solid Waste to be Self-Hauled

This CONTRACT excludes the right and privilege that CONTRACTOR 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. Donation or Selling of Solid Waste or Edible Food

This CONTRACT excludes the right and privilege to Collect Solid Waste (Refuse, Recyclables, and Organics) or Edible Food that Occupant/Customer donates or sells to Persons other than CONTRACTOR.

3. Organic Waste Onsite Management

This CONTRACT excludes the right and privilege to Collect Organic Waste that Occupant manages on the site where it is generated, such as onsite Composting.

4. Micro-Haulers

This CONTRACT excludes the right and privilege to Collect Organic Waste that Occupant provides to COUNTY approved/contracted Micro-Hauler. The COUNTY allows Customers to utilize Micro-Haulers to Collect, transport, and Divert part or all their Organic Waste that they generate, including but not limited to the Collection of Manure, landscaping, and Food Waste.

Customers serviced by the Micro-Hauler will be transferred into the CONTRACTOR's franchise system if their weekly service level increases to more than the allowable service level under a Micro-Hauler of one 64-gallon Container of Organic Waste per week. The CONTRACTOR shall work with Micro-Haulers to transfer large Organic accounts into the franchise system when the Customers are located within their Service Area(s).

5. COUNTY and Third-Party Agencies

This CONTRACT excludes the right and privilege to provide Collection 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;

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

If CONTRACTOR provides such services to any of the entities described above, CONTRACTOR shall report to COUNTY and include it in their Customer list report as indicated in item A1 of Section 10.

Additionally, the CONTRACTOR will not be required to pay the COUNTY any Franchise Fees for these Customers.

CONTRACTOR's failure to comply with any of the requirements of this Section may result in Liquidated Damages, in accordance with Exhibit 12-D2 Liquidated Damages.

6. Residential and Multifamily Premises with Carts Services

This CONTRACT excludes the right and privilege to provide Collection Services to Residential and Multifamily Premises (4 Units or Less) that receive services under an exclusive franchise awarded by the COUNTY for Cart service (such as an Exclusive Residential Franchise Contract for Provision of Refuse, Recyclables, and Green Waste Automated Cart Services at Residential Premises and Certain Multifamily Premises) which includes some mobile home parks. Additionally, the Director in its sole discretion may assign an Authorized Residential Franchise Waste Hauler to provide service to Multifamily Premises (5 Units or More) that have Carts service per individual unit and no Dumpsters.

However, this provision does not apply to Residential Premises who operate a business and utilize Carts for Collection Services. The Director may assign the Authorized Commercial Franchise Waste Hauler to provide service to these Customers.

Residential Customers with Carts and a business can be serviced by the Authorized Commercial Franchise Waste Hauler with Director approval.

7. Garbage Disposal District

This CONTRACT excludes the right and privilege to provide Collection Services to Premises that include Residential, Multifamily, and Commercial properties in a Garbage Disposal District. Garbage Disposal Districts are not included in the Service Area.

8. Non-Exclusive Commercial Franchise Customers

This CONTRACT excludes the right and privilege to provide Collection Services to Premises located in the Acton, Agua Dulce, and Antelope Valley (AV) areas, which shall remain under the non-exclusive commercial franchise system. The Acton, Agua Dulce, and AV areas are not included in the Service Area maps.

Additionally, this CONTRACT excludes the right and privilege to provide Collection Services to NBC Universal studios and their temporary shooting locations, which shall remain under the non-exclusive commercial franchise system.

9. Material Exceptions

The following types of materials are not subject to this CONTRACT and shall be designated as exempt materials. These exempt materials may be Collected and taken to a licensed Disposal site or Recycling facility by the Customer or Occupant of the Premises, or their agent, at the owner's or Occupant's expense, in accordance with COUNTY policy and Municipal Code requirements, with the exception of Construction and Demolition (C&D) Debris, which must be handled by a permitted waste hauler subject to requirements in County Code Chapter 20.87. Exempt materials include:

- Medical Waste
- Hazardous Waste
- Radioactive Waste
- Pharmaceutical Waste
- Construction and Demolition (C&D) Debris

10. Unauthorized Collectors

CONTRACTOR acknowledges and agrees that the COUNTY may permit other Persons besides CONTRACTOR to Collect any and all types of materials excluded from the scope of this CONTRACT, as set forth above, without seeking or obtaining approval of CONTRACTOR.

If CONTRACTOR can produce evidence that other Persons are servicing Collection Containers or are Collecting and transporting Solid Waste in a manner that is not consistent with this CONTRACT or the County Code, it shall report as indicated under item A3 of Section 10.

11. Rights Under California Public Resources Code Section 49520

a. Exclusion

This CONTRACT excludes the right and privilege 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. Acknowledgements Regarding Statutory Rights

CONTRACTOR acknowledges:

(1) No Statutory Rights

CONTRACTOR affirms that it does not have any statutory rights under PRC Section 49520 *et seq.* that arise from providing services under this CONTRACT. This affirmation is not a relinquishment of any rights because no statutory rights exist.

(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 49520 *et seq.*

(3) Terminated CONTRACT

If COUNTY exercises its remedy to terminate this CONTRACT for CONTRACTOR fault, CONTRACTOR will have no right to continue providing Contract Services, MSW Management Services, or Solid Waste handling services under PRC Section 49520.

(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

In accordance with PRC Section 49523, based on the mutually satisfactory terms of providing Collection Services set forth in this CONTRACT and receipt of compensation therefore, 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. In advance of, or upon expiration or termination of this CONTRACT, COUNTY may acquire 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.

CONTRACTOR Obligations Applicable to all Exclusions from Service

CONTRACTOR shall report to the COUNTY and maintain a record of all Customers located within their Service Area that qualify for exclusion of services such as Customers that Self-Haul or self-manage Organic Waste. Upon determining a Customer is Self-Hauling or self-managing their Organic Waste, the CONTRACTOR shall provide a written notice to the Customer informing them that they must register with the COUNTY as a Customer that Self-Hauls or self-manages Organic Waste, as applicable. The CONTRACTOR shall provide the written notice that is developed by the COUNTY.

C. Exceptions from Exclusivity

1. Emergency Services

This CONTRACT is not exclusive in regard to Collection of Solid Waste during emergencies, as 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 provide Solid Waste services within this Service Area. Service shall be provided at the same rate as the Customer Base Rates for Businesses. See Commercial Service Rates Schedule in Exhibit 7, Attachment 7-2.

2. Collection of Manure in Dumpsters at Residential Premises

This CONTRACT is not exclusive in regard to Collection, transportation, and Disposal/Diversion of Manure in Dumpsters discarded by either the Commercial Franchise or Residential Franchise Customers. Residential Customers that request Manure Dumpsters have the option to select Collection Services from either an Authorized Exclusive Commercial Franchise Waste Hauler or an Authorized Residential Franchise Waste Hauler. This applies to Manure-only Dumpsters for Residential Customers.

3. Collection of Construction and Demolition (C&D) Debris

This CONTRACT is not exclusive in regard to Collection, transportation, and Disposal/Diversion of Construction and Demolition Debris. Construction and Demolition Debris must be handled in accordance with the requirements in County Code Chapter 20.87 and by a hauler with all appropriate Public Health permits. Customers have the option to select any properly permitted Construction and Demolition Debris waste hauler as long

as the selected waste hauler has an agreement with the COUNTY to haul Construction and Demolition Debris.

D. Fees to COUNTY

In consideration for 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.

E. 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, Organic Waste (including Green Waste and Food Waste), Recyclables, and E-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.

The COUNTY makes no representations or warranties with respect to content of Solid Waste, any Solid Waste Disposal characterization study, or projections by Solid Waste material type. COUNTY expressly disclaims any representations and warranties, either express or implied, as to the merchantability or condition of Solid Waste for any purpose.

CONTRACTOR will not make any claim against the COUNTY based on any estimates, statements or interpretations made by any officer, employee, agent, or consultant of the COUNTY in connection with the procurement of this CONTRACT, including the COUNTY's Request for Proposals, which differ from the actual under this Franchise.

SECTION 2 - TERM OF CONTRACT

A. Term of Contract Services

This CONTRACT is effective and binding on the Execution Date. It expires on the Expiration Date. Certain Performance Obligations survive expiration or termination of this CONTRACT under subsection B below.

“**Commencement Date**” is the first date of service: January, XX, 2022.

“**Term**” is the period beginning on the Execution Date and ending on the Expiration Date.

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

“**Expiration Date**” is any of the following days, as may be extended described in the following subsection A1 of this Section:

- [July 31, 2032] in Contracts, or
- As earlier date that the Contract terminates 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. Three, 3-Year Extensions

Director may, in his sole discretion, extend the Term of this CONTRACT for up to three additional three-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 6 months for a total of no more than 6 months. For example, the Director may first extend the Term for 3 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 three 3-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 may notify CONTRACTOR of the intent to extend this CONTRACT no later than the following:

- 90 calendar days before a 2-year extension begins and 30 calendar days before an extension of any other duration.

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 B 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 Collection Services)
- Item A of Section 9 (Record maintenance)
- Part 6 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 6 of Exhibit 5 with respect to review of this CONTRACT
- Item B of Section 14, Authority to Execute
- Attachment 5-8H, CONTRACTOR's Representations and Warranties

3. Indemnities

All Indemnities.

4. Payments

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

- Payment of Transfer Deposits and Transfer Costs
- Damages under item D of Section 12
- Refund due to Customers that pay Customer Service Rates 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
- Copies of education and outreach completed
- Records of Non-Collection Notices 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 Containers), 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. Transfer or Removal of Containers

(1) If County Exercises Container and/or Cart Lids Purchase Options

If upon expiration or termination of this Collection CONTRACT the COUNTY purchases any or all Containers and Cart lids under item C10 of Exhibit 3A1, CONTRACTOR will transfer

ownership of those Containers and Carts to COUNTY with documentation satisfactory to COUNTY no later than 7 days after the expiration or termination.

(2) If County Does Not Exercise Container and/or Cart Lids Purchase Options

If upon expiration or termination of this Collection CONTRACT the COUNTY does *not* purchase any or all Containers and Cart lids under item C10 of Exhibit 3A1, then the CONTRACTOR will remove remaining Containers on COUNTY request no later than the following dates:

(a) The date Customers receive replacement Containers,

or

(b) 2 months after the expiration or termination of this Collection CONTRACT.

7. Container Purchase Option

COUNTY may purchase Containers as specified in item C10 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

A. Prescribed Scope

1. Collection Services

CONTRACTOR shall provide Contract Services in accordance with Exhibit 3A1 to the following Premises in the Service Area:

- Premises in the Service Area that were (1) receiving service up to the Execution Date from a non-exclusive Franchisee under a COUNTY Franchise for Non-Exclusive Commercial Solid Waste Collection Services, and (2) included in CONTRACTOR's franchise grant under this Collection CONTRACT, such as Commercial Premises, *unless* and *until* they un-subscribe from Contract Services and
- Upon request, Premises in the Service Area that are (1) not receiving Solid Waste handling services on the Execution Date but (2) are included in CONTRACTOR's franchise grant under this Collection CONTRACT, including Commercial Premises, and (3) subscribe to Contract Services.

2. 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, and system utilized by Director to track Collection Services;
- 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; such as plastic bags and cardboard boxes for community cleanup projects and/or special events.
- Insurance, bonds, or other performance security if the insurer, surety, or another 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.

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 shall choose the Solid Waste Facilities, unless otherwise directed by COUNTY as referenced in item D of Exhibit 3A1. 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. Collection Services

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

2. Service Area Boundary

The Director may adjust Service Area boundaries to account for new development near the Service Area. CONTRACTOR may request a Rate Adjustment only if a boundary results in greater than 10% change of the Service Area's total weekly service level.

C. Vehicles

1. General

CONTRACTOR shall use Vehicles of appropriate numbers, sizes, capacities, and functions required for the efficient Collection of different types of Solid Waste, such as Refuse, Recyclables, Organic Waste, and Bulky Items. CONTRACTOR shall also provide non-compacting Vehicles for the Collection of E-waste, white goods and any other material 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 all local, state and federal Laws, regulations and requirements such as vehicle, engine and fuel standards, including, but not limited to, South Coast Air Quality Management District Rule 1193 and any Laws, rules and regulations superseding it.

CONTRACTOR shall comply with any additional requirement with respect to the Vehicles as set forth in this Section.

2. Alternative Fuel Vehicles

By 2025, 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 described in item L of Exhibit 3A1.

3. Automation

CONTRACTOR shall Collect Refuse, Recyclables, and Organic Waste in automated Collection Vehicles, except CONTRACTOR may Collect the following materials in non-automated Collection Vehicles:

- a. Bulky Items including E-waste*
- b. Holiday trees*
- c. Solid Waste discarded at Set-Out Sites that are Difficult to Service*

4. Renewable Natural Gas (RNG) Procurement

CONTRACTOR shall procure RNG derived from recycled Organic Waste that meets SB 1383 regulations Section 18993.1(h) requirements in the amount of, at least, 25% of their total fuel usage for servicing their Service Area.

CONTRACTOR shall agree that the COUNTY has the sole right to report this RNG procurement towards the COUNTY's fulfilment of its annual recovered Organic Waste product procurement target defined in accordance with 14 CCR Section 18993.1.

CONTRACTOR shall maintain records of all fuel contracts and purchases and provide to COUNTY upon request in addition to fulfilling reporting requirements stipulated under item A2 of Section 10 Reports. CONTRACTOR will be exempt from this requirement if fuel equivalency used for CONTRACTOR's Collection Vehicles exceeds 75% electric. If CONTRACTOR's fuel equivalency used exceeds 75% electric, then CONTRACTOR's remaining non-electric fuel usage shall be SB 1383 eligible RNG.

CONTRACTOR may propose an alternative procurement plan, as listed in item J4 of Exhibit 3A1, with justification for why RNG procurement is not feasible or reasonable, provided the plan meets the RNG equivalent of 25%

total fuel usage and the requirements of SB 1383, Article 12, Section 18993.1(h). Implementation of such plan is subject to COUNTY approval.

5. 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.

6. Scales

Within 6 months of Director's request, all automated Collection Vehicles are to have the ability to weigh each Container as it Collects from each Occupant's Set-Out Site. This data is to be connected to each service address and submitted upon Director's request.

7. Vehicle 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 excessive noise, or exhibiting other significant issues identified by Director.

8. Safety Equipment

All Collection equipment used by CONTRACTOR shall have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags. All such safety markings shall be subject to the approval of COUNTY (if different from the markings commonly used by CONTRACTOR) and shall be in accordance with the requirements of the California Vehicle Code, as may be amended from time to time. All Collection Vehicles shall be equipped with audible back-up warning devices.

9. Vehicle List

CONTRACTOR shall use only Vehicles that have been submitted to and approved by the Director. CONTRACTOR shall submit a complete list of Vehicles, including back-up Vehicles, using the applicable reporting form, accessible through LA County's Data Management System and update it as Vehicles change.

10. 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 another dimension approved by Director. CONTRACTOR shall design, print, and install signs on each frame promoting Recycling of Recyclable materials and Organic materials, 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.

11. Vehicle Identification

CONTRACTOR's name or other name, as approved by Director, Vehicle identification number and logo shall appear on all Vehicles.

Collection Vehicle Technology All Vehicles used for Collection Services, shall be equipped with a 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 route with lines or dots superimposed on a map.

12. Global Positioning System (GPS)

All Vehicles used for Collection Services, shall be equipped with a 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 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 30 calendar days or other duration approved by Director.

The minimum (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.

CONTRACTOR may propose an alternate tracking system or device that results in similar results and data for Director approval.

CONTRACTOR must provide to Director at no additional cost or expense any software or licenses required to view recording or data. Director may request Reports from CONTRACTOR to track the location of Collection Vehicles in real time and to generate Reports as needed. 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 (e.g., between 10:00 a.m. and 11:00 a.m., or 1200 block of Main St.). 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.

SECTION 4 - SERVICE STANDARDS

A. Public Health and Safety; Nuisances

CONTRACTOR shall immediately Report to Director any public health and safety or nuisances listed below.

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 Items, CONTRACTOR shall also clean up all litter within a 3-foot radius of the site from which CONTRACTOR Collected the Bulky Item. 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.

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.

B. Private Property

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, in a form satisfactory to Director. 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 form satisfactory to Director. 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.

C. Non-Collection

CONTRACTOR is not obligated to Collect in any of the following events prescribed in item A5 of Exhibit 3A1.

D. Compliance with Civil Rights Law

CONTRACTOR shall comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e)(1) through 2000 (e)(17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical disability, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. Contractor shall comply with its EEO Certification (Form PW-7).

E. CONTRACTOR Waste Reduction Practices

Consistent with the Board of Supervisors' policy to reduce the amount of Solid Waste 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 offering them electronic notifications.

F. Customer Correspondence and Other Materials

CONTRACTOR shall submit to Director for approval, written materials CONTRACTOR intends to distribute to Customers at least thirty 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 approval, 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

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. Emergency Telephone Messages

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

3. Written Correspondence

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

4. 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

CONTRACTOR may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects within the Service Area with any other Solid Waste that it Collects outside the Service Area, without prior written approval from 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. Additionally, Director may consider allowing commingling of Solid Waste during emergency situations.

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

CONTRACTOR shall not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with any other type of Solid Waste that it Collects within the Service Area, without prior written approval from Director, as detailed in item M of this Section and further required in item E4 of Exhibit 3A1. For example, if a Vehicle is on its route Collecting Refuse, it may not Collect Recyclables or Organic Waste until after it has emptied its Refuse load at the approved facility.

J. Key Personnel

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 in Exhibit 17.

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

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

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

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 Organic Waste, and CONTRACTOR may Collect them in the same Container. If CONTRACTOR implements single-pass service, it shall

remove or replace the additional Collection Containers designated for Recyclables and Organic Waste from the Customer's Premises.

CONTRACTOR must separate those commingled Solid Waste materials at a High Diversion Organics Waste Processing Facility (HDOWPF) that complies with SB 1383 requirements and Divert them. CONTRACTOR shall maintain weight Records of commingled Solid Waste separately from weight Records of source-separated Solid Waste.

1. Approval

If a Customer requests the single-pass service, CONTRACTOR shall request single-pass service for such Customer(s). CONTRACTOR may request single-pass service on behalf of Customer(s) if they consider Customers would benefit from this service. Requests must be approved by the Director and include the following:

- Proposed Customer(s) address(es), and service level(s)
- Written justification of the total miles of the entire route to provide this service
- Written consent from Customer(s) affected by the single-pass, and
- Notification to Customer(s) residing on the Premises being serviced.

2. Billing Fees

If approved by Director, CONTRACTOR must charge Customers the total cost of providing this service. The billing fees shall be separated into two expense components.

- Disposal/Diversion Expense -This is the expense related to processing all the waste Collected through single-pass. This is the tip fee (\$ per ton) at the HDOWPF multiplied by the total single-pass Tonnage.
- Transportation Expense - This is the added expense related to sending one special truck from CONTRACTOR's yard to the Service Area and then to the HDOWPF. This expense shall be identified as a cost per mile as stipulated in Attachment 7-2, Service Rates of Exhibit 7. At the time of implementation, CONTRACTOR shall provide justification of the total miles of the entire route to implement the single-pass option. The total expense shall be the cost per mile multiplied by the total miles. The Director may assign differing percentages for distributing this expense among the customers if distance varies greatly to serve one Customer versus the other.

Contractor shall add the Disposal/Diversion Expense and the Transportation/Labor Expense for a total cost of implementation. Rates charged to Customer(s) shall be the total cost of implementation divided by total cubic yards serviced of all Dumpsters and/or Carts within the single-pass option, and then multiplied by each Customer(s) cubic yard single-pass service for their individual rate.

For example:

- 2 large Customers are approved for single-pass service
 - Customer A will have 40 cubic yards service
 - Customer B will have 80 cubic yards service
- CONTRACTOR identifies total tonnage collected is 15 tons (via weigh tickets) and tip fee is \$110/ton = \$1650
- CONTRACTOR identified \$10/mile and total single-pass route is 20 miles = \$200
- Customer A rate = $\$1850/120\text{CY} \times 40\text{CY} = \616.66
- Customer B rate = $\$1850/120\text{CY} \times 80\text{CY} = \1233.33

3. Customer Billing

CONTRACTOR shall invoice single-pass Customers quarterly. CONTRACTOR must ensure they accurately bill Customers for all services provided. CONTRACTOR must provide Customers a 30-day notice prior to changing any billing rates.

N. Professional Manner

The services provided by CONTRACTOR shall be performed in a thorough and professional manner so that all Customers are provided at all times with reliable, courteous and high-quality Solid Waste handling services. To determine what is “professional” COUNTY may consider policies, standards, recommendations and other statements from associations whose members handle Solid Waste, such as the Solid Waste Association of North American (SWANA), the National Waste and Recycling Association, Association of County Engineers.

O. Privacy

1. General

CONTRACTOR shall strictly observe and protect the rights of 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.

SECTION 5 - ADDITIONAL CONTRACT PROVISIONS

Exhibit 5 contains additional CONTRACT provisions that are incorporated by reference into the CONTRACT. Exhibit 5 includes the following parts:

- Part 1 General CONTRACT Requirements
- Part 2 Indemnification and Insurance
- Part 3 Suspension; Termination; Debarment Breaches and Defaults
- Part 4 Transfer of CONTRACT
- Part 5 General Provisions
- Part 6 Definitions and Interpretations of CONTRACT
- Part 7 Compliance with Laws and Regulations
- Part 8 Labor-Related Provisions Required in County Contracts

SECTION 6 - CUSTOMER SERVICE

A. Facilities

CONTRACTOR shall maintain both the following:

- A Vehicle maintenance yard, and
- Office at the address provided in Contractor Documentation in Exhibit 17.

CONTRACTOR may change the address by notifying Director in accordance with item A5 of Exhibit 17.

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. Director may also require reasonable access to other languages such as through a translation service.

7. Knowledgeable Staff

CONTRACTOR shall provide customer service representatives with a knowledge of basic services in the CONTRACT. A supervisor with extensive CONTRACT knowledge is to be available to respond to questions or concerns by callers.

A representative answering a regional or nation-wide hotline with no CONTRACT specific training is not acceptable. Also, calling someone back after researching the correct answer is acceptable but providing the wrong information due to a lack of adequate training is not acceptable.

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, Christmas tree pick-up information, service changes, invoice explanations, allowable and forbidden discards, list of Recyclable and Organic 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 online for all Collection Services including Extra Services Fees as referenced under item B3 of Section 7.

c. Service Requests

Requests for service Collection that is not regularly scheduled, including on-call Bulky Item Collections, 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

COUNTY may direct CONTRACTOR to add a link to Director's websites, such as but not limited to CleanLA.com, Smartbusiness.com and FoodDROPLA.com.

2. Paperless/Electronic Notifications

To reduce paper waste and reach more readers, CONTRACTOR shall offer their Customers the option to receive information via electronic notification. Information to be included in the electronic notification may include:

- 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 and provide to Director upon request.

D. Responses to Customer Complaints and Other Correspondence

1. Resolution of Complaints

CONTRACTOR shall investigate all Customer and Occupant complaints including but not limited to service complaints such as missed pick-ups, customer billing and complaints related to non-compliance of SB 1383 requirements.

b. 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.

c. 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.

d. 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.

e. Investigation of SB 1383 Regulatory Non-Compliance Complaints

The CONTRACTOR shall investigate any SB 1383 Regulatory Non-Compliance Complaints within their Service Area in efforts to assist the COUNTY in meeting the 90-day compliance deadline as stipulated in SB 1383 Regulations (14 CCR Section 18995.3(c)).

Upon CONTRACTOR completion of the investigation, the CONTRACTOR shall submit an investigation report that documents the investigation performed and shall recommend to the COUNTY on whether or not the entity investigated is in violation of SB 1383 based on the CONTRACTOR's investigation. The COUNTY shall make a final determination of the allegations against the entity.

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 A1 of Section 10.

3. 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 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 Public Works Road Closure website (<http://pw.lacounty.gov/roadclosures/>) for conditions that may cause service interruptions. CONTRACTOR shall not alter or interrupt its service schedule without Director approval.

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
- Provide Customer Subscription Order form, Bill of Rights, most recent Bi-annual newsletter
- Mail brochure
- Offer Bulky Item Collection upon move-in/out
- Offer paperless/electronic notifications
- Deliver Containers
- Explain Organic Waste Diversion requirements and offer on-site training

2. Terminating Service

CONTRACTOR shall give each Customer the option to terminate its terms and conditions without cause on 14-days' Notice. CONTRACTOR shall refund any advanced payment for service after termination. CONTRACTOR shall notify COUNTY immediately upon Customer request to terminate.

Additionally, upon Customer request to terminate Collection Services the CONTRACTOR must complete the following:

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

H. No Evergreen

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

I. Term Limitation

CONTRACTOR shall limit the terms of Customer Subscription Orders to no longer than the remaining term of this CONTRACT.

J. No Charges

CONTRACTOR shall not impose a charge on a Customer that terminates Collection Services with or without cause, including Liquidated Damages, penalties, or removal fees for any Carts, Dumpsters or Roll-off Containers.

SECTION 7 - SERVICE RATES AND BILLING**A. Customer Service Rates**

The CONTRACTOR shall bill all Customers at rates not to exceed those specified In Attachment 7-2, of Exhibit 7 Service Rates. The CONTRACTOR shall be solely responsible for providing accurate billing statements and collecting billing payments from Customers. Billing shall be performed on the basis of services rendered, including the minimum base rate (includes Refuse, Recyclables, and Organic Waste) and Extra Services Fees, as applicable. COUNTY is not liable for paying any Customer's invoices, including delinquencies and surcharges relating to contamination.

CONTRACTOR shall charge Customers accordingly as stipulated in Attachment 7-2 Service Rates of Exhibit 7, meaning Commercial Business, Multifamily, and Residential Customers will each have distinct Service Rates.

1. Uniform Rates

CONTRACTOR shall charge Customers the same, uniform Customer Service Rates for the same Collection Services listed in Attachment 7-2, Service Rates of Exhibit 7. For example, one Customer should not be charged \$10 for Scout Service while another Customer is charged \$8.

2. Base Rate

The Minimum Default Collection Service includes a minimum base rate for the Collection of Refuse which is agreed upon by the Customer and includes an automatic subscription of a 96-gallon Cart for Recyclables and a 64-gallon cart for Organic Waste at no additional charge, Collected once per week. Additional service days and additional size Containers beyond the minimum base rate shall be charged according to the Service Rates Schedule listed in Attachment 7-2 of Exhibit 7.

3. Extra Services Fees

The CONTRACTOR shall charge Customers accordingly for additional services as listed in Exhibit 7, Extra Services Fees to Customers. Maximum rates shall not go beyond what is specified. Some additional services include scout service, container locks, contamination fees, and additional Bulky Item pickups. See full list in Exhibit 7, Attachment 7-2, Extra Services Fees.

4. Roll-offs and Compactors

Refuse, Recyclables and Organic Waste Collected in Roll-off Containers and compactors shall be billed to the Customer at the rates specified in Attachment 7-2 of Exhibit 7, Service Rates Schedule. Rates included are specified for temporary and permanent Roll-offs and compactors.

CONTRACTOR may provide Roll-off Containers for Construction and Demolition Debris. CONTRACTOR shall charge the Customer as indicated in Attachment 7-2 of Exhibit 7, Extra Services Fees.

5. Rates for Customers with Waivers and Exemption

CONTRACTOR shall charge the Customers with the discounted rates as set forth in Attachment 7-2 of Exhibit 7, for any Customers that have been granted any waivers and/or exemptions by the COUNTY as referenced in item B of Section 1.

CONTRACTOR shall ensure that accurate Records are maintained for such waivers and exemptions and Customers are billed properly.

6. Senior Discount

CONTRACTOR shall discount the Customer's Basic Service Rate by 25 percent applied to Elderly Customers at Residential Premises such as:

(a) Residential Customers who have Dumpster Collection Services for Refuse and meet 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.

7. Rate Adjustments

Initial Service Rates are set based on the maximum rates proposed in the Exhibit 7 of Attachment 7-2, Service Rates Schedule. The Service Rates will thereafter be adjusted using the Consumer Price Index (CPI) for Trash and Garbage Collection (CUUR0000SEHG02), as described in Exhibit 7, Rate Adjustments. The first Rate Adjustment will be effective July 1, 2023.

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, if any.

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 all Customers monthly, or an alternate frequency as approved by Director. Additionally, CONTRACTOR shall invoice single-pass Customers quarterly as set forth in item M of Section 4, Single-Pass Collection .

Collection Services including any surcharges are to be billed to all Customers one month in advance. Bills shall be sent on or before the first day of the billing period. Payment in full is due no later than the last day of the month.

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

3. Electronic Invoicing

To reduce paper waste, CONTRACTOR shall make available and encourage 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 and encourage 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 Collection 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 ten 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 billed month. 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 months, 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, Collection Service may be stopped. If payment is not received after 3.5 months, Collection Services 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 A3 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 Collection Services shall be provided.

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

Plain Language Table

Elapsed Time	Action
Before or on 1st day of the month	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, 10 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

The COUNTY may direct the CONTRACTOR to continue to provide Collection Services to delinquent Customers during health and safety emergencies (such as an earthquake, storm, or riot, pandemic or when Solid Waste is accumulating at Set-Out Sites for more than a week) as referenced in item B of Section 11.

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.
- Providing copies of route maps

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.

a. *Legal Requirements*

CONTRACTOR shall maintain all records required under Applicable Law, including:

(1) records pertaining to Solid Waste Collection, and Disposal under County Code Section 20.72.160.

b. *Inter-jurisdictional Routes*

(1) *Acknowledgement*

CONTRACTOR acknowledges that if CONTRACTOR erroneously attributes Solid Waste that CONTRACTOR Collects in incorporated cities, other counties or Garbage Disposal Districts with Solid Waste that CONTRACTOR Collects in the unincorporated areas of the COUNTY under this CONTRACT, then the COUNTY may be subject to fines for failure to Divert Solid Waste from landfill Disposal as required under AB 939.

(2) *Obligation*

CONTRACTOR shall comply with 14 CCR 18808.7 and maintain records used to prepare Reports submitted to COUNTY, including jurisdiction of origin necessary to determine the weight of Solid Waste that CONTRACTOR Collects in the Service Area. CONTRACTOR shall document the method by which it allocates Solid Waste Collection route that includes a jurisdiction other than the COUNTY.

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 3 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 by using the data management system forms used for submitting Reports 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. Quarterly Reports

The Director may request any Reports or data be reported prior to the Quarterly Reports submissions as referenced under subsection D of this Section.

Within 30 days after the end of each calendar quarter, or as determined by Director, CONTRACTOR shall submit the Quarterly Report for the preceding three (3) calendar months ending with that month to Director using the forms maintained on the data management system or provided by Director, which includes the following information:

a. Tonnage Report

CONTRACTOR shall report the total quantities in Tons of Materials Collected, Transferred, Processed, and Disposed by the CONTRACTOR. The report shall contain Tonnage data broken down by Container type Collected and must identify each Processing facility(ies) utilized for each Container type Collected.

b. Rejected Recyclables and Organic Waste

CONTRACTOR shall report the number of loads and Tons of Recyclables and Organic Waste rejected for Processing based on the Collection Container, together with the reason for rejection and facility at which the rejected materials were Disposed.

c. Educational Materials

CONTRACTOR shall report all educational materials distributed, and any events attended by CONTRACTOR to its Customers. Reports shall include dates when materials were distributed, along with the Service Area(s) it was distributed, location of events held, and which Customer type received the education material (i.e., Residential, Multifamily, Commercial, or all Customers).

d. Non-Collection Notices

CONTRACTOR shall report the total number of Non-Collection Notices issued, date/time of non-collection incidents, and the reasons for issuance including the list of Customers along with the Customer/Occupant information such as addresses, and service

levels. CONTRACTOR shall also provide dated photographic evidence of Non-Collection Notices issued and photographs of Customer non-collection incidents.

e. Customer List

CONTRACTOR shall report and provide a Customer list which includes all active and inactive accounts, account numbers, name associated with each account, Customer phone number, address and e-mail address, service site location address, level of service and material type Collected for each Container provided at each address, service day(s), additional services provided, indicate exemption or waiver type if applicable, and any other information associated with the Scope of Services as requested by Director.

Along with COUNTY's Customer list, the CONTRACTOR must provide their incorporated Customer list which should only include the Customer's service location addresses.

CONTRACTOR shall also indicate which Customers are not subscribed or adequately subscribed to Solid Waste Collection Services.

Additionally, CONTRACTOR shall report on Customers mentioned in subsection B of Section 1.

f. Financial Report

CONTRACTOR shall provide financial report(s) for all serviced Customers. Financial reports may also include a monthly billing and gross receipts report. The report(s) shall include and are not limited to, account number, account name, account address, service location/site address, invoice number, invoice date, billing amount/current charges in detail by billing description (i.e. 4YD FL Refuse, 3YD FL Recycle, late charge, etc.), payment received, payment date, payment type (i.e. check/cash/money order), account balance to date, and any other information as requested by Director.

g. Customer Service Communications Log

CONTRACTOR shall provide a copy of the customer service log which should include all service complaint activities and SB 1383 Regulatory Non-Compliance Complaints.

(1) Service Complaints

Logs shall include the Customer's information such as Occupant and/or Customer's phone number and/or e-mail

address, address, a summary of the type and number of complaints, missed pickups, and Non-Collection Notices and their resolution in a format acceptable by COUNTY.

(2) SB 1383 Regulatory Non-Compliance Complaints

CONTRACTOR shall report the number of complaints that were received and investigated, and if applicable, any educational materials issued to the Customer and resolution as referenced in item D1d of Section 6.

h. Containers Removed Upon Director Request

(1) Carts or Dumpsters Stored in Right-of-Way

CONTRACTOR shall report the number and addresses of Containers removed, fees charged, and Containers returned, per item C7d of Exhibit 3A1.

i. Contamination Monitoring

CONTRACTOR shall report the number of route reviews conducted for contamination monitoring and the number of times notices, violations, or targeted education materials were issued to Customers for Container Contaminants including the total number of Containers Disposed as Refuse due to the observation of Container Contaminants as described in item J1 of Exhibit 3A1.

j. Facility List

CONTRACTOR shall report and identify all Solid Waste Facilities used to Process all materials Collected. If utilizing a High Diversion Organic Waste Processing facility to Process Mixed Waste Collection, CONTRACTOR shall identify such facility and must include the Recycling and Disposal Reporting System (RDRS) identification number for the facility(s).

CONTRACTOR shall also report the facility tip fee and Diversion rates per Processed material group (e.g., Recyclables, Organic Waste, Food Waste and Mixed Waste).

k. Customer Waivers

CONTRACTOR shall maintain a record of waiver requests and COUNTY issued De Minimis and Physical Space waivers. CONTRACTOR records must reflect COUNTY Records and any changes to a Customer's eligibility shall be reported to the COUNTY immediately. CONTRACTOR shall also notify the COUNTY of

generators CONTRACTOR believes is eligible for a De Minimis and/or Physical Space waiver.

l. Site Visits

CONTRACTOR shall provide the Director a detailed summary Report of the site visits that were conducted and it shall include the following: No. of site visits performed during the quarter, the name and address of each Customer visited including the contact name and phone number, the date of each visit, any recommendations for service level changes, any outreach provided and summary of site visit and outcome.

m. Commercial Edible Food Generators

CONTRACTOR must report to COUNTY if they notice Edible Food in any Solid Waste Container and indicate the estimated percentage and/or pounds of Edible Food Disposed.

In addition, the Report shall include the Commercial Edible Food Generator's business name if applicable, the corresponding account holder name(s), account number, contact information, address, and photographic evidence of the Disposed Edible Food.

n. Bulky Item Collections

CONTRACTOR shall report all Customers that received Bulky Item Collection Services, number of pick-ups and number of items in each pick-up.

o. Contamination and Other Fees

CONTRACTOR shall provide to Director a list of Customers who were charged a contamination fee, Container violation fee or an extra pick-up fee as referenced In Exhibit 7, Attachment 7-2 (Extra Services Fees).

p. Collection Route Maps

CONTRACTOR shall e-mail changes in Collection route maps and schedule during the prior month.

q. Special Events Collection

CONTRACTOR must notify and report to COUNTY the Collection Services that CONTRACTOR provided at any special events located within the unincorporated communities of Los Angeles County.

The Report shall include the type of Collection Service provided (e.g., Refuse, Recycling and/or Organic Waste Collection) and service level, name and address of event, event coordinator contact information, and any other information associated with the event that may be requested by the Director.

Additionally, CONTRACTOR must notify COUNTY immediately if the special event includes any Edible Food activity.

2. 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. Solid Waste Diversion Program Implementation

A Report of CONTRACTOR's compliance with its Performance Obligations with respect to Solid Waste Diversion program implementation during the preceding Calendar Year. This Report includes, but is not limited to, CONTRACTOR explanation of their Solid Waste Diversion efforts.

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 Part 5K of Exhibit 5.

c. Collection Vehicle Compliance

Each Vehicle's compliance with any applicable local, state and federal regulations and requirements including 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. Scavenging

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

e. 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.

f. *Procurement of Recovered Organic Waste Products*

(1) *RNG Procurement*

CONTRACTOR shall report the total amount of renewable natural gas (RNG) procured by CONTRACTOR for use in automated Collection Vehicles dedicated for CONTRACTOR's Service Area, pursuant to Section 3C, in diesel gallon equivalents (DGE). The CONTRACTOR shall include copies of any receipts, invoices, or other similar documentation evidencing procurement.

(2) *Alternative Procurement Plan (If Applicable per item J4 of Exhibit 3A1)*

CONTRACTOR shall include copies of any receipts, invoices, or other similar documentation evidencing procurement activities.

g. *Processing Facility Reports*

(1) *Plastic or Compostable Bags*

If CONTRACTOR Collects Organic Waste in plastic or Compostable bags, CONTRACTOR must provide a written representation and warranty from the Processing facility to the Director that the approved Organic Waste Processing Facility has and will continue to have the capabilities to Process and remove plastic or compostable bags when it recovers Source Separated Organic Waste.

(2) *High Diversion Organic Processing Facility*

CONTRACTOR shall provide copies of quarterly and annual average Mixed Waste Organic content recovery rates for each High Diversion Organic Waste Processing Facility used by CONTRACTOR to demonstrate that the facility(ies) meets or exceeds the Organic Waste content recovery requirements specified in 14 CCR Section 18984.3.

(3) Compostable Plastics

If CONTRACTOR accepts Compostable Plastics, CONTRACTOR must provide a Written notification to the Director that the approved Organic Waste Processing Facility(ies) has and will continue to have the capabilities to Process and recover the Compostable Plastics included with the Source Separated Organic Waste transported to the approved Organic Waste Processing Facility.

(4) Quarantined Organic Waste

CONTRACTOR shall provide a record of all compliance agreements for quarantined Organic Waste that are Disposed of, including the name of Generator, date issued, location of final disposition, and the amount of quarantined Organic Waste that was required to be Disposed at a Landfill.

(5) Temporary Equipment or Operations Failure

If CONTRACTOR is granted a Processing facility temporary equipment or operational failure waiver in accordance with item D5 of Exhibit 3A1, CONTRACTOR shall report the following documents and information:

- a. The number of days the Processing facility temporary equipment waiver or operation failure waiver was in effect;
- b. Copies of any notifications sent to the Director pursuant to item D5 of Exhibit 3A1, and copies of COUNTY notices to CONTRACTOR pursuant to item D5 of Exhibit 3A1;
- c. Documentation setting forth the date of issuance of the waiver, the timeframe for the waiver; and,
- d. A record of the Tons of Recyclables, Organic Waste, and Mixed Waste materials redirected to an alternative Solid Waste Facility or Disposed at an approved Solid Waste Disposal Facility as a result of the waiver, recorded by Collection Vehicle or transfer vehicle number/load, date, and weight.

3. Reports of Unauthorized Collectors

As described in item B10 of Section 1, if CONTRACTOR discovers that any Person is providing MSW Management Services in the Service Area who is

not authorized by Director or is 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 from liability for any act of a Violator.

4. Legally Required Reports

CONTRACTOR shall file all Reports required under Law, including County Code Section 20.72.50 (Area, Services, Rates and Schedules).

5. Improper Solicitations

CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit improper consideration (including in the form of cash; discounts; service; or the provision of travel, entertainment, or tangible gifts), to:

(1) COUNTY manager charged with the supervision of the employee;

or

(2) the COUNTY Fraud Hotline at (800) 554-6861 or www.fraud.lacounty.gov

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. Quarterly Reports and Annual Report

Submitted via e-mail or other electronic form or printed copy, as determined by Director, in accordance with this Section and Section 12.

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; and,
- 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).

E. Reports of Cybersecurity Breaches

CONTRACTOR must notify the Director immediately if CONTRACTOR's data security system encounters any cyber security breach.

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 Collection 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 Collection 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 Direct Costs below.

(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, including Direct Costs of using CONTRACTOR's personnel to operate CONTRACTOR's equipment or vehicles.

The Parties shall select an appraiser as follows: within ten days after CONTRACTOR requests payment of rental fees in events described in item (1) of this subsection 4a, 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. Customer Services - Response to Emergencies

Depending on the extent and magnitude of an emergency, Customers may encounter issues with making payments and CONTRACTOR may be unable to fulfill all CONTRACT requirements. Upon declaration of a Federal, State or Local emergency, Director may implement the following policies with written Notice regarding Collection Services:

1. No Stop Service

CONTRACTOR shall not stop service to any account for delinquent payment during an emergency. Not applicable to debt prior to the emergency.

2. No Late Fees

CONTRACTOR shall not charge late fees on bills unpaid amount incurred during the emergency. Not applicable to debt prior to the emergency.

3. Extended Payment Option

CONTRACTOR shall allow Customers up to 12 months after an emergency to make monthly payments to debt incurred during the emergency. Not applicable to debt prior to the emergency.

4. Adjustment of Existing Services

COUNTY shall consider implementing changes such as:

- **Non-essential services suspend**
 - Cart exchanges if they are still usable
- **Bulky Item collection may be delayed up to 3 weeks** from call-in (not applicable to service areas where call-in is not required)

- **Collection hours are expanded to 6 am to 8 pm**
- **Time required to speaking to a live customer service representative** may be extended but Public Works must be notified if the average time exceeds 20 minutes.
- **Weekly collection modified**
 - Biweekly Organic Waste
 - Biweekly Recyclables (residents stockpile and compact their Containers to fit more)
 - Alternating weeks of Recyclables and Organic Waste
 - Comingled trash with Recyclables and/or Organic waste.

5. Adjustment of Franchise Fees

a. Debt Incurred During Emergency

12 months after an emergency, COUNTY will match the debt incurred as a result of Customers not paying their bills during an emergency. CONTRACTOR must submit documentation to the satisfaction of the Director. Future Franchise Fees invoices will be adjusted by Director. For example, if the CONTRACTOR has \$100,000 of unpaid bills 12 months after an emergency, Director will reduce the Franchise Fee invoice by \$50,000. If CONTRACT will terminate prior to the 12 months, Director will consider an alternate timeline.

At any time after the Director has authorized the debt to be deducted from Franchise Fee and CONTRACTOR is able to recover additional payments from Customers, or former Customers, those recovered funds must be shared equally with COUNTY.

b. Franchise Fee Payment Extension

Director will consider adjusting Franchise Fees during an emergency, extending the deadline to pay an invoice.

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, including uncontrollable circumstances. Examples of circumstances include CONTRACTOR's employees on strike or mudslides, wildfires, or earthquakes that cause blocked or damaged roads. In the event there is a protracted service disruption due to any cause, CONTRACTOR will institute proactive actions to sustain Solid Waste Collection Services. Since Customers are expecting services that CONTRACTOR is not providing, CONTRACTOR shall propose the appropriate services below for Director approval and must not charge Customer or COUNTY for providing these services, unless noted below.

1. Provide Conveniently Located Dumpsters or Roll-off Containers

CONTRACTOR will place 3 or 4-yard Dumpsters and/or Roll-off Containers throughout the community in key locations approved by Director.

2. Offer Self-hauling of Solid Waste to a Facility

CONTRACTOR will use Reasonable Business Efforts to make arrangements with the Solid Waste Disposal Facility normally used by CONTRACTOR for this Contract to allow each Occupant to direct haul and dispose of their Solid Waste, 6 days per week. The facility shall only charge the Customer for Disposal costs for quantities exceeding 100 pounds and there shall be no minimum quantities.

Additionally, if Director determines the distance to the CONTRACTOR's usual facility is too far from Occupants, CONTRACTOR will arrange for a local facility to allow each Occupant to drop-off the Solid Waste.

3. Inform Customers of Temporary Procedures

CONTRACTOR will use Reasonable Business Efforts to inform Customers and Occupants of the above service and Disposal options. CONTRACTOR will provide Customers and Occupants with information on where and how to dispose of the Occupant's Solid Waste by the following means:

- A recording on its customer service line.
- Arrange for the broadcast of COUNTY's 30-second Public Service Announcement video on local cable access channels with CONTRACTOR to customize it to the situation, such as having text appear on the screen announcing date, times, and addresses.
- Contact local print media and produce a press release.
- Contact Customers and Occupants via phone, e-mail, or text messages.

4. Credit Policy for Missed Contract Services

a. Missed Curbside Collection

Since Occupant is expecting a Collection Service not provided, CONTRACTOR shall automatically credit Customer for each missed Collection. For example, if a strike disrupts 2 weeks of the 13 Collections in a quarter, CONTRACTOR would credit Customer 2/13 of that quarter's fee toward the next quarter's fee.

b. Other Customer Services

When CONTRACTOR is unable to offer Collection Services other than curbside Collection, such as Bulky Item Collection, Community

Meetings, or other required services, CONTRACTOR shall provide evidence of cost associated with those services and offer alternate services acceptable to Director.

5. Provide Replacement Drivers and Security

CONTRACTOR shall use Reasonable Business Efforts to require all properly trained and licensed employees to operate Collection Vehicles to maintain core Disposal and Diversion services. As described in the above paragraphs, CONTRACTOR shall be properly staffed to provide drop-off services for each Occupant. In addition to CONTRACTOR staff, CONTRACTOR shall use drivers or Vehicles from other operations and other waste haulers.

Finally, in cases of a strike, CONTRACTOR shall work closely with a private security firm to guarantee a safe and consistent operation.

6. Identify Customers Requiring Priority Service

CONTRACTOR shall contact the elderly and disabled Occupants and shall use Reasonable Business Efforts to Collect putrescible Solid Waste from their residence.

D. Use of Goods, Services and Property

1. Dumpsters and Cart Acquisition Contracts

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

- Providing substitute service in accordance with its remedies under Part 3 of Exhibit 5 for Breach or default, and
- Purchasing Dumpsters and Carts upon termination of this Contract.

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

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

“Dumpsters and Cart Acquisition Contract” means an instrument establishing a security interest in the Dumpsters and Carts or that otherwise

encumbers or limits CONTRACTOR's interest in Dumpsters and 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 Dumpsters and Carts in a secure location. CONTRACTOR shall update its Dumpsters and Carts 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 3B3 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 Collection 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 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 3D2c of Exhibit 5, costs incurred by COUNTY to provide or reprocur MSW Management Services in lieu of Collection Services;
- If COUNTY terminates this CONTRACT before expiration for a CONTRACTOR Default or in the event of Criminal Activity in accordance with Part 3D2c of Exhibit 5, costs of MSW Management Services provided or reprocured in lieu of Collection Services more than Customer Service Rates for the balance of the Term remaining if this CONTRACT had not been terminated; and
- In the event of CONTRACTOR Default under Part 3B3 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 5-8H, 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 Attachment 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 Collection 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 those described in Collection 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 Collection Services in order that the Parties will realize their expectations. COUNTY expects that CONTRACTOR shall perform Collection Services with due care in a workmanlike, competent, timely, and cost-efficient manner. CONTRACTOR expects to realize a profit by performing Collection 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

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 Organic 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 C3 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 by the parties hereto in any number of original separate counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic signatures. Electronic signatures include facsimile or e-mail electronic signatures. Each executed counterpart shall be deemed an original. All counterparts, taken together, constitute the executed CONTRACT.

The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, used in connection with the execution of this CONTRACT and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this CONTRACT had been delivered had been signed using a handwritten signature. CONTRACTOR and COUNTY (i) agree that an electronic signature, whether digital or encrypted, of a party to this CONTRACT is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intend to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this CONTRACT based on the foregoing forms of signature. If this CONTRACT has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, e-mail or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

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 Security

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 Collection 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
Applies to all 8 Service Areas	\$50,000

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 Collection Services
 - + 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 Collection Services but must provide for payment of moneys to COUNTY to; (1) secure substitute Collection 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 pay 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.

A. Maps

1. **Map of Exclusive Commercial Franchise Service Areas**

B. Service Areas Data Information

1. **Exclusive Commercial Franchise Service Areas Data**

C. Outreach

1. **Public Education and Outreach Guidelines**

SECTION 17 - CONTRACTOR DOCUMENTATION

A. CONTRACTOR's Compliance with CONTRACTOR Documentation

CONTRACTOR shall provide Collection Services in compliance with the CONTRACTOR Documentation attached as Exhibit 17.

B. Changes in CONTRACTOR Documentation

1. Notice to Director

CONTRACTOR shall give Director prompt Notice of any changes in CONTRACTOR Documentation listed in item A of Exhibit 17 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 in 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

2. Director Approval

CONTRACTOR shall submit to Director for review and approval any changes in CONTRACTOR Documentation listed in item B of Exhibit 17 Contractor Documentation, after the Execution Date. CONTRACTOR shall follow Notice procedure in Part 5F of Exhibit 5. Director's approval will be evidenced by the following acknowledgment, appended in 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 Approval

Acknowledgment: I have reviewed and approved the attached CONTRACTOR Documentation

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

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:

DAWYN R. HARRISON
Acting County Counsel

By _____
Deputy

[NAME OF CONTRACTOR]

By _____
President

Type or Print Name

Secretary

Type or Print Name

Enclosure B

**PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR
EXCLUSIVE COMMERCIAL FRANCHISE SERVICES (BRC0000246)**

SELECTED FIRMS

	Small-Sized Business Category Proposer Name	Local SBE	SBE	Minority	Women	Disadvantaged	DisabledVet	LGBTQQ
1	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Medium-Sized Business Category Proposer Name							
2	American Reclamation, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Large-Sized Business Category Proposer Name							
3	Valley Vista Services, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Ware Disposal, Inc.	N/A	N/A	N/A	Yes	N/A	N/A	N/A
5	USA Waste of California, Inc. dba Waste Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	GI Industries	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NON-SELECTED FIRMS

	Small-Sized Business Category Proposer Name	Local SBE	SBE	Minority	Women	Disadvantaged	DisabledVet	LGBTQQ
7	Robert M. Arsenian dba Southland Disposal Company	N/A	Yes	N/A	N/A	N/A	N/A	N/A
	Medium-Sized Business Category Proposer Name	Local SBE	SBE	Minority	Women	Disadvantaged	DisabledVet	LGBTQQ
8	Waste & Recycling Services, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Large-Sized Business Category Proposer Name	Local SBE	SBE	Minority	Women	Disadvantaged	DisabledVet	LGBTQQ
9	Arakelian Enterprises, Inc. dba Athens Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Burrtec Waste Industries, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	CR&R, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
12	NASA Services, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Waste Management Collection & Recycling, Inc. dba Waste Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A
14	Consolidated Disposal Service, LLC, dba Republic Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A

PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR EXCLUSIVE COMMERCIAL FRANCHISE SERVICES (BRC0000246)

15	Universal Waste Systems, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

FIRM INFORMATION*	American Reclamation, Inc.	Arakelian Enterprises, Inc. dba Athens Services	Burrtec Waste Industries, Inc.	CR&R	GI Industries	NASA Services, Inc.
BUSINESS STRUCTURE	Corporation	Corporation	Corporation	Corporation	Corporation	Corporation

CULTURAL/ETHNIC COMPOSITION		NUMBER/% OF OWNERSHIP					
OWNERS/PARTNERS	Black/African American	0	0	0	0	0	0
	Hispanic/Latino	0	0	0	0	0	0
	Asian or Pacific Islander	0	0	0	0	0	0
	American Indian	0	0	0	0	0	0
	Filipino	0	0	0	0	0	0
	White	2/100%	5/99%	2/50%	3/100%	0	3
	<i>Female (included above)</i>	0/0%	1/1%	1/50%	1/0%	0	1
		NUMBER					
MANAGER	Black/African American	0	6	2	2	0	0
	Hispanic/Latino	2	82	44	32	10	2
	Asian or Pacific Islander	0	9	2	6	1	1
	American Indian	0	0	0	2	0	0
	Filipino	0	8	0	0	0	0
	White	3	53	33	50	3	2
	<i>Female (included above)</i>	2	42	27	22	4	1
STAFF	Black/African American	4	42	27	10	1	0
	Hispanic/Latino	25	1,394	716	1,137	170	99
	Asian or Pacific Islander	2	3	9	20	0	0
	American Indian	0	0	1	3	0	0
	Filipino	0	17	0	0	0	0
	White	3	105	71	158	14	6
	<i>Female (included above)</i>	8	186	117	127	5	9
Total No. of Employees		39	1,719	905	1,420	199	110

COUNTY CERTIFICATION						
CBE	N/A	N/A	N/A	N/A	N/A	N/A

PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR EXCLUSIVE COMMERCIAL FRANCHISE SERVICES (BRC0000246)

LSBE	N/A	N/A	N/A	N/A	N/A	N/A
OTHER CERTIFYING AGENCY	N/A	N/A	N/A	N/A	N/A	N/A

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

FIRM INFORMATION*	Consolidated Disposal Service, LLC, dba Republic Services	Robert M. Arsenian dba Southland Disposal Company	Universal Waste Systems, Inc.	USA Waste of California, Inc. dba Waste Management	Valley Vista Services, Inc.	Ware Disposal, Inc.
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BUSINESS STRUCTURE	Corporation	Sole Proprietor	Corporation	Corporation	Corporation	Corporation
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CULTURAL/ETHNIC COMPOSITION		NUMBER/% OF OWNERSHIP					
OWNERS/PARTNE	Black/African American	0	0	0	0	0	0
	Hispanic/Latino	0	0	0	0	2/100%	0
	Asian or Pacific Islander	0	0	0	0	0	0
	American Indian	0	0	0	0	0	0
	Filipino	0	0	0	0	0	0
	White	0	1/100%	6/80%	0	0	2/100%
	<i>Female (included above)</i>	0	0	2/20%	0	2/100%	1/51%
		NUMBER					
MANAGER	Black/African American	10	0	0	1	0	1
	Hispanic/Latino	37	4	11	10	8	7
	Asian or Pacific Islander	5	0	0	1	1	2
	American Indian	0	0	0	0	0	0
	Filipino	2	0	1	0	0	0
	White	10	3	22	4	0	4
	<i>Female (included above)</i>	21	1	7	2	3	2
STAFF	Black/African American	56	0	6	20	1	0
	Hispanic/Latino	698	12	252	196	203	163
	Asian or Pacific Islander	12	0	4	1	2	2
	American Indian	2	0	2	0	0	0
	Filipino	6	0	1	0	1	0
	White	16	0	55	20	4	2
	<i>Female (included above)</i>	92	3	53	7	45	15

PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR EXCLUSIVE COMMERCIAL FRANCHISE SERVICES (BRC0000246)

Total No. of Employees	854	19	354	253	220	181
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COUNTY CERTIFICATION						
CBE	N/A	N/A	N/A	N/A	N/A	N/A
LSBE	N/A	N/A	N/A	N/A	N/A	N/A

OTHER CERTIFYING AGENCY	N/A	N/A	N/A	N/A	N/A	Women's Business Enterprise Council West
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*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

FIRM INFORMATION*	Waste And Recycling Services, Inc.	Waste Management Collection & Recycling, Inc. dba Waste Management				
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BUSINESS STRUCTURE	Corporation	Corporation				
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CULTURAL/ETHNIC COMPOSITION		NUMBER/% OF OWNERSHIP				
OWNERS/PARTNER	Black/African American	0	0			
	Hispanic/Latino	0	0			
	Asian or Pacific Islander	0	0			
	American Indian	0	0			
	Filipino	0	0			
	White	1/100%	0			
	Female (included above)	0/0%	0			

		NUMBER				
MANAGER	Black/African American	0	0			
	Hispanic/Latino	4	7			
	Asian or Pacific Islander	0	1			
	American Indian	0	0			
	Filipino	0	0			
	White	0	1			
	Female (included above)	2	2			

FF	Black/African American	0	4			
	Hispanic/Latino	22	98			
	Asian or Pacific Islander	0	0			

PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR EXCLUSIVE COMMERCIAL FRANCHISE SERVICES (BRC0000246)

STAI	American Indian	0	0				
	Filipino	0	0				
	White	0	0				
	<i>Female (included above)</i>	2	1				
Total No. of Employees		26	111				

COUNTY CERTIFICATION							
	CBE	N/A	N/A				
	LSBE	N/A	N/A				

OTHER CERTIFYING AGENCY	N/A	N/A					
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*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

Enclosure C



Los Angeles County Solicitations (/LACoBids/)



[Home \(/LACoBids/\)](#)

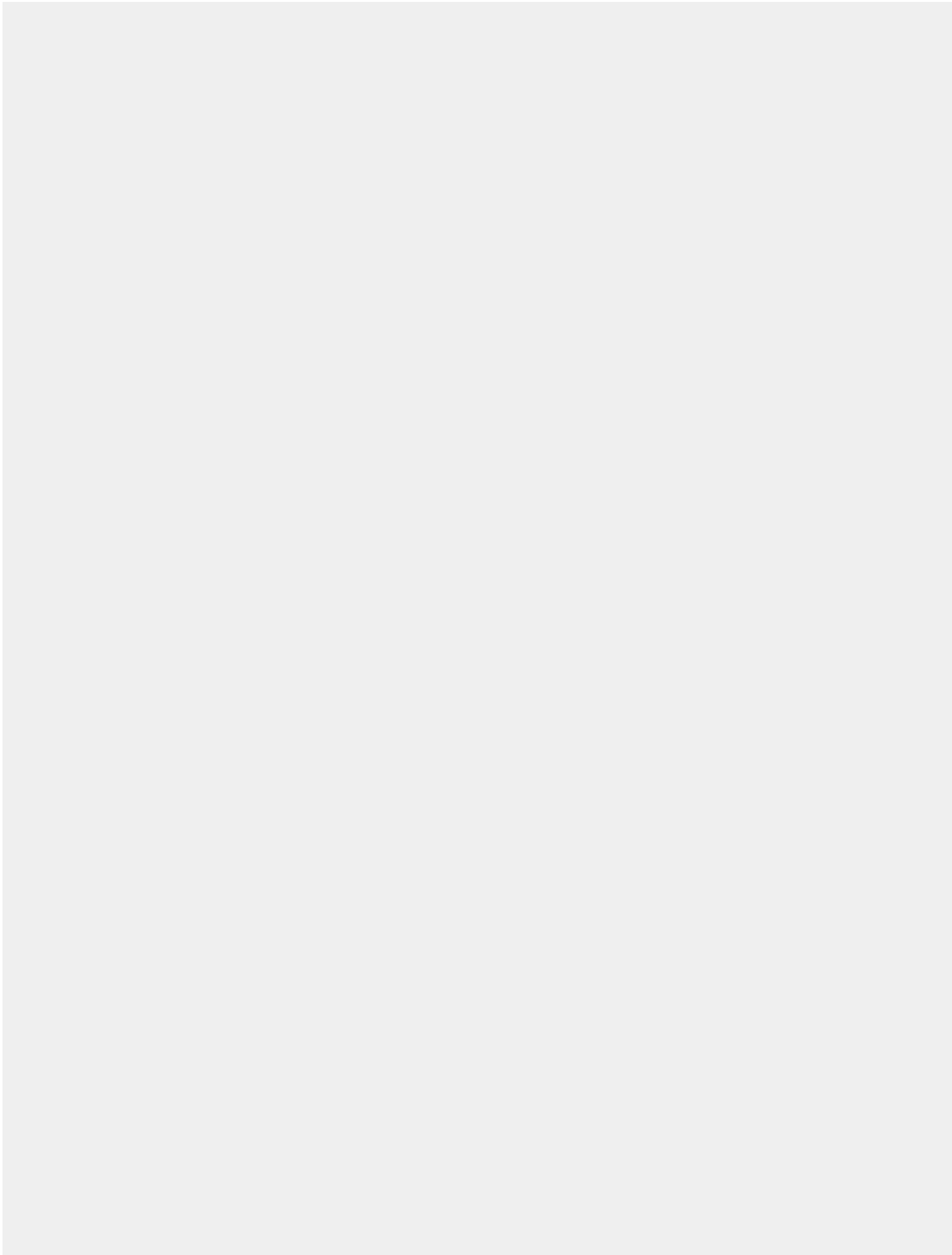
Powered by ISD | [Contact Us](#)

Solicitation Detail

Solicitation Number:	PW-BRCD065		
Title:	Exclusive Commercial Franchise Services (BRC0000246)		
Department:	Public Works		
Bid Type:	Service	Bid Amount:	\$50,000,000.00
Commodity:	GARBAGE/TRASH REMOVAL AND DISPOSAL SERVICE		
Description:	PLEASE TAKE NOTICE that Public Works requests proposals for Exclusive Commercial Franchise Services (BRC0000246) co... More		
Open Day:	11/10/2021	Close Date:	1/10/2022 5:30:00 PM
Contact Name:	David Pang	Contact Phone:	(626) 458-7167
Contact Email:	dpang@dpw.lacounty.gov		
Last Changed On:	11/10/2021 1:36:04 PM		
Attachment File (1):	➕ Click here to download attachment files.		



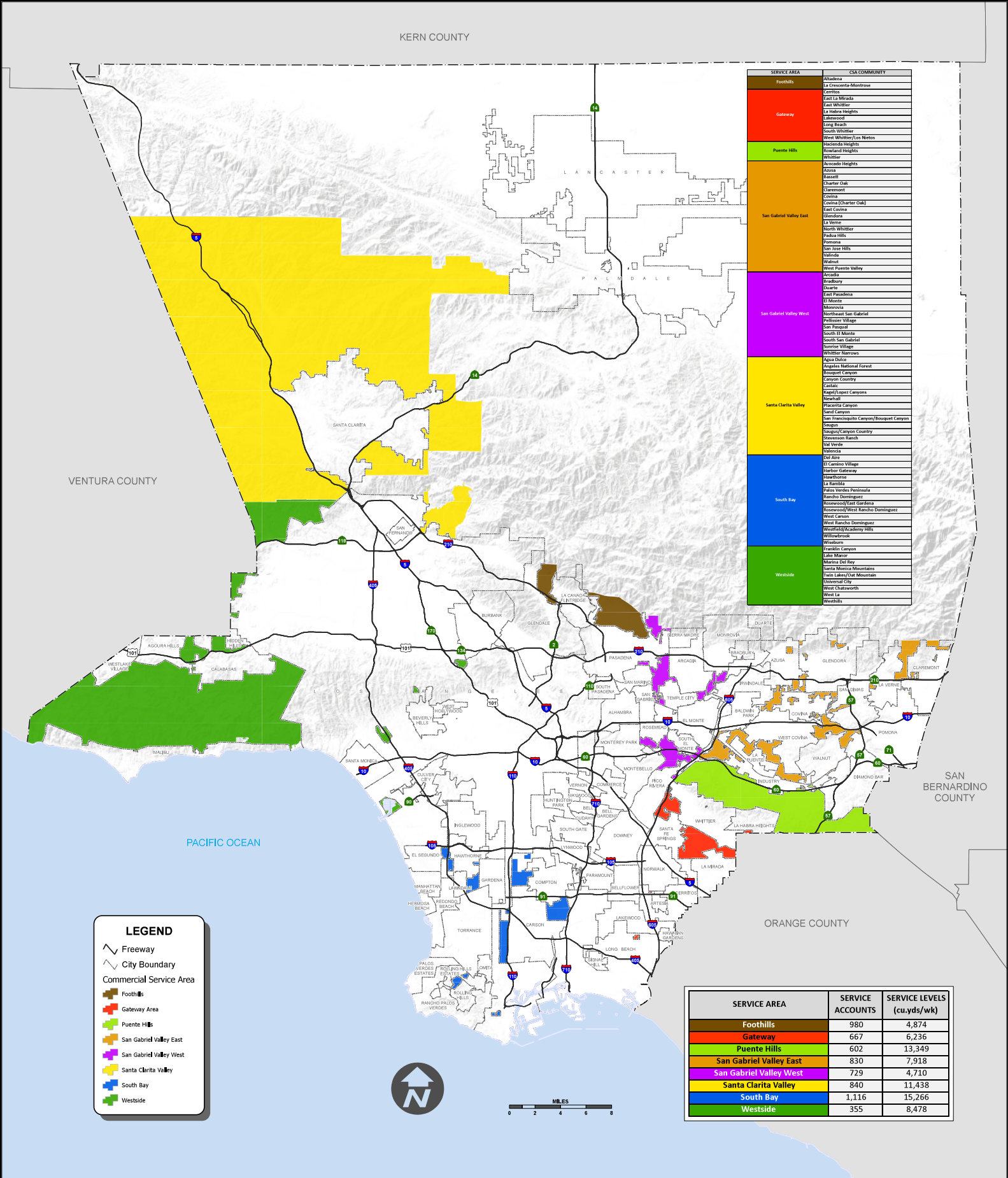
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Enclosure D



EXCLUSIVE COMMERCIAL FRANCHISE AGREEMENT SERVICE AREA



SERVICE AREA	CSA COMMUNITY
Foothills	Alhambra
	La Crescenta-Montrose
	Covina
	East La Mirada
Gateway	East Whittier
	La Habra Heights
	La Habra
	Long Beach
	South Whittier
Puente Hills	West Whittier/Los Nietos
	Hacienda Heights
San Gabriel Valley East	Whittier
	Avocado Heights
	Azusa
	Basett
	Charter Oak
	Claremont
	Covina
	Covina (Charter Oak)
	East Covina
	Glendora
	La Brea
	North Whittier
	Pasadena Hills
	Pomona
	San Jose Hills
Valinda	
San Gabriel Valley West	West Covina
	West Puente Valley
	Arroyo
	Arroyo
	Cherter
	East Pasadena
	El Monte
	Monrovia
	North San Gabriel
	Petaluma Village
	San Pasqual
	South El Monte
	South San Gabriel
	Spring Village
	Whittier Narrows
Santa Clarita Valley	Alpa Dulce
	Angels National Forest
	Arroyo Canyon
	Canyon Country
	Castro
	Keppel/Lopez Canyons
	Newhall
	Pasadena Canyon
	Sand Canyon
	San Francisco Canyon/Bouquet Canyon
	Shasta
	Singon/Canyon Country
	Swanton Ranch
	Tal Verde
	Valencia
South Bay	Del Aire
	El Cerrito Village
	Harbor Gateway
	Hawthorne
	La Bamba
	Palms Verdes Peninsula
	Palms Dominguez
	Rowland/East Gardena
	Rowland/West Rancho Dominguez
	West Carson
	West Rancho Dominguez
	Westmont/Academy Hills
	Wilmington
	Wortham
	Westside
Lake Manor	
Marina Del Rey	
Santa Monica Mountains	
Twin Lakes/Far Mountain	
Universal City	
West Chatsworth	
West La	
West Hills	

LEGEND

- Freeway
- City Boundary
- Commercial Service Area**
- Foothills
- Gateway Area
- Puente Hills
- San Gabriel Valley East
- San Gabriel Valley West
- Santa Clarita Valley
- South Bay
- Westside

SERVICE AREA	SERVICE ACCOUNTS	SERVICE LEVELS (cu.yds/wk)
Foothills	980	4,874
Gateway	667	6,236
Puente Hills	602	13,349
San Gabriel Valley East	830	7,918
San Gabriel Valley West	729	4,710
Santa Clarita Valley	840	11,438
South Bay	1,116	15,266
Westside	355	8,478

Survey/Mapping & Property Management Division, Mapping & GIS Services Section
 DATE: 06/29/2021